CA IMMO

ANNUAL FINANCIAL REPORT 2023
I.A.W. ARTICLE 124 OF THE
AUSTRIAN STOCK EXCHANGE ACT

CONTENT

MANAGEMENT **REPORT** **2023**

ONE
Frankfurt/Main

NOTES

GROUP STRUCTURE

CA Immo is a real estate company headquartered in Vienna with subsidiaries in Germany, Poland, Czechia, Hungary and Serbia. The parent company of the Group is the listed CA Immobilien Anlagen Aktiengesellschaft, based in Vienna, whose main activity is the strategic and operational management of its domestic and foreign subsidiaries. The individual branches operate as largely decentralized profit centers. Following the liquidation of all Cypriot companies and the exit from Romania, there is now only one other subsidiary or holding company in the Netherlands. As at December 31, 2023, the Group comprised a total of 145 companies (31.12.2022: 144) with 348 employees (31.12.2022: 392). In full-time equivalents (FTE), the number of employees as at 31 December 2023 was 307.4 (31.12.2022: 346.4). Excluding omniCon, the number of employees as at the reporting date of December 31, 2023 was 264 and the number of full-time equivalents (FTE) was 229.75.

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 account of 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 land development to the realization of the surrounding infrastructure and the construction and operation of new buildings.

The core regions comprise Germany, Austria, Poland and Czechia. In the 2023 financial year, it was decided to classify Hungary as a non-strategic market as part of the strategic capital rotation program and at the same time the Management Board was authorized to initiate all relevant activities in connection with the market exit, be it through the sale of the platform, a sub-portfolio or individual properties.

While business activities in Germany are concentrated on the cities of Berlin, Munich, Frankfurt and Düsseldorf, the strategic focus in the other countries is on the respective capital cities (Vienna, Warsaw, Prague). Accounting for around 66% of the total portfolio, Germany is the company's key anchor market. Additional contributions to earnings are generated through the preparation and exploitation of land reserves in the development business area. CA Immo either takes completed projects into its own portfolio or sells them to an end investor. The Group currently controls property assets of around €5.2bn in Germany, Austria and CEE (31.12.2022: €5.9bn).

Austria

The real estate is held in direct or indirect subsidiaries of CA Immobilien Anlagen AG. As at December 31, 2023, property assets of around €241m (31.12.2022: €261m) are also held directly by the parent company. As at December 31, 2023, the overall Austrian portfolio exclusively comprises investment properties and one property held for sale with a book value of around €347m (31.12.2022: €477m).

COMPANIES BY REGION

Number of companies[1]	31.12.2023	31.12.2022
Austria	12	13
- *of which joint ventures*	*0*	*0*
Germany	100	95
- *of which joint ventures*	*22*	*22*
CEE[2]	33	36
- *of which joint ventures*	*0*	*0*
Group-wide	**145**	**144**
- *of which joint ventures*	*22*	*22*

[1] Joint ventures in relation to consolidated companies.
[2] Including a holding company in the Netherlands as part of the Eastern Europe investments

Germany

The operating platform for all of the Group's activities in Germany is CA Immo Deutschland GmbH, which has branches in Berlin, Frankfurt and Munich. In addition to existing properties, the company's property assets consist primarily of properties under construction or undeveloped plots and a portfolio of other real estate intended for trading or sale. The investment properties are largely held in direct investments and managed by DRG Deutsche Realitäten GmbH - a joint venture with the Austrian real estate agent and property management company ÖRAG. Individual investment properties under development (for example in Munich and Mainz) are realized in joint ventures. Construction management was carried out until 31.12.2023 by CA Immo group company omniCon, which also provided these services for third parties.

CEE

In CEE, the strategic focus is also on Class A commercial properties in the respective capital cities. The existing CEE real estate portfolio is held by direct or indirect or indirect CA Immo subsidiaries. All Central and Eastern Europe properties are managed by the regional branches.

PROPERTY MARKETS

MARKET ENVIRONMENT

In Germany, Austria and the CEE region, 2023 began against a backdrop of economic turbulence. While employment in Europe developed better than expected, interest rate hikes had an impact on all sectors of the economy over the course of the year, with the real estate sector being particularly seriously affected. Although there was a downward trend in inflation towards the end of 2023, its continued impact weighed on economic decisions. On the commercial real estate market, this led to a sharp decline in investment behavior among tenants and investors alike.

TRANSACTION MARKETS IN GERMANY, AUSTRIA AND CEE

The transaction market for commercial real estate faced major challenges in 2023. Higher financing costs and diverging dynamics in different real estate segments reduced the willingness of many market participants to invest. Capital values in all markets were negatively impacted by the ongoing increase in yields and slower rental growth.

Prime yields for prime commercial properties in Germany rose significantly by between 125 basis points (Munich) and 145 basis points (Berlin). As yields were already comparatively higher before the change in market sentiment, the shift in yields had less of an impact on prime yields in the CEE countries. These rose by between 60 basis points (Prague, Warsaw) and 110 basis points (Vienna).

The year 2023 will be remembered as one of the weakest in over ten years, with a 64% decline in transaction volume compared to the previous year (all segments). The impact of the general conditions on office property transactions was even more severe: the four most important German CA Immo markets recorded a decline to just over €2.1bn (–85% year-on-year). The transaction markets in CEE and Austria performed better with a transaction volume of just under €2.0bn (–38% year-on-year), partly due to increased activity on the part of domestic investors.

OFFICE MARKETS IN GERMANY, AUSTRIA AND CEE

Demand

Demand for office space, measured in terms of net take-up (newly leased space excl. lease renewals) amounted to 2.87m sqm in 2023 across CA Immo's main markets (–15% y-o-y). Demand as measured by net absorption (change in occupied space) has declined to negative 29,000 sqm in 2023 for the same markets (down from 911,000 sqm in 2022), illustrating how efficiency seeking became a driving force of the market.

The most significant decline in letting activity on an aggregated basis was observed in the financial and IT sector, while letting activity to tenants in professional services or the public sector was better on a relative basis.

Rents

Prime rents on the CA Immo markets continued to rise in 2023, albeit at a slower rate on average than in previous years. Frankfurt and Munich traditionally lead the ranking of the most expensive office locations in Germany, with €47.50 per sqm in Frankfurt (+3% year-on-year) and €45.00 per sqm in Munich (+4% year-on-year). Prime rents in Berlin reached €44.00 per sqm (+1% year-on-year) and €40.00 per sqm in Düsseldorf (+5% year-on-year).

In the CEE region and in Austria, prime rents on markets with a more balanced supply/demand ratio continued to converge. Prime rents for offices in Vienna reached €28.00 per sqm (+4% year-on-year), while in Prague and Warsaw they amounted to €27.50 per sqm and €27.00 per sqm respectively (both +4% year-on-year). The prime rent in Budapest reached €25.00 per sqm (+4% year-on-year) despite the difficult market environment with an increased vacancy rate.

The trend of average rents rising more slowly than in the prime rents continued in 2023.

New supply and vacancy

In 2023, 1.1m sqm of new office space was completed in the four most important German markets (+14% compared to the previous year). Only Düsseldorf recorded a decline in the supply of new office space (–52%).

Delays in new construction projects and shrinking construction pipelines overall have led to a decline in completions in 2023 in most CEE markets and in Vienna. In Prague, on the other hand, more space was completed (+32% year-on-year), albeit mainly due to a very low comparative basis in the previous year.

Current forecasts predicting a moderate increase in completions, particularly on the German markets, will be put to the test in 2024, as some of the macroeconomic challenges are likely to persist and many real estate developers will probably continue to face tighter financial constraints.

The high volume of completions offset the otherwise solid demand in Berlin, where the vacancy rate rose to 5.7%. A decline in demand contributed to a weaker result in Munich, where the vacancy rate reached 6.7%. The vacancy rates in Frankfurt and Duesseldorf reached double-digit levels in 2023 (10.2% and 10.8%, respectively).

A significant decline in completions was unable to fully offset the drop in demand, which is why the vacancy rate in Budapest rose to 13.3%. On the other hand, comparatively strong absorption and weaker supply reduced vacancy rates in Warsaw (10.4%), Prague (7.2%) and Vienna (3.5%).

OFFICE MARKET DEVELOPMENT IN CA IMMO MARKETS

	2023	2022	Change in %/ bps
Berlin			
Take-up in sqm	582,700	741,200	–21%
Completions in sqm	464,200	396,200	+17%
Vacancy rate in %	5.7	3.4	+227 bps
Prime rent in €/sqm net	44.00	43.50	+1%
Prime yield in %	5.00	3.55	+145 bps
Düsseldorf			
Take-up in sqm	281,500	287,500	–2%
Completions in sqm	56,900	119,600	–52%
Vacancy rate in %	10.8	9.8	+100 bps
Prime rent in €/sqm net	40.00	38.00	+5%
Prime yield in %	5.10	3.80	+130 bps
Frankfurt am Main			
Take-up in sqm	348,100	369,000	–6%
Completions in sqm	141,700	123,900	+14%
Vacancy rate in %	10.2	8.7	+149 bps
Prime rent in €/sqm net	47.50	46.00	+3%
Prime yield in %	5.10	3.75	+135 bps
Munich			
Take-up in sqm	457,500	736,500	–38%
Completions in sqm	447,200	332,700	+34%
Vacancy rate in %	6.7	4.4	+239 bps
Prime rent in €/sqm net	47.00	45.00	+4%
Prime yield in %	4.80	3.55	+125 bps
Budapest			
Take-up in sqm	352,000	247,000	+43%
Completions in sqm	102,800	267,400	–62%
Vacancy rate in %	13.3	11.3	+200 bps
Prime rent in €/sqm net	25.00	24.00	+4%
Prime yield in %	6.75	6.00	+75 bps
Prague			
Take-up in sqm	238,900	295,300	–19%
Completions in sqm	98,400	74,300	+32%
Vacancy rate in %	7.2	7.7	–55 bps
Prime rent in €/sqm net	27.50	26.50	+4%
Prime yield in %	5.40	4.80	+60 bps
Vienna			
Take-up in sqm	175,000	171,000	+2%
Completions in sqm	55,700	128,500	–57%
Vacancy rate in %	3.5	3.9	–39 bps
Prime rent in €/sqm net	28.00	27.00	+4%
Prime yield in %	5.00	3.90	+110 bps
Warsaw			
Take-up in sqm	433,600	522,700	–17%
Completions in sqm	61,200	236,800	–74%
Vacancy rate in %	10.4	11.6	–121 bps
Prime rent in €/sqm net	27.00	26.00	+4%
Prime yield in %	5.85	5.25	+60 bps

Source: CBRE Research, Q4 2023

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.

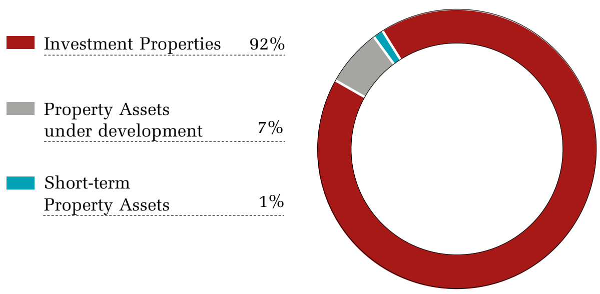
€5.2bn property assets

The transfer of one office project developed by CA Immo into its own investment portfolio was offset by various property sales in 2023. The value of property assets has thus decreased in 2023 by 13% to €5.2bn (2022: €5.9bn). Of this figure, investment properties account for €4.8bn (92% of the total portfolio), property assets under development represent €0.3bn (7%) and short-term properties €61m (1%). With a proportion of 66% of total property assets, Germany is the biggest regional segment.

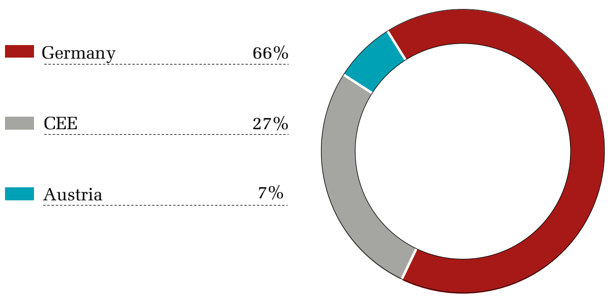
Strategic reclassification of Hungary to a non-core market

At the beginning of June 2023, the Supervisory Board of CA Immo has decided on the reclassification of Hungary to strategically non-core, and simultaneously authorised the Management Board to initiate all relevant activities related to exiting the market, either though platform sale, sub-portfolio sale, or individual asset sales. In all tables in this chapter, the Hungarian portfolio is therefore shown in the "Others" line together with a building in Serbia.

PROPERTY ASSETS BY BUSINESS AREAS (BASIS: €5.2BN)



PROPERTY ASSETS BY SEGMENTS (BASIS: €5.2BN)



PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 31 DECEMBER 2023 (PORTFOLIO VALUES)

in € m	Investment properties [1]	Investment properties under development	Short-term property assets [2]	Property assets	Property assets in %
Germany	3,014.0	343.6	32.9	3,390.4	65.7
Austria	319.0	0.0	28.2	347.2	6.7
Poland	536.1	0.0	0.0	536.1	10.4
Czechia	464.0	0.5	0.0	464.5	9.0
Others	420.8	0.0	0.0	420.8	8.2
Subtotal	**4,753.9**	**344.1**	**61.1**	**5,159.0**	**100.0**
Share of total portfolio	92.1%	6.7%	1.2%		

[1] Incl. properties used for own purposes; incl. the ONE (Frankfurt) and Grasblau (Berlin) office projects completed and transferred to the portfolio in 2022, which were still in the stabilisation phase as at the reporting date

[2] Short-term property assets include properties intended for trading or sale

CHANGES TO THE PORTFOLIO IN 2023

In the 2023 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 portfolio are improved. The proceeds from sales strengthen CA Immo's capital structure and liquidity and will be invested in the value-enhancing continuation of its first-class German development pipeline, the revitalization of investment buildings, and selective property acquisitions, among other things.

Project completions

In September, CA Immo completed the "Hochhaus am Europaplatz" office building at Berlin Central Station and handed it over to the tenant. The total investment in the building, which compromises around 23,000 sqm of rental space, amounts to approximately €140m. The building was already fully let to the auditing and consulting firm KPMG even before construction began. This addition to the portfolio will boost rental income by a total of around €9m per year in the coming years. With the completion and transfer of this project to its own portfolio, CA Immo has further reduced the investment volume of projects under construction. As at the reporting date, one office building in Berlin was still under construction.

The high-rise building on Europaplatz directly next to Berlin Central station was completed and handed over to the tenant KPMG in September.

PROPERTY ASSETS BRIDGE 2022 TO 2023 AND KEY FIGURES 2023 [1)]

		Austria	Germany	CEE	Total
Property assets 31.12.2022	**€ m**	**477.5**	**3,874.4**	**1,558.5**	**5,910.5**
Capital expenditure	€ m	3.0	114.3	30.0	147.3
Revaluation of investment properties and properties	€ m	–33.0	–410.9	–89.8	–533.7
Change from impairment/depreciation	€ m	–0.1	–3.0	0.0	–3.1
Changes lease incentive	€ m	0.2	9.7	–2.0	7.9
Disposals	€ m	–100.4	–192.6	–76.0	–369.1
Other changes	€ m	0.0	–1.4	0.7	–0.7
Property assets 31.12.2023	**€ m**	**347.2**	**3,390.4**	**1,421.4**	**5,159.0**
Rental income (actual)	€ m	22.6	119.6	89.2	231.4
Annualised rental income [2)]	€ m	22.3	126.1	88.2	236.6
Economic vacancy rate for investment properties	%	11.7	3.7	15.5	9.7
Gross yield (investment properties)	%	6.6	4.3	6.4	5.2

[1)] Excluding maintenance
[2)] Includes annual rental income from properties sold in 2023 (€4.4m)

Acquisitions

In July 2023, together with the sale of Hamburger Bahnhof and Rieckhallen in Berlin, the acquisition of a plot of land at Humboldthafen in Berlin was completed.

Sales

In total, group-wiede sales proceeds of €519.1m (2022: €199.3m, incl. the sale of properties proportionally owned by CA Immo, at equity), and a contribution to earnings from property sales of €185.8m (2022: €42.7m) were generated. In the case of company sales (share deals), the sales proceeds are the net position of the sales price achieved for the property, less borrowings, plus other assets.

The sales proceeds generated in 2023 were on average significantly higher than the last book values on the previous reporting date.

Investments

In 2023, CA Immo invested a total of €154,8m (2022: €203.5m) in its property portfolio (investments and maintenance). Of this figure, €57.0m was earmarked for modernisation and optimisation measures and €97,8m was devoted to the furtherance of development projects.

OVERVIEW OF SALES TRANSACTIONS COMPLETED IN FISCAL YEAR 2023

Property name	City	Main Usage	Type	#Assets	Sales date (closing)	Share	Area in sqm	Book Value (Closing) in €m
Rennweg 16	Vienna	Hotel	Investment property	1	Q1 2023	100%	38,150	100.4
Bodenseestraße 141	Munich	Others	Plot	1	Q1 2023	100%	1,359	3.0
Langes Land	Munich	Residential	Plot	1	Q2 2023	100%	89,914	67.0
Víziváros Office Center	Budapest	Office	Investment property	1	Q2 2023	100%	14,191	34.9
Belgrad Office Park	Belgrade	Office	Investment property	1	Q2 2023	100%	27,171	41.5
Rheinwiesen III	Mainz	Residential	Plot	1	Q2 2023	50%	3,435	2.6
Hamburger Bahnhof	Berlin	Culture	Investment property	1	Q3 2023	100%	17,268	50.6
Tiergarten, Heidestraße	Berlin	Culture	Plot	1	Q3 2023	100%	13,927	53.6
ZigZag	Mainz	Office	Investment property	1	Q4 2023	100%	4,761	17.5
Rbf Munich Ost	Munich	Others	Plot	1	Q4 2023	100%	172,884	1.0
Total				**10**			**383,060**	**371.9**

[1] Project share held by CA Immo
[2] Area: for investment properties: rental area, for land: land area

INVESTMENT PROPERTIES

The investment property business is CA Immo's most important source of income, accounting for 92% of total property assets. The ongoing quality optimization of the portfolio and continuous tenant retention and acquisition to maintain stable, recurring rental income is the primary corporate objective. 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.

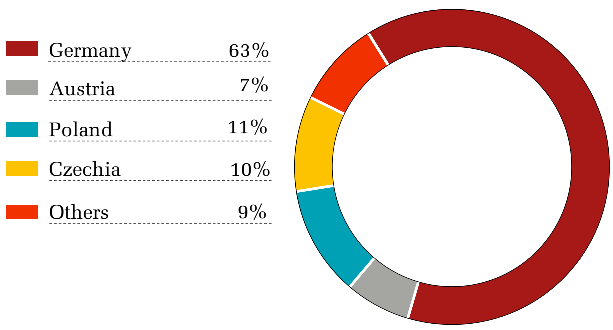
This section shows key performance indicators for our portfolio properties, such as occupancy rate and yield. Owner-occupied properties, right-of-use properties and project completions that are still in the stabilization phase are not included in the calculation of these key figures. For this reason, these property types are excluded from the portfolio book values and rentable area in the "Key figures" table and shown separately in the "Other investment properties" line.

Proportionate portfolio growth in Germany

As at key date 31 December 2023, the Group's investment portfolio incorporated a total rentable effective area of 1.1m sqm with an approximate book value of €4.8bn (2022: €5.0bn). Due to various portfolio changes in 2023 (see "Property assets" section), the share of the German properties in the total investment portfolio increased further to 63% (2022: 62%) over the course of the year, with Berlin as the largest single market.

In 2023, CA Immo generated total rental income of €231.4m (€213.8m in 2022). On the basis of annualised rental revenue, the asset portfolio produced a yield of 5.2% (2020: 4.6%). 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 93,5% at the previous year´s level. The occupancy rate (by area) for the investment portfolio stands at 88.8% on 31 December 2023 (31 December 2022: 88.6%).

INVESTMENT PROPERTIES BY COUNTRY (BASIS: €4.8BN)



INVESTMENT PROPERTIES: KEY FIGURES BY COUNTRY [1]

	Book value investment properties in € m	Rentable area in sqm	Occupancy rate [2] in %	Annualised rental income in € m	Yield in %
Germany	2,429.2	394,346	96.9	104.3	4.3
Austria	318.6	128,896	87.1	20.9	6.6
Poland	500.6	148,213	89.4	32.7	6.5
Czechia	464.0	146,026	94.0	27.1	5.8
Others	418.8	200,450	69.9	28.4	6.8
Subtotal	**4,131.2**	**1,017,931**	**88.8**	**213.4**	**5.2**
Other investment properties [3]	622.7	83,356			
Total investment properties	**4,753.9**	**1,101,287**			

[1] Excl. properties used for own purposes; excl. the office projects Grasblau (Berlin) and ONE (Frankfurt), which have been completed and transferred to the investment portfolio in 2022 and were still in the stabilisation phase as at reporting date
[2] By area (sqm)
[3] Incl. properties used for own purposes; incl. the office projects Grasblau (Berlin) and ONE (Frankfurt), which have been completed and transferred to the investment portfolio in 2022 and were still in the stabilisation phase as at reporting date

Lettings performance 2023

Across the Group, CA Immo leased around 157,800 sqm of rentable area in 2023. In relation to the Group's investment portfolio of around 1.1m sqm as at December 31, 2023, this results in a letting performance of around 14%. 42% of the letting performance was attributable to new lettings and contract extensions, 58% to contract extensions for existing tenants.

Tenant structure and expiry profile of leases

40% of lease contracts (in terms of letting volume) are concluded for terms of at least five years. As at 31 December 2023, the WAULT (Weighted Average Unexpired Lease Term) was 4.7 years (2022: 4.4 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 41.6% of total rental income (on the basis of annualised rental revenue).

LETTINGS PERFORMANCE BY REGION

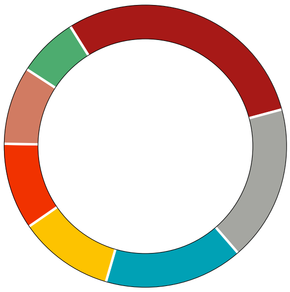
in sqm	New lease investment properties	Lease extensions	Total
Germany	17,058	19,079	36,137
Austria	7,645	17,303	24,947
CEE	40,836	55,874	96,710
Total	**65,539**	**92,256**	**157,794**

LARGEST TENANTS (TOP 20)

	Sector	Region	Share in % of total rent
KPMG	Professional Services	Germany	6.0%
PwC	Professional Services	Germany	3.3%
Steigenberger Hotels	Consumer Services & Leisure	Germany	3.0%
The European Border and Coast Guard Agency	Public Sector / Regulatory Body	CEE	2.8%
JetBrains	Technology	Germany	2.5%
Bundesanstalt für Immobilienaufgaben	Public Sector / Regulatory Body	Germany	2.4%
Google	Technology	Germany	2.3%
Land Berlin	Public Sector / Regulatory Body	Germany	2.0%
NH Hoteles Deutschland	Consumer Services & Leisure	Germany	1.9%
TotalEnergies Marketing Deutschland	Manufacturing Industrial & Energy	Germany	1.9%
Robert Bosch	Consumer Services & Leisure	Germany	1.8%
ASTRAZENECA PHARMA POLAND	Manufacturing Industrial & Energy	CEE	1.7%
auxmoney	Financial Services	Germany	1.7%
Morgan Stanley	Financial Services	CEE	1.6%
Hypoport	Financial Services	CEE	1.6%
salesforce.com Germany	Technology	Germany	1.3%
Regus Management	Professional Services	Germany	1.2%
VOBA	Financial Services	Austria	1.0%
WTS Group	Professional Services	Germany	0.9%
Benefit Systems	Consumer Services & Leisure	CEE	0.8%
Total			**41.6%**

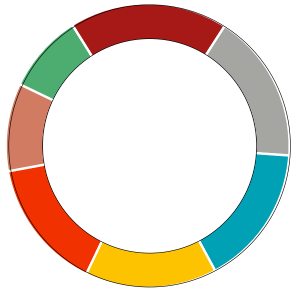
INVESTMENT PROPERTIES BY CITIES (BASIS: €4.8BN)

Berlin	30%
Munich	18%
Frankfurt	16%
Warsaw	11%
Prague	10%
Others	9%
Vienna	7%



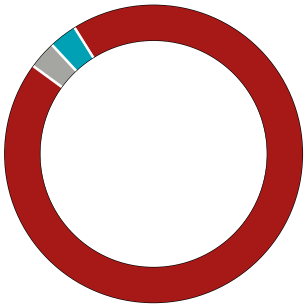
TENANT INDUSTRY MIX BY ANNUALIZED RENTAL INCOME (BASIS: €231.4M)

Consumer Services & Leisure	18%
Computer / HiTech	17%
Business Services	16%
Professional Services	15%
Financial Services	15%
Manufacturing, Industrial & Energy	10%
Public Sector / Regulatory Body	9%

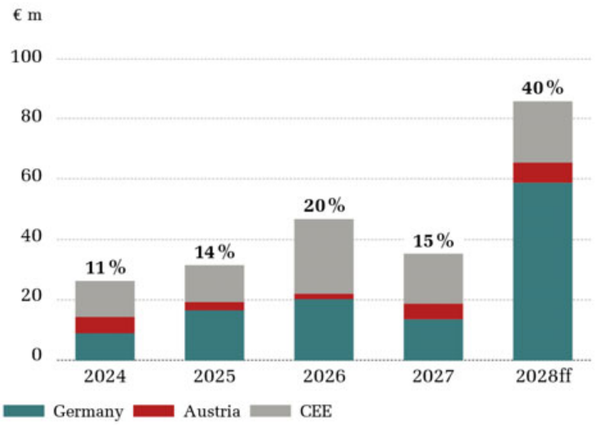


INVESTMENT PROPERTIES BY MAIN USAGE (BASIS: €4.8BN

Office	94%
Hotel	3%
Other	3%



EXPIRY PROFILE OF LEASE AGREEMENTS BASED ON ANNUALIZED RENTAL INCOME [1)]



[1)] Lease term until the next possible end of the contract

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 2023 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 good letting performance.

LIKE-FOR-LIKE COMPARISON

	Book values		Rental income P&L		Gross yield in % 1)		Occupancy rate in % 2)	
€m	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Germany	2,210.5	2,468.8	98.6	89.3	4.3	3.7	96.7	96.6
Austria	318.6	345.8	20.6	18.4	6.6	5.3	87.1	83.2
Poland	500.6	514.9	33.2	32.3	6.5	6.5	89.4	91.9
Czechia	464.0	473.5	26.0	22.8	5.8	5.4	94.0	94.2
Hungary	381.8	420.7	23.2	23.4	6.4	5.5	67.0	68.9
Serbia	37.0	37.6	3.9	3.3	10.8	7.8	96.3	77.8
Total	**3,912.5**	**4,261.3**	**205.6**	**189.5**	**5.2**	**4.5**	**88.6**	**88.5**

1) Annualised headline rent / book value
2) Occupancy by area (sqm)

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, 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 2023, the development division accounted for around 7% of CA Immo's total property assets (incl. projects and land reserves held for trading and sale, short-term property assets) with a balance sheet value of around €362.5m (2022: €682.4m). This significant decline reflects, among other things, various land sales and the completion of the Berlin office project Hochhaus am Europaplatz, which has been part of the CA Immo investment portfolio since the end of September 2023. With the exception of one plot in Prague, development activity (new construction) is concentrated on Berlin, Munich and Frankfurt (by balance sheet value). The property assets under development are divided into projects under construction (32%), projects in planning (15%) and landbank (53%).

Project completions 2023
In the business year, CA Immo completed one building for its own portfolio with a total investment volume (incl. plot) of €139.6m.

INVESTMENT PROPERTIES UNDER DEVELOPMENT [1]

in € m	City	Usage	Share in % [2]	#Assets	Gross Leaseable Area in sqm	Book Value incl. JV's	Book Value excl. JV's	Total Investment Cost [3]	Outstanding construction costs	Gross yield on cost in %	Utilisation in % [4]
Upbeat	Berlin	Office	100%	1	34,911	116.8	116.8	335.3	218.9	5.0%	100%
Flösserhof	Mainz	Residential	50%	1	6,371	18.0	0.0	44.5	1.5	-	50%
Total projects under construction				**2**	**41,282**	**135**	**117**	**379.8**	**220.4**		
Baufeld 02	Berlin	Office	100%	1	16,225	39.5	39.5	-	-		
Humboldthafen	Berlin	Office	100%	1	5,860	13.0	13.0	-	-		
Total projects in planning				**2**	**22,085**	**52.5**	**52.5**				
Landbank Hold			100%	11	265,125	174.8	174.8	-	-		
Landbank Sale			100%	11	311,908	18.4	18.4	-	-		
Total landbank				**22**	**577,033**	**193.2**	**193.2**				
Total projects & landbank				**26**	**640,400**	**380.5**	**362.5**	**379.8**	**220.4**		

[1] Incl. projects under construction and plots held for trading or sale, which are categorised as short-term property assets
[2] Share stands for the project share held by CA Immo.
[3] Incl. plot (total investment cost excl. plot €347.4m)
[4] Utilisation of projects for own portfolio: letting rate, projects for sale: sale

MAIN FOCUS OF DEVELOPMENT ACTIVITY

Investment Properties under development: focus on Berlin

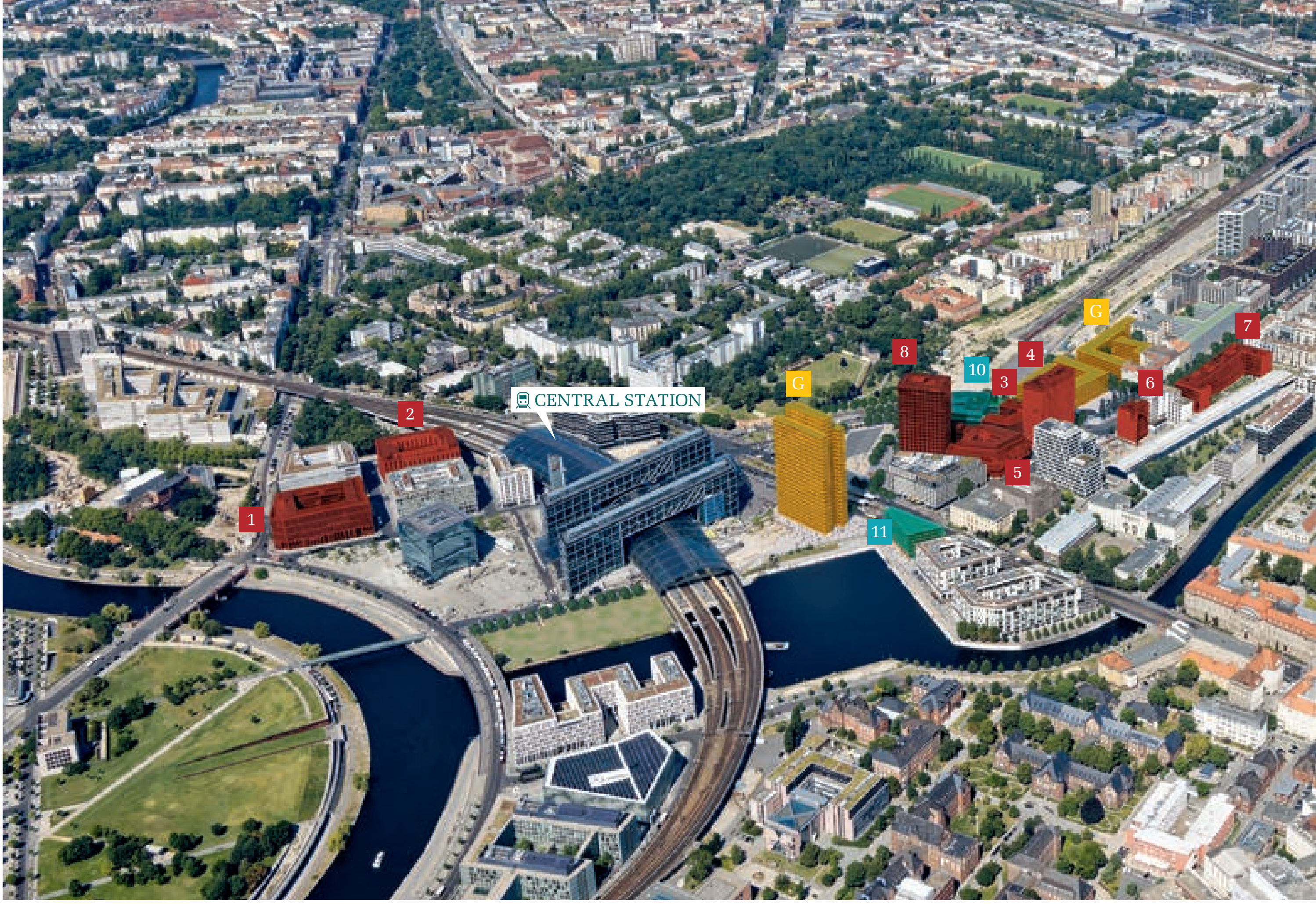
The **Europacity district** is taking shape around Berlin Central station, drawing together office, residential, hotel and cultural uses across some 60 hectares. As at the key date, CA Immo has one office project under construction as part of this district development, Upbeat, which had already been fully pre-let to a single tenant before the start of construction. CA Immo also holds further land reserves at the site with office zoning at various stages of planning and construction preparation (see chart on the next page).

Land development in German metropolitan areas

Outside Berlin, CA Immo has some large-volume property reserves in Frankfurt, Munich and Mainz, among other locations, which are well connected to public transport. These plots are at various stages of land development and are largely intended for residential development and thus for sale (short-term property assets).

Together with a local joint venture partner, the Büschl Group, CA Immo is developing the **Eggartensiedlung**, a model green quarter directly next to Munich's Olympic Park. Around 1,860 residential units, six daycare centers, an elementary school, retail outlets, restaurants and other diverse ground-floor uses are planned. The district concept is characterized by a mobility concept with three district garages, its own energy concept, the use of photovoltaics and façade greening as well as extensive tree preservation.

In the municipality of **Feldkirchen**, bordering Munich to the east, CA Immo is creating building rights for a mixed-use quarter with generous green and leisure areas directly next to the S-Bahn station and the Heimstetten bathing lake on a former gravel pit covering around 27 hectares.



FOCUS ON BERLIN

Over the last years, Berlin has been and still is the most dynamic and strongest growing office rental market in Germany.

Since 2008, CA Immo has built up a portfolio worth around €1.4bn in Berlin by acquiring properties in prime inner-city locations and developing 10 high-quality buildings for its own portfolio.

The CA Immo portfolio in Berlin is focused on two attractive submarkets: Europacity around Berlin's central station, and Potsdamer Platz, a vibrant inner-city district with an excellent mix of retail, gastronomy, and entertainment.

Thanks to our prime office landbank and attractive refurbishment projects in these areas, we will be able to further unleash our organic growth and value creation potential and increase economies of scale in the coming years.

POTSDAMER PLATZ

INVESTMENT PROPERTIES

1 POHLSTRASSE 20
Office / 7,400 sqm

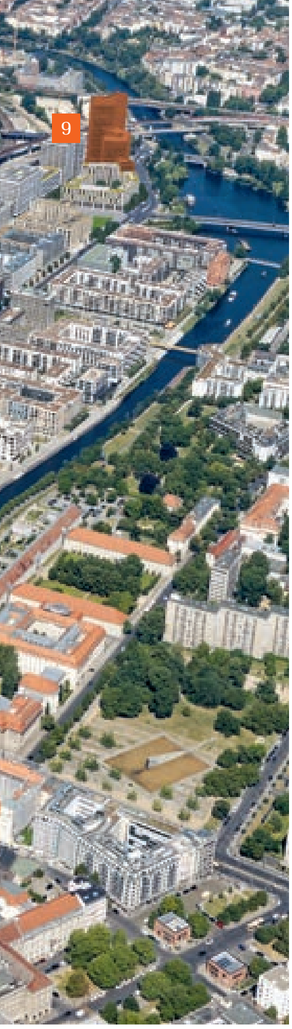
2 AM KARLSBAD 11
Office / 2,800 sqm

3 KÖNIGLICHE DIREKTION
Office / 24,900 sqm

4 GRASBLAU
Office / 13,500 sqm / 2022

REFURBISHMENT IN PLANNING STAGE

5 HALLESCHES UFER
Retail, Office / 11,500 sqm



EUROPACITY

INVESTMENT PROPERTIES

1 JOHN F. KENNEDY HAUS
Office / 17,900 sqm / 2015

2 INTERCITYHOTEL BERLIN HAUPTBAHNHOF
Hotel / 20,600 sqm / 2013

3 MONNET 4
Office / 8,100 sqm / 2015

4 TOUR TOTAL
Office / 14,200 sqm / 2012

5 BÜROGEBÄUDE HEIDESTR. 58
Office / 12,800 sqm / 2018

6 BÜROGEBÄUDE AM KUNSTCAMPUS
Office / 2,800 sqm / 2019

7 MY.B
Office / 14,900 sqm / 2020

8 HOCHHAUS AM EUROPAPLATZ
Office / 22,800 sqm / 2023

PROJECTS UNDER CONSTRUCTION

9 UPBEAT
Office / 34,900 sqm / 2026

PROJECTS IN PLANNING STAGE

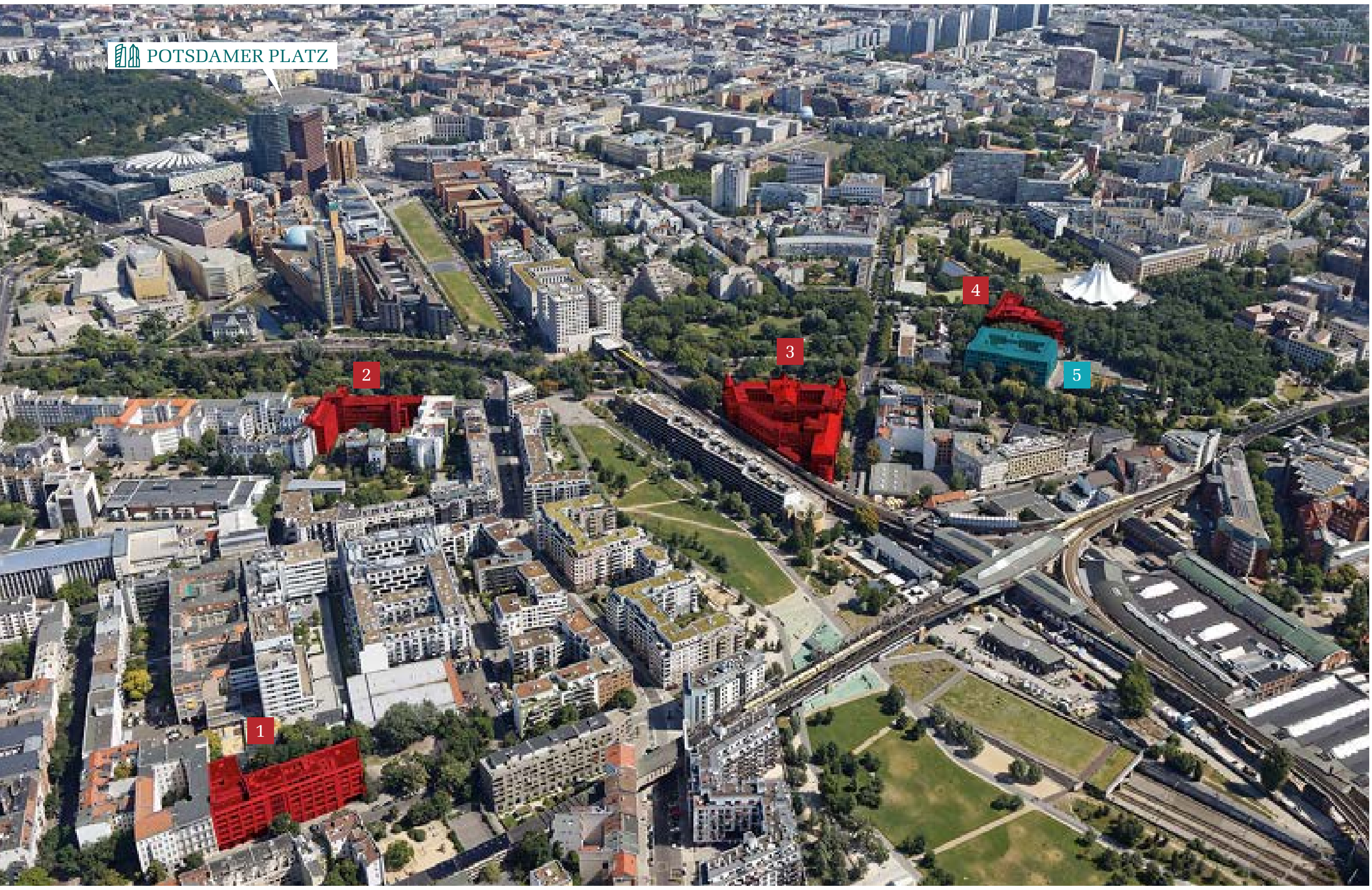
10 BAUFELD 02
Office / 16,225 sqm

11 HUMBOLDTHAFEN
Office / 5,860 sqm

LAND RESERVE

G

main usage / gross leasable area GLA / year of project completion



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 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 the Covid-19 pandemic or Russia's invasion of Ukraine) can also have a direct impact on property valuations.

External valuation reports according 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.

Investment properties (which makes up the bulk of the CA Immo Group's portfolio) are generally valued according to the **discounted cash flow 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, among other things, in particular, the attainable market rent, 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 account 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 discounted cash flow method, shortly before and after completion.

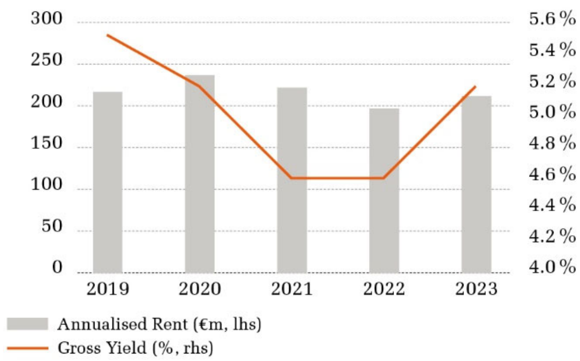
In the case of **land reserves** where no active development is planned for the near future, the **comparable value method** (or the **residual value method**) is applied, depending on the property and the status of development.

For almost 100% of the total property assets, external valuations were carried out on the key date 31.12.2023 or values were based on binding purchase agreements. Other property assets were valued internally. In 2023, all external valuations commissioned by CA Immo were carried out by Jones Lang LaSalle.

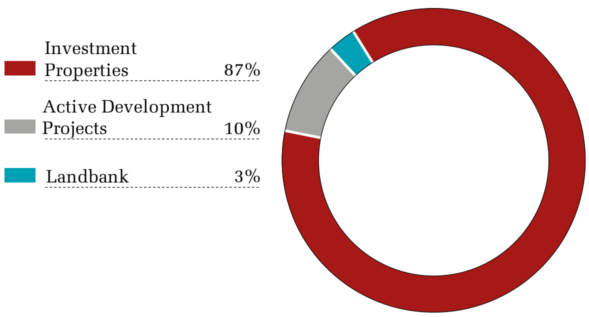
Revaluation result

For 2023, the CA Immo Group recorded a negative revaluation result of €–532.0m (2022: €–94.1m). Of that amount, 13% was attributable to active development projects and land reserves (10% and 3% respectively) and 87% to investment properties. CA Immo's largest single market, Germany, accounted for 77% of the revaluation loss, followed by 16% in CEE and 6% in Austria. Overall, the revaluation loss corresponds to around 9% of the portfolio value as at 31.12.2022. The main driver of the devaluations was the market-related yield increase in all CA Immo markets, which could not be compensated by rising rental assumptions. On a like-for-like basis, the value of the investment properties in the like-for-like portfolio fell by 8%. From this perspective, the gross yield rose by 68 basis points to 5.2% (see also section "Investment Poperties").

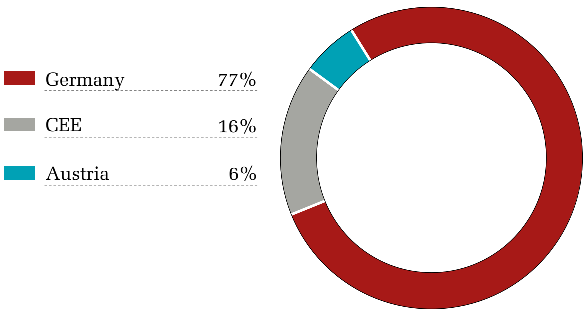
RENTAL INCOME AND GROSS YIELD DEVELOPMENT



VALUATION RESULT 2023 BY STATUS



VALUATION RESULT 2023 BY REGION



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

GERMANY

The revaluation result in Germany amounted to €–412.1m as at 31.12.2023 (2022: €–49.4m). The largest properties in the German portfolio in terms of value (ONE, Skygarden, Kontorhaus, etc.) made the largest contributions to the revaluation loss in terms of amount. The upbeat project under construction and land reserves in the cities of Berlin, Frankfurt and Munich were also devalued.

By city, the largest write-downs in terms of amount were in Berlin (€–203.3m), Munich (€–130.9m) and Frankfurt (€–56.9m).

The main driver was also yield decompression, which could not be offset by rising rental assumptions. The gross yield therefore rose year-on-year from 3.7% to 4.3% (fully consolidated properties).

AUSTRIA

The revaluation result in Austria amounted to €–33.0m as at the reporting date (2022: €20.6m). All investment properties were written down due to a yield decompression. The largest write-downs in terms of amount were attributable to the Silbermöwe and Galleria properties.

The average gross yield of the investment properties rose year-on-year from 5.2% to 6.6% (fully consolidated properties).

CEE

The revaluation result in the Central and Eastern Europe segment amounted to €–86.9m as at the reporting date (2022: €–65.3m). The largest share in terms of amount was attributable to Budapest (€–49.6m), followed by Warsaw (€–19.7m) and Prague (€–16.7m). The Millennium Tower complex in Budapest experienced the largest devaluation in terms of amount.

The gross yield of the CA Immo portfolio rose from 5.9% to 6.4% (fully consolidated properties) in a year-on-year comparison.

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 optimisation of the capital structure is highly relevant and, along with the successful management of the property portfolio, one of the decisive factors for the overall result of CA Immo.

Balance sheet profile remains strong

As at 31.12.2023, the CA Immo Group's total financial liabilities (incl. leasing liabilities) amounted to €2.7bn and were therefore below the previous year's figure (€2.8bn). After deducting the Group's cash and cash equivalents, net debt amounted to €1.9bn at the end of the year (2022: €1.9bn). The company therefore continues to have a robust balance sheet with a solid equity ratio of 43.8% (2022: 46.8%), which is reflected in defensive debt ratios such as gearing (net) of 69.3% (2022: 57.2%) and loan-to-value (LTV, net) of 36.6% (2022: 32.5%). Financing costs, a key component of the recurrent result, amounted to €–54.5m in the 2023 financial year (2022: €–49.8m).

Financing facilities

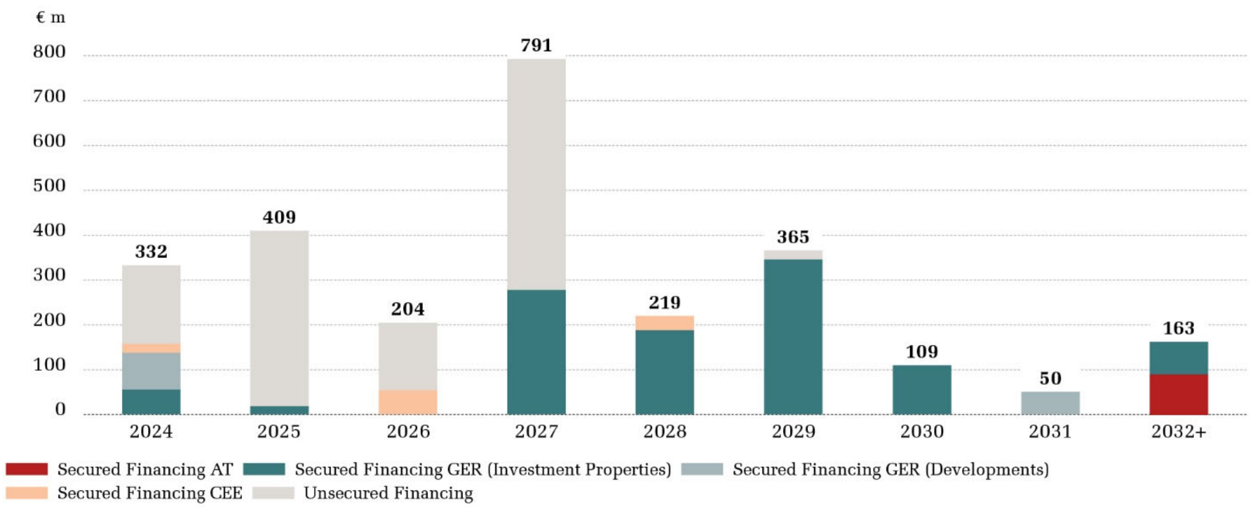
In addition to the financing facilities that have already been secured and are therefore reflected on the balance sheet, the CA Immo Group also has financing lines that have not yet been utilized, which serve to finance development projects under construction in Germany and will be successively provided by the banks as construction progresses. These financing lines amounted to €124.3m 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, RCF) of €300m at holding company level, which was concluded in the fourth quarter of 2021 and extended in 2022 and 2023 by a further year each until 2026, the margin of which is linked to the company's sustainability performance, among other things. This facility is currently undrawn and can be used for general corporate purposes (including acquisitions).

Maturity profile

The chart below shows the maturity profile of the CA Immo Group's financial liabilities (nominal amounts due at maturity) as at 31.12.2023 (assuming that extension options are exercised). The maturities shown for 2024 amounted to around €332m as at the reporting date. Of this amount, €175m is attributable to the corporate bond due in February 2024, which was already repaid from freely available cash after the reporting date.

MATURITY PROFILE (NOMINAL AMOUNTS DUE AT MATURITY, EXCL. LEASING LIABILITITES) AS AT DECEMBER 31, 2023, BASIS: €2.6BN



In 2023, the existing bank loans for the Belmundo and Lavista properties in Duesseldorf were extended. The existing financing for the Kontorhaus property in Munich was repaid and a new loan of €115m with a term of 5 years at an interest rate of around 4% was agreed for the prime office building in Munich.

In the first quarter of 2024, secured financing activities will focus on the German portfolio with the transfer of the construction financing for the high-rise building project on Europaplatz in Berlin (approx. €105m) to an already contractually agreed long-term financing as part of the completion and reclassification of the building to the investment portfolio. Repayments or extensions of loans (e.g. Ambigon in Munich) are planned for the other expiries in 2024.

Investment grade rating

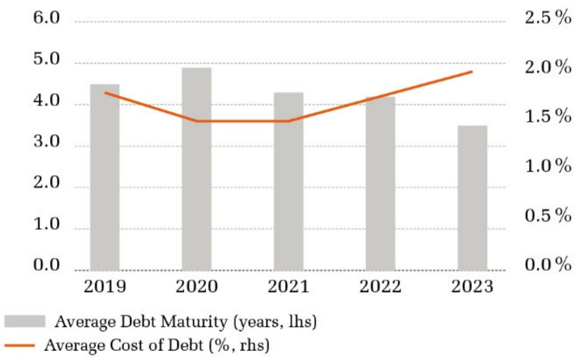
In December 2015, following a comprehensive credit analysis, the international rating agency Moody's Investors Service assigned CA Immobilien Anlagen AG an investment grade long-term issuer rating of Baa2 with a stable outlook. As a result of the share increase by SOF-11 Klimt CAI S.à. r.l., Moody's downgraded CA Immo's long-term issuer rating and senior unsecured investment-grade rating to Baa3 with a negative outlook. The rating was last affirmed by Moody's in a credit opinion in June 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 the investment grade rating are a strong balance sheet with a low level of debt, recurring earnings power and the associated solid interest cover, as well as a sufficiently large proportion of unencumbered properties.

Unchanged low average financing costs, but significantly higher costs for new financing

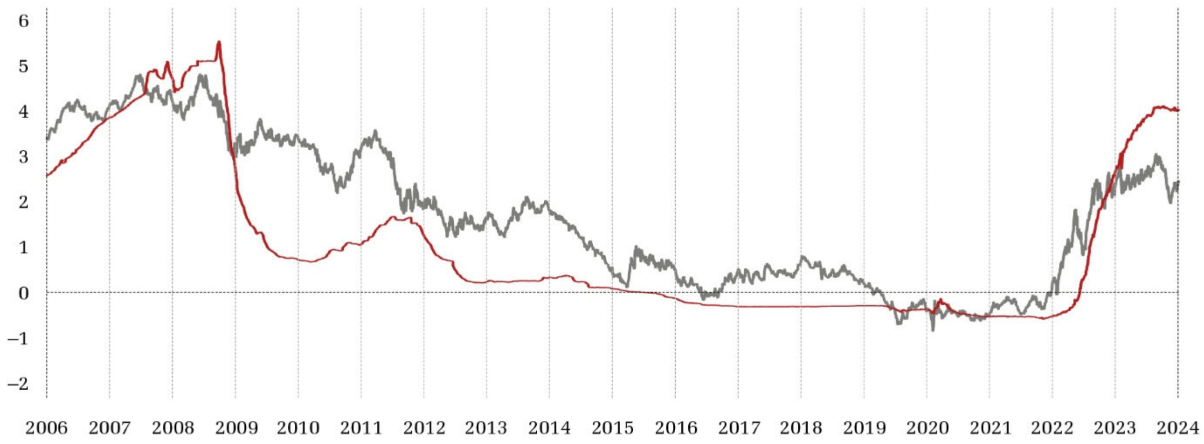
Over the recent years, CA Immo's financing costs have been steadily reduced by continuously optimizing the financing structure and taking advantage of favourable market conditions. However, the rapid rise in base rates and risk premiums in 2022 and 2023 has led to a significant increase in the cost of new financing. This is reflected in rising average financing costs compared to 2021 and 2022, although these are still at a low level.

AVERAGE DEBT MATURITY AND AVERAGE COST OF DEBT



As shown in the table on the next page, the average financing costs of the CA Immo Group on the basis of fully consolidated financial liabilities were 2.00% as at the reporting date (31.12.2022: 1.71%). This figure includes the derivatives used to hedge interest rates in the form of interest rate swaps and caps. If the latter are excluded from the analysis, the average interest rate is higher at 3.15%.

INTEREST RATE DEVELOPMENT



Source: Bloomberg
Interest rate in %

FINANCING COSTS [1)]

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
Investment properties						
Austria	91.3	91.3	5.3	2.4	8.7	6.0
Germany	1,044.5	949.7	4.6	2.3	4.8	4.8
Czechia	32.5	32.8	5.2	1.9	5.0	5.0
Poland	73.7	68.3	5.1	1.8	1.8	1.9
Total	**1,242.0**	**1,142.1**	**4.7**	**2.3**	**4.9**	**4.7**
Development projects	132.4	0.0	5.0	5.0	3.2	0.0
Short-term property assets	0.0	0.0	0.0	0.0	0.0	0.0
Financing on parent company level	1,250.0	0.0	1.4	1.4	2.2	0.0
Total	**2,624.4**	**1,142.1**	**3.2**	**2.0**	**3.5**	**4.7**

[1)] 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 30-40% for the loan-to-value ratio (net financial liabilities to property assets). The interest rate hedging ratio, at around 91% 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 48% of the financing volume (excl. leasing liabilities), half of the outstanding financings is currently accounted 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 proportion of unsecured financing at Group level has increased significantly since receiving an investment grade rating in 2015 and comprised four corporate bonds placed on the capital market with a total volume of around €1,175m as at the reporting date. Of this amount, €175m is attributable to the corporate bond maturing in February 2024, which was already repaid after the balance sheet date from freely available cash. In addition, CA Immo placed its first green promissory loan bill with a total volume of €75m in 2022.

The book value of unencumbered properties, a key criterion for the Group's investment grade rating, amounted to around €1.7bn as at 31.12.2023 and was therefore lower than in the previous period (31.12.2022: €2.1bn). This corresponds to a ratio of around 33% of total property assets.

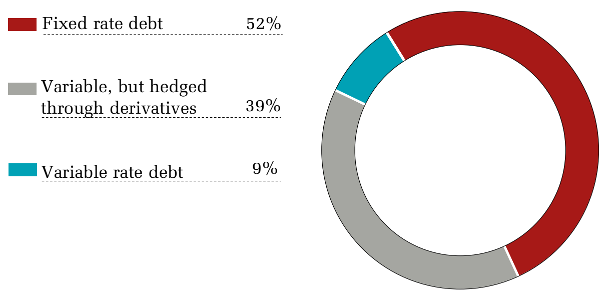
Bonds
As at key date 31.12.2023, CA Immo had the following outstanding bonds registered for official trading on the Vienna Stock Exchange:

ISIN	Type	Outstanding volume	Tenor	Coupon
AT0000A1TBC2	Corporate bond	€175m	2017-2024	1.875%
AT0000A22H40	Corporate bond	€150m	2018-2026	1.875%
XS2099128055	Corporate bond	€500m	2020-2027	0.875%
XS2248827771	Green bond	€350m	2020-2025	1.000%

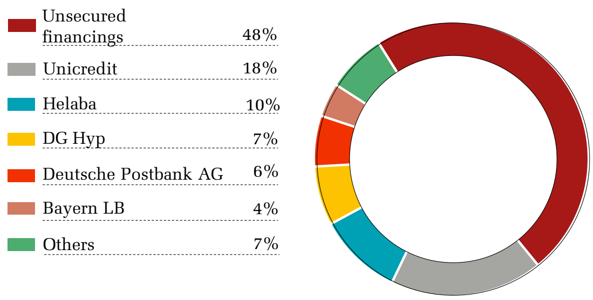
The bonds are unsecured financings of the Group parent company, which rank pari passu with each other and with all other unsecured financings of CA Immobilien Anlagen AG. The terms and conditions of the bonds include a loan-to-value (LTV) covenant. The two bonds issued in 2020 also contain two further 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 18% 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 (EXCL. LEASING LIABILITIES) AS OF 31.12.2023 (BASIS €2.6BN)



FINANCING STRUCTURE (EXCL. LEASING LIABILITIES) AS OF 31.12.2023 (BASIS: €2.6BN)



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 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 €963.2m (€882.0m on 31.12.2022) as well as interest rate floors account for €40.3m (€41.2m on 31.12.2022) and interest rate caps of €68.5m (€69.0m on 31.12.2022). The weighted-average term remaining on derivatives used for interest rate hedging was around 4.7 years on the key date, compared to a weighted remaining term of 3.5 years on financial liabilities.

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, 2023, contracts with a total nominal value of €855.1m and a fair value of €39.0m were classified as fair value derivatives (December 31, 2022: €770.7m and €73.7m, respectively). As of December 31, 2023, the company had contracts classified as cash flow-hedges with a nominal value of €216.9m and a fair value of €24.8m (December 31, 2022: €221.5m and €37.2m, respectively).

RESULTS

SALE OF THE ROMANIAN PLATFORM

On 22.11.2022, the CA Immo Group completed the sale of seven Romanian properties and the management company. This geographical segment is presented as a discontinued operation. In the consolidated income statement, the earnings (after tax) of the Romania portfolio are shown in a separate line in both the 2023 financial year and the comparative figures for 2022.

KEY FIGURES FROM THE INCOME STATEMENT

Recurring earnings

Rental income for CA Immo increased by 8.3% to €231.4m. By region, around 52% of total rental income was generated by the German portfolio, followed by the Central- and Eastern European portfolio with around 39% and Austria with around 10%.

In 2023, a total of €14.8m additional rental income was generated with the investment portfolio compared to the previous reporting period. In addition to the effects of the changes in the vacancy rate and changes in rents, this also includes rent increases in connection with indexation clauses in rental agreements. The recent completions of development projects made a positive contribution to rental income totalling €12.8m. This was offset by rental income losses of €9.9m in connection with non-strategic property sales in Austria and CEE.

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 2023, straight-line amortisation of this kind accounted for €8.6m (2022: €2.2m).

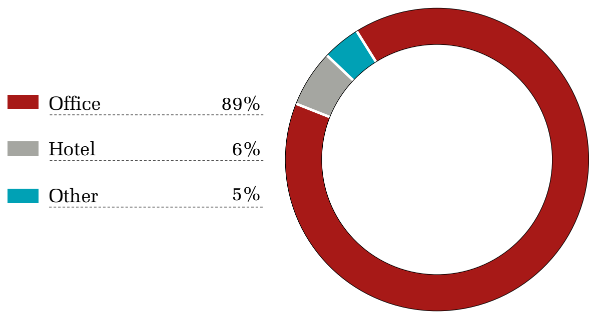
In year-on-year comparison, property expenses directly attributable to the asset portfolio, including own operating expenses were up at €–38.7m (2022: €–33.0m). This expenditure item consists of vacancy costs and operating expenses that cannot be passed on (€–10.7m), agency fees (€–5.7m), maintenance (€–7.5m), allowances for bad debt (€0.1m) and other directly attributable expenses (€–14.9m).

The net rental income generated by the rental activities after deduction of direct management costs increased by 6.6% from €180.7m to €192.8m.

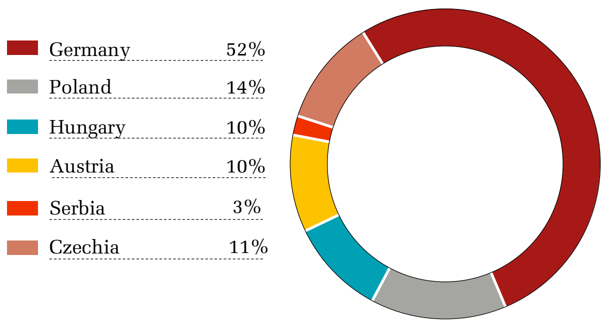
The operating margin on letting activities (net rental income in relation to rental income), an indicator of the efficiency of the rental business, decreased from 84.6% in the previous year to 83.3%.

Other expenditure directly attributable to project development stood at €–1.2m at year end (2022: €–1.9m).

RENTAL INCOME BY MAIN USAGE (BASIS: €231.4M)



RENTAL INCOME BY COUNTRY (BASIS: €231.4M)



CHANGE IN RENTAL INCOME FROM 2022 TO 2023[1)]

€ m	Austria	Germany	CEE	Total
2022	**26.8**	**98.9**	**88.0**	**213.8**
Change				
Resulting from change in vacancy rate, indexation or rental price	2.4	7.9	4.5	14.8
Resulting from new acquisitions	0.0	0.0	0.0	0.0
Resulting from completed projects	0.0	12.8	0.0	12.8
Resulting from sale of properties	–6.6	0.0	–3.3	–9.9
Total change in rental income	**–4.2**	**20.7**	**1.2**	**17.7**
2023	**22.6**	**119.6**	**89.2**	**231.4**

[1)] Included are non-performance components of operating costs according to IFRS 16 amounting to €10.2m.

INDIRECT EXPENSES

€ m	2023	2022
Personnel expenses	–48.6	–46.6
Legal, auditing and consulting fees	–8.8	–9.8
Third party acquired development services	–0.5	–0.9
Office rent	–0.7	–0.8
Travel expenses and transportation costs	–0.8	–0.7
Other expenses internal management	–3.3	–2.6
Other indirect expenses	–3.5	–4.1
IFRS 5 valuation (omniCon)	–4.4	0.0
Subtotal	**–70.7**	**–65.5**
Own work capitalised in investment property	16.6	16.6
Change in properties held for trading	1.0	1.5
Indirect expenses	**–53.2**	**–47.5**

Property sales result

Trading revenue of €131.2m was generated in 2023 in connection with the scheduled sale of properties held in current assets and construction services (2022: €9.3m). This income was offset by book value deductions and other directly attributable expenditure of €–20.5m. The trading portfolio thus contributed a total of €110.7m to the result (2022: €7.7m). Profit from the sale of investment properties of €68.5m was below the previous year's value of €4.1m. The sale of the properties Langes Land in Munich, Hamburger Bahnhof and Rieckhallen in Berlin as well as the Rennweg/Mechelgasse property in Vienna made the largest contribution to the sales result.

Income from services

Gross revenue from services dropped by –46.5% to €2.8m (2022: €5.2m). This item mainly includes development revenues for third parties by the Group company omniCon.

Indirect expenses

In 2023 indirect expenditures increased by 12.0% from €–47.5m in the previous year to €–53.2m. This includes a one-off effect from the sale of the group company omniCon, which accounts for the majority of the increase in indirect expenses.

As shown in the table above, the item "Own work capitalized" remained unchanged at €16.6m (2022: €16.6m). 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 €1.6m compared to the 2022 reference value of €1.2m.

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

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to €322.1m, up 115.4% on the previous year's figure of €149.5m. The contribution of the individual regional segments to the overall result was as follows: With an EBITDA of €242.6m, the Germany segment generated the largest share of around 75%. The largest EBITDA contribution from the Central- and Eastern European markets is attributable to Poland, which generated EBITDA of €25.3m (8%), followed by Czechia with €20.9m (6%) and Hungary with €10.9m (3%). The Austrian segment generated an EBITDA of €19.8m (6%). In addition to the increase in rental income, the main driver of the significant increase in EBITDA was the profitable sales activity in Germany.

Revaluation result

The total revaluation gain of €13.4m in 2023 was counterbalanced by a revaluation loss of €–545.4m. The cumulative revaluation result based on independent external appraisals of €–532.0m was therefore significantly below the previous year's value (2022: €–94.1m).

The result reflects the significantly changed market environment for office properties. The economic consequences of the Covid-19 pandemic and the effects of the war in Ukraine had already led to a sharp increase in inflation in the previous year, resulting in significantly higher interest rates and lower economic growth. This had an impact on the real estate markets in the form of lower demand for rental space, a sharp decline in transaction volumes and higher yields, which was reflected throughout 2023 and in particular in the course of the year-end-revaluation, which led to declining property valuations by external appraisers.

Broken down by region, the revaluation loss in Germany totalled €–412.1m (77%). Central- and Eastern Europe recorded negative revaluations of €–68.9m (16%) and Austria in the amount of €–33.0m (6%).

Further information on property valuation can be found in the chapter "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 2023 this contribution totalled €–0.8m (2022: €26.5m). The negative contribution from joint ventures is primarily due to a negative revaluation result in the JV Eggartensiedlung in Munich, which could not be fully offset by the income generated with the JV Zollhafen Mainz. The previous year's result included extraordinary contributions from the successful sale of properties.

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) totalled €–217.6m and is therefore significantly lower compared to the corresponding figure for the previous year of €74.4m, in particular due to the negative revaluation result.

In a regional breakdown, the Germany segment accounted for the lion's share of Group EBIT at €–176.2m (81%). Austria recorded an EBIT of €–13.8m (6%) in 2023, and CEE €–27.6m (13%).

Financial result

The financial result for 2023 was €–81.1m, compared to €43.5m last year. In detail, the elements of the financial result developed as follows:

The Group's financing costs totalled €–54.5m (2022: €–49.8m). The main driver were higher interest costs for bank loans compared to the previous year, particularly in connection with the financing of the two completed construction projects ONE in Frankfurt and Hochhaus am Europaplatz in Berlin, which could not be offset by lower interest costs for unsecured financing due to the repayment of the €117m bond in February 2023.

In addition to interest paid as shown in the income statement, financing costs of €6.0m (2022: €5.5m) with a weighted average interest rate of 4.35% (2022: 2.28%) were capitalised in business year 2023 in connection with the construction of real estate.

The result from derivatives came to €–34.4m (2022: €90.3m). The majority of the result from derivatives came from the company's interest rate derivatives in the amount of €–34.6m (2022: €89.8m).

At €10.8m, the result from financial investments was improved compared to the figure for the reference period (2022: €2.6m), in particular as a result of higher deposit interest rates. Other items of the financial result (other financial result and exchange rate differences) totalled €–3.0m (2022: €0.3m).

Earnings before taxes (EBT)

Earnings before taxes (EBT) of €–298.7m (2022: €117.8m) showed a significant year-on-year decrease driven by the earnings developments described above, and especially due to the negative revaluation result.

Taxes on income

Taxes on earnings amounted to €62.8m in 2023 (2022: €–36.9m). The majority of this is attributable to deferred taxes for 2023, whereas in 2022 the majority was attributable to current income taxes. Although deferred taxes had the main impact on the tax result in 2023 (reduction in deferred tax liabilities due to the negative valuation result), actual income taxes exceeded the previous year's level by 38% due to profitable sales activities.

Result from discontinued operations (Romania)

The result for the period for the discontinued operations in Romania was positive overall at €11.4m (2022: €–5.4m). This was due to a subsequent purchase price adjustment and the release of provisions in connection with a positive result from a legal dispute.

Consolidated net income

At €–224.5m, consolidated net income for the period was below the previous year's figure of €75.5m. Earnings per share amounted to €–2.28 (2022: €0.75 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 €239.3m (2022: €146.7m).

Cash flow from investment activities, which mainly comprises the net balance between investments into and sales of long-term property assets, stood at €252.9m in 2023 compared to the previous year’s value of €138.2m. Cash flow from financing activities was €–574.1m (2022: €–165.2m).

CASH FLOW-STATEMENT – SHORT VERSION

€ m	2023	2022 restated	Change in %
Cash and cash equivalents - beginning of the business year	749.1	633.1	18
Cash flow from			
- business activities	239.3	146.7	63
- investment activities	252.9	138.2	83
- financing activities	–574.1	–165.2	>100
Changes in cash and cash equivalents	**–81.8**	**119.7**	**n.m.**
Other changes [1]	–3.7	–3.8	–3
Changes in cash and cash equivalents - the end of the business year	**663.6**	**749.1**	**–11**

[1] 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 €113.8m was generated in 2023, –9.1% below the previous year's value of €125.3m. FFO I per share stood at €1.16 at the key date, a decline of –7.2% in a year-on-year comparison (2022: €1.25 per share). The FY 2023 guidance of > €105m was therefore achieved. FFO I, a key indicator of the Group's recurring earnings power, is reported before taxes and adjusted for the property sales result and other non-recurring effects.

Adjusted non-recurring effects totalled €6.6m (2022: €8.8m). These primarily related to financing expenses of €2.0m, administrative expenses in the amount of €4.9m 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 €244.7m, compared to €121.2m in the previous year. FFO II per share amounted to €2.49 (2022: €1.21 per share). The year-on-year increase is primarily due to profitable sales activities and the associated sharp rise in the result from property sales.

FUNDS FROM OPERATIONS (FFO)

€ m	31.12.2023	31.12.2022
Net rental income (NRI)	192.8	180.7
Income from services	2.8	5.2
Other operating income/expenses excl. services	1.6	1.2
Other operating income/expenses	4.4	6.4
Indirect expenses	–53.2	–47.5
Result from joint ventures	3.9	10.0
Finance costs	–54.5	–49.8
Result from financial investments[1]	13.7	2.7
FFO from discontinued operations	0.0	13.9
Non-recurring adjustments[2]	6.6	8.8
FFO I (excl. trading and pre taxes)	**113.8**	**125.3**
Result from trading and construction works	110.7	7.7
Result from the sale of investment properties	68.5	4.1
Result from disposal of joint ventures	0.0	0.0
At-equity result property sales	6.5	31.0
Property sales result	185.8	42.7
Result from disposal of assets at fair value	0.0	0.0
Other financial results	0.0	0.0
Other adjustments[3]	–11.6	–14.3
Current income tax	–43.4	–31.6
FFO II (incl. trading and after taxes)	**244.7**	**121.2**

[1] Excluding value adjustments for cash and restricted cash
[2] Adjustment for property sales and other non-recurring results
[3] Includes other non-recurring results adjusted in FFO I

BALANCE SHEET ANALYSIS

Assets

As at the balance sheet date, long-term assets amounted to €5,260.3m (85.0% of total assets). Investment property assets on the balance sheet amounted to €4,743.4m (31 December 2022: €4,965.8m). The decline in investment properties is due to the sale of investment properties (e.g. Víziváros Office Center in Budapest, Belgrade Office Park in Belgrade, Hamburger Bahnhof in Berlin, ZigZag in Mainz, etc.), the reclassification of investment properties (including Storchengasse in Vienna) as properties held for sale (IFRS 5) and the aforementioned valuation loss on investment properties, which could not be counterbalanced by the reclassification of the Hochhaus am Europaplatz development to investment properties.

The balance sheet item 'Property assets under development' decreased by –42.3% to €344.1m compared to 31 December 2022. Total property assets (investment properties, properties used for own purposes, property assets under development and property assets held as current assets) amounted to €5,159.0m on the key date, hence down on the level for the end of 2022 (€5,910.5m).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which stood at €48.0m on the key date (31 December 2022: €64.4m).

Cash and cash equivalents (incl. cash deposits) stood at €738.9m on the balance sheet date, below the level at 31 December 2022 (€823.8m). The use of cash and cash equivalents included the repayment of a corporate bond maturing in February 2023 (€117m). This was countered by the cash inflow from profitable disposal activities.

Liabilities

Equity

The balance sheet equity decreased in 2023 by –18.9% from €3,358.5m at the end of last year to €2,724.6m. This figure reflects, among other factors, the net profit for the period of €–224.5m.

Since the start of the year, the Group's total assets decreased by around –13.2% to €6,221.8m (31 December 2022: €7,170.6m). Due to the the decrease in assets, the equity ratio of 43.8% on the key date stood slightly below the strategic target range (31 December 2022: 46.8%).

Interest-bearing liabilities

On the reporting date, interest-bearing liabilities amounted to €2,670.1m, –5.4% below the previous year's value of €2,822.4m. Net debt (interest-bearing liabilities less cash and cash equivalents, cash deposits and restricted cash) decreased from €1,921.1m in the previous year to €1,888.8m. Gearing (ratio of net debt to shareholders' equity) was 69.3% at year-end (31 December 2022: 57.2%). The loan-to-value ratio (net debt to property assets) stood at 36.6% on the key date, compared to 32.5% in the previous year. After the balance sheet date, the corporate bond due in February 2024 with a volume of €175m was repaid.

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	31.12.2023	31.12.2022
Shareholders' equity	**2,724.6**	**3,358.5**
Long-term interest-bearing liabilities	2,297.6	2,452.6
Short-term interest-bearing liabilities	372.5	369.9
Cash deposits (2022: restated)	–75.1	–75.0
Cash and cash equivalents	–663.5	–748.8
Restricted cash	–42.7	–77.7
Net debt	**1,888.8**	**1,921.1**
Equity ratio	43.8	46.8
Gearing (net)	69.3	57.2
Gearing (gross)	98.0	84.0
Loan-to-value (net)	36.6	32.5
Loan-to-value (gross)	51.8	47.8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION: SHORT VERSION

	2023		2022		Change
	€ m	in %	€ m	in %	in %
Property assets	5,098.0	81.9	5,575.4	77.8	–8.6
Investments in joint ventures	48.0	0.8	64.4	0.9	–25.4
Intangible assets	1.6	0.0	2.1	0.0	–26.1
Financial and other assets	107.3	1.7	193.5	2.7	–44.5
Deferred tax assets	5.4	0.1	3.2	0.0	67.8
Long-term assets	**5,260.3**	**84.5**	**5,838.6**	**81.4**	**–9.9**
Assets held for sale and relating to disposal groups	80.5	1.3	254.5	3.5	–68.4
Properties held for trading	18.4	0.3	85.8	1.2	–78.5
Receivables and other assets	124.1	2.0	167.9	2.3	–26.1
Securities	0.0	0.0	0.0	0.0	n.m.
Fixed cash deposits	75.1	1.2	75.0	1.0	0.1
Cash and cash equivalents	663.5	10.7	748.8	10.4	–11.4
Short-term assets	**961.5**	**15.5**	**1,332.0**	**18.6**	**–27.8**
Total assets	**6,221.8**	**100.0**	**7,170.6**	**100.0**	**–13.2**
Shareholders' equity	2,724.6	43.8	3,358.5	46.8	–18.9
Shareholders' equity as a % of total assets	*43.8*		*46.8*		
Long-term interest-bearing liabilities	2,297.6	36.9	2,452.6	34.2	–6.3
Short-term interest-bearing liabilities	372.5	6.0	369.9	5.2	0.7
Other liabilities	241.0	3.9	295.6	4.1	–18.5
Deferred tax assets	586.2	9.4	694.0	9.7	–15.5
Total liabilities and shareholders' equity	**6,221.8**	**100.0**	**7,170.6**	**100.0**	**–13.2**

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 key financial performance indicator is **total shareholder return (TSR)**. It indicates the gross return that an investor/shareholder earns when he buys a share and holds it for a certain period of time. It is therefore made up of the price gains/losses plus dividends paid out in the period between buying and selling a share.

Another important 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. Based on the negative consolidated result, RoE 2023 is in negative territory and therefore 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).

Other quantitative factors used to measure and manage our shareholders' long-term return include NAV per share growth, 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 occupancy rate (by sqm) of CA Immobilien Anlagen AG in the portfolio remained at around 89% (around 89% as at 31 December 2022). Further information can be found in the section on investment properties.
- **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 11% as at 31 December 2023 (31 December 2022: 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 amounted to 4.7 years at CA Immobilien Anlagen AG as at 31 December 2023 (31 December 2022: 4.4 years).
- **Location quality and infrastructure** are decisive for the marketability of the properties. The majority of the Group's office stock is located in central business locations (CBD) 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 (additional information can be found in the ESG report).
- **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_2 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”.

OUTLOOK

ANTICIPATED DEVELOPMENTS AND THE MAIN OPPORTUNITIES AND THREATS

The weakening of real estate investment markets and declining property values as a result of high inflation and the rapid rise of interest rates presents challenges to the industry as a whole. We continue to operate in an uncertain market environment, with still more or less illiquid transaction markets, longer decision-making lead times, and shifting preferences across occupiers, investors, and lenders, all impacting the performance of our, and our competitors, businesses. At the same time, prime office assets in central locations have shown a comparatively stable performance in recent months, with a significantly lower increase in vacancies and continued prime rental growth in almost all of our markets. In addition, the current sharp reduction in new construction activity is expected to have a positive impact on future demand for prime office assets in good locations and create opportunities for premium office landlords in the coming years.

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 2023, we were able to add a high-quality office building in Berlin to our investment portfolio with the successful completion of the Hochhaus am Europaplatz project (total investment volume of around €143m). The upbeat development project in Berlin (total investment volume of around €335m and planned completion in 2026), which has been under construction since 2021, is 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 2024 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.

For the 2023 financial year, the Executive Board proposes a dividend of €0.80 per share entitled to dividend. Based on the closing price on 31 December 2023 (€32.45), the dividend yield is around 2.5%. The proposal for the appropriation of profits reflects the current assessment of the Executive Board and the Supervisory Board.

Financial target 2024

The annual target for the recurring result (FFO I) is expected to be announced latest as part of the 1H reporting in August 2024.

EPRA METRICS

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).

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 has only reported these key figures as of Q1 2021, which are defined by EPRA as follows:

EPRA KEY FIGURES [1)]

EPRA Key Figures		31.12.2023	31.12.2022
EPRA NRV	€ m	3,531.0	4,382.1
EPRA NRV per share	€	36.14	43.98
EPRA NTA	€ m	3,300.9	4,016.0
EPRA NTA per share	€	33.78	40.31
EPRA NDV	€ m	2,854.6	3,666.9
EPRA NDV per share	€	29.21	36.80

[1)] Source: EPRA – Best Practices Recommendations Guidelines (Oct. 2019)

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 €2,724.5m on 31 December 2023 (€27.88 per share) against €3,358.4m at the end of 2022 (€33.71 per share); this represents a decrease of –18.9% (–17.3% per share).

EPRA Net Tangible Assets (NTA) stood at €3,300.9m as at the reporting date, which is –17.8% lower than the value at year-end 2022 (€4,016.0m). This corresponds to an EPRA NTA per share of €33.78 –16.2% below the EPRA NTA as at 31 December 2022 of €40.31 per share.

The number of shares in circulation on the reporting date was 97,716,389 (31 December 2022: 99,636,025, diluted).

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

€ m			31.12.2023			31.12.2022
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	**2,724.5**	**2,724.5**	**2,724.5**	**3,358.4**	**3,358.4**	**3,358.4**
i) Hybrid instruments (Convertible)	0.0	0.0	0.0	0.0	0.0	0.0
Diluted NAV	**2,724.5**	**2,724.5**	**2,724.5**	**3,358.4**	**3,358.4**	**3,358.4**
ii.a) Revaluation of IP (if IAS 40 cost option is used)	2.8	2.8	2.0	4.1	4.1	2.9
ii.b) Revaluation of IPUC (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	32.2	29.6	23.7	147.9	124.9	110.5
Diluted NAV at Fair Value	**2,759.5**	**2,756.8**	**2,750.1**	**3,510.4**	**3,487.5**	**3,471.8**
v) Deferred taxes in relation to fair value gains of IP	583.7	609.1		693.5	641.1	
vi) Fair value of financial instruments	–65.0	–65.0		–112.6	–112.6	
vii) Goodwill as a result of deferred tax	0.0	0.0	0.0	0.0	0.0	0.0
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			104.5			195.0
x) Revaluation of intangibles to fair value	0.0			0.0		
xi) Purchasers' costs	252.9	0.0		290.8	0.0	
NAV	**3,531.0**	**3,300.9**	**2,854.6**	**4,382.1**	**4,016.0**	**3,666.9**
Fully diluted number of shares	97,716,389	97,716,389	97,716,389	99,636,025	99,636,025	99,636,025
NAV per share in €	**36.14**	**33.78**	**29.21**	**43.98**	**40.31**	**36.80**

EPRA LOAN-TO-VALUE

Loan-to-value (LTV) is a widely used metric in corporate reporting. However, as there is no predefined and generally accepted concept on how to calculate and report LTV, investors, analysts and financing professionals often find that the calculation of the ratio is inconsistent among different listed real estate companies and in different jurisdictions.

The objective of the EPRA LTV is to assess the gearing of the shareholders' equity within a real estate company. To achieve this goal, EPRA LTV provides adjustments to IFRS reporting.

The EPRA LTV is calculated on the basis of a proportional consolidation. This means that EPRA LTV includes the Group's share of the net debt and net assets of joint ventures or significant associated companies. Assets are recognized at fair value, net debt at nominal value.

EPRA LOAN-TO-VALUE

€ m			31.12.2023			31.12.2022
	CAI	JV	Total	CAI	JV	Total
Include:						
Borrowings from Financial Institutions	1,492.2	17.8	1,510.0	1,528.3	10.9	1,539.2
Securities	0.0	0.0	0.0	0.0	0.0	0.0
Hybrids	0.0	0.0	0.0	0.0	0.0	0.0
Bonds	1,175.0	0.0	1,175.0	1,291.6	0.0	1,291.6
Foreign currency derivatives	0.0	0.0	0.0	0.0	0.0	0.0
Net payables	44.2	16.9	61.0	64.3	0.0	64.3
Own used property (debt)	0.0	0.0	0.0	0.0	0.0	0.0
Current accounts (equity characteristic)	0.0	0.0	0.0	0.0	0.0	0.0
Exclude:						
Cash and cash deposits	789.8	45.6	835.5	931.7	17.8	949.6
Net debt	**1,921.5**	**–11.0**	**1,910.6**	**1,952.5**	**–6.9**	**1,881.3**
Include:						
Own used properties at fair value	13.4	0.0	13.4	17.0	0.1	17.1
Investment properties at fair value	4,743.4	0.0	4,743.4	4,965.8	0.0	4,965.8
Properties held for sale	82.8	68.8	151.6	391.6	106.2	497.8
Properties under development	344.1	0.0	344.1	596.6	0.0	596.6
Intangible assets	1.6	0.0	1.6	2.1	0.0	2.1
Net receivables	0.0	0.0	0.0	0.0	21.4	21.4
Financial assets	11.6	0.0	11.6	10.6	0.0	10.6
Total Property Value	**5,196.8**	**68.8**	**5,265.6**	**5,983.8**	**127.7**	**6,111.5**
EPRA Loan to Value in %	**36.98%**	**–15.94%**	**36.28%**	**32.63%**	**–5.40%**	**30.78%**

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 Europe, EPRA has defined two yield measures.

The EPRA net initial yield is calculated as annualised 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 [1]

€ K	Austria	Germany	Czechia	Hungary	Poland	Serbia	Total
Investment properties	338,600	2,348,920	468,800	391,500	513,000	37,600	4,098,420
Annualised cash rental income (net)	17,061	85,243	23,844	15,303	27,508	176	169,135
EPRA Net Initial Yield	**5.0%**	**3.6%**	**5.1%**	**3.9%**	**5.4%**	**0.5%**	**4.1%**
Lease incentives	60	2,016	201	–882	–582	–52	761
EPRA "topped-up" Net Initial Yield	**5.1%**	**3.7%**	**5.1%**	**3.7%**	**5.2%**	**0.3%**	**4.1%**

[1] Based on the like-for-like portfolio

EPRA VACANCY RATE

Vacancy rate reporting is not standardised 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
Germany	**4.0**	**120.2**	**3.4%**
Austria	**2.8**	**21.2**	**13.1%**
Poland	3.4	34.8	9.7%
Czechia	1.7	29.8	5.7%
Others	11.1	38.3	29.1%
CEE	**16.2**	**102.9**	**15.8%**
Total	**23.0**	**244.3**	**9.4%**

EPRA COST RATIOS

The EPRA Cost Ratios are aimed at providing a consistent base-line from which companies can provide further information around costs where appropriate. The EPRA recommendation therefore includes suggestions for how companies might provide this additional information.

The EPRA cost ratio shows the company's cost efficiency by comparing the proportional share of the operating and administrative expenses for investment property – both including and excluding direct vacancy costs – to gross rental income for the reporting period.

EPRA COST RATIOS

€ m	**31.12.2023**	**31.12.2022**
Expenses from investment property	(38.7)	(33.0)
Exclude:		
Ground rent costs	(0.0)	(0.0)
EPRA costs (including direct vacancy costs) (A)	**(38.7)**	**(33.0)**
Vacancy costs	(9.2)	(7.6)
EPRA costs (excluding direct vacancy costs) (B)	**(29.5)**	**(25.4)**
Gross rental income (C)	222.3	205.7
EPRA cost ratio (including direct vacancy costs) (A/C)	**17.4%**	**16.0%**
EPRA cost ratio (excluding direct vacancy costs) (B/C)	**13.3%**	**12.4%**

SUPPLEMENTARY REPORT

The following activities are reported for the opening months of business year 2024:

CA Immo continued its strategic capital rotation programme to focus the portfolio on high-quality, sustainable office properties in prime locations in early 2024.

Sale

The sale of the office building at Mariahilfer Strasse 17 (1060 Vienna), which was signed in December 2023, was successfully completed on January 1, 2024. The building, which is centrally located on Mariahilfer Strasse, one of Vienna's most important shopping streets, comprises a total of around 3,600 sqm of retail and office space.

Spin-off the German construction management subsidiary omniCon

At the beginning of February, CA Immo took a further step towards streamlining the operating platform and focusing the company on core activities by hiving off its wholly owned construction subsidiary omniCon Gesellschaft für innovatives Bauen mbH through a management buy-out. This spin-off will reduce the total workforce of CA Immo by around 25% (>80 employees). The development of class A office properties from planning to construction with an experienced in-house team will remain a key business area for CA Immo. However, construction and project management services will be purchased competitively on the market for future investment properties under development.

Dividend

The Management Board is proposing a dividend of €0.80 per dividend-bearing share for the 2023 financial year. Based on the closing price as at December 31, 2023 (€32.45), the dividend yield is around 2.5%. The proposal for the appropriation of profits reflects the current assessment of the Management Board and Supervisory Board.

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 the long term, CA Immo monitors changes to working processes and corporate requirements in terms of office space; at the same time, it trials new technical solutions along with space and building concepts on selected development projects.

CA Immo also actively participates in relevant platforms for the real estate sector (for details on our memberships, please see the ESG Report).

RISK MANAGEMENT REPORT

RISK UNIVERSE OF CA IMMO

Investment Property Risks

Letting risk
Portfolio risk
Valuation risk
Locational risk
Country risk

Development risks

Cost risk
Quality risk
Permit risk
Partner risk
Time risk

Financial risks

Risk of interest rate changes
Liquidity risk
Capital market risk
Transaction risk
Tax risk
Currency risk

ESG Risks

Climate risk
Governance risk
Social risk

Other risks

Operating risk
Legal risk
IT risk
HR risk
Insurance risk

CA IMMO
URBAN BENCHMARKS.

GROUP MANAGEMENT REPORT

RISK MANAGEMENT AT CA IMMO

Successful management of existing and emerging risks is crucial to the sustainable economic success of CA Immo and the achievement of strategic goals. In order to exploit existing market opportunities and harness the potential for success they offer, risks must also be borne to an appropriate extent. Risk management and the internal control system (ICS) therefore form an integral part of the Group's corporate governance, which is understood as a principle of responsible corporate 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 our business success. Compliance with established principles of corporate governance and our value management (Code of Ethics, Code of Conduct) is therefore a matter of course. For CA Immo, risk culture means creating risk awareness and consciously addressing risks in day-to-day business – both for management and for each individual employee.

– Risk strategy: The risk strategy describes the handling of risks resulting from the corporate strategy and business model of CA Immo. It sets out the framework for the type, extent and appropriateness of risks and thus reflects the company's own definition of a 'sensible' approach to risk.

Strategic alignment and risk tolerance

The Management Board, with the involvement of the Supervisory Board, determines the strategic orientation of the CA Immo Group and the nature and extent of the risks that the Group is prepared to assume in order to achieve its strategic goals. 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 has been set up with representatives from all divisions and the Chief Financial Officer, which meets quarterly or, if necessary, in special meetings. The aim of this committee is to additionally establish a regular, cross-functional valuation of the Group's risk situation, including the initiation of any necessary measures. This is intended to ensure that the company's orientation is optimized against the background of available alternatives.

Identification of risks and valuation

At CA Immo, the opportunity/risk situation is assessed on a quarterly basis by the risk committee and every six months as part of reports prepared on the basis of the risk committee's findings, among other things. Risk evaluation takes place both at individual property and project level and at (sub)portfolio level. Early warning indicators such as rental forecasts, vacancy analyses, continuous monitoring of lease terms and termination options as well as continuous monitoring of construction costs for project realizations are included. Scenarios relating to the value development of the real estate 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 capital expenditure.

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 a year. Measures and controls already implemented are taken into account in order to determine the net risk. This data serves the Management Board as a basis for determining the level and type of risk it deems acceptable in the pursuit of strategic goals. Once the Executive Board has approved the strategy, it is incorporated into the Group's three-year plan 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 these guidelines is continuously monitored and documented by means of control and management processes. Risk management is implemented on a binding basis at all levels of the company. The Management Board is involved in all risk-related decisions, takes risk-related aspects into account in its decisions and bears overall responsibility. Decisions are made at all levels in accordance with the principle of dual control. As an independent department, Internal Audit audits the operational and business processes; external experts are consulted if necessary. It is not bound by instructions when reporting and evaluating the audit results.

Evaluation of the functionality of risk management

The effectiveness of risk management is assessed annually by the Group auditor in accordance with the requirements of C-Rule 83 of the Austrian Code of Corporate Governance. The results are reported to the Management Board and the Audit Committee.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM (ICS)

CA Immo's internal control system encompasses all principles, procedures and measures designed to ensure the effectiveness, efficiency and propriety of accounting and compliance with the relevant legal provisions 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 that they are corrected at an early stage. Transparent documentation enables the processes for accounting, financial reporting and auditing activities to be presented. All operational areas are integrated into the accounting process. Responsibility for implementing and monitoring the ICS lies with the relevant 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 Group Internal Audit and the efficiency of the business processes is continuously evaluated. The results of the audit are reported to the respective management, the CA Immo Management Board as a whole and the audit committee at least once a year.

INVESTMENT PROPERTY RISKS

Risks arising from the market environment and portfolio composition (portfolio risk)

The economic success of CA Immo depends in part on the development of the real estate markets relevant to the Group. Key factors influencing economic development include the global economic situation as a whole, rental price trends, the rate of inflation, the level of national debt and interest rates. In the office real estate segment, factors such as economic growth, industrial activity, the unemployment rate, consumer confidence and other elements relevant to economic development also play a key role. All of these factors are outside the company's sphere of influence. They could have a negative impact on the entire European economy and thus also on economically strong nations such as Germany and Austria 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 properties, which in turn could affect the occupancy rate, property values or the liquidity of properties. Economic instability and limited access to debt and equity financing can lead to possible defaults by business partners and a general slowdown in market activity. If the real estate investment market lacks liquidity, there is a risk that it may not be possible to sell individual properties or only at unattractive conditions.

In addition to the development of general economic conditions and, in particular, rental prices, the value of properties is also dependent on initial yields in the real estate industry. The commercial real estate markets continue to be affected by a global economic downturn, which was originally triggered by the Covid-19 pandemic and has been prolonged, expanded and intensified by the Russian invasion of Ukraine, the trade dispute between China and the United States and, most recently, the conflict in the Middle East. The entire Group could be significantly impacted by these macroeconomic developments. Any such negative change in these or similar factors relating to the economic situation may lead to a decline in demand for both the Group's properties for sale and those let, thereby adversely affecting the Group's letting levels or the liquidity of the Group's properties. Due to the current uncertain macroeconomic situation in Europe, it is possible that the real estate market in the countries in which the Group operates will continue to develop unfavorably for the Group. This could result in rental income falling or being lower than expected or the occupancy rate of the Group's properties being lower than expected. The 2023 financial year was characterized by a further increase in the general interest rate level, which led to a further increase in property yields and a decline in **property values**. Depending on further market and interest rate developments, rising capital costs may also necessitate additional value adjustments at CA Immo level.

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 2023, the values for the property assets as at the reporting date of December 31, 2023 were adjusted on the basis of binding purchase agreements and external valuations. Taking into account the current exceptional market conditions and the current low level of transactions, a higher degree of caution than usual must continue to be applied to property valuations. Further information on the changes in fair values can be found in the "Property valuation" section.

CA Immo counters market risk through broad diversification across various countries. CA Immo counters **country risk** by concentrating on strategic core markets with local branches and its own employees on the ground, and by adjusting regional allocation within the core markets. The focus here is on cities that exhibit long-term structural trends such as increasing urbanization, 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 and targeted portfolio management as part of strategic decisions (e.g. definition 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 currently operates 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 its own portfolio. It also develops land and, to a lesser extent, construction projects with other types of use such as residential, which are generally sold following successful development or completion.

Individual investments should not permanently exceed 5% of total property assets. Exceptions are possible subject to approval (e.g. the ONE building in Frankfurt). As at the balance sheet date, only the existing Skygarden building in Munich and ONE in Frankfurt fall into this category. Overall, the portfolio shows a high degree of diversification: The Group's top 10 investment properties represent around 41% of the entire portfolio. The concentration risk in relation to **individual tenants** is also manageable: as at December 31, 2023, 27,6% of rental income was generated by ten top tenants. With a share of around 6% of total rental income, KPMG followed by PricewaterhouseCoopers with 3,4% were the largest single tenants in the portfolio. In general, no more than 5% of total annual rental income should be attributable to single tenants over a longer period of time, although tenants with excellent credit ratings (AAA/AA) may be an exception. The following applies to **single-tenant buildings**: such scenarios should be avoided unless the tenant's credit rating is classified as excellent (AAA/AA). Single-tenant scenarios are defined as cases in which more than 75% of the annual rental income (individual property level) is attributable to a single tenant. In principle, rental income from single-tenant properties may not exceed 20% of 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 portfolio of several properties with a fair value of more than €100m in the same city, the sector mix of tenants, the identity of contractual partners, suppliers or lenders, etc., which cannot be effectively measured or limited in quantitative terms, are subject to regular review.

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 favorable terms and to find suitable creditworthy tenants or retain them on a long-term basis, this impairs the earning power and fair value of the properties concerned. The creditworthiness of a tenant, especially during an economic downturn, can fall in the short or medium term, which can 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 markets continued to experience a challenging operating environment due to the current economic conditions and the effects of the Russia/ Ukraine conflict, characterized in particular by a significant slowdown in transaction activity. If there is also a significant slowdown in letting activity, longer marketing and vacancy periods for units that have not been let can also be expected in the future. As demand for office space is primarily dependent on macroeconomic developments, it remains to be seen how office space turnover will develop in the 2024 financial year. This is particularly relevant for Germany, where the majority of CA Immo's existing portfolio is located and for which the majority of economists forecast extremely weak GDP growth in 2024. Although the trend towards flexible or hybrid working ("work-from-home") has now become established, it remains unclear how this trend will affect 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 have an even greater impact on the office market in the future.

CA Immo counters the risk of rent defaults by analyzing the property portfolio, tenant structure and cash flow, among other things, and carries out various analysis scenarios to assess the risks. A case-by-case assessment is always required here. Thanks to targeted monitoring and proactive measures (e.g. requiring security deposits, checking tenants for creditworthiness and reputation), the Group's **rent default risk** has remained at a low level despite the recent negative impact of the pandemic on individual tenants. All outstanding receivables are valued on a quarterly basis and adjusted according to their risk content. A default risk was adequately taken into account in the recognition of the property value. By far the majority of the Group's rental agreements contain value protection clauses, mostly with reference to the country-specific consumer price index. As a result, the amount of income from such rental agreements and from new rentals is heavily dependent on inflation (**value protection risk**).

In the letting market, **competition** for well-known tenants has become even more intense in the 2023 financial year; rents are under pressure in many markets. CA Immo may be forced to accept lower rents in order to remain attractive to tenants. In addition, misjudgements about the attractiveness of a **location** or its potential **use** could make letting more difficult or severely impair the desired rental conditions.

To a lesser extent, the Group's portfolio also includes **other asset classes** such as shopping centers and hotels, the operation of which is associated with its own risks. Poor management of the building or its tenants, falling visitor numbers and the increasingly 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, its earnings position is influenced by the quality of external hotel management and developments on the hotel markets.

RISKS ASSOCIATED WITH DEVELOPMENTS

Real estate development projects typically only incur costs in the initial phase. Income is only generated in later project phases. Development projects can often involve **cost overruns** and **delays** in completion, frequently caused by factors outside the control of CA Immo. This can impair the commercial 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.

The Group's development projects are generally associated with numerous risks, some of which are exacerbated by the current inflationary environment. Developments may take longer than expected due to delays caused by various factors. These include a shortage of labor and suitable contractors and other general problems related to construction work, supply chain constraints or saturation of the construction industry, particularly in Germany, one of the Group's core markets, and even weather or environmental conditions. This could affect the (timely) availability of construction services. The construction industry has also recently experienced massive price increases for essentially all relevant construction materials, products and services.

Any such delay in the commencement or completion of construction work may result in local and regional authorities refusing to renew the Group's temporary or expired land use agreements or building permits for the Group's properties, and such authorities or third parties may assert repurchase rights or cancel existing land use agreements or building permits on the grounds that construction work was not completed by a specified date or that other material terms or provisions of land use agreements, building permits or purchase agreements have been breached.

CA Immo has taken a number of measures to manage these risks as far as possible (cost controls, variance analyses, multi-year liquidity planning, etc.). With few exceptions, projects are only launched 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 rentable areas with foreseeable rising rents and low letting risk during the project phase). Such exceptions require explicit examination when obtaining project approval.

The recent high level of capacity utilization in the construction industry poses risks for CA Immo in terms of the (timely) availability of construction work, construction prices and quality. This has recently been noticeable not only in Germany – the core market for investment properties under development - but in all of CA Immo's core regions. Despite pricing in project reserves, it cannot be ruled out that a further rise in **construction costs** could pose risks to budget compliance and overall project success. Despite defensive project costing, there is also a risk that current real estate yields will change and reduce the targeted project profit (developer profit). CA Immo is therefore also increasingly relying on appropriate market and cost analyses in the development sector. Particularly in the current market conditions, which have been tested by high inflation, high interest rates, supply bottlenecks and a general increase in market uncertainty and volatility, the addition of a higher uncertainty factor is unavoidable for investment properties under development with rising construction costs, supply and timing problems, fluctuating financing rates, uncertain marketing periods and a lack of current comparative values. Property values could therefore fluctuate much more than would be the case under normal circumstances.

CA Immo creates sustainable value through a comprehensive value chain ranging from letting and management to construction, planning and development of investment properties with strong competencies within the company. This reduces functional (performance) risks and maximizes opportunities along this value chain (developer profit). However, **land reserves** and **projects to create building rights** entail specific risks (e.g. approval risk) due to their high capital commitment without ongoing inflows, but at the same time offer considerable potential for value appreciation by obtaining or improving building rights. The risks are regularly reduced through the sale of non-strategic land reserves. On the remaining areas, land development is being driven forward rapidly using the company's own capacities. Overall, CA Immo strives for a balanced portfolio; on the basis of book values, this means around 85-90% high-yield investment properties and around 10-15% developments under construction, including land reserves. By far the largest project currently under construction, upbeat (scheduled for completion in Q1 2026) in Berlin, is 100% pre-let and is continuously evaluated in terms of cost risk. In recent quarters, a large number of projects have been successfully completed – in particular ONE in Frankfurt and, most recently, Hochhaus am Europaplatz at the end of Q3 2023 – which means that this risk can be regarded as significantly reduced due to the much smaller development pipeline and that CA Immo has improved its overall risk profile in this respect.

CA Immo also realizes investment properties under development 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 respective agreement, CA Immo may also be jointly and severally liable with its co-investors for costs, taxes or other third-party claims and may have to bear their credit risk or their share of costs, taxes or other liabilities in the event of default by its co-investors.

FINANCIAL RISKS

Risk of interest rate changes

Interest rates are highly dependent on external factors that are beyond CA Immo's control, such as fundamental monetary and fiscal policy, national and international economic and political developments, inflation factors, budget deficits, trade surpluses or deficits and regulatory requirements. The cost of servicing interest rates increases when the respective reference interest rate rises. Driven by several increases in the ECB's key interest rate to combat the sharp rise in inflation in the eurozone, there was an unexpectedly rapid rise in the 3-month Euribor from around -0.60% at the end of December 2021 to around 4% at the end of 2023. This economic climate had a negative impact on the real estate market and subsequently on the valuation of properties and deinvestment projects. Despite refraining from further increases between October 2023 and the end of the 2023 reporting year, further interest rate hikes by the ECB to combat high inflation cannot be ruled out, although most forecasts assume the first interest rate cuts to take place in 2024. The increased interest rate level has made it considerably more difficult to raise equity and debt capital on the capital market in the 2023 financial year, particularly in comparison to the financial years prior to 2022, meaning that growth aspects were or still are only partially feasible.

Market-related fluctuations in interest rates affect both the level of the financing rate and the fair value of interest rate hedges entered into. CA Immo relies on the use of domestic and foreign banks and the issue of corporate bonds for financing 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 being used to hedge against the threat of **interest rate changes** and the associated fluctuations in financing costs. However, such hedging transactions could turn out to be inefficient or unsuitable for achieving targets or lead to losses affecting the income statement. Furthermore, the **valuation of derivatives** could have a negative impact on earnings or shareholders'equity. The extent to which the Group makes use of derivative instruments depends on the assumptions and market expectations with regard to 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 **risk of interest rate changes** 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. At present, around 91% of the total financing volume is accounted for by fixed-interest financing (including in the form of corporate bonds) or financing secured by derivatives.

Capital market, liquidity, investment and refinancing risk

(Re)financing on the financial and capital markets is one of the most important measures for real estate companies. CA Immo requires debt in particular to refinance existing financial liabilities and to finance investment properties under development and acquisitions. As a result, it is dependent on the willingness of banks and the capital market to provide additional capital or to extend existing financing on reasonable terms. The market conditions for real estate 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, collateral required, etc.). This can significantly affect 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 must be taken into account at the level of individual subsidiaries, as access to cash and cash equivalents is restricted due to commitments on current projects or there is a need for liquidity in some cases to stabilize loans. There is also the risk that planned sales activities cannot be realized or can only be realized with a delay or below price expectations. Other risks include unforeseen **additional funding obligations** for project financing and breaches of covenants in the area of property financing or 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 take out refinancing on unfavorable terms.

CA Immo has fluctuating holdings of liquid funds, which it invests in line with 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), the company must also have an adequate equity base, solid interest cover and a sufficiently large pool of unencumbered properties.

CA Immo counters any risk with the continuous monitoring of covenant agreements and extensive liquidity planning and hedging. The financial impact of strategic objectives is also taken into account. To manage liquidity peaks, the Group also has a revolving credit facility (RCF) with a volume of €300m at the level of the parent company. This ensures that unforeseen liquidity requirements can also be met throughout the Group. This RCF is currently undrawn. In line with the investment horizon for properties, loans are generally concluded on a long-term basis. The basic rule is that 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 sources of (equity) capital procurement.

Despite careful planning, a liquidity risk cannot be ruled out due to the inability to draw down funds, particularly from joint venture partners. In addition, CA Immo Germany has a high capital commitment, which is typical for investment properties under development. The financing of all projects already under construction is secured. Additional financing is required for new projects to be launched.

Tax risks

All companies are generally 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 recognized. The extent to which deferred tax assets are to be recognized must also be determined.

Income from the sale of investments 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 still recognized in full for the property assets in accordance with IAS 12.

Significant assumptions must also be made as to the extent to which deductible temporary differences and loss carryforwards can be offset against taxable profits in the future and thus deferred tax assets can be recognized. Uncertainties exist regarding the amount and timing of future income and 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 competent tax authority is likely to accept the interpretation of the tax treatment of the transaction or not. On the basis of this assessment, the CA Immo Group recognizes the tax obligations in the event of uncertainty at the amount classified as most probable. However, uncertainties and complexities may result in future tax payments being significantly higher or lower than the obligations currently assessed as probable and recognized 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) statutory provisions on real estate transfer tax and the possible incurrence of real estate transfer tax in the case of direct and indirect changes of shareholders in German partnerships and corporations, (iii) the tax recognition of outsourcing of operating facilities, (iv) the allocation of trade income to several business premises or (v) the deduction of input tax on construction costs for development projects. The CA Immo Group takes every step to comply with all tax regulations. Nevertheless, there are circumstances - including those outside the sphere of influence of the CA Immo Group - such as changes in the structure of equity investments, changes in legislation or changes in interpretation by the tax authorities and courts, which may result in the aforementioned tax issues having to be treated differently than before and may therefore have an impact on the recognition of taxes in the consolidated financial statements.

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

With regard to the tax deductibility of service charges within the Group, CA Immo always endeavors to charge an arm's length price for internal services and to document this adequately in order to meet all legal requirements (transfer pricing documentation). However, there is also the possibility that the tax authorities may take a different view and come to their own conclusions 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

A possible reintroduction of national currencies by individual members of the eurozone would have serious consequences for the European economies and the already volatile financial markets. Ultimately, the exit of individual countries from the European Monetary Union could lead to a complete collapse of the monetary system.

CA Immo operates on a number of markets outside the eurozone and is therefore exposed to various currency risks. To the extent that rental payments on these markets are made in currencies other than the euro and are not fully adjusted to current exchange rates, changes in exchange rates may result in a **reduction in incoming payments.** If expenses and capital expenditure are not made in euros, exchange rate fluctuations can affect the **solvency** of Group companies and have a negative impact on the Group's results and earnings.

CA Immo counters any risk by generally hedging foreign currency inflows by pegging tenants to the euro, so there is currently no significant direct risk.

There is an indirect currency risk due to the fact that rents are linked to the **tenants'** economic **creditworthiness,** which could lead to payment bottlenecks or even rent defaults. However, incoming payments are predominantly made in local currency, which is why the available free liquidity (incoming rent less operating costs) is converted into euros immediately after receipt. This process is continuously monitored by the responsible country manager. There is no currency risk on the liabilities side. Currency risks from construction projects are hedged as required and on a case-by-case basis. This is based on the contract and rental agreement currency, the expected 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** already slumped in 2022 due to the significant change in the general conditions for real estate investments. Transaction activity on the real estate market was also extremely low in 2023. The risk of transactions being paused or even canceled due to problems with pricing, availability and financing costs remains high.

Sales may give rise to risks from contractual agreements and assurances that are based on a **guarantee** of certain rental cash flows that could subsequently reduce the agreed or received purchase prices. Sufficient provisions have been made in the balance sheet for known income risks from sales and any liquidity risk has been taken into account in liquidity planning. Contractual obligations in the form of subsequent costs (e.g. residual construction work) are recognized in corresponding project cost estimates.

OTHER RISKS

Operational and organizational risks
Weaknesses in the CA Immo Group's **structural and procedural organization** may lead to unexpected losses or result in additional expenditure. This risk may be based on inadequacies in **IT** and other **information systems**, human error and inadequate internal control procedures. Faulty program sequences and automated IT and information systems that do not take account of the business volume in terms of type and scope or are vulnerable to cybercrime (**IT and cyber risks**) pose a high operational risk. Human risk factors include a lack of understanding of the corporate strategy, a lack of internal risk controls (particularly business process controls), excessive decision-making authority at an individual level, which can lead to ill-considered actions, or too many decision-making bodies, which prevent a flexible response to market changes. Some property management and other administrative tasks are outsourced to external third parties. It is possible that know-how about the real estate under management and administrative processes is lost in the course of transferring administrative tasks, or that CA Immo is unable to identify and contractually bind suitable service providers within the required time frame.

The **expertise** of a company and its employees represents a significant competitive factor and is a unique selling point compared to the competition. The departure of employees in key functions therefore poses an acute risk of loss of expertise, which can usually only be compensated for with a high investment of company resources (money, time, recruitment of new staff) (**HR risk**).

CA Immo counters these risk factors with various measures: In the case of company mergers, attention is paid to structured processes for organizational integration. Process organization (system/process integration) is clearly anchored; continuous activities are undertaken to ensure the sustainability of operational processes. The Group structure is regularly scrutinized and checked to ensure that the prescribed structures take account of the size of the company. CA Immo prevents personnel know-how risks that may arise from the termination of central knowledge carriers through regular know-how transfer (training) and documentation of know-how (manuals, etc.) as well as forward-looking personnel planning.

Legal risks
The Group companies are involved in **legal disputes** on both the plaintiff and defendant side in the course of their ordinary business activities. These are conducted in different jurisdictions. The applicable law 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 considerable length of proceedings or other delays. CA Immo assumes that it has made adequate provisions for legal disputes. There are currently no pending or imminent court or arbitration proceedings that entail existential risks.

In spring 2020, CA Immo filed two claims for damages against the Republic of Austria and the State of Carinthia for a preliminary amount of €1.9 billion due to unlawful and culpably biased influencing of the best bidder procedure in the context of the privatization of the federal housing companies in 2004 ("**BUWOG**") and the unlawful non-award to CA Immo. In November 2023, one of these civil proceedings for the amount of €1m was dismissed by the competent civil court due to the statute of limitations; CA Immo's appeal against this judgment is pending. The second civil proceeding is suspended pending a final judgment in the first proceeding. The first-instance criminal judgments 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 biased actions to the detriment of CA Immo were taken in connection with the BUWOG privatization proceedings. An assessment of the impact of the criminal proceedings on the pending civil damages proceedings will only be possible once all appeal proceedings have been concluded with a legally binding criminal judgment.

Changes in **legal norms**, case law or administrative practice and their impact on economic results and operations are unpredictable and may have a negative effect on the value of properties or the cost structure of the CA Immo Group in particular. CA Immo takes numerous proactive measures to counter such legal risks. These include the regular valuation of historical and existing legal risks, the ongoing monitoring of legislative changes and changes in case law, the implementation of lessons learned in our business processes and continuous information and training measures.

ESG RISKS

Current developments on the capital market (e.g. EU Green Deal) and new legal requirements are creating pressure for companies to report more strongly than before on ESG risks resulting from their business activities. Environmental, social and governance aspects also play a key role in the real estate sector as a whole. Due to their high energy consumption, buildings are seen as one of the key factors for climate protection, which is why the focus is currently still primarily on environmental issues, but social and governance factors are also becoming increasingly relevant, for example as a result of the expected Corporate Sustainability Due Diligence Directive ("CSDDD").

Environmental risks

The use of energy in buildings for lighting, heating or cooling leads to direct or indirect CO_2 emissions. Building materials contain carbon, which is generated during their extraction, production, transportation and processing. As carbon is present in almost every phase of the construction and operation of buildings, companies should start implementing appropriate programmes to **decarbonize properties** in good time in order 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 targets** and the associated transition to a low-carbon, sustainable economy. In order to best meet the associated requirements and secure its long-term competitiveness, CA Immo is anchoring corresponding targets, measures, processes and systems in its strategic orientation (e.g. sustainability certifications, ESG ratings, reporting, green financing, etc.).

For CA Immo, improving **energy efficiency** in existing buildings and converting building operations to energy from renewable sources is a key factor in achieving **climate neutrality**. In this way, we are preventing higher energy consumption and the associated increase in operating costs. As the results of carbon efficiency depend to a large extent on decisions made in the planning phase, we pay attention to future environmental impact at a very early stage in our investment properties under development. Where possible, we focus on increasing the proportion of sustainable materials, paying attention to the CO_2 footprint of conventional materials and generating energy from renewable sources on site (solar panels, heat pumps, heating networks, etc.). Our procurement process also ensures that the high ecological requirements are met in accordance with the respective certification standard for the planned building. We require our construction service providers to comply with certification standards at least in accordance with 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 both actual and latent obligations to remediate contaminated real estate. Compliance with these regulations may entail considerable capital expenditure 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** towards 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 minimize risk, CA Immo also includes these aspects in its due diligence prior to every purchase. The seller is required to provide appropriate guarantees. Where possible, the CA Immo Group uses environmentally friendly materials and energy-saving technologies. CA Immo takes account of the precautionary ecological principle by carrying out investment properties under development and (re-)developments exclusively on the basis of certification.

Social risks

In the social area, our strategic focus is on the following topics in particular: Wellbeing, health and safety, employee empowerment, diversity, community impact and social aspects of a sustainable supply chain and urban neighborhood development. In the case of construction services, CA Immo obliges and monitors its contractors to comply with statutory regulations on occupational health and safety, workplace and working time regulations and collective bargaining agreements, for example. Information on the material social risks for CA Immo employees, tenants and on CA Immo construction sites can be found in the ESG Report.

Governance risks

For CA Immo, exemplary corporate governance represents an opportunity for long-term value enhancement. Conversely, failure to observe governance and compliance standards entails high risks ranging 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 granting 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 stance against any form of unequal treatment, human rights violations, organized crime (e.g. fraud, extortion, bribery and corruption), money laundering or the financing of terrorism. By contrast, we aim to promote integrity and diversity at all levels.

The **risk of corruption** is taken into account**,** for example, by the Code of Conduct ("Zero Tolerance") and the associated Guideline on Gifts and Donations. Employees are required to report any suspicions internally. In addition, employees and external third parties have the option of reporting suspected misconduct anonymously via the electronic **whistleblowing system** set up by CA Immo on the company website (www.caimmo.com/en/whistleblower). The Supervisory Board is informed of measures taken to combat corruption at least once a year. Matters relevant to corruption are audited on the basis of the audit plan approved by the audit committee or on the basis of special audit mandates from the Management Board, audit committee or full Supervisory Board. All operating Group companies are regularly audited for corruption risks.

To reduce the **risk of money laundering and prevent the financing of terrorism**, relevant processes are firmly established within the company and are continuously monitored by the Corporate Office & Compliance department. In the 2023 financial year, the company's KYC questionnaires were comprehensively evaluated and adapted in line with the national requirements of various jurisdictions as part of money laundering prevention and the business departments concerned were informed of the latest developments as part of a special training course.

We require our **contractors and suppliers (providers)** to recognize and comply with our core values and the governance, social and environmental standards we have defined as early as the tendering process. CA Immo examines its business partners - and construction companies in particular - not only in terms of their professional qualifications and economic situation, but also with regard to social aspects. As part of a **third-party compliance** review, questionnaires and the use of company and risk databases for undesirable media, sanctions, watch lists, etc. are used to check compliance with governance, social and environmental standards, which are then taken into account in award processes. In the area of governance, we pay particular attention to compliance with laws, our internal guidelines for contractual partners, for example with regard to corporate ethics, ensuring compliance and measures to combat corruption, money laundering and the financing of terrorism. Details on our standards and control mechanisms can be found on our website (www.caimmo.com/values).

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

SHARE CAPITAL & SHAREHOLDER STRUCTURE

The share capital of CA Immobilien Anlagen AG amounts to €774,229,017.02 on the balance sheet date, divided into four registered shares and 106,496,422 ordinary bearer shares with a pro rata amount of the capital stock of €7.27 each. The bearer shares are listed on the Prime Market of the Vienna Stock Exchange (ISIN: AT0000641352).

With a stake of around 59.8% as of December 31, 2023 (63,719,269 bearer shares and four registered shares), SOF-11 Klimt CAI S.à r.l., Luxembourg, a company managed by Starwood Capital Group, is CA Immo's largest shareholder. Starwood is a private investment firm with a primary focus on global real estate. The remaining outstanding shares in CA Immo are in the free float of institutional and private investors, each of whom holds a stake of less than the legally required 4% threshold. On the basis of the most recent notification of shareholdings as at the reporting date, Mr. Klaus Umek personally and via Petrus Advisers Investments Fund L.P. and other companies controlled by him directly and indirectly holds 2.4% of the share capital of CA Immo as well as call options exercisable at any time on a further 5.21% of the share capital, giving a total potential shareholding of 7.61%.[1] Further information on the structure of the shares and shareholder rights can be found in the corporate governance report, which is available online on the company's website at www.caimmo.com/en/cg-commitment.

CAPITAL DISCLOSURES

At the 36th Annual General Meeting on 4 May 2023, the Management Board was authorized, with the approval of the Supervisory Board, to increase the capital stock (also in several tranches and with the possible exclusion of subscription rights) by up to €154,845,809.22 (around 20% of the current capital stock) by issuing up to 21,299,286 no-par value bearer shares in return for cash or non-cash contributions.

At the same Annual General Meeting, the Management Board was authorized, with the approval of the Supervisory Board, to issue convertible bonds up to a total nominal amount of €653,621,839.12 until 3 May 2028 at the latest, with which conversion and/or subscription rights to up to 21,299.286 bearer shares in the company with a pro rata amount of the capital stock of up to €154,845,809.22 (contingent capital 2023), also in several tranches, and to determine all other conditions, the issue and the conversion procedure for the convertible bonds. The convertible bonds can be issued against cash contributions and also against contributions in kind. Shareholders' subscription rights have been excluded (direct exclusion). Convertible bonds may only be issued in accordance with this authorization if the sum of the new shares for which conversion and/or subscription rights are granted with such convertible bonds does not exceed 20% of the company's capital stock at the time this authorization is granted.

As at 31 December 2023, there is unused authorized capital of €154,845,809.22, which can be utilized until 27 September 2028 at the latest, as well as conditional capital of €154,845,809.22 to service convertible bonds, which can be issued in the future on the basis of the authorization of the Annual General Meeting on 4 May 2023 (conditional capital 2023).

SHARE BUYBACK

At the 34th Annual General Meeting on 6 May 2021, the Management Board was authorized in accordance with Section 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 resolution, i.e. until 5 November 2023 at the latest, to acquire treasury shares in the company to the maximum extent permitted by law with the approval of the Supervisory Board. The consideration to be paid for the repurchase may not be lower than 30% below and not higher than 10% above the average, unweighted closing price on the stock exchange on the ten trading days preceding the repurchase. The Board of Directors must determine the other buyback conditions, whereby the acquisition may be carried out via the stock exchange, by means of a public offer or in another legally permissible and appropriate manner, i.e. also off-market and/or by individual shareholders and excluding the right to tender shares on a pro rata basis (reverse subscription right). The authorization may be exercised in whole or in part or in several partial amounts and in pursuit of one or more purposes by the company, its af-

[1] These shareholdings reported as at the reporting date of December 31, 2023 are no longer current at the time of publication of the annual results. With a shareholding notification published on 22.02.2024, Mr. Klaus Umek now holds call options exercisable at any time on 9.02% of the share capital via the company Petrus Advisers Investments Fund L.P. Mr. Klaus Umek also holds personally and via the company Petrus Advisers Investments Fund L.P. directly and indirectly 1.22% of the share capital of CA Immo, so that he could hold a total of 10.24% of the share capital of CA Immo if all call options are exercised.

filiated companies (Section 189a no. 8 Austrian Commercial Code (UGB)) or for their account by third parties. The repeated exercise of this authorization is also permitted. The Management Board was also authorized, with the approval of the Supervisory Board, to resell the acquired treasury shares in any legally permissible manner without a further resolution by the Annual General Meeting and to determine the conditions of sale or to withdraw the treasury shares.

On 19 December 2022, the Management Board resolved to carry out a further buyback program for treasury shares on the basis of the authorization resolution of the 34th Annual General Meeting on 6 May 2021 in accordance with Section 65 para. 1 no. 8 Austrian Stock Corporation Act (AktG) following a buyback program that ended on 19 October 2022.

At the 36th Annual General Meeting on 4 May 2023, the Management Board was authorized in accordance with Section 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 resolution, i.e. until 3 November 2025 at the latest, to acquire treasury shares in the company to the maximum extent permitted by law with the approval of the Supervisory Board. The consideration to be paid for the repurchase may not be lower than 30% below and not higher than 10% above the average, unweighted closing price on the stock exchange on the ten trading days preceding the repurchase. The Board of Directors must determine the other buyback conditions, whereby the acquisition may be carried out via the stock exchange, by means of a public offer or in another legally permissible and appropriate manner, i.e. also off-market and/or by individual shareholders and excluding the right to tender shares on a pro rata basis (reverse subscription right). The authorization may be exercised in whole or in part or in several partial amounts and in pursuit of one or more purposes by the company, its affiliated companies (Section 189a no. 8 Austrian Commercial Code (UGB)) or for their account by third parties. The repeated exercise of this authorization is also permitted. The Management Board was also authorized, with the approval of the Supervisory Board, to resell the acquired treasury shares in any legally permissible manner without a further resolution by the Annual General Meeting and to determine the conditions of sale or to withdraw the treasury shares.

With regard to the resolution of the Annual General Meeting on 4 May 2023, the share buyback program resolved on 19 December 2022 was continued on the basis of this resolution. The resolution of the Annual General Meeting on 4 May 2023 replaced the resolution of the Annual General Meeting on 6 May 2021, on the basis of which the buyback program was originally launched.

A total of 2,000,000 bearer shares (ISIN AT0000641352), corresponding to around 1.88% of the capital stock, were acquired between 23 December 2022 and 31 August 2023, the date on which the share buy-back program ended. The highest consideration paid per share acquired was €30.60, while the lowest consideration paid per share acquired was €23.25. The weighted average consideration paid per share acquired was €26.54 and the total value of the shares acquired amounted to €53,082,491.93.

A total of 1,919,636 treasury shares were acquired in 2023. As at 31.12.2023, CA Immo therefore held 8,780,037 treasury shares, corresponding to around 8.24% of the total number of voting shares issued. Details of the transactions carried out as part of the share buyback programs and any changes to the current share buyback program are published on the company's website (www.caimmo.com/share-buyback).

INFORMATION ON THE MANAGEMENT AND SUPERVISORY BOARDS

In accordance with the Articles of Association, the Management Board of CA Immo consists of one, two or three persons. The age limit for Management Board members is set in the Articles of Association at the age of 65. The duration of the last term of office as a Management Board member ends at the end of the Ordinary General Meeting following the 65th birthday. The Supervisory Board consists of a minimum of three and a maximum of twelve members. Supervisory Board members delegated by means of registered shares can be removed at any time by the persons entitled to delegate them and replaced by others. The provisions of the Articles of Association regarding the duration of the term of office and the election of replacements do not apply to them. The remaining Supervisory Board members are elected by the Annual General Meeting. The age limit for Supervisory Board members is set in the Articles of Association at the age of 70. Supervisory Board members leave the Supervisory Board at the end of the Annual General Meeting following their 70th birthday. The Annual General Meeting decides on the removal of members of the Supervisory Board with a majority of at least three quarters of the votes cast (Article 21 of the Articles of Association).

"CHANGE OF CONTROL" CLAUSES

As a result of the remuneration policy for the Management Board and Supervisory Board, which was also newly adopted in 2023, the new Management Board contracts concluded in the financial year 2023 contain commitments for benefits due to a change of control ("change of control" provisions) as part of the LTI program. The details are set out in section 2.3.2. of the remuneration policy, which can be accessed online (www.caimmo.com/en/remuneration).

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 2023.

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 the sustainability topics as clearly and internationally comparable as possible, the reporting is based on international standards, **the Sustainability and Diversity Improvement Act (NaDiVeG)** 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 NaDiVeG implemented the European Union's Non-Financial Reporting Directive on the disclosure of non-financial information on ESG performance at national level. The TCFD recommendations stand for consistent disclosure of climate-related financial risks.

As a key player in the European real estate sector, CA Immo supports the **United Nations Sustainable Development Goals** (SDGs). The **SDGs** considered as part of our sustainability strategy are listed in the 'Materiality analysis' section.

With the **EU Taxonomy Regulation,** the **Corporate Sustainability Reporting Directive (CSRD)** and the **European Sustainability Reporting Standards (ESRS),** the EU Commission is presenting new binding requirements for sustainability reporting. For CA Immo, reporting in accordance with the CSRD, ESRS and the EU Taxonomy Regulation will be mandatory from the 2025 business year; corresponding preparations are currently being implemented. The topics and approaches of the new regulations have already been taken into account in the update of our ESG materiality analysis in 2022; further requirements will be gradually included in the ESG Report.

ESG ratings and awards

We aim to optimize the transparency and comparability of our sustainability performance by providing the most relevant and meaningful reporting possible. Our Sustainability Report 2022, which is integrated into the Annual Report, received an **"EPRA sBPR Gold" award** for exemplary ESG reporting for the fourth year in a row.
CA Immo is ranked in the VÖNIX sustainability index of the Vienna Stock Exchange (www.voenix.at). In addition to our annual reporting, we are continuously valued by established ESG rating agencies. In the 2023 business year, CA Immo was able to further improve some of its ESG ratings.

CA IMMO ESG RATINGS YEAR-ON-YEAR

Rating agency	Score 2023	Score 2022	Score 2021	Score 2020
MSCI	A	AAA	AA	A
Sustainalytics	9.6 (negligible risk)	10.9 (low risk)	14.6 (low risk)	17.1 (low risk)
ISS ESG	C (Prime)	C (Prime)	C-	C-
CDP	C	C	D	D
EPRA sBPR	Gold	Gold	Gold	Gold

The goal for the coming reporting periods is to further expand our reporting in line with international standards (including the ESRS) and the requirements of our stakeholders and to take advantage of opportunities that present themselves in the form of green financing (green loans, green bonds, etc.). The canon of ESG ratings relevant to CA Immo is continuously reviewed and supplemented as necessary.

Memberships

CA Immo is actively involved in the relevant platforms of the real estate industry and supports organizations through memberships and partnerships which:

– promote sustainable corporate, urban and project development, e.g. the UN Global Compact (UNGC) and the German Sustainable Building Council (DGNB)
– publicly represent and standardize relevant topics and concerns of the real estate industry, e.g. the European Public Real Estate Association (EPRA).

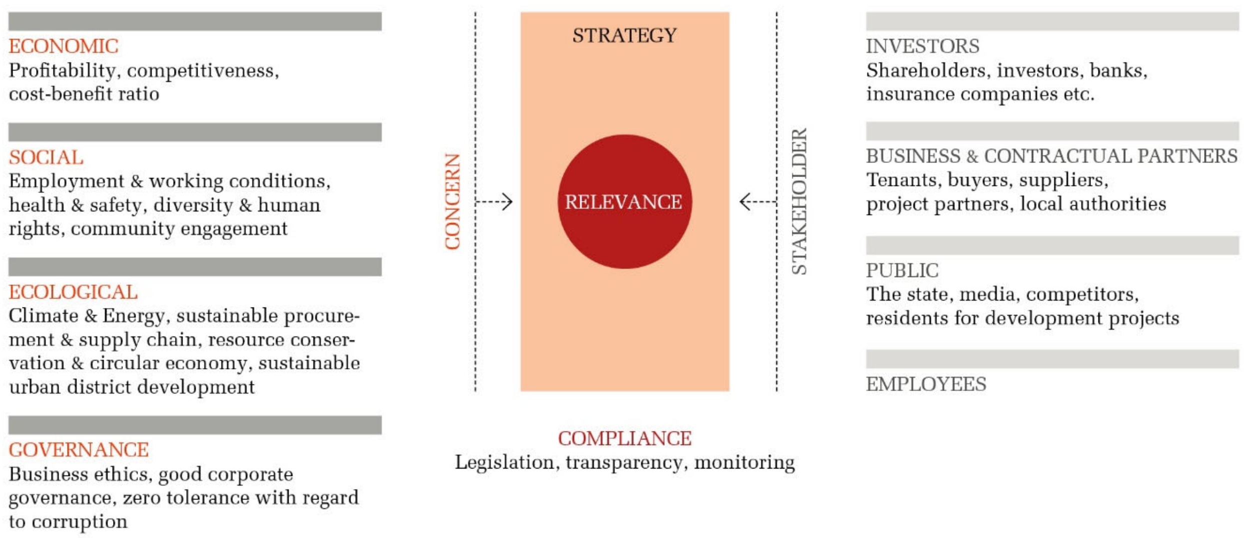
By sharing experience across companies, CA Immo aims to participate in best practices at an early stage and thereby strengthen its long-term competitiveness (see also the research and development section). A full list of all CA Immo memberships can be found on our Group website at www.caimmo.com/memberships.

Stakeholder dialog 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 anlysts' assessments of the company are regularly monitored. Our guidelines regarding political influence (lobbying) can be found in our Code of Ethics & Conduct at www.caimmo.com/esg-policies.

CA IMMO SUSTAINABILITY APPROACH



For CA Immo, an open, early exchange and partnershipbased 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.

Strategic sustainability initiative and awareness-raising

CA Immo defines and manages its Group-wide sustainability activities under the motto 'Tomorrow Proof by CA Immo'. In addition to internal and external reporting and communication, the focus is also on the organizational anchoring and process management of sustainability issues and activities. In 2023, cross-departmental working groups on ESG topics (e.g. on the EU taxonomy or the establishment of quarterly, standardized internal ESG reporting) were continued and virtual employee training courses (e.g. on the new EU regulations) were offered.

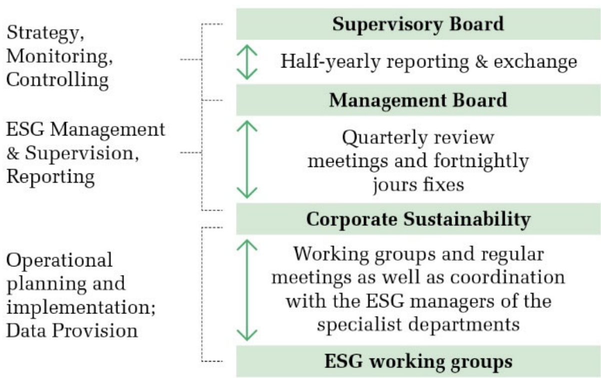
Organizational anchoring and management of sustainability issues and risks

The Management Board as a whole is responsible for the Group-wide, holistic implementation of sustainability in the corporate strategy and compliance with it. CA Immo's ESG commitment comprises targets, corresponding strategies and measures to achieve these targets, comprehensive reporting and a commitment to compliance with various established environmental, social and governance standards.

The climate and general sustainability risks relevant to CA Immo are re-evaluated and valued annually by the responsible departments as part of the Group-wide risk catalog. Risk-mitigating measures are derived accordingly (risk profiles). A summary of the risk catalog is presented to the Management Board and Supervisory Board once a year. The risk prevention measures are implemented by the relevant departments. The entire Management Board is responsible for managing these risks. The individual members of the Management Board ensure the operational effectiveness of the internal control systems and risk prevention in their areas of responsibility. This proactive approach is intended to ensure that any risks are minimized through early countermeasures and that the company can react to changing conditions in good time.

In ongoing consultation with the relevant departments, the Corporate Sustainability department coordinates and monitors the continuous 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 and extended management, for example at the quarterly review meetings and fortnightly CEO Jours Fixes. ESG issues are reported to the Supervisory Board at least twice a year as part of the quarterly Supervisory Board meetings (see also the "Report of the Supervisory Board" section).

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/en/remuneration.

Relevance and priorities of sustainability reporting – Materiality analysis

To ensure that sustainability reporting and strategy are in line with the business model and all stakeholder interests, CA Immo regularly updates the analysis to determine the material sustainability topics. The process of analyzing and defining the key sustainability issues was last carried out in the 2022 business year, taking into account the requirements of the European Sustainability Reporting Standards (ESRS) as part of the Corporate Sustainability Reporting Directive (CSRD). This has already created the initial basis for meeting the upcoming regulatory requirements.

The first step involved drawing up a list of potentially relevant topics on the basis of regulations, sustainability standards, reporting by relevant competitors and with explicit consideration of CSRD topics as well as an internal analysis of the impact of CA Immo's business activities on the environment, society and the economy. The collected topics were then valued in accordance with the **concept of dual materiality**, which takes into account both the materiality of the impact of our business activities on the environment, society and the economy across the entire value chain (impact materiality or 'inside-out') and the financial materiality ('outside-in').

Impact materiality was carried out in stages: from defining a common understanding of impacts to the identification and valuation of actual and potential both negative and positive impacts.

In the case of **financial materiality,** aspects were assessed, which generate significant risks and opportunities, i.e. which could influence future cash flows, development, the company's position or access to financing 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 prioritize 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 of CA Immo's business activities

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

In the environment sector:

- Ensuring energy efficiency and reducing CO_2 emissions, avoiding the generation of waste, increased resource consumption over the entire life cycle of the buildings
- Prevention of environmental pollution
- Environmentally friendly procurement, consideration of environmental and social criteria in the supply chain
- Protecting biodiversity in our development projects, avoiding soil sealing
- Sustainable product definition for city quarter developments and new construction projects.

In the area of social affairs and governance:

- Ensuring social standards in urban district and project development (product definition, e.g. social infrastructure, affordable housing), responding to social change
- Ensuring health and safety for tenants, contractors and own employees in building operations and on construction sites
- 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 threats.

The results of the materiality analysis, which took into account both the internal expert assessment and the external stakeholder perspective, are presented below in the form of a list of CA Immo's material issues and assigned to six focus areas. The focus areas reflect the strategic level of ESG management 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. At the same time, they set the priorities for ongoing sustainability reporting, strategic objectives and operational measures.

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

STRATEGIC ESG FOCUS AREAS OF CA IMMO

Focus area	Description
1. Climate & Energy	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_2 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.
2. Sustainable procurement & supply chain	We develop office properties exclusively in accordance with high sustainability standards. We also 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.
3. Resource conservation & circular economy	We focus on initiatives that contribute to reduced resource consumption, the reuse and recycling of materials and waste and the prevention of environmental pollution in the construction, operation and renovation of buildings.
4. Sustainable urban district development	We specialize in the environmentally friendly revitalization of old inner-city sites (brownfield development). In doing so, we pay attention to the protection of biodiversity and create mixed-use urban districts with sustainable infrastructure and a high quality of life that are attractive, inclusive and accessible.
5. Business Ethics, Corporate Governance & Compliance	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.
6. Health, safety & wellbeing	We create safe, healthy and attractive working environments for tenants, service providers and employees – both in our buildings and on construction sites. We support our employees and pay attention to their needs, health and individuality.

GROUP MANAGEMENT REPORT

MATERIAL ESG TOPICS IN THE CONTEXT OF INTERNATIONAL SUSTAINABILITY INITIATIVES

ESG	CA Immo focus areas	Material topics	Material sub-topics	Main topics of the EU Taxonomy Regulation	UN Sustainable Development Goals (SDGs)
E		– Climate change	– Greenhouse gas emissions & decarbonization – Sustainable energy management	– Climate protection – Adaptation to climate change	13 MASSNAHMEN ZUM KLIMASCHUTZ
E		– Prevention of environmental pollution	– Harmful substances and pollution of air, water and soi	– Prevention and reduction of environmental pollution – Sustainable use and protection of water and marine resources	
E		– Circular economy	– Resource protection and circular economy	– Transition to a circular economy	12 NACHHALTIGE/R KONSUM UND PRODUKTION
E, S		– Sustainable supply chain	– Sustainable supply chain & procurement		
E, S		– Urban development	– Sustainable city quarter development – Sustainability certifications of properties	– Protection and restoration of biodiversity and ecosystems	11 NACHHALTIGE STÄDTE UND GEMEINDEN 9 INDUSTRIE, INNOVATION UND INFRASTRUKTUR
S		– End users and consumers	– Well-being, comfort, satisfaction & safety of tenants		3 GESUNDHEIT UND WOHLERGEHEN
S		– Employees	– Attractive employer – Talent management & employee development – Inclusion, diversity & equal opportunities		10 WENIGER UNGLEICHHEITEN
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		8 MENSCHENWÜRDIGE ARBEIT UND WIRTSCHAFTSWACHSTUM
G		– Business Conduct	– Compliance & business conduct		

CA Immo sustainability agenda

The agenda for sustainable business operations summarizes all targets and principles in the context of our key ESG issues and the current status of target achievement. With this program, CA Immo aims 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 targets and their current status are described in detail in the following chapters (organized according to the topics of the materiality analysis).

CA IMMO AGENDA FOR SUSTAINABLE BUSINESS OPERATIONS

Targets & principles	Target achievement 2023
Climate & Energy	
– Reduction of the CO_2 emissions intensity of the investment portfolio by 50% by 2030 (base year 2019, Scope 1+2 emissions)	2019-2023: –67%
– Reduce the energy intensity of the investment portfolio by 15% by 2025 (base year 2019, energy procured by the landlord for common areas and shared services)	2019-2023: –33%
– 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 takes these thresholds into account
– All new construction projects started from 2022 onwards meet the technical screening criteria (TSC) of the EU taxonomy for the environmental objective of climate protection in accordance with economic activities 7.1 and 7.7	EU taxonomy checks are planned for all ongoing projects. Compliance with TSC 7.1 and 7.7 is included in the project requirements for new construction projects from 2022 onwards
– All new construction projects launched from 2022 onwards will undergo a Life Cycle Assessment (LCA) to track embodied carbon	LCAs are prepared to accompany all new construction projects
– All new construction projects that are 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	
Sustainable procurement & supply chain	
– Social and environmental requirements in the CA Immo Procurement Directive	Contractual partners are obliged to comply with social, environmental and governance standards by means of contractual clauses
Resource protection & circular economy	
– A material passport will be created for all new construction projects launched from 2022 onwards in order to increase the contribution to the circular economy	A material passport for the Upbeat construction project is in preparation and will be available on completion
– Increase the share of waste separation	Rate of diverted waste 2023: 84% (2022: 51%)
– Reduction of water consumption	Water consumption in 2023 compared to 2022 was –16%

Goals & principles	Target achievement 2023
Sustainable urban district development	
– Certification rate of at least 70% in the investment portfolio (DGNB, LEED, BREEAM, by book value)	Certification rate 2023: 67%
– All new construction projects launched from 2022 onwards will achieve sustainability certification (DGNB, LEED or BREEAM) as well as WiredScore or SmartScore certification	DGNB and WiredScore certification (at least gold standard in each case) is planned for all projects under construction and in planning
Business Ethics, Corporate Governance & Compliance	
– Signatory of the UN Global Compact	CA Immo has been a signatory to the UN Global Compact since 2022
– Improvement of the score for the most important ESG ratings	Sustainalytics Risk Score improved from 10.9 (low risk) to 9.6 (negligible risk)
– Annual compliance and anti-corruption training for all employees	2023: 100% of employees have completed compliance and anti-corruption training
Health, safety & wellbeing	
– Annual group-wide H&S checks (HSE) in all buildings	2023: H&S checks in 100% of all CA Immo buildings
Employees	
– Proportion of women in management positions of at least 30%	2023: 33% share of women in management positions
– Training and communication on diversity and inclusion for all employees in at least a 2-year cycle	Regular management training courses as well as training and advice on diversity as part of the employee training program
– Regular implementation of a company opinion survey and use of the survey results for the targeted improvement of satisfaction within the workforce	– A company opinion survey was conducted in 2022 – Satisfaction rate 2022: 71%

I. CLIMATE CHANGE

We want to offer our tenants high-quality, sustainable buildings in prime locations and at the same time make a contribution to limiting global warming to 1.5° Celsius. We have therefore set ourselves the goal of reducing the CO_2 footprint of our business activities in as targeted a manner as possible.

To ensure the long-term value retention and marketability of its portfolio, CA Immo relies on quality and sustainability management throughout the entire life cycle of the buildings. Our aim is to develop energy-efficient buildings, maintain them in the portfolio and operate them in a way that conserves resources as far as possible.

Key sub-topics:
– GHG emissions and decarbonization
– Sustainable energy management

The table below summarizes all the key objectives and measures for optimizing the energy balance and minimizing the CO_2 footprint of our buildings. The current status of these measures and progress made in the reporting year are described in detail in the individual sections.

CA IMMO AGENDA IN THE AREA OF CLIMATE CHANGE - DECARBONIZATION STRATEGY

Goals & principles	Measures
Climate change - Climate & Energy	
– Reduction of the CO_2 emissions intensity of the investment portfolio by 50% by 2030 (base year 2019, Scope 1+2 emissions) – Reduce the energy intensity of the investment portfolio by 15% by 2025 (base year 2019, energy procured by the landlord for common areas and shared services)	– Purchase of 100% electricity from renewable energy sources in the investment portfolio by 2023 (procured by the landlord), purchase of climate-neutral district heating based on local availability – Green lease program to reduce CO_2 emissions (Scope 3) in investment properties (tenant participation) – Development of a digital energy management system for the investment portfolio by 2025 – Program of measures to systematically reduce energy consumption and the carbon footprint of building operations
– All new construction projects launched from 2022 have an annual final energy requirement of max. 100 kWh/sqm – All new construction projects that are completed from 2030 have an annual final energy requirement of max. 80 kWh/sqm and are climate-neutral in operation (net zero carbon)	– Guidelines for systematically reducing the energy consumption and CO_2 footprint of new construction projects
– All new construction projects launched from 2022 onwards meet the technical screening criteria (TSC) of the EU taxonomy for the environmental objective of climate protection in accordance with economic activities 7.1 and 7.7	– EU taxonomy checks are implemented for 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 – Early implementation of a CO_2 life cycle analysis (LCA) for each new construction project to record and reduce the embodied CO_2 emissions

Energy monitoring and management

CA Immo collects and analyzes energy consumption from heat and electricity and the resulting CO_2 emissions of the property portfolio on an annual basis (see tables in the ESG Appendix). In order to provide more timely, continuous energy monitoring in future, including weak-point analyses, a structured process for the quarterly collection and analysis of all building energy data was introduced in 2023. This data is incorporated into Group-wide portfolio monitoring, which is used as a basis for decisions on (energy-related) capital expenditure and portfolio transactions (capital rotation). The Group-wide energy management system is supported by remotely readable digital meters (**smart meters)** and extended ESG service level agreements, including for facility management services for the ongoing optimization of sustainability in building operations.

By the end of 2023, 100% of the electricity metering points in CA Immo's German buildings had been converted to remotely readable digital electricity meters.

Energy management: processes, control, responsibilities

CA Immo's asset management is responsible for controlling, monitoring and implementing the operational energy management of the buildings. Capital expenditure on measures to improve the resource efficiency of buildings (energy, water) is proposed by asset management as part of maintenance expenditure as part of the annual budgeting process and approved by the Management Board.

Program of measures to systematically reduce energy consumption and the carbon footprint of building operations

CA Immo continuously invests in optimizing the energy efficiency of its property portfolio. This energy modernization programme includes the following measures:

– Energy-efficient and climate-friendly modernization of investment properties: e.g. installation of LED technology with modern sensors, heat recovery in ventilation systems, system improvements for heating and cooling media and pump systems
– Installation of modern energy management systems for early detection of optimization potential in buildings
– Continuous expansion of building digitalization: intelligent control of technical building infrastructure such as lighting, air conditioning and heating systems using modern building management technology
– Energy-saving measures: e.g. optimization of system runtimes and temperature control
– Expansion of renewable energy sources in investment buildings (e.g. photovoltaic systems)
– Strategic capital rotation program: project development for the company's own portfolio and targeted sale of older investment properties.

In 2021, detailed energy assessments were carried out for buildings with increased energy consumption and targeted measures were derived to increase energy efficiency in the investment portfolio. The gradual implementation of these measures has been underway since 2022. In 2023, around €3.8m was invested in improving energy efficiency, climate protection and energy monitoring of buildings. The energy savings resulting from the optimization measures implemented are monitored as part of the ongoing collection of consumption data (see "Energy monitoring" section).

In 2023, the comprehensive **renovation of the Saski Crescent office building in Warsaw** was launched with the aim of significantly increasing the building's energy efficiency and tenant comfort. Among other things, the installation of a state-of-the-art digital building management system (BMS), digital meters and energy-efficient lighting should lead to a significant reduction in energy consumption and operating costs, while new technical solutions for optimal ventilation quality and general thermal comfort will optimize the quality of stay for office users. The renovation process is expected to reduce the primary energy demand (PED) by a total of 30%, and certification in accordance with BREEAM, WELL Core & Shell and WiredScore is planned following completion of the work in 2024.

Tenant participation: Green Lease Agreements

Holistically environmentally and climate-friendly building operation requires the involvement of the building users. By means of Green Lease Agreements, we offer our tenants the opportunity to participate in our ESG initiatives as partners. A green lease is a rental agreement in which the tenant and landlord agree to use and manage the properties as sustainably and efficiently as possible by adding ESG contract clauses. Corresponding contract components were rolled out across the Group in 2022. By the end of 2023, a total of 165 rental agreements (31.12.2022: 82) for a rentable effective area of more than 200,000 sqm had been concluded as green leases. In the coming years, new and existing lease contracts are to be successively converted to green leases. Green lease agreements include, among other things:

– Purchase of green electricity to reduce CO_2 emissions in operations (Scope 3)
– Data and information exchange with the tenant (energy, water and waste consumption) and analysis of consumption data (energy monitoring)
– Reduction of waste, ecological cleaning
– Incentives for climate-friendly employee mobility
– Environmentally friendly and resource-conserving furnishing of rental properties.

Conversion of building operation to green energy

In 2023, CA Immo buildings have been powered 82% by electricity from renewable energy sources (due to the temporary suspension of green electricity purchases in Czechia). This applies to all common areas and services provided by the landlord (shared services, e.g. building air conditioning and heating, elevators, lighting) in our multi-tenant buildings. As all tenant electricity is also purchased centrally by CA Immo in the CEE countries of Hungary, Poland and Czechia, the electricity contracts in these countries also include tenant electricity.

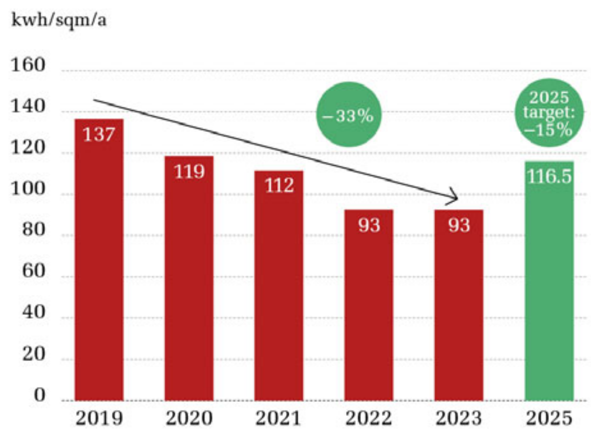
As part of the switch to green electricity for CA Immo building operations, the supply of electricity from renewable energy sources for own-used CA Immo offices (located in CA Immo investment properties) has also been secured until 2025. In total, the proportion of electricity from renewable sources consumed in our own-used offices was 86% in 2023. This green energy procurement has also enabled us to significantly reduce the CO_2 footprint of our own-used office space. A list of energy consumption, including the resulting CO_2 emissions and the volume of water and waste generated in CA Immo's own-used office space, can be found in the ESG Appendix.

In order to also reduce CO_2 emissions from heating, **district heating contracts** are also to be successively switched to green or CO_2 -neutral energy sources, depending on local availability. At the time of reporting, four properties in Germany (in Cologne and Düsseldorf) were supplied with CO_2 -neutral district heating.

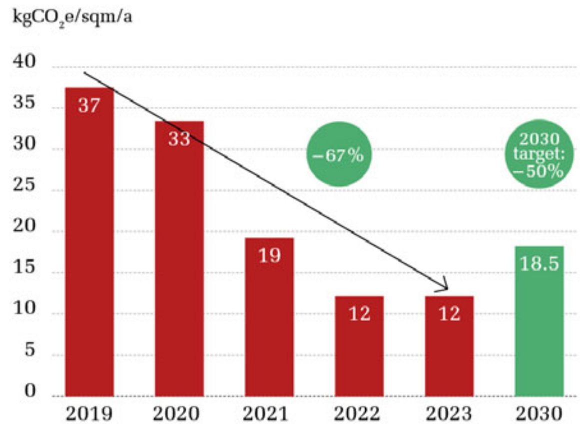
Energy consumption and CO_2 footprint of the investment portfolio

The average CO_2 emissions intensity (= annual CO_2 emissions per sqm) of the CA Immo portfolio (Scope 1+2, excl. tenant electricity) was stable year-on-year at 12.1 $kgCO_2e$/sqm (2022: 12.0 $kgCO_2e$/sqm). The average energy intensity (energy consumption per sqm, excluding tenant electricity) also remained constant at the previous year´s level of 93 kWh/sqm/a.

COMMON AREA/SHARED SERVICES ENERGY INTENSITY 2019-2023



BUILDING CARBON INTENSITY 2019-2023
(SCOPE 1 AND 2, MARKET-BASED)



The consumption data shown (and the resulting emissions) include electricity purchased by CA Immo for common areas (common area electricity) and energy for heating and cooling throughout the building (shared services). Electricity purchased directly by tenants or centrally by CA Immo for tenant areas (submetering) is excluded, as complete consumption values for tenant electricity are not available for all buildings. Single-tenant buildings are not included in this analysis, as the separation into common area and tenant electricity is not available for these. A detailed table of energy consumption and emission values for the CA Immo portfolio as well as information on reporting limits and the methodology for the collection and analysis of consumption data can be found in the ESG Appendix. The area used to calculate the energy and CO_2 intensities is the gross internal area (GIA).

Energy efficiency and CO_2 emissions in development projects

For many years, our aim has been to develop particularly sustainable and energy-efficient buildings for our own portfolio, thereby increasing the quality and sustainability of our building stock. While portfolio management focuses on the decarbonization of building operations (operational CO_2 emissions), the entire life cycle of buildings is considered in development projects. The total CO_2 footprint of buildings includes emissions from the following phases of the life cycle:

Embodied CO_2 emissions (embodied carbon):

- Emissions generated during the production of building materials and their transportation (phase A1-A3)
- Emissions from the construction process (phase A4-A5)
- Emissions from maintenance, repair and refurbishment during the life cycle (B1-B5)
- Emissions from demolition and disposal (C1-C4)

Operational CO_2 emissions (operational carbon):

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

CA Immo has been carrying out a comprehensive CO_2 life cycle analysis for all new construction projects at an early stage since 2011 in order to determine and optimize the carbon footprint of its buildings. Around a third of all greenhouse gas emissions attributable to a building are generated before it is actually used – during production and construction (source: DGNB, study on CO_2 emissions from buildings, 2021). In addition to reducing these ambodied CO_2 emissions – for example through the use of low-emission building materials – reducing the energy requirements of projects (operational CO_2 emissions) is an important lever for reducing the CO_2 footprint of buildings over their entire life cycle.

Guidelines for systematically reducing the energy consumption and CO_2 footprint of new construction projects

Our decarbonization strategy for new construction projects includes the following measures:

- Continuous reduction of the energy demand of new construction projects by optimizing the building envelope and technology
- Targeted digitalization of building control technology for efficient building operation (energy monitoring and management)
- Early implementation of a CO_2 life cycle analysis (LCA) for each new construction project to record and reduce embodied carbon emissions
- Expansion of renewable energy sources in and on new construction projects (e.g. photovoltaics, solar thermal energy, geothermal energy)
- Use of low-emission or CO_2-reduced building materials (e.g. concrete) wherever possible
- Creation of a material passport for each new construction project to record building materials and optimize raw material consumption and emission load (cradle to grave/cradle to cradle) – see chapter "Circular economy"
- All new construction projects launched from 2022 onwards meet the technical screening criteria (TSC) of the EU taxonomy for the environmental objective of climate protection in accordance with economic activities 7.1 and 7.7.

EMBODIED CO_2 EMISSIONS AND ENERGY DEMAND OF RECENT PROJECT COMPLETIONS AND ACTUAL CONSTRUCTION PROJECTS

Project [1]	Usage	Completion	Net floor space in sqm	Upfront Carbon (A1-A5) in kgCO_2/sqm	Primary energy demand in kWh/sqm/a	Final energy demand in kWh/sqm/a
ONE	Office, Hotel	2022	77,342	433	87	128
Grasblau	Office	2022	11,943	451	73	88
High-rise building at Europaplatz	Office	2023	25,505	530	119	155
Upbeat	Office	2026	38,547	532	104	156
Total			**153,337**	**475**	**96**	**136**
Market average (Germany) [2]	Office				222	160

[1] ONE, Grasblau, high-rise building on Europaplatz: Values are based on final LCA prepared after project completion. The values for Upbeat are preliminary estimates that were recorded in the LCA in various project phases with the aim of reducing the emission values in the course of project implementation. During the project phase, the embodied emission values are continuously evaluated and specified after completion. Final values are therefore only available after completion of the overall project.
[2] Market average (German office) according to deepki https://index-esg.com/
Sources: Energy performance certificates, life cycle assessments. The primary energy requirement of a building is calculated from the final energy requirement (heating, lighting, cooling; excluding 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.

In 2023, the **high-rise office building** developed by CA Immo **on Europaplatz** directly adjacent to Berlin's main railway station was completed and added to the company's investment portfolio. Like all CA Immo development projects, this building was developed in accordance with strict sustainability criteria in order to optimize the building's energy efficiency and CO_2 footprint:

- The CO_2 footprint of the building is below the current recommendations of the German Sustainable Building Council (DGNB)
- The primary energy requirement forecast for building operation will be at least 10% below the current reference value (at the time of the start of construction) in accordance with the Energy Saving Ordinance (EnEV)
- An EU taxonomy check was carried out, the findings of which will be incorporated into the planning of future construction projects
- Sustainability certification in accordance with the DGNB Gold Standard is currently being implemented.

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_2 emissions of company cars. With this in mind, we are increasingly offering employees the opportunity to use electric or hybrid vehicles as company cars. At the end of 2023, the hybrid share of company cars across the Group was 27% (2022: 26%), while electric cars accounted for 6% (2022: 5%). These shares are to be successively increased further.

Our travel policy stipulates that employees should switch to rail instead of air travel wherever possible. The promotion of the BahnCard or job tickets for local public transport is intended to encourage a switch from cars to public transport.

We are supporting the mobility transition by installing **e-charging stations** in our buildings for our tenants and employees. In total, almost 500 e-charging stations were available in CA Immo portfolio buildings as at December 31, 2023 (2022: 243). Following a tenant demand analysis, the installation or pre-installation of a further 180 or so charging points was also commissioned in 2023. All e-charging stations are powered by electricity from renewable energy sources.

OVERVIEW OF CO_2 EMISSIONS FROM TRAVEL ACTIVITIES

Travel activity	GHG emissions Scope	Unit of measurement	2023
Vehicle fleet[1] Gasoline, hybrid gasoline	GHG emissions Scope 1	kgCO2e	32,213
Vehicle fleet[1] Diesel, hybrid diesel	GHG emissions Scope 1	kgCO2e	63,257
Vehicle fleet[1] Electric, hybrid electric	GHG emissions Scope 2	kgCO2e	629
Business trips Flights, Rail travel	GHG emissions Scope 3	kgCO2e	49,153
Total	**GHG emissions Scope 1+2+3**	**kgCO2e**	**145,252**

[1] Vehicle fleet in Austria and Germany, i.e. 92% of the vehicle fleet, included

II. CIRCULAR ECONOMY AND POLLUTION PREVENTION

In the course of our business activities, we focus on initiatives that contribute to reduced resource consumption, the reuse and recycling of materials and waste and the prevention of environmental pollution in the construction, operation and renovation of buildings.

Key sub-topics:
- Circular economy & resource conservation
- Harmful substances and pollution of air, water and soil

CA IMMO AGENDA FOR CIRCULAR ECONOMY AND RESOURCE CONSERVATION

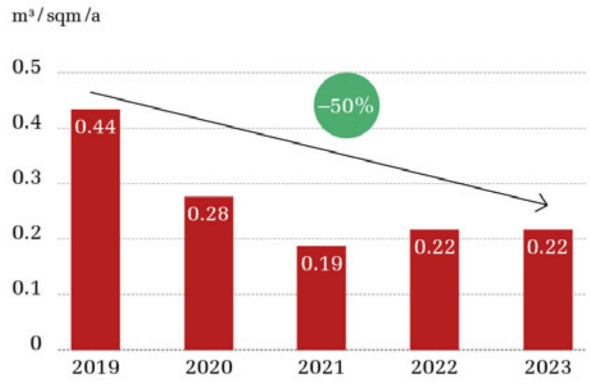
Goals & principles	Measures
Circular economy & resource conservation	
– Increase the proportion of recycled/recyclable waste – Reduction in water consumption – All new construction projects launched from 2022 onwards meet the technical screening criteria (TSC) of the EU taxonomy for the environmental objective of climate protection in accordance with economic activities 7.1 and 7.7	– Implementation of professional waste management and water consumption monitoring in building operations – Green lease program for resource-conserving, sustainable building use (tenant participation) – see also "Climate protection" section – Creation of a material passport for each new construction project to record the building materials and to optimize raw material consumption and emission load (cradle to grave / cradle to cradle) – EU taxonomy checks are being implemented for current projects. Compliance with TSC 7.1 and 7.7 in the currently valid version is part of the project requirements for all new construction projects launched from 2022 onwards

As CA Immo organizes both water procurement and waste disposal centrally for all multi-tenant office buildings, **water consumption and waste data are** available for the majority of investment properties.

In 2023, **water intensity** (average annual water consumption per sqm) has remained constant (2023 and 2022: 0.22 m³/sqm/a) compared to the previous year. Water consumption is to be further optimized through the installation of digital water consumption meters (smart meters), corresponding consumption monitoring and leakage detection based on this and the derivation of efficiency measures. The rollout for the installation of smart water meters began in 2023, with around 65% of German buildings already providing live data on water consumption as at 31.12.2023.

The **rate of diverted waste** in building operations increased from 51% to 84% compared to the previous year. In the interests of efficient operating cost and sustainability management, we want to optimize existing waste disposal concepts, further increase the waste recycling rate and close any remaining data gaps. A framework agreement for professional waste management in German buildings has been in force since 2022. This includes the organization 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 sustainability maxims. Among other things, waste avoidance and separation is a component of green lease agreements (see the "Tenant participation" section in the "Climate change" chapter).

BUILDING WATER CONSUMPTION INTENSITY 2019-2023



The area used to calculate the water intensity is the gross internal area (GIA)

WASTE KEY FIGURES

Circular economy & resource conservation in new construction projects

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). After all, circular construction is the only way we can significantly reduce the amount of waste and CO_2 emissions. Criteria such as ease of dismantling or the use of recycled materials are applied in all CA Immo development projects, insofar as this is feasible in the context of the overall project.

BIM (Building Information Modeling) technology is used in every new construction project. In addition, CA Immo has been an innovation partner of the Madaster software platform since 2022 with the aim of systematically cataloging the materials used in new construction projects (cadastre). This allows the recycling rate, toxicity, recyclability and the CO_2 bound in the materials to be determined during the construction process and documented in the form of a material passport for each building. The Upbeat office project in Berlin is currently being recorded via Madaster.

The greatest possible flexibility and reversibility of use for a wide range of user requirements in terms of future office landscapes, conversion and repurposing are key requirements for every new building, which are already taken into account in the planning phase. For example, the building shell is designed to be as flexible as possible with a load-bearing structure that is as neutral as possible in terms of use, floor heights, depths and ceiling loads, and by taking into account occupancy reserves in the supply shafts. The aim is to enable a variety of flexible uses during the building's life cycle and to avoid extensive conversion work during the building's life cycle, including premature demolition.

Waste disposal logistics and recycling management for optimized waste separation are installed on all CA Immo construction sites. This includes daily waste collection, separation and disposal by external waste disposal logistics companies. In the 2023 business year, the CA Immo construction management subsidiary omniCon was responsible for waste disposal logistics for new construction projects; in future, this will be the responsibility of the Development department.

III. SUSTAINABLE SUPPLY CHAIN

We are aware of our impact on the environment and society across our entire value chain – as well as the responsibility that CA Immo has as a project developer, builder, investor, landlord, employer and client. As one of the leading companies in the European real estate industry, we are committed to sustainability in the broadest sense within our sphere of influence. Compliance with a wide range of requirements and voluntary standards in the areas of governance, the environment and social issues has long been binding for us, our contractors and suppliers across our entire supply chain.

Essential sub-topic:
- Sustainable supply chain & procurement

CA IMMO AGENDA FOR A SUSTAINABLE SUPPLY CHAIN

Goals & principles	Measures
Sustainable supply chain & procurement	
– Environmental and social requirements in the CA Immo procurement guidelines	– Obligation of construction service providers to comply with comprehensive sustainability standards (e.g. environmental management systems, certifications, material declarations, occupational health and safety, working time regulations, collective agreements)

Sustainable supply chain & procurement
We require our contractors and suppliers (providers) to recognize and comply with our Code of Ethics and Code of Conduct and the governance, social and environmental standards we have defined as early as the tendering process. CA Immo examines its business partners - including construction companies in particular - as part of the tendering process not only in terms of their professional qualifications and economic situation, but also with regard to social aspects. As part of a third-party compliance review, questionnaires and the use of company and risk databases for undesirable news, sanctions, watch lists, etc. are used to request and check compliance with governance, social and environmental standards, which are then taken into account in award processes.

A comprehensive analysis of the Corporate Sustainability Due Diligence Directive (CSDDD) and its requirements was carried out in the 2023 business year to ensure CA Immo is optimally prepared for future obligations as a trustworthy contractual partner. In addition to an in-depth evaluation of the legislative process and the impact on internal CA Immo processes, measures were evaluated as part of supply chain screenings and a business partner code of conduct was drawn up.

In the area of governance, we pay particular attention to compliance with laws and our internal guidelines for contractual partners, for example with regard to corporate ethics, ensuring compliance and measures to combat corruption, money laundering and the financing of terrorism. In the social area, our strategic focus is on compliance with human rights, health & safety, employment & working conditions and social aspects of sustainable urban district development. In the case of construction services, CA Immo obliges and checks its contractors to comply with statutory regulations on occupational health and safety, workplace and working time regulations and collective agreements, for example. Our procurement process also ensures that the high ecological requirements are met in accordance with the relevant certification standard for the planned building (see "Urban development" section). We require our construction service providers to comply with sustainability standards such as DGNB Gold or LEED Gold (e.g. material declaration, worker protection).

Details of these standards and the associated control mechanisms can be found in the CA Immo procurement guidelines, which are available on our website: www.caimmo.com/values.

IV. URBAN DEVELOPMENT

CA Immo also takes measures in the context of its urban district developments to provide positive impetus and set responsible standards within its sphere of influence. Our strategic focus here is on the environmentally friendly revitalization of old inner-city sites (brownfield development) and the creation of buildings with high sustainability standards through to mixed-use urban districts that are attractive, inclusive and accessible.

Key sub-topics:
- Sustainable urban district development
- Sustainability certifications of the buildings

CA IMMO AGENDA FOR URBAN DEVELOPMENT

Goals & principles	Measures
Urban development	
– Certification rate of at least 70% in the property portfolio (DGNB, LEED, BREEAM; by book value)	– Ongoing review and, if necessary, recertification of investment properties – Implementation of all new office buildings for our own portfolio according to at least DGNB Gold or LEED Gold certification standard – In 2023, the certification process for three German project completions (DGNB Gold) was completed
– Specialization in brownfield development	– Continuation of the strategic focus on brownfield development

Sustainable urban district development

As an internationally active project and urban district developer, CA Immo shapes the appearance – and thus also the social environment – of major cities such as Berlin, Frankfurt, Munich and Prague. CA Immo specialists cover the entire value chain: from land preparation, involvement in the master plan and land development to the realization of the surrounding infrastructure and the construction and operation of new buildings. This results in mixed-use inner-city districts with short distances and a high quality of life. Neighbourhoods and buildings developed by CA Immo are characterized by good public transport links, the combination of working and living with social and cultural facilities, high technical and architectural quality, flexible use of space and low energy consumption. The provision of green spaces and public areas makes these places inclusive and accessible to all city dwellers.

The development of large, previously derelict or industrially used inner-city areas into modern urban districts (**brownfield development**) has been part of the CA Immo business model since the acquisition of Deutsche Bahn subsidiary Vivico Real Estate in 2008. As part of the revitalization of these brownfield sites, some of which have been used for industrial and commercial purposes for more than 100 years and some of which have been contaminated by Deutsche Bahn, CA Immo implements a wide range of measures to prepare and develop the land. This special brownfield development expertise covers the following environmental aspects of site preparation, among others:

- Technical site assessment: inventory of buildings, underground "old buildings", gutting, demolition
- Explosive ordnance risks and (construction-accompanying) explosive ordnance clearance measurement
- Evaluation of contaminated site risks (soil, water, soil air); soil and groundwater remediation
- Valuation of waste and disposal concepts
- Measures to protect biodiversity: nature conservation survey of flora and fauna
- Species protection: including relocation measures for protected animal species such as lizards, green toads and bats; creation of biotopes and green compensation areas
- Infrastructural development: Construction of future public roads, paths, squares, playgrounds and parks.

Since 2022, the CA Immo plot on Quitzowstrasse in Berlin has been undergoing comprehensive soil remediation. Between 1898 and 1982, a machine and metal goods factory and a coal lighter factory with melting pots for naphthalene were successively located on this site. As a result, the soil and groundwater were contaminated and are now being cleaned up by means of extensive soil replacement and accompanying and subsequent hydraulic remediation. The remediation is expected to be completed by the end of 2024.

Creation of social infrastructure

By specializing in the revitalization of inner-city brownfield sites, CA Immo is opening up places that were previously inaccessible to all city dwellers – mostly due to their former industrial use. 25 CA Immo buildings, or around 60% of the total portfolio (by area), are located in districts that have been developed, upgraded and opened up to the public by CA Immo. As part of its neighborhood development activities, CA Immo works with local authorities to create a wide range of social amenities and infrastructure, including:

- Parks, play, sports and ecological compensation areas
- Schools, daycare centers, local supply
- Public roads and (cycle) paths.

This results in sustainable inner-city land use with a high quality of stay.

In the 2023 reporting year, work began on the construction of a public green space with spacious sports and play areas in Munich's Baumkirchen Mitte district, with completion and handover to the City of Munich scheduled for summer 2024. The construction of a playground in Europacity Berlin is also planned for 2024.

Creation of residential building rights

In the course of its neighborhood development projects, CA Immo has created building rights for more than one million sqm of gross floor space (GFA) for 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 land reserves for urban residential districts in Munich are currently in various stages of land development.

With the Eggartensiedlung, CA Immo is preparing the development of a model district in terms of climate and environmental friendliness as well as cooperative and affordable housing with a corresponding social mix in a joint venture with a local developer at Munich's Olympic Park.

Sustainability certifications as objective proof of building quality

Sustainable in-house project development for its own portfolio to enhance the quality of its building stock has been an important component of CA Immo's sustainability strategy for many years. In order to provide transparent, internationally comparable and objectified evidence of building quality across the entire portfolio, CA Immo also has strategic core portfolio buildings certified. CA Immo relies on internationally established, holistic sustainability standards such as DGNB, LEED and BREEAM. Additional building certification standards such as WELL (health and well-being), WiredScore (digital connectivity) and SmartScore (design and smart user experience) are also used, particularly for new construction projects.

In 2023, the DGNB certification process was completed for three office buildings (project completions) in Munich, Berlin and Mainz. This was offset by the sale of two investment properties certified to the DGNB and BREEAM standards as well as the completion of an office project in Berlin, which was still in the certification process at the reporting date. As at December 31, 2023, 38 CA Immo office buildings and two hotel buildings were certified to DGNB, LEED or BREEAM standards, while four office buildings were in the process of certification or refurbishment.

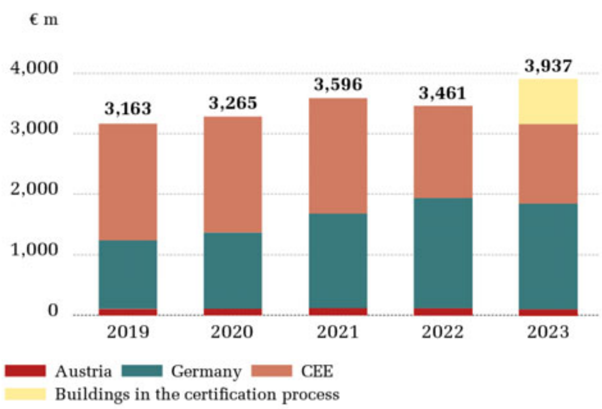
In terms of book value, around 67% of the total CA Immo portfolio (2022: 70%) and 68% of the total office portfolio (2022: 71%) were certified. Including the buildings that were in the process of certification or refurbishment on the reporting date, the certification rate was 83%. In terms of rentable effective area, the certified portfolio accounted for around 70% of the total portfolio (2022: 72%) and 73% of the office portfolio (2022: 75%).

CERTIFIED INVESTMENT PORTFOLIO BY REGION [1]

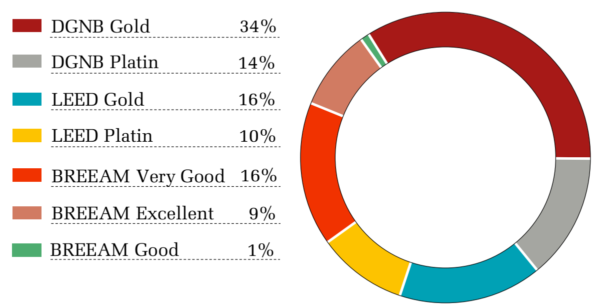
in €m	Total investment portfolio	Portfolio with sustainability certificate	Share of certified stock in %
Germany	3,014	1,758	58%
Austria	319	83	26%
CEE	1,421	1,331	94%
Total	**4,754**	**3,173**	**67%**

[1] according to book value, certified according to DGNB, LEED or BREEAM standard.

CERTIFIED PROPERTY ASSETS BY BOOK VALUE



DISTRIBUTION OF CERTIFICATION STANDARDS IN THE CA IMMO PORTFOLIO (BASIS: €3.2BN)



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). As at the reporting date, four CA Immo office buildings had WELL Core and Shell certification in gold or platinum. WELL building standards are taken into account in the early planning phases of new construction projects.

Sustainability certification for new buildings

Since 2011, all office properties developed by CA Immo for its own long-term portfolio have been built to high sustainability standards (at least DGNB Gold or LEED Gold), taking into account the many years of experience gained from the ongoing operation of the building. Each development project starts with a site-specific and user-oriented product definition that defines the standard and level of sustainability certification, among other things. The corresponding minimum standards for ecological, socio-cultural and functional, technical, site and process quality are derived from this.

OVERVIEW OF SUSTAINABILITY STANDARDS IN CURRENT CONSTRUCTION PROJECTS

City	Project	System	Category
Berlin	Upbeat	WiredScore	Platinum
Berlin	Upbeat	DGNB	Gold[1)]
Berlin	Upbeat	WELL	Core[1)]

[1)] In the certification process

As part of the certification process, an external auditor accredited in accordance with the relevant standard (DGNB, LEED) accompanies the entire planning and construction process. This auditor ensures that the agreed sustainability criteria are implemented. The sustainability goals of the project are recorded in a pre-certificate based on the building plans. Their implementation is checked by the certifier after completion of the building and confirmed when the final certificate is issued.

Since 2022, the documentation of compliance with the Technical Screening Criteria (TSC) in accordance with the **EU taxonomy** (economic activity 7.1 and 7.7) has also been part of the new construction process. Compliance with the TSC in the currently valid version is part of the project requirements for all new construction projects started from 2022.

V. END USERS AND CONSUMERS

Essential sub-topic:
– Well-being, comfort, satisfaction & safety of tenants

CA IMMO AGENDA FOR END USERS AND CONSUMERS

Goals & principles	Measures
End users and consumers	
– Safety of products and services (Product Health and Safety)	– Annual Group-wide H&S checks (HSE) in all buildings

Health & Safety

Safe and healthy working conditions for users 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 and around our buildings, in our own offices and on construction sites. We also focus on the long-term well-being of all building users.

Product Health and Safety Program (Product Health and Safety)

Health and safety valuations are carried out in all **buildings** throughout the Group. All legal requirements, e.g. relating to electrical systems, elevator systems and fire safety precautions, are complied with. The safety and functionality of technical building systems are regularly checked by experts through targeted inspections, maintenance and functional tests in order to avoid malfunctions and prevent system failures. If defects are identified, they are rectified 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 on a monthly basis. The Asset Management department bears overall responsibility for the safety of the CA Immo portfolio.

All CA Immo portfolio buildings are inspected for safety and health effects at least once a year. In the 2023 business year, all CA Immo portfolio buildings were inspected for product safety and health impacts (100% of the total portfolio by building area; excluding properties held for sale). No violations of legal requirements or penalties relating to the health and safety impact of our buildings were reported during the period under review. All CA Immo portfolio buildings are accessible to people with walking disabilities. Further key figures on product safety can be found in the ESG Appendix.

Safety and health protection issues are applied to all **development projects** carried out throughout the Group, both in the planning and construction phase and with regard to subsequent tenants/users of the buildings. The health and safety coordinator (SiGeKo), who is already involved in the planning phase, coordinates all those involved in the construction. This coordinator carries out regular safety inspections and intervenes immediately if hazards are identified. In addition, each contractor is obliged to appoint its own safety officer. The risk of the individual activities is valued by the SiGeKo, appropriate measures are defined and compliance is monitored on site. All measures are incorporated into the respective construction site regulations of the project as a health and safety plan, compliance with which is mandatory for all project participants.

Monitoring and overall responsibility for safety on CA Immo construction sites in Germany lay with CA Immo subsidiary omniCon as part of its construction management in the reporting year. From 2024, this will be the responsibility of the Development department across the Group.

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

Tenant comfort & well-being

The quality of the workplace has a significant impact on the well-being, health, motivation and productivity of office users. CA Immo therefore considers the health and safety impact of buildings as early as the planning 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 development projects – such as ideal acoustic, thermal and visual conditions and the creation of spaces for social interaction, often with green outdoor areas. In this regard, CA Immo relies on additional certification standards such as the WELL building standard for selected buildings (see 'Urban development' section).

Tenant relations & retention

CA Immo has had local teams on the ground in its core cities for many years, actively supporting and retaining tenants and ensuring the efficient management and maintenance of buildings. Our experts are very familiar with the respective market conditions, the nature of our investment properties and the individual needs of tenants. The exchange with tenants, combined with our focused portfolio presence, enables CA Immo to offer tailored solutions for a wide range of tenant needs and to optimize our buildings and services. The following topics are evaluated on an ongoing basis in consultation with tenants:

- Satisfaction with the support and the property facilities
- Space requirements and utilization
- Demand for services such as e-charging stations, digitalization in buildings
- Requirements in relation to ESG/sustainability.

In 2023, a tenant needs analysis was carried out on the installation of charging stations and the introduction of WiredScore certifications for selected investment properties, among other things. A standardized tenant satisfaction survey was last conducted in 2022.

VI. EMPLOYEES

Our employees are our most valuable resource. Their expertise and commitment are crucial to our success. CA Immo values a corporate culture characterized by pride, trust and self-determined work. As an employer, CA Immo aims to create the best possible framework conditions to enable its employees to develop their potential, strengths and skills to the full. We offer safe and attractive working environments, a wide range of international development opportunities and careful, forward-looking human resource development with the aim of providing our employees with what our office properties stand for: a "place where people love to work".

Key sub-topics:
– Attractive employer
– Talent management & human resource development
– Inclusion, diversity & equal opportunities

CA IMMO AGENDA FOR EMPLOYEES

Goals & principles	Measures
Employees	
– Training and communication on diversity and inclusion for all employees in at least a 2-year cycle	Conducting management training as well as training and consulting on the topic of diversity as part of the employee training program
– Proportion of women in management positions of at least 30%	Measures to promote women in management positions such as graduate and talent management programs, the possibility of part-time employment in a management position, flexible working hours and part-time models
– Regular implementation of a company opinion survey and use of the survey results for the targeted improvement of satisfaction within the workforce	Conducting a company opinion survey in 2022

Employment & working conditions
As at the reporting date, CA Immo employed 307.4 (31.12.2022: 346.4) FTE (Full Time Equivalents) across the Group (including part-time employees (PTE) and employees on leave, excluding freelancers). This represents a year-on-year decline of around 11%. Germany accounts for the largest share at around 59%, followed by Austria (21%) and CEE (17%). The remaining 2% are accounted for by employees of the omniCon branch in Basel (omniCon is a subsidiary of CA Immo specializing in construction management, which is active in Germany and Switzerland). Of the total of 182.3 FTE in Germany, 70.7 (2022: 81.6) were employed by omniCon as at the reporting date (including 7.0 at the omniCon branch in Basel).

As an employer, CA Immo has been anchored locally in its markets for many years and employs almost exclusively local staff in its international branches. As at 31.12.2023, people from 21 nations were working for CA Immo.

CA Immo generally employs staff on permanent full-time contracts. In 2023, 338 of a total of 348 employees are on permanent contracts and 10 on fixed-term contracts. The proportion of fixed-term employees by employment contract is 3%.

In its corporate social responsibility (CSR) policy, CA Immo is clearly committed to the freedom of association of its workforce. This policy also defines CA Immo's stance on issues such as employment relationships, human rights and working conditions. The CSR policy is available at www.caimmo.com/esg-policies. There are also other internal guidelines and/or local company agreements that define working conditions in more detail, including those that support the work-life balance.

Company opinion survey

In 2022, CA Immo conducted a Group-wide survey in cooperation with Great Place to Work (GPTW) to analyze satisfaction among the workforce. Satisfaction dimensions such as pride, fairness, respect, team spirit, leadership and credibility were valued. In addition, a focus area dealt with ESG-relevant topics.

With a Group-wide participation rate of 73%, the overall satisfaction rate was 71%, with factors such as a non-discriminatory working environment and physical safety in the workplace highlighted particularly positively by participants. CA Immo plans to carry out opinion surveys of this kind at regular intervals in future in order to continuously define and implement measures to increase satisfaction.

OVERVIEW OF CA IMMO GROUP EMPLOYEES BY SEGMENT[1)]

						Number of employees	Share of women	Entries / exits	New hires [3)]	Fluctuation[4)]
	31.12.2023 HC	31.12.2022 HC	Change in %	31.12.2023 FTE	31.12.2022 FTE	2023 Ø	31.12.2023 in %	2023	2023 in %	2023 in %
Austria	80	85	-6	65.4	72.4	82.7	60	11/16	13	19
Germany/ Switzerland[2)]	209	235	-11	189.3	215.4	217.6	42	11/37	5	17
CEE	59	72	-18	52.8	58.7	62.0	69	1/14	2	23
Total	**348**	**392**	**-11**	**307.4**	**346.4**	**362.3**	**51**	**23/67**	**6**	**18,5**

1) Headcounts (HC), including 44 part-time employees (PTE), incl. 23 employees on leave; excl. 24 employees of joint venture companies; the calculations for this table are based on the GRI guidelines (GRI 401-1). FTE: Full Time Equivalents
2) At the end of 2023, 7 local employees worked at the branch of the wholly owned CA Immo construction subsidiary omniCon in Basel
3) New hires: Entries 2023/average number of employees 2023 (headcount)
4) Fluctuation: staff leaving in 2023/average number of employees in 2023 (headcount)

Attractive employer

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

Employee co-determination 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 the workforce via various channels, including physical or virtual town hall meetings, info mails, management meetings and team meetings. The Austrian and German **Works Councils** work closely with the HR department and regular coordination meetings are held. The Management Board and Works Council meet quarterly to discuss company developments and relevant employee issues. Two members of the Austrian Works Council represent the workforce 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 company decisions.

Employee participation and social benefits

CA Immo offers its employees a range of voluntary social benefits, irrespective of the working time model: Meal vouchers or meal allowance, Bahncard 25 or 50, job tickets, further training support, kindergarten allowance, group health insurance, group accident insurance, assignment-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 EBITDA.

Talent management and human resource development

As part of the strategic training and development program (CA Immo Academy), CA Immo offers its employees a wide range of regular internal and external training and development courses. In 2023, the focus was on team-building measures in particular; specialist individual training measures were also implemented.

CA Immo also supports the professional development of its employees with training days, flexible working hours and grants for the completion of (dual) studies. Additional information on the subject of training and development can be found on our Group website and in the ESG Appendix. On average, women completed 16.2 hours of training and men 11.5 hours in the reporting year.

AVERAGE DAYS OF ABSENCE BY REGION

in days		Vacation	Illness	Training in hours	Training in days
	Women	20.9	7.4	23.0	2.9
Austria [1]	Men	22.5	2.5	23.4	2.9
	Women	27.6	7.7	17.9	2.2
Germany [2]	Men	29.7	5.7	9.7	1.2
	Women	19.8	0.6	4.8	0.6
CEE	Men	20.9	1.1	3.8	0.5

[1] Excl. two long-term sick days (LTSL) in Austria. Including these LTSL, the average number of sick days would be 8.1 days for women and 9.0 days for men.
[2] Excluding five LTSL in Germany. Including these LTSL, the average number of sick days would be 12.4 days for women and 7.0 days for men.

In order to promote a culture of continuous feedback, all CA Immo employees have an annual meeting with their manager at least once a year to assess performance, define objectives, analyze potential and develop their personal careers. Individual training plans and targets can be defined in line with the individual development potential of team members and the company's need for expertise and qualifications. With the exception of those who only joined the company in the 4th quarter of 2023, all employees had an annual appraisal in 2023. Each annual appraisal is recorded digitally in a central HR tool. This allows the targets to be viewed at any time and an interim status on target achievement to be set.

Health and safety in the workplace

Two occupational accidents were recorded in the 2023 reporting year. The resulting absence amounted to a total of 35 days.

External safety experts carry out regular rounds and inspections in all offices used by CA Immo itself. The frequency of these inspections is based on national legal requirements and ranges from once to four times a year. Key topics include workplace evaluation, fire protection, indoor climate factors and lone working/working alone. An internally appointed safety officer at each branch also ensures a pleasant and safe working environment. In 2023, no identifiable safety-related deficiencies and resulting acute hazards or risks to staff were identified at any CA Immo location.

Health and safety plans are drawn up on all CA Immo construction sites. The company's own employees receive regular safety instructions on construction sites (see also the section on tenants and service providers).

CA Immo offers the following measures and support as part of its **occupational health management** program to protect the long-term physical and mental health of its workforce:

- Digital information and inspections by occupational physicians for health-promoting work (workplace) design (e.g. ergonomic working)
- Presentations by medical professionals on health promotion and mental health (e.g. stress prevention/management, mental health, nutrition, exercise)
- Annual voluntary free tick and flu vaccinations

In addition to the legally required occupational safety measures (such as workplace and home office instructions), CA Immo also offers employees eye examinations and other medical screenings. In 2023, flu vaccinations, lung function tests and BIA measurements were offered to promote general well-being in addition to occupational health advice, which can also be obtained quickly and easily by telephone or video in Austria.

CA Immo provides external **psychological support** for employees throughout the Group (Employee Assistance Program) in the form of telephone or face-to-face counseling. This service is available to CA Immo employees and their family members living in the same household. Our cooperation partners in Austria, Germany and CEE are available to our employees free of charge at any time for personal and mental issues as well as legal and financial matters. In Austria, in addition to advice as part of the KEEP BALANCE program, a large number of online lectures are offered on topics such as time management, conflicts and changes in the working environment. In 2023, online lectures were also offered on topics including resilience and dealing with change, such as "Build your resilience" and "Coping with change and adjustment to a new normal".

Inclusion, diversity & equal opportunities

CA Immo operates in numerous countries with different languages and cultures and recognizes social diversity and the rights of all. We therefore promote diversity within the company and give employees the space to realize their full potential in order to achieve exceptional results. We create workplaces that are free from discrimination on the basis of gender, sexual orientation, marital status, regional or social origin, skin color, religion, ideology, age, ethnicity, disability of any kind or for any other reason. CA Immo does not tolerate disrespectful or inappropriate behavior, unfair treatment or retaliation in any form.

CA Immo respects the rights, interests and needs of its employees and pays attention to individuality in order to ensure equal rights and opportunities. With this in mind, CA Immo is committed in its Corporate Social Responsibility (CSR) policy to fair and respectful treatment of all employees, both among themselves and towards third parties (applicants, service providers, contracting parties, etc.).

The respective managers are responsible for observing and implementing diversity and equal rights 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 equal rights is provided by the Group-wide policies (CSR policy, Code of Ethics and Code of Conduct) and the voluntary commitment to diversity management that we have made by signing the Diversity Charter.

No incidents of discrimination were reported in the reporting year.

Gender Diversity

CA Immo stands for equality and balance in the composition of its workforce. In the recruitment process, attention is paid not only to professional qualifications but also to the equal treatment of women and men. Since 2020, CA Immo has supported the Women in Leadership (F!F) initiative (www.frauen-in-fuehrung.info/), which actively promotes change towards greater diversity and a contemporary management culture in the real estate industry.

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 (www.bestrecruiters.eu/). This benchmarking process involves an external agency analyzing the quality of the recruitment process, the careers website and the company's focus on social responsibility and diversity, among other things. CA Immo recently received the Best Recruiters silver award.

BEST RECRUITERS 23|24 aut

CA Immo 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. Part-time employment is also not an obstacle to a managerial position. In addition, attention is paid to gender balance in graduate and talent management programs. Since 2022, the topic of diversity development has been discussed at least once a year by the Supervisory Board.

As at the reporting date, the proportion of women across the Group was around 51% (31.12.2022: 51%). At 69%, the proportion of women was highest in the CEE branches, followed by Austria (60%) and Germany (42%). The proportion of female managers has risen slightly compared to 2023 and 2022 and currently stands at 33%. One woman is represented on the Supervisory Board, meaning that the proportion of women is 17%.

CA Immo promotes the compatibility of work and family life in particular through flexible working hours and part-time models, working from home, paternity leave and paternity leave. Employees on parental leave are integrated into the internal information network and have the opportunity to take part in annual team meetings and company events.

Gender pay gap (gender pay gap)

We evaluate and compare the salaries of men and women in comparable roles on an annual basis. If there is a pay gap, this is analyzed at an 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 remuneration) is 4.0% at management level (31.12.2022: –4.3%) and –1.4% at employee level (31.12.2022: –2.1%).

EMPLOYEES BY AGE AND CATEGORY (BASIS: 348 EMPLOYEES)[1)]

in %			
Employees (294)[2)]	**≤ 28 years**	**29-48 years**	**≥ 49 years**
Female	3%	40%	12%
Male	3%	26%	16%
Total	**6%**	**66%**	**28%**
Executives (52)[3)]	**≤ 28 years**	**29-48 years**	**≥ 49 years**
Female	0%	19%	13%
Male	0%	31%	37%
Total	**0%**	**50%**	**50%**
Management Board (2)	**≤ 28 years**	**29-48 years**	**≥ 49 years**
Female	0%	0%	30%
Male	0%	50%	50%
Total	**0%**	**50%**	**50%**
All employees (348)	**19**	**221**	**108**

[1)] The 22 employees (as at 31.12.2023) of the joint venture companies are not included. The percentages refer to the number of employees in the respective category. The calculations for this table are based on the GRI guidelines (GRI 405-1). [2)] Of which 1% with disabilities. [3)] Managers were defined as follows: Group manager, branch manager, department manager, division manager, team leader.

GENDER DIVERSITY[1)]

in %	Men	Women	Gender-specific Wage gap[2)] Basic Remuneration	Total Remuneration
Supervisory Board total	83	17	0	0
Supervisory Board (shareholder representatives)	75	25	0	0
Supervisory Board (employee representatives)	100	0	0	0
Management Board	100	0	-	-
Managers	69	31	6,1	4,0
Employees	45	55	-1,5	-1,4
Total	**49**	**51**		

[1)] The remuneration of the Supervisory Board is not gender-dependent
[2)] Information on the calculation methodology can be found in the ESG Appendix

VII. IMPACT ON COMMUNITIES

Essential sub-topic:
– Social commitment

CA IMMO AGENDA FOR SOCIAL COMMITMENT

Goals & principles	Measures
Social commitment	
– Charitable commitment in the core cities of CA Immo	– Cultural and social sponsoring – Corporate Volunteering

Cultural and social sponsoring
For many years, CA Immo has been making areas and buildings available free of charge or at low cost for interim cultural use as part of inner-city district developments and the conversion of sites formerly used for industrial purposes. Examples include the Rieck Halls, which are used as exhibition space, and the Hamburger Bahnhof property at Berlin Central Station.

CA Immo also supports selected charitable institutions, hospitals and schools in its core cities. In 2023, for example, we provided office space in Warsaw free of charge to support Ukrainian refugees. In total, CA Immo donated around €42,000 (including donations in kind) to social and medical institutions in 2023.

As part of its urban district development projects, CA Immo is creating social infrastructure (e.g. daycare centers, schools, public green and play areas) and building rights for urban housing (for details, see the "Urban development" section).

Corporate Volunteering
CA Immo promotes the commitment of its workforce 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.

VIII. GOVERNANCE

Responsible corporate management
Responsible corporate management is of central importance to CA Immo. Our corporate governance is based on a comprehensive concept of responsible, transparent, sustainable and value-oriented corporate management. The Management Board, Supervisory Board and managers ensure that this corporate governance is actively practised and constantly developed in all areas of the company in order to deal responsibly with business partners, employees, the people around us and our environment. We are convinced that the successful integration of sustainability aspects and innovation not only promotes value-creating growth, but also long-term competitiveness in the market. With this in mind, we evaluate and manage the requirements of our stakeholders as well as the impact of our business activities on the environment and our social environment.

Key sub-topics:
- Responsible economic performance and long-term value
- Human rights
- Cybersecurity
- Management of ESG risks and opportunities
- Tax governance and responsibility
- Governance and internal control system

CA IMMO AGENDA FOR CORPORATE GOVERNANCE

Goals & principles	Measures
Corporate Governance	
– Signatory of the UN Global Compact	Signatory of the UN Global Compact since 2022
– Improvement in the score for the most important ESG ratings	Active involvement with Sustainalytics, MSCI, ISS ESG, CDP etc.
– Preparation for EU supply chain legislation	Evaluation of preparations for the Corporate Sustainability Due Diligence Directive (CSDDD). Development of a Business Partner Code of Conduct
– Ensuring an effective whistleblowing system and whistleblower protection	Adaptation and optimization of the web-based whistleblowing tool implemented in 2018 in accordance with the requirements of the EU Whistleblowing Directive
– Evaluation of Group-wide policy management	Comprehensive review and evaluation of Group-wide policy management. A modernization and consolidation process was initiated, which is to be completed in 2024

Responsible economic performance and long-term value

CA Immo is one of the leading real estate companies in Central Europe and, as such, the first port of call for investors and shareholders, providers of equity and debt capital, buyers, customers, tenants, interested parties, suppliers, business and contractual partners, employees, government representatives and stakeholders, as well as the media and the general public ("stakeholders"). We are successful in what we do and set standards for quality, transparency and fairness in our business segment.

Our goal is to create lasting value with properties and to generate sustainable benefits for our shareholders, tenants and end users. In doing so, we treat all business partners with respect and fairness and treat resources and our environment with awareness and care in the course of our business operations. In line with this positioning and the goal we have set ourselves, CA Immo is committed to the following basic values (Code of Ethics), which are set out in detail in our Code of Conduct and in separate guidelines and policies.

- Compliance with laws and adherence to the law as well as a ban on corruption ("zero tolerance")
- Safeguarding the integrity of actions
- Compliance with human rights
- Compliance with environmental standards
- Commitment to social responsibility and compliance with employee rights, prohibition of discrimination and harassment
- Transparency and safeguarding the integrity of capital market communication
- Ensuring a complaints system that is accessible to everyone ("whistleblower system")
- Binding nature (definition of measures for monitoring and compliance with obligations as well as training).

These basic values are binding for our employees, and CA Immo will not tolerate violations. Our contractual partners must also acknowledge these basic values before concluding a contract and undertake to comply with the legal, ethical and moral principles set out therein and to bind their business partners and suppliers to them as well.

Our guidelines

By providing 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 and oblige them to support the principles and initiatives of CA Immo. Our basic values (Code of Ethics), our Code of Conduct and the associated guidelines and policies on corporate governance, compliance, anti-corruption and social standards are available on the CA Immo website under Corporate Governance (www.caimmo.com/values):

- Code of Ethics & Code of Conduct
- Business Partner Code of Conduct
- Gifts and donations policy
- Corporate Social Responsibility ("CSR") Policy
- Award guideline

Other Group-wide guidelines in the area of corporate governance include the Capital Market Compliance Directive and the Money Laundering Directive.

Commitment to international human rights principles

We consider human rights to be fundamental values and are committed to upholding the human and labor rights defined internationally in the UN Charter and the European Convention on Human Rights as well as the UN Guiding Principles on Business and Human Rights as an integral part of responsible business practice within our own sphere of influence. Likewise, ethical standards are always upheld in our activities. We categorically reject any violation of these human rights - whether in our company, with our business partners or along the entire supply and value chain. This also includes any form of forced and/or child labor (as defined in the "Minimum Age Convention - C138" and the "Forced Labor Convention - Co29") as well as human trafficking and discrimination of any kind (see "Diversity & Inclusion Program"). We encourage our business partners to comply with these principles and to pursue a corresponding policy in their companies.

CA Immo has set itself the goal of improving the working environment of tenants and the quality of life of people who become project stakeholders as part of its project development activities. CA Immo is also committed to identifying and, where possible, preventing or mitigating any negative impacts of its business activities on human rights through a careful review as part of its annual compliance risk valuation, before or as soon as they occur.

Potential risks due to human rights violations are valued annually as part of the evaluation of compliance risks according to the probability of occurrence and the potential amount of damage. In addition, employees are trained on our values and our Code of Conduct as well as typical compliance risks when they join the company and then annually throughout the Group. In the previous year, a Group-wide corporate goal was also defined in this regard - annual compliance and anti-corruption training for all employees.

In addition, the health, safety and well-being of our employees and stakeholders are at the heart of everything we do.

Cybersecurity
CA Immo considers a high level of cybersecurity to be essential for the smooth functioning of its business activities. Network, program, information and operational security form the core of this. CA Immo's IT security concept focuses on topics such as security management, security objectives, protection requirements and risk analysis in order to continuously increase the cyber resilience of CA Immo.

Standardized processes and measures are used to identify potential threats and cyber risks at an early stage and determine the level of protection required (from low to very high) 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 data protection and IT security audits at regular intervals. This concerns both IT-related issues and 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 December 2022 by an external auditing company. 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 cyber security training. In 2023, the majority of the workforce again completed several cyber security training courses and phishing training. IT guidelines are issued to all employees at the start of their employment, and CA Immo employees can also find information on IT security on the Group intranet. The IT guidelines include information and rules on data backup, data exchange and transfer, data protection, the use of email and the internet, mobile devices, home offices and remote access.

CLIMATE RISKS AND OPPORTUNITIES

Climate change and its consequences for our environment are a global threat whose diverse effects are already being felt today. The future social, climate policy, economic and technological developments associated with climate change are highly uncertain, as is the speed at which this process of change will take place. Much will depend on how sensitively the climate system reacts to changes in greenhouse gas emissions, how strongly higher levels of warming affect our environment and how quickly individual countries and societies react to these developments.

CO_2 emissions and global warming scenarios
Global warming of 2°C will be exceeded in the course of the 21st century if there is no far-reaching reduction in CO_2 and other greenhouse gas emissions in the coming decades (IPCC: Climate Change 2021, Sixth Assessment Report, www.ipcc.ch). The graph on the next page shows scenario analyses for the development of global CO_2 emissions and the resulting global warming up to 2100.

The role of the real estate sector in the fight against climate change
Considered over their entire 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_2). Around 75% of buildings in Europe are considered inefficient and less than 1% of the national building stock is renovated on average each year (https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17_en). Stricter energy standards for buildings, higher energy renovation rates and technological change (e.g. intensified use of renewable energy sources such as heat pump technologies), but also the energy transition (provision of sufficient energy from renewable energy sources for climate-neutral building operation) are key components in achieving 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 organizational processes and responsibilities can be found at the beginning of the ESG report and in the risk management section.

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

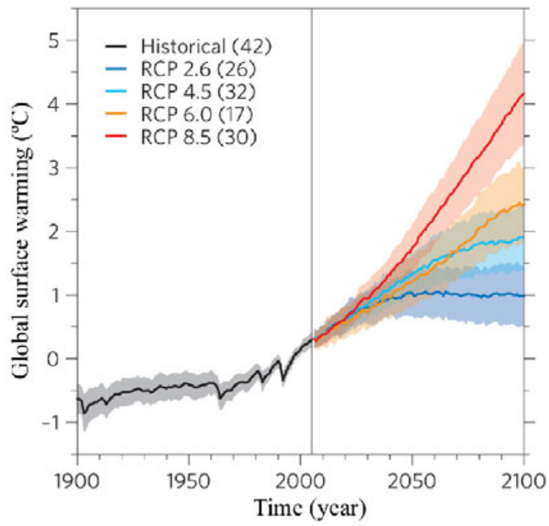
- **Physical risks**: Direct, physical damage to tangible assets (buildings, plant and equipment) caused by the changing climate, triggered by extreme weather events (acute risks) or continuous climate change such as rising sea levels or higher temperatures (chronic risks).
- **Transition risks (transition 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 provisions) as well as 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 2021, we evaluated natural risks (flood, hailstorm, lightning strike, tornado, storm) for all CA Immo investment buildings with a value of > €10m in order to be able to specifically assess the corresponding risk exposure of our portfolio. Building on this, we carried out a detailed, forward-looking risk and vulnerability analysis in 2022 using RCP (Representative Concentration Pathways) scenarios in accordance with EU taxonomy guidelines. The risk and vulnerability analysis was reviewed in 2023. The analysis was location-based and took into account the risk categories according to the EU taxonomy, i.e. chronic and acute as well as temperature- and wind-related as well as water- and land-related risks were considered. The expected service life of the buildings was assumed to be more than ten years.

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 global 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 to carry out the risk and vulnerability analysis.

Global warming: RCP scenario calculation



Source: Researchgate.net https://www.researchgate.net/figure/Global-temperature-increase-used-in-IPCC-AR5-presented-by-the-RCPs-The-values-in_fig1_316307741

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

The following climate change risks according to the RCP4.5 scenario up to 2050 were analyzed for each individual investment property:

- Drought stress
- Fire weather stress
- Fire season stress
- Heat stress

– Heat - cumulative maximum temperature load
– Precipitation stress
– Precipitation stress accumulated over five days
– River flooding

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

In the final step, corresponding adaptation solutions already in place in or around the affected buildings were analyzed for these climate risks. Adaptation solutions have already been implemented for all properties with an increased exposure to physical risks. In the case of water-related risks, these are primarily flood protection concepts, protection against backflow, river regulation, barrier protection and dams; with regard to temperature-related risks, these are in particular 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 adaptation solutions have already been implemented to mitigate these risks.

PHYSICAL RISKS

Risk type	Risk assessment	Potential financial impact	Action and strategic provision
Natural disasters and extreme weather events	Risk group: Acute Probability: High Time horizon[1]: Short **CA Immo risk exposure[2]**: Low[3]	– Physical damage and impairment of buildings (possibly exacerbated by high portfolio concentration within a city) – Delivery delays and material bottlenecks (interrupted supply chains) – Interruption of production or operation	– Continuous monitoring, maintenance and servicing of the buildings – Forward-looking project development and high building quality in investment properties – Carrying out a risk and vulnerability analysis with RCP scenarios in accordance with EU taxonomy guidelines – Continuous review of adaptation measures to increase the climate resilience of the portfolio – Comprehensive insurance cover for investment properties and projects (construction sites)
Gradual changes in temperature and precipitation, rising sea levels	Risk group: Chronic Probability: High Time horizon[1]: Long **CA Immo risk exposure[2]**: Low[3]	– Changes in raw material and input prices – Higher energy consumption and operating costs for buildings (e.g. due to increase in cooling requirements) – Higher maintenance and construction costs to increase climate resilience – Increase in insurance premiums or no insurance cover possible	– Carrying out a risk and vulnerability analysis with RCP scenarios in accordance with EU taxonomy guidelines with analysis of suitable adaptation solutions. – Risk provisioning, including through the implementation of the following adjustment solutions: – Flood protection concepts in buildings in river locations, improved drainage systems – Implementation of efficient cooling and solar shading systems – Greening the outdoor areas – Continuous review of adaptation measures to increase the climate resilience of the portfolio

[1] Period in which these climate risks are likely to occur: Short 0-1 year, Medium: 1-3 years, Long: longer than 3 years
[2] Low: €0-10m; Medium: €10-50m, High: >€50m. Observation period: 1 year
[3] Taking into account the existing risk-mitigating measures, the current residual risk is classified as low

TRANSITION RISKS

Risk type	Risk assessment	Potential financial impact	Action and strategic provision
Regulatory risks			
Stricter regulations and laws on decarbonization, energy efficiency and adaptation to climate change	Probability: High Time horizon[1]: Medium	– Higher construction costs due to increasing requirements for energy efficiency of buildings and CO_2 -neutral construction processes – Higher capital expenditure on energy retrofitting/renovation of investment properties – Compliance costs (penalties, levies) – Increased taxes and/or loss of subsidies	– Close monitoring of the current and future legal situation in our markets – Capital expenditure on energy retrofitting/refurbishment of investment properties – Forward-looking project development and high building quality of the CA Immo portfolio – Targeted energy and sustainability management – Buildings developed by CA Immo exceed current energy efficiency and environmental protection requirements ("Staying ahead of regulation")
Market risks			
Pressure from the capital market to reduce CO_2 emissions (EU Green Deal)	Probability: High Time horizon[1]: Short	– Falling share price (loss of reputation) – Higher financing costs, poorer availability of debt	– Clear, measurable ESG strategy and targets – Transparent sustainability reporting and communication, ESG ratings – Strategic capital rotation program to increase the sustainability of the property portfolio
Change in market demand towards energy-efficient buildings (changing tenant requirements)	Probability: High Time horizon[1]: Medium	– Falling real estate values – Poorer marketability – Lower rent levels, lower rental income (stranding risk)	– High building quality with a high proportion of sustainability certifications increases the long-term competitiveness of the property portfolio – Buildings developed by CA Immo exceed current requirements for energy efficiency and environmental protection (premium segment, best-in-class) – Strategic capital rotation program to increase the sustainability of the property portfolio
Reputational risks			
Attractiveness as an employer and landlord, stakeholder trust	Probability: High Time horizon[1]: Short	– Competitive disadvantages due to high employee turnover – Disadvantages in the battle for the best minds	– Responsible business model with a clear commitment to sustainability and climate protection – Transparent sustainability reporting and communication, stakeholder engagement

[1] Short: 0-1 year, Medium: 1-3 years, Long: longer than 3 years

CLIMATE OPPORTUNITIES

Opportunities	Potential financial impact	Action and strategic provision
Resource efficiency: more efficient buildings	– Lower operating costs thanks to increased efficiency and reduced water and energy consumption – Higher value or higher value stability of the portfolio	– Sustainability certifications and high building quality of the CA Immo portfolio improve the long-term competitiveness of the property portfolio – CA Immo agenda for sustainable business operations
Energy source: Use of renewable or low-emission energies	– Low dependence on future price increases for fossil fuels through efficiency improvements, the use of renewable energies and low-emission technologies for the operation of properties – Possibility of using political incentives for a low-emission economy (subsidies)	– CA Immo agenda for sustainable business operations (targets and catalog of measures)
Products and services: Green Buildings	– Reputation gain and competitive advantage through transparent and forward-looking sustainability reporting and higher demand for products/services with low emissions ("green buildings") – Competitive advantage through rapid adjustments to the building stock (modern technologies and innovations to optimize energy efficiency and reduce emissions)	– CA Immo has a high-quality portfolio with a high proportion of sustainability certifications (DGNB, LEED, BREEAM) – Buildings developed by CA Immo exceed current requirements for energy efficiency and environmental protection (at least DGNB Gold or LEED Gold certification standard, strong track record and in-house expertise as a green building developer) – Use of findings and synergies from project development to reduce CO_2 emissions and resource consumption in investment properties – Transparent sustainability reporting and communication
Markets: New business areas, target groups and financing opportunities	– Higher revenues, competitive advantages through access to new markets/tenants – Green finance: lower financing costs, better availability of debt	– Responsible business model with a clear, early commitment to sustainability and climate protection brings comprehensive competitive advantages in addressing customers and investors – Green financing strategy -2023 conclusion of a green loan for an office building in Munich
Climate resilience	– Increased market valuation through resilience planning (e.g. infrastructure, location, building condition) – Lower maintenance costs and refurbishment costs due to high resilience/climate resilience of the buildings	– Clear strategic commitment to high-quality core products in attractive inner-city metropolitan locations – Carrying out a risk and vulnerability analysis in accordance with the EU taxonomy guidelines – Derivation of adaptation measures to increase the climate resilience of the portfolio if required

Our position on taxes and duties (tax governance and responsibility)

We are committed to complying with tax obligations and operate within the tax guidelines of the CA Immo Group. The CA Immo Group is currently subject to tax in Austria, Germany, Poland, Czechia, Hungary, Serbia, Switzerland and the Netherlands. These include corporation tax, VAT, social security for employers, trade tax, the climate change levy and property tax. For the CA Immo Group, tax compliance means paying the right amount of tax at the right time, submitting correct tax returns and at the same time exercising the options and structuring alternatives provided by the legislator in the interests of tax optimization. The strategy is aligned with our internal tax guidelines and is approved by and the responsibility of the Management Board as a whole and monitored by the Supervisory Board and its audit committee.

When structuring our business activities, we take a number of factors into account, including the tax laws of the countries in which we operate. We do not take an unreasonable approach to the interpretation of tax laws and endeavor to act in accordance with both the letter and the intent of local laws.

We adhere to our tax guidelines and do not engage in aggressive tax planning. We also do not participate in artificial tax avoidance programs to reduce our tax liability in the respective countries. Where required by law, reports are made in connection with planned structuring (DAC 6). Any tax planning we undertake has commercial and economic substance. We take into account the potential impact on our reputation and our overarching goals and values.

The scope and complexity of our business and therefore the volume of our tax obligations mean that risks can inevitably arise. We ensure that potential risks are identified, valued and proactively managed in order to comply with tax regulations.

For certain transactions or structuring that involve a high degree of uncertainty or complexity, we seek external advice to reduce risk. Based on the commitment and expertise of our tax teams, we also apply professional diligence to all our actions in relation to tax matters.

In the event of disagreements with tax authorities, we strive to resolve differences swiftly by answering questions as fully and accurately as possible and maintaining an open dialog. Our aim is to be seen as a low-risk taxpayer with a good reputation.

UN Global Compact Signatory

By joining the world's largest and most important initiative for responsible corporate governance, the UN Global Compact, CA Immo made a significant commitment to corporate sustainability in 2022. As a participant organization in the UN Global Compact (UNGC), we have since committed to supporting the 10 universal principles in the areas of labour standards, human rights, environmental protection and anti-corruption and the 17 Sustainable Development Goals (SDGs) within our sphere of influence.

WE SUPPORT

UN GLOBAL COMPACT

IX. BUSINESS CONDUCT

CA Immo aims to make an active contribution to a sustainable economy based on integrity within its sphere of influence. This commitment requires the involvement of many, both our own employees and external partners. By providing targeted information and clear standards and guidelines, we aim to raise awareness of the relevant issues among our employees and contractors and encourage and oblige them to support our principles and initiatives.

Essential sub-topic:
–Compliance & Business Conduct

CA IMMO AGENDA FOR COMPLIANCE & BUSINESS CONDUCT

Goals & principles	Measures
Compliance & Business Conduct	
– Annual compliance and anti-corruption training for all employees	Implementation of compliance and anti-corruption training
– Special training in the area of creditworthiness guidelines	Special training on the changes made to the creditworthiness guidelines and how to use the new provider's tool for all affected business departments
– Special training in the prevention of money laundering and terrorist financing	Special training on the latest developments and changes made to CA Immo's internal processes for all affected business departments
– Optimization of processes in the context of capital market compliance	Further optimization of capital market compliance and the switch to a digital tool provider
– Ensuring ongoing compliance and continuous optimization of processes	Close monitoring of legislative processes and requirements in countries in which CA Immo operates, e.g. with regard to the EU Whistleblowing Directive: adaptation and optimization of the whistleblowing tool used; Adaptation of the money laundering prevention process and related questionnaires

Corporate Ethics & Compliance Program

Business ethics and compliance are central building blocks of good corporate governance and a basic prerequisite for sustainable corporate success. It is therefore extremely important to us to create a culture of integrity at all organizational levels. For CA Immo, compliance is an instrument of risk prevention and creates the framework for entrepreneurial action. This is also reflected in risk management, where ethical and compliance risks are identified and valued as part of an annual risk evaluation and appropriate countermeasures are taken.

CA Immo's compliance management system is based on the pillars of prevention, identification, communication and intervention. Our compliance strategy aims to embed integrity in our corporate culture in the long term. This includes adhering to laws and internal rules, but also respecting basic ethical values and acting in a sustainable manner. For CA Immo, acting with integrity and dealing fairly with business partners are the basis for good business. The CA Immo Code of Conduct is published on our website (www.caimmo.com/values). It is binding for all executive bodies, employees and contractual partners (e.g. architects, construction companies, brokers and other service providers in the letting business and joint venture partners). In particular, it contains regulations on legally compliant conduct, dealing with business partners and third parties, handling company facilities and confidential information, avoiding conflicts of interest, etc. It also contains information on dealing with complaints and notices of breaches of the code of conduct and other regulations binding on CA Immo.

Our values should be shared by all employees and practiced consistently. This includes the continuous development of our corporate ethics and compliance program, our training concepts, the anchoring of compliance in business processes and target group-oriented communication. However, compliance should also promote entrepreneurial risk-taking by creating a clear framework for the assumption of calculable entrepreneurial risks. Violations of legal provisions and internal rules are not compatible with either the law or our understanding of compliance and are sanctioned consistently and appropriately where necessary.

Compliance organization, training and communication

All of the Group's compliance and governance issues are bundled in the Corporate Office & Compliance department. This department performs an advisory, coordinating and consolidating function in close coordination with the Risk Management and Internal Audit departments. It reports directly to the CFO (or the entire Management Board) and the Supervisory Board or its Audit Committee. Responsibility for the content of compliance remains with the relevant Group division heads. Corporate Office & Compliance coordinates the compliance management system, develops the ethics and compliance program on the basis of identified industry-specific compliance risks, draws up guidelines or provides advice in this regard, receives information and complaints - including anonymously - and leads the clarification of compliance issues with the involvement of Internal Audit or external consultants. We encourage our employees to report concerns and grievances so that we can take countermeasures at an early stage. This also includes communicating grievances and measures taken transparently within the organization. In addition, regular training sessions are held for CA Immo bodies and employees. The annual compliance training courses cover all aspects of our values management (in particular anti-corruption, competition and antitrust law, contract awards, capital market compliance and financial reporting requirements, dealing with gifts and donations and conflicts of interest, etc.). These mandatory training courses are offered as online training as well as face-to-face training.

For us, open and transparent information and communication to raise our employees' awareness of sustainability issues are just as essential as a functioning compliance system.

Compliance focal points

In 2023, our compliance agenda was again characterized by continuous advice, assurance and monitoring with regard to the compliant execution of our internal work processes. In addition, the implementation of new ESG standards - and in particular the structuring of our ESG requirements for suppliers and other service providers - and the adaptation of our internal guidelines to include ESG issues were carried out. Compliance activities in 2023 also focused on numerous bilateral consultations on compliance and governance issues, internal processes and guidelines as well as the continuous monitoring of adherence to our internal guidelines. The Group-wide changeover of the provider of credit rating data, which necessitated a change to the internal credit rating guidelines in collaboration with the Risk Management department, should be mentioned separately at this point. The changeover process was accompanied by special training for the affected business departments, who were comprehensively informed about the changes made and how to use the new provider's tool. Mandatory quarterly compliance training courses were held for new employees in both German and English.

Policy on bribery and corruption: Preventing corruption

CA Immo rejects all forms of bribery and corruption and has defined binding guidelines for this as part of its code of conduct ("zero tolerance"). In line with Transparency International, we define corruption as the abuse of entrusted power for private gain or advantage. Bribery is committed by anyone who offers, promises, gives or receives money, a gift or other benefits as an inducement or reward for an illegal, unethical or inappropriate act or a breach of trust.

Accordingly, actions and decisions for CA Immo must always be taken free of any appearance of a conflict of interest and in accordance with appropriate, objective and economic considerations. Corrupt business practices by employees or external service providers are not tolerated. Even the appearance of corrupt business practices must be avoided. As a guiding principle, we do not make any payments or grant any other monetary benefits and do not accept any payments in order to gain business advantages in violation of (competition) law. This applies to business partners as well as to public authorities and their employees. Contributions to political parties, political exponents and religious communities (donations, benefits in kind, etc.) as well as gifts of money or unauthorized payments to business partners or authorities are strictly prohibited and will be regarded as (attempted) bribery.

In addition, employees may not accept or offer any gifts that are inappropriate in social or value terms. It is strictly forbidden to offer, promise, hold out the prospect of or grant money or benefits in kind of any kind to public officials and political exponents. As part of its program to combat bribery and corruption, CA Immo has issued detailed gift and donation guidelines for its employees, specifying which benefits are permissible and to what extent they are prohibited.

The Supervisory Board or the Audit Committee is informed at least once a year about measures taken to combat bribery and 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 mandates from the Management Board, Audit Committee or full Supervisory Board. All operating Group companies are regularly audited for corruption risks.

Combating money laundering and terrorist financing

Proper business policy includes preventing the misuse of the financial system by concealing and shifting assets of illegal origin and the financing of terrorism. CA Immo supports the fight against money laundering and terrorist financing and has issued an internal money laundering guideline (including specific measures) to prevent such criminal activities. Anti-money laundering and terrorist financing processes are firmly established within the company and are continuously monitored by the Corporate Office & Compliance department. In the 2023 business year, the company's KYC questionnaires, for example, were comprehensively evaluated and adapted in line with the national requirements of various jurisdictions as part of money laundering prevention, and the business departments concerned were informed of the latest developments as part of a special training course.

Capital market compliance

In the 2023 business year, capital market compliance at CA Immo was further optimized and the switch to a digital tool provider was made. The process of converting the capital market compliance guideline was also initiated and will be completed in 2024 with the adoption of the new guideline.

Sustainable procurement and supply chain (supply chain governance)

As one of its governance principles, CA Immo understands responsible corporate management to include a commitment to compliance with certain environmental and social requirements along the entire value chain.

Further information on sustainable procurement and the supply chain can be found in Chapter III of this ESG report.

Whistleblower Program

Especially since the adoption of the EU Whistleblower Directive in December 2019 and its implementation through the Whistleblower Protection Act and other accompanying legislative changes, the protection of whistleblowers has become considerably more important. CA Immo sees the protection of whistleblowers from reprisals not merely as a regulatory obligation, but rather as a requirement for an ethical and sustainable corporate culture.

For us, the individual right to freedom of expression includes the right to draw attention to wrongdoing. To promote responsible whistleblowing and appropriate protection for whistleblowers, CA Immo is guided by the international principles and best practice guidelines of Transparency International. These principles have been enshrined in a works agreement concluded with the CA Immo works council and govern in particular:

- the reporting procedure (responsibilities for processing reports, procedure in the event of conflicts of interest, documentation requirements, prompt notification of the whistleblower of measures taken);
- the type of reporting channels (electronic reporting system);
- the protection of the confidentiality of the identity of whistleblowers, even if the anonymous reporting option is not used, as well as GDPR compliance;
- the prohibition of reprisals;
- the protection of those affected;
- the qualification and training of the employees responsible for processing, etc.

To ensure that whistleblowers are adequately protected against retaliation and to facilitate potential reports, CA Immo replaced the original ombudsman system with a web-based whistleblower system back in 2018. This system enables both employees and external third parties to report grievances anonymously and in the languages of the countries in which CA Immo operates. In the 2023 business year, the whistleblowing system was comprehensively reviewed in line with the adoption and entry into force of national transposition laws of the EU Whistleblower Directive and necessary adaptations were made, for example to internal processes and company agreements. Employees are actively informed about their reporting/complaint options and their rights as whistleblowers. CA Immo sees this as an opportunity to identify risks at an early stage and thus avert sanctions, fines and reputational damage. The Corporate Office & Compliance department is also available internally for consultations. The whistleblower platform can be accessed via the CA Immo website (www.caimmo.com/en/whistleblower/). Business partners are also actively made aware of this option.

Anchoring ESG in the remuneration model

The Management Board as a whole is responsible for the Group-wide, holistic implementation of the sustainability strategy in the corporate strategy and compliance with it. This includes climate-related activities, key figures and capital expenditure, e.g. on renewable energies and improving the energy efficiency of our property portfolio, as well as the fulfillment and continuous improvement of social criteria and the governance of CA Immo. The Supervisory Board is regularly informed about the implementation of the sustainability strategy and the measures taken. Sustainability aspects are also discussed regularly with the Management Board and on an ongoing basis with the Management Board and Supervisory Board in the context of operational projects such as realization or acquisition plans. All members of the Management Board and Supervisory Board deal intensively with this topic and have extensive expertise on the various aspects of sustainability (whether through internal or external training or through direct exchange with relevant stakeholders).

The commitment to sustainability enshrined in the corporate strategy is also implemented in CA Immo's remuneration model at all levels. The performance of the Management Board is valued according to both financial and non-financial criteria. Overall, the remuneration rules are designed to reflect and promote sound and effective risk management and not to encourage the assumption of risks that are incompatible with CA Immo's risk strategy. In the 2023 business year, a resolution was passed to amend the remuneration policy with regard to the principles of remuneration for members of the Management Board and Supervisory Board, which was submitted to the shareholders for approval at the Extraordinary General Meeting held in November 2023 and adopted by around 85.5% of the capital represented ("say on pay"). In addition to the establishment of total shareholder return (TSR) as a key performance indicator, particular emphasis was placed on the implementation of ESG targets as part of Executive Board remuneration, which are taken into account as part of the short-term incentive (STI) program. The performance-related Executive Board remuneration thus contains environmental, social and governance (ESG) components and takes particular account of the long-term interests of shareholders and other stakeholders.

In the 2020 business year, for example, ESG reporting was explicitly included as an operational goal for the entire Executive Board. Building on this, the operational targets in 2021 included the development of a 3-year ESG target plan. Annual ESG targets are now specified on the basis of this plan. This was also the case for the 2022 business year, where the focus was on defining and communicating quantitative targets and measures as well as improving ESG ratings, for example.

In the 2023 business year, the ESG targets defined include:

– Maintaining an ESG certification rate (by book value, according to DGNB, LEED or BREEAM standards) of over 70% in the investment portfolio including ongoing certifications,
– Electricity procurement from 100% renewable sources in own-used CA Immo offices and in the common areas of the investment portfolio, provided that green electricity can be procured on reasonable financial terms,
– Continuation of the preparation of the EU taxonomy and CSRD reporting.

Further information on the remuneration model and the shareholdings of the Management Board can be found in the remuneration report under Remuneration model and shareholdings on the CA Immo website (www.caimmo.com/en/remuneration).

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 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

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 taxonomy-eligible economic activities 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 taxonomy-eligible economic activities 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 development expertise. Founded in 1987, CA Immo is listed on the ATX of the Vienna Stock Exchange and holds property assets of around €5.2 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 €286.1 m. Income from the sale of properties held for trading and services amount to €132.8 m, but these revenues originate from not taxonomy-eligible economic activities.

Within the list of taxonomy-eligible economic activities, CA Immo has identified two activities for the gross revenues of the business year 2023:

- 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 taxonomy-eligible and not taxonomy-eligible gross revenues (turnover) for the fiscal year 2023 are as follows:

TURNOVER ACCORDING TO THE EU TAXONOMY FOR THE FINANCIAL YEAR 2023

in € K	NACE Code	Total turnover 2023	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	286,090		264,189	
7.1 Construction of new buildings	F.41.2	0		0	
Total Taxonomy-eligible economic activities		**286,090**	**68.30%**	**264,189**	**94.80%**
B. Not Taxonomy-eligible economic activities					
Total not Taxonomy-eligible economic activities		**132,777**	**31.70%**	**14,565**	**5.20%**
Total turnover (A+B)		**418,867**	**100%**	**278,754**	**100%**

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 €2.5 m are not taxonomy-eligible.

Overall, the shares of taxonomy-eligible and not taxonomy-eligible capital expenditures for the fiscal year 2023 are as follows:

CAPEX ACCORDING TO THE EU TAXONOMY FOR THE FINANCIAL YEAR 2023

In € K	NACE Code	Absolute CapEx 2023	Share of total CapEx in %	Absolute CapEx 2022[1)]	Share of total CapEx in %
A. Taxonomy-eligible economic activities					
7.7 Acquisition and ownership of buildings	L.68	144,268		274,286	
6.5 Transport by passenger car	H.49.39	97		164	
Total Taxonomy-eligible economic activities		**144,366**	**98.31%**	**274,450**	**97.32%**
B. Not Taxonomy-eligible economic activities					
Total not Taxonomy-eligible economic activities		**2,477**	**1.69%**	**7,547**	**2.68%**
Total CapEx (A+B)		**146,843**	**100%**	**281,997**	**100%**

[1)] In the course of adjusting the presentation of the development of real estate assets in the consolidated financial statements, the values for 2022 were adjusted compared to the values published in the previous year's report.

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 taxonomy-eligible operating expenses 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 2023

In € K	NACE Code	Absolute OpEx 2023	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	–7,465		–8,926	
Total Taxonomy-eligible economic activities		**–7,465**	**100%**	**–8,926**	**100%**
B. Not Taxonomy-eligible economic activities					
Total not Taxonomy-eligible economic activities		**0**	**0%**	**0**	**0%**
Total OpEx (A+B)		**–7,465**	**100%**	**–8,926**	**100%**

ESG APPENDIX

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

	CA Immo material topics and sub-topics	Page reference
Environmental issues	Climate change, Prevention of environmental pollution, Circular economy	Strategic sustainability initiative: 85 Sustainability Agenda: 89 Risk Report: 77
	Sustainable supply chain Urban development	Content chapters: 90, 95, 97, 98 ESG Appendix: 123
Employee issues	Employees	Strategic sustainability initiative: 85 Sustainability Agenda: 89 Risk Report: 77
	Sustainable supply chain	
Social issues	End users and consumers, Impact on communities	Content chapters: 97, 98, 101, 103, 107
	Sustainable supply chain, Urban development	ESG Appendix: 123
Respect for human rights	Governance, Business conduct	Strategic sustainability initiative: 85 Sustainability Agenda: 89 Risk Report: 77
Combating corruption and bribery	Governance, Business conduct	Content chapters: 108, 115 ESG Appendix: 123

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	22, 77, 83
	Management's role in assessing and managing climate-related risks and opportunities	Corporate Governance Report, Risk Report, ESG Report	22, 77, 83
Strategy	Climate-related risks and opportunities over the short, medium, and long term	ESG Report	83
	Impact of climate-related risks and opportunities on the businesses, strategy and financial planning	ESG Report	83
	Climate resilience of the corporate strategy	Strategy, ESG Report	5, 83
Risk Management	Process for identifying and assessing climate-related risks	Risk Report, ESG Report	77, 83
	Processes for managing climate-related risks	Risk Report, ESG Report	77, 83
	Integration of the above processes in the organisations general risk management	Risk Report, ESG Report	77, 83
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	83, 123
	Scope 1, 2 and 3 GHG emissions and the related risks	ESG Appendix, ESG Report	123, 83
	Targets to manage climate-related risks and opportunities and performance against targets	ESG Report	83

SUSTAINABILITY PERFORMANCE MEASURES

We report on our environmental, social and governance performance using performance indicators, which can be found in the following tables.

Organisational boundaries

For our data boundary, we take an operational control approach. All key figures stated in the course of ESG reporting relate to CA Immobilien Anlagen AG and all fully consolidated subsidiaries in the respective reporting period or reporting date (unless otherwise stated).

Reporting period

The reporting on the consumption data for our existing portfolio relates to the calendar year ending 31 December 2023.

Scope of application

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

- Properties classified as land reserves, e.g. temporary buildings, buildings with interim use.

Office properties form the core segment of CA Immo; office properties accounted for around 94% of the entire portfolio as at the reporting date (by book value), with hotels (3%) and other types of use (3%) making up the remainder.

The CA Immo portfolio recorded in the consumption data in accordance with the scope of application described above included 64 existing buildings in 2023, 57 of which were multi-tenant office buildings, one shopping centre and 6 single-tenant buildings (including one hotel). 44 buildings were heated with district heating, 17 with gas and 1 with heating oil (2 parking garages are excluded from the heating data). All asset classes, i.e. office and other (hotel, retail, museum), were included in the consumption data analysis. In total, around 90% of the entire portfolio was included in the consumption data analysis in the 2023 financial year (by rentable usable space, as at 31 December 2022: 90%). Data on the 14 offices used by CA Immo itself are reported separately.

In order to provide comprehensive data collection for the entire energy consumption of our buildings, we endeavour to obtain tenant consumption data (tenant electricity purchased directly by the tenant) from all single-tenant and multi-tenant buildings. For the 2023 financial year, two buildings fully let to a single tenant (single-tenant hotel building) had to be excluded from the consumption data analysis due to a lack of data availability.

Scope of reporting

We follow the scope definition of the Greenhouse Gas Protocol when reporting on the consumption data of our existing portfolio:

- Scope 1: Direct emissions from the combustion of energy sources in the building that were procured directly by CA Immo (fossil fuels)
- Scope 2: Indirect emissions generated outside CA Immo properties in the course of producing the energy sources procured by CA Immo (electricity for common areas, heating and cooling for the entire building)
- Scope 3: Indirect emissions generated within the CA Immo value chain. CA Immo reports scope 3 emissions in accordance with the GHG Protocol in the following categories as at the reporting date: Category 1 (Purchased goods and services), Category 3 (Fuel and energy-related activities), Category 5 (Waste generated in operations) and Category 13 (Downstream leased assets). These are emissions from the energy consumption of tenants and the waste that is disposed of in our buildings.

The conversion of energy consumption to greenhouse gas emissions is both location-based **and market-based**. Country-specific, average conversion factors from the International Energy Agency IEA are used for the location-based conversion. For the market-based conversion, the factors of the respective energy providers (for district heating and electricity) from the corresponding energy contracts are used.

Estimation of landlord-obtained utility consumption

The total reported energy and water consumption is based on invoices and, where applicable, meter readings. For a single-tenant building, estimates for water and energy data were made. The waste data, which was reported in volumetric units, was converted using density conversion factors from the UK Environment Agency.

Boundaries - Reporting on landlord and tenant consumption

Where possible, the total consumption volumes (energy and water) of the properties were recorded. The total energy volumes include energy purchased from the landlord to supply the technical building equipment and common areas, energy purchased from the tenant and energy purchased from the landlord, which is passed on directly to the tenants and recorded and billed as part of submetering. The building's water consumption also includes tenant consumption. The waste data includes waste from tenants and landlords, as CA Immo is responsible for the waste contracts.

Analysis - Normalisation

Since the 2021 financial year, the gross internal area (GIA in m²; including garage parking spaces, cellar and storage space in the building) has been used to calculate energy, CO_2 and water intensity. Only those buildings for which complete data is available are included in the calculation of the intensity indicators. For our owner-occupied offices, we report the intensity performance indicators using the space we use in the building (rental space in m²).

Analysis - Segment analysis

The segment analysis was carried out on a geographical basis, in the breakdown by asset class, office properties account for 94% of our portfolio. The 2023 portfolio comprised properties in Germany, Austria and CEE (Czechia, Hungary, Poland, Serbia).

Key employee figures

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

The Gender Pay Gap is calculated as a difference in average total remuneration (basic salary and bonus) per employee category (function, level, country) of women and men in %.

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

Indicator	**Boundaries**	**Unit of measure**	**2023**	**2022**	**2021**	**Change[2]**
Energy consumption	Total energy consumption	MWh	180,685	241,048	250,854	-25%
Electricity consumption	Total energy consumption from electricity		104,071	131,669	127,642	-21%
	% from renewable sources		62%	83%	62%	N/A
Energy consumption from district heating[1]	Total energy consumption from district heating		50,979	67,749	68,706	25%
	% from renewable sources		0%	0%	0%	N/A
	% GHG Offset		0%	0%	0%	N/A
Energy consumption from fossil fuels [1]	Total energy consumption from fossil fuels		25,635	41,629	54,506	-38%
	% GHG Offset[3]		0%	0%	8%	N/A
Energy intensity	Whole building	kWh/sqm	130	136	154	-4%
Energy intensity (Common areas, shared services)	Whole building, excl. tenant energy supply		93	93	112	0%

[1] No district cooling purchased in the CA Immo portfolio
[2] Change 2022-2023 (yoy)
[3] In the second half of 2021, one building consumed GHG-compensated fossil fuels

ENERGY CONSUMPTION OF THE CA IMMO PORTFOLIO BY REGION[1]

Indicator	**Boundaries**	**Unit of measure**	**DE**	**AT**	**CEE**	**DE**	**AT**	**CEE**	**DE**	**AT**	**CEE**
			2023			**2022**			**2021**		
Energy consumption	Total	MWh	58,188	19,744	102,754	57,707	30,092	153,249	57,312	26,509	167,033
Electricity consumption	Total		28,049	12,596	63,426	27,936	17,591	86,141	24,364	11,669	91,609
	From renewable sources		37%	49%	75%	34%	86%	98%	20%	80%	70%
Energy consumption from district heating[2]	Total		23,398	6,290	21,292	23,456	10,122	34,171	25,606	10,397	32,703
	From renewable sources		0%	0%	0%	0%	0%	0%	0%	0%	0%
Energy consumption from fossil fuels			6,740	859	18,036	6,314	2,378	32,937	7,342	4,443	42,721
Energy intensity		kWh/sqm	119	115	141	115	116	151	144	114	161
Energy intensity (Common areas, shared services)			84	71	101	63	78	107	103	98	117

[1] Breakdown by asset class: 94% of the CA Immo portfolio is in the office asset class
[2] No district cooling purchased in the CA Immo portfolio

CO_2 -FOOTPRINT OF THE CA IMMO PORTFOLIO IN A 3-YEAR COMPARISON

Indicator	Boundaries	Unit of measure	2023	2022	2021	Change[3]
GHG emissions (total) Scope 1+2+3	Whole building	tCO_2e (location-based)	86,254	83,428	89,296	3%
GHG emissions (total) Scope 1+2+3	Whole building	tCO_2e (market-based)	48,813	31,722	65,191	54%
Direct GHG emissions (total) Scope 1	Whole building	tCO_2e	4,209	6,694	9,487	-37%
GHG offsets of direct GHG emissions (total) Scope 1	Whole building	tCO_2e	N/A	N/A	814	N/A
Direct GHG emissions (total) Scope 1 Refrigerants	Whole building, procured by the landlord	tCO_2e	431	689	1,081	-37%
Indirect GHG emissions (total) Scope 2[1]	Whole building	tCO_2e (location-based)	36,289	31,364	31,327	16%
Indirect GHG emissions (total) Scope 2[1]	Whole building	tCO_2e (market-based)	10,996	12,812	18,591	-14%
Indirect GHG emissions (total) Scope 3 (Category 1)[2]	Water supply, whole building, municipal supply	tCO_2e	44	55	76	-20%
Indirect GHG emissions (total) Scope 3 (Category 3)[2]	Energy supply, whole building	tCO_2e	22,009	15,961	18,392	38%
Indirect GHG emissions (total) Scope 3 (category 5)[2]	Waste processing, whole building	tCO_2e	441	1,427	1,814	-69%
Indirect GHG emissions (total) Scope 3 (category 13)[2]	Whole building	tCO_2e (location-based)	22,756	27,037	26,918	-16%
Indirect GHG emissions (total) Scope 3 (category 13)[2]	Whole building	tCO_2e (market-based)	10,608	6,695	15,549	58%
Indirect GHG emissions (total) Scope 3 (category 13) Refrigerants[2]	Whole building, procured by the tenant	tCO_2e	75	201	201	-63%
GHG emission intensity Scope 1+2	Whole building, excl. tenant energy supply	$kgCO_2e$/sqm (location-based)	31.20	23.43	27.05	33%
GHG emission intensity Scope 1+2+3 (Category 13)	Whole building	$kgCO_2e$/sqm (location-based)	44.35	36.21	42.63	22%
GHG emission intensity Scope 1+2	Whole building, excl. tenant energy supply	$kgCO_2e$/sqm (market-based)	12.13	12.01	18.61	1%
GHG emission intensity Scope 1+2+3 (Category 13)	Whole building	$kgCO_2e$/sqm (market-based)	18.30	14.67	27.92	25%
GHG emission intensity[4] Scope 1+2	Whole building	$kgCO_2e$/ €m (location-based)	174.82	N/A	N/A	N/A
GHG emission intensity[4] Scope 1+2	Whole building	kgCO2e/ €m (market-based)	50.63	N/A	N/A	N/A

[1] Excludes emissions from consumption that is exclusively attributable to rental space (Scope 3.13 emissions)
[2] The reported emissions are assigned to Scope 3, the following Scope 3 category 13 "Downstream leased assets", parts of category 1 "Purchased goods and services ", category 3 "Fuel- and energy-related activities " and category 5 "Waste generated in operations " are shown.
[3] Change 2022-2023 (yoy)
[4] GHG emission intensity Scope 1+2 / rental income per €m

CO_2 -FOOTPRINT OF THE CA IMMO PORTFOLIO BY REGION[1)]

Indicator	Boundaries	Unit of measure	DE	AT	CEE	DE	AT	CEE	DE	AT	CEE
			2023			2022			2021		
GHG emissions (total) Scope 1+2+3	Whole building	tCO_2e (location-based)	25,536	4,276	56,440	16,549	5,216	61,664	17,910	4,630	66,756
GHG emissions (total) Scope 1+2+3	Whole building	tCO_2e (market-based)	14,991	2,734	31,085	9,059	1,859	32,351	12,969	1,963	50,259
Direct GHG emissions (total) Scope 1	Whole building	$tCOe_2$	747	157	3,303	248	436	6,011	848	814	7,825
GHG offsets of direct GHG emissions (total) Scope 1	Whole building	$tCOe_2$	0	0	0	0	0	0	0	814	0
Direct GHG emissions (total) Scope 1 Refrigerants	Whole building, procured by the landlord	$tCOe_2$	0	0	431	305	80	304	442	0	639
Indirect GHG emissions (total) Scope 2	Whole building	tCO_2e (location-based)	9,863	1,222	25,204	5,482	1,876	24,006	5,188	2,109	24,030
Indirect GHG emissions (total) Scope 2	Whole building	tCO_2e (market-based)	745	107	10,143	1,266	158	11,388	1,466	144	16,981
Indirect GHG emissions (total) Scope 3 (Category 1)	Water supply, whole building, municipal supply	$tCOe_2$	11	4	29	13	5	37	13	11	52
Indirect GHG emissions (total) Scope 3 (Category 3)[5]	Energy supply, whole building	$tCOe_2$	6,683	1,586	13,740	1,862	680	13,419	3,686	508	14,198
Indirect GHG emissions (total) Scope 3 (category 5)	Waste processing, whole building	$tCOe_2$	116	33	292	56	179	1,192	46	124	1,644
Indirect GHG emissions (total) Scope 3 (category 13)	Whole building	tCO_2e (location-based)	8,041	1,274	13,441	8,382	1,960	16,695	7,486	1,064	18,368
Indirect GHG emissions (total) Scope 3 (category 13)	Whole building	tCO_2e (market-based)	6,614	847	3,147	6,374	321	0	6,267	362	8,920
Indirect GHG emissions (total) Scope 3 (category 13) Refrigerants	Whole building, procured by the tenant	$tCOe_2$	75	0	0	201	0	0	201	0	0
GHG emission intensity Scope 1+2	Whole building, excl. tenant energy supply	$kgCO_2e$/sqm (location-based)	24.94	9.60	38.69	14.46	11.81	29.08	21.90	14.94	30.70
GHG emission intensity Scope 1+2+3 (Category 13)	Whole building	$kgCO_2e$/sqm (location-based)	38.17	15.37	56.06	26.99	16.30	45.25	34.09	16.01	48.40
GHG emission intensity Scope 1+2	Whole building, excl. tenant energy supply	$kgCO_2e$/sqm (market-based)	3.51	1.76	18.69	3.82	3.03	16.85	8.40	4.89	23.91
GHG emission intensity Scope 1+2+3 (Category 13)	Whole building	$kgCO_2e$/sqm (market-based)	16.63	5.83	22.75	15.08	3.85	16.85	21.94	3.75	32.51

[1)] Breakdown by asset class: 94% of the CA Immo portfolio is in the office asset class

WASTE GENERATED IN THE INVESTMENT PORTFOLIO IN A 3-YEAR COMPARISON

Indicator	Boundaries	Unit of measure	2023	2022	2021	Change[1]
Total waste	Whole building	Tonnes	4,164	5,987	6,039	-30%
Waste weight by disposal method (absolute)	Landfill with or without energy recovery		648	2,932	3,741	-78%
	Incineration with or without energy recovery		2,228	1,182	1,023	88%
	Reuse		0	432	0	-100%
	Recycling		1,202	1,418	1,270	-15%
	Material recovery facility		3	0	0	300%
	Compost		53	2	2	2550%
	Other		29	20	3	45%
	Total diverted		3,515	3,055	2,298	15%
Waste weight by disposal method (%)	Landfill with or without energy recovery	%	16%	49%	78%	N/A
	Incineration with or without energy recovery		54%	20%	21%	N/A
	Reuse		0%	7%	0%	N/A
	Recycling		29%	23%	26%	N/A
	Material recovery facility		0%	0%	0%	N/A
	Compost		1%	0%	0%	N/A
	Other		1%	0%	0%	N/A
	Total diverted		84%	51%	48%	N/A
Waste intensity	Whole building	kg/sqm	0.54	1.61	2.36	-66%

[1] Change 2022 to 2023 (yoy)

WASTE GENERATED IN THE INVESTMENT PORTFOLIO BY REGION[1]

Indicator	Boundaries	Unit of measure	DE	AT	CEE	DE	AT	CEE	DE	AT	CEE
			2023			2022			2021		
Total waste	Whole building	Tonnes	1,544	1,401	1,219	1,388	1,302	3,297	976	677	4,386
Waste weight by disposal method (absolute)	Landfill with or without energy recovery		168	0	481	0	394	2,593	0	233	3,509
	Incineration with or without energy recovery		744	883	601	908	42	233	664	63	295
	Reuse		0	0	0	432	0	0	0	0	0
	Recycling		622	471	109	48	853	517	312	380	578
	Material recovery facility		0	3	0	0	0	0	0	0	0
	Compost		10	43	0	0	0	2	0	0	2
	Other		0	0	29	0	14	6	0	1	2
	Total diverted		1,377	1,401	738	1,388	908	758	976	445	877
Waste weight by disposal method (%)	Landfill with or without energy recovery	%	11%	0%	39%	0%	30%	77%	0%	34%	80%
	Incineration with or without energy recovery		48%	63%	49%	65%	3%	7%	68%	9%	7%
	Reuse		0%	0%	0%	31%	0%	0%	0%	0%	0%
	Recycling		40%	34%	9%	3%	66%	16%	32%	56%	13%
	Material recovery facility		0%	0%	0%	0%	0%	0%	0%	0%	0%
	Compost		1%	3%	0%	0%	0%	0%	0%	0%	0%
	Other		0%	0%	2%	0%	1%	0%	0%	0%	0%
	Total diverted		89%	100%	61%	100%	70%	23%	100%	66%	20%
Waste intensity	Whole building	kg/sqm	0.33	0	0.84	0	1.51	2.46	0	1.16	3.38

[1] Breakdown by asset class: 94% of the CA Immo portfolio is in the office asset class

WATER CONSUMPTION IN THE INVESTMENT PORTFOLIO IN A 3-YEAR COMPARISON

Indicator	Boundaries	Unit of measure	2023	2022	2021	Change[1]
Total water consumption	Whole building, municipal supply	m^3	298,630	355,936	315,330	-16%
in areas with low water stress	Whole building, municipal supply		232,595	236,442	224,828	-2%
in areas with low to medium water stress	Whole building, municipal supply		34,930	24,158	18,538	45%
in areas with medium to high water stress	Whole building, municipal supply		0	0	0	0%
in areas with high water stress	Whole building, municipal supply		31,106	95,336	71,963	-67%
in areas with extremely high water stress	Whole building, municipal supply		0	0	0	0%
Intensity of building water consumption	Whole building	m^3/sqm	0.22	0.22	0.19	0%

[1] Change 2022 to 2023 (yoy)

WATER CONSUMPTION IN THE INVESTMENT PORTFOLIO BY REGION[1]

Indicator	Boundaries	Unit of measure	DE	AT	CEE	DE	AT	CEE	DE	AT	CEE
			2023			2022			2021		
Total water consumption	Whole building, municipal supply	m^3	73,040	28,057	197,534	75,424	33,870	246,642	52,829	45,285	217,216
in areas with low water stress	Whole building, municipal supply		7,004	28,057	197,534	8,004	33,870	194,568	6,645	45,285	172,899
in areas with low to medium water stress	Whole building, municipal supply		34,930	0	0	24,158	0	0	18,538	0	0
in areas with medium to high water stress	Whole building, municipal supply		0	0	0	0	0	0	0	0	0
in areas with high water stress	Whole building, municipal supply		31,106	0	0	43,262	0	52,074	27,646	0	44,137
in areas with extremely high water stress	Whole building, municipal supply		0	0	0	0	0	0	0	0	0
Intensity of building water consumption	Whole building	m^3/sqm	0.17	0.22	0.26	0.17	0.24	0.24	0.16	0.17	0.21

[1] Breakdown by asset class: 94% of the CA Immo portfolio is in the office asset class

ENERGY, CO_2 FOOTPRINT, WATER CONSUMPTION & WASTE GENERATION OWNED OFFICE SPACES IN A 3-YEAR COMPARISON

Indicator	Boundaries	Unit of measure	2023	2022	2021	Change[1]
Electricity consumption	Total electricity consumption		378,200	311,385	342,041	21%
	% from renewable sources		86%	90%	90%	N/A
Energy consumption from district heating and cooling	Whole building	kWh	572,000	588,921	497,125	-3%
	% from renewable sources		0%	0%	0%	N/A
Energy consumption from fossil fuels	Whole building		220,000	174,573	175,461	26%
	% GHG Offset		0%	3%	4%	N/A
Energy intensity	Whole building	kWh/sqm	98.22	83.82	79.00	17%
Direct GHG emissions Scope 1	Whole building	$kgCO_2e$	40,254	31,975	32,137	26%
GHG offsets of direct GHG emissions Scope 1	Whole building	$kgCO_2e$	0	1,027	1,190	-100%
Indirect GHG emissions Scope 2	Whole building	$kgCO_2e$ (location-based)	287,749	199,150	184,171	44%
Indirect GHG emissions Scope 2	Whole building	$kgCO_2e$ (market-based)	48,203	40,169	59,031	20%
GHG emission intensity	Whole building	$kgCO_2e$/sqm (location-based)	27.53	18.02	16.87	53%
GHG emission intensity	Whole building	$kgCO_2e$/sqm (market-based)	7.43	5.63	7.11	32%
Total water consumption	Whole building, municipal supply		3,326	2,225	2,150	49%
in areas with low water stress			1,346	1,087	986	24%
in areas with low to medium water stress			308	194	194	59%
in areas with medium to high water stress		m^3	0	0	0	0%
in areas with high water stress			1,671	944	970	77%
in areas with extremely high water stress			0	0	0	0%
Intensity of building water consumption	Whole building	m^3/sqm	0.28	0.19	0.17	47%
Waste weight by disposal method (absolute)	Total waste		52	40	49. 88	30%
	Landfill with or without energy recovery		11	8	6. 66	38%
	Incineration with or without energy recovery		27	20	11.47	35%
	Reuse	Tonnes	0	0	0	0%
	Recycling		15	11	31.48	36%
	Material recovery facility		0	0	0	0%
	Compost		0	0	0,03	0%
	Other		0	0	0.24	0%
	Total diverted		41	31	43.22	32%
Waste weight by disposal method (%)	Landfill with or without energy recovery		22%	17%	21%	N/A
	Incineration with or without energy recovery		53%	40%	37%	N/A
	Reuse		0%	1%	0%	N/A
	Recycling	%	29%	21%	63%	N/A
	Material recovery facility		0%	0%	0%	N/A
	Compost		0%	0%	0%	N/A
	Other		0%	1%	1%	N/A
	Total diverted		79%	79%	87%	N/A

[1] Change 2022 to 2023 (yoy)

GROUP MANAGEMENT REPORT

CERTIFICATION OF THE CA IMMO INVESTMENT PORTFOLIO[1)]

Building certification	2023	2022	2021
BREEAM - Excellent			
Coverage in sqm	78,050	68,618	115,578
Number of buildings	3	2	3
BREEAM - Very good			
Coverage in sqm	230,768	253,289	280,176
Number of buildings	10	13	14
BREEAM - Good			
Coverage in sqm	16,789	0	0
Number of buildings	1	0	0
BREEAM - Interim			
Coverage in sqm	0	43,462	43,462
Number of buildings	0	2	2
LEED - Platinum			
Coverage in sqm	103,810	103,773	103,466
Number of buildings	5	5	3
LEED - Gold			
Coverage in sqm	98,315	98,314	185,846
Number of buildings	5	5	9
DGNB - Platinum			
Coverage in sqm	88,678	106,178	106,383
Number of buildings	5	6	6
DGNB - Gold			
Coverage in sqm	158,517	144,781	117,552
Number of buildings	11	10	9
Total coverage in sqm	**774,926**	**818,415**	**952,463**
Total number of buildings	**40**	**43**	**46**

1) Basis: all asset classes, Gross lettable area (GLA) in sqm

SOCIAL PERFORMANCE INDICATORS

Social	Unit of measure / Definition	Coverage	31.12.2023	31.12.2022	31.12.2021
Gender diversity	% of employees	Supervisory Board[1]	83% Male 17% Female	83% Male 17% Female	64% Male 36% Female
		Management Board	100% Male 0% Female	67% Male 33% Female	100% Male 0% Female
		Managers[2]	67% Male 33% Female	70% Male 30% Female	70% Male 30% Female
		Employees	46% Male 54% Female	45% Male 55% Female	45% Male 55% Female

Social	Unit of measure / Definition	Coverage	31.12.2023 Average	31.12.2023 Median	31.12.2022 Average	31.12.2022 Median	31.12.2021 Average	31.12.2021 Median
Gender pay[3]	Ratio in %	Supervisory Board	0	0	0	0	0	0
		Management Board	0	0	-11,0	-11,0	0	0
		Managers [2]	4.0	0.4	-4.3	-9.5	-0.3	-1.6
		Employees	-1.4	-1.4	-2.1	-1.5	6.4	6.0

			31.12.2023	31.12.2022	31.12.2021
Total employment (HC)	Female		177	201	227
	Male		171	191	214
	Total		**348**	**392**	**441**
Performance appraisals	% of totel workforce		99	99	98
New hires (HC)	Female		10	28	22
	Male		13	18	25
	Total		**23**	**46**	**46**
	Share in %[4]		6	11	10
Leavings (HC)	Female		34	38	19
	Male	All employees	33	35	24
	Total		**67**	**73**	**43**
Turnover[5]	Female		19%	19%	8%
	Male		19%	18%	11%
	Total		**19%**	**19%**	**10%**
Employment contracts					
Full-time			277	315	363
Part-time			44	45	47
Unpaid leave			27	32	31
	Total		**348**	**392**	**441**
Temporary employees			0	0	0
All-in			301	419	419
Health					
Occupational diseases	Number/year		0	0	0
Occupational accidents	Number/year		2	1	2
Injury rate[6]	Rate in %		0	0	0
Lost day rate[7]	Rate in %		0	0	0
Absentee rate[8]	Rate in %		13.5	13.8	12.8
Fatalities[9]	Number		0	0	0
Training and development					
Training and development	Average hours of training per employee		Men: 11.5 Women: 16.2	Men: 5.8 Women: 12.6	Men: 6.4 Women: 6.5
Employees trained	HC		348	392	441
Employees trained	%		100	100	100
Training time	Hours/year		4,203	3,899	2,862
Health and safety assessments	Percentage of buildings (by rentable area) inspected for health and safety issues (e.g. fire safety, water quality)	% of total investment portfolio[10] (by sqm)	100% (DE: 100%, AT: 100%, CEE: 100%)	100% (DE: 100%, AT: 100%, CEE: 100%)	95% (DE: 100%, AT: 93%, CEE: 93%)

Health and safety compliance	All legal requirements are complied with, and any deficiencies identified are rectified immediately in all properties	Number of defects detected	0	0	0
Community engagement	Share of properties (by rentable area) located in urban districts developed by CA Immo	% of total investment portfolio (by sqm)	60% (DE: 69%, AT: 65%, CEE: 16%)	40% (DE: 64%, AT: 63%, CEE: 15%)	31% (DE: 60%, AT: 43%, CEE: 12%)
Social dialogue					
Collective agreements		Number	0	0	0
Bargaining agreements		Number	8	6	6
Meetings of the works council with the Management board		Number/year	4	2	4

1) Supervisory Board as a whole, including 4 shareholder representatives and 2 employee representatives.
2) Managers were defined as follows: Group manager, branch manager, department manager, division manager, team leader
3) Difference in average total remuneration (basic salary and bonus) per employee category (function, level, country) of women and men in %
4) New hire rate: New hires in 2023 / average number of employees in 2023 (headcount)
5) Staff turnover: number of staff leaving in 2023 / number of employees in 2023 (headcount)
6) Injury rate: number of injuries due to accidents at work / total working time of all employees in hours
7) Lost day rate: number of days absent due to injuries caused by accidents at work / total working hours of all employees in hours
8) Absence rate: Total number of days absent (illness) / total working time of all employees in days
9) Fatalities: Number of deaths due to occupational illness or accident at work
10) As at 31 December 2023, excluding buildings acquired, completed or intended for sale during the 2023 financial year

GOVERNANCE PERFORMANCE INDICATORS

Governance			**31.12.2023**	**31.12.2022**	**31.12.2021**
Composition of the highest governance body	Total number of Management Board Members	Management Board	2	3	3
	Total number of Supervisory Board members (shareholder representatives independent of the Company or the Board of Management)1)	Supervisory Board	6	6	11
	Total number of Supervisory Board members (capital representatives independent of the main shareholder)2)		1	1	4
	Average tenure (years) of Supervisory Board3)	Supervisory Board	6.5	5.5	4
	Supervisory Board Memebrs1) with competencies relating to environmental and social topics	Supervisory Board	6	6	11
Nominating and selecting the highest governance body	Description	Management Board and Supervisory Board	Corporate Governance Report, Information acc. to § 243 A UGB	Corporate Governance Report, Information acc.to § 243 A UGB	
Process for managing conflicts of interest	Description		Corporate Governance Report	Corporate Governance Report	

1) Independent / non-executive members of the Supervisory Board in accordance with C Rule 53 (100%)
2) Independent in accordance with C Rule 54
3) General average appointment period

CONSOLIDATED FINANCIAL STATEMENT 2023

NILE HOUSE
Prague

CONTENT

A. CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31.12.2023

€ K	Note	2023	2022
Rental income	2.2.	231,442	213,753
Operating costs charged to tenants	2.3.	54,648	50,436
Operating expenses	2.3.	–65,391	–58,982
Other expenses directly related to properties rented	2.3.	–27,939	–24,459
Net rental income		**192,759**	**180,748**
Other expenses directly related to properties under development	**2.4.**	**–1,155**	**–1,885**
Income from trading and construction works		131,202	9,337
Book value of properties sold incl. ancillary and construction costs		–20,465	–1,666
Result from trading and construction works	**2.5.**	**110,737**	**7,671**
Result from the sale of investment properties	**2.6.**	**68,495**	**4,076**
Income from services	2.7.	2,794	5,228
Indirect expenses	2.8.	–53,155	–47,451
Other operating income	2.9.	1,635	1,152
EBITDA		**322,110**	**149,539**
Depreciation and impairment of long-term assets		–5,831	–5,588
Changes in value of properties held for trading		–1,112	–1,976
Depreciation and impairment/reversal	**2.10.**	**–6,943**	**–7,563**
Revaluation gain		13,351	183,119
Revaluation loss		–545,355	–277,189
Result from revaluation		**–532,004**	**–94,070**
Result from joint ventures	2.11.	–772	26,475
Result of operations (EBIT)		**–217,609**	**74,381**
Finance costs	2.12.	–54,460	–49,810
Foreign currency gains/losses	2.12.	–2,980	331
Result from derivatives	2.12.	–34,414	90,330
Result from financial investments	2.12.	10,804	2,604
Financial result	**2.12.**	**–81,051**	**43,454**
Net result before taxes (EBT)		**–298,659**	**117,835**
Current income tax		–42,985	–31,159
Deferred taxes		105,759	–5,752
Income tax expense	**7.1.**	**62,774**	**–36,911**
Consolidated net income from continuing operations		**–235,885**	**80,924**
Consolidated net income from discontinued operation	**1.g.**	**11,404**	**–5,449**
Consolidated net income		**–224,481**	**75,475**
thereof attributable to non-controlling interests		–17	–2
thereof attributable to the owners of the parent		**–224,465**	**75,477**
Earnings per share in € (basic = diluted)	**2.14.**	**€-2.28**	**€0.75**
Basic = diluted earnings per share in € from continuing operations	**2.14.**	**€-2.40**	**€0.81**
Basic = diluted earnings per share in € from discontinued operation	**2.14.**	**€0.12**	**€-0.05**

B. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31.12.2023

€ K	Note	2023	2022
Consolidated net income		**–224,481**	**75,475**
Other comprehensive income			
Cash flow hedges - changes in fair value	8.2.	–12,623	32,613
Foreign currency gains/losses		53	5
Income tax related to other comprehensive income		4,030	–10,412
Other comprehensive income for the period (realised through profit or loss)	**2.13.**	**–8,540**	**22,207**
Revaluation IAS 19	6.1.	–1,071	3,488
Income tax related to other comprehensive income		342	–1,102
Other comprehensive income for the period (not realised through profit or loss)	**2.13.**	**–729**	**2,386**
Other comprehensive income for the period	**2.13.**	**–9,269**	**24,593**
Comprehensive income for the period		**–233,751**	**100,068**
thereof attributable to non-controlling interests		–17	–2
thereof attributable to the owners of the parent		**–233,734**	**100,070**

C. CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31.12.2023

€ K	Note	31.12.2023	31.12.2022 restated
ASSETS			
Investment properties	3.1.	4,743,374	4,965,793
Investment properties under development	3.1.	344,090	596,632
Own used properties	3.2.	10,530	12,954
Office furniture and equipment	3.3.	5,054	5,499
Intangible assets	3.3.	1,570	2,124
Investments in joint ventures	3.4.	48,009	64,391
Other assets	3.5.	102,294	188,006
Deferred tax assets	7.1.	5,395	3,214
Long-term assets		**5,260,316**	**5,838,615**
Long-term assets as a % of total assets		84.5%	81.4%
Assets held for sale and relating to disposal groups	4.1.	80,454	254,522
Properties held for trading	4.2.	18,442	85,760
Receivables and other assets	4.3.	105,175	152,151
Current income tax receivables	7.2.	18,876	15,715
Fixed cash deposits	1.1., 4.4.	75,063	75,000
Cash and cash equivalents	1.1., 4.4.	663,495	748,805
Short-term assets		**961,504**	**1,331,953**
Total assets		**6,221,820**	**7,170,568**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital		774,229	774,229
Capital reserves		933,384	985,080
Other reserves		15,952	25,586
Retained earnings		1,000,893	1,573,514
Attributable to the owners of the parent		**2,724,458**	**3,358,409**
Non-controlling interests		98	114
Shareholders' equity	**5.1.**	**2,724,556**	**3,358,523**
Shareholders' equity as a % of total assets		43.8%	46.8%
Provisions	6.1.	21,121	53,267
Interest-bearing liabilities	5.2.	2,297,623	2,452,638
Other liabilities	5.3.	32,768	31,758
Deferred tax liabilities	7.1.	586,184	693,952
Long-term liabilities		**2,937,696**	**3,231,614**
Current income tax liabilities	7.3.	57,802	29,694
Provisions	6.1.	75,520	112,509
Interest-bearing liabilities	5.2.	372,457	369,905
Other liabilities	5.3.	43,717	64,287
Liabilities relating to disposal groups	4.1.	10,071	4,036
Short-term liabilities		**559,567**	**580,431**
Total liabilities and shareholders' equity		**6,221,820**	**7,170,568**

D. CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.12.2023

€ K	Note	2023	2022 restated
Operating activities			
Net result before taxes from continuing operations		–298,659	117,835
Net result before taxes from discontinued operation	1.g.	11,404	–7,231
Revaluation result incl. change in accrual and deferral of rental income	2.2.	523,423	93,114
Depreciation and impairment/reversal	2.10.	6,943	7,618
Result from the sale of long-term properties and office furniture and other equipment	1.g., 2.6.	–79,976	16,625
Finance costs and result from financial investments	2.12.	43,656	47,223
Foreign currency gains/losses	2.12.	2,980	51
Result from derivatives	2.12.	34,414	–90,330
Result from joint ventures	2.11.	772	–26,475
Taxes paid excl. taxes for the sale of long-term properties and investments		–16,765	–8,464
Interest paid (excluding interest for financing activities)	2.12.	–2,219	–23
Interest received (excluding interest from investing activities)	2.12.	2,624	235
Cash flow from operations		**228,598**	**150,179**
Change in properties held for trading	4.2.	17,286	276
Change in receivables and other assets	3.5.,4.3.	–8,321	–6,961
Change in provisions	4,1.,6.1.	246	108
Change in other liabilities	5.3.	1,529	3,077
Cash flow from change in net working capital		**10,740**	**–3,499**
Cash flow from operating activities		**239,338**	**146,680**
Investing activities			
Acquisition of and investment in long-term properties	3.1.	–139,240	–171,912
Acquisition of companies	1.e.	0	–100,315
Cash and cash equivalents acquired companies	1.e.	0	1,697
Acquisition of office equipment and intangible assets	3.3.	–1,413	–1,416
Investments in fixed deposits	1.l., 4.4.	–200,000	–75,000
Repayment fixed cash deposits	4.4.	200,000	0
Disposal of investment properties and other assets	2.6., 4.3.	329,330	106,926
Sale discontinued operation	1.g.	19,963	344,230
Cash and cash equivalents discontinued operation	1.g.	0	–4,357
Disposal of investment property companies	1.f., 2.6.	44,087	30,106
Cash and cash equivalents investment property companies disposed	1.f., 2.6.	–3,151	–1,643
Investments in joint ventures	3.4.	–300	–575
Disposal of at equity consolidated entities	3.4.	16	223
Loans made to joint ventures	3.5.	–650	–1,275
Loan repayments made by joint ventures and others	3.5.	160	5,165
Taxes paid relating to the sale of long-term properties and investments		–1,266	–16,194
Dividend distribution/capital repayment from at equity consolidated entities and other investments		4,561	28,406
Interest paid for capital expenditure in investment properties	2.12.	–6,234	–5,270
Negative interest paid	2.12.	–178	–1,765
Interest received from financial investments	2.12.	7,236	1,212
Cash flow from investing activities		**252,921**	**138,242**

€ K	Note	2023	2022 restated
Financing activities			
Cash inflow from loans received	5.2.	117,838	729,220
Repayment of bonds	5.2.	–116,621	–142,411
Acquisition of treasury shares	5.1.	–52,518	–31,760
Dividend payments to shareholders	5.1.	–348,521	–251,791
Cash inflow from shareholders of non-controlling interests		1	0
Payments to shareholders of non-controlling interests		–319	–156
Change restricted cash for loans	3.5., 4.3.	35,000	–66,667
Repayment of loans incl. interest rate derivatives	5.2.	–160,301	–358,309
Other interest paid	2.12.	–48,657	–43,343
Cash flow from financing activities	**9.1.**	**–574,099**	**–165,216**
Net change in cash and cash equivalents		**–81,840**	**119,706**
Fund of cash and cash equivalents 31.12. (as reported)		824,071	633,148
Error Correction	1.l.	–75,000	0
Fund of cash and cash equivalents 1.1. (restated)		749,071	633,148
Changes in the value of foreign currency		428	–487
Changes due to classification from/of disposal groups	4.1.	–4,094	–3,295
Fund of cash and cash equivalents 31.12.	**4.4.**	**663,565**	**749,071**
Expected credit losses cash and cash equivalents	4.4.	–70	–266
Cash and cash equivalents 31.12. (balance sheet)	**4.4.**	**663,495**	**748,805**

The interest paid in 2023 (excluding negative interest) totalled €–57,110K (2022: €–48,635K). The income taxes paid in 2023 amounted to €–18,030K (2022: €–24,658K).

The total lease payments according to IFRS 16 (right-of-use assets recognised or not recongnised due to the exceptions) in 2023 amount to €–4,793K (2022: €–4,388K), out of which €0K (2022: €–198K) related to Romania.

E. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 2023

€ K	Note	Share capital	Capital reserves - Others	Capital reserves - Treasury share reserve
As at 1.1.2022		**774,229**	**1,113,437**	**–95,775**
Cash flow hedges - changes in fair value	2.13., 8.2.	0	0	0
Foreign currency gains/losses	2.13.	0	0	0
Revaluation IAS 19	2.13., 6.1.	0	0	0
Consolidated net income		0	0	0
Comprehensive income for 2022		**0**	**0**	**0**
Acquisition of treasury shares	5.1.	0	0	–32,583
As at 31.12.2022	**5.1.**	**774,229**	**1,113,437**	**–128,357**
As at 1.1.2023		**774,229**	**1,113,437**	**–128,357**
Cash flow hedges - changes in fair value	2.13., 8.2.	0	0	0
Foreign currency gains/losses	2.13.	0	0	0
Revaluation IAS 19	2.13., 6.1.	0	0	0
Consolidated net income		0	0	0
Comprehensive income for 2023		**0**	**0**	**0**
Dividend payments to shareholders	5.1.	0	0	0
Reclassification (other comprehensive income, not realised through profit or loss)		0	0	0
Payments from non-controlling interests		0	0	0
Acquisition of treasury shares	5.1.	0	0	–51,695
As at 31.12.2023	**5.1.**	**774,229**	**1,113,437**	**–180,053**

Retained earnings	Valuation result (hedging - reserve)	Other reserves	Attributable to shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
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**
1,573,514	**26,316**	**–730**	**3,358,409**	**114**	**3,358,523**
0	–8,593	0	–8,593	0	–8,593
0	0	53	53	0	53
0	0	–729	–729	0	–729
–224,465	0	0	–224,465	–17	–224,481
–224,465	**–8,593**	**–676**	**–233,734**	**–17**	**–233,751**
–348,521	0	0	–348,521	0	–348,521
365	0	–365	0	0	0
0	0	0	0	1	1
0	0	0	–51,695	0	–51,695
1,000,893	**17,723**	**–1,771**	**2,724,458**	**98**	**2,724,556**

F. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31.12.2023

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 a provision, comprising 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

§ Material 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. To further improve the comprehensibility of the consolidated financial statements, the notes were revised in the financial year. In order to increase the quality of financial reporting, only information on material accounting policies is provided.

d) Scope of consolidation

The consolidated financial statements comprise the ultimate parent company CA Immo AG and the companies listed in Note 9.8.

Changes in scope

	Full consolidation	Joint ventures at equity
As at 1.1.2023	**122**	**22**
New establishment of companies	5	0
Disposal of companies due to liquidation or restructuring	–3	0
Sale of entities	–1	0
As at 31.12.2023	**123**	**22**
thereof foreign companies	111	22

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 did not acquire any companies in 2023. 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 €96,853K at the date of initial consolidation) amounting to €94,588K. This transaction is an acquisition of assets and liabilities and not a business combination in accordance with IFRS 3.

Net assets acquired in 2022 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
Net assets acquired	**94,588**

The purchase price for the acquisition made in 2022 was fully paid. Additionally, as at 31.12.2023 there is a receivable amounting to €191K.

Newly established companies

For the foundation of companies, equity amounting to €125K was paid.

f) Disposals of companies/ company stakes (continuing operations)

CA Immo Group disposed of the following interests in entities in the business year 2023:

Company name/domicile	Interest held in %	Consolidation method before change in participation	Sales price € K	Deconsolidation date
TM IMMO d.o.o.	100	Full consolidation	34,441	31.5.2023

The sales prices in relation to sales made in 2023 were received in full as at 31.12.2023.

The fully consolidated entities comprised the following net assets as of the date of the sale in 2023:

€ K	Total
Property assets	41,235
Other assets	608
Cash and cash equivalents	3,151
Deferred taxes	–2,185
Provisions	–50
Other liabilities	–1,501
Financial liabilities	–329
Net change before payables to affiliated companies	**40,928**
Liabilities to affiliated companies	–9,011
Net change	**31,918**

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
Total affiliated entities			**17,996**	
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
Total joint ventures			**223**	
Total			**18,219**	

The sales prices in relation to sales made in 2022 were received in full as at 31.12.2022.

The fully consolidated entity comprised the following net assets as of the date of the sale in 2022:

€ K	Total
Property assets	30,339
Other assets	137
Cash and cash equivalents	1,643
Deferred taxes	–1,430
Provisions	–160
Other liabilities	–767
Net change before payables to affiliated companies	**29,762**
Liabilities to affiliated companies	–11,970
Net change	**17,792**

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. This geographical area of operations is presented as a discontinued operation. In the consolidated income statement for the year 2023 as well as the comparative figures, the result after taxes of the Romanian portfolio is separately presented. In the operating segments Romania is not included.

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
Total affiliated entities			**257,549**	

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 €20,000K was deposited in an escrow account, which were until 31.12.2023 paid out.

The Romanian portfolio comprised the following net assets and result as at the date of sale in 2022:

€ K	Total
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
Net change before receivables/ payables to affiliated companies	**355,448**
Receivables from/payables to affiliated companies	–108,566
Net change	**246,881**

In 2022 in the consolidated income statement of CA Immo Group the transactions between discontinued and continuing operations were eliminated. The consolidation of income and expenses was thus still carried out for 2022. In the consolidated income statement the result of the discontinued operation is as presented below:

€ K	2023	2022
Rental income	0	24,584
Operating costs charged to tenants	0	6,927
Operating expenses	0	–7,366
Other expenses directly related to properties rented	0	–6,719
Net rental income	**0**	**17,426**
Sales prices for interests in property companies	3,700	257,549
Book value of net assets sold	0	–246,881
Revaluation result for the year	0	–21,882
Subsequent costs and ancillary costs	7,704	–9,481
Result from disposal of assets held for sale	**11,404**	**–20,694**
Indirect expenses	0	–3,509
EBITDA	**11,404**	**–6,777**
Depreciation and impairment of long-term assets	**0**	**–55**
Result of operations (EBIT)	**11,404**	**–6,833**
Finance costs	0	–6
Foreign currency gains/losses	0	–382
Result from financial investments	0	–11
Financial result	**0**	**–399**
Net result before taxes (EBT)	**11,404**	**–7,231**
Current income tax	0	–889
Deferred taxes	0	2,671
Income tax expense	**0**	**1,782**
Consolidated net income from discontinued operation	**11,404**	**–5,449**
thereof attributable to the owners of the parent	**11,404**	**–5,449**
Basic = diluted earnings per share in € from discontinued operation	**€0.12**	**€–0.05**

In the consolidated cash flow statement of CA Immo Group the transactions and cash flows between discontinued and continuing operations remained eliminated. The cash flow of the discontinued area of operations is presented below:

€ K	**2023**	2022
Cash flow from operating activities	0	14,570
Cash flow from investing activities	19,963	334,820
Cash flow from financing activities	0	–203
Net - Cash flow from discontinued operation	**19,963**	**349,187**

h) Consolidation methods

§ All companies under the control of the parent company are fully consolidated in the consolidated financial statements. 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.

Joint ventures

CA Immo Group enters into joint ventures with one or more partner companies in the course of establishing 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.

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.

Once the book value of the interest in a company has decreased to zero and possible long-term loans to the 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 company.

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.

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 31.12.2023	Sale 31.12.2023	Bid 31.12.2022	Sale 31.12.2022
Switzerland	CHF	0.9197	0.9325	0.9831	0.9871
USA	USD	1.1028	1.1128	1.0646	1.0706

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 31.12.2023	Average exchange rate 2023	Closing rate 31.12.2022	Average exchange rate 2022
Poland	PLN	4.3480	4.5284	4.6899	4.6883
Serbia	RSD	117.1737	117.2456	117.3224	117.4670
Czechia	CZK	24.7250	23.9713	24.1150	24.5371
Hungary	HUF	382.7800	380.5333	400.2500	393.0083
Romania*	RON	Not applicable	Not applicable	4.9141	4.9337

*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

The global economy is currently characterised by volatility, uncertainty and declining growth, particularly in Europe. The direct consequences are problems in the global supply chains, higher inflation, lower growth, uncertainty and tightening in financial markets. The sanctions and export-control measures instituted in response by the European Union and other states among others, against Russian and Belarusian entities and individuals have contributed to increased inflationary pressures (including increased prices for oil and natural gas), gas supply shortages, supply chain disruptions and an increased market volatility. Despite declining energy prices and weakening inflation in the second half of 2023, general uncertainty remains, which is affecting the real estate sector in particular.

The economic and political conditions have significantly changed the real estate sector. Other key variables having a major influence on the demand situation on real estate investments 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 can also have a direct impact on property valuations.

Impact on the business model

Compared to previous years, the CA Immo group is affected by higher financing costs due to increased key interest rates and risk premiums as well as rising prices in the construction industry. The increased interest rate level has made it considerably more difficult to raise equity and debt capital on the capital market in the 2023 financial year, particularly in comparison to the financial years prior to 2022. Development projects can often involve cost overruns and delays in completion. Despite pricing in project reserves, it cannot be ruled out that a further rise in construction costs could pose risks to budget compliance and overall project success. In addition to the development of general economic conditions and, in particular, rental prices, the value of properties is also dependent on initial yields in the real estate industry. The increase in the general interest rate level in 2023 led to a further increase in property yields and a decline in property values. Furthermore, the changed economic environment impacts transaction markets as well as the company's market valuation.

Going Concern

From a current perspective, the negative consolidated income for 2023, driven by the property revaluation losses, has no significant impact on CA Immo Group’s continued existence. The consolidated financial statements were prepared on the assumption that the CA Immo Group is able to continue its business activities. From today's perspective, the CA Immo Group has sufficient liquidity (including fixed cash deposits) and an unsed financing line of €300M as at the reporting line to continue its business activities. In addition, 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 provided by the banks as construction progresses.

Nevertheless, due to the ongoing geopolitical conflicts in Ukraine and the Middle East, the consequences for the current difficult environment in the real estate market cannot yet be fully foreseen. Due to inflationary pressure although decreasing, and the associated rise in interest rates, as well as other factors weighing on the global economy, there is an increased potential for increasing volatility in the markets. The past has shown that the consumer and investor climate can quickly adapt to new circumstances, which can lead to increased market volatility in combination with the observable, greatly reduced market liquidity. The transaction volumes have remained significantly below the values of previous years.

The effects on the future financial position, financial performance and cash flows of the CA Immo Group cannot be conclusively assessed and are continually evaluated.

Financial covenants

The rise in base interest rates and risk premiums in 2022 and 2023 has led to a significant increase in the cost of new financing. 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.

The bank financing and bonds in the CA Immo Group are subject to so-called financial covenants. These are essentially key figures such as loan-to-value ratios and interest service coverage ratios.

Given the ongoing negative economic development, it cannot be ruled out that there will be a breach of contractual conditions (financial covenants, such as DSCR, LTV, LTC) in the future. Covenant breaches for secured properties may occur due to further market value corrections, unplanned vacancies and loss of rent. The quarterly, internal covenant testing on an individual property level is the basis for proactive action towards financing partners. From today's perspective, a breach of the bond covenants appears unlikely. As at 31.12.2023, no financial covenants of the CA Immo Group were breached.

k) Climate-related matters

CA Immo Group's ESG commitment includes goals, corresponding strategies and measures to achieve goals, comprehensive reporting and a commitment to compliance with various established standards in the areas of environmental, social and governance (ESG). The Group-wide, holistic implementation of sustainability in the corporate strategy and compliance with it is the responsibility of the Management Board. The commitment to sustainability anchored in the corporate strategy is also implemented in CA Immo's remuneration model at all levels. The performance of the Management Board is assessed according to both financial and non-financial criteria, that include short- as well as longterm elements as well as environmental, social and governance ("ESG") components.

The CA Immo Group supports the climate goals of the United Nations and the associated transition to a low-carbon, sustainable economy. For CA Immo Group, improving energy efficiency in existing buildings and converting building operations to energy from renewable sources is a key factor in achieving climate neutrality and anchors corresponding measures, processes and goals in its strategic orientation.

Risk analysis

In order to be able to specifically assess the corresponding risk exposure of the portfolio, in 2021, CA Immo Group evaluated natural hazards (flood, hailstorm, lightning strike, tornado, storm) for all investment properties with a value of >€10M. 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 risk and vulnerability analysis was reviewed in 2023. 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. As 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 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.

The sustainability and ESG risks and chances associated with the investment properties, as well as other property characteristics, are implicitly taken into account in the valuation assumptions used.

An explicit approach has so far proven difficult. On the one hand, the basis for comparing sustainable characteristics is not standardized and, on the other hand, the market cannot clearly quantify the value attributed to the individual sustainability and ESG criteria in a specific transaction.

To ensure that all properties retain their value, marketability and comprehensive sustainability over the long term, 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, etc.) can lead to poorer marketability of investment properties and lower rent levels, which can have a corresponding impact on property valuation. 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_2-emissions can have an impact on financing costs and the availability of capital. The climate and general sustainability risks relevant to the CA Immo Group are re-evaluated and assessed annually as part of the Group-wide risk catalog. This proactive approach is designed to ensure that any risks are minimized through early countermeasures and that the company can respond to changing conditions in good time. The process of analyzing and defining the material sustainability topics was last carried out in the 2022, taking into account the requirements of the European Sustainability Reporting Standards (ESRS) as part of the Corporate Sustainability Reporting Directive (CSRD). This has already created the initial basis for meeting the upcoming regulatory requirements.

Environmental and safety regulations include existing 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.

As at 31.12.2023, 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.

l) Changes in accounting or calculation methods and corrections of disclosures

a. 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 2023:

Standard / Interpretation	Content	Entry into force[1]
IFRS 17	Insurance Contracts	1.1.2023[1]
Amendments to IAS 1	Disclosure of Accounting Policies	1.1.2023[1]
Amendments to IAS 8	Definition of Accounting Estimates	1.1.2023[1]
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1.1.2023[1]
Amendments to IAS 12	International Tax Reform - Pillar Two Model	1.1.2023[1]

[1] The standards and interpretations are to be applied to business years commencing on or after the effective date.

Given the initial application of the amendments to IAS 1 Disclosure of Accounting Policies the notes to the consolidated financial statements were revised and thus the disclosures on accounting and valuation methods have been reduced to material information.

SOF-11Klimt CAI S.a.r.l., Luxembourg, is an excluded entity within the meaning of the Pillar Two definition and therefore does not qualify as an Ultimate Parent Entity (UPE) of CA Immobilien Anlagen Aktiengesellschaft and its subsidiaries. The consolidated annual turnover of the CA Immo Group has not reached or exceeded the annual threshold of €750M in at least two of the last four financial years, thus the rules of the Minimum Taxation Act regarding global minimum taxation are currently not applicable to the CA Immo Group.

The initial application of the other amendments has no material effect on CA Immo Group.

b. New or revised standards and interpretations not yet in force

Standard / Interpretation	Content	Entry into force[1]
Amendments to IAS 7 and IFRS 7	Disclosures: Supplier Finance Arrangements	1.1.2024[2]
Amendments to IAS 1	- Classification of Liabilities as Current or Non-current - Classification of Liabilities as Current or Non-current - Deferral of Effective Date - Non-current Liabilities with Covenants	1.1.2024[1]
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1.1.2024[1]
Amendments to IAS 21	Lack of Exchangeability	1.1.2025[2]

[1] The standards and interpretations are to be applied to business years commencing on or after the effective date.
[2] 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.

c. Changes in accounting and calculation methods which have a material impact on the consolidated financial statements

Error correction classification fixed cash deposits

As at 31.12.2022, CA Immo Group reported a fixed-term deposit of €75M with an original term of 6months that can be terminated at any time, under the item “cash and cash equivalents”. Due to possible prepayment penalties in the event of early termination, this investment did not meet the requirements for reporting under cash and cash equivalents. For this reason, the disclosure of this investment in both the consolidated balance sheet and the consolidated cash flow statement has been corrected in accordance with IAS 8.42 and accordingly is no longer shown as part of the cash and cash equivalents, but in the item fixed cash deposits. The effects on the consolidated statement of financial position as at 31.12.2022 and on the consolidated statement of cash flows 1-12/2022 are presented below.

Restatement statement of financial position 31.12.2022:

€ K	31.12.2022 as reported	Error correction	31.12.2022 restated
ASSETS			
Long-term assets	**5,838,615**	**0**	**5,838,615**
Fixed cash deposits	0	75,000	75,000
Cash and cash equivalents	823,805	–75,000	748,805
Short-term assets	**1,331,953**	**0**	**1,331,953**
Total assets	**7,170,568**	**0**	**7,170,568**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity	**3,358,523**	**0**	**3,358,523**
Long-term liabilities	**3,231,614**	**0**	**3,231,614**
Short-term liabilities	**580,431**	**0**	**580,431**
Total liabilities and shareholders' equity	**7,170,568**	**0**	**7,170,568**

Restatement statement of cash flows 1-12/2022:

€ K	1-12/ 2022 as reported	Error correction	1-12/ 2022 restated
Operating activities			
Cash flow from operations	**150,179**	0	**150,179**
Cash flow from operating activities	**146,680**	0	**146,680**
Investments in fixed cash deposits		–75,000	–75,000
Cash flow from investing activities	**213,242**	**–75,000**	**138,242**
Cash flow from financing activities	**–165,216**	**0**	**–165,216**
Net change in cash and cash equivalents	**194,706**	**–75,000**	**119,706**
Fund of cash and cash equivalents 31.12.	**824,071**	–75,000	**749,071**
Expected credit losses cash and cash equivalents	–266	0	–266
Cash and cash equivalents 31.12. (balance sheet)	**823,805**	**–75,000**	**748,805**

Change in valuation method for determining the fair value of investment properties
CA Immo Group generally commissions external valuation reports every six months. 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. CA Immo Group changed after expiry of the previous valuation contract the external valuation experts in the first half of 2023.

The external valuations are made in accordance with the international 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.

Until reporting date 31.12.2022, rented commercial properties, which constitute the largest portion of CA Immo Group's portfolio, were mainly valued by the investment method. The fair value represented the present value of the future expected rental income. These were 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 were capitalized with an adequate interest rate (term yield/ reversionary yield).

The new valuation experts use the discounted cash flow (DCF) method to determine the fair value of investment properties. Starting from reporting date 30.6.2023, rented commercial properties are valued for the first time using the discounted cash flow method. The fair value (market value) represents the present value of future expected cash flows and the present value of the residual value (terminal value) at the end of the period under consideration. In most cases, the residual value is derived by capitalizing the potential annual rental income with the capitalization rate. The present value of the cash flows and the present value of the residual value are then determined using the discount rate.

For properties under development and construction, the residual or comparative method is applied unchanged.

Segment reporting

Hungary

The internal reporting was changed due to the decision of the Management Board that Hungary was reclassified to a non-core market. The segment reporting of the CA Immo Group has therefore been adjusted. This results in a reclassification between the summarized reported regions: Hungary is presented in the segment Eastern Europe other regions instead of in the segment Eastern Europe core regions. The reclassification affects both the consolidated income statement and the consolidated balance sheet. The comparative figures for 2022 have been adjusted accordingly.

The reported segment Eastern Europe core regions therefore includes the countries Poland and Czechia. The reported segment Eastern Europe other regions consists of Hungary and Serbia.

€ K 2022	Eastern Europe core regions Income producing (as reported)	Adjustment Eastern Europe core regions	Eastern Europe core regions Income producing (restated)	Eastern Europe other regions Income producing (as reported)	Adjustment Eastern Europe other regions	Eastern Europe other regions Income producing (restated)
Rental income	77,759	–25,814	51,945	7,014	25,814	32,828
Operating costs charged to tenants	25,289	–7,877	17,412	1,735	7,877	9,612
Operating expenses	–29,183	10,040	–19,143	–2,113	–10,040	–12,152
Other expenses directly related to properties rented	–12,366	7,233	–5,134	–938	–7,233	–8,170
Net rental income	**61,498**	**–16,418**	**45,080**	**5,699**	**16,418**	**22,117**
Result from the sale of investment properties	50	–68	–18	–109	68	–40
Indirect expenses	–10,158	3,202	–6,956	–677	–3,202	–3,880
Other operating income	52	–26	25	6	26	32
EBITDA	**52,083**	**–13,311**	**38,772**	**4,919**	**13,311**	**18,230**
Depreciation and impairment/reversal	–365	55	–311	–9	–55	–64
Result from revaluation	–64,369	33,206	–31,163	888	–33,206	–32,317
Result of operations (EBIT)	**–12,651**	**19,950**	**7,299**	**5,798**	**–19,950**	**–14,152**
Timing of revenue recognition						
Income from sale of investment properties	18,009	–18,009	0	0	18,009	18,009
Total income IFRS 15 - transferred at a point in time	**18,009**	**–18,009**	**0**	**0**	**18,009**	**18,009**
Operating costs charged to tenants	25,289	–7,877	17,412	1,735	7,877	9,612
Total income IFRS 15 - transferred over time	**25,930**	**–7,877**	**18,053**	**1,735**	**7,877**	**9,612**
Total income IFRS 15	**43,939**	**–25,886**	**18,053**	**1,735**	**25,886**	**27,621**
31.12.2022						
Property assets	1,393,491	–456,964	936,527	81,946	456,964	538,910
Other assets	119,926	–15,797	104,129	9,423	15,797	25,219
Deferred tax assets	1,116	–10	1,106	0	10	10
Segment assets	**1,514,533**	**–472,771**	**1,041,762**	**91,369**	**472,771**	**564,140**
Interest-bearing liabilities	537,101	–119,945	417,156	34,080	119,945	154,026
Other liabilities	36,595	–14,849	21,746	2,200	14,849	17,049
Deferred tax liabilities incl. current income tax liabilities	43,848	–16,451	27,397	3,071	16,451	19,523
Liabilities	**617,544**	**–151,246**	**466,298**	**39,352**	**151,246**	**190,598**
Shareholders' equity	**896,989**	**–321,525**	**575,464**	**52,017**	**321,525**	**373,542**
Capital expenditures	16,282	–5,324	10,957	1,431	5,324	6,755

CHAPTER 2: PROFIT AND LOSS

2.1. Operating segments

€ K 2023	Income producing	Other properties	Germany Total	Austria Income producing
Rental income	100,762	20,718	121,479	22,600
Rental income with other operating segments	661	21	681	89
Operating costs charged to tenants	15,753	3,186	18,939	6,579
Operating expenses	–17,043	–5,864	–22,907	–7,892
Other expenses directly related to properties rented	–6,842	–3,988	–10,829	–2,936
Net rental income	**93,291**	**14,072**	**107,363**	**18,441**
Other expenses directly related to properties under development	0	–1,607	–1,607	0
Result from trading and construction works	0	123,289	123,289	0
Result from the sale of investment properties	10,041	36,698	46,739	21,258
Income from services	1,690	6,105	7,795	0
Indirect expenses	–11,417	–19,893	–31,310	–648
Other operating income	1,266	2,460	3,726	25
EBITDA	**94,871**	**161,125**	**255,996**	**39,075**
Depreciation and impairment/reversal	–189	–20,532	–20,721	–3
Result from revaluation	–293,423	–118,663	–412,085	–33,023
Result from joint ventures	0	0	0	0
Result of operations (EBIT)	**–198,740**	**21,930**	**–176,810**	**6,050**
Timing of revenue recognition				
Income from trading	0	146,367	146,367	0
Income from sale of investment properties	87,827	96,441	184,268	123,524
Total income IFRS 15 - transferred at a point in time	**87,827**	**242,808**	**330,635**	**123,524**
Operating costs charged to tenants	15,753	3,186	18,939	6,579
Income from trading and construction works	0	11,962	11,962	0
Income from services	1,690	6,105	7,795	0
Total income IFRS 15 - transferred over time	**17,443**	**21,252**	**38,696**	**6,579**
Total income IFRS 15	**105,271**	**264,060**	**369,330**	**130,102**
31.12.2023				
Property assets[1)]	2,212,346	1,298,377	3,510,723	346,768
Other assets	433,954	789,707	1,223,661	84,153
Deferred tax assets	1,501	108	1,609	0
Segment assets	**2,647,801**	**2,088,192**	**4,735,993**	**430,921**
Interest-bearing liabilities	1,011,706	738,424	1,750,130	89,314
Other liabilities	24,510	231,474	255,984	17,168
Deferred tax liabilities incl. current income tax liabilities	385,638	221,342	606,980	27,363
Liabilities	**1,421,854**	**1,191,240**	**2,613,094**	**133,845**
Shareholders' equity	**1,225,947**	**896,952**	**2,122,899**	**297,076**
Capital expenditures[2)]	9,963	119,521	129,484	2,483

[1)] Property assets include rental investment properties, investment properties under development, own used properties, properties held for trading and properties available for sale.
[2)] 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 €15,884K (31.12.2022: €19,731K) in properties held for trading.

	Eastern Europe core regions Income producing	Eastern Europe other regions Income producing	Total segments	Holding	Transition Consolidation	Total
	59,256	29,936	233,271	0	–1,830	231,442
	0	0	771	0	–771	0
	19,881	9,257	54,657	0	–9	54,648
	–21,903	–13,021	–65,723	0	332	–65,391
	–6,766	–7,558	–28,089	0	150	–27,939
	50,468	**18,614**	**194,886**	**0**	**–2,126**	**192,759**
	0	0	–1,607	0	451	–1,155
	0	0	123,289	0	–12,552	110,737
	14	–716	67,295	0	1,200	68,495
	188	0	7,983	8,438	–13,627	2,794
	–7,870	–4,215	–44,043	–25,638	16,526	–53,155
	10	129	3,890	414	–2,669	1,635
	42,810	**13,812**	**351,693**	**–16,786**	**–12,797**	**322,110**
	–404	–45	–21,172	–569	14,798	–6,943
	–36,405	–50,491	–532,004	0	0	–532,004
	0	0	0	0	–772	–772
	6,001	**–36,723**	**–201,483**	**–17,355**	**1,229**	**–217,609**

	0	0	146,367	0	–15,288	131,079
	72	69,487	377,351	0	0	377,351
	72	**69,487**	**523,718**	**0**	**–15,288**	**508,429**
	19,881	9,257	54,657	0	–9	54,648
	0	0	11,962	0	–11,838	123
	188	0	7,983	8,438	–13,627	2,794
	20,070	**9,257**	**74,601**	**8,438**	**–25,474**	**57,566**
	20,142	**78,744**	**598,319**	**8,438**	**–40,762**	**565,995**

	1,000,635	420,796	5,278,921	401	–120,279	5,159,044
	79,290	48,455	1,435,559	776,814	–1,154,992	1,057,381
	3,773	20	5,402	20,570	–20,578	5,395
	1,083,698	**469,271**	**6,719,883**	**797,786**	**–1,295,849**	**6,221,820**
	427,424	144,926	2,411,793	1,327,497	–1,069,210	2,670,080
	28,785	18,981	320,919	15,087	–152,809	183,197
	27,684	12,909	674,936	882	–31,832	643,986
	483,893	**176,816**	**3,407,648**	**1,343,465**	**–1,253,850**	**3,497,263**
	599,805	**292,455**	**3,312,235**	**–545,680**	**–41,999**	**2,724,556**
	18,380	12,162	162,510	595	–14,212	148,893

CONSOLIDATED FINANCIAL STATEMENTS

€ K 2022	Income producing	Other properties	Germany Total	Austria Total
Rental income	90,573	10,195	100,768	26,837
Rental income with other operating segments	667	22	689	645
Operating costs charged to tenants	15,669	1,365	17,034	5,517
Operating expenses	–16,634	–3,053	–19,687	–7,001
Other expenses directly related to properties rented	–7,380	–2,954	–10,334	65
Net rental income	**82,895**	**5,574**	**88,469**	**26,063**
Other expenses directly related to properties under development	0	–2,237	–2,237	–8
Result from trading and construction works	0	73,073	73,073	–15
Result from the sale of investment properties	314	54	368	3,767
Income from services	1,432	7,140	8,571	0
Indirect expenses	–11,581	–14,424	–26,005	–1,041
Other operating income	820	406	1,226	36
EBITDA	**73,879**	**69,586**	**143,466**	**28,802**
Depreciation and impairment/reversal	–1,185	–5,375	–6,560	–277
Result from revaluation	–39,319	–10,099	–49,418	20,636
Result from joint ventures	0	0	0	0
Result of operations (EBIT)	**33,375**	**54,112**	**87,488**	**49,161**
Timing of revenue recognition				
Income from trading	0	75,520	75,520	249
Income from sale of investment properties	58,500	7,113	65,613	45,034
Total income IFRS 15 - transferred at a point in time	**58,500**	**82,633**	**141,133**	**45,283**
Operating costs charged to tenants	15,669	1,365	17,034	5,517
Income from trading and construction works	0	62,204	62,204	0
Income from services	1,432	7,140	8,571	0
Total income IFRS 15 - transferred over time	**17,101**	**70,709**	**87,809**	**5,517**
Total income IFRS 15	**75,600**	**153,342**	**228,942**	**50,800**
31.12.2022				
Property assets[1)]	2,525,419	1,479,467	4,004,887	477,488
Other assets	372,320	694,574	1,066,894	29,502
Deferred tax assets	1,510	761	2,271	0
Segment assets	**2,899,249**	**2,174,803**	**5,074,051**	**506,990**
Interest-bearing liabilities	986,873	656,505	1,643,377	158,771
Other liabilities	21,782	261,018	282,799	4,980
Deferred tax liabilities incl. current income tax liabilities	465,302	210,029	675,331	43,277
Liabilities	**1,473,957**	**1,127,551**	**2,601,508**	**207,028**
Shareholders' equity	**1,425,292**	**1,047,252**	**2,472,543**	**299,961**
Capital expenditures[2)]	101,674	176,279	277,953	1,152

Income producing restated	Other properties	Eastern Europe core regions Total restated	Eastern Europe other regions Income producing restated	Total segments	Holding	Transition Consolidation	Total
51,945	3,224	55,169	32,828	215,601	0	–1,848	213,753
0	0	0	0	1,333	0	–1,333	0
17,412	1,021	18,433	9,612	50,595	0	–159	50,436
–19,143	–1,407	–20,551	–12,152	–59,390	0	409	–58,982
–5,134	–629	–5,762	–8,170	–24,201	0	–258	–24,459
45,080	**2,209**	**47,289**	**22,117**	**183,938**	**0**	**–3,190**	**180,748**
0	0	0	0	–2,245	0	360	–1,885
0	0	0	0	73,059	0	–65,387	7,671
–18	0	–18	–40	4,076	0	0	4,076
641	0	641	0	9,212	9,205	–13,190	5,228
–6,956	–652	–7,608	–3,880	–38,533	–24,438	15,520	–47,451
25	2	27	32	1,321	202	–371	1,152
38,772	**1,558**	**40,331**	**18,230**	**230,828**	**–15,032**	**–66,258**	**149,539**
–311	0	–311	–64	–7,212	–595	243	–7,563
–31,163	–1,808	–32,971	–32,317	–94,070	0	0	–94,070
0	0	0	0	0	0	26,475	26,475
7,299	**–249**	**7,049**	**–14,152**	**129,546**	**–15,627**	**–39,539**	**74,381**
0	0	0	0	75,769	0	–66,432	9,337
0	0	0	18,009	128,656	0	0	128,656
0	**0**	**0**	**18,009**	**204,425**	**0**	**–66,432**	**137,993**
17,412	1,021	18,433	9,612	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
18,053	**1,021**	**19,074**	**9,612**	**122,012**	**9,205**	**–75,553**	**55,664**
18,053	**1,021**	**19,074**	**27,621**	**326,437**	**9,205**	**–141,985**	**193,657**
936,527	83,090	1,019,617	538,910	6,040,902	0	–130,451	5,910,451
104,129	10,472	114,601	25,219	1,236,216	1,053,177	–1,032,492	1,256,902
1,106	0	1,106	10	3,387	33,674	–33,847	3,214
1,041,762	**93,562**	**1,135,324**	**564,140**	**7,280,505**	**1,086,852**	**–1,196,789**	**7,170,568**
417,156	41,380	458,536	154,026	2,414,711	1,378,899	–971,067	2,822,543
21,746	6,668	28,414	17,049	333,243	24,002	–91,389	265,856
27,397	2,660	30,057	19,523	768,187	1,931	–46,473	723,646
466,298	**50,708**	**517,006**	**190,598**	**3,516,140**	**1,404,833**	**–1,108,928**	**3,812,045**
575,464	**42,854**	**618,318**	**373,542**	**3,764,365**	**–317,981**	**–87,861**	**3,358,523**
10,957	6,539	17,497	6,755	303,357	240	–10,602	292,995

CONSOLIDATED FINANCIAL STATEMENTS

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 the accounting methods for each position (Balance sheet as well as income statement). 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 Poland and Czechia.
- Eastern Europe other region segment consists of Hungary and Serbia.

Romania was classified as a discontinued operation in accordance with the IFRS 5 as at 31.12.2022 and was, therefore, no longer included in the segment reporting for 2022.

The segments were identified on the basis of the information regularly used by the company's Management Board 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:

		2023		2022 restated
Segment Eastern Europe core regions	**€ K**	**Share in %**	**€ K**	**Share in %**
Rental income				
Poland	33,228	56.1%	32,324	58.6%
Czechia	26,028	43.9%	22,845	41.4%
Total rental income	**59,256**	**100.0%**	**55,169**	**100.0%**
Book value of investment properties IAS 40				
Poland	536,145	53.6%	545,627	53.5%
Czechia	464,490	46.4%	473,990	46.5%
Total book value investment property according to IAS 40	**1,000,635**	**100.0%**	**1,019,617**	**100.0%**

2.2. Rental income

€ K	2023	2022
Basic rental income	209,789	200,458
Conditional rental income	1,694	1,119
Income from non-service components of service charges	10,205	9,165
Change in accrued rental income related to lease incentive agreements	8,557	2,164
Settlement from cancellation of rent agreements	1,197	847
Rental income	**231,442**	**213,753**

CA Immo Group generates rental income from the following types of property:

2023	**Germany**		**Austria**		**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	104,994	87.8%	17,017	75.3%	59,248	100.0%	29,936	100.0%	211,194	91.3%
Hotel	8,803	7.4%	752	3.3%	0	0.0%	0	0.0%	9,554	4.1%
Retail	0	0.0%	4,832	21.4%	0	0.0%	0	0.0%	4,832	2.1%
Others	5,853	4.9%	0	0.0%	8	0.0%	0	0.0%	5,862	2.5%
Rental income	**119,650**	**100%**	**22,600**	**100%**	**59,256**	**100%**	**29,936**	**100%**	**231,442**	**100%**

2022	**Germany**		**Austria**		**Eastern Europe core regions restated**		**Eastern Europe other regions restated**		**Total**	
	€ K	**Share in %**	**€ K**	**Share in %**	**€ K**	**Share in %**	**€ K**	**Share in %**	**€ K**	**Share in %**
Office	85,378	86.3%	15,989	59.6%	55,158	100.0%	32,828	100.0%	189,353	88.7%
Hotel	7,552	7.6%	6,247	23.3%	0	0.0%	0	0.0%	13,798	6.5%
Retail	0	0.0%	4,590	17.1%	0	0.0%	0	0.0%	4,590	2.1%
Others	6,001	6.1%	0	0.0%	10	0.0%	0	0.0%	6,011	2.8%
Rental income	**98,931**	**100%**	**26,826**	**100%**	**55,168**	**100%**	**32,828**	**100%**	**213,753**	**100%**

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	2023	2022
Operating costs charged to tenants	54,648	50,436
Operating expenses	–65,391	–58,982
Own operating costs	**–10,743**	**–8,546**
Maintenance costs	–7,458	–8,892
Agency fees	–5,684	–4,393
Bad debt losses and change in reserves for bad debts	79	2,274
Other directly related expenses	–14,876	–13,449
Other expenses directly related to properties rented	**–27,939**	**–24,459**
Total	**–38,682**	**–33,005**

According to IFRS 16, the item “Other directly related expenses“contains expenses from non-service components. These are components of the service charge settlement for which the tenant does not receive a separate service. These relate mainly to property taxes and building insurance expenses and amount to €11,164K in 2023 (2022: €10,079K).

§ 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	**2023**	2022
Operating expenses related to long-term property assets	–946	–1,447
Operating expenses related to short-term property assets	–210	–438
Other expenses directly related to properties under development	**–1,155**	**–1,885**

2.5. Result from trading and construction works

€ K	**2023**	**2022**
Trading property - transferred at a point in time	131,079	9,337
Trading property and construction works - transferred over time	123	0
Income from trading and construction works	**131,202**	**9,337**
Book value of properties sold incl. ancillary and construction costs	–20,465	–1,666
Result from trading and construction works	**110,737**	**7,671**

In 2023mainly a sale of the land plot Langes Land in Munich took place.

2.6. Result from sale of investment properties

€ K	Germany	Austria	Eastern Europe core regions	Eastern Europe other regions	2023	Germany	Austria	Eastern Europe core regions restated	Eastern Europe other regions restated	2022
Sales prices for interests in property companies	441	0	72	34,387	34,900	2	0	0	18,009	18,011
Book value of net assets sold excl. goodwill	0	0	0	–31,918	–31,918	0	0	0	–17,792	–17,792
Revaluation result for the year	0	0	0	–1,564	–1,564	0	0	0	0	0
Change subsequent costs and ancillary costs	45	0	–59	–170	–184	–640	0	–18	–257	–916
Results from the sale of investment property (share deals)	**486**	**0**	**14**	**735**	**1,235**	**–639**	**0**	**–18**	**–40**	**–697**
Income from the sale of investment properties	183,827	123,524	0	35,100	342,451	65,612	45,034	0	0	110,645
Book value of properties sold	–124,716	–100,370	0	–34,629	–259,715	–64,191	–44,122	0	0	–108,313
Revaluation result for the year	1,169	0	0	–1,324	–155	769	3,805	0	0	4,573
Subsequent costs and ancillary costs	–14,027	–1,036	0	–258	–15,321	–1,183	–950	0	0	–2,132
Results from the sale of investment property (asset deals)	**46,253**	**22,117**	**0**	**–1,111**	**67,260**	**1,006**	**3,767**	**0**	**0**	**4,773**
Result from the sale of investment properties	**46,739**	**22,117**	**14**	**–376**	**68,495**	**368**	**3,767**	**–18**	**–40**	**4,076**

Sale of investment properties (asset deal) includes the amount of €67,324K which refers to properties Hamburger Bahnhof and Rieckhallen in Berlin, as well as building Rennweg/ Mechelgasse, which were held for sale as at 31.12.2022.

CA Immo Group sold in 2023 real estate assets respectively shares in real estate companies, which are partly own used. In connection with the sale and lease back agreements, the income from sale was correspondingly reduced in amount of €1,543K.

§ **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 cotrol 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.

2.7. Income from services rendered

€ K	2023	2022
Revenues from construction contracts	78	382
Revenues from service contracts	2,508	4,614
Income from management	209	232
Income from services	**2,794**	**5,228**

§ **Revenue recognition according to IFRS 15**
Revenues are to be recognised in according 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:

a) the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs;
b) the entity's performance creates or enhances an asset that the customer controls as the asset is created; or
c) 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 performace 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	2023	2022
Personnel expenses	–48,645	–46,560
Legal, auditing and consulting fees	–8,784	–9,790
Third party acquired development services	–546	–892
Office rent	–730	–773
Travel expenses and transportation costs	–782	–733
Other expenses internal management	–3,312	–2,633
Other indirect expenses	–3,547	–4,143
Other expenses disposal group	–4,374	0
Subtotal	**–70,721**	**–65,524**
Own work capitalised in investment property	16,610	16,619
Change in properties held for trading	956	1,453
Indirect expenses	**–53,155**	**–47,451**

Personnel expenses include contributions to staff welfare funds in the amount of €200K (2022: €190K) and to pension and relief funds in the amount of €371K (2022: €401K).

§ 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 €1,635K (2022: €1,152K) includes €1,149K (2022: €660K) for the takeover of parking space easement.

2.10. Depreciation and impairment losses/reversal

€ K	2023	2022
Regular depreciation	–2,169	–2,412
Depreciation right of use assets	–2,143	–1,964
Impairment loss on goodwill	0	–1,211
Impairment loss on other long-term assets	–1,519	0
Impairment loss on properties held for trading	–1,112	–2,921
Reversal of impairment loss previously recognised on properties held for trading	0	945
Depreciation and impairment/reversal	**–6,943**	**–7,563**

As at 31.12.2023 the impairment loss on other long-term assets refers solely to the disposal group.

2.11. Joint ventures result

€ K	2023	2022
At equity consolidation of investments in joint ventures	–788	26,499
Result from sale of joint ventures	16	–24
Result from joint ventures	**–772**	**26,475**

2.12. Financial result

€ K		Category[1]	2023	2022
Interest expense banks	Interest	AC	–36,942	–25,008
Interest expense bonds	Interest	AC	–17,371	–20,764
Interest expenses financial authorities/ tax audits	Interest	AC	–3,305	–5,417
Interest expenses lease liabilities	Interest	AC	–1,427	–1,244
Other interest and finance costs	Interest	AC	–1,410	–2,872
Capitalised interest	Interest	AC	5,995	5,495
Finance costs			**–54,460**	**–49,810**
Foreign currency gains/losses	Valuation		–2,784	–368
Foreign currency gains/losses	Realisation		–196	699
Foreign currency gains/losses			**–2,980**	**331**
Interest rate swaps	Valuation	FVtPL	–32,808	90,245
Interest rate swaps	Ineffectiveness	FVOCI	215	535
Interest rate floors	Valuation	FVtPL	90	–1,067
Interest rate caps	Valuation	FVtPL	–1,911	617
Result from derivatives			**–34,414**	**90,330**
Interest income from banks	Interest	AC	7,458	155
Interest income from loans to joint ventures	Interest	AC	353	646
Interest income fiscal authorities/ tax audit	Interest	AC	4,232	1,812
Other interest income	Interest	AC	904	1,201
Negative interests on deposits	Interest	AC	0	–1,822
Financial investments	Revenues from investments	AC	772	690
Financial investments	Valuation	FVtPL	–3,193	219
Change expected credit losses for cash and restricted cash	Valuation	AC	278	–297
Result from financial investments			**10,804**	**2,604**
Financial result			**–81,051**	**43,454**

[1] AC – amortised cost, FVtPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income

2.13. Other comprehensive income

2023 € K	**Valuation result (Hedging)**	**Currency translation reserve**	**Reserve according to IAS 19**	**Total**
Other comprehensive income before taxes	–12,623	53	–1,071	–13,641
Income tax related to other comprehensive income	4,030	0	342	4,372
Other comprehensive income for the period	**–8,593**	**53**	**–729**	**–9,269**
thereof: attributable to the owners of the parent	–8,593	53	–729	–9,269

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
Other comprehensive income for the period	**22,202**	**5**	**2,386**	**24,593**
thereof: attributable to the owners of the parent	22,202	5	2,386	24,593

2.14. Earnings per share

		2023	**2022**
Weighted average number of shares outstanding	pcs.	98,270,799	100,304,487
Consolidated net income, attributable to the owners of the parent	€ K	–224,465	75,477
Basic = diluted earnings per share	**€**	**–2.28**	**0.75**

		2023	**2022**
Weighted average number of shares outstanding	pcs.	98,270,799	100,304,487
Consolidated net income from continuing operations, attributable to the owners of the parent	€ K	–235,868	80,926
Basic = diluted earnings per share in € from continuing operations	**€**	**–2.40**	**0.81**

		2023	**2022**
Weighted average number of shares outstanding	pcs.	98,270,799	100,304,487
Consolidated net income from discontinued operation	€ K	11,404	–5,449
Basic = diluted earnings per share in € from discontinued operation	**€**	**0.12**	**–0.05**

CHAPTER 3: LONG-TERM ASSETS

3.1. Long-term property assets

Investment Property (IAS 40) – Movements and classification

€ K **Book values**	**Income producing investment properties restated**	**Investment properties under development**	**Total**
As at 1.1.2022	**4,984,297**	**1,097,147**	**6,081,444**
purchase of real estate and real estate companies	96,853	0	96,853
Current investment/construction/contributions	64,422	117,948	182,371
Disposal from discontinued operations	–376,724	0	–376,724
Disposals	–63,853	–384	–64,236
Reclassification to assets held for sale	–191,141	–53,500	–244,641
Reclassification of own-used properties	–2,220	0	–2,220
Transfers	578,654	–578,654	0
Revaluation of investment properties and properties under construction	–125,453	14,074	–111,378
Sales related change in lease incentives	958	0	958
As at 31.12.2022	**4,965,793**	**596,632**	**5,562,425**
Current investment/construction/contributions	65,716	78,387	144,103
Disposals	–52,210	0	–52,210
Reclassification to assets held for sale	–28,168	–14,440	–42,608
Transfers	248,585	–248,585	0
Revaluation of investment properties and properties under construction	–464,239	–67,904	–532,143
Sales related change in lease incentives	7,897	0	7,897
As at 31.12.2023	**4,743,374**	**344,090**	**5,087,464**

For a more comprehensive presentation of the development of property assets, in 2023 the changes in lease incentive agreements not recognised in the rental income were allocated to the respective movements schedule. The previous year's figures were adjusted accordingly.

Capital expenditures (construction costs) in income producing properties mainly relate to ONE (€15,434K), Grasblau (€8,079K), Saski Crescent (€4,556K) and Millennium Tower I (€4,042K). Current capital expenditures (construction costs) in development properties mainly relate to the projects Upbeat (€41,143K), Hochhaus am Europaplatz (€17,299K) and Humboldthafen (€15,197K) in Germany. The reclassifications from properties under development to income producing properties relate to the property Hochhaus am Europaplatz (€224,885K).

The disposals of income producing investment properties mainly relate to the sale of the office building Vizivaros in Budapest (€-34,629K) as well as ZigZag in Mainz (€-17,580K). In the previous year, the disposals of portfolio properties mainly related to the disposal of discontinued operation (seven office buildings in Bucharest €-376,724K) as well as an investment property in Austria (€-44,122K).

The fair value of the properties assigned as collateral for external financings totals €3,432,803K (31.12.2022: €3,710,933K).

In 2023, borrowing costs relating to the construction of properties totaling €5,995K (2022: €5,495K) were capitalised at a weighted average interest rate of 3.93% (2022: 2.28%).

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
As at 1.1.2022			
Fair value of properties	4,955,075	1,097,008	6,052,083
Lease incentive agreements	29,222	139	29,361
Fair value/book value	**4,984,297**	**1,097,147**	**6,081,444**
As at 31.12.2022			
Fair value of properties	4,926,664	596,632	5,523,296
Lease incentive agreements	39,130	0	39,130
Fair value/book value	**4,965,793**	**596,632**	**5,562,425**
As at 31.12.2023			
Fair value of properties	4,689,751	343,888	5,033,639
Lease incentive agreements	53,623	202	53,826
Fair value/book value	**4,743,374**	**344,090**	**5,087,464**

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 12months) 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% (31.12.2022: 100%) of the properties in Austria, 99.9% (31.12.2022: 99.9%) of the properties in Germany, and 100% (31.12.2022: 100%) of the properties in Eastern Europe, according to segment reporting, were subject to an external valuation as of the reporting date 31.12.2023. 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.

Until 31.12.2022 rented commercial properties, which constitute the largest portion of CA Immo Group's portfolio, were valued by the investment method. The fair value represented the present value of the future expected rental income. These were 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 were capitalized with an adequate interest rate (term yield/ reversionary yield).

The new appraiser uses the discounted cash flow (DCF) method to determine the fair value of investment properties. Starting 30.6.2023, rented commercial properties are valued for the first time using the discounted cash flow method. The fair value (market value) represents the present value of future expected cash flows and the present value of the residual value (terminal value) at the end of the period under consideration. In most cases, the residual value is derived by capitalizing the potential annual rental income with the capitalization rate. The present value of the cash flows and the present value of the residual value are then determined using the discount rate.

For properties under development and construction, the residual or comparative method is applied unchanged.

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 6% to 15% of the market value upon completion (31.12.2022: 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 3.25% to 4.5% (31.12.2022: 2.7% to 4.2%) and financing interest rates in the range from 5% to 6% (31.12.2022: 4.5%). 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 DCF 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/ interest rate, as well as the area-weighted average values for rent, vacancy and weighted yield potential and the average remaining lease terms calculated in years.

The sustainability and ESG risks associated with the asset, as well as other real estate characteristics, are implicitly taken into account in the valuation assumptions applied.

An explicit approach has so far proved difficult. Firstly, the basis for comparing sustainable characteristics is not standardized and secondly, the market cannot clearly quantify the value attributed to the individual sustainability and ESG criteria in a given transaction.

Classification of investment properties incl. own used properties valuation techniques DCF / investment method	Fair value 31.12.2023 € K	Fair value 31.12.2022 € K	Inputs	Range 2023	Range 2022
Office Germany	2,785,134	2,863,555	Actual-rent €/m² p. m. min/max/average weighted	11.09 / 39.62 / 24.18	10.99 / 37.51 / 22.23
			Market-rent €/m² p. m. min/max/average weighted	17.81 / 36.20 / 28.81	15.05 / 34.00 / 26.37
			average remaining lease term in years	7.29	9.28
			average vacancy %	9.60	6.75
			Yield Term min/max/weighted average %		2.85 / 4.15 / 3.42
			Yield Reversion min/max/weighted average %		3.50 / 4.70 / 3.91
			Discount Rate Min/Max/weighted average %	5.00 / 7.25 / 5.87	
			Capitalisation Rate Min/Max/weighted average %	4.20 / 5.75 / 4.71	
Office Austria	220,800	272,200	Actual-rent €/m² p. m. min/max/average weighted	11.30 / 17.52 / 14.02	9.80 / 32.03 / 13.41
			Market-rent €/m² p. m. min/max/average weighted	11.00 / 15.98 / 12.59	8.13 / 25.97 / 11.00
			average remaining lease term in years	5.13	4.30
			average vacancy %	21.59	16.70
			Yield Term min/max/weighted average %		3.30 / 5.10 / 4.27
			Yield Reversion min/max/weighted average %		3.15 / 5.50 / 4.50
			Discount Rate Min/Max/weighted average %	6.15 / 8.75 / 7.66	
			Capitalisation Rate Min/Max/weighted average %	4.75 / 7.25 / 6.02	
Office Eastern Europe	1,420,941	1,515,471	Actual-rent €/m² p. m. min/max/average weighted	13.36 / 23.88 / 16.36	11.80 / 21.97 / 15.29
			Market-rent €/m² p. m. min/max/average weighted	12.96 / 23.37 / 15.91	12.08 / 19.44 / 14.98
			average remaining lease term in years	3.46	3.29
			average vacancy %	16.96	15.48
			Yield Term min/max/weighted average %		4.90 / 8.75 / 6.65
			Yield Reversion min/max/weighted average %		4.90 / 8.75 / 6.61
			Discount Rate Min/Max/weighted average %	7.40 / 11.80 / 9.34	
			Capitalisation Rate Min/Max/weighted average %	5.35 / 8.75 / 6.74	
Office total	**4,426,874**	**4,651,226**			
Retail Austria	78,100	84,700	Actual-rent €/m² p. m. min/max/average weighted	13.41 / 13.41 / 13.41	13.25 / 13.25 / 13.25
			Market-rent €/m² p. m. min/max/average weighted	12.88 / 12.88 / 12.88	12.85 / 12.85 / 12.85
			average remaining lease term in years	4.00	2.06
			average vacancy %	7.80	9.33
			Yield Term min/max/weighted average %		4.75 / 4.75 / 4.75
			Yield Reversion min/max/weighted average %		4.75 / 4.75 / 4.75
			Discount Rate Min/Max/weighted average %	6.75 / 6.75 / 6.75	
			Capitalisation Rate Min/Max/weighted average %	5.25 / 5.25 / 5.25	
Retail total	**78,100**	**84,700**			

* The book value of "Office Germany" classification includes right of use assets in the amount of €134K (31.12.2022: €258K) and the book value of "Office Eastern Europe" classification includes €37,541K (31.12.2022: €32,571K) of right of use assets.

Classification of investment properties valuation technique -DCF / investment method	Fair value 31.12.2023 € K	Fair value 31.12.2022 € K	Inputs	Range 2023	Range 2022
Hotel Germany	147,800	158,000	Actual-rent €/m² p. m. min/max/average weighted	12.73 / 17.17 / 14.87	15.24 / 17.20 / 16.32
			Market-rent €/m² p. m. min/max/average weighted	14.84 / 15.82 / 15.35	13.74 / 13.79 / 13.77
			average remaining lease term in years	12.01	13.05
			average vacancy %	1.10	1.13
			Yield Term min/max/weighted average %		3.90 / 4.05 / 3.96
			Yield Reversion min/max/weighted average %		4.35 / 4.45 / 4.40
			Discount Rate Min/Max/weighted average %	6.55 / 7.65 / 7.16	
			Capitalisation Rate Min/Max/weighted average %	4.45 / 5.65 / 5.12	
Hotel total	**147,800**	**158,000**			
Other Germany	77,100	59,380	Actual-rent €/m² p. m. min/max/average weighted	4.18 / 14.69 / 7.53	4.78 / 4.78 / 4.78
			Market-rent €/m² p. m. min/max/average weighted	4.00 / 14.69 / 7.10	5.94 / 5.94 / 5.94
			average remaining lease term in years	7.72	0.77
			average vacancy %	14.06	2.33
			Yield Term min/max/weighted average %		2.50 / 4.45 / 3.74
			Yield Reversion min/max/weighted average %		2.50 / 4.95 / 4.19
			Discount Rate Min/Max/weighted average %	6.13 / 8.00 / 7.08	
			Capitalisation Rate Min/Max/weighted average %	4.75 / 6.60 / 5.85	
Other Austria	19,700	20,200	Actual-rent €/m² p. m. min/max/average weighted	13.55 / 13.55 / 13.55	8.39 / 8.39 / 8.39
			Market-rent €/m² p. m. min/max/average weighted	9.85 / 9.85 / 9.85	7.26 / 7.26 / 7.26
			average remaining lease term in years	6.00	0.50
			average vacancy %	0.00	0.00
			Yield Term min/max/weighted average %		6.30 / 6.30 / 6.30
			Yield Reversion min/max/weighted average %		6.30 / 6.30 / 6.30
			Discount Rate Min/Max/weighted average %	9.65 / 9.65 / 9.65	
			Capitalisation Rate Min/Max/weighted average %	8.25 / 8.25 / 8.25	
Other total	**96,800**	**79,580**			

Classification investment properties under development in realisation and planning **Valuation technique residual value**	**Fair value 31.12.2023** **€ K**	**Fair value 31.12.2022** **€ K**	**Inputs****	**Range 2023**	**Range 2022**
Office Germany*	169,300	417,330	Expected-rent €/m² p. m. min/max	37.05 / 37.05	37.05 / 40.00
			Construction cost €/m² min/max	4,123 / 4,123	2,737 / 3,735
			Related cost in % of Constr. Cost min/max	22.90 / 22.90	23.81 / 27.97
Development total	**169,300**	**417,330**			

* The book value of "Office Germany" classification includes right of use assets in the amount of €0K (31.12.2022: €10K).
** The inputs relate only to the investment properties under development in realization

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 investment properties under development **Comparative or residual method**	**Fair value 31.12.2023** **€ K**	**Fair value 31.12.2022** **€ K**	**Inputs**	**Range 2023**	**Range 2022**
Landbank Germany	174,300	178,812	Valuation approach / m² plot area	2.13 / 22,811.34	2.31 – 25,499.38
Landbank Eastern Europe	490	490	Valuation approach / m² plot area	97.59	97.59
Landbank total	**174,790**	**179,302**			

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.

Reclassifications between levels did not occur in 2023 and 2022.

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 Germany* restated	Office Austria*	Office Eastern Europe restated	Retail Austria
As at 1.1.2022	**2,278,299**	**352,100**	**1,600,153**	**87,500**
Additions	35,933	1,029	23,022	109
Disposals	0	–44,122	0	0
purchase of real estate and real estate companies	96,853	0	0	0
Valuation	–78,189	1,279	–65,628	–2,938
Reclassification IFRS 5	–49,900	–37,900	–42,566	0
Reclassification between classes	578,654	0	0	0
Change in lease incentives through profit and loss	1,905	–186	490	30
As at 31.12.2022 = 1.1.2023	**2,863,555**	**272,200**	**1,515,471**	**84,700**
Additions	32,107	1,930	29,571	426
Disposals	–17,580	0	–34,629	0
Valuation	–319,612	–25,381	–88,220	–7,014
Reclassification IFRS 5	0	–28,168	0	0
Reclassification between classes	217,625	0	0	0
Change in lease incentives through profit and loss	9,040	219	–1,252	–12
As at 31.12.2023	**2,785,134**	**220,800**	**1,420,941**	**78,100**

*The fair value of “Office Austria” and “Office Germany” also include the fair value of own used properties.

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€ K	Hotel Germany	Hotel Austria	Others Germany restated	Others Austria
As at 1.1.2022	**160,300**	**47,400**	**64,460**	**16,800**
Additions	10	0	–33	0
Disposals	0	0	–19,731	0
Valuation	–2,211	23,400	17,659	3,400
Reclassification IFRS 5	0	–70,800	–2,975	0
Change in lease incentives through profit and loss	–99	0	0	0
As at 31.12.2022 = 1.1.2023	**158,000**	**0**	**59,380**	**20,200**
Additions	0	0	1,555	128
Valuation	–10,112	0	–14,785	–628
Reclassification between classes	0	0	30,960	0
Change in lease incentives through profit and loss	–88	0	–10	0
As at 31.12.2023	**147,800**	**0**	**77,100**	**19,700**

€ K	Development under construction Germany	Development in planning Germany	Land banks Germany	Land banks Eastern Europe
As at 1.1.2022	**754,970**	**154,540**	**187,487**	**150**
Additions	107,551	6,871	3,527	0
Disposals	–1		–383	0
Valuation	–8,466	–19,481	41,681	340
Reclassification IFRS 5	0	0	–53,500	0
Reclassification between classes	–532,654	–46,000	0	0
As at 31.12.2022 = 1.1.2023	**321,400**	**95,930**	**178,812**	**490**
Additions	58,442	15,373	4,562	0
Valuation	–38,157	–13,463	–16,274	0
Reclassification IFRS 5	0	0	–14,440	0
Reclassification between classes	–224,885	–45,340	21,640	0
As at 31.12.2023	**116,800**	**52,500**	**174,300**	**490**

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.

The final impact of the geopolitical conflicts in Ukraine and the Middle East on the already difficult environment in the real estate market cannot be predicted yet. Due to inflationary pressure and the associated rise in interest rates, as well as other factors weighing on the global economy, the potential for increased volatility on the markets can be expected. The past has shown that consumer and investor sentiment can adapt quickly to new circumstances, which can lead to increased market volatility in combination with the observable sharp reduction in liquidity. Transaction volumes have remained clearly below the levels of previous years.

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 and reversionary yield for 2022 as well as discounting and capitalization interest for 2023) for all investment properties, other than properties held for sale.

2023 **Office Germany** **Change in yield e.g. rate (in % of initial yield e.g. rate)**	**–10%**	**–5%**	**0%**	**5%**	**Change in market rent of 10%**
–10%	5.32%	9.26%	13.18%	17.12%	21.04%
–5%	–1.10%	2.57%	6.21%	9.89%	13.55%
0%	–6.83%	–3.42%	0.00%	3.41%	6.82%
+5%	–12.02%	–8.84%	–5.64%	–2.43%	0.75%
+10%	–16.71%	–13.72%	–10.71%	–7.72%	–4.73%

2022 **Office Germany** **Change in yield e.g. rate (in % of initial yield e.g. rate)**	**–10%**	**–5%**	**0%**	**5%**	**Change in market rent of 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%

2023 **Office Austria** **Change in yield e.g. rate (in % of initial yield e.g. rate)**	**–10%**	**–5%**	**0%**	**5%**	**Change in market rent of 10%**
–10%	3.22%	8.24%	13.22%	18.25%	23.37%
–5%	–3.08%	1.68%	6.25%	11.05%	15.72%
0%	–8.61%	–4.35%	0.00%	4.44%	8.79%
+5%	–13.72%	–9.60%	–5.57%	–1.45%	2.72%
+10%	–18.25%	–14.40%	–10.55%	–6.70%	–2.94%

2022 Office Austria Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 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%

2023 Office Eastern Europe Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 10%
–10%	3.72%	8.90%	14.02%	19.18%	24.27%
–5%	–2.92%	1.86%	6.62%	11.37%	16.15%
0%	–8.88%	–4.45%	0.00%	4.42%	8.87%
+5%	–14.24%	–10.09%	–5.91%	–1.77%	2.38%
+10%	–19.04%	–15.13%	–11.25%	–7.34%	–3.48%

2022 Office Eastern Europe Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 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%

2023 Retail Austria Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 10%
–10%	2.56%	7.81%	12.93%	18.18%	23.30%
–5%	–3.59%	1.28%	6.27%	11.01%	15.88%
0%	–8.96%	–4.35%	0.00%	4.61%	9.22%
+5%	–13.96%	–9.60%	–5.38%	–1.15%	3.20%
+10%	–18.44%	–14.34%	–10.37%	–6.27%	–2.30%

2022 Retail Austria Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 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%

2023 Hotel Germany Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 10%
–10%	7.98%	10.22%	12.45%	14.75%	16.85%
–5%	1.76%	3.79%	5.89%	7.98%	10.01%
0%	–3.72%	–1.83%	0.00%	1.96%	3.86%
+5%	–8.73%	–6.97%	–5.28%	–3.59%	–1.76%
+10%	–13.33%	–11.64%	–10.01%	–8.46%	–6.77%

2022 Hotel Germany Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 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%

2023 Other Germany Change in yield e.g. rate (in % of initial yield e.g. rate)	–10%	–5%	0%	5%	Change in market rent of 10%
–10%	4.19%	7.95%	11.71%	15.34%	19.11%
–5%	–1.13%	2.11%	5.62%	8.86%	12.62%
0%	–6.23%	–3.11%	0.00%	3.24%	6.74%
+5%	–10.87%	–7.89%	–4.77%	–1.92%	1.19%
+10%	–14.93%	–12.20%	–9.35%	–6.50%	–3.64%

2022 **Other Germany** **Change in yield e.g. rate (in % of initial yield e.g. rate)**	**–10%**	**–5%**	**0%**	**5%**	**Change in market rent of** **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%

For a better overview of the sensitivities, the change in capitalization and discount rates is no longer shown as a percentage but in basis points for the first time in 2023. In addition, the sensitivities are now presented in € K and no longer as a percentage change in the basis. Due to the change of appraiser and valuation method in 2023, no previous year's figures can be provided for the sensitivities based on changes in basis points.

2023 **Office Germany** **Change in market rent of**	**€ K** **–50 bsp**	**–25 bsp**	**0 bps**	**+25 bsp**	**Change in capitalisation and discount rate** **+ 50 bps**
–10%	145,100	–32,300	–190,300	–332,100	–459,800
–5%	254,400	69,000	–95,200	–243,200	–376,000
0%	363,400	171,100	0	–154,000	–292,300
+5%	473,300	272,800	94,900	–65,000	–208,700
+10%	582,400	374,800	189,900	23,900	–125,200

2023 **Office Austria** **Change in market rent of**	**€ K** **–50 bsp**	**–25 bsp**	**0 bps**	**+25 bsp**	**Change in capitalisation and discount rate** **+ 50 bps**
–10%	1,300	–9,400	–19,000	–28,000	–36,100
–5%	12,000	800	–9,600	–18,800	–27,500
0%	22,800	11,100	0	–9,600	–18,700
+5%	33,600	21,200	9,800	–600	–10,000
+10%	44,500	31,300	19,400	8,700	–1,500

2023 Office Eastern Europe Change in market rent of	€ K –50 bsp	–25 bsp	0 bps	+25 bsp	Change in capitalisation and discount rate + 50 bps
–10%	–10,800	–69,100	–122,800	–172,400	–218,200
–5%	56,900	–4,400	–61,500	–113,600	–161,700
0%	124,400	59,500	0	–55,000	–105,900
+5%	191,800	124,100	61,100	4,200	–49,500
+10%	259,900	188,500	122,700	62,500	7,200

2023 Retail Austria Change in market rent of	€ K –50 bsp	–25 bsp	0 bps	+25 bsp	Change in capitalisation and discount rate + 50 bps
–10%	600	–3,300	–7,000	–10,300	–13,300
–5%	4,700	300	–3,400	–7,000	–10,100
0%	8,600	4,100	0	–3,600	–7,000
+5%	12,600	7,900	3,600	–200	–3,800
+10%	16,600	11,600	7,200	3,100	–600

2023 Hotel Germany Change in market rent of	€ K –50 bsp	–25 bsp	0 bps	+25 bsp	Change in capitalisation and discount rate + 50 bps
–10%	9,500	1,600	–5,500	–12,100	–17,800
–5%	12,700	4,600	–2,700	–9,300	–15,400
0%	16,000	7,600	0	–6,800	–13,000
+5%	19,400	10,600	2,900	–4,200	–10,500
+10%	22,700	13,700	5,700	–1,600	–8,200

2023 Other Germany Change in market rent of	€ K –50 bsp	–25 bsp	0 bps	+25 bsp	Change in capitalisation and discount rate + 50 bps
–10%	1,530	–1,900	–4,800	–7,660	–10,290
–5%	4,330	900	–2,400	–5,260	–8,090
0%	7,130	3,500	0	–2,960	–5,790
+5%	9,830	6,100	2,500	–660	–3,590
+10%	12,830	8,700	5,200	1,840	–1,490

2023 Other Austria Change in market rent of	€ K –50 bsp	–25 bsp	0 bps	+25 bsp	Change in capitalisation and discount rate + 50 bps
–10%	–300	–900	–1,500	–2,100	–2,500
–5%	600	–100	–700	–1,300	–1,900
0%	1,300	700	0	–600	–1,100
+5%	2,200	1,500	800	200	–500
+10%	3,000	2,300	1,600	900	300

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.

2023				Still outstanding capital expenditures	
in € M	–10%	–5%	Initial value	+5%	+10%
Still outstanding capital expenditures	198.3	209.3	220.4	231.4	242.4
Changes to initial value	–22.0	–11.0		11.0	22.0
Fair value	138.8	127.8	116.8	105.8	94.8
Changes to initial value	18.9%	9.4%		–9.4%	–18.9%

2022				Still outstanding capital expenditures	
in € M	–10%	–5%	Initial value	+5%	+10%
Still outstanding capital expenditures	257.2	271.4	285.7	300.0	314.3
Changes to initial value	–28.6	–14.3		14.3	28.6
Fair value	350.0	335.7	321.4	307.1	292.8
Changes to initial value	8.9%	4.4%		–4.4%	–8.9%

The sensitivity analysis of the projects under development in realization (for 2023: 1 project, for 2022: 2 projects) is based on an average percentage of completion of approximately 30% (2022: 40%) 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
Book values			
As at 1.1.2022	**6,292**	**4,882**	**11,174**
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
Reclassification to assets held for sale	–4,670	0	–4,670
As at 31.12.2022	**3,489**	**9,466**	**12,954**
Additions	0	973	973
Disposals	–18	0	–18
Depreciation and amortisation	–96	–1,887	–1,983
impairment	0	–1,397	–1,397
As at 31.12.2023	**3,376**	**7,155**	**10,530**

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
As at 1.1.2022			
Acquisition costs	10,300	9,231	19,531
Accumulated depreciation	–4,009	–4,349	–8,358
Net book value	**6,292**	**4,882**	**11,174**
As at 31.12.2022			
Acquisition costs	4,496	15,297	19,793
Accumulated depreciation	–1,008	–5,831	–6,838
Net book value	**3,489**	**9,466**	**12,954**
As at 31.12.2023			
Acquisition costs	4,476	12,900	17,376
Accumulated depreciation	–1,100	–5,745	–6,846
Net book value	**3,376**	**7,155**	**10,530**

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
Book values						
As at 1.1.2022	**5,820**	**612**	**6,431**	**1,211**	**2,208**	**3,419**
Currency translation adjustments	–11	0	–11	0	0	0
Current additions	654	216	870	0	745	745
Disposals	–82	–105	–187	0	0	0
Depreciation and amortisation	–1,273	–332	–1,604	0	–828	–828
Impairment	0	0	0	–1,211	0	–1,211
As at 31.12.2022	**5,108**	**392**	**5,499**	**0**	**2,124**	**2,124**
Currency translation adjustments	5	0	5	0	0	0
Current additions	981	261	1,242	0	358	358
Disposals	–73	–55	–128	0	–26	–26
Depreciation and amortisation	–1,207	–256	–1,462	0	–867	–867
Impairment	–61	–42	–103	0	–19	–19
As at 31.12.2023	**4,754**	**300**	**5,054**	**0**	**1,570**	**1,570**

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
As at 1.1.2022						
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
Book values	**5,820**	**612**	**6,431**	**1,211**	**2,208**	**3,419**
As at 31.12.2022						
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
Book values	**5,108**	**392**	**5,499**	**0**	**2,124**	**2,124**
As at 31.12.2023						
Acquisition costs	15,331	711	16,042	0	7,906	7,906
Accumulated impairment/amortisation	–10,577	–410	–10,987	0	–6,336	–6,336
Book values	**4,754**	**300**	**5,054**	**0**	**1,570**	**1,570**

3.4. Investments in joint ventures

€ K	31.12.2023	31.12.2022
Eggarten	35,875	41,050
Mainz	5,920	18,529
Hafeninsel	4,988	3,466
Other	1,226	1,346
Investments in joint ventures	**48,009**	**64,391**

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 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)
Hafeninsel	UBM Development Deutschland GmbH	50% (50%)	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. The joint venture Hafeninsel develops, realizes and sells condominiums and a commercial property in custom 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 31.12.2023, 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	2023			2022		
	Eggarten	**Mainz**	**Hafeninsel**	**Eggarten**	**Mainz**	**Hafeninsel**
Rental income	48	1,815	0	51	1,822	0
Trading property - transferred at a point in time	0	15,300	0	0	66,234	0
Income from trading transferred over time	0	0	11,838	0	0	62,204
Result from trading and construction works	0	10,248	4,568	0	49,435	16,929
Depreciation and impairment/reversal	– 9,640	– 5,092	– 4	– 5	– 160	– 9
Finance costs	– 187	– 473	– 1,129	– 165	– 129	– 1,707
Income tax expense	– 173	– 734	– 330	44	– 6,476	– 1,331
Consolidated net income	**– 10,351**	**6,029**	**3,045**	**– 468**	**43,008**	**13,753**
Total comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**
Comprehensive income for the period	**– 10,351**	**6,029**	**3,045**	**– 468**	**43,008**	**13,753**
Cash at banks with drawing restrictions	0	0	24,365	0	0	0
Other long-term assets	36	65	2,258	212	110	2,443
Other short-term assets	86,806	81,981	47,647	94,362	144,363	50,762
Cash and cash equivalents	104	48,292	10,769	171	768	11,196
Total assets	**86,945**	**130,338**	**85,040**	**94,744**	**145,241**	**64,401**
Other long-term liabilities	0	41,763	2,849	0	44,833	2,821
Interest-bearing liabilities	6	51	45,006	12,247	96	8,886
Long-term liabilities	**6**	**41,814**	**47,856**	**12,247**	**44,929**	**11,707**
Other short-term liabilities	1,433	58,173	27,208	365	42,644	23,861
Interest-bearing liabilities	13,730	11	0	5	11	21,902
Short-term liabilities	**15,163**	**58,184**	**27,208**	**369**	**42,655**	**45,763**
Shareholders' equity	**71,776**	**30,340**	**9,976**	**82,128**	**57,656**	**6,932**
Proportional equity as at 1.1.	**41,002**	**28,895**	**3,466**	**41,236**	**22,122**	**– 3,411**
Proportional profit of the period in accordance with shares held	– 5,176	3,021	1,522	– 234	21,547	6,877
Dividends realized	0	– 16,710	0	0	– 14,774	0
Capital adjustment	49	– 5	0	0	0	0
Proportional equity as at 31.12.	**35,875**	**15,200**	**4,988**	**41,002**	**28,895**	**3,466**
Other consolidation effects	0	– 9,280	0	49	– 10,365	0
Book value investments into joint ventures 31.12	**35,875**	**5,920**	**4,988**	**41,050**	**18,529**	**3,466**

The following table summarizes non-material interests in joint ventures:

€ K	2023	2022
Proportional equity as at 1.1.	**1,198**	**–771**
Proportional profit of the period	–285	24
Capital increases	550	2,290
Dividends received/ Capital decreases	–161	–93
Proportional equity as at 31.12.	**1,301**	**1,450**
Other consolidation effects	–75	147
Disposals	0	–251
Book value investments into joint ventures 31.12	**1,226**	**1,346**

3.5. Other assets

€ K	31.12.2023	31.12.2022
Other financial assets	78,331	153,132
Long-term receivables and other assets	23,963	34,874
Other assets	**102,294**	**188,006**

The following table presents other financial assets:

€ K	Acquisition costs incl. recognized interest as at 31.12.2023	Changes in value accumulated until 31.12.2023	Book values as at 31.12.2023	Changes in value recognized in profit or loss 2023
Loans and receivables	**11,565**	**0**	**11,565**	**0**
Other investments	**0**	**0**	**0**	**–3,193**
Interest rate swaps	0	65,240	65,240	–42,246
Interest rate caps	2,730	–1,294	1,436	–1,911
Interest rate floors	726	–636	90	90
Derivative financial instruments	**3,456**	**63,310**	**66,766**	**–44,067**
Other financial assets	**15,021**	**63,310**	**78,331**	**–47,260**

€ K	Acquisition costs incl. recognized interest as at 31.12.2022	Changes in value accumulated until 31.12.2022	Book values as at 31.12.2022	Changes in value recognized in profit or loss 2022
Loans and receivables	**10,562**	**0**	**10,562**	**3,425**
Other investments	**29,665**	**2,072**	**31,737**	**219**
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
Derivative financial instruments	**3,456**	**107,377**	**110,833**	**101,983**
Other financial assets	**43,684**	**109,448**	**153,132**	**105,627**

Loans and receivables include loans to joint ventures.

Other investments mainly include non-controlling interests in Germany. As at 31.12.2023 these non-controlling interests were classified as held for sale.

€ K	Other investments
As at 1.1.2022	**32,393**
Valuation P/L	219
Distributions/capital reduction	–875
As at 31.12.2022 = 1.1.2023	**31,737**
Valuation P/L	–3,193
Distributions/capital reduction	–797
Reclassification IFRS 5	–27,747
As at 31.12.2023	**0**

The fair value of the derivative financial instruments corresponds to level 2 and the one of other investments to level 3 of the fair value hierarchy according to IFRS 13.

Reclassifications between levels did not occur in 2023 and 2022.

The following table presents long-term receivables and other assets:

Long-term receivables and other assets

€ K	31.12.2023	31.12.2022
Cash and cash equivalents with drawing restrictions	18,382	27,582
Other receivables from joint ventures	1,340	1,428
Net plan assets from pension obligations	0	837
Other receivables and assets	4,241	5,029
Long-term receivables and other assets	**23,963**	**34,874**

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 31.12.2023 the capital value of the defined benefit obligations exceeds the plan assets, therefore the net position is presented under the provisions. All IAS 19 disclosures are made under the provisions.

CHAPTER 4: CURRENT ASSETS

4.1. Assets and liabilities held for sale

As at 31.12.2023, one property in Austria with a fair value of €28,168K and two properties in Germany with a fair value of €14,440K were classified as held for sale.

Furthermore, as at 31.12.2023, a disposal group was classified as held for sale due to the spin-off of the German construction services company omniCon Gesellschaft für innovatives Bauen mbH through a management buyout.

The item other assets held for sale also includes non controlling interests in Germany amounting to €27,747K as at 31.12.2023.

Assets held for sale € K	**31.12.2023**	**31.12.2022**
Properties held for sale	42,608	249,311
Other assets held for sale	37,846	5,211
Assets held for sale and relating to disposal groups	**80,454**	**254,522**

For the properties held for sale as at 31.12.2022 (properties Hamburger Bahnhof and Rieckhallen in Berlin, as well as building Rennweg/ Mechelgasse in Vienna), €67,324K was realized as result from sale in 2023.

The result from revaluation includes an amount of €-1,579K (2022: €0K) related to investment properties after their reclassification as properties held for sale.

As part of the reclassification of the German construction services company as held for sale, an impairment of non-current assets amounting to €1,519K as well as other provision amounting to €4,374K were recorded in other expenses.

Assets and liabilities relating to disposal groups € K	**31.12.2023**	**31.12.2022**
Properties held for sale	0	42,566
Receivables and other assets	1,060	274
Cash and cash equivalents	9,032	4,937
Deferred tax asset	7	0
Assets relating to disposal groups	**10,099**	**47,777**
Provisions	7,010	82
Interest-bearing liabilities	1,530	361
Other liabilities	1,531	1,228
Deferred tax liabilities	0	2,366
Liabilities relating to disposal groups	**10,071**	**4,036**
Net-assets/liabilities included in disposal groups	**28**	**43,741**

Investment properties held for sale in the amount of €0K (31.12.2022: €100,370K) 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	Acquisition / production costs	Accumulated impairment	31.12.2023 Book values	Acquisition / production costs	Accumulated impairment	31.12.2022 Book values
At acquisition/production costs	13,679	0	13,679	80,262	0	80,262
At net realisable value	13,334	–8,572	4,762	12,958	–7,460	5,498
Total properties held for trading	**27,013**	**–8,572**	**18,441**	**93,220**	**–7,460**	**85,760**

The change in properties held for trading in 2023 is mainly due to the sale of the 'Langes Land' property. In 2023 the acquisition/ production costs were reduced following the release of a provision for urban development obligations in the amount of €48,432K.

The fair value of the properties held for trading, which are recognised at acquisition/production costs, amounts to €35,820K (31.12.2022: €185,027K) and corresponds to level 3 of the fair value hierarchy.

Properties held for trading amounting to €16,634K (31.12.2022: €18,949K) with a fair value of €38,391K (31.12.2022: €55,516K) are expected to realise revenue within a period of more than 12months. This applies to 10 properties (31.12.2022: 12 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). 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 31.12.2023	Book values as at 31.12.2022
Rental and trade debtors	12,706	18,978
Receivables from trading property	15,456	0
Receivables from construction work (transferred over time)	154	206
Receivables from property and share sales/acquisitions	7,305	4,042
Receivable from security of warranty claims	0	20,000
Receivables from joint ventures	3,815	6,215
Cash and cash equivalents with drawing restrictions	32,890	80,342
Other accounts receivable	21,358	9,392
Receivables and other financial assets	**93,683**	**139,175**
Other receivables from fiscal authorities	7,757	8,733
Other non financial receivables	3,734	4,242
Other non financial assets	**11,491**	**12,976**
Receivables and other assets	**105,175**	**152,151**

Cash and cash equivalents with drawing restrictions include €24M (31.12.2022: €58M) 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 31.12.2023	Expected credit losses 31.12.2023	Book value 31.12.2023	Nominal value 31.12.2022	Expected credit losses 31.12.2022	Book value 31.12.2022
Receivables and other financial assets	95,793	–2,110	93,683	145,362	–6,186	139,175
Other non financial assets	11,491	0	11,491	12,976	0	12,976
Receivables and other assets	**107,285**	**–2,110**	**105,175**	**158,337**	**–6,186**	**152,151**

Movements in allowances for receivables and other assets are presented below:

€ K	2023	2022
As at 1.1.	**–6,186**	**–9,127**
Additions (value adjustment expenses)	–331	–870
Usage	3,802	1,810
Reversal	644	1,088
Disposal deconsolidation	0	824
Reclassification IFRS 5	0	79
Currency translation adjustments	–39	9
As at 31.12.	**–2,110**	**–6,186**

The following table shows the risk profile of receivables and other assets based on their maturity:

Maturities receivables and other financial assets € K	2023	2022
Not due	**83,820**	**127,057**
Overdue <31 days	2,048	3,190
Overdue 31-90 days	2,128	1,218
Overdue >90 days	5,686	7,710
Overdue total	**9,862**	**12,118**
Total	**93,683**	**139,175**

Changes in contract assets and contract liabilities result from:

			31.12.2023			31.12.2022
€ K	Receivables	Contract assets	Contract liabilities	Receivables	Contract assets	Contract liabilities
As at 1.1.	**206**	**0**	**0**	**280**	**0**	**0**
Increase as a result of changes in the measure of progress	0	38	0	96	0	0
Prepayments received	–63	0	0	–170	0	0
Subsequent changes / Purchase price adjustment	57	0	0	0		
Impairment	–46	0	0	0	0	0
Reclassification IFRS 5	0	–38				
As at 31.12.	**154**	**0**	**0**	**206**	**0**	**0**

As at 31.12.2023 expected future income from the sale of properties and construction works (realization over time due to transfer over time) amounts to €0K (31.12.2022: €0K).

Receivables and other assets

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	12month-expected credit loss
2 (increased risk or simplified approach)	Overdue receivables and all leasing receivables due to application of simplified approach.	Liftetime expected credit loss
3 (high risk due to delay of payment)	Diminished credit standing due to enduring non-payment, bankruptcy or insolvency proceedings	Liftetime 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 12months) is determined based on CDS (credit default swaps) default rates, for example, or expected credit losses.

4.4. Fixed cash deposits, cash and cash equivalents

€ K	31.12.2023	31.12.2022 restated
Fixed cash deposits	**75,063**	**75,000**
Cash in banks	663,551	749,037
Cash on hand	14	34
Fund of cash and cash equivalents (cash flow)	**663,565**	**749,071**
Expected credit losses in cash and cash equivalents	–70	–266
Cash and cash equivalents (balance sheet)	**663,495**	**748,805**
Fixed cash deposits and cash and cash equivalents	**738,558**	**823,805**

As at 31.12.2022, CA Immo Group reported a fixed-term deposit of €75M with an original term of 6months that can be terminated at any time under the item "cash and cash equivalents". Due to possible prepayment penalties in the event of early termination, this investment did not meet the requirements for reporting under cash and cash equivalents. For this reason, the disclosure of this investment in both the consolidated balance sheet and the consolidated cash flow statement has been corrected in accordance with IAS 8.42 and accordingly is no longer shown as part of the cash and cash equivalents, but in the item fixed cash deposits.

§ 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". As at 31.12.2023 and 31.12.2022, the CA Immo Group has no cash in banks subject to drawing restrictions with up to three months. 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.

Cash in banks subject to drawing restrictions of more than 3 but less than 12months is presented as "receivables and other assets".

Fixed-term deposits that do not meet the requirements for being shown as cash and cash equivalents are presented in the item "fixed cash deposits".

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.

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 (31.12.2022: €774,229,017.02). It is divided into 106,496,422 (31.12.2022: 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-11Klimt 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 total value of the shares acquired was €30,327,788.47. After the completion of the share buyback programme on 19.10.2022 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 decided to carry out a further share buyback programme on the basis of the authorization resolution of the 34th Annual General Meeting on 6.5.2021 in accordance with Section 65 para. 1 no. 8 AktG. The share buyback programme was terminated prematurely on 31.8.2023. A total of 2,000,000 bearer shares were acquired, corresponding to around 1.88% of the share capital. The highest consideration paid per share acquired was €30.60, while the lowest consideration paid per share acquired was €23.25. The weighted average consideration paid per acquired share was €26.54 and the total value of the acquired shares amounted to €53,082,491.93. CA Immobilien Anlagen AG held 8,780,037 treasury shares at the end of the buyback programme and as at 31.12.2023 (31.12.2022: 6,860,401 treasury shares). Given the total number of voting shares issued of 106,496,426 (31.12.2022: 106,496,426), this is equivalent to around 8.2% (31.12.2022: 6.4%) of the voting shares.

The appropriated capital reserve as reported in the individual financial statements of CA Immobilien Anlagen Aktiengesellschaft totals €998,959K (31.12.2022: €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. In 2023, a dividend amount of €3.56 (ordinary dividend and special dividend) (2022: €0.00) for each share entited to dividend, totalling €348,521K (2022: €0K) was distributed to the shareholders from the net profit as at 31.12.2022.

The total net profit of CA Immobilien Anlagen Aktiengesellschaft as at 31.12.2023 amounting to €460,572K (31.12.2022: €439,080K), is subject to dividend payment constraints in the amount of the deferred tax assets of €789K (31.12.2022: €1,229K). The Management Board of CA Immobilien Anlagen AG proposes to use part of the retained earnings as at 31.12.2023, amounting to €460,572K to distribute a dividend of €0.80 per share, so that a total of €78,173K is to be distributed to shareholders. The remaining retained earnings of €382,399K are to be carried forward.

As at 31.12.2023, there exists unused authority capital in the amount of €154,845,809.22, which can be utilized until 27.9.2028 at the latest, as well as contingent capital in the amount of €154,845,809.22 earmarked for servicing convertible bonds that will be issued in the future based on the authorization of the Annual General Meeting as of 4.5.2023 (contingent capital 2023).

5.2. Interest bearing liabilities

€ K	Short-term	Long-term	31.12.2023 Total	Short-term	Long-term	31.12.2022 Total
Corporate bonds	184,505	993,335	1,177,840	128,943	1,165,323	1,294,266
Bonds	**184,505**	**993,335**	**1,177,840**	**128,943**	**1,165,323**	**1,294,266**
Loans	182,900	1,186,692	1,369,592	236,389	1,172,999	1,409,388
Promissory loan	1,125	74,796	75,921	1,040	74,726	75,766
Lease liabilities	3,928	42,799	46,727	3,533	39,590	43,123
Other interest-bearing liabilities	**187,953**	**1,304,288**	**1,492,240**	**240,962**	**1,287,315**	**1,528,277**
Interest-bearing liabilities	**372,457**	**2,297,623**	**2,670,080**	**369,905**	**2,452,638**	**2,822,543**

Bonds

31.12.2023	Nominal value in € K	Book value excl. interests € K	Deferred interest in € K	Nominal interest rate	Effective interest rate	Issue	Repayment
Bond 2017-2024	175,000	174,965	2,814	1.88%	2.02%	22.2.2017	22.2.2024
Bond 2018-2026	150,000	148,878	2,148	1.88%	2.24%	26.9.2018	26.3.2026
Bond 2020-2027	500,000	496,515	3,955	0.88%	1.11%	5.2.2020	5.2.2027
Bond 2020-2025	350,000	347,943	622	1.00%	1.34%	27.10.2020	27.10.2025
Total	**1,175,000**	**1,168,301**	**9,539**				

31.12.2022	Nominal value in € K	Book value excl. interests € 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
Total	**1,291,621**	**1,281,931**	**12,335**				

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.

The allocation rules require that a certain amount has to be used to finance or re-finance, in whole or in part the green and social projects which meet the criteria specified in the 2020 green bond framework. This includes the financing or re-financing of the construction of new commercial properties meeting the criteria for the LEED or DGNB Gold sustainability certification (as a minimum standard); and/or the financing or re-financing of properties where the primary energy requirement is at least 25% lower than the prescribed values.

As at 31.12.2023 no bonds were in breach of covenants (31.12.2022: no breaches).

Other interest-bearing liabilities

As at 31.12.2023 and 31.12.2022, the terms of other interest-bearing liabilities are as follows:

31.12.2023

Type of financing and currency	Effective interest rate as at 31.12.2023 in %	Interest variable/fixed/hedged	Maturity	Nominal value in € K	Book value in € K	Fair value of liability in € K
Loans	4.80%-5.28%	variable	04/2024 - 12/2031	192,425	191,317	191,317
Loans	0.99%-4.50%	hedged	06/2024 - 12/2032	1,031,965	1,027,783	1,027,783
Loans	0.81%-2.38%	fixed	09/2024 - 04/2032	150,468	150,492	137,626
Loans (total)				**1,374,858**	**1,369,592**	**1,356,726**
Promissory loan	5.56%-6.16%	variable	05/2025 - 05/2029	35,500	35,677	35,677
Promissory loan	2.81%-3.75%	fixed	05/2025 - 05/2029	39,500	40,244	38,473
Promissory loan (total)				**75,000**	**75,921**	**74,150**
Lease liabilities (IAS 40)	0.14%-7.00%	fixed	11/2024-08/2104	95,421	37,676	
Lease liabilities (other)	0.14%-5.93%	fixed	02/2024-12/2028	9,569	9,051	
				1,554,849	**1,492,240**	**1,430,876**

31.12.2022

Type of financing and currency	Effective interest rate as at 31.12.2022 in %	Interest variable/fixed/hedged	Maturity	Nominal value in € K	Book value in € K	Fair value of liability in € K
Loans	3.10%-3.55%	variable	12/2023 - 12/2031	185,019	184,613	184,613
Loans	0.99%-3.61%	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
Loans (total)				**1,413,493**	**1,409,388**	**1,384,182**
Promissory loan	3.82%-4.42%	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
Promissory loan (total)				**75,000**	**75,766**	**72,334**
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**	
				1,582,668	**1,528,277**	**1,456,516**

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).

In December 2023, CA Immo Group completed green real estate financing with a volume of Ɨ115M and a term of 5 years at an interest rate of approximately 4%.

Other interest-bearing liabilities, for which the relevant financial covenants were not met as at 31.12.2023, 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 31.12.2023 no loans were in breach of covenants (31.12.2022: no breaches).

The Euro is the contract currency of 100% of the loans, loan notes and bonds (31.12.2022: 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.

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

€ K			31.12.2023			31.12.2022
	Short-term	Long-term	Total	Short-term	Long-term	Total
Fair value derivative transactions	**0**	**3,206**	**3,206**	**0**	**0**	**0**
Trade payables	16,471	3,570	20,041	21,378	3,305	24,683
Liabilities to joint ventures	1,314	0	1,314	1,088	0	1,088
Rent deposits	3,892	15,872	19,765	4,893	15,892	20,786
Open purchase prices	348	353	700	343	264	607
Settlement of operating costs	1,911	0	1,911	1,716	0	1,716
Other	8,461	6,367	14,828	7,571	8,333	15,905
Financial liabilities	**32,396**	**26,162**	**58,558**	**36,990**	**27,795**	**64,784**
Operating taxes	3,230	0	3,230	4,450	0	4,450
Prepayments received	4,053	1,406	5,459	19,006	1,655	20,661
Prepaid rent and other non-financial liabilities	4,037	1,994	6,031	3,841	2,308	6,149
Non-financial liabilities	**11,320**	**3,400**	**14,721**	**27,297**	**3,963**	**31,260**
Other liabilities	**43,717**	**32,768**	**76,485**	**64,287**	**31,758**	**96,044**

CHAPTER 6: PROVISIONS

6.1. Provisions

Ɨ K	Staff	Construction services and urban development obligations	Subsequent costs of sold properties	Others	Total
As at 1.1.2023	**17,493**	**80,674**	**40,439**	**27,171**	**165,776**
Usage	Đ11,211	Đ30,562	Đ3,348	Đ12,666	Đ57,787
Reversal	Đ1,729	Đ48,789	Đ9,384	Đ2,843	Đ62,745
Addition	13,586	23,026	4,061	11,688	52,361
Transfer to IFRS 5	Đ2,257	Đ166		Đ213	Đ2,636
Change in interest rate and accumulated interest	2	1,022	511	0	1,535
Currency translation adjustments	17	12	0	108	138
As at 31.12.2023	**15,901**	**25,217**	**32,280**	**23,243**	**96,641**
thereof short-term	9,674	25,212	17,390	23,243	75,520
thereof long-term	6,226	5	14,890	0	21,121

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.

The reversal of the provision for urban development obligations in the amount of Ɨ48,432K relates to the sale of Langes Land property.

The arbitration proceedings in connection with a project development in Eastern Europe were concluded in the financial year. The provision from the resulting subsequent costs of sold properties was reversed and presented in the result from discontinued operations.

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

ł K

	31.12.2023	31.12.2022
Bonus management board	4,964	4,627
Bonus Employees LTI Program	3,243	2,423
Other bonuses	4,808	7,701
Bonuses	**13,015**	**14,751**
Present value of long term severance obligation	723	467
Untaken holidays	1,357	1,521
Other provisions	806	755
Provisions for employees	**15,901**	**17,493**

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 31.12.2022 as the plan assets exceeded the capital value of these defined benefit obligations, the net position was presented under the long term and other assets. As at 31.12.2023 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.

ł K	31.12.2023	31.12.2022
Present value of obligation	Ð6,985	Ð6,024
Fair value of plan asset	6,789	6,860
Net position recorded in consolidated statement of financial position	**–196**	**837**
Financial adjustments of present value of the obligation	Ð91	3,311
Experience adjustments of present value of the obligation	Ð918	Ð16

The development of the defined benefit obligation and of the plan asset is shown in the following table:

ł K	2023	2022
Present value of obligation as at 1.1.	**–6,024**	**–9,514**
Current Payment	277	262
Interest cost	Ð230	Ð67
Change from revaluation	Ð1,009	3,295
Present value of obligation 31.12	**–6,985**	**–6,024**
Plan asset as at 1.1.	**6,860**	**6,930**
Expected income from plan asset	268	50
Change from revaluation	Ð62	157
Current Payment	Ð277	Ð276
Plan asset as at 31.12	**6,789**	**6,860**

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The following income/expense was recognised in the income statement:

ł K	2023	2022
Interest cost	Đ230	Đ67
Expected income from plan asset	268	50
Pensions costs	**38**	**–18**

The following result before taxes was recognised in the other comprehensive income:

ł K	2023	2022
Revaluation of pension obligation	Đ1,009	3,295
Revaluation of plan assets	Đ62	157
IAS 19 reserve	**–1,071**	**3,452**

Sensitivity analysis regarding the financial mathematical assumptions is shown in the following table:

2023 ł K	–0.25%	+0.25%
change interest rate of 0.25 percentage points	Đ33	32
change pension trend of 0.25 percentage points	Đ58	Đ31

2022 ł 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

§ **Management Board and Long term incentive (LTI) programmes**

Short/ Long term incentive program of Management Board (STI/ Phantom Share Plan/ LTI)

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 was limited to 200% of the annual salary until 30.6.2023 and has been limited to 125% of the annual gross salary since 1.7.2023 (STI). Of the variable remuneration, half is linked to the attainment of short-term targets defined annually by the remuneration committee. Until 30.6.2023 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. The short-term incentive is paid out in full in the following year depending on the degree of target achievement.

Up to and including 2021, half of performance-related remuneration takes the form of immediate payments (STI); the remaining 50% flowed into a long term incentive (LTI) model and were/ will be paid in cash after a certain holding period. This (LTI) performance-related remuneration was converted into phantom shares (Phantom shares) on the basis of the average rate for the last quarter of the relevant business year. For the LTI tranches started until 2021, the payment of phantom shares is made in cash in three equal parts after 12months, 24months (mid term incentive) and 36months (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 (Phantom share plan) is in place until 2024 (payment in 2025).

The long-term incentive tranche for 2022 was aligned with the LTI program for selected executives (duration of the LTI tranche (LTI) 2023-2026, payout in 2027).

Starting 1.7.2023, the STI program will be paid out at 100% in the following year based on target achievement.

Long Term Incentive Programm (LTI)

In order to promote a high level of alignment with the company's objectives, selected employees are entitled to variable remuneration in addition to their fixed salary, thus enabling them to participate in the company's success.

The long-term incentive programmes (LTI) are revolving and do 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.

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.

Performance Share Unit-Programm (PSU)

In 2023, the LTI for the Management Board and additionally for the selected employees was completely redesigned and respectively expanded, as part of PSU program.

The aim of the new LTI is to align the interests of the Management Board and selected employees with those of the company's shareholders and to create an incentive for a long-term positive total shareholder return (TSR). Participants in the PSU programms are allocated performance share units (PSU), which represent a share of the potential profit share volume of the program (€50M). The term (vesting period) is five years, with one third of the PSUs being vested on the third, fourth and fifth anniversary of the inception date. In addition, accelerated vesting may take place in special cases (e.g. dividend distributions of a certain amount, loss of control events). The starting reference price per PSU shall be the 6-months volume-weighted average share price at the Vienna Stock Exchange (ISIN AT0000641352), with VWAP as defined by Bloomberg as the trading benchmark calculated by dividing the total trading volume (sum of price/price times trading volume) by the total volume (sum of trading volumes), including each qualifying transaction ("6m-VWAP") at the inception day. The exit reference price per PSU shall be the 6m-VWAP preceding the end of the 5-year programme. The minimum total shareholder return (TSR) hurdle rate required for profit share pay-out under the LTI is 9% p.a., considering all dividends distributed to shareholders during the term of the programme. The profit share per PSU attributable to the holder of the PSU is 10% of the excess shareholder profits above the hurdle rate, as determined by the company appointed auditor.

The remuneration from this PSU program is settled in cash and is based on the expected long-term return on equity, which is adjusted for random fluctuations and estimated based on historical volatility of the share. Until the debt is settled, the attributable fair value is determined afresh on every closing date and settlement date. The liability incurred is recognised over the vesting period as a provision in the amount of the attributable fair value 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:

	31.12.2023	31.12.2022
Interest rate	3.36%	3.91%
Salary increases expected in the future	2.20%	2.00%
Accumulation period	25 years	25 years
Expected income from plan asset	3.36%	3.91%

The actual return on plan assets for 2023 is 3.91% (2022: 0.72%).

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 3.38% (2022: 3.22%).

§ **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

Ɨ K	2023	2022
Current income tax (current year)	Đ44,007	Đ22,267
Current income tax (previous years)	1,022	Đ8,892
Current income tax	**–42,985**	**–31,159**
Change in deferred taxes	105,759	Đ5,743
Tax on costs for treasury shares in equity	0	Đ9
Income tax expense	**62,774**	**–36,911**
Effective tax rate (total)	21.0%	31.3%

Current income tax (current year) mainly arises in Germany in the amount of ƗĐ36,067K (2022: ƗĐ17,799K).

The change of current income tax (previous years) mainly resulted in 2022 from Germany and refered to tax audit findings.

SOF-11Klimt CAI S.a.r.l., Luxembourg, is an excluded entity within the meaning of the Pillar Two definition and therefore does not qualify as an Ultimate Parent Entity (UPE) of CA Immobilien Anlagen Aktiengesellschaft and its subsidiaries. The consolidated annual turnover of the CA Immo Group has not reached or exceeded the annual threshold of Ɨ750M in at least two of the last four financial years, thus the rules of the Minimum Taxation Act regarding global minimum taxation are currently not applicable to the CA Immo Group.

The reasons for the difference between expected income tax expense and effective income tax expense are outlined in the following table:

Ł K	2023	2022
Net result before taxes	Ð298,659	117,835
Expected tax expenses (tax rate Austria 24.0%/prior year 25.0%)	**71,678**	**–29,459**
Tax-effective reversal of impairment losses and impairment of investments in affliated entities	Ð3	Ð9
Non-usable tax losses carried forward	Ð1,173	Ð590
Non tax-deductible expense and permanent differences	Ð14,207	Ð5,361
Differing tax rates	5,876	Ð3,663
Capitalisation of prior years non-capitalised tax losses	5	8,876
Tax-exempt income	139	90
Adjustment of prior periods	247	198
Utilization of prior years non-capitalised tax losses	4,840	133
Tax-exempt sales	186	13
Trade tax effects	Ð230	2,990
Amortisation of deferred tax assets	Ð8,772	Ð8,774
At equity consolidation of investments in joint ventures	333	Ð461
Exchange rate differences not affecting tax	3,797	Ð1,110
Change in tax rate	112	1,295
Tax impact on eliminated income in connection with discontinued operation	0	Ð972
Others	Ð53	Ð105
Effective tax expense	**62,774**	**–36,911**

Changes in deferred taxes are as follows:

Ł K	2023	2022
Deferred taxes as at 1.1. (net)	**–690,737**	**–695,629**
Change from IFRS 5 transfer	Ð7	2,366
Changes from sale of companies	0	16,116
Changes from first consolidation	0	996
Changes due to exchange rate fluctuations	5	0
Changes recognised in equity	4,372	Ð11,514
Changes recognised in profit or loss	105,759	Ð5,743
Change recognised in profit or loss from discontinued operation	0	2,671
Changes in disposal groups	Ð181	0
Deferred taxes as at 31.12. (net)	**–580,790**	**–690,737**

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As at 31.12. deferred tax assets and liabilities are split as follows:

€ K			31.12.2022				31.12.2023		
Type	Deferred tax asset	Deferred tax liabilities	Net amount	Consolidated Income Statement	Other income	Addition/ Disposal/ IFRS 5/ exchange rate fluctuations	Net amount	Deferred tax asset	Deferred tax liabilities
Book value differences IFRS/tax of investment properties	392	–673,821	–673,429	65,056	0	8,520	–599,854	1,581	–601,434
Difference in depreciation of own used properties and related right-of-use assets	0	–3,012	–3,012	326	0	0	–2,686	0	–2,686
Difference in acquisition costs for assets held for trading	1,035	–117	918	–8	0	0	911	965	–55
Difference in useful life for equipment and related right-of-use assets	191	–112	79	12	0	0	91	199	–108
Investments in joint ventures	1	–818	–816	1,405	0	0	589	1,143	–553
Loans, other investments	0	–2,920	–2,920	1,042	0	0	–1,878	0	–1,878
Properties held for sale	0	–44,906	–44,906	42,738	0	–6,327	–8,494	0	–8,494
Revaluation of receivables and other assets	805	–78	727	–487	0	0	239	288	–49
Contract assets (IFRS 15)	0	0	0	–13	0	0	–13	0	–13
Revaluation of derivatives assets	0	–29,623	–29,623	7,418	4,030	0	–18,175	0	–18,175
Revaluation of cash and cash equivalents	9	–69	–60	176	0	0	116	116	0
Revaluation of derivatives liabilities	0	0	0	777	0	0	777	777	0
Liabilities (incl. lease liabilities)	14,284	–1,116	13,168	–2,032	0	–8	11,128	12,072	–944
Bonds	0	–14	–14	3	0	0	–11	0	–11
Provisions	2,141	–680	1,461	1,541	342	5	3,349	3,357	–8
Tax losses	45,326	0	45,326	–12,196	0	0	33,130	33,130	0
Deferred tax assets/liabilities before reclassification IFRS 5 (incl. IFRS 5)	**64,184**	**–757,288**	**–693,103**	**105,759**	**4,372**	**2,190**	**–580,782**	**53,627**	**–634,410**
Computation of taxes	–60,970	60,970	0				0	–48,225	48,225
Deferred tax assets/liabilities before reclassification IFRS 5	**3,214**	**–696,318**	**–693,103**	**105,759**	**4,372**	**2,190**	**–580,782**	**5,402**	**–586,184**
Reclassification IFRS 5	0	2,366	2,366	–181	0	–2,193	–7	–7	0
Deferred tax assets/liabilities net (excl. IFRS 5)	**3,214**	**–693,952**	**–690,737**	**105,578**	**4,372**	**–3**	**–580,790**	**5,395**	**–586,184**

The recorded tax losses include deferred tax assets related to impairment losses on investments in subsidiaries in Austria amounting to €0K (31.12.2022: €0K), 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	2023	2022
In the following year	1,107	27
Between 1 - 5 years	9,489	9,364
More than 5 years	4,830	355
Without limitation in time	244,320	93,865
Total unrecorded tax losses carried forward	**259,746**	**103,612**
thereupon non-capitalised deferred tax assets	55,433	21,142

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 €352,458K (31.12.2022: €265,653K). Tax loss carryforwards and impairment losses on investments in subsidiaries of the Austrian companies that were not recognised amount to €213,906K (31.12.2022: €73,341K). 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 €18,562K (31.12.2022: €931K).

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 €100,537K (31.12.2022: €134,065K). Tax loss carry forwards not recognised of foreign entities amount to €45,840K (31.12.2022: €30,271K).

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 €13,433K (31.12.2022: €13,162K) relates to the CA Immo Germany Group and comprises corporate income tax and trade tax from the fiscal years from 2020 until 2023 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 €53,781K (31.12.2022: €28,551K) relating to CA Immo Germany Group and comprises corporate income tax and trade tax for the years 2020, 2021 and 2023 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 compexities 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 businesspremises 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 documenatation 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.

The actual and final capital losses from the liquidation of holding companies in Cyprus were claimed for tax purposes in Austria (spread over seven years). It cannot be completely ruled out that the tax authorities may have a different approach regarding the amount or recognition.

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 IFRS 9[1]	No financial instruments	Book value	Fair value
€ K	FVTPL	FVOCI	AC		31.12.2023	31.12.2023
Cash and cash equivalents with drawing restrictions	0	0	18,382	0	**18,382**	18,387
Derivative financial instruments	42,001	24,764	0	0	**66,766**	66,766
Primary instruments	0	0	17,146	0	**17,146**	
Other assets	**42,001**	**24,764**	**35,528**	**0**	**102,294**	
Cash and cash equivalents with drawing restrictions	0	0	32,890	0	**32,890**	32,894
Derivative financial instruments	235	0	0	0	**235**	235
Other receivables and assets	0	0	60,558	11,491	**72,049**	
Receivables and other assets	**235**	**0**	**93,448**	**11,491**	**105,175**	
Fixed cash deposits	**0**	**0**	**75,063**	**0**	**75,063**	**75,071**
Cash and cash equivalents	**0**	**0**	**663,495**	**0**	**663,495**	
	42,237	**24,764**	**867,534**	**11,491**	**946,026**	

[1] FVTPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income, AC – amortised cost

Category			Classification IFRS 9[1]	No financial instruments	Book value	Fair value
€ K	FVTPL	FVOCI	AC		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 financial instruments	0	0	17,019	0	**17,019**	
Net plan assets from pension obligations				837	**837**	
Other investments	31,737	0	0	0	**31,737**	31,737
Other assets	**105,397**	**37,173**	**44,600**	**837**	**188,006**	
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**	
Receivables and other assets	**0**	**0**	**139,175**	**12,976**	**152,151**	
Fixed cash deposits	**0**	**0**	**75,000**	**0**	**75,000**	**75,000**
Cash and cash equivalents	**0**	**0**	**748,805**	**0**	**748,805**	
	105,397	**37,173**	**1,007,580**	**13,812**	**1,163,962**	

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 IFRS 9**[1]	**Classification IFRS 9**[1]	**No financial instruments**	**Book value**	**Fair value**
€ K	**FVTPL**	**AC**		**31.12.2023**	**31.12.2023**
Bonds	0	1,177,840	0	1,177,840	1,087,998
Loans	0	1,369,592	0	1,369,592	1,356,727
Promissory loan	0	75,921	0	75,921	74,151
Lease liabilities (IFRS 16)	0	46,727	0	46,727	
Interest-bearing liabilities	**0**	**2,670,080**	**0**	**2,670,080**	
Derivative financial instruments	3,206	0	0	3,206	3,206
Other primary liabilities	0	58,558	14,721	73,279	
Other liabilities	**3,206**	**58,558**	**14,721**	**76,485**	
	3,206	**2,728,638**	**14,721**	**2,746,565**	

[1] FVTPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income, AC – amortised cost

Category	**Classification IFRS 9**[1]	**No financial instruments**	**Book value**	**Fair value**
€ K	**AC**		**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	
Interest-bearing liabilities	**2,822,543**	**0**	**2,822,543**	
Other primary liabilities	64,784	31,260	96,044	
Other liabilities	**64,784**	**31,260**	**96,044**	
	2,887,327	**31,260**	**2,918,587**	

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	31.12.2023 Book value	Nominal value	Fair value	31.12.2022 Book value
Interest rate swaps - assets	863,247	65,475	65,475	882,043	107,485	107,485
Interest rate swaps - liabilities	100,000	–3,206	–3,206	0	0	0
Total interest rate swaps	**963,247**	**62,269**	**62,269**	**882,043**	**107,485**	**107,485**
Interest rate caps	68,483	1,436	1,436	69,000	3,347	3,347
Interest rate floors	40,275	90	90	41,175	0	0
Total derivatives	**1,072,004**	**63,795**	**63,795**	**992,218**	**110,833**	**110,833**
thereof hedging (cash flow hedges)	216,940	24,764	24,764	221,546	37,173	37,173
thereof stand alone (fair value derivatives) - assets	755,064	42,237	42,237	770,672	73,660	73,660
thereof stand alone (fair value derivatives) - liabilities	100,000	–3,206	–3,206	0	0	0

As at the balance sheet date 84.3% (31.12.2022: 83.7%) 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	31.12.2023 Book value	Nominal value	Fair value	31.12.2022 Book value
Cash flow hedges	216,940	24,764	24,764	221,546	37,173	37,173
Fair value derivatives (stand alone) - liabilities	646,307	40,711	40,711	660,497	70,313	70,313
Fair value derivatives (stand alone) - assets	100,000	–3,206	–3,206	0	0	0
Interest rate swaps	**963,247**	**62,269**	**62,269**	**882,043**	**107,485**	**107,485**
Interest rate caps	68,483	1,436	1,436	69,000	3,347	3,347
Interest rate floors	40,275	90	90	41,175	0	0
Total interest rate derivatives	**1,072,004**	**63,795**	**63,795**	**992,218**	**110,833**	**110,833**

Interest rate derivatives	**Nominal value in € K**	**Start**	**End**	**Fixed interest rate as at 31.12.2023**	**Reference interest rate**	**Fair value in € K 31.12.2023**
EUR - Cashflow Hedges	216,940	3/2022	1/2029	–0.16%	3M-Euribor	24,764
EUR - stand alone - assets	646,307	5/2017-7/2022	6/2024-12/2032	0.04%-1.78%	3M-Euribor	40,711
EUR - stand alone - liabilities	100,000	11/2023	09/2028	3,048%	3M-Euribor	–3,206
Total interest swaps = variable in fixed	**963,247**					**62,269**
Interest rate caps	68,483	12/2022	11/2029	3.090%	3M-Euribor	1,436
Interest rate floors	40,275	05/2018	5/2028	0.00%	3M-Euribor	90
Total interest rate derivatives	**1,072,004**					**63,795**

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 - Cashflow 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
Total interest swaps = variable in fixed	**882,043**					**107,485**
Interest rate caps	69,000	12/2022	11/2029	3.09%	3M-Euribor	3,347
Interest rate floors	41,175	05/2018	5/2028	0.00%	3M-Euribor	0
Total interest rate derivatives	**992,218**					**110,833**

Gains and losses in other comprehensive income

€ K	2023	2022
As at 1.1.	**26,316**	**4,115**
Change in valuation of cash flow hedges	–12,408	33,148
Change of ineffectiveness cash flow hedges	–215	–535
Income tax cash flow hedges	4,030	–10,412
As at 31.12.	**17,723**	**26,316**
thereof: attributable to the owners of the parent	17,723	26,316

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.

There were no reclassifications between the levels in 2023 and 2022.

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. CA Immo Group has identified in one loan agreement an embedded derivative 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 as well as on the valuation of derivatives (swaps). It shows the effect on the result of the financial year of a change in interest rate by +/- 50 basis points on the interest expenses. The analysis assumes that all other variables remain constant.

€ K	recognised in Profit/Loss Statement		recognised in other comprehensive income	
	at 50 bps	at 50 bps	at 50 bps	at 50 bps
31.12.2023	**Decrease**	**Increase**	**Decrease**	**Increase**
Interest-bearing liabilities with variable interest rate, without hedging	1,140	–1,140	0	0
Interest-bearing liabilities with variable interest rate, hedged (Swap)	–13,657	13,879	0	0
Interest-bearing liabilities with variable interest rate with CFH relationship	0	0	–4,583	4,460
	–12,517	**12,739**	**–4,583**	**4,460**
	recognised in Profit/Loss Statement		**recognised in other comprehensive income**	
	at 50 bps	**at 100 bps**	**at 50 bps**	**at 100 bps**
31.12.2022	**Increase**	**Increase**	**Increase**	**Increase**
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
Interest-bearing liabilities with variable interest rate with CFH relationship	422	1,261	4,318	8,717
	12,734	**25,469**	**4,318**	**8,717**

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 €19,765K (31.12.2022: €21,628K) as well as bank guarantees of €48,388K (31.12.2022: €50,639K) and group guarantees in the amount of €13,777K (31.12.2022: €43,969K).

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 detailed and continuous liquidity planning and securing to avoid possible liquidity shortages. Secondly, CA Immo Group secured an at the reporting date unused revolving credit facility of €300M in the fourth quarter of 2021. In addition, 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 provided by the banks as construction progresses.

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.

31.12.2023	Book value 2023	Contractually agreed cash flows	Cashflow 2024	Cashflow 2025-2028	Cashflow 2029 ff
Bonds	1,177,840	–1,211,219	–188,969	–1,022,250	0
Loans	1,369,592	–1,587,569	–238,705	–725,347	–623,517
Promissory loan	75,921	–84,716	–3,249	–61,335	–20,131
Lease liabilities	46,727	–104,991	–3,934	–12,977	–88,080
Trade payables	20,041	–20,041	–16,471	–3,570	0
Non-controlling interests held by limited partners	5,090	–5,090	0	0	–5,090
Liabilities to joint ventures	1,314	–1,314	–1,314	0	0
Other liabilities	32,114	–32,114	–14,611	–11,963	–5,539
Primary financial liabilities	**2,728,639**	**–3,047,052**	**–467,254**	**–1,837,441**	**–742,357**
Interest rate derivatives	3,206	–3,494	224	–3,718	0
Derivative financial liabilities	**3,206**	**–3,494**	**224**	**–3,718**	**0**
	2,731,845	**–3,050,546**	**–467,030**	**–1,841,159**	**–742,357**
Derivative financial assets	**–67,001**	**72,556**	**24,349**	**42,687**	**5,519**
	2,664,844	**–2,977,991**	**–442,680**	**–1,798,472**	**–736,838**

31.12.2022	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
Primary financial liabilities	**2,887,327**	**–3,292,806**	**–472,036**	**–1,935,502**	**–885,268**
Derivative financial assets	**–110,833**	**124,766**	**23,044**	**81,681**	**20,042**
	2,776,494	**–3,168,039**	**–448,992**	**–1,853,822**	**–865,226**

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 as well as the ratio of net debt to real estate (LTV net) 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.

CA Immo Group aims to maintain an equity ratio of 45% - 50% respectively a Loan-to-Value ratio of 30% - 40% (net debt to real estate).

As at 31.12.2023 the equity ratio was 43.8% (31.12.2022: 46.8%). The target range is a self-defined, strategic guideline. It has no impact on any external financial covenants. The net LTV stood at 36,6% as at 31.12.2023 (31.12.2022: 32,5%).

The proportion between the secured and the unsecured debt should generally be balanced. As at 31.12.2023 smaller share of 47% (31.12.2022: 49%) is attributable to unsecured corporate bonds and promissory loan. The remaining share of 53% (31.12.2022: 51%) 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	31.12.2023	31.12.2022 restated
Interest-bearing liabilities		
Long-term interest-bearing liabilities	2,297,623	2,452,638
Short-term interest-bearing liabilities	372,457	369,905
Interest-bearing assets		
Cash at banks with drawing restrictions > 3months	–42,676	–77,675
Fixed cash deposits	–75,063	–75,000
Cash and cash equivalents	–663,495	–748,805
Net debt	**1,888,847**	**1,921,062**
Shareholders' equity	2,724,556	3,358,523
Gearing ratio (Net debt/equity)	**69.3%**	**57.2%**
Investment properties	4,743,374	4,965,793
Investment properties under development	344,090	596,632
Own used properties	10,530	12,954
Properties held for trading	18,442	85,760
Investment properties pursuant to IFRS 5	42,608	249,311
Property assets	**5,159,044**	**5,910,451**
LTV (net)	36.6%	32.5%

The negative consolidated income for 2023, caused by the property revaluation losses, leads to a decrease of the shareholder's equity of the CA Immo Group and to an increased gearing ratio in 2023. The sales result in 2023 significantly mitigated the market-related effects.

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
As at 1.1.2023		**1,485,154**	**43,123**	**1,294,266**
Changes in cash flow from financing activities				
Cash inflow from loans received	5.2.	117,838	0	0
Repayment of bonds / Cash outflow from the repurchase of bonds	5.2.	0		–116,621
Acquisition of treasury shares	5.1.	0	0	0
Dividend payments to shareholders	5.1.	0	0	0
Cash inflow from shareholders of non-controlling interests		0	0	0
Payments to shareholders of non-controlling interests		0	0	0
Change restricted cash for loans	3.5., 4.3.			
Repayment of loans incl. interest rate derivatives	5.2.	–157,557	–2,744	0
Other interest paid	2.12.	–55,218	–1,427	–15,715
Total change in cash flow from financing activities		**–94,937**	**–4,170**	**–132,336**
Effects of changes in exchange rates	**5.2.**	**0**	**2,517**	**0**
Change in fair value	**8.1.**	**0**	**0**	**0**
Total Other changes related to liabilities		**55,296**	**5,257**	**15,910**
Total Other changes related to equity		**0**	**0**	**0**
As at 31.12.2023		**1,445,513**	**46,727**	**1,177,840**

Other changes related to liabilities mainly result from interest expenses, in accordance with Group profit and loss.

	Liabilities	Derivatives	Shareholders' equity	
Other effects in cash flow from financing activities	**Derivatives assets**	**Derivatives liabilities**		**Total**
0	**–110,833**	**0**	**3,358,523**	**6,070,233**
0	0	0	0	**117,838**
0	0	0	0	**–116,621**
0	0	0	–52,518	**–52,518**
0	0	0	–348,521	**–348,521**
0	0	0	1	**1**
–319	0	0	0	**–319**
35,000				**35,000**
0	0	0	0	**–160,301**
0	23,702	0	0	–48,657
34,680	**23,702**	**0**	**–401,038**	**–574,099**
0	**0**	**0**	**0**	**2,517**
0	**43,832**	**3,206**	**0**	**47,038**
–34,680	**–23,702**	**0**	**0**	**18,081**
0	**0**	**0**	**–232,929**	**–232,929**
0	**–67,001**	**3,206**	**2,724,556**	**5,330,842**

€ K	Note	Liabilities Other interest-bearing liabilities	Leasing liabilities	Bonds
As at 1.1.2022		**1,107,173**	**39,786**	**1,436,985**
Changes in cash flow from financing activities				
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		0	0	0
Change restricted cash for loans	3.5., 4.3.			
Repayment of loans incl. interest rate derivatives	5.2.	–353,087	–2,491	0
Other interest paid	2.12.	–20,293	–1,244	–18,187
Total change in cash flow from financing activities		**355,840**	**–3,735**	**–160,598**
Change from liabilities relating to disposal groups	**4.1.**	**0**	**–361**	**0**
Total change from the sale of subsidiaries or other business operations	**1.g.**	**0**	**–264**	**0**
Effects of changes in exchange rates	**5.2.**	**0**	**–603**	**0**
Change in fair value	**8.1.**	**0**	**0**	**0**
Total Other changes related to liabilities		**22,141**	**8,300**	**17,879**
Total Other changes related to equity		**0**	**0**	**0**
As at 31.12.2022		**1,485,154**	**43,123**	**1,294,266**

Other effects in cash flow from financing activities	Liabilities Derivatives assets	Derivatives Derivatives liabilities	Shareholders' equity	Total
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**
–66,668				**–66,668**
0	–2,730	0	0	**–358,308**
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**

9.2. Other obligations and contingent liabilities

Guarantees and other commitments

As at 31.12.2023, CA Immo Germany Group is subject to guarantees and other commitments resulting from purchase agreements for decontamination costs and war damage costs amounting to €105K (31.12.2022: €105K). Furthermore, comfort letters and securities have been issued for one (31.12.2022: one) joint venture in Germany amounting to €2,000K (31.12.2022: €2,000K). As a security for the liabilities of two (31.12.2022: two) joint ventures loan guarantees, letters of comfort and declarations were issued totalling €6,500K (31.12.2022: €6.500K) in Germany. Furthermore, as security for warranty risks in Germany a guarantee was issued in an amount of €17,589K (31.12.2022: €17,589K).

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.

In connection with a development project in Eastern Europe a general contractor filed an arbitral action against CA Immo Group at the Vienna International Arbitral Center on 15.2.2019 claiming payment of additional costs, compensation for damages, compensation for works as well as payment of VAT, legal costs and interest in the accumulated amount of more than €30M. The arbitral tribunal however predominantly rejected the claims with the final award of 21.7.2023. Following the conclusion of a settlement agreement in December 2023, this and a second arbitration proceeding related to the same project development were legally terminated.

In 2020, CA Immobilien Anlagen AG filed a first (partial) action for damages of €1M and later a second action for damages of approx. €1.9bn both against the Republic of Austria and the federal state of Carinthia. These two actions were based on the criminal indictment against the former Austrian minister of finance Mr. Grasser and others for crimes in relation to the privatization of the of state-owned residential property companies (like BUWOG) in 2004 at the expense of CA Immo AG. In December 2020, the criminal court of first instance convicted Mr. Grasser and others, whereas the nullity complaints and the appeals are still pending. In November 2023, the civil court of first instance dismissed CA Immo AG´s first action for damages of €1M due to limitation of claims and CA Immo AG´s appeal against this judgement is pending. The second action is interrupted until a final judgment in the first proceedings. In December 2023, the Supreme Administrative Court decided that the second civil action for damages is not exempt from court fees (paid in 2021).

As at 31.12.2023, a total of three actions for annulment (from previous years) are pending relating to various Annual General Meetings. These are mainly directed against resolutions in connection with the discharge of the Management Board and Supervisory Board and the payment of additional dividends. In the reporting year, decisions were made at first and second instance in all proceedings, some of which were in line with CA Immo AG's legal opinion, others against it. All three proceedings are now in the appeal stage. All decisions to date have related solely to procedural aspects (on the legal question of the plaintiff's capacity to be a party).

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 Germany in the amount of €110,471K (31.12.2022: €80,416K), in Eastern Europe in the amount of €2,449K (31.12.2022: €1,645K) and in Austria in the amount of €208K (31.12.2022: €0K). Furthermore, in Germany there are other financial commitments resulting from construction costs from urban development contracts which can be capitalised in the future in an amount of €10,408K as at 31.12.2023 (31.12.2022: €10,820K).

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:

€ K	2023	2022
In the following year	226,886	200,055
in the second year	208,011	176,038
in the third year	184,626	135,331
in the fourth year	148,969	106,750
in the fifth year	117,223	71,130
after more than five years	316,994	261,624
Total	**1,202,709**	**950,929**

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), in Frankfurt (until 2028) and Vienna (until 2026), 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 €75K (2022: €96K) and the expense for leases related to assets of low value amounts to €41K (2022: €47K). The total cash outflows for leases amount to €4,793K (2022: €4,190K).

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 considerered 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.

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 € K	**31.12.2023**	**31.12.2022**
Investments in joint ventures	48,009	64,391
Loans	11,565	10,562
Receivables	5,154	7,643
Liabilities	4,973	20,117
Provisions	6,856	6,252
	2023	**2022**
Joint ventures result	–772	26,475
Other income	239	262
Other expenses	–1,965	–1,727
Interest income	353	646

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 €0K (31.12.2022: €0K). 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-11Klimt CAI S.à r.l. is CA Immobilien Anlangen AG largest single shareholder. In the business year 2023, Starwood Capital Group (via its vehicle SOF-11Klimt CAI S.à r.l.) increased its stake in CA Immobilien Anlagen AG from around 59.09% of the share capital to around 59.83% through acquisitions on the stock exchange. As of 31.12.2023, SOF-11Klimt CAI S.à.r.l. held 63,719,265 bearer shares and four registered shares of CA Immobilien Anlagen AG. SOF-11Klimt 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
Keegan Viscius (from 1.11.2018)
Andreas Schillhofer (from 1.6.2019)
Silvia Schmitten-Walgenbach (from 1.1.2022 until 31.3.2023)

Total salary payments (excluding salary-based deductions) to Management Board members in office in the respective reporting year amounted in 2023 to €5,661K (€2,927K in 2022). The salary-based deductions totaled €312K (2022: €214K). Total fixed salary components amounted to €1,346K (€1,606K in 2022) and were made up of the base salary of €1,116K (2022: €1,460K), other benefits (in particular remuneration in kind for cars, expense allowances, travel expenses and holiday entitlements) of €151K (2022: €54K) and contributions to pension funds of €79K (2022: €92K). Variable compensation components amounted to €2,090K (2022: €1,321K). Special payments amounted to €2,225K (2022: €0K) and refer to a redundancy payment and a stay-on bonus (2022:€0K).

As at the balance sheet date 31.12.2023, severance payment provisions for Management Board members totaled €432K (31.12.2022: €375K).

Towards former members of the Management Board (i.e. not in office in the reporting year) there were provisions from variable remuneration components from current LTI tranches still exist and these amount to €494K as at 31.12.2023 (31.12.2022: €937K). In the current financial year, variable remuneration of €476K was paid out to former members of the Management Board.

No loans or advances were granted to members of the Management Board.

As at 31.12.2023, based on the assumption of a 100% target achievement, provisions for Short Term Incentives (STI) amounting to €1,684K (31.12.2022: €1,460K) had been created for the Management Board. In addition, there were provisions for LTI programs amounting to €2,786K as at the reporting date (31.12.2022: €2,229K).

Supervisory Board
Elected by the General Meeting:
Torsten Hollstein, Chairman
Jeffrey G. Dishner, Second Deputy Chairman

Delegated by registered share:
Sarah Broughton
David Smith, First Deputy Chairman

Delegated by works council:
Georg Edinger, BA, REAM (IREBS)
Mag. (FH) Sebastian Obermair

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 2023 (for 2022), total remuneration of €219K (2022: €309K) was paid out including attendance fees of €71K (€133K in 2022). Moreover, expenditure of €49K was reported in connection with the Supervisory Board in business year 2023 (2022: €86K). Of this, cash outlays for travel expenses accounted for approximately €5K (2022: €40K) and other expenditure (including training costs and license costs) accounted for €28K (2022: €34K). Legal and other consultancy services accounted for €16K (2022: €12K). 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 €75K for business year 2023 will be proposed to the Annual General Meeting on the basis of the same criteria (fixed annual payment of €30K per Supervisory Board member plus attendance fee of €1K per meeting, whereby the Chairman receives twice and his deputies one and a half times the fixed remuneration), 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 31.12.2023.

All business transactions conducted between the company and members of the Supervisory Board which oblige such members to perform services for the CA Immobilien Anlagen 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 2023, CA Immo Group had an average of 320 white-collar workers calculated as full time equivalents (2022: 361) of whom on average 69 (2022: 76) were employed in Austria, 198 (2022: 220) in Germany and 53 (2022: 65) in subsidiaries in Eastern Europe. In Romania an average of 0 white-collar workers (2022: 13) 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	**2023**	**2022**
Auditing costs	439	424
Other assurance services	156	161
Total	**595**	**585**

In the consolidated income statement, the audit expenses, including review amount to €1,342K (2022: €1,376K). Out of this, the amount for Ernst & Young entities amounts to €1,248K (2022: €1,221K).

9.7. Events after balance sheet date

The signing of a contract for the sale of a property in Vienna, Austria, took place in January 2024.

On 31.1.2024, the CA Immo Group sold the German construction services company omniCon, a wholly owned subsidiary.

9.8. 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[1]	Foundation/ First time consolidation in 2023[2]
CA Immo d.o.o.	Belgrade	44,623,214	RSD	100	FC	
CA Immo Sava City d.o.o.	Belgrade	4,685,767,489	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 Betriebs GmbH	Berlin	25,000	EUR	100	FC	F
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	3,100,000	HUF	100	FC	
Duna Business Hotel Kft.	Budapest	452,844,530	HUF	100	FC	
Duna Irodaház Kft.	Budapest	277,100,000	HUF	100	FC	
Duna Termál Hotel Kft.	Budapest	390,906,655	HUF	100	FC	
EUROPOLIS City Gate Kft.	Budapest	13,100,000	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 76Kft.	Budapest	3,100,000	HUF	100	FC	
Blitz F07-neunhundert-sechzig-acht GmbH	Frankfurt	25,000	EUR	100	FC	
Blitz F07-neunhundert-sechzig-neun 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.	Hoofdorp	1,800,000	EUR	100	FC	
4P - Immo. Praha s.r.o.	Prague	200,000	CZK	100	FC	
CA Immo Real Estate Managment 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	
CA Immo Bitwy Warszawskiej Sp. z o.o.	Warsaw	47,956,320	PLN	100	FC	
CA Immo New City Sp. z o.o. i.L.	Warsaw	796,000	PLN	100	FC	

[1] FC full consolidation, AEJV at equity consolidation joint ventures
[2] F Foundation

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method[1]	Foundation/ First time consolidation in 2023
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	
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	

[1] FC full consolidation, AEJV at equity consolidation joint ventures

As at 31.12.2023, CA Immo Group held 99.7% of shares in CA Immo Deutschand 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[1]	Foundation/ First time consolidation in 2023[2]
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 02 GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Europaplatz 02 Verwaltungs GmbH	Berlin	25,000	EUR	100	FC	
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 Friedrich-List-Ufer GmbH & Co. KG	Berlin	5,000	EUR	100	FC	
CA Immo Berlin Friedrich-List-Ufer 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	2,500,000	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 Betriebs GmbH	Frankfurt	25,000	EUR	100	FC	F
CA Immo Düsseldorf BelsenPark MK 3 Projekt GmbH & Co. KG	Frankfurt	5,000	EUR	100	FC	

[1] FC full consolidation, AEJV at equity consolidation joint ventures
[2] F foundation

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method[1]	Foundation/ First time consolidation in 2023[2]
CA Immo Düsseldorf BelsenPark Verwaltungs GmbH	Frankfurt	25,000	EUR	100	FC	
CA Immo Düsseldorf Kasernenstraße GmbH	Frankfurt	37,503	EUR	100	FC	
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 Betriebs GmbH	Frankfurt	25,000	EUR	100	FC	F
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 Betriebs GmbH	Grünwald	25,000	EUR	100	FC	F
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 Betriebs GmbH	Grünwald	25,000	EUR	100	FC	F
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	5,000	EUR	50.1	AEJV	
CAMG Zollhafen HI IV V Verwaltungs GmbH	Grünwald	25,000	EUR	50.1	AEJV	
CPW Immobilien GmbH & Co. KG i.L.	Grünwald	5,000	EUR	33.3[3]	AEJV	
CPW Immobilien Verwaltungs GmbH	Grünwald	25,000	EUR	33.3[3]	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	99.9	FC	

[1] FC full consolidation, AEJV at equity consolidation joint ventures
[2] F foundation
[3] Common control

Company	Registered office	Nominal capital	Currency	Interest in %	Consolidation method[1]	Foundation/ First time consolidation in 2023
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	
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[2]	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	

[1] FC full consolidation, AEJV at equity consolidation joint ventures
[2] Common control

Vienna, 20.3.2024

The Management Board

Keegan Viscius
(CEO)

Andreas Schillhofer
(CFO)

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, 20.3.2024

The Management Board

Keegan Viscius
(CEO)

Andreas Schillhofer
(CFO)

DECLARATION OF THE MANAGEMENT BOARD

AUDITOR'S REPORT *)

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, 2023, 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, 2023 and its financial performance for the year then ended in accordance with the International Financial Reportings 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 TEUR 4.743.374 and investment properties under development in the amount of TEUR 344.090 in its consolidated financial statements as of December 31, 2023. The consolidated financial statements as of December 31, 2023 also include a result from revaluation amounting to TEUR -532.004. 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 judgements, 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
– For selected property valuation reports: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions (eg. Rental income, discount/capitalization rate, usable space, vacancy rate) by means of comparison with market data if available as well as comparison whether the fair values as per property valuation reports are withing our own developed range of fair values
– 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 con-solidated 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 4, 2023. We were appointed by the Supervisory Board on July 6, 2023. 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 20, 2024

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Hans-Erich Sorli mp	Mag. Alexander Wlasto mp
Wirtschaftsprüfer / Certified Public Accountant	Wirtschaftsprüfer / Certified Public Accountant

*) 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.

CA IMMO

FINANCIAL STATEMENTS
AS AT 31.12.2023

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FINANCIAL STATEMENTS AND MANAGEMENT REPORT

ANNEX 1

ANNEX 2

BALANCE SHEET AS AT 31.12.2023

Assets	31.12.2023	31.12.2022
	€	€1.000
A. Fixed assets		
I. Intangible fixed assets		
Software	111,295.05	315
	111,295.05	**315**
II. Tangible fixed assets		
1. Land and buildings	174,807,224.21	179,466
of which land value: €27,195,344.54; 31.12.2022: €26,964K		
2. Other assets, office furniture and equipment	537,008.25	722
3. Prepayments made and construction in progress	164,503.83	51
	175,508,736.29	**180,239**
III. Financial assets		
1. Investments in affiliated companies	3,004,938,782.46	3,175,900
2. Loans to affiliated companies	90,151,587.84	178,758
3. Investments in associated companies	245,851.50	246
	3,095,336,221.80	**3,354,904**
	3,270,956,253.14	**3,535,458**
B. Current assets		
I. Receivables		
1. Trade receivables	929,100.43	855
2. Receivables from affiliated companies	88,652,518.75	3,279
3. Other receivables	884,136.33	192
	90,465,755.51	**4,326**
II. Cash and cash equivalents	**215,027,475.28**	**292,501**
	305,493,230.79	**296,827**
C. Deferred charges	**5,024,964.69**	**6,487**
D. Deferred tax asset	**789,343.09**	**1,229**
	3,582,263,791.71	**3,840,001**

Liabilities and shareholders' equity	31.12.2023	31.12.2022
	€	€1.000
A. Shareholders' equity		
I. Share capital		
Share capital drawn	774,229,017.02	774,229
Treasury shares	– 63,830,868.99	– 49,875
	710,398,148.03	**724,354**
II. Tied capital reserves	998,958,619.09	998,959
III. Tied reserves for treasury shares	63,830,868.99	49,875
IV. Net profit	460,572,473.47	439,080
of which profit carried forward: €90,558,656.55; 31.12.2022: €440,139K		
	2,233,760,109.58	**2,212,268**
B. Grants from public funds	**333,507.48**	**344**
C. Provisions		
1. Provision for severance payment	527,102.00	467
2. Tax provisions	860,000.00	5
3. Other provisions	11,811,170.37	12,869
	13,198,272.37	**13,341**
D. Liabilities		
1. Bonds	1,175,000,000.00	1,291,621
thereof with a residual term of up to one year: €175,000,000.00; 31.12.2022: €116,621K		
thereof with a residual term of more than one year: €1,000,000,000.00; 31.12.2022: €1,175,000K		
2. Liabilities to banks	135,897,138.15	153,788
thereof with a residual term of up to one year: €3,390,021.45; 31.12.2022: €3,275K		
thereof with a residual term of more than one year: €132,507,116.70; 31.12.2022: €150,513K		
3. Trade payables	745,791.55	627
thereof with a residual term of up to one year: €657,911.27; 31.12.2022: €591K		
thereof with a residual term of more than one year: €87,880.28; 31.12.2022: €36K		
4. Payables to affiliated companies	3,067,881.32	145,237
thereof with a residual term of up to one year: €3,067,881.32; 31.12.2022: €145,237K		
5. Other liabilities	16,483,327.87	18,671
of which from taxes: €292,462.83; 31.12.2022: €1,002K		
of which social security related: €151,455.17; 31.12.2022: €156K		
thereof with a residual term of up to one year: €12,718,327.49; 31.12.2022: €15,177K		
thereof with a residual term of more than one year: €3,765,000.38 31.12.2022: €3,494K		
	1,331,194,138.89	**1,609,944**
thereof with a residual term of up to one year: €194,834,141.53; 31.12.2022: €280,901K		
thereof with a residual term of more than one year: €1,136,359,997.36; 31.12.2022: €1,329,043K		
E. Deferred income	**3,777,763.39**	**4,104**
	3,582,263,791.71	**3,840,001**

INCOME STATEMENT FOR THE YEAR ENDED 31.12.2023

		2023			2022
		€	€	€1.000	€1.000
1.	**Gross revenues**		**29,465,514.19**		**33,283**
2.	**Other operating income**				
	a) Income from the disposal and write-ups of fixed assets except of financial assets	368,506.67		10,568	
	b) Income from the reversal of provisions	197,850.64		357	
	c) Other income	1,195,872.27	**1,762,229.58**	1,411	**12,336**
3.	**Staff expense**				
	a) Salaries	– 13,043,835.91		– 12,289	
	b) Social expenses	– 4,259,546.39	**– 17,303,382.30**	– 2,684	**– 14,973**
	thereof expenses in connection with pensions: €221,377.72; 2022: €234K				
	thereof expenses for severance payments and payments into staff welfare funds: €1,817,691.24; 2022: €259K				
	thereof payments relating to statutory social security contributions as well as payments dependent on remuneration and compulsory contributions: €2,036,547.02; 2022: €1,998K				
4.	**Depreciation on intangible fixed assets and tangible fixed assets**		**– 6,674,017.87**		**– 7,222**
	of which unscheduled depreciation in accordance with § 204 para. 2 Commercial Code: €66,000.00; 2022: €0K				
5.	**Other operating expenses**				
	a) Taxes	– 463,454.99		– 705	
	b) Other expenses	– 18,083,379.28	– 18,546,834.27	– 16,041	– 16,746
6.	**Subtotal from lines 1 to 5 (operating result)**		**– 11,296,490.67**		**6,678**
7.	**Income from investments**		**623,248,718.29**		**28,184**
	of which from affiliated companies: €623,087,254.37; 2022: €28,101K				
8.	**Income from loans from financial assets**		**5,773,071.40**		**8,420**
	of which from affiliated companies: €5,773,071.40; 2022: €8,420K				
9.	**Other interest and similar income**		**4,257,359.60**		**3,816**
	of which from affiliated companies: €192,187.50; 2022: €0K				
10.	**Income from the disposal and revaluation of financial assets**		**1,133,386.77**		**15,065**
11.	**Expenses for financial assets, thereof**		**– 186,986,782.86**		**– 5,765**
	a) Impairment: €175,031,335,71; 2022: €5,761K				
	b) Expenses from affiliated companies: €186,986,781.86; 2022: €5,765K				
12.	**Interest and similar expenses**		**– 26,351,403.81**		**– 26,853**
	of which relating to affiliated companies: €2,630,333.32; 2022: €302K				
13.	**Subtotal from lines 7 to 12 (financial result)**		**421,074,349.39**		**22,867**
14.	**Result before taxes**		**409,777,858.72**		**29,545**
15.	**Taxes on income**		**11,199,328.52**		**1,843**
	thereof expenses deferred taxes: €439,485.77; 2022: income €564K				
16.	**Net profit for the year**		**420,977,187.24**		**31,388**
17.	**Allocation to reserve from retained earnings**		**– 50,963,370.32**		**– 32,447**
18.	**Profit carried forward from the previous year**		**90,558,656.55**		**440,139**
19.	**Net profit**		**460,572,473.47**		**439,080**

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.12.2023

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

The global economy is currently characterised by volatility, uncertainty and declining growth, particularly in Europe. The immediate impact are problems in the global supply chains, higher inflation, lower growth and uncertainty and dislocations in financial markets. The sanctions and export-control measures instituted in response by the European Union and other states among others, against Russian and Belarusian entities and individuals have contributed and will likely continue to contribute to increased inflationary pressures (including increased prices for oil and natural gas), gas supply shortages, supply chain disruptions and an increased market volatility. Despite declining energy prices and weakening inflation in the second half of 2023, general uncertainty remains, which is affecting the real estate sector in particular.

The economic and political conditions have significantly changed the real estate sector. 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 can also have a direct impact on property valuations.

Impact on CA Immo AG and its subsidiaries

The current situation has no impact on the accounting policies applied.

The annual financial statements were prepared on the assumption that CA Immo AG and its subsidiaries will be able to continue their business activities. From today´s perspective, CA Immo AG has sufficient liquidity (including fixed cash deposits) and an unused financing line of €300M as at the reporting date to continue its business activities. In addition, some group companies also have financing lines that have not yet been utilized, which serve to finance development projects under construction in Germany and will be successively provided by the banks as construction progresses.

CA Immo AG and its subsidiaries are affected by higher financing costs due to increased key interest rates and risk premiums as well as rising prices in the construction industry. The increased interest rate level has made it considerably more difficult to raise equity and debt capital on the capital market in the 2023 financial year, particularly in comparison to the financial years prior to 2022. Development projects can often involve cost overruns and delays in completion. Despite pricing in project reserves, it cannot be ruled out that a further rise in construction costs could pose risks to budget compliance and overall project success. In addition to the development of general economic conditions and, in particular, rental prices, the value of properties is also dependent on initial yields in the real estate industry. The increase in the general interest rate level in 2023 led to a further increase in property yields and a decline in investment values. Furthermore, the changed economic environment impacts transaction markets as well as the companies market valuation.

Nevertheless, due to the ongoing geopolitical conflicts in Ukraine and the Middle East, the consequences for the current difficult environment in the real estate market cannot yet be fully foreseen. Due to inflationary pressure and the associated rise in interest rates, as well as other factors weighing on the global economy, there is an increased potential for increasing volatility in the markets. The past has shown that the consumer and investor climate can quickly adapt to new circumstances, which can lead to increased market volatility in combination with the observable, greatly reduced market liquidity. The transaction volumes have remained significantly below the values of previous years.

The effects on the future financial position, financial performance and cash flows of CA Immo AG cannot be conclusively assessed and are evaluated on an ongoing basis.

The rise in base rates and risk premiums in 2022 and 2023 has led to a significant increase in the cost of new financing. The financing strategy of the CA Immo AG 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. The bank financing and bonds in the CA Immo AG and its subsidiaries are subject to so-called financial covenants. These are essentially key figures such as loan-to-value ratios and interest service coverage ratios. Given the ongoing negative economic development, it cannot be ruled out that there will be a breach of contractual conditions (financial covenants, such as DSCR, LTV, LTC) in the future. Covenant breaches for secured properties of CA Immo AG and its subsidiaries may occur due to further market value corrections, unplanned vacancies and loss of rent. The quarterly, internal covenant testing on an individual property level is the basis for proactive action towards financing partners. From today's perspective, a breach of the bond covenants appears unlikely.

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.

		Years
	from	**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.

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. Costs for software development are deferred and recognised as an expense over the term of the contract.

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 of 23% (31.12.2022: for realisation in 2023 of 24% and from 2024 of 23%). Deferred taxes with a tax rate of 3% were also applied to deferred taxes of tax members, which themselves account for only 20% of group tax (instead of 23% corporate income tax; 31.12.2022: 20% / 21% instead 23% / 24%). 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.

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 690% (31.12.2022: 630%) 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 3.38% (31.12.2022: 3.22%) and future salary increases (including inflation rate) of 8.20% (31.12.2022: 7.10%) for employees without taking into account a fluctuation discount. 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, or until the end of the contract for Management Board members. 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 2023 the tax group comprised 11 Austrian group companies (2022: 11), in addition to the group head entity.

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 21% (in 2024: 20%), respectively up to a tax rate of 24% (in 2024: up to 23%) 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 (national) 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 31.12.2023 the possible obligations against group companies resulting from a possible termination of the group, were estimated at €12,980K with a corporate income tax rate of 23% (31.12.2022: €20,646K with a corporate income tax rate of 24%).

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.

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. As at the balance sheet date, the tangible assets comprise 6 properties (31.12.2022: 6 properties). The acquisition/production costs of the buildings include capitalised interest in the amount of €133K, which will be depreciated over a period of 40 years following the put into function in 2018.

In 2023 impairment losses in the amount of €66K (2022: €0K) and reversals of impairment losses in the amount of €298K (2022: €0K) were recorded.

Financial assets

The notes on affiliated companies can be found in Appendix 2.

Impairment losses on financial assets in the amount of €175,031K (2022: €5,761K) and reversals of impairment losses in the amount of €620K (2022: €1,330K) were recognised in 2023.

Book value of investments in affiliated companies amounts to €3,004,939K (31.12.2022: €3,175,900K). Current additions are the result of various shareholders' contributions. The disposals mainly relate to the termination/liquidation of 2 companies and repayment of capital.

Loans to affiliated companies are made up as follows:

€1.000	**31.12.2023**	**31.12.2022**
4P - Immo. Praha s.r.o., Prague	31,089	34,589
Vaci 76Kft, Budapest	23,527	25,426
RCP Amazon, s.r.o., Prague	19,986	28,788
EUROPOLIS City Gate Ingatlanberuházási Kft, Budapest	12,650	22,700
Duna Irodaház Kft., Budapest	0	19,439
Duna Termál Hotel Ingatlanfejlesztö Kft., Budapest	0	16,596
Duna Business Hotel Ingatlanfejlesztö Kft., Budapest	0	13,608
Other up to €7m	2,900	17,612
	90,152	**178,758**

Loans to affiliated companies to the value of €51,075K (31.12.2022: €74,777K) 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 €929K (31.12.2022: €855K) include outstanding rent and reinvoiced operating costs.

Receivables from affiliated companies are made up as follows:

€1.000	**31.12.2023**	**31.12.2022**
Trade receivable (current reinvoicings to affiliated companies)	1,655	1,385
Receivables from dividends	58,400	0
Receivables from shortterm loans	15,000	0
Receivables from tax compensation	12,718	1,894
Other receivables	880	0
	88,653	**3,279**

Other receivables amounting to €884K (31.12.2022: €192K) mainly include receivables from income tax (31.12.2022: interest accrual).

c) Deferred charges

€1.000	31.12.2023	31.12.2022
Disagio bonds	3,802	5,559
Other	1,223	929
	5,025	**6,487**

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	31.12.2023	31.12.2022
Land and buildings	– 3,784	– 3,990
Partnership	0	14
Ancillary bond expenses	2,850	4,069
Other loans ancillary expenses	858	1,188
Provisions for severance payments	49	47
Deferred income	3,459	4,014
Base for tax rate 23 %(31.12.2022: 23 % / 24 %)	**3,432**	**5,342**
Out of which resulted deferred tax assets	789	1,229
As at 31.12.	**789**	**1,229**

Movements in deferred taxes are presented below:

€1.000	2023	2022
As at 1.1. deferred tax assets	1,229	665
Changes affecting profit and loss for deferred taxes	– 440	564
As at 31.12. deferred tax assets	**789**	**1,229**

e) Shareholders' equity

Share capital is equivalent to the fully paid in nominal capital of €774,229,017.02 (31.12.2022: €774,229,017.02). It is divided into 106,496,422 bearer shares (31.12.2022: 106,496,422) and four registered shares of no par value. Out of the nominal capital 8,780,037 treasury shares (31.12.2022: 6,860,401), each amounting to €7.27, thus totaling €63,830,868.99 (31.12.2022: €49,875,115.27), were deducted from shareholders' equity. The registered shares are held by SOF-11Klimt 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 total value of the shares acquired was €30,327,788.47. After the completion of the share buyback programme on 19.10.2022 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 decided to carry out a further share buyback programme on the basis of the authorization resolution of the 34th Annual General Meeting on 6.5.2021 in accordance with Section 65 para. 1 no. 8 AktG. The share buyback programme was terminated prematurely on 31.8.2023. A total of 2,000,000 bearer shares were acquired, corresponding to around 1.88% of the share capital. The highest consideration paid per share acquired was €30.60, while the lowest consideration paid per share acquired was €23.25. The weighted average consideration paid per acquired share was €26.54 and the total value of the acquired shares amounted to €53,082,491.93. CA Immobilien Anlagen AG held 8,780,037 treasury shares at the end of the buyback programme and as at 31.12.2023 (31.12.2022: 6,860,401 treasury shares). Given the total number of voting shares issued of 106,496,426 (31.12.2022: 106,496,426), this is equivalent to around 8.2% (31.12.2022: 6.4%) of the voting shares.

The total net profit of CA Immobilien Anlagen Aktiengesellschaft as at 31.12.2023 amounting to €460,572K (31.12.2022: €439,080K), is subject to dividend payment constraints in the amount of the deferred tax assets of €789K (31.12.2022: €1,229K).

As at 31.12.2023, there exists unused authority capital in the amount of €154,845,809.22, which can be utilized until 27.9.2028 at the latest, as well as contingent capital in the amount of €154,845,809.22 earmarked for servicing convertible bonds that will be issued in the future based on the authorization of the Annual General Meeting as of 4.5.2023 (contingent capital 2023).

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	31.12.2023	Changes	31.12.2022
Acquisition costs in share capital	63,831	13,956	49,875
Acquisition costs in revenue reserves	115,263	37,008	78,256
Acquisition costs treasury shares total	**179,094**	**50,963**	**128,131**
Adjustments reserves for treasury shares	– 115,263	– 37,008	– 78,256
Tied revenue reserves for treasury shares	**63,831**	**13,956**	**49,875**

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 €334K (31.12.2022: €344K).

g) Provisions

Provisions for severance payment amount to €527K (31.12.2022: €467K) and include severance payment entitlements of company employees and Management Board members.

Tax provisions in the amount of €860K (31.12.2022: €5K) relate to provisions for corporate tax.

Other provisions are made up as follows:

€1.000	31.12.2023	31.12.2022
Premiums	8,467	8,435
Staff (vacation and overtime)	1,127	1,226
Construction services	689	1,069
Legal, auditing and consultancy fees	593	795
Borrowing costs	420	420
Other	515	924
	11,811	**12,869**

Management Board and Long term incentive (LTI) programmes:

Short/Long term incentives programme of Management Board (STI/ Phantom Share Plan/ LTI)

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 was limited to 200% of the annual salary until 30.6.2023 and has been limited to 125% of the annual gross salary since 1.7.2023 (STI). Of the variable remuneration, half is linked to the attainment of short-term targets defined annually by the remuneration committee. Until 30.06.2023 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. The short-term incentives is paid out in full in the following year depending on the degree of target achievement.

Up to and including 2021, half of performance-related remuneration takes the form of immediate payments (STI); the remaining 50% flows in long term incentive (LTI) model and were/will be paid in cash after a certain holding period. This (LTI) performance-related remuneration is converted into phantom shares (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 12months, 24months (mid term incentive) and 36months (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).

The long-term incentive tranche for 2022 was aligned with the LTI programme for selected executives (duration of the LTI tranche (LTI) 2023-2026, payout in 2027).

Starting 1.7.2023, the STI programme will be paid out at 100% in the following year based on target achievement.

Long Term Incentive Programme (LTI)

In order to promote a high level of alignment 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.

The long term incentive programmes (LTI) is revolving and do 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.

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.

Performance Share Unit-Programme (PSU)

In 2023, the LTI for the Management Board and additionally for the selected employees was completely redesigned and respectively expanded, as part of PSU programme.

The aim of the new LTI is to align the interests of the Management Board and selected employees with those of the company's shareholders and to create an incentive for a long-term positive total shareholder return (TSR). Participants in the LTI are allocated performance share units (PSU), which represent a share of the potential profit share volume of the programme (€50m). The term (vesting period) is five years, with one third of the PSUs being vested on the third, fourth and fifth anniversary of the inception date. In addition, accelerated vesting may take place in special cases (e.g. dividend distributions of a certain amount, loss of control events). The starting reference price per PSU shall be the 6-months volume-weighted average share price at the Vienna Stock Exchange (ISIN AT0000641352), with VWAP as defined by Bloomberg as the trading benchmark calculated by dividing the total trading volume (sum of price/price times trading volume) by the total volume (sum of trading volumes), including each qualifying transaction ("6m-VWAP") at the inception day. The exit reference price per PSU shall be the 6m-VWAP preceding the end of the 5-year programme. The minimum total shareholder return (TSR) hurdle rate required for profit share pay-out under the LTI is 9% p.a., considering all dividends distributed to shareholders during the term of the programme. The profit share per PSU attributable to the holder of the PSU is 10% of the excess shareholder profits above the hurdle rate, as determined by the company appointed auditor.

The remuneration from this PSU is settled in cash and is based on the expected long-term return on equity, which is adjusted for random fluctuations and estimated based on historical volatility of the share. Until the debt is settled, the attributable fair value is determined afresh on every closing date and settlement date. The liability incurred is recognised over the vesting period as a provision in the amount of the attributable fair value. All changes are recognised in the income statement in the relevant business year.

h) Liabilities

31.12.2023 €1.000	Maturity up to 1 year	Maturity 1 - 5 years	Maturity more than 5 years	Total
Bonds	175,000	1,000,000	0	1,175,000
Liabilities to banks	3,390	62,040	70,467	135,897
Trade payables	658	88	0	746
Payables to affiliated companies	3,068	0	0	3,068
Other liabilities	12,718	3,295	470	16,483
Total	**194,834**	**1,065,423**	**70,937**	**1,331,194**

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
Total	**280,901**	**1,255,818**	**73,225**	**1,609,944**

In bonds, the maturities are accounted for based on the repayment date. The bonds item for 31.12.2023 comprises the following liabilities:

	Nominal value €1.000	Nominal interest rate	Issue	Repayment
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
	1,175,000			

Liabilities to banks comprise investment loans amounting to €62,813K (31.12.2022: €80,790K), 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 €72,000K including accrued interest.

Trade payables item essentially comprises liabilities for consulting, maintenance and fitout of offices, security deposits as well as general administrative costs.

The liabilities shown under payables to affiliated companies relate to trade payables amounting to €2,448K (31.12.2022: €237K) and €620K other payables (31.12.2022: €145,000K short term intercompany loan to an affiliated company).

Other liabilities are mainly made up of a promissory loan to insurance companies in the amount of €3,000K (31.12.2022: €3,000K) and accrued interest for bonds amounting to €9,539K (31.12.2022: €12,335K). Also included is an advance payment received for the sale of a property in the amount of €1,500K (31.12.2022: €0K).

i) Deferred income

€1.000	31.12.2023	31.12.2022
Investment grants from tenants	3,459	3,640
Rent prepayments received	319	464
	3,778	**4,104**

j) Contingent liabilities

	Maximum amount as at 31.12.2023 1.000		Outstanding on reporting date 31.12.2023 €1.000	Outstanding on reporting date 31.12.2022 €1.000
Guarantees and letters of comfort in connection with sales made by affiliated companies	694,720	€	694,720	465,002
Guarantees for loans granted to affiliated companies	17,133	€	17,133	20,148
Guarantees in connection with sales made by other group companies	3,390	€	3,390	15,699
	715,243		**715,243**	**500,850**

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 Saski 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).

In connection with the disposals, marketable guarantees for coverage of possible warranty and liability claims exist and - where necessary - financial provisions were made.

In 2020, CA Immobilien Anlagen AG filed a first (partial) action for damages of €1M and later a second action for damages of approx. €1.9 bn both against the Republic of Austria and the federal state of Carinthia. These two actions were based on the criminal indictment against the former Austrian minister of finance Mr. Grasser and others for crimes in relation to the privatization of the of state-owned residential property companies (like BUWOG) in 2004 at the expense of CA Immo AG. In December 2020, the criminal court of first instance convicted Mr. Grasser and others, whereas the nullity complaints and the appeals are still pending. In November 2023, the civil court of first instance dismissed CA Immo AG´s first action for damages of €1M due to limitation of claims and CA Immo AG´s appeal against this judgement is pending. The second action is interrupted until a final judgment in the first proceedings. In December 2023, the Supreme Administrative Court decided that the second civil action for damages is not exempt from court fees (paid in 2021).

As at 31.12.2023, a total of three actions for annulment (from previous years) are pending relating to various Annual General Meetings. These are mainly directed against resolutions in connection with the discharge of the Management Board and Supervisory Board and the payment of additional dividends. In the reporting year, decisions were made at first and second instance in all proceedings, some of which were in line with CA Immo AG's legal opinion, others against it. All three proceedings are now in the appeal stage. All decisions to date have related solely to procedural aspects (on the legal question of the plaintiff's capacity to be a party).

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 €697K (31.12.2022: €740K) for the subsequent business year and €2,016K (31.12.2022: €2,780K) for the subsequent five business years. The rental agreement for the office Rennweg/Mechelgasse 1 is concluded until 31.12.2026.

Out of this, €0K (31.12.2022: €92K) is attributable to affiliated companies for the subsequent business year and €0K (31.12.2022: €92K) for the subsequent five business years.

l) Details of derivative financial instruments - swaps

€1.000		Nominal value	Fixed interest rate as at	Interest reference rate	Fair value	thereof considered in the balance sheet
Start	**End**	**31.12.2023**	**31.12.2023**		**31.12.2023**	**31.12.2023**
06/2017	06/2027	10,188	0.79%	3M-EURIBOR	534	0
06/2017	06/2027	24,911	0.76%	3M-EURIBOR	1,299	0
08/2017	12/2029	27,715	1.12%	3M-EURIBOR	1,675	0
		62,814			**3,508**	**0**

€1.000		Nominal value	Fixed interest rate as at	Interest reference rate	Fair value	thereof considered in the balance sheet
Start	**End**	**31.12.2022**	**31.12.2022**		**31.12.2022**	**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
		65,090			**6,396**	**0**

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	2023	2022
Rental income from real estate	15,311	14,694
Operating costs passed on to tenants	4,462	4,226
Income from management services	8,798	13,615
Other revenues	895	748
	29,466	**33,283**

By region

€1.000	2023	2022
Austria	22,341	24,036
Germany	2,345	3,559
Eastern Europe	4,780	5,688
	29,466	**33,283**

Other operating income

The income from the disposal and write-ups of fixed assets relates to the increase of land value in 2023 and to the sale of a property in 2022.

The revenues from the release of provisions refers to provisions for legal fees and other consulting expenses as in the previous year.

Other operating income of €1,196K (2022: €1,411K) results from costs recharged, insurance proceeds and the release of the grants from public funds.

Staff expense

This item, totalling €17,303K (2022: €14,973K), includes expenses for the 67 staff members (2022: 76) employed by the company on average, calculated as full-time equivalents.

The expenses for retirement benefits are as follows:

€1.000	2023	2022
Pension fund contributions for Management Board members and senior executives	139	160
Pension fund contributions for other employees	82	74
	221	**234**

Expenses for severance payments dependent on remuneration and compulsory contributions are made up as follows:

€1.000	2023	2022
Severance payments to Management Board members	1,525	0
Change in provision for severance payments to Management Board members	57	64
Change in provision for severance payments to other employees	4	7
Pension fund contributions for Management Board members and senior executives	144	124
Pension fund contributions for other employees	88	64
	1,818	**259**

Depreciation

€1.000	2023	2022
Depreciation of intangible fixed assets	204	342
Scheduled depreciation of buildings	6,197	6,623
Unscheduled depreciation of real estate	66	0
Depreciation of other assets, office furniture and equipment	205	250
Low-value assets	2	7
	6,674	**7,222**

Other operating expenses

Taxes, which do not fall under taxes on income are made up as follows:

€1.000	2023	2022
real estate charges	140	168
non-deductible input VAT	323	537
	463	**705**

<u>Other expenses</u> are made up as follows:

€1.000	2023	2022
Expenses directly related to properties		
Operating costs passed on to tenants	4,327	4,061
Own operating costs (vacancy costs)	1,055	1,184
Maintenance costs	875	547
Administration and agency fees	383	150
Other	121	50
Subtotal	**6,761**	**5,992**
General administrative costs		
Legal, auditing and consultancy fees	4,179	4,333
Administrative and management costs	2,084	717
Other fees and bank charges	1,047	384
Costs charged through	954	1,094
Office rent including operating costs	785	758
Advertising and representation expenses	586	730
Licence costs	378	338
Insurance general	305	331
Supervisory Board remuneration	82	257
Other	922	1,107
Subtotal	**11,322**	**10,049**
Total other operating expenses	**18,083**	**16,041**

Income from investments

This item comprises dividends paid from companies in Austria in amount of €529,568K (2022: €28,099K) as well as companies in Germany and Central Eastern Europe in amount of €35,280K (2022: €84K). In addition, a dividend amounting of €58,400K (2022: €0K) from an Austrian subsidiary resolved for 2023 and already distributed within the reporting period is recognized.

Income from loans from financial assets

This item comprises interest income from loans.

Other interest and similar income

€1.000	2023	2022
Interest income from derivative transactions	1,472	197
Revaluation of derivative transactions	0	3,547
Other	2,785	72
	4,257	**3,816**

Income from the disposal and revaluation of financial assets

€1.000	2023	2022
Write up due to increase in value	620	1,330
Sale of financial assets	99	13,735
Repayment of loans above book value	414	0
	1,133	**15,065**

Expenses for financial assets

€1.000	2023	2022
Depreciation of financial assets	175,031	5,761
Loss from disposal	11,956	4
	186,987	**5,765**
of which due to dividends payments	178,869	0

Interest and similar expenses

€1.000	2023	2022
Interest expenses for bonds	16,137	19,498
Interest expenses for other loans	3,949	3,459
Interest expenses for bank liabilities for the financing of real estate assets	3,635	1,905
Interest expenses in respect of affiliated companies	2,630	302
Expenses for derivative transactions	0	822
Negative interest	0	817
Other	0	50
	26,351	**26,853**

Taxes on income

€1.000	2023	2022
Tax compensation tax group members	12,187	1,942
Corporate income tax	– 549	– 663
Deferred taxes	– 440	564
Tax revenues	**11,199**	**1,843**

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-11Klimt 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
Keegan Viscius (from 1.11.2018)
Dr. Andreas Schillhofer (from 1.6.2019)
Silvia Schmitten-Walgenbach (from 1.1.2022 until 31.3.2023)

Total salary payments (excluding salary-based deductions) to Management Board members in office in the respective reporting year amounted in 2023 to €5,661K (2022: €2,927K). The salary-based deductions totaled €312K (2022: €214K). Total fixed salary components amounted to €1,346K (2022: €1,606K) and were made up of the base salary of €1,116K (2022: €1,460K), other benefits (in particular remuneration in kind for cars, expense allowances and travel expenses and holiday entitlements) of €151K (2022: €54K) and contributions to pension funds of €79K (2022: €92K). Variable compensation components amounted to €2,090K (2022: €1,321K). Special payments amounted to €2,225K and refer to a redundancy payment and stay-on bonus payments. (2022: €0K).

As at the balance sheet date 31.12.2023, severance payment provisions for Management Board members totalled €432K (2022: €375K).

Towards former members of the Management Board (i.e. not in office in the reporting year) there were provisions from variable remuneration components from current LTI tranches still exist and these amount to €494K as at 31.12.2023 (31.12.2022: €937K). In the current financial year, variable remuneration of €476K was paid out to former members of the Management Board.

No loans or advances were granted to members of the Management Board.

As at 31.12.2023, based on the assumption of a 100% target achievement, provisions for Short Term Incentives (STI) amounting to €1,684K (31.12.2022: €1,460K) had been created for the Management Board. In addition, there were provisions for LTI programmes amounting to €2,786K as at the reporting date (31.12.2022: €2,229K).

Supervisory Board
Elected by the General Meeting:
Torsten Hollstein, Chairman
Jeffrey G. Dishner, Second Deputy Chairman

Delegated by registered share:
Sarah Broughton
David Smith, First Deputy Chairman

Delegated by works council:
Georg Edinger, BA, REAM (IREBS)
Sebastian Obermair

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 2023 (for 2022), total remuneration of €219K (2022: €309K) was paid out (including attendance fees of €71K; 2022: €133K). Moreover, expenditure of €49K was reported in connection with the Supervisory Board in business year 2023 (2022: €86K). Of this, cash outlays for travel expenses accounted for approximately €4K (2022: €40K) and other expenditure (including training costs and license costs) accounted for €29K (2022: €34K). Legal and other consultancy services accounted for €16K (2022: €12K). 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 €75K for business year 2023 will be proposed to the Annual General Meeting on the basis of the same criteria (fixed annual payment of €30K per Supervisory Board member plus attendance fee of €1K per meeting, whereby the Chairman receives twice and his deputies one and a half times the fixed remuneration), 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 31.12.2023.

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-11Klimt CAI S.à r.l. is CA Immo AG largest single shareholder. In the business year 2023, Starwood Capital Group (via its vehicle SOF-11Klimt CAI S.à r.l.) increased its stake in CA Immo AG from around 59.09% of the share capital to around 59.83% through acquisitions on and off the stock exchange. As of 31.12.2023, SOF-11Klimt CAI S.à.r.l. held 63,719,265 bearer shares and four registered shares of CA Immo AG. SOF-11Klimt 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 67 (2022: 76), calculated as full-time equivalents.

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

There are no events after the balance sheet date to report.

18. Proposal for the appropriation of net earnings

It is proposed to use part of the net retained earnings of €460,572,473.47 to pay a dividend of €0.80 per share, i.e. a total of €78,173,111.20, to the shareholders. The remainder of the net retained earnings in the amount of €382,399,362.27 is intended to be carried forward.

Vienna, 20.3.2024

The Management Board

Keegan Viscius
(CEO)

Dr. Andreas Schillhofer
(CFO)

ASSET ANALYSIS FOR THE BUSINESS YEAR 2023

	Acquisition and production costs as at 1.1.20223	Addition	Disposal	Transfer	Acquisition and production costs as at 31.12.2023
	€	€	€	€	€
I. Intangible fixed assets					
Software	3,378,850.52	0.00	0.00	0.00	3,378,850.52
	3,378,850.52	**0.00**	**0.00**	**0.00**	**3,378,850.52**
II. Tangible fixed assets					
1. Land and buildings					
a) Land value	28,421,927.58	0.00	0.00	0.00	28,421,927.58
b) Building value	237,939,428.63	1,266,881.43	13,175.64	50,620.00	239,243,754.42
	266,361,356.21	**1,266,881.43**	**13,175.64**	**50,620.00**	**267,665,682.00**
2. Other assets, office furniture and equipment	3,330,994.85	53,322.76	667,343.83	0.00	2,716,973.78
3. Prepayments made and construction in progress	50,620.00	164,503.83	0.00	– 50,620.00	164,503.83
	269,742,971.06	**1,484,708.02**	**680,519.47**	**0.00**	**270,547,159.61**
III. Financial assets					
1. 1. Investments in affiliated companies	3,395,888,824.42	17,088,679.26	151,515,308.71	0.00	3,261,462,194.97
2. Loans to related companies	178,758,095.99	0.00	88,606,508.15	0.00	90,151,587.84
2. 3. Investments in associated companies	246,751.50	0.00	900.00	0.00	245,851.50
	3,574,893,671.91	**17,088,679.26**	**240,122,716.86**	**0.00**	**3,351,859,634.31**
	3,848,015,493.49	**18,573,387.28**	**240,803,236.33**	**0.00**	**3,625,785,644.44**

Accumulated depreciation as at 1.1.2023	Depreciation and amortisation in 2023	Write-ups in 2023	Accumulated depreciation disposal	Accumulated depreciation as at 31.12.2023	Book value as of 31.12.2023	Book value as of 31.12.2022
€	€	€	€	€	€	€
3,063,561.46	203,994.01	0.00	0.00	3,267,555.47	111,295.05	315,289.06
3,063,561.46	**203,994.01**	**0.00**	**0.00**	**3,267,555.47**	**111,295.05**	**315,289.06**
1,458,109.59	66,000.00	297,526.55	0.00	1,226,583.04	27,195,344.54	26,963,817.99
85,436,805.19	6,196,656.91	0.00	1,587.35	91,631,874.75	147,611,879.67	152,502,623.44
86,894,914.78	**6,262,656.91**	**297,526.55**	**1,587.35**	**92,858,457.79**	**174,807,224.21**	**179,466,441.43**
2,609,335.18	207,366.95	0.00	636,736.60	2,179,965.53	537,008.25	721,659.67
0.00	0.00	0.00	0.00	0.00	164,503.83	50,620.00
89,504,249.96	**6,470,023.86**	**297,526.55**	**638,323.95**	**95,038,423.32**	**175,508,736.29**	**180,238,721.10**
219,988,385.51	175,031,335.71	620,000.00	137,876,308.71	256,523,412.51	3,004,938,782.46	3,175,900,438.91
0.00	0.00	0.00	0.00	0.00	90,151,587.84	178,758,095.99
899.00	0.00	0.00	899.00	0.00	245,851.50	245,852.50
219,989,284.51	**175,031,335.71**	**620,000.00**	**137,877,207.71**	**256,523,412.51**	**3,095,336,221.80**	**3,354,904,387.40**
312,557,095.93	**181,705,353.58**	**917,526.55**	**138,515,531.66**	**354,829,391.30**	**3,270,956,253.14**	**3,535,458,397.56**

INFORMATION ABOUT GROUP COMPANIES

Direct investments

Company	Registered office	Share capital		Interest in %	Profit/loss 31.12.2023		Shareholders' equity as at 31.12.2023		Profit/loss 31.12.2022		Shareholders' equity as at 31.12.2022	
					in 1,000		in 1,000		in 1,000		in 1,000	
CA Immo d.o.o.	Belgrad	44,623,214	RSD	100	– 7,994	RSD	10,663	RSD	1,719	RSD	6,857	RSD
Duna Irodaház Kft., Budapest	Budapest	277,100,000	HUF	100	– 872,019	HUF	12,220,654	HUF	– 644,793	HUF	13,279,251	HUF
Duna Termál Hotel Ingatlanfejlesztö Kft.	Budapest	390,906,655	HUF	100	116,500	HUF	11,776,291	HUF	– 554,740	HUF	13,842,126	HUF
Duna Business Hotel Ingatlanfejlesztö Kft.	Budapest	452,844,530	HUF	100	523,011	HUF	14,384,682	HUF	– 112,218	HUF	18,205,507	HUF
Kapas Center Kft.	Budapest	772,560,000	HUF	100	8,059,243	HUF	9,413,056	HUF	218,525	HUF	2,377,743	HUF
Kilb Kft.	Budapest	30,000,000	HUF	100	558,497	HUF	4,764,603	HUF	272,644	HUF	4,206,106	HUF
Millennium Irodaház Kft.	Budapest	997,244,944	HUF	100	342,543	HUF	9,531,814	HUF	– 238,129	HUF	10,412,019	HUF
Váci 76Kft.	Budapest	3,100,000	HUF	100	1,001,992	HUF	6,567,302	HUF	– 158,569	HUF	5,565,310	HUF
CA Immo Invest GmbH	Frankfurt	50,000	EUR	51	– 743	EUR	15,909	EUR	– 541	EUR	16,651	EUR
DRG Deutsche Realitäten GmbH	Frankfurt	500,000	EUR	49	346	EUR	846	EUR	330	EUR	830	EUR
CA Immo Holding B.V. i.L.	Hoofddorp	1,800,000	EUR	100	– 74	EUR	7	EUR	489	EUR	90	EUR
Visionary Prague, s.r.o.	Prague	200,000	CZK	100	– 42,309	CZK	241,165	CZK	103,274	CZK	283,473	CZK
CA Immo Bitwy Warszawskiej Sp. z o.o.	Warsaw	47,956,320	PLN	100	– 6,591	PLN	62,622	PLN	2,026	PLN	71,114	PLN
CA Immo New City Sp.z.o.o i.L.	Warsaw	796,000	PLN	100	– 27	PLN	297	PLN	– 1,333	PLN	324	PLN
CA Immo P14 Sp.z.o.o	Warsaw	10,000	PLN	100	– 10,554	PLN	139,253	PLN	13,180	PLN	166,108	PLN
CA Immo Saski Crescent Sp. z o.o.	Warsaw	140,921,250	PLN	100	– 4,698	PLN	163,959	PLN	– 11,609	PLN	138,177	PLN
CA Immo Saski Point Sp. z o.o.	Warsaw	55,093,000	PLN	100	– 14,927	PLN	83,642	PLN	– 2,841	PLN	76,069	PLN
CA Immo Sienna Center Sp. z o.o.	Warsaw	116,912,640	PLN	100	– 13,681	PLN	148,955	PLN	6,113	PLN	162,636	PLN
CA Immo Warsaw Spire B Sp. z o.o.	Warsaw	5,050,000	PLN	100	– 31,735	PLN	250,392	PLN	4,437	PLN	282,127	PLN
CA Immo Warsaw Spire C Sp. z o.o.	Warsaw	2,050,000	PLN	100	10,339	PLN	239,616	PLN	100	PLN	247,118	PLN
CA Immo Warsaw Towers Sp. z o.o.	Warsaw	155,490,900	PLN	100	1,757	PLN	162,579	PLN	12,260	PLN	184,121	PLN
CA Immo BIP Liegenschaftsverwaltung GmbH	Vienna	3,738,127	EUR	39	488	EUR	10,644	EUR	463	EUR	10,806	EUR
CA Immo International Holding GmbH	Vienna	35,000	EUR	100	111,887	EUR	1,827,073	EUR	– 2,741	EUR	2,085,186	EUR
CA Immo Konzernfinanzierungs GmbH	Vienna	100,000	EUR	100	6,676	EUR	308,139	EUR	5,663	EUR	435,463	EUR
CA Immo Rennweg 16 GmbH	Vienna	35,000	EUR	100	58,763	EUR	58,798	EUR	4,810	EUR	13,363	EUR

Information on participations for 2023 is based on preliminary figures in financial statements prepared according to local accounting standards.

CA IMMO

MANAGEMENT REPORT
AS AT 31.12.2023

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GROUP STRUCTURE

CA Immo is a real estate company headquartered in Vienna with subsidiaries in Germany, Poland, Czechia, Hungary and Serbia. The parent company of the Group is the listed CA Immobilien Anlagen Aktiengesellschaft, based in Vienna, whose main activity is the strategic and operational management of its domestic and foreign subsidiaries. The individual branches operate as largely decentralized profit centers. Following the liquidation of all Cypriot companies and the exit from Romania, there is now only one other subsidiary or holding company in the Netherlands. As at December 31, 2023, the Group comprised a total of 145 companies (31.12.2022: 144) with 348 employees (31.12.2022: 392). In full-time equivalents (FTE), the number of employees as at 31 December 2023 was 307.4 (31.12.2022: 346.4). Excluding omniCon, the number of employees as at the reporting date of December 31, 2023 was 264 and the number of full-time equivalents (FTE) was 229.75.

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 account of 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 land development to the realization of the surrounding infrastructure and the construction and operation of new buildings.

The core regions comprise Germany, Austria, Poland and Czechia. In the 2023 financial year, it was decided to classify Hungary as a non-strategic market as part of the strategic capital rotation program and at the same time the Management Board was authorized to initiate all relevant activities in connection with the market exit, be it through the sale of the platform, a sub-portfolio or individual properties.

While business activities in Germany are concentrated on the cities of Berlin, Munich, Frankfurt and Düsseldorf, the strategic focus in the other countries is on the respective capital cities (Vienna, Warsaw, Prague). Accounting for around 66% of the total portfolio, Germany is the company's key anchor market. Additional contributions to earnings are generated through the preparation and exploitation of land reserves in the development business area. CA Immo either takes completed projects into its own portfolio or sells them to an end investor. The Group currently controls property assets of around €5.2bn in Germany, Austria and CEE (31.12.2022: €5.9bn).

Austria

The real estate is held in direct or indirect subsidiaries of CA Immobilien Anlagen AG. As at December 31, 2023, property assets of around €241m (31.12.2022: €261m) are also held directly by the parent company. As at December 31, 2023, the overall Austrian portfolio exclusively comprises investment properties and one property held for sale with a book value of around €347m (31.12.2022: €477m).

COMPANIES BY REGION

Number of companies[1]	31.12.2023	31.12.2022
Austria	12	13
- *of which joint ventures*	*0*	*0*
Germany	100	95
- *of which joint ventures*	*22*	*22*
Central and Eastern Europe[2]	33	36
- *of which joint ventures*	*0*	*0*
Group-wide	**145**	**144**
- *of which joint ventures*	*22*	*22*

[1] Joint ventures in relation to consolidated companies.
[2] Including a holding company in the Netherlands as part of the Eastern Europe investments

Germany

The operating platform for all of the Group's activities in Germany is CA Immo Deutschland GmbH, which has branches in Berlin, Frankfurt and Munich. In addition to existing properties, the company's property assets consist primarily of properties under construction or undeveloped plots and a portfolio of other real estate intended for trading or sale.

The investment properties are largely held in direct investments and managed by DRG Deutsche Realitäten GmbH - a joint venture with the Austrian real estate agent and property management company ÖRAG. Individual investment properties under development (for example in Munich and Mainz) are realized in joint ventures. Construction management was carried out until 31.12.2023 by CA Immo group company omniCon, which also provided these services for third parties.

CEE

In CEE, the strategic focus is also on Class A commercial properties in the respective capital cities. The existing CEE real estate portfolio is held by direct or indirect or indirect CA Immo subsidiaries. All Central and Eastern Europe properties are managed by the regional branches.

ECONOMIC ENVIRONMENT

ECONOMIC ENVIRONMENT

The "Update to the World Economic Outlook" by the International Monetary Fund from January 2024 reveals that the global economic recovery from Covid-19, the Ukraine war, and the cost-of-living crisis is unexpectedly resilient. Inflation is falling faster than expected from its 2022 peak, with less impact on employment and activity than anticipated. Nevertheless, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt levels are expected to weigh on growth in 2024.

Global growth is projected at 3.1% in 2024 and 3.2% in 2025, with the 2024 forecast slightly exceeding expectations due to the stronger-than-anticipated resilience of the United States and several large emerging and developing economies, as well as fiscal support in China. However, the 2024-25 forecast remains below the historical (2000-19) average of 3.8%, with elevated central bank rates for inflation control, reduced fiscal support impacting economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions. Global headline inflation is expected to decrease to 5.8% in 2024 and 4.4% in 2025, with the 2025 forecast revised downward.

With disinflation and steady growth, the likelihood of a severe worldwide economic downturn has receded, and global growth risks are largely balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks - including continued attacks in the Red Sea - and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China, tax hikes and spending cuts could also cause growth setbacks.

The immediate challenge for policymakers is to skillfully manage the final descent of inflation to target, calibrating monetary policy based on underlying inflation dynamics and adjusting to a less restrictive stance where wage and price pressures are clearly dissipating. Simultaneously, with inflation declining and economies better able to absorb fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity for future shocks, raise revenue for new spending priorities, and curb the rise of public debt is crucial. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt sustainability and expedite convergence toward higher income levels. More efficient multilateral coordination is needed for debt resolution, among other things, to prevent debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

Europe, according to the November 2023 "Regional Economic Outlook for Europe" by the IMF, stands at a crossroads. Following the Ukraine war's energy shock, it must prioritize both price stability and lasting, green growth. Economic activity and inflation have cooled due to monetary policy actions, subsiding supply shocks, and falling energy prices. However, sustained wage growth might delay achieving price stability by 2025. Neglecting inflation now risks further growth setbacks in a world vulnerable to fragmentation and climate shocks, which add to Europe's longstanding productivity and convergence issues. To unlock Europe's potential for strong and green growth, nations must eliminate obstacles to economic dynamism and upgrade infrastructure, fostering business-friendly environments and investments. Cooperation at the European level and with international partners could position Europe as a climate leader and bolster economic stability across the continent.

In the fourth quarter of 2023, seasonally adjusted GDP remained stable in both the euro area and the EU, compared with the previous quarter, according to a preliminary flash estimate published by Eurostat, the statistical office of the European Union. In the third quarter of 2023, GDP had declined by 0.1% in both zones. According to a first estimation of annual growth for 2023, based on seasonally and calendar adjusted quarterly data, GDP increased by 0.5% in both the euro area and the EU. Compared with the same quarter of the previous year, seasonally adjusted GDP increased by 0.1% in the euro area and by 0.2% in the EU in the fourth quarter of 2023, after 0.0% in both zones in the previous quarter.

In December 2023, the euro area seasonally adjusted unemployment rate was 6.4%, stable compared with November 2023 and down from 6.7% in December 2022. The EU unemployment rate was 5.9% in December 2023, also stable compared to November 2023 and down from 6.1% in December 2022.

Euro area annual inflation is expected to be 2.8% in January 2024, down from 2.9% in December. Looking at the main components of euro area inflation, food, alcohol & tobacco is expected to have the highest annual rate in

January (5.7%, compared with 6.1% in December), followed by services (4.0%, stable compared with December), non-energy industrial goods (2.0%, compared with 2.5% in December) and energy (–6.3%, compared with –-6.7% in December).

In its latest meeting on March 7th, 2024 the Governing Council of the ECB decided to keep the three key interest rates unchanged. Therefore, the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 4.50%, 4.75% and 4.00% respectively. It stated that since the last Governing Council meeting in January, inflation has declined further. In the latest ECB staff projections, inflation has been revised down, in particular for 2024 which mainly reflects a lower contribution from energy prices. Although most measures of underlying inflation have eased further, domestic price pressures remain high, in part owing to strong growth in wages. Financing conditions are restrictive and the past interest rate increases continue to weigh on demand, which is helping push down inflation. The ECB experts have revised down their growth projection for 2024, with economic activity expected to remain subdued in the near term. Thereafter, staff expect the economy to pick up and to grow, supported initially by consumption and later also by investment. The Governing Council is determined to ensure that inflation returns to its 2% medium-term target in a timely manner. Based on its current assessment, the Governing Council considers that the key ECB interest rates are at levels that, maintained for a sufficiently long duration, will make a substantial contribution to this goal. The Governing Council's future decisions will ensure that policy rates will be set at sufficiently restrictive levels for as long as necessary. The Governing Council will continue to follow a data-dependent approach to determining the appropriate level and duration of restriction. In particular, the Governing Council's interest rate decisions will be based on its assessment of the inflation outlook in light of the incoming economic and financial data, the dynamics of underlying inflation and the strength of monetary policy transmission.

The CA Immo Group is affected by higher financing costs compared to previous years due to higher base interest rates and risk premiums as well as rising prices in the construction industry. Furthermore, the changed economic environment is having an impact on property valuations and transaction markets as well as the market valuation of the company.

PROPERTY MARKETS

MARKET ENVIRONMENT

In Germany, Austria and the CEE region, 2023 began against a backdrop of economic turbulence. While employment in Europe developed better than expected, interest rate hikes had an impact on all sectors of the economy over the course of the year, with the real estate sector being particularly seriously affected. Although there was a downward trend in inflation towards the end of 2023, its continued impact weighed on economic decisions. On the commercial real estate market, this led to a sharp decline in investment behavior among tenants and investors alike.

TRANSACTION MARKETS IN GERMANY, AUSTRIA AND CEE

The transaction market for commercial real estate faced major challenges in 2023. Higher financing costs and diverging dynamics in different real estate segments reduced the willingness of many market participants to invest. Capital values in all markets were negatively impacted by the ongoing increase in yields and slower rental growth.

Prime yields for prime commercial properties in Germany rose significantly by between 125 basis points (Munich) and 145 basis points (Berlin). As yields were already comparatively higher before the change in market sentiment, the shift in yields had less of an impact on prime yields in the CEE countries. These rose by between 60 basis points (Prague, Warsaw) and 110 basis points (Vienna).

The year 2023 will be remembered as one of the weakest in over ten years, with a 64% decline in transaction volume compared to the previous year (all segments). The impact of the general conditions on office property transactions was even more severe: the four most important German CA Immo markets recorded a decline to just over €2.1bn (–85% year-on-year). The transaction markets in CEE and Austria performed better with a transaction volume of just under €2.0bn (–38% year-on-year), partly due to increased activity on the part of domestic investors.

OFFICE MARKETS IN GERMANY, AUSTRIA AND CEE

Demand

Demand for office space, measured in terms of net take-up (newly leased space excl. lease renewals) amounted to 2.87m sqm in 2023 across CA Immo's main markets (–15% y-o-y). Demand as measured by net absorption (change in occupied space) has declined to negative 29,000 sqm in 2023 for the same markets (down from 911,000 sqm in 2022), illustrating how efficiency seeking became a driving force of the market.

The most significant decline in letting activity on an aggregated basis was observed in the financial and IT sector, while letting activity to tenants in professional services or the public sector was better on a relative basis.

Rents

Prime rents on the CA Immo markets continued to rise in 2023, albeit at a slower rate on average than in previous years. Frankfurt and Munich traditionally lead the ranking of the most expensive office locations in Germany, with €47.50 per sqm in Frankfurt (+3% year-on-year) and €45.00 per sqm in Munich (+4% year-on-year). Prime rents in Berlin reached €44.00 per sqm (+1% year-on-year) and €40.00 per sqm in Düsseldorf (+5% year-on-year).

In the CEE region and in Austria, prime rents on markets with a more balanced supply/demand ratio continued to converge. Prime rents for offices in Vienna reached €28.00 per sqm (+4% year-on-year), while in Prague and Warsaw they amounted to €27.50 per sqm and €27.00 per sqm respectively (both +4% year-on-year). The prime rent in Budapest reached €25.00 per sqm (+4% year-on-year) despite the difficult market environment with an increased vacancy rate.

The trend of average rents rising more slowly than in the prime rents continued in 2023.

New supply and vacancy

In 2023, 1.1m sqm of new office space was completed in the four most important German markets (+14% compared to the previous year). Only Düsseldorf recorded a decline in the supply of new office space (–52%).

Delays in new construction projects and shrinking construction pipelines overall have led to a decline in completions in 2023 in most CEE markets and in Vienna. In Prague, on the other hand, more space was completed (+32% year-on-year), albeit mainly due to a very low comparative basis in the previous year.

Current forecasts predicting a moderate increase in completions, particularly on the German markets, will be put to the test in 2024, as some of the macroeconomic challenges are likely to persist and many real estate developers will probably continue to face tighter financial constraints.

The high volume of completions offset the otherwise solid demand in Berlin, where the vacancy rate rose to 5.7%. A decline in demand contributed to a weaker result in Munich, where the vacancy rate reached 6.7%. The vacancy rates in Frankfurt and Duesseldorf reached double-digit levels in 2023 (10.2% and 10.8%, respectively).

A significant decline in completions was unable to fully offset the drop in demand, which is why the vacancy rate in Budapest rose to 13.3%. On the other hand, comparatively strong absorption and weaker supply reduced vacancy rates in Warsaw (10.4%), Prague (7.2%) and Vienna (3.5%).

OFFICE MARKET DEVELOPMENT IN CA IMMO MARKETS

	2023	2022	Change in %/ bps
Berlin			
Take-up in sqm	582,700	741,200	–21%
Completions in sqm	464,200	396,200	+17%
Vacancy rate in %	5.7	3.4	+227 bps
Prime rent in €/sqm net	44.00	43.50	+1%
Prime yield in %	5.00	3.55	+145 bps
Düsseldorf			
Take-up in sqm	281,500	287,500	–2%
Completions in sqm	56,900	119,600	–52%
Vacancy rate in %	10.8	9.8	+100 bps
Prime rent in €/sqm net	40.00	38.00	+5%
Prime yield in %	5.10	3.80	+130 bps
Frankfurt am Main			
Take-up in sqm	348,100	369,000	–6%
Completions in sqm	141,700	123,900	+14%
Vacancy rate in %	10.2	8.7	+149 bps
Prime rent in €/sqm net	47.50	46.00	+3%
Prime yield in %	5.10	3.75	+135 bps
Munich			
Take-up in sqm	457,500	736,500	–38%
Completions in sqm	447,200	332,700	+34%
Vacancy rate in %	6.7	4.4	+239 bps
Prime rent in €/sqm net	47.00	45.00	+4%
Prime yield in %	4.80	3.55	+125 bps
Budapest			
Take-up in sqm	352,000	247,000	+43%
Completions in sqm	102,800	267,400	–62%
Vacancy rate in %	13.3	11.3	+200 bps
Prime rent in €/sqm net	25.00	24.00	+4%
Prime yield in %	6.75	6.00	+75 bps
Prague			
Take-up in sqm	238,900	295,300	–19%
Completions in sqm	98,400	74,300	+32%
Vacancy rate in %	7.2	7.7	–55 bps
Prime rent in €/sqm net	27.50	26.50	+4%
Prime yield in %	5.40	4.80	+60 bps
Vienna			
Take-up in sqm	175,000	171,000	+2%
Completions in sqm	55,700	128,500	–57%
Vacancy rate in %	3.5	3.9	–39 bps
Prime rent in €/sqm net	28.00	27.00	+4%
Prime yield in %	5.00	3.90	+110 bps
Warsaw			
Take-up in sqm	433,600	522,700	–17%
Completions in sqm	61,200	236,800	–74%
Vacancy rate in %	10.4	11.6	–121 bps
Prime rent in €/sqm net	27.00	26.00	+4%
Prime yield in %	5.85	5.25	+60 bps

Source: CBRE Research, Q4 2023

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 and Czechia. 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 CA Immo has decreased the value of its property assets in 2023 by –13% to €5.2bn (2022: €5.9bn). Of this figure, investment properties account for €4.8bn (92% of the total portfolio), property assets under development represent €0.3bn (7%) and short-term properties (incl. properties intended for trading or sale). €61m (1%). 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 (2022: 99,962 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 €174,972K (€179,517K on 31.12.2021). This portfolio generated rental income of €15,311K in 2023 (€14,694K in 2022).

Lettings

An approximate of 18,890 sqm of floor space was newly let or extended in 2023 (13,990 sqm in 2020). Of this, around 12,280 sqm relates to extensions or renewals of existing contracts. The economic occupancy rate in the investment portfolio is around 87% (2022: 82%).

Investments

In 2023, the company invested €1,267K in its asset portfolio (€504K in 2022).

Disposals

No properties of CA Immobilien Anlagen AG were sold in the 2023 financial year.

RESULTS

KEY FIGURES FROM THE INCOME STATEMENT

CA Immo recorded a 4% increase in **rental income** to €15,311K in 2023 (€14,694K in 2022). Operating expenses passed on to tenants increased as well by 6% from €4,226K in 2022 to €4,462K in 2023. **Management revenue** for services provided to subsidiaries decreased by –35% year-on-year to €8,798K (€13,615K in 2022). As a result, this led to a –11% decrease in **gross revenues** to €29,466K (€33,283K in 2022), distributed as follows: Austria 76%, Germany 8% and 16% in CEE.

Other operating income decreased by –86% to €1,762K (€12,336K in 2022). In 2022, income of €369K was generated from the sale of the property Handelskai 388 in Vienna. In 2023 write-ups were made to tangible assets in the amount of €298K (2022: €0K). Income from the reversal of provisions amounted to €198K (€357K in 2022) and mainly relates to provisions for legal advice and other consulting costs. The other operating income of €1,196K (2022: €1,411K) resulted from cost transfers, insurance proceeds and the reversal of deferred income from public grants.

Personnel expenses increased by 16% from €14,973K in 2022 to €17,303K in 2023. In 2023, the company employed 67 staff members on average (76 staff members in 2022).

Depreciation on intangible fixed assets and tangible fixed assets totalled €–6,674K (€–7,222K in 2022). In the financial year 2023 impairment losses of €66K (2022: €0K) were recognised on real estate.

Other operating expenditures totalled €–18,547K (€–16,746K in 2022). Of this, an amount of €–463K was attributable to tax expense. The prior-year comparative amounted to €–705K. Other expenses directly related to properties stood at €–6,761K (€–5,992K in 2022). An amount of €–11,322K (€–10,049K in 2022) 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 negative **operating result** of €–11,296K compared to €6,678K in the previous year.

The company received **income from investments** totalling €623,249K (€28,184K in 2022) via subsidiary dividend distributions. This item was offset by expenses linked to financial assets (write-downs on equity holdings) of €–186,987K compared to €–5,765K in 2022, of which €178,869K due to dividend distributions (€0K in 2022).

Income of €5,773K (€8,420K in 2022) was generated from loans granted to subsidiaries. The item **other interest and similar income** stood at €4,257K (compared to €3,816K in 2022).

Income from the disposal and revaluation of financial investments amounted to €1,133K (€15,065K in 2022) and include write-ups on investments in affiliated companies amounting to €620K (€1,330K in 2022).

Interest expense decreased in total by –2% to €–26,351K (€–26,853K in 2022). Interest for bank loans or **real estate financing** declined by 91% to €–3,635K (€–1,905K in 2022). The costs and commitment interest for other bank financing and promissory loans amounted to €0K (€0K in 2022). Expenses for derivative transactions fell to €0K (€–822K in 2022). Interest costs in respect of affiliated companies increased from €–302K in 2022 to €–2,630K in 2023. The largest amount, totalling €–16,137K, are concern interest costs for bonds; last year, this figure stood at €–19,498K.

Due to the factors outlined above, the **financial result** increased by 1,741% to €421,074K (€22,867K in 2022). **Earnings before taxes** stood at €409,778K (against €29,545K in 2022). After taking into account **taxes on income** of €11,199K (€1,843K in 2022), the annual **net profit** as at 31 December 2023 stands at €420,977K, compared to €31,388K on 31 December 2022 (+1,241%). After taking into account the allocation to reserve from retained earnings in connection with the buyback of treasury shares of €–50,963K (2022: €32,447K) and the profit carried forward from the previous year in the amount of €90,559K (€440,139K in 2022) the annual financial statements of CA Immobilien Anlagen AG show a **net profit** of €460,572K (€439,080K in 2022).

Proposed dividend for 2023

For the 2023 financial year, the Executive Board proposes a dividend of €0.80 per share entitled to dividend. Based on the closing price on 31 December 2023 (€32.45), the dividend yield is around 2.5%. The proposal for the appropriation of profits reflects the current assessment of the Executive Board and the Supervisory Board.

Cash-flow

In the year under review, cash-flow from operating activities (operating cash-flow plus changes in net working capital) stood at €543,503K (€12,344K in 2022). Cash-flow from investment activities was €58.843K (€221.812K in 2022) and cash-flow from financing activities was €–679.819K (€–227.871K in 2022).

BALANCE SHEET ANALYSES

Assets

CA Immobilien Anlagen AG's **total assets** declined year-on-year from €3,840,001K as at 31 December 2022 to €3,582,264K as at 31 December 2023.

Fixed assets decreased from €3,535,458K as at 31 December 2022 to €3,270,956K on 31 December 2023. Fixed assets accounted for 91% of total assets on 31 December 2023 (92% on 31.12.2022). Intangible assets, which solely comprise EDP software, decreased to €111K (€315K on 31.12.2022). The company's **property assets** at the balance sheet date comprised a total of six properties in Austria with a book value of €174,972K (€179,517K on 31.12.2022). **Tangible fixed assets** recorded a decrease of –3% totalled €175,509K (€180,239K on 31.12.2022). In 2023, like in the previous year, no impairment losses and no write-ups were recognized on property, plant and equipment.

Financial assets decreased by –8% to €3,095,336K (€3,354,904K on 31.12.2022). As of the balance sheet date, the book value of investments in affiliated companies stood at €3,004,939K (€3,175,900K on 31.12.2022). The additions result from shareholder contributions. The disposals mainly result from the termination/liquidation of 2 companies and capital repayments.

Current assets showed a increase by 3% from €296,827K as at 31 December 2022 to €305,493K on 31 December 2023. **Receivables** recorded an increase of 1,991% to €90,466K (€4,326K on 31.12.2022). On 31 December 2023, the company has **cash and cash equivalents** of €215,027K (€292,501K on 31.12.2022).

Liabilities

As at the balance sheet date **shareholders' equity** increased to €2,233,760K (€2,212,268K on 31.12.2022). The equity ratio on the key date was approximately 62% (58% on 31.12.2022). Equity covered 68% of fixed assets (63% on 31.12.2022).

Provisions amounted to €13,198K (€13,341 K on 31.12.2022). An amount of €8,4467K was recognized for bonus payments (€8,435K on 31.12.2022).

Liabilities declined from €1,609,944K at the end of 2022 to €1,331,194K as at 31 December 2023. The proportion of unsecured financing at the Group parent company level has significanctly grown since the company was rated investment grade in 2015. Four 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 €1,175,000K (€1,291,621K on 31.12.2022).

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 €135,897K (€153,788K on 31.12.2022).

DEVELOPMENT OF SHAREHOLDERS' EQUITY

€1,000	31.12.2022	Change Treasury share reserve	Dividend payments	Annual result	Addition to reserves	31.12.2023
Share capital	724,354	–13,956	0	0	0	710,398
Tied capital reserves	998,959	0	0	0	0	998,959
Retained Earnings	49,875	13,956	0	0	0	63,831
Net profit	439,080	0	–348,521	420,977	–50,963	460,572
Total equity	2,212,268	0	–348,521	420,977	–50,963	2,233,760

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 key financial performance indicator is **total shareholder return (TSR)**. It indicates the gross return that an investor/shareholder earns when he buys a share and holds it for a certain period of time. It is therefore made up of the price gains/losses plus dividends paid out in the period between buying and selling a share.

Another important 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. Based on the negative consolidated result, RoE 2023 is in negative territory and therefore 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).

Other quantitative factors used to measure and manage our shareholders' long-term return include NAV per share growth, 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 occupancy rate (by sqm) of CA Immobilien Anlagen AG in the portfolio remained at around 89% (around 89% as at 31 December 2022). Further information can be found in the section on investment properties.

– **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 11% as at 31 December 2023 (31 December 2022: 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 amounted to 4.7 years at CA Immobilien Anlagen AG as at 31 December 2023 (31 December 2022: 4.4 years).

– **Location quality and infrastructure** are decisive for the marketability of the properties. The majority of the Group's office stock is located in central business locations (CBD) 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 (additional information can be found in the ESG report).

- **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_2 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".

ENVIRONMENT AND SOCIAL ASPECTS

CA Immo is an investor, developer and long-term owner of high-quality office buildings. Our strategic business model is geared towards sustainable value creation, taking account of ecological, economic, social and legal dimensions. This goes hand in hand with the aim of meeting the diverse interests and needs of CA Immo's stakeholders in a targeted and responsible manner, thereby securing the company's long-term competitiveness. With this in mind, we evaluate and manage the requirements of our stakeholders and 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 of CA Immo's business activities

To define and manage our strategic sustainability activities, we evaluated the actual and potential negative and positive impacts of our business activities on the environment, society and the economy across the entire value chain, as well as the risks and opportunities that could influence the company's future cash flows, development and position in the short, medium and long-term. The following direct (own activities) and indirect (value chain) material impacts as well as risks and opportunities were identified.

In the area of Environment:

- Ensuring energy efficiency and reducing CO2 emissions, avoiding waste generation, resource consumption and circular economy principles over the entire life cycle of the buildings
- Prevention of environmental pollution
- Environmentally friendly procurement and consideration of environmental and social criteria in the supply chain
- Protection of biodiversity in our development projects, avoidance of soil sealing
- Sustainable product definition for neighbourhood developments and new construction projects

In the area of Social and Governance:

- Ensuring social standards in neighbourhood and investment properties under development (product definition, e.g. social infrastructure, affordable housing), responding to social change
- Ensuring health and safety for tenants, contractors and own employees in building operations and on construction sites
- Working conditions and income effects of own and external employees (contractors), employee rights, human resource development and retention
- Social commitment
- Independent and responsible corporate governance, compliance with socially and environmentally relevant requirements, observance of human rights, prevention of corruption and bribery, reputational risk, cybersecurity risk.

CA Immo climate risks and opportunities

Analysing the specific climate risks and opportunities 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 valued annually by the responsible specialist departments as part of the Group-wide risk catalogue. Risk-minimising measures are derived accordingly (risk profiles). If the valuations reveal the need for additional measures or strategy changes, these are subsequently implemented accordingly by the responsible departments. CA Immo adopts a proactive approach to ensure that any risks are minimised through early countermeasures and that the company can respond to any changes in good time. 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 create positive impetus and set responsible standards within its sphere of influence. Our strategic focus here is on the areas of well-being, health and safety, employee development, diversity, impact on communities and social aspects of a sustainable supply chain and urban neighbourhood development.

Further information on the topic of "Environment and social issues" can be found in the Group management report (chapter "ESG report").

Employees

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

As an employer, CA Immo has been anchored locally in its markets for many years and employs almost exclusively local staff in its international branches. CA Immo generally employs staff on permanent, full-time contracts. CA Immo supports the work-life balance and compatibility of career and family at different stages of employees' lives through flexible working time 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 agreed in cooperation with the Austrian Works Council as part of works agreements. Information on diversity, equality and inclusion as well as employee rights can be found in the Group management report (section "ESG report")

OVERVIEW OF EMPLOYEES OF THE CA IMMO GROUP BY SEGMENT[1)]

						Number of employees	Share Women	Entries / Exits	New hires[3)]	Fluctuation[4)]
	31.12.2023 HC	**31.12.2022 HC**	**Change in %**	**31.12.2023 FTE**	**31.12.2022 FTE**	**2023 Ø HC**	**31.12.2023 in %**	**2023**	**2023 in %**	**2023 in %**
Austria	80	85	-6	65,4	72,4	82,7	60	11/16	13	19
Germany/Switzerland[2)]	209	235	-11	189,3	215,4	217,6	42	11/37	5	17
CEE	59	72	-18	52,8	58,7	62,0	69	1/14	2	23
Total	**348**	**392**	**-11**	**307,4**	**346,4**	**362,3**	**51**	**23/67**	**6**	**18,5**

1) Headcounts (HC), of which around 44 part-time employees (PTE), incl. 23 employees on leave; excl. 24 employees of joint venture companies; the calculations for this table are based on the GRI guidelines (GRI 401-1). Full Time Equivalents (FTE)
2) At the end of 2023, the branch of the wholly owned CA Immo construction subsidiary omniCon in Basel employed 7 local staff
3) New hires: Entries 2023/ average number of employees 2023 (Headcount)
4) Fluctuation: staff leaving in 2023 / average number of employees in 2023 (Headcount)

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

SHARE CAPITAL & SHAREHOLDER STRUCTURE

The share capital of CA Immobilien Anlagen AG amounts to €774,229,017.02 on the balance sheet date, divided into four registered shares and 106,496,422 ordinary bearer shares with a pro rata amount of the capital stock of €7.27 each. The bearer shares are listed on the Prime Market of the Vienna Stock Exchange (ISIN: AT0000641352).

With a stake of around 59.8% as of December 31, 2023 (63,719,269 bearer shares and four registered shares), SOF-11Klimt CAI S.à r.l., Luxembourg, a company managed by Starwood Capital Group, is CA Immo's largest shareholder. Starwood is a private investment firm with a primary focus on global real estate. The remaining outstanding shares in CA Immo are in the free float of institutional and private investors, each of whom holds a stake of less than the legally required 4% threshold. On the basis of the most recent notification of shareholdings as at the reporting date, Mr. Klaus Umek personally and via Petrus Advisers Investments Fund L.P. and other companies controlled by him directly and indirectly holds 2.4% of the share capital of CA Immo as well as call options exercisable at any time on a further 5.21% of the share capital, giving a total potential shareholding of 7.61%.[1] Further information on the structure of the shares and shareholder rights can be found in the corporate governance report.

CAPITAL DISCLOSURES

At the 36th Annual General Meeting on 4May 2023, the Management Board was authorized, with the approval of the Supervisory Board, to increase the capital stock (also in several tranches and with the possible exclusion of subscription rights) by up to €154,845,809.22 (around 20% of the current capital stock) by issuing up to 21,299,286 no-par value bearer shares in return for cash or non-cash contributions.

At the same Annual General Meeting, the Management Board was authorized, with the approval of the Supervisory Board, to issue convertible bonds up to a total nominal amount of €653,621,839.12 until 3May 2028 at the latest, with which conversion and/or subscription rights to up to 21,299.286 bearer shares in the company with a pro rata amount of the capital stock of up to €154,845,809.22 (contingent capital 2023), also in several tranches, and to determine all other conditions, the issue and the conversion procedure for the convertible bonds. The convertible bonds can be issued against cash contributions and also against contributions in kind. Shareholders' subscription rights have been excluded (direct exclusion). Convertible bonds may only be issued in accordance with this authorization if the sum of the new shares for which conversion and/or subscription rights are granted with such convertible bonds does not exceed 20% of the company's capital stock at the time this authorization is granted.

As at 31 December 2023, there is unused authorized capital of €154,845,809.22, which can be utilized until 27 September 2028 at the latest, as well as conditional capital of €154,845,809.22 to service convertible bonds, which can be issued in the future on the basis of the authorization of the Annual General Meeting on 4May 2023 (conditional capital 2023).

SHARE BUYBACK

At the 34th Annual General Meeting on 6May 2021, the Management Board was authorized in accordance with Section 65 para. 1 no. 8 and para. 1a and para. 1b Austrian Stock Corporation Act (AktG) for a period of 30months from the date of the resolution, i.e. until 5 November 2023 at the latest, to acquire treasury shares in the company to the maximum extent permitted by law with the approval of the Supervisory Board. The consideration to be paid for the repurchase may not be lower than 30% below and not higher than 10% above the average, unweighted closing price on the stock exchange on the ten trading days preceding the repurchase. The Board of Directors must determine the other buyback conditions, whereby the acquisition may be carried out via the stock exchange, by means of a public offer or in another legally permissible and appropriate manner, i.e. also off-market and/or by individual shareholders and excluding the right to tender shares on a pro rata basis (reverse subscription right). The authorization may be exercised in whole or in part or in several partial amounts and in pursuit of one or more purposes by the company, its affiliated companies (Section 189a no. 8 Austrian Commercial Code (UGB)) or for their account by third parties. The repeated exercise of this authorization is also permitted.

[1] These shareholdings reported as at the reporting date of December 31, 2023 are no longer current at the time of publication of the annual results. With a shareholding notification published on 22.02.2024, Mr. Klaus Umek now holds call options exercisable at any time on 9.02% of the share capital via the company Petrus Advisers Investments Fund L.P. Mr. Klaus Umek also holds personally and via the company Petrus Advisers Investments Fund L.P. directly and indirectly 1.22% of the share capital of CA Immo, so that he could hold a total of 10.24% of the share capital of CA Immo if all call options are exercised.

The Management Board was also authorized, with the approval of the Supervisory Board, to resell the acquired treasury shares in any legally permissible manner without a further resolution by the Annual General Meeting and to determine the conditions of sale or to withdraw the treasury shares.

On 19 December 2022, the Management Board resolved to carry out a further buyback program for treasury shares on the basis of the authorization resolution of the 34th Annual General Meeting on 6May 2021 in accordance with Section 65 para. 1 no. 8 Austrian Stock Corporation Act (AktG) following a buyback program that ended on 19 October 2022.

At the 36th Annual General Meeting on 4May 2023, the Management Board was authorized in accordance with Section 65 para. 1 no. 8 and para. 1a and para. 1b Austrian Stock Corporation Act (AktG) for a period of 30months from the date of the resolution, i.e. until 3 November 2025 at the latest, to acquire treasury shares in the company to the maximum extent permitted by law with the approval of the Supervisory Board. The consideration to be paid for the repurchase may not be lower than 30% below and not higher than 10% above the average, unweighted closing price on the stock exchange on the ten trading days preceding the repurchase. The Board of Directors must determine the other buyback conditions, whereby the acquisition may be carried out via the stock exchange, by means of a public offer or in another legally permissible and appropriate manner, i.e. also off-market and/or by individual shareholders and excluding the right to tender shares on a pro rata basis (reverse subscription right). The authorization may be exercised in whole or in part or in several partial amounts and in pursuit of one or more purposes by the company, its affiliated companies (Section 189a no. 8 Austrian Commercial Code (UGB)) or for their account by third parties. The repeated exercise of this authorization is also permitted. The Management Board was also authorized, with the approval of the Supervisory Board, to resell the acquired treasury shares in any legally permissible manner without a further resolution by the Annual General Meeting and to determine the conditions of sale or to withdraw the treasury shares.

With regard to the resolution of the Annual General Meeting on 4May 2023, the share buyback program resolved on 19 December 2022 was continued on the basis of this resolution. The resolution of the Annual General Meeting on 4May 2023 replaced the resolution of the Annual General Meeting on 6May 2021, on the basis of which the buyback program was originally launched.

A total of 2,000,000 bearer shares (ISIN AT0000641352), corresponding to around 1.88% of the capital stock, were acquired between 23 December 2022 and 31 August 2023, the date on which the share buy-back program ended. The highest consideration paid per share acquired was €30.60, while the lowest consideration paid per share acquired was €23.25. The weighted average consideration paid per share acquired was €26.54 and the total value of the shares acquired amounted to €53,082,491.93.

A total of 1,919,636 treasury shares were acquired in 2023. As at 31.12.2023, CA Immo therefore held 8,780,037 treasury shares, corresponding to around 8.24% of the total number of voting shares issued. Details of the transactions carried out as part of the share buyback programs and any changes to the current share buyback program are published on the company's website (www.caimmo.com/share-buyback).

INFORMATION ON THE MANAGEMENT AND SUPERVISORY BOARDS

In accordance with the Articles of Association, the Management Board of CA Immo consists of one, two or three persons. The age limit for Management Board members is set in the Articles of Association at the age of 65. The duration of the last term of office as a Management Board member ends at the end of the Ordinary General Meeting following the 65th birthday. The Supervisory Board consists of a minimum of three and a maximum of twelve members. Supervisory Board members delegated by means of registered shares can be removed at any time by the persons entitled to delegate them and replaced by others. The provisions of the Articles of Association regarding the duration of the term of office and the election of replacements do not apply to them. The remaining Supervisory Board members are elected by the Annual General Meeting. The age limit for Supervisory Board members is set in the Articles of Association at the age of 70. Supervisory Board members leave the Supervisory Board at the end of the Annual General Meeting following their 70th birthday. The Annual General Meeting decides on the removal of members of the Supervisory Board with a majority of at least three quarters of the votes cast (Article 21 of the Articles of Association).

"CHANGE OF CONTROL" CLAUSES

As a result of the remuneration policy for the Management Board and Supervisory Board, which was also newly adopted in 2023, the new Management Board contracts concluded in the financial year 2023 contain commitments for benefits due to a change of control ("change of control" provisions) as part of the LTI program. The details are set out in section 2.3.2. of the remuneration policy, which can be accessed online (www.caimmo.com/en/remuneration).

COMMITMENT TO COMPLIANCE WITH THE AUSTRIAN CORPORATE GOVERNANCE CODE

Compliance with the legal provisions applicable on the target markets of CA Immo is a matter of particular concern to us. The Management Board and Supervisory Board are committed to compliance with the Austrian Corporate Governance Code and thus to transparency and the principles of good corporate management. The Austrian Corporate Governance Code is available on the website of the Austrian Working Group for Corporate Governance at www.corporate-governance.at. The rules and recommendations of the Austrian Corporate Governance Code in the version applicable for the 2023 financial year (from January 2023) are implemented almost without restriction. There are deviations with regard to C-Rules No. 2 (right of appointment to the Supervisory Board) and No. 45 (board functions in competitior companies). The evaluation of the C-Rules of the Austrian Code of Corporate Governance for the financial year 2023 carried out by Ernst & Young Wirtschafts-prüfungsgesellschaft m. b. H. found that the declaration of conformity issued by CA Immo accurately reflects the implementation of the recommendations of the Austrian Code of Corporate Governance. The Corporate Governance Report is also available on the company's website (www.caimmo.com/en/cg).

OUTLOOK

ANTICIPATED DEVELOPMENTS AND MAIN OPPORTUNITIES AND THREATS

The weakening of real estate investment markets and declining property values as a result of high inflation and the rapid rise of interest rates presents challenges to the industry as a whole. We continue to operate in an uncertain market environment, with still more or less illiquid transaction markets, longer decision-making lead times, and shifting preferences across occupiers, investors, and lenders, all impacting the performance of our, and our competitors, businesses. At the same time, prime office assets in central locations have shown a comparatively stable performance in recent months, with a significantly lower increase in vacancies and continued prime rental growth in almost all of our markets. In addition, the current sharp reduction in new construction activity is expected to have a positive impact on future demand for prime office assets in good locations and create opportunities for premium office landlords in the coming years.

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 2023, we were able to add a high-quality office building in Berlin to our investment portfolio with the successful completion of the Hochhaus am Europaplatz project (total investment volume of around €143m). The upbeat development project in Berlin (total investment volume of around €335m and planned completion in 2026), which has been under construction since 2021, is 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 2024 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.

For the 2023 financial year, the Executive Board proposes a dividend of €0.80 per share entitled to dividend. Based on the closing price on 31 December 2023 (€32.45), the dividend yield is around 2.5%. The proposal for the appropriation of profits reflects the current assessment of the Executive Board and the Supervisory Board.

Financial target 2024

The annual target for the recurring result (FFO I) is expected to be announced latest as part of the 1H reporting in August 2024.

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.

CA Immo also actively participates in relevant platforms for the real estate sector (for details on our memberships, please see the ESG report).

RISK MANAGEMENT REPORT

RISK MANAGEMENT AT CA IMMO

Successful management of existing and emerging risks is crucial to the sustainable economic success of CA Immo and the achievement of strategic goals. In order to exploit existing market opportunities and harness the potential for success they offer, risks must also be borne to an appropriate extent. Risk management and the internal control system (ICS) therefore form an integral part of the Group's corporate governance, which is understood as a principle of responsible corporate 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 our business success. Compliance with established principles of corporate governance and our value management (Code of Ethics, Code of Conduct) is therefore a matter of course. For CA Immo, risk culture means creating risk awareness and consciously addressing risks in day-to-day business – both for management and for each individual employee.

– Risk strategy: The risk strategy describes the handling of risks resulting from the corporate strategy and business model of CA Immo. It sets out the framework for the type, extent and appropriateness of risks and thus reflects the company's own definition of a 'sensible' approach to risk.

Strategic alignment and risk tolerance

The Management Board, with the involvement of the Supervisory Board, determines the strategic orientation of the CA Immo Group and the nature and extent of the risks that the Group is prepared to assume in order to achieve its strategic goals. 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 has been set up with representatives from all divisions and the Chief Financial Officer, which meets quarterly or, if necessary, in special meetings. The aim of this committee is to additionally establish a regular, cross-functional valuation of the Group's risk situation, including the initiation of any necessary measures. This is intended to ensure that the company's orientation is optimized against the background of available alternatives.

Identification of risks and valuation

At CA Immo, the opportunity/risk situation is assessed on a quarterly basis by the risk committee and every six months as part of reports prepared on the basis of the risk committee's findings, among other things. Risk evaluation takes place both at individual property and project level and at (sub)portfolio level. Early warning indicators such as rental forecasts, vacancy analyses, continuous monitoring of lease terms and termination options as well as continuous monitoring of construction costs for project realizations are included. Scenarios relating to the value development of the real estate 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 capital expenditure.

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 a year. Measures and controls already implemented are taken into account in order to determine the net risk. This data serves the Management Board as a basis for determining the level and type of risk it deems acceptable in the pursuit of strategic goals. Once the Executive Board has approved the strategy, it is incorporated into the Group's three-year plan 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 these guidelines is continuously monitored and documented by means of control and management processes. Risk management is implemented on a binding basis at all levels of the company. The Management Board is involved in all risk-related decisions, takes risk-related aspects into account in its decisions and bears overall responsibility. Decisions are made at all levels in accordance with the principle of dual control. As an independent department, Internal Audit audits the operational and business processes; external experts are consulted if necessary. It is not bound by instructions when reporting and evaluating the audit results.

Evaluation of the functionality of risk management

The effectiveness of risk management is assessed annually by the Group auditor in accordance with the requirements of C-Rule 83 of the Austrian Code of Corporate Governance. The results are reported to the Management Board and the Audit Committee.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM (ICS)

CA Immo's internal control system encompasses all principles, procedures and measures designed to ensure the effectiveness, efficiency and propriety of accounting and compliance with the relevant legal provisions 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 that they are corrected at an early stage. Transparent documentation enables the processes for accounting, financial reporting and auditing activities to be presented. All operational areas are integrated into the accounting process. Responsibility for implementing and monitoring the ICS lies with the relevant 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 Group Internal Audit and the efficiency of the business processes is continuously evaluated. The results of the audit are reported to the respective management, the CA Immo Management Board as a whole and the audit committee at least once a year.

INVESTMENT PROPERTY RISKS

Risks arising from the market environment and portfolio composition (portfolio risk)

The economic success of CA Immo depends in part on the development of the real estate markets relevant to the Group. Key factors influencing economic development include the global economic situation as a whole, rental price trends, the rate of inflation, the level of national debt and interest rates. In the office real estate segment, factors such as economic growth, industrial activity, the unemployment rate, consumer confidence and other elements relevant to economic development also play a key role. All of these factors are outside the company's sphere of influence. They could have a negative impact on the entire European economy and thus also on economically strong nations such as Germany and Austria 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 properties, which in turn could affect the occupancy rate, property values or the liquidity of properties. Economic instability and limited access to debt and equity financing can lead to possible defaults by business partners and a general slowdown in market activity. If the real estate investment market lacks liquidity, there is a risk that it may not be possible to sell individual properties or only at unattractive conditions.

In addition to the development of general economic conditions and, in particular, rental prices, the value of properties is also dependent on initial yields in the real estate industry. The commercial real estate markets continue to be affected by a global economic downturn, which was originally triggered by the Covid-19 pandemic and has been prolonged, expanded and intensified by the Russian invasion of Ukraine, the trade dispute between China and the United States and, most recently, the conflict in the Middle East. The entire Group could be significantly impacted by these macroeconomic developments. Any such negative change in these or similar factors relating to the economic situation may lead to a decline in demand for both the Group's properties for sale and those let, thereby adversely affecting the Group's letting levels or the liquidity of the Group's properties. Due to the current uncertain macroeconomic situation in Europe, it is possible that the real estate market in the countries in which the Group operates will continue to develop unfavorably for the Group. This could result in rental income falling or being lower than expected or the occupancy rate of the Group's properties being lower than expected. The 2023 financial year was characterized by a further increase in the general interest rate level, which led to a further increase in property yields and a decline in **property values**. Depending on further market and interest rate developments, rising capital costs may also necessitate additional value adjustments at CA Immo level.

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 2023, the values for the property assets as at the reporting date of December 31, 2023 were adjusted on the basis of binding purchase agreements and external valuations. Taking into account the current exceptional market conditions and the current low level of transactions, a higher degree of caution than usual must continue to be applied to property valuations. Further information on the changes in fair values can be found in the "Property valuation" section.

CA Immo counters market risk through broad diversification across various countries. CA Immo counters **country risk** by concentrating on strategic core markets with local branches and its own employees on the ground, and by adjusting regional allocation within the core markets. The focus here is on cities that exhibit long-term structural trends such as increasing urbanization, 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 and targeted portfolio management as part of strategic decisions (e.g. definition 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 currently operates 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 its own portfolio. It also develops land and, to a lesser extent, construction projects with other types of use such as residential, which are generally sold following successful development or completion.

Individual investments should not permanently exceed 5% of total property assets. Exceptions are possible subject to approval (e.g. the ONE building in Frankfurt). As at the balance sheet date, only the existing Skygarden building in Munich and ONE in Frankfurt fall into this category. Overall, the portfolio shows a high degree of diversification: The Group's top 10 investment properties represent around 41% of the entire portfolio. The concentration risk in relation to **individual tenants** is also manageable: as at December 31, 2023, 27,6% of rental income was generated by ten top tenants. With a share of around 6% of total rental income, KPMG followed by PricewaterhouseCoopers with 3,4% were the largest single tenants in the portfolio. In general, no more than 5% of total annual rental income should be attributable to single tenants over a longer period of time, although tenants with excellent credit ratings (AAA/AA) may be an exception. The following applies to **single-tenant buildings**: such scenarios should be avoided unless the tenant's credit rating is classified as excellent (AAA/AA). Single-tenant scenarios are defined as cases in which more than 75% of the annual rental income (individual property level) is attributable to a single tenant. In principle, rental income from single-tenant properties may not exceed 20% of 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 portfolio of several properties with a fair value of more than €100million in the same city, the sector mix of tenants, the identity of contractual partners, suppliers or lenders, etc., which cannot be effectively measured or limited in quantitative terms, are subject to regular review.

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 favorable terms and to find suitable creditworthy tenants or retain them on a long-term basis, this impairs the earning power and fair value of the properties concerned. The creditworthiness of a tenant, especially during an economic downturn, can fall in the short or medium term, which can 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 markets continued to experience a challenging operating environment due to the current economic conditions and the effects of the Russia/Ukraine conflict, characterized in particular by a significant slowdown in transaction activity. If there is also a significant slowdown in letting activity, longer marketing and vacancy periods for units that have not been let can also be expected in the future. As demand for office space is primarily dependent on macroeconomic developments, it remains to be seen how office space turnover will develop in the 2024 financial year. This is particularly relevant for Germany, where the majority of CA Immo's existing portfolio is located and for which the majority of economists forecast extremely weak GDP growth in 2024. Although the trend towards flexible or hybrid working ("work-from-home") has now become established, it remains unclear how this trend will affect 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 have an even greater impact on the office market in the future.

CA Immo counters the risk of rent defaults by analyzing the property portfolio, tenant structure and cash flow, among other things, and carries out various analysis scenarios to assess the risks. A case-by-case assessment is always required here. Thanks to targeted monitoring and proactive measures (e.g. requiring security deposits, checking tenants for creditworthiness and reputation), the Group's **rent default risk** has remained at a low level despite the recent negative impact of the pandemic on individual tenants. All outstanding receivables are valued on a quarterly basis and adjusted according to their risk content. A default risk was adequately taken into account in the recognition of the property value. By far the majority of the Group's rental agreements contain value protection clauses, mostly with reference to the country-specific consumer price index. As a result, the amount of income from such rental agreements and from new rentals is heavily dependent on inflation (**value protection risk**).

In the letting market, **competition** for well-known tenants has become even more intense in the 2023 financial year; rents are under pressure in many markets. CA Immo may be forced to accept lower rents in order to remain attractive to tenants. In addition, misjudgements about the attractiveness of a **location** or its potential **use** could make letting more difficult or severely impair the desired rental conditions.

To a lesser extent, the Group's portfolio also includes **other asset classes** such as shopping centers and hotels, the operation of which is associated with its own risks. Poor management of the building or its tenants, falling visitor numbers and the increasingly 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, its earnings position is influenced by the quality of external hotel management and developments on the hotel markets.

RISKS ASSOCIATED WITH DEVELOPMENTS

Real estate development projects typically only incur costs in the initial phase. Income is only generated in later project phases. Development projects can often involve **cost overruns** and **delays** in completion, frequently caused by factors outside the control of CA Immo. This can impair the commercial 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.

The Group's development projects are generally associated with numerous risks, some of which are exacerbated by the current inflationary environment. Developments may take longer than expected due to delays caused by various factors. These include a shortage of labor and suitable contractors and other general problems related to construction work, supply chain constraints or saturation of the construction industry, particularly in Germany, one of the Group's core markets, and even weather or environmental conditions. This could affect the (timely) availability of construction services. The construction industry has also recently experienced massive price increases for essentially all relevant construction materials, products and services.

Any such delay in the commencement or completion of construction work may result in local and regional authorities refusing to renew the Group's temporary or expired land use agreements or building permits for the Group's properties, and such authorities or third parties may assert repurchase rights or cancel existing land use agreements or building permits on the grounds that construction work was not completed by a specified date or that other material terms or provisions of land use agreements, building permits or purchase agreements have been breached.

CA Immo has taken a number of measures to manage these risks as far as possible (cost controls, variance analyses, multi-year liquidity planning, etc.). With few exceptions, projects are only launched 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 rentable areas with foreseeable rising rents and low letting risk during the project phase). Such exceptions require explicit examination when obtaining project approval.

The recent high level of capacity utilization in the construction industry poses risks for CA Immo in terms of the (timely) availability of construction work, construction prices and quality. This has recently been noticeable not only in Germany – the core market for investment properties under development - but in all of CA Immo's core regions. Despite pricing in project reserves, it cannot be ruled out that a further rise in **construction costs** could pose risks to budget compliance and overall project success. Despite defensive project costing, there is also a risk that current real estate yields will change and reduce the targeted project profit (developer profit). CA Immo is therefore also increasingly relying on appropriate market and cost analyses in the development sector. Particularly in the current market conditions, which have been tested by high inflation, high interest rates, supply bottlenecks and a general increase in market uncertainty and volatility, the addition of a higher uncertainty factor is unavoidable for investment properties under development with rising construction costs, supply and timing problems, fluctuating financing rates, uncertain marketing periods and a lack of current comparative values. Property values could therefore fluctuate much more than would be the case under normal circumstances.

CA Immo creates sustainable value through a comprehensive value chain ranging from letting and management to construction, planning and development of investment properties with strong competencies within the company. This reduces functional (performance) risks and maximizes opportunities along this value chain (developer profit). However, **land reserves** and **projects to create building rights** entail specific risks (e.g. approval risk) due to their high capital commitment without ongoing inflows, but at the same time offer considerable potential for value appreciation by obtaining or improving building rights. The risks are regularly reduced through the sale of non-strategic land reserves. On the remaining areas, land development is being driven forward rapidly using the company's own capacities. Overall, CA Immo strives for a balanced portfolio; on the basis of book values, this means around 85-90% high-yield investment properties and around 10-15% developments under construction, including land reserves. By far the largest project currently under construction, upbeat (scheduled for completion in Q1 2026) in Berlin, is 100% pre-let and is continuously evaluated in terms of cost risk. In recent quarters, a large number of projects have been successfully completed – in particular ONE in Frankfurt and, most recently, Hochhaus am Europaplatz at the end of Q3 2023 – which means that this risk can be regarded as significantly reduced due to the much smaller development pipeline and that CA Immo has improved its overall risk profile in this respect.

CA Immo also realizes investment properties under development 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 respective agreement, CA Immo may also be jointly and severally liable with its co-investors for costs, taxes or other third-party claims and may have to bear their credit risk or their share of costs, taxes or other liabilities in the event of default by its co-investors.

FINANCIAL RISKS

Risk of interest rate changes

Interest rates are highly dependent on external factors that are beyond CA Immo's control, such as fundamental monetary and fiscal policy, national and international economic and political developments, inflation factors, budget deficits, trade surpluses or deficits and regulatory requirements. The cost of servicing interest rates increases when the respective reference interest rate rises. Driven by several increases in the ECB's key interest rate to combat the sharp rise in inflation in the eurozone, there was an unexpectedly rapid rise in the 3-month Euribor from around -0.60% at the end of December 2021 to around 4% at the end of 2023. This economic climate had a negative impact on the real estate market and subsequently on the valuation of properties and deinvestment projects. Despite refraining from further increases between October 2023 and the end of the 2023 reporting year, further interest rate hikes by the ECB to combat high inflation cannot be ruled out, although most forecasts assume the first interest rate cuts to take place in 2024. The increased interest rate level has made it considerably more difficult to raise equity and debt capital on the capital market in the 2023 financial year, particularly in comparison to the financial years prior to 2022, meaning that growth aspects were or still are only partially feasible.

Market-related fluctuations in interest rates affect both the level of the financing rate and the fair value of interest rate hedges entered into. CA Immo relies on the use of domestic and foreign banks and the issue of corporate bonds for financing 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 being used to hedge against the threat of **interest rate changes** and the associated fluctuations in financing costs. However, such hedging transactions could turn out to be inefficient or unsuitable for achieving targets or lead to losses affecting the income statement. Furthermore, the **valuation of derivatives** could have a negative impact on earnings or shareholders'equity. The extent to which the Group makes use of derivative instruments depends on the assumptions and market expectations with regard to 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 **risk of interest rate changes** 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. At present, around 91% of the total financing volume is accounted for by fixed-interest financing (including in the form of corporate bonds) or financing secured by derivatives.

Capital market, liquidity, investment and refinancing risk

(Re)financing on the financial and capital markets is one of the most important measures for real estate companies. CA Immo requires debt in particular to refinance existing financial liabilities and to finance investment properties under development and acquisitions. As a result, it is dependent on the willingness of banks and the capital market to provide additional capital or to extend existing financing on reasonable terms. The market conditions for real estate 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, collateral required, etc.). This can significantly affect 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 must be taken into account at the level of individual subsidiaries, as access to cash and cash equivalents is restricted due to commitments on current projects or there is a need for liquidity in some cases to stabilize loans. There is also the risk that planned sales activities cannot be realized or can only be realized with a delay or below price expectations. Other risks include unforeseen **additional funding obligations** for project financing and breaches of covenants in the area of property financing or 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 take out refinancing on unfavorable terms.

CA Immo has fluctuating holdings of liquid funds, which it invests in line with 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), the company must also have an adequate equity base, solid interest cover and a sufficiently large pool of unencumbered properties.

CA Immo counters any risk with the continuous monitoring of covenant agreements and extensive liquidity planning and hedging. The financial impact of strategic objectives is also taken into account. To manage liquidity peaks, the Group also has a revolving credit facility (RCF) with a volume of €300m at the level of the parent company. This ensures that unforeseen liquidity requirements can also be met throughout the Group. This RCF is currently undrawn. In line with the investment horizon for properties, loans are generally concluded on a long-term basis. The basic rule is that 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 sources of (equity) capital procurement.

Despite careful planning, a liquidity risk cannot be ruled out due to the inability to draw down funds, particularly from joint venture partners. In addition, CA Immo Germany has a high capital commitment, which is typical for investment properties under development. The financing of all projects already under construction is secured. Additional financing is required for new projects to be launched.

Tax risks

All companies are generally 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 recognized. The extent to which deferred tax assets are to be recognized must also be determined.

Income from the sale of investments 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 still recognized in full for the property assets in accordance with IAS 12.

Significant assumptions must also be made as to the extent to which deductible temporary differences and loss carryforwards can be offset against taxable profits in the future and thus deferred tax assets can be recognized. Uncertainties exist regarding the amount and timing of future income and 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 competent tax authority is likely to accept the interpretation of the tax treatment of the transaction or not. On the basis of this assessment, the CA Immo Group recognizes the tax obligations in the event of uncertainty at the amount classified as most probable. However, uncertainties and complexities may result in future tax payments being significantly higher or lower than the obligations currently assessed as probable and recognized 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) statutory provisions on real estate transfer tax and the possible incurrence of real estate transfer tax in the case of direct and indirect changes of shareholders in German partnerships and corporations, (iii) the tax recognition of outsourcing of operating facilities, (iv) the allocation of trade income to several business premises or (v) the deduction of input tax on construction costs for development projects. The CA Immo Group takes every step to comply with all tax regulations. Nevertheless, there are circumstances - including those outside the sphere of influence of the CA Immo Group - such as changes in the structure of equity investments, changes in legislation or changes in interpretation by the tax authorities and courts, which may result in the aforementioned tax issues having to be treated differently than before and may therefore have an impact on the recognition of taxes in the consolidated financial statements.

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

With regard to the tax deductibility of service charges within the Group, CA Immo always endeavors to charge an arm's length price for internal services and to document this adequately in order to meet all legal requirements (transfer pricing documentation). However, there is also the possibility that the tax authorities may take a different view and come to their own conclusions 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

A possible reintroduction of national currencies by individual members of the eurozone would have serious consequences for the European economies and the already volatile financial markets. Ultimately, the exit of individual countries from the European Monetary Union could lead to a complete collapse of the monetary system.

CA Immo operates on a number of markets outside the eurozone and is therefore exposed to various currency risks. To the extent that rental payments on these markets are made in currencies other than the euro and are not fully adjusted to current exchange rates, changes in exchange rates may result in a **reduction in incoming payments.** If expenses and capital expenditure are not made in euros, exchange rate fluctuations can affect the **solvency** of Group companies and have a negative impact on the Group's results and earnings.

CA Immo counters any risk by generally hedging foreign currency inflows by pegging tenants to the euro, so there is currently no significant direct risk.

There is an indirect currency risk due to the fact that rents are linked to the **tenants'** economic **creditworthiness,** which could lead to payment bottlenecks or even rent defaults. However, incoming payments are predominantly made in local currency, which is why the available free liquidity (incoming rent less operating costs) is converted into euros immediately after receipt. This process is continuously monitored by the responsible country manager. There is no currency risk on the liabilities side. Currency risks from construction projects are hedged as required and on a case-by-case basis. This is based on the contract and rental agreement currency, the expected 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** already slumped in 2022 due to the significant change in the general conditions for real estate investments. Transaction activity on the real estate market was also extremely low in 2023. The risk of transactions being paused or even canceled due to problems with pricing, availability and financing costs remains high.

Sales may give rise to risks from contractual agreements and assurances that are based on a **guarantee** of certain rental cash flows that could subsequently reduce the agreed or received purchase prices. Sufficient provisions have been made in the balance sheet for known income risks from sales and any liquidity risk has been taken into account in liquidity planning. Contractual obligations in the form of subsequent costs (e.g. residual construction work) are recognized in corresponding project cost estimates.

OTHER RISKS

Operational and organizational risks

Weaknesses in the CA Immo Group's **structural and procedural organization** may lead to unexpected losses or result in additional expenditure. This risk may be based on inadequacies in **IT** and other **information systems**, human error and inadequate internal control procedures. Faulty program sequences and automated IT and information systems that do not take account of the business volume in terms of type and scope or are vulnerable to cybercrime (**IT and cyber risks**) pose a high operational risk. Human risk factors include a lack of understanding of the corporate strategy, a lack of internal risk controls (particularly business process controls), excessive decision-making authority at an individual level, which can lead to ill-considered actions, or too many decision-making bodies, which prevent a flexible response to market changes. Some property management and other administrative tasks are outsourced to external third parties. It is possible that know-how about the real estate under management and administrative processes is lost in the course of transferring administrative tasks, or that CA Immo is unable to identify and contractually bind suitable service providers within the required time frame.

The **expertise** of a company and its employees represents a significant competitive factor and is a unique selling point compared to the competition. The departure of employees in key functions therefore poses an acute risk of loss of expertise, which can usually only be compensated for with a high investment of company resources (money, time, recruitment of new staff) (**HR risk**).

CA Immo counters these risk factors with various measures: In the case of company mergers, attention is paid to structured processes for organizational integration. Process organization (system/process integration) is clearly anchored; continuous activities are undertaken to ensure the sustainability of operational processes. The Group structure is regularly scrutinized and checked to ensure that the prescribed structures take account of the size of the company. CA Immo prevents personnel know-how risks that may arise from the termination of central knowledge carriers through regular know-how transfer (training) and documentation of know-how (manuals, etc.) as well as forward-looking personnel planning.

Legal risks

The Group companies are involved in **legal disputes on both the** plaintiff and defendant side in the course of their ordinary business activities. These are conducted in different jurisdictions. The applicable law 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 considerable length of proceedings or other delays. CA Immo assumes that it has made adequate provisions for legal disputes. There are currently no pending or imminent court or arbitration proceedings that entail existential risks.

In spring 2020, CA Immo filed two claims for damages against the Republic of Austria and the State of Carinthia for a preliminary amount of €1.9 billion due to unlawful and culpably biased influencing of the best bidder procedure in the context of the privatization of the federal housing companies in 2004 ("**BUWOG**") and the unlawful non-award to CA Immo. In November 2023, one of these civil proceedings for the amount of €1m was dismissed by the competent civil court due to the statute of limitations; CA Immo's appeal against this judgment is pending. The second civil proceeding is suspended pending a final judgment in the first proceeding. The first-instance criminal judgments 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 biased actions to the detriment of CA Immo were taken in connection with the BUWOG privatization proceedings. An assessment of the impact of the criminal proceedings on the pending civil damages proceedings will only be possible once all appeal proceedings have been concluded with a legally binding criminal judgment.

Changes in **legal norms**, case law or administrative practice and their impact on economic results and operations are unpredictable and may have a negative effect on the value of properties or the cost structure of the CA Immo Group in particular. CA Immo takes numerous proactive measures to counter such legal risks. These include the regular valuation of historical and existing legal risks, the ongoing monitoring of legislative changes and changes in case law, the implementation of lessons learned in our business processes and continuous information and training measures.

ESG RISKS

Current developments on the capital market (e.g. EU Green Deal) and new legal requirements are creating pressure for companies to report more strongly than before on ESG risks resulting from their business activities. Environmental, social and governance aspects also play a key role in the real estate sector as a whole. Due to their high energy consumption, buildings are seen as one of the key factors for climate protection, which is why the focus is currently still primarily on environmental issues, but social and governance factors are also becoming increasingly relevant, for example as a result of the expected Corporate Sustainability Due Diligence Directive ("CSDDD").

Environmental risks

The use of energy in buildings for lighting, heating or cooling leads to direct or indirect CO_2 emissions. Building materials contain carbon, which is generated during their extraction, production, transportation and processing. As carbon is present in almost every phase of the construction and operation of buildings, companies should start implementing appropriate programmes to **decarbonize properties** in good time in order 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 targets** and the associated transition to a low-carbon, sustainable economy. In order to best meet the associated requirements and secure its long-term competitiveness, CA Immo is anchoring corresponding targets, measures, processes and systems in its strategic orientation (e.g. sustainability certifications, ESG ratings, reporting, green financing, etc.).

For CA Immo, improving **energy efficiency** in existing buildings and converting building operations to energy from renewable sources is a key factor in achieving **climate neutrality**. In this way, we are preventing higher energy consumption and the associated increase in operating costs. As the results of carbon efficiency depend to a large extent on decisions made in the planning phase, we pay attention to future environmental impact at a very early stage in our investment properties under development. Where possible, we focus on increasing the proportion of sustainable materials, paying attention to the CO_2 footprint of conventional materials and generating energy from renewable sources on site (solar panels, heat pumps, heating networks, etc.). Our procurement process also ensures that the high ecological requirements are met in accordance with the respective certification standard for the planned building. We require our construction service providers to comply with certification standards at least in accordance with 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 both actual and latent obligations to remediate contaminated real estate. Compliance with these regulations may entail considerable capital expenditure 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** towards 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 minimize risk, CA Immo also includes these aspects in its due diligence prior to every purchase. The seller is required to provide appropriate guarantees. Where possible, the CA Immo Group uses environmentally friendly materials and energy-saving technologies. CA Immo takes account of the precautionary ecological principle by carrying out investment properties under development and (re-)developments exclusively on the basis of certification.

Social risks

In the social area, our strategic focus is on the following topics in particular: Wellbeing, health and safety, employee empowerment, diversity, community impact and social aspects of a sustainable supply chain and urban neighborhood development. In the case of construction services, CA Immo obliges and monitors its contractors to comply with statutory regulations on occupational health and safety, workplace and working time regulations and collective bargaining agreements, for example.

Information on the material social risks for CA Immo employees, tenants and on CA Immo construction sites can be found in the ESG report.

Governance risks

§ For CA Immo, exemplary corporate governance represents an opportunity for long-term value enhancement. Conversely, failure to observe governance and compliance standards entails high risks ranging 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 granting 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 stance against any form of unequal treatment, human rights violations, organized crime (e.g. fraud, extortion, bribery and corruption), money laundering or the financing of terrorism. By contrast, we aim to promote integrity and diversity at all levels.

The **risk of corruption** is taken into account, for example, by the Code of Conduct ("Zero Tolerance") and the associated Guideline on Gifts and Donations. Employees are required to report any suspicions internally. In addition, employees and external third parties have the option of reporting suspected misconduct anonymously via the electronic **whistleblowing system** set up by CA Immo on the company website (www.caimmo.com/en/whistleblower). The Supervisory Board is informed of measures taken to combat corruption at least once a year. Matters relevant to corruption are audited on the basis of the audit plan approved by the audit committee or on the basis of special audit mandates from the Management Board, audit committee or full Supervisory Board. All operating Group companies are regularly audited for corruption risks.

To reduce the **risk of money laundering and prevent the financing of terrorism**, relevant processes are firmly established within the company and are continuously monitored by the Corporate Office & Compliance department. In the 2023 financial year, the company's KYC questionnaires were comprehensively evaluated and adapted in line with the national requirements of various jurisdictions as part of money laundering prevention and the business departments concerned were informed of the latest developments as part of a special training course.

We require our **contractors and suppliers (providers)** to recognize and comply with our core values and the governance, social and environmental standards we have defined as early as the tendering process. CA Immo examines its business partners - and construction companies in particular - not only in terms of their professional qualifications and economic situation, but also with regard to social aspects. As part of a **third-party compliance** review, questionnaires and the use of company and risk databases for undesirable media, sanctions, watch lists, etc. are used to check compliance with governance, social and environmental standards, which are then taken into account in award processes. In the area of governance, we pay particular attention to compliance with laws, our internal guidelines for contractual 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 can be found on our website (www.caimmo.com/values).

Vienna, 20.3.2024

The Management Board

Keegan Viscius
(CEO)

Dr. Andreas Schillhofer
(CFO)

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, 20.3.2024

The Management Board

Keegan Viscius
(CEO)

Dr. Andreas Schillhofer
(CFO)

AUDITOR'S REPORT*)

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, 2023, 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, 2023 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:

Titel	**Valuation of investments in and loans to affiliated companies**
Risk	The financial statements of CA Immobilien Anlagen Aktiengesellschaft as of December 31, 2023 show material investments in affiliated companies (TEUR 3.004.939) as well as material loans to affiliated companies (TEUR 90.152). Furthermore, the financial statements show impairments of investments in and loans to affiliated companies of TEUR 175.031 and income from revaluation of such of TEUR 620. 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 pur-

chase 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 properties 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, 2023.

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 of the valuation of investments in and loans to affiliated companies
– Assessment of the applied methods and the mathematical accuracy of the calculations and supporting documentation for the valuation of investments in and loans to affiliated companies
– 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
– For selected property valuation reports: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions (eg. Rental income, discount/capitalization rate, usable space, vacancy rate) by means of comparison with market data if available as well as comparison whether the fair values as per property valuation reports are withing our own developed range of fair values
– Check of certain input-data as included in the property 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 4, 2023. We were appointed by the Supervisory Board on July 6, 2023. 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 20, 2024

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Hans-Erich Sorli mp	Mag. Alexander Wlasto mp
Wirtschaftsprüfer / Certified Public Accountant	Wirtschaftsprüfer / Certified Public Accountant

*) 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 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 Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

IMPRINT

Published by: CA Immobilien Anlagen AG
1030 Vienna, Mechelgasse 1

Photos: CA Immo, Martin Janeček, Filip Šlapal, Ales Jungmann, Klaus Helbig, Andreas Muhs, Christoph Knoch, Manfred Zentsch, Andreas Hofer, Studio Huger

This report has been produced inhouse with firesys

We ask for your understanding that gender-conscious notation in the texts of this Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.