

# ALWAYS IN MOTION

***Annual Report  
2024***

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# PROFILE

*HAMBORNER REIT AG manages a portfolio of commercial properties spread across Germany. We focus on generating sustainable, predictable long-term rental income. Many years of experience, a value-based strategy and a highly qualified, dedicated team form the best possible starting point for leading the company to a successful future.*

## €93.0 MILLION

Income from rents and leases

## €51.6 MILLION

Funds from operations

### FINANCIAL INDICATORS

IN € THOUSAND		2024	2023	2022
<b>From the income statement</b>				
Income from rents and leases		92,987	91,121	87,077
Net rental income		74,977	75,977	72,011
Operating result		24,727	11,117	25,514
Financial result		-12,790	-12,306	-12,376
EBITDA		68,702	67,496	63,531
EBIT		29,060	11,646	25,690
Funds from operations (FFO)		51,579	54,661	50,979
Period result		16,270	-660	13,314
of which resulting from the sale of investment property		4,333	529	176
<b>From the statement of financial position</b>				
Total assets		1,133,474	1,160,801	1,288,425
Non-current assets		1,050,961	1,114,083	1,142,813
Equity		411,166	434,118	473,604
Equity ratio	in %	36.3	37.4	36.8
REIT equity ratio	in %	55.2	55.1	59.6
EPRA Loan to value (LTV)	in %	43.7	43.5	39.8
<b>On HAMBORNER shares</b>				
Number of shares outstanding		81,343,348	81,343,348	81,343,348
Basic = diluted earnings per share	in €	0.20	-0.01	0.16
Funds from operations (FFO) per share	in €	0.63	0.67	0.63
Stock price per share (Xetra)	in €			
Highest share price		7.00	7.75	10.31
Lowest share price		6.26	6.07	6.23
Year-end share price		6.30	6.81	6.73
Dividend per share	in €	0.48	0.48	0.47
Dividend yield in relation to the year-end share	in %	7.6	7.0	7.0
Price / FFO ratio		9.94	10.13	10.74
Market capitalisation		512,463	553,948	547,441
<b>On the HAMBORNER portfolio</b>				
Number of properties		66	67	66
Fair value of the property portfolio		1,441,010	1,471,000	1,608,600
EPRA vacancy rate		2.8	2.7	1.9
Weighted remaining term of leases in years		5.8	6.4	6.5
<b>Other data</b>				
Net asset value (NAV)		796,348	814,929	964,829
Net asset value per share	in €	9.79	10.02	11.86
EPRA Net Tangible Assets (NTA)		796,291	814,629	964,383
EPRA Net Tangible Assets per share (NTA)	in €	9.79	10.01	11.86
Number of employees including Management Board		55	49	51

# KEY DATA 2024

## INVESTMENT FOCUS

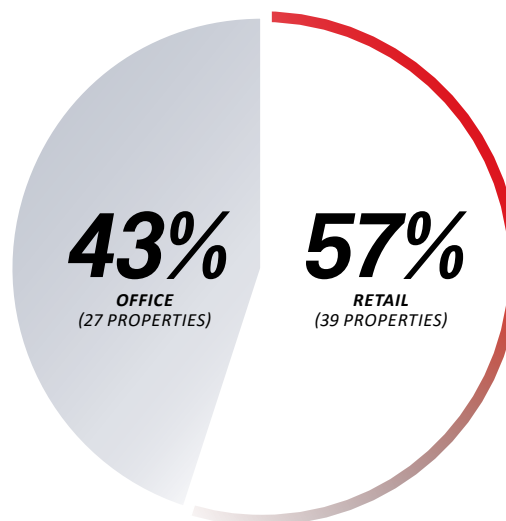
Focus on German  
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## PORTFOLIO STRUCTURE

based on fair value



## OCCUPANCY RATE

**97.2%**

## AVG. REMAINING TERM OF LEASES

**5.8 years**

## OUR STRENGTHS

- A high-yield and diversified real estate portfolio
- Stable cash flow with long-term predictability
- Strong focus on ESG and future issues
- Lean and efficient company structure
- Strong internal asset and property management
- Consistently high occupancy rate
- Solid balance sheet and financing structure
- Attractive dividend policy

**55**

EMPLOYEES

# INTERVIEW WITH THE MANAGEMENT BOARD

*The two Management Board members  
Sarah Verheyen and Niclas Karoff look back on  
a dynamic year in 2024 at HAMBORNER.*

*The operating environment remained challenging in 2024.  
How did HAMBORNER make its way through the year?*

**KAROFF:** To quote the title of this annual report, HAMBORNER was constantly in motion in 2024.

As well as successfully continuing our operating business, the year was again dominated to a large extent by internal topics. They included the ongoing development of our organisational structures, numerous activities related to further digitalisation, and the implementation of regulatory requirements, such as the preparations for additional sustainability reporting to comply with the CSRD and EU Taxonomy.

One focus was on strengthening the organisation as a whole. We reviewed and prioritised the centralised processes, and brought them up to date. At the same time we expanded key functions of our team to further improve our performance going forward. We would like to take this opportunity to thank the whole team for their exceptional dedication last year!

*Organisational and  
regulatory topics  
kept things moving  
in 2024.*



*Activity on transaction markets has been fairly slow recently. How do you see the situation and how do you expect things to develop in 2025?*

**VERHEYEN:** Market sentiment was defined by uncertainty and restraint, which affected us too. There were various reasons for that, which include macroeconomic factors and an unfavourable interest rate environment, but certainly also the ongoing geo-political crises and tensions.

After the turbulence we have seen in recent years it was never likely that the market would suddenly take off again. The first signs that the real estate investment market had bottomed out started to be seen in 2024. We expect a further gradual stabilisation in 2025, as market participants adapt to the new operating environment. Transactions in the residential and logistics segments have been more lively for some time now. We anticipate that the investment opportunities for us and our acquisition profile will both gradually pick up again too. We are confident that we will be able to play a more active role again in the market in our property segments in the current year.

*Were you still satisfied with the results?*

**KAROFF:** The property sector has been faced with a number of different challenges in recent years. So to a certain extent we are proud that in this environment HAMBORNER REIT AG can again point to a stable operating performance in line with our guidance for the past financial year. We achieved all the revenue and earnings targets that we had forecast at the beginning of the year.

This was not a foregone conclusion, because it required a combination of a very good basis at the portfolio level, and an organisation that is capable of continuing its core business consistently and calmly over a longer period, despite all the difficulties.

So it is gratifying that market participants appreciate this performance and have responded positively to it. This external feedback is confirmation for us that even as a smaller company, we can hold our heads high in the industry.

*What changes have you made or are you making in the portfolio? How satisfied are you with the transactions?*

**KAROFF:** In contrast to 2023, we were only active as sellers last year. We put some properties on the market in the context of our active portfolio management approach and as part of normal portfolio rotation. We signed contracts to sell a total of three properties in the past few months. These included the last high-street property in the portfolio, which is in Lübeck, and had recently been particularly challenging in terms of management. We looked at potential alternative solutions there too, of course, but are pleased that we have now completed the sales process.

**Properties are ultimately always individual assets and have to be looked at and assessed specifically.**

SARAH VERHEYEN



*Sarah Verheyen is confident that HAMBORNER will play a more active role in the markets again in 2025, now that transactions are gradually picking up again.*





We did not buy any properties in 2024. But that does not mean that we are not permanently and actively on the lookout for suitable assets. On the contrary – the disposal of individual properties is the prerequisite that will enable us to increase our acquisition activities as part of a faster capital rotation going forward and continue to drive the development of our portfolio.

***What is it that makes your investment strategy stable and sustainable?***

**VERHEYEN:** HAMBORNER REIT has always had a highly selective approach to the investment market, and that will continue. We use a range of parameters to review our investment opportunities and adapt them continuously to the changing requirements. The important thing is that we are always looking ahead and don't just value a property's current momentum. This is vital for maintaining our high level of stability.

**“**  
**Agility is a prerequisite  
for our success.**

**NICLAS KAROFF**

In terms of stability, it is also important to mention our properties with food retailers as anchor tenants. They have a key role to play in the local shopping infrastructure and are a very stable sub-asset class within the retail segment. If you include the DIY stores, these properties currently account for around 45% of our annual rental income. We feel very comfortable with this mix and can well imagine increasing this proportion even further.

***To what extent is the current market environment altering the HAMBORNER strategy, and how are you responding to that?***

**KAROFF:** First of all I would like to say that we do not currently see any need to change our strategy fundamentally, even considering the changing operating environment. However, we follow developments closely and make adjustments from time to time so that we can continue to act successfully when the wider environment changes.

We continue to distinguish between two different risk segments: one is “core” properties, which are solid, long-term leases with a stable yield structure. In addition, we invest in selected properties with value-added potential, which we call “manage-to-core” properties. These investments entail more work in asset management, but of course they also have additional potential for return, which we intend to realise systematically with our experienced team.

Manage-to-core represents a comparatively small share of our portfolio, currently accounting for 3.7% of portfolio volume. We intend to increase this share systematically in the near future and to move closer to our defined target ratio of 10 to 20% of total portfolio volume.

*Niclas Karoff is proud that despite difficult market conditions, HAMBORNER can again look back on stable performance in line with its plans.*

At the same time we will continue to focus clearly on sustainability. Sustainability criteria play an important role for the ongoing development of our portfolio and, of course, also at the level of asset acquisitions. This is how we ensure that both new properties and existing assets contribute to our decarbonisation strategy, but also meet our social and governance standards.

*How did fair values perform last year? What are your expectations for 2025?*

**KAROFF:** The great stability of our property portfolio is also reflected in our valuation results. We did not have to recognise any further significant write-downs, in contrast to 2023. This is due above all to the fact that interest rates have stabilised, and they had a very strong negative impact on valuations in 2023. Some adjustments were made to the carrying amount of individual properties, but overall we found that valuations had stabilised. So as long as there are no more negative external influences, we are fundamentally optimistic about future developments in the portfolio's net asset value in 2025.

**3.7%**

Current manage-to-core share of total portfolio volume

*What concerns do your tenants have? Where can you give them particular support with their day-to-day at the moment? How is the letting business doing?*

**VERHEYEN:** Our tenants in the office properties are thinking above all about how people are going to work in future. We are getting more requests for flexible, attractive and cost-effective office solutions, and we sit down with our tenants to draw up individual concepts.

The security and attractiveness of a location are the vital factors for large-scale retailers. Retailers have narrow margins, so they have to manage their costs carefully, which calls for in-depth discussions and additional work on our part. It is vital that we are very sensitive to the level of operating costs.

Our approach to finding solutions includes optimising the fabric of the property itself, as well as making technical adjustments to reduce the operating costs. We work closely with our tenants to ensure that the rent and the service charges are reasonable. Every property is considered individually in order to develop a solid economic structure that meets the expectations of our tenants and at the same time satisfies our own requirements for a profitable property.

Another important aspect is that the standards for transparent sustainability reporting are now higher. This means we have to work closely with and are dependent on the cooperation of our tenants to compile the necessary carbon-related consumption data. However, different market standards and the lack of a legal framework mean it is still a challenge for us to obtain consumption data from our tenants, for example. We are trying to agree on a standard procedure with other market participants that will meet the requirements, but the whole industry still has a lot of work to do in this area.

We are rising to all these challenges, and are proud that our letting business remains stable. Our team is ensuring with great dedica-



**Stability** cannot be taken for granted. It requires a combination of a very **good basis** at the portfolio level, and an **organisation**, that is capable of **continuing** its core business calmly over a longer period, despite all the difficulties.

NICLAS KAROFF

tion and in dialogue with our tenants that our vacancy rate remains low, and we see ourselves in a strong position.

*What changes are you seeing with your business partners and service providers? You held a new tender for facility management services, for example. What advantages does that bring and what were the most important factors for awarding the contract?*

**VERHEYEN:** The tender process and the decision to request new bids for facility management were very important for us. It enables us to reposition our employees from technical property management and to concentrate more on activities related to the core business of HAMBORNER REIT AG.



We carried out an in-depth selection and award process to ensure a high level of technical facility management services. Our aim was to find partners with a common understanding, especially in terms of ESG and digitalisation. So when calling for bids we focussed on “green” facility management and engagement with forward-looking actions to decarbonise our properties, and on digital facility management for the ongoing development of our digitalisation strategy.

We are pleased to have signed an agreement with two professional service providers that support our approach to the application of technology. They will each manage about half our portfolio in Germany in future.

We have not yet reached our destination, but are on a journey together that should enable us to manage our properties more effectively.

**There are plenty of other things in motion at HAMBORNER too: What topics are you particularly addressing at the moment?**

**VERHEYEN:** In 2024 we concentrated on preparing for CSRD reporting, which is currently our largest and most wide-ranging project. Then there are other legal requirements that result in changes for property management, especially from the Energy Use in Buildings Act (GEG) and the Automation of Buildings Act (GAIG). Some of the requirements imposed here are very ambitious and require considerable resources to be dedicated to meet them, which is a challenge for a company of our size.

We have found that for a company of our size, all these projects can only be carried out efficiently and effectively with a certain level of automation and digitalisation. This in turn means that we are continuously reviewing our internal structures, and can say that there is still a great need to rethink our processes and workflows. Our aim is not only to digitalise existing processes, but to make them digital by design, from the ground up.

**A lot of what you do on a daily basis is not apparent to people outside. Can you give us some examples, and explain why they are important?**

**KAROFF:** Even if we may not seem to outsiders to be doing much, our inner workings are extremely agile. This agility is not just a trend; it is a necessity in our business. Increasing complexity and higher regulatory requirements call for a well-structured internal organisation, with a productive and highly motivated team. Without this agility we could not perform our work – and certainly not with our usual great transparency. This is a vital element of our everyday business and a prerequisite for our success.

Our company is going through a phase of profound change. HAMBORNER has already made numerous alterations in recent years to ensure that it can survive in the markets of the future. Despite this, we must and we will continue to optimise our stable basic structure, but always in a way that is consistent with our values and our strategy. This means that although we will continue to act within our usual conservative framework, we are changing significantly so that we can continue our development as a successful custodian of real estate assets and as a dependable partner in the market.

For our organisation, which has grown over many years, this is an important task, which we and our team are addressing with great motivation, ambition and dynamism.

**VERHEYEN:** At the same time we can see that the current developments – both at HAMBORNER and globally – are of great concern to our employees. We are living in a time of unprecedented, exponential growth in the fields of technology, automation and artificial intelligence (AI). The speed is breathtaking. So we are asking ourselves how we can best combine AI automation with the biological intelligence of us humans, in order to make specific use of AI without making the people superfluous. This requires the classic division of responsibilities to be adapted to the new operating environment.

## INSIDE STORIES:

**How do you stay fit and mobile for your daily work, which must often be demanding?**

**KAROFF:** With regular exercise. In my case I run almost every day, which gives me both a physical and a mental boost. Running for me is an efficient way of switching off and thinking about something else, which I can do regardless of where I am. It provides a valuable balance to my professional work, enables me to relax effectively and makes up for the time I spend sitting still at my desk. And I also notice that on some days it gives me the opportunity to think about the company with no time pressure and with a clear head. So sometimes it is a blend of personal mental relaxation and a way of working through new ideas, which hopefully makes sense for the company too.

**VERHEYEN:** Alongside activities with my family and friends, I am lucky to have the opportunity to spend some time with horses every now and again. Riding and working with horses enables me to practice a different kind of non-verbal communication. Horses require great sensitivity and presence – they don’t allow you to be distracted by other things. That helps me a lot to switch off and recharge my batteries, to stay mobile for everyday life and work – both physically and mentally.

Our challenge on the Management Board is to provide transparency across all levels and decisions. That enables us to get people on board and encourage an understanding of the changes that are needed. The employees who accompany us on this journey have to work on their personal development, which is challenging of course, and requires great flexibility from everyone, including the Management Board.

**HAMBORNER has developed a decarbonisation strategy. How are you going about putting it into practice?**

**VERHEYEN:** Without going into the details of the decarbonisation strategy that we have developed and is described in detail in our latest sustainability report, we can say that we are pursuing the strategic actions defined in the strategy with great focus, in order to achieve the targets we have set. We give a high priority to the use of renewable energies and are making targeted investments to boost the energy efficiency of our buildings. We also work in close cooperation with our tenants. And in our day-to-day business we

can see a significant increase in understanding of sustainability among our employees, and that ESG topics are more present than they were a few years ago.

**What are your plans for 2025?**

**What will HAMBORNER look like in the future?**

**KAROFF:** Internally, our intention for 2025 is to bring some of the projects started in 2024 to a successful conclusion. Although this will not be possible in the short term for complex projects like digitalisation, for other tasks it is extremely important. This gives us space to tackle other key topics. And not least, we will be ensuring that the project results and new developments, which required a lot of work to obtain, are visible and measurable for our team.

Externally, our aim is to become more active on the market again in 2025 and to develop our portfolio with targeted acquisitions. We have already started realising individual investments in order to increase the pace of capital rotation, and will continue to do so in accordance with market developments. With our active portfolio management approach and our experienced team we see ourselves in a strong position to do this.

By combining targeted strategic adjustments and organisational refinements, we have laid the groundwork for further potential growth as soon as market conditions allow.



Our **challenge** on the Management Board is to **maintain transparency** across all levels and decisions.

SARAH VERHEYEN

**PORTFOLIO & TRANSACTION MANAGEMENT**

# SMART RECALIBRATION

*A different environment calls for action at  
portfolio and property level.*



***An interview with Michael Kobs about transaction management, dynamic market demands and opportunities for the HAMBORNER portfolio.***

***How long have you been at HAMBORNER and what was your motivation for joining the company?***

**KOBS:** I've been with HAMBORNER since August 2024, but I have known the company from my work as a consultant and business partner for more than ten years. Over this period I followed HAMBORNER's development closely and stayed in touch with the company. It was the strategic developments in the HAMBORNER portfolio and organisational structure, and above all the motivated, hands-on people who persuaded me to become part of the team. The objective of my new role as Head of Transaction Management is to bring in innovative ideas and at the same time to build on HAMBORNER's strengths as a solid property investor, which takes a holistic, 360 degree approach to managing and developing its assets, and expand them with active and strategic transactions.

***What are your main tasks in Transaction Management and how does your role differ from Portfolio Management?***

**KOBS:** Transaction Management at HAMBORNER covers the whole property cycle from beginning to end. My main task is to stay close to the market, spot new developments early and acquire potential assets. I assess whether the properties can be integrated into the portfolio and add value, always in close cooperation with Portfolio Management.

What is new, and particularly important, is our dynamic approach, which enables transaction, portfolio and asset management to work together more closely. The transitions between these func-



tions have become more fluid, which enhances our cooperation. In this context I see myself as a catalyst and a sparring partner for my colleagues, the specialist departments and the Management Board.

Even once an asset has been added to the portfolio I remain involved, to ensure that the business plan drawn up for the acquisition gets off to a good start. At the end of the cycle, if the environment changes and an asset is no longer a good fit for the portfolio, I take over again from Portfolio and Asset Management and steer it

**Michael Kobs**

**Head of Transaction Management**  
*In his function as Head of Transaction Management, Michael Kobs covers the entire property cycle at HAMBORNER REIT AG.*

through the disposal process. This interface between the different phases of the cycle is a central element of my work.

Portfolio Management is responsible for capital and asset allocation, by contrast. A decision is taken in close collaboration with Risk Management, Transaction Management, Asset Management and the Management Board on which regions and asset classes to invest in, and what the optimal portfolio composition should look like. As soon as the strategic parameters have been defined, Transaction Management has the task of identifying properties to optimise the portfolio and completing the transactions with the HAMBORNER team.

**How is the property market developing generally in your opinion and in particular for the relevant office and retail asset classes?**

**KOBS:** For several years now we have been and still are in a phase of great dynamism and change. The interplay of different factors is uniquely complex and requires a highly differentiated approach in order to arrive at the right assessment of the situation.

Retailing in Germany has seen great changes in the past five years as a result of digitalisation and changes in consumer behaviour. Then there was the coronavirus pandemic, which acted as a catalyst

for the market. Because of this, we concentrate on resilient, large-scale retail and consumer-facing assets. We consider this to be a stable and attractive market environment for HAMBORNER, despite the intense competition.

Demands and needs in the office segment have changed massively as a result of the trend towards working from home, although there is now a counter-movement of getting people back to the office. Here the situation is more complex: the location and flexibility of assets and the extent to which they can be adapted to new working paradigms play a decisive role for a property's success. Today people come into the office to work creatively together on projects and solutions and to meet with colleagues. So in a market where there is a shortage of qualified specialists, this means that landlords and employers have to offer employees an attractive space they can identify with and where they can communicate. In office buildings that meet these criteria, the logical consequence is that premium rents are going up. The consolidation process on the office market is not over yet by a long way. But we think that a flight to quality in the office segment holds many opportunities for HAMBORNER. The office segment remains a very interesting market for us, even if we are choosing our investments here more selectively.

When we looked at the yields, we saw that they moved sideways in the last six to nine months of 2024. There were positive signals from rising rents, especially in the office segment, which offset earlier yield erosion to a certain extent. In our opinion, the investment market overall bottomed out in 2024. A larger number of transactions in the final quarter, also boosted by initial interest rate cuts, supports this perspective and could contribute to further market activity.

## Michael Kobs

- Head of Transaction Management since August 2024
- Before HAMBORNER: Various roles in the property sector, including consulting and valuation, investments and project development
- Education: MBA in Real Estate, IREBS, Chartered Geographer, MRICS

It is **vital**, that  
 the real estate business  
 finds a **joint** solution for  
 producing modern,  
 sustainable properties.

**What other challenges do you see for the property sector?**

**KOBS:** There is one clear challenge that I see for project development. The difficult interest rate situation has caused many project developers to put their projects on ice or to leave the market altogether. But the industry still urgently needs project developers for both new builds and redevelopments, in order to generate sustainable properties that meet environmental and other ESG standards. This is the only way of achieving the sustainability goals for the property sector.

So it is vital that the real estate business finds an overall solution for producing modern, sustainable properties. For HAMBORNER this means deepening our business relationships and making it clear that we want to be approached at an early stage as partners for realising projects. It can also mean developing projects ourselves in our own portfolio on a selective basis. After all, we cannot just leave things as they are in our portfolio if we want to make progress on environmental sustainability.



## Resilient properties can be redeveloped flexibly.

*Will you stick to the company's defined risk profiles for investments?*

**KOBS:** Yes. As a rule we will stick to the proven principles of our investment strategy, i.e. our main focus remains on core assets, which will account for 80–90%. HAMBORNER is known as a nationwide core investor with active asset, portfolio and transaction management functions.

We consider the manage-to-core properties as an attractive higher-yield addition to the portfolio, which we intend to expand. At the same time it should be emphasised that we have chosen this approach deliberately to seize market and yield opportunities and to realise the potential of assets, either on our own or in partnerships.

*Where do you see the opportunities of the manage-to-core approach?*

**KOBS:** Our strategy is clearly market and yield-driven. In the current market environment we see attractive entry opportunities and within this approach are planning targeted investments in proper-

ties with a high letting potential, shorter leases and/or a need for repositioning. These assets and their redevelopment offer us higher yield opportunities. We acquire first-class locations and properties at an early stage on attractive terms, make specific use of HAMBORNER's strengths and put the pieces of the jigsaw together to create a successful strategy. Our 360-degree property management enables us to look at assets from different perspectives, to develop them and ultimately, once the manage-to-core period is completed, to integrate them into our portfolio, generally on a long-term basis, as core properties.

We will also continue to review opportunities for greater collaboration with project developers and other partners, in order to acquire customised assets that fit our requirements. We have already carried out cooperation projects like this successfully for core properties and can build on our long-term business relationships with strong partners.

The aim of our manage-to-core approach is to expand our portfolio of resilient properties that meet our ESG criteria, offer flexibility and represent an attractive additional yield. And from an environmental, social and governance perspective, these assets also make a valuable contribution to the sustainable development of our strong portfolio.

### INSIDE STORIES:

#### *How do you stay fit and mobile personally?*

**KOBS:** I like to keep fit by walking and jogging on the banks of the Rhine, often accompanied by my young daughter. She ensures that I stay physically and mentally mobile. Just like at work, I have to adapt to the dynamic "market demands" of my family and find creative, value-added and sustainable solutions for the next generation.



**Where will your focus be within the core approach in the future?**

**KOBS:** Within our core approach we will continue to focus on retail and office properties.

In the retail segment we concentrate on local consumer-facing businesses, which are highly resilient and have always carried us very well through difficult times. They include large shopping centres with a supermarket as anchor tenant, specialist retailers, cash-and-carry stores and DIY centres. We make sure these properties are part of everyday shopping patterns for the local population and so are dominant in their subsection of the market, have good visibility and transport connections, and a high footfall.

Then we have office properties with a core approach. Although this market segment is more complex, we still believe in offices. However, in future it will be even more important to set priorities in this area.

We need integrated, central, attractive locations with good infrastructure, which have something to offer the people who work there. This means that when making the investment we look at how dominant a property is in its respective market, how resilient the tenant structure is, the property's visibility, public transport connections and flexibility in terms of its subdivisions, environmental characteristics, land, planning law and redevelopment opportunities. It is clear that resilient properties are those that can be redeveloped flexibly in future.

**How do you analyse markets? And who do you talk to?**

**KOBS:** To start with I listen carefully to my colleagues at HAMBORNER, because they are in close contact with our own portfolio and our tenants. That means we have first-hand access to a lot of information from across Germany. I also talk on almost a daily basis to estate agents, service providers and a wide network of project developers and investors, which gives me a very good inside

view of the market. Then there are the professional training courses, conferences and networking events, trade fairs and research reports. We are currently expanding our IT analysis of market and company data and information management with innovative AI and proprietary technology solutions. This helps us to take evidence-based decisions quickly in a dynamic market environment. In my opinion, the most effective method of gathering information is through direct, personal conversation, as this often yields the most valuable insights.

**How do you as a "new" employee see the portfolio and the company? What are their strengths?**

I am convinced that HAMBORNER is a solid company that has great know-how and strong core competencies in the sustainable management of property portfolios.

Retail and offices are and will remain HAMBORNER's core competencies, and they are what we are known for in the market.

The contribution that I can make consists of further refining this 360-degree perspective and driving the close coordination of the different areas. The aim is for all the property management disciplines to look holistically at an asset and to pool their specialist knowledge. Our common goal is to develop and add value to every property and to further optimise the HAMBORNER portfolio with targeted transactions.

In addition to continuous organisational improvements, this calls for feedback loops, professional discussions and the application of innovative technologies.

## SALES ACTIVITIES 2024-2025

*Asset sales in the course of active portfolio management*



**Hamburg, office**  
 (Q4/2024)



**Lübeck, retail**  
 (Q1/2025)



**Osnabrück, office**  
 (Q1/2025)

# HAND IN HAND

Close coordination and flexible borders between Portfolio Management, Transaction Management and Asset & Property Management are vital for HAMBORNER's sustainable value creation and competitiveness.

## Portfolio Management

Strategic allocation and risk management of the entire portfolio

### Selected key valuation criteria

#### Market & location

- Micro and macro location
- Market trends
- Competition

#### Economic factors

- Rents
- Operating costs
- Financing

#### Use & leases

- Tenant structure
- Use of space and occupancy rate

#### Substance & condition

- Year built and construction quality
- Technical condition

#### ESG criteria

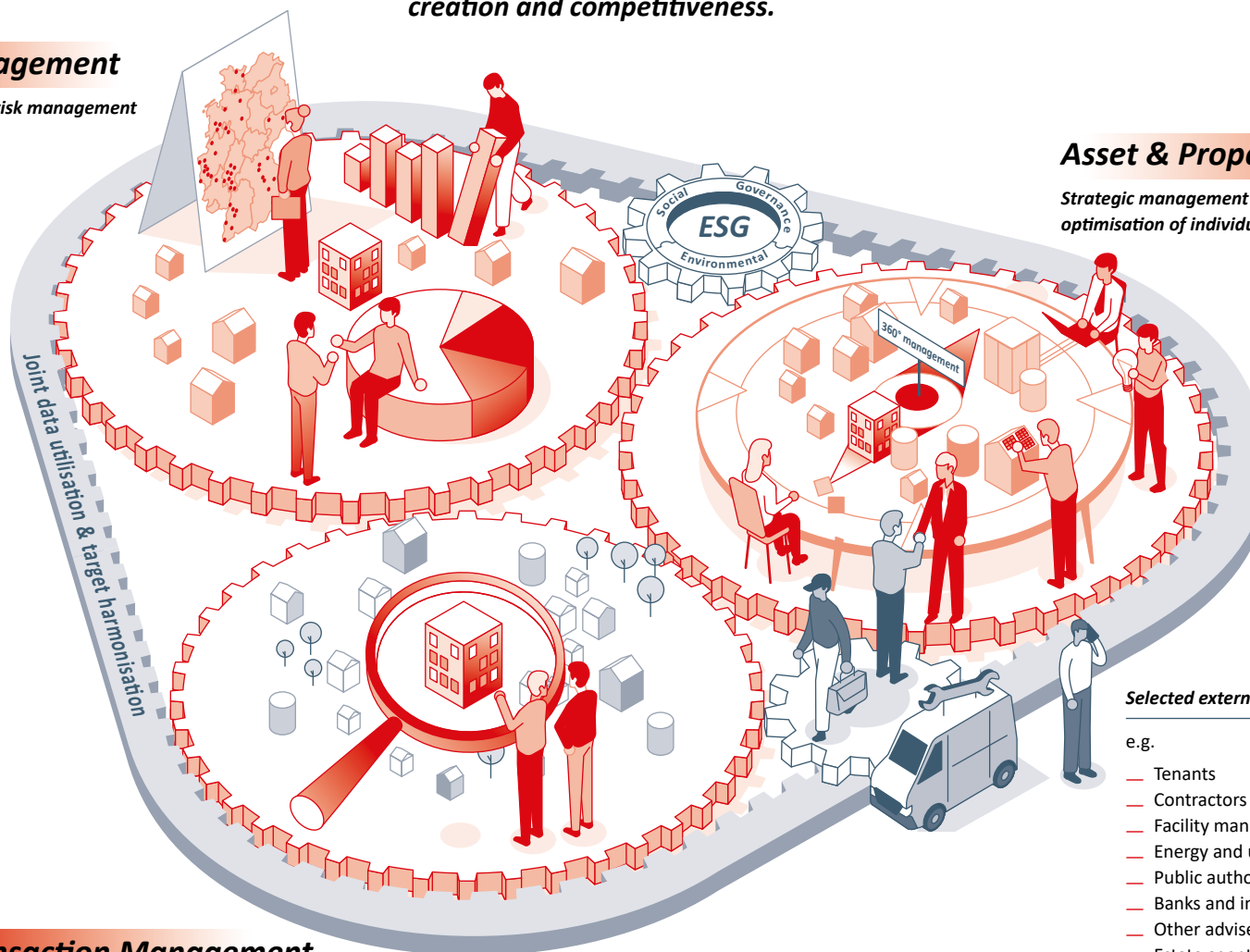
- Energy intensity
- Efficiency standards
- Accessibility

#### Prospects

- Location development
- Asset potential

## Asset & Property Management

Strategic management in addition to management and optimisation of individual assets



### Selected external partners

e.g.

- Tenants
- Contractors
- Facility managers
- Energy and utility companies
- Public authorities, municipalities
- Banks and insurers
- Other advisers
- Estate agents
- Appraisers

## Transaction Management

Acquisition, structuring and sale of properties

**DIGITALISATION & TRANSFORMATION**

# GETTING FASTER TOGETHER

*Digital transformation brings new  
momentum to the organisation.*

*Marina Diem talks about the digital transformation, its challenges and how to give the team the best possible support on this journey.*

*How long have you been at HAMBORNER and what was your motivation for joining the company?*

**DIEM:** I have been with HAMBORNER since 2024. Originally I come from the property industry, where I focused on housing and worked on strategy, operations and projects in business development, customer service and technical services.

After two decades in the sector I felt the need for a new challenge, especially in the field of digitalisation and transformation. So the position at HAMBORNER was perfect for me, because it covers exactly these areas. It was also an exciting challenge for me to move from a big company to a smaller one. The opportunity that HAMBORNER gave me to have an immediate impact – in terms of decision-making, responsibilities and working with a friendly, dynamic team – were what attracted me then and still do today.

*What are your main tasks as Head of IT & Digital Transformation?*

**DIEM:** Roughly speaking I cover three areas. The first is to design and implement the HAMBORNER digitalisation strategy. This is not just a matter of software, but also the underlying processes, which are derived from the value chain and the company's future strategy.

It is *important*,  
to celebrate  
what has already  
been *achieved*.

Another important area for me and my team is IT management. For one thing, that means ensuring that our IT systems function smoothly, and also that they are secure and our data are protected.

The third area, which is just as important for me personally, is to empower my colleagues at HAMBORNER to make use of their strengths in the digital transformation. This includes providing support identifying obstacles, pointing out solutions, and also acting as an interpreter to introduce cultural aspects into the organisation.

*To what extent has the importance of IT for property companies changed recently?*

**DIEM:** The importance of IT for the property industry has changed enormously. In comparison with other industries, like the automotive or energy sectors, which were forced by regulatory and technical requirements to digitalise and automate much earlier, the property business was able to rest on its laurels for a long time and didn't suffer any direct consequences.

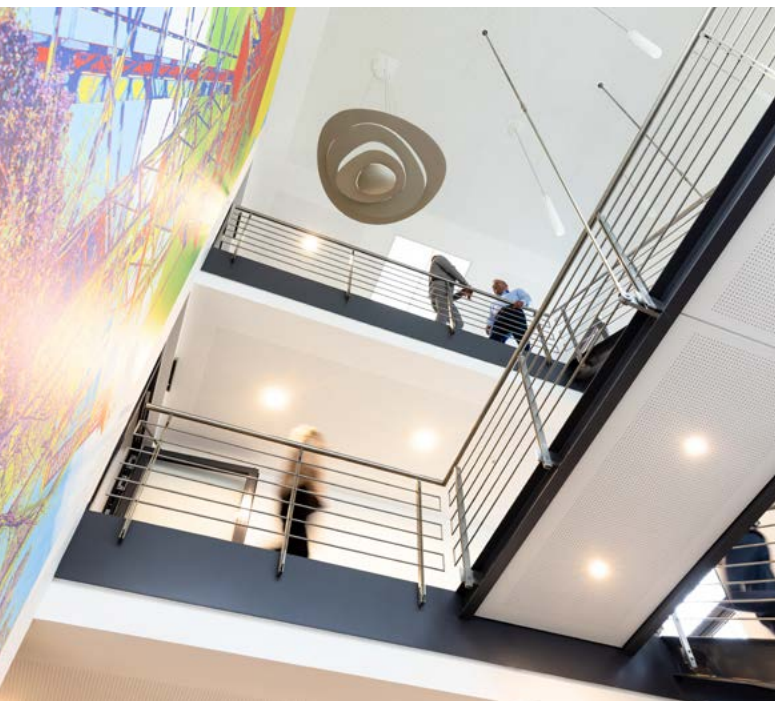


**Marina Diem**

**Head of IT & Digital Transformation**

*When it comes to digitalisation, Marina Diem thinks the property industry still has a lot of catching up to do.*





**Regulatory requirements** demand vast quantities of available data and end-to-end processes.

**Where is HAMBORNER at in this process and what are the important things to note?**

**DIEM:** HAMBORNER is currently halfway along the path, which calls for permanent changes. Transparency has a vital role to play. The aim is to define clearly what we are doing, why we are doing it and to infer the right actions from that.

It is important to prioritise all the different topics, so that we don't just start the right projects, but also bring them to a successful conclusion. And while statutory and regulatory requirements cannot be put off, strategic and productivity-boosting issues are often more flexible in terms of timing. We prioritise these requirements using clear measurement criteria and concentrate on projects that make the biggest contribution to company performance.

**What are your plans in the short and medium term? How and to what extent will they help you progress?**

**DIEM:** In the short and medium term we have three core topics on our agenda:

Digitalisation: We want to make our work more collaborative and create a harmonised data structure. It is all about transparency. How do we use data, what are our objectives and how can we make specific data available?

Understanding property: By moving away from a classic departmentalisation towards modern 360-degree property management we are already improving communications and efficiency. Now our aim in IT is to provide the necessary data and digital documents to ensure optimal property management.

Regulations: Subject to any changes in the legal environment, our focus is clearly on meeting the CSRD requirements and delivering the support services that we in the IT team can contribute from a data and infrastructure perspective.

These actions simplify, standardise and automate processes, strengthen cooperation and make a lasting contribution to company performance.

**What do you see as the biggest challenges on your IT transformation pathway?**

**DIEM:** The biggest challenges are to maintain an equilibrium between operational work at the foundation, forward-looking adjustments to our business model and the active involvement of

### Marina Diem

- At HAMBORNER REIT AG since April 2024
- Apprenticeship as a land and property manager
- Degree in Business Studies in Essen
- Degree in Occupational Sciences from Ruhr University Bochum

staff and managers. This calls for a joint commitment and a willingness to take responsibility in order to shape the company for the future together.

Changes are inevitable and will always be a part of our day-to-day work. Our aim must be to embrace this change, to shape it actively, and to learn how to deal with it confidently and calmly.

***How are you guiding the HAMBORNER team along the path of digital transformation?***

**DIEM:** Open communication and active listening are vital for me. I want to understand the diversity of perspectives, take any reservations seriously and create transparency at all levels. Changes take time, patience and resilience.

It is also important to celebrate what has already been achieved – it is the small steps in particular that show the progress we are making and these shouldn't be taken for granted.

At times of ever faster change we have to create a psychological safe space. This includes honesty – sometimes we don't have all the answers to the question of what will be important in future, but we are working together to define our way forward. Admitting mistakes when something doesn't work is a part of it too, just like trust and openness.



**I often don't have all the *answers* to the question of what will be important in future, but we are working *together* to *define our way forward*.**



### What personnel resources are you dedicating to IT support?

**DIEM:** Currently we are a three-person team with clear responsibilities. One of my colleagues takes care of infrastructure and IT management, another is responsible for data management, while I contribute the transformational and strategic project perspective.

This combination and the different perspectives it brings has huge advantages. We learn from each other, develop solutions and prioritise our work with a kanban board – a tool to visualise tasks and workflows. What is particularly valuable is the great trust we get from the Management Board, which gives us space to think up ideas and test things, and listens to our feedback.

### INSIDE STORIES:

#### How do you personally stay fit?

**DIEM:** For me it is essential to compartmentalise and focus. I consciously strive to do what is good for me and set priorities, without overburdening myself. That means that I don't answer the telephone when I am spending time with my children, for example. When I am with my family, I devote all my attention to them.

*The key for me is to make a clear distinction between work and home life. I love my job and find it very fulfilling, but it does not define my whole life. This balance between engagement and conscious downtime is the key to mental health and fitness.*

### Is AI already relevant for you in the company?

**DIEM:** The topic of AI is particularly important for us going forward. At the moment we mainly use AI on an individual basis within the company, by trying things out and in smaller workshops.

In IT and at senior management level we are also looking in detail at the opportunities offered by AI. But first of all we have to do the groundwork that is needed to make relevant use of AI. This calls for a twin perspective: we have to create the right basis now so that we can use AI effectively later.

### How are you approaching security aspects?

**DIEM:** We treat data security very responsibly and with a sense of proportion, for both company and personal data. Digitalisation and AI are not used blindly and at any cost, and our data protection expert also keeps an eye on all the processes that are involved. We have a high standard of IT security, which we maintain through continuous optimisation.

### What is your next big task?

**DIEM:** My focus is squarely on digitalisation. The aim is to find out what the company needs to work more efficiently and to significantly reduce the overall workload for its employees.



## The key thing is to chalk up *tangible successes*.

In my cross-cutting function for IT and transformation I am responsible both for looking at the people in the organisation and catalysing changes, and from an IT perspective for providing structured data faster and creating collaborative data filing structures.

In addition, I work to enable the introduction of AI further down the line. Realistically speaking, that will still take some time, of course.

The key thing is to chalk up tangible successes that keep us all motivated and on our toes – that is the biggest challenge at the moment.

### To what extent did the move to HAMBORNER set you in motion?

**DIEM:** The move to HAMBORNER was the start and I haven't stopped moving since. I found a team that is willing to try out new things with me and is open to new approaches. That enabled me to get on board quickly, to have an impact and to keep learning new things. This dynamism keeps me in motion and ensures that we advance together as a team.

# SPIRIT OF THE TIME

*As part of the digital transformation we integrate new technologies to boost our efficiency and safeguard our competitiveness. This not only covers the use of software, but also adjustments to business processes in line with our strategy.*

## Internal influences on transformation:

- **Employee skills:** Need for training and professional development in dealing with new technologies, possibly additional staff
- **Corporate culture:** Promoting a culture of innovation and willingness to change
- **IT infrastructure:** Availability and implementation of modern IT systems
- **Costs:** Investment in digital tools and transformative actions

## Transformation

*Comprehensive change that is enabled by digitalisation, e.g. in terms of:*

- Process optimisation and efficiency gains from digital workflows
- Tenant satisfaction through digital services
- Support with integrating ESG requirements and targets into the portfolio

## External influences on the digital transformation

- **Market trends:** Adaptation to changing market conditions, demands of tenants and service providers in terms of digital services and sustainability
- **Regulation:** Compliance with legal requirements and data protection standards
- **Competition:** Reaction to digitalisation activities by other market participants / pressure to innovate
- **Technological developments:** Advances in AI etc. that can be potentially disruptive

## Digitalisation

*Integration of digital technologies in all areas of the company and construction of a comprehensive data warehouse*

e.g.

- Property management software
- Data analytics tools
- Reporting systems
- Smart building technologies

# COMPANY

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# REPORT FROM THE SUPERVISORY BOARD

*Dear readers,*

The year 2024 was again marked by numerous challenges and uncertainties. Although macroeconomic and sector-specific conditions remained difficult, HAMBORNER REIT AG reported stable business performance in line with its plans in the past year. For this reason, the Management Board and Supervisory Board intend to propose the distribution of a dividend of €0.48 per share, the same as in the previous year, at this year's Annual General Meeting.

## **CHANGES TO THE MANAGEMENT BOARD AND SUPERVISORY BOARD**

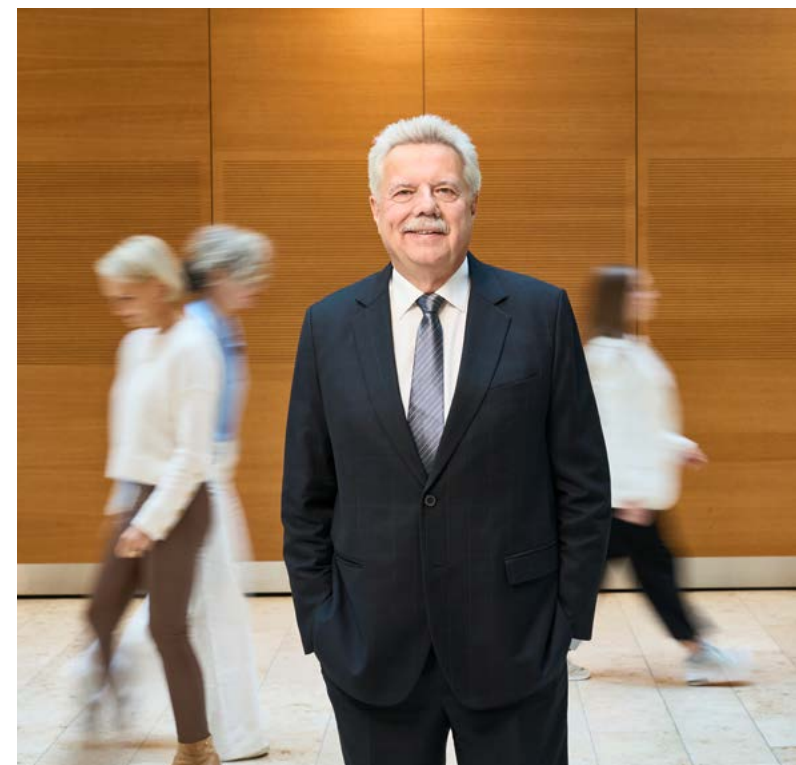
The Supervisory Board decided by a written resolution on 12 June 2024 to revoke Sarah Verheyen's appointment to the Management Board as of 30 September 2024 and to reappoint her to the Management Board for a period of five years with effect from 1 October 2024. The revocation of her appointment took place with Ms Verheyen's consent. There were particular reasons within the meaning of recommendation B.4 of the German Corporate Governance Code to renew Ms Verheyen's appointment to the Management Board before the end of her term of office. In view of her successful work for the company and despite a difficult overall market environment, there was a risk that Ms Verheyen could be spotted and poached by other market participants. It was in the company's interests for Ms Verheyen to continue her strategic and operational work for the company, which the Supervisory Board considers to be outstanding, in the years ahead. Mr Johannes Weller resigned as an employee representative on the Supervisory Board with effect from the close of 14 August 2024. The employees then elected Ms Ulrike Glasik to the Supervisory Board with effect from 15 August 2024. Mr Marco Tillmanns was elected by the employees to stand in for Ms Glasik if necessary.

## **MONITORING MANAGEMENT AND COOPERATION WITH THE MANAGEMENT BOARD**

In the 2024 reporting year, the Supervisory Board also regularly advised the Management Board with regard to company management, and monitored its work closely and continuously. Members of the Supervisory Board received detailed information on all key business transactions and forthcoming decisions. At all times, the Management Board fulfilled its duty to provide information, and reported comprehensively and in a timely manner, both in writing and verbally, on the strategic alignment of the company and all relevant aspects of business planning including financial, investment and personnel planning, risk management, and compliance.

Furthermore, at each meeting the Supervisory Board discussed the economic situation, business development, and the company's earnings and risk situation. The members of the Supervisory Board always had ample opportunity to scrutinise the reports and proposals for resolutions submitted by the Management Board in committees and sessions, to ask questions and to make their own suggestions. The Supervisory Board met regularly, also without the Management Board, both in full sessions and meetings of the Executive and Nomination Committee.

The Supervisory Board met four times in the 2024 financial year. In addition, the Supervisory Board adopted the resolution to renew Ms Sarah Verheyen's appointment to the Management Board without meeting. Over the course of the year the Chair of the Supervisory Board remained in regular contact with the Chair of the Management Board in order to stay informed of key transactions, forthcoming decisions and current developments regarding the business situation.



**Dr Andreas Mattner**

*Chair of the Supervisory Board  
of HAMBORNER REIT AG*

Some Supervisory Board members attended individual training courses last year in accordance with recommendation D.11 of the German Corporate Governance Code. These related to sustainability and ESG, financing, compliance and IT security, among other topics.

### MAIN ACTIVITIES OF THE SUPERVISORY BOARD

The development of the company in terms of revenue, earnings and personnel, the financial position, letting activities, and the status of purchases and disposals were presented in detail by the Management Board during the meetings and then discussed together with the members of the Supervisory Board. In addition, the Supervisory Board voted to reappoint Ms Sarah Verheyen to the Management Board for five years. The Supervisory Board also dealt with many other individual matters at its meetings and was informed among other things about the company strategy, its internal transformation and digitalisation processes, as well as its sustainability and ESG activities.

At the accounts meeting of 7 March 2024 in Duisburg, the Supervisory Board approved the separate IFRS financial statements and the annual financial statements of HAMBORNER REIT AG under German commercial law as at 31 December 2023, following its own review and discussion of significant aspects with the auditor Price-waterhouseCoopers Wirtschaftsprüfungsgesellschaft GmbH, Düsseldorf. The Supervisory Board approved the remuneration report and the corporate governance declaration and concurred with the Management Board's proposal for the appropriation of profits. Furthermore, after discussing the relevant proposals from the Executive and Nomination Committee without the Management Board members, the Supervisory Board approved a bonus for financial year 2023 as part of the performance-based remuneration. At its meeting

in March the Supervisory Board also dealt with the preparations for the recurring review of Management Board remuneration system and made proposals for the selection of suitable advisers to the Executive and Nomination Committee that manages the process.

The Supervisory Board also discussed without the Management Board members the possible reappointment of Ms Verheyen to the Management Board for a further five years from 1 October 2024. After the discussion the Supervisory Board authorised its Chair to negotiate and sign a corresponding service contract and a severance agreement subject to conditions precedent. The condition precedent for the service contract was essentially that Ms Verheyen should be reappointed by the Supervisory Board to the company's Management Board for a period of five years from 1 October 2024.

In addition, the Supervisory Board adopted the agenda for the Annual General Meeting on 25 April 2024 and in this context passed advance resolutions for chairing the meeting. The Supervisory Board then decided to conduct a review of its own activities again in 2024.

At the meeting on 25 April 2024 the Chair of the Supervisory Board reported to the Supervisory Board, without the Management Board members, on the current status of contract renewal negotiations with Ms Verheyen. Recommendation B.4 of the German Corporate Governance Code was also discussed in detail in this context. Questions relating to the preparation of the Supervisory Board's planned self-assessment were also on the agenda. The Supervisory Board then addressed the matter of the candidates for the Supervisory Board election in 2025. Ms Kaufmann-Hocker said that she would not be a candidate again for re-election to the Supervisory Board, so the

Executive and Nomination Committee was obliged to initiate succession planning.

The Supervisory Board revoked Ms Sarah Verheyen's appointment to the Management Board as of 30 September 2024 by circulation of documents on 12 June 2024 and simultaneously reappointed her to the Management Board for five years from 1 October 2024. The revocation of her appointment took place with Ms Verheyen's consent.

At the meeting on 29 August 2024 the Supervisory Board dealt in detail with its self-assessment, without the Management Board members. On the basis of the self-assessment carried out in 2021 with an external adviser the Supervisory Board members had the opportunity to think again about how they assessed the work of the Supervisory Board and its committees and to submit written comments to the Chair. Changes that had since been made to the Supervisory Board committees (merger of the Executive and Nomination Committees and establishment of an ESG Committee) were taken into account and relevant assessment criteria were devised. The assessments of the individual Supervisory Board members were summarised, discussed in detail at the meeting and recommendations for action were drawn up as appropriate.

In addition, the Supervisory Board dealt with matters of company strategy at its August meeting. A presentation on the topic by the Management Board was accompanied by an in-depth discussion by the full Supervisory Board of individual aspects of the current and future corporate strategy. The Supervisory Board also elected Mr Klaus Hogeweg to the Audit Committee to replace Mr Weller, who resigned as of 14 August 2024.

The meeting on 14 November 2024 focused on the company's budget and medium-term planning for 2025 to 2029. The planned development of revenue and earnings was discussed in detail with the Management Board. Individual aspects of the strategy debate in August were also discussed in more detail at this meeting. The declaration of compliance with the German Corporate Governance Code in accordance with section 161 AktG was also adopted.

### REPORT BY THE COMMITTEES

Some of the work of the Supervisory Board is performed by committees. There were three committees in the 2024 financial year.

The Executive and Nomination Committee met seven times in the reporting period. At the meeting on 5 February 2024, which was held partly without the Management Board, the Committee looked at the Management Board's variable remuneration (STI) for the year 2023 and the possible renewal of Ms Sarah Verheyen's Management Board contract. A kick-off debate was also held on reviewing the remuneration system for the Management Board, which revolved around the advisers to be selected.

At the meeting on 22 May 2024 the Executive and Nomination Committee discussed the selection of a suitable adviser to review and advise on any changes to be made to the system of Management Board remuneration. Three remuneration advisers were given the opportunity to present themselves and their proposals to the members of the Executive and Nomination Committee in a video conference. After evaluating the documents, the Executive and Nomination Committee decided to work with Kienbaum Consultants International GmbH. A decision was also taken at the meeting on 22 May 2024 to appoint the advisory firm Egon Zehnder to provide support with the selection of suitable candidates to fill the upcoming vacancy on the Supervisory Board.

The Executive and Nomination Committee again discussed the choice of new candidates at its meeting on 28 August 2024. A long list and short list of suitable candidates were examined and an initial ranking was drawn up with Egon Zehnder and without the Management Board members. Specifications for the role of the new Supervisory Board member were also discussed. At the meeting the Committee also addressed the Management Board remuneration system.

The Executive and Nomination Committee discussed the Management Board remuneration system again in detail at its meetings on 17 October 2024 and 19 December 2024. The discussion at the meeting on 17 October 2024 took place partly without the Management Board members.

At its meeting on 13 November 2024 the Executive and Nomination Committee again dealt with the subject of the new Supervisory Board member, without the Management Board members. At this meeting the Executive and Nomination Committee held interviews with the three remaining candidates for the vacancy on the Supervisory Board.

The Audit Committee met four times in 2024. All the meetings took place in the presence of the auditors. The meeting on 7 March 2024, in which the Committee chiefly dealt with the financial statements for 2023, was also attended by all the other Supervisory Board members. At the other Committee meetings over the remainder of the year, which the Supervisory Board Chair, Dr Andreas Mattner, attended as a guest, the half-year financial report and the quarterly interim statements for 2024 were presented by the Management Board and discussed in detail.

The ESG Committee met twice in the reporting period. At its meetings on 5 February 2024 and 29 August 2024 the ESG Committee was informed by the Management Board about ongoing ESG activities at

the company. These consisted essentially of the ESG core activities for 2023/2024, the report on the current status of the company's decarbonisation strategy, the report on ongoing preparations for additional sustainability reporting under CSRD and the EU Taxonomy, the report on the result of the materiality assessment and the reforms of the German Energy Use in Buildings Act and the EU Energy Performance of Buildings Directive (EPBD).

### ATTENDANCE AT MEETINGS

Out of a total of 17 meetings of the Supervisory Board and its committees in the reporting year, eight were held exclusively online. The average attendance ratio for all Supervisory Board members at the meetings of the full Supervisory Board and its committees was 98% in the reporting period. In an average of 42% of these cases they attended online. Attendance by the individual Supervisory Board members was as follows:



ATTENDANCE OF SUPERVISORY BOARD MEMBERS IN SUPERVISORY BOARD AND COMMITTEE MEETINGS IN THE 2024 FINANCIAL YEAR

Name	Member since	Total meetings (thereof virtual attendance)	Attendance at plenary meetings (thereof virtual attendance)	Attendance at committee meet- ings (thereof virtual attendance)	Attendance rate in % (thereof virtual attendance in %)
Dr Andreas Mattner	2017	14 / 14 (7)	4 / 4 (-)	10 / 10 (7)	100 (50)
Claus-Matthias Böge	2015	15 / 15 (8)	4 / 4 (-)	11 / 11 (8)	100 (53)
Maria Teresa Dreo-Tempsch	2020	14 / 14 (7)	4 / 4 (-)	10 / 10 (7)	100 (50)
Rolf Glessing	2018	8 / 8 (3)	4 / 4 (-)	4 / 4 (3)	100 (38)
Ulrich Graebner	2019	14 / 14 (7)	4 / 4 (-)	10 / 10 (7)	100 (50)
Christel Kaufmann-Hocker	2010	8 / 8 (3)	4 / 4 (-)	4 / 4 (3)	100 (38)
Mechthilde Dordel	2010	4 / 4 (-)	4 / 4 (-)	-	100 (-)
Klaus Hogeweg	2020	5 / 5 (1)	4 / 4 (-)	1 / 1 (1)	100 (20)
Johannes Weller (until 14 August 2024)	2020	4 / 5 (1)	2 / 2 (-)	2 / 3 (1)	80 (25)
Ulrike Glasik (since 15 August 2024)	2024	2 / 2 (-)	2 / 2 (-)	-	100 (-)

CORPORATE GOVERNANCE AND THE DECLARATION  
OF COMPLIANCE

The Supervisory Board and the Management Board again intensively discussed internal corporate governance in the year under review. The Committee, together with the Management Board, reports on this in accordance with Principle 23 of the German Corporate Governance Code (hereinafter “Code”), in the corporate governance report for 2024. There were no conflicts of interest within the meaning of item E1 of the Code among its members. The Supervisory Board and Management Board published an updated joint declaration of compliance with the Code in accordance with Section 161 AktG in November 2024. This declaration of compliance can be accessed by the public on the company’s website at [www.hamborner.de/en](http://www.hamborner.de/en) under Sustainability/Governance.

ADOPTION OF THE 2024 ANNUAL FINANCIAL STATEMENTS  
(HGB) AND APPROVAL OF THE IFRS SEPARATE FINANCIAL  
STATEMENTS

On 10 April 2025, in the presence of the auditor, the Audit Committee and the Supervisory Board examined and discussed in detail the annual financial statements under German commercial law and the separate IFRS financial statements of the company in accordance with Section 325(2a) of the German Commercial Code (HGB), together with the management report and the proposal for the appropriation of profits. In preparation, all members of the Supervisory Board received copies of the audit reports early. The certifying auditors reported at length on the audit results and were available to the Supervisory Board to answer supplementary questions and provide information in the discussion. There were no objections to the HGB and IFRS financial statements presented, with the result that the Supervisory Board approved them at its meeting on 10 April 2025.

UNQUALIFIED AUDIT OPINION

The annual financial statements of the company as at 31 December 2024 prepared by the Management Board in accordance with the rules of the German Commercial Code, the German Stock Corporation Act and the German REIT Act, plus the financial statements prepared in accordance with the International Financial Reporting Standards (IFRS), the management report, and the proposal for the appropriation of profits were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf. The audit mandate was issued in accordance with the resolution of the Annual General Meeting of 25 April 2024. The auditor issued unqualified audit opinions for both sets of financial statements. The 2024 annual financial statements under German commercial law prepared by the Management Board were therefore approved. The Supervisory Board has endorsed the proposal of the Management Board for distribution of the unappropriated surplus.

OUR THANKS

The Supervisory Board expresses its thanks and appreciation to the Management Board and all the employees of HAMBORNER REIT AG for their great dedication. Thanks to their tireless personal commitment the company was again able to achieve numerous successes in a demanding environment in the reporting year and complete important groundwork for the company’s ongoing successful development.

Our particular thanks go to our shareholders, our tenants and our business partners for their trust and the productive working relationships in 2024.

Duisburg, 10 April 2025  
Supervisory Board

Dr Andreas Mattner  
Chair



# MANAGEMENT BOARD AND SUPERVISORY BOARD

## Management Board

### **NICLAS KAROFF, BERLIN**

#### Chair

Born in 1971,  
Management Board member since 1 March 2020,  
appointed until 28 February 2029,  
responsible for Strategy, Finance & Accounting, Portfolio & Risk  
Management, Internal Audit, Legal & Corporate Governance,  
Investor Relations & Corporate Communication, Human Resources,  
Sustainability & ESG, Executive Office

### **SARAH VERHEYEN, MUNICH**

Born in 1985  
Management Board member since 1 October 2022,  
appointed until 30 September 2029,  
responsible for IT & Digital Transformation, Transaction  
Management, Asset Management, Technical Management, Property  
Management, Sustainability & ESG, Executive Office

### **DR ECKART JOHN VON FREYEND, BAD HONNEF**

Honorary Chair of the Supervisory Board

## Supervisory Board

### **DR ANDREAS MATTNER, HAMBURG**

#### Chair

Independent management consultant,  
managing shareholder of Drachen GmbH

### **CLAUS-MATTHIAS BÖGE, HAMBURG**

#### Deputy Chair

Managing Director of CMB Böge Vermögensverwaltung GmbH

### **MARIA TERESA DREO-TEMPSCH, VIENNA**

Member of the Management Board of Berlin Hyp AG

### **ROLF GLESSING, ILLERKIRCHBERG**

Managing Shareholder of Glessing Management Beratung GmbH

### **ULRICH GRAEBNER, BAD HOMBURG V. D. H.**

Senior Advisor of Houlihan Lokey Germany AG  
Partner at Cara Investment GmbH

### **CHRISTEL KAUFMANN-HOCKER, DÜSSELDORF**

Independent management consultant

### **MECHTHILDE DORDEL, OBERHAUSEN<sup>1</sup>**

Employee of HAMBORNER REIT AG  
(Finance & Accounting)

### **KLAUS HOGEWEG, MÜLHEIM AN DER RUHR<sup>1</sup>**

Employee of HAMBORNER REIT AG  
(IT & Digital Transformation)

### **JOHANNES WELLER, WILlich<sup>1</sup> (UNTIL 14 AUGUST 2024)**

Employee of HAMBORNER REIT AG  
(Portfolio & Risk Management)

### **ULRIKE GLASIK, OBERHAUSEN<sup>1</sup> (FROM 15 AUGUST 2024)**

Employee of HAMBORNER REIT AG  
(Finance & Accounting)

<sup>1</sup> Employee representatives

# SUSTAINABILITY

*The success of a company is not measured by its revenue and income alone. Profitable growth is possible in the long term only by accepting responsibility for the environment and society.*

The transformation to a property industry based on sustainability is a long-term objective shared by HAMBORNER REIT AG, its stakeholders and competitors. The company’s goal is to actively embrace this process and the growing trend towards the integration of sustainability aspects on an asset and company level. At the same time it assumes social and environmental responsibility in the course of implementing its corporate strategy.

### Sustainability strategy

The overall strategy of HAMBORNER REIT AG is aimed at value-adding growth through continuous further development and yield-driven expansion of the property portfolio. The central element of this involves generating sustainable rental income that can be planned long term and that can be distributed to shareholders in the form of attractive dividends. The corporate strategy therefore takes into account all aspects and measures that contribute to generating adequate and attractive distributions.

The company stakeholders’ growing demands for sustainable business practices play an ever-greater role in this context. For this reason, relevant criteria have been incorporated into the corporate strategy, and a commitment made to the continuous expansion of the sustainability management system.

### Sustainability management

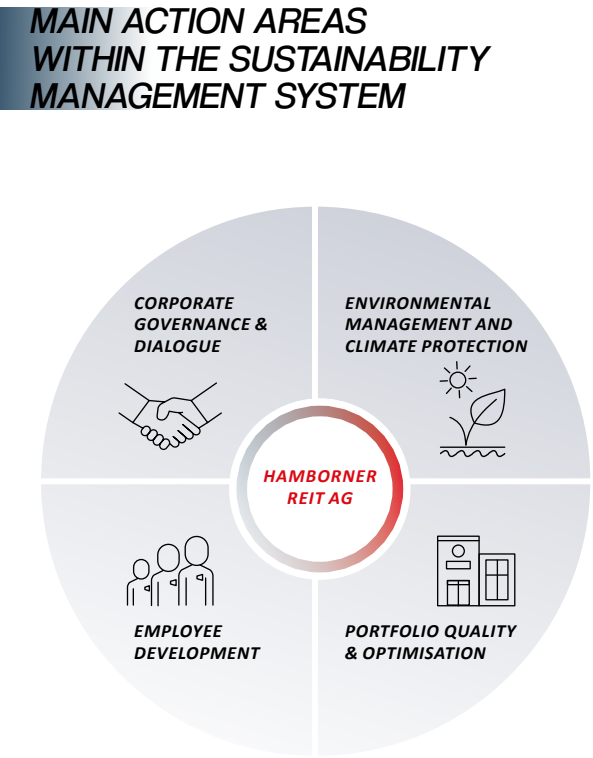
The planning and management of the company’s sustainability activities is the responsibility of the internal sustainability committee, consisting of the Management Board and the managers in charge of selected business areas.

The committee deals regularly with relevant environmental, social and governance matters, is directly involved in the strategy development and materiality process, and formulates concrete themes and areas for action. It also oversees the implementation of company-wide sustainability activities.

Sustainability has a high priority at Supervisory Board level too. For this reason an ESG Committee has been established at Supervisory Board level. It advises the Management Board and the company on key sustainability matters and deals in particular with the integration of sustainability into the corporate strategy and the definition of sustainability targets.

## HAMBORNER REIT AG INTERNAL SUSTAINABILITY COMMITTEE





When defining business-related sustainability topics, HAMBORNER is guided by the principle of materiality, while following a policy of targeting the available resources and its own efforts on topics which have the greatest impact on society and the environment. Based on these criteria, the following key areas of action were defined:

- Environmental management and climate protection
- Portfolio quality and optimisation
- Employee development
- Corporate governance and dialogue

The basis for all of HAMBORNER’s activities is a strategic sustainability programme, which forms the road map for implementing the sustainability strategy and defines concrete measures and targets in the action areas mentioned above.

Particular attention was again paid to the areas of environmental management and climate protection, not least because they are highly relevant for the property sector. The company published a company-wide decarbonisation strategy in the first quarter of 2024.

The results of a carbon footprint project to measure greenhouse gas emissions at company and portfolio level formed the basis for defining the strategy. After a systematic analysis of historic carbon emissions, and because of the comparatively good availability of consumption and emissions data, 2021 was chosen as the baseline for defining the long-term decarbonisation goals.

The outcome was that the company committed to achieving net zero greenhouse gas emissions at company level by year-end 2045. This includes a small amount of unavoidable residual emissions, which will be offset in future.

Given the great importance of emissions from power and heating energy consumption in the property portfolio, the company strives to reduce energy-related emissions at portfolio level by 50% compared with the 2021 baseline by the end of 2030. This represents a reduction in emissions intensity from 56.4 kg CO<sub>2</sub>e/m<sup>2</sup> in the baseline year 2021 to 28.2 kg CO<sub>2</sub>e/m<sup>2</sup> in 2030. An average annual reduction of 5.6% in energy-related emissions is needed to make this possible.

Potential measures were also identified on the basis of the carbon footprints and technical analysis of selected assets, which are to be implemented at individual building level going forward, within the field of portfolio quality & optimisation that has been defined as a key action area. The asset-specific actions taken in 2024 included

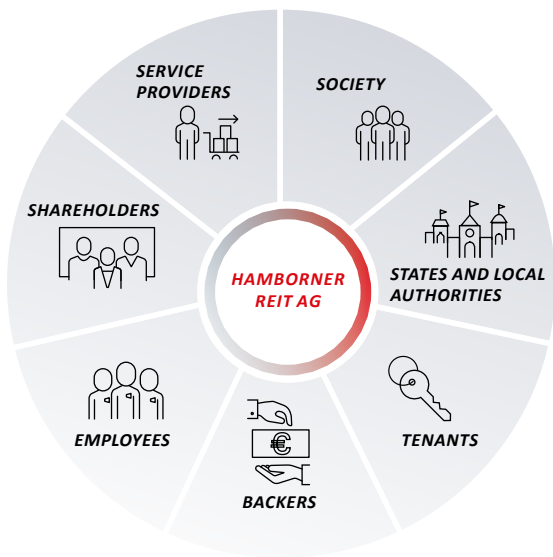
2030

50% reduction in energy-related emissions at portfolio level

2045

Net zero greenhouse gas emissions at company level

STAKEHOLDER DER  
HAMBORNER REIT AG



further improvements to energy supplies and the optimisation of technical installations.

In addition to implementing initial measures to meet our published decarbonisation targets, the focus in 2024 was on the topic of corporate governance and dialogue.

This is due to preparatory work for additional sustainability reporting in line with the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation. Activities focused on conducting a materiality assessment and drawing up a detailed project roadmap. The results of the materiality assessment were confirmed by the Supervisory Board’s ESG Committee and its methodology was confirmed by the responsible auditor. In accordance with the timetable and taking into account the recent regulatory changes proposed by the European Commission (proposal for an Omnibus Regulation), the project will be continued over the course of 2025.

Within the area of employee development, the focus in the 2024 financial year was again on planning and implementing training activities.

The current sustainability report contains details of the strategic sustainability programme as well as further information about activities and progress in the defined action areas.



To view the latest  
SUSTAINABILITY REPORT  
please click  
[here](#).

# HAMBORNER SHARES

## GENERAL SITUATION ON THE STOCK MARKET

The stock exchange year 2024 and the investment climate were influenced by a wide range of economic and political factors. Despite the ongoing fears of a recession and geopolitical crises, national and international stock exchanges reported sometimes significant price increases. The performance of equities markets was not uniform, however, as significant divergences emerged over the course of the year between large-cap companies and small and mid-cap companies.

While large companies, which mostly operate internationally, profited from the broadly stable global economic situation and their own market position, generating significant profits in some cases, smaller companies were exposed to wider market fluctuations and a high level of uncertainty.

This is also reflected in the performance of the national indices. Buoyed by positive company results, lower inflation and a further stabilisation of the interest rate environment, the DAX rose steadily over the course of the year, passing the 20,000 mark for the first time in the third quarter. The index reached an all-time high at 20,583 points in mid-December and closed the year up 18.8% at 19,909 points.

The two small and mid-cap indices MDAX and SDAX, which include numerous companies that operate mainly in the German market, reported a negative performance, however. While the MDAX closed the year down 5.7%, the SDAX lost 1.8% over the course of 2024. Negative factors including macroeconomic uncertainties, sectoral

challenges, as well as company size and trading volumes, all caused a large number of equities investors to focus on larger companies.

The shares of German real estate companies performed well overall in 2024, particularly due to the stabilisation of property valuations and the interest rate environment. Driven by the ongoing high demand for housing, residential property shares were generally in greater demand than commercial property shares. Nevertheless, share prices were still significantly lower than before the property crisis in 2022.

Shares in European property companies also performed well, but were not able to match the previous year's steep price increases. The FTSE EPRA/NAREIT Europe ex UK Index published by the European Public Real Estate Association (EPRA) rose by 14.8% in 2023, but only managed an increase of 2.8% in the reporting year.

## HAMBORNER REIT AG SHARES

HAMBORNER shares are traded on the stock markets of Frankfurt am Main and Düsseldorf in addition to the XETRA electronic trading system. The shares are listed under securities identification number A3H233 (ISIN: DE000A3H2333). They meet the international transparency requirements of Deutsche Börse's Prime Standard.

The company engaged Baader Bank AG based in Munich and private bank M. M. Warburg from Hamburg as designated sponsors. They ensure that HAMBORNER shares can be traded at all times on the basis of ongoing bid and ask prices.

At 41.7 million, the trading volume of HAMBORNER shares was markedly above that of the previous year in 2024 (35.3 million), as the result of more stable market conditions and improved sentiment towards shares in property companies. The average trading volume rose accordingly to around 158 thousand shares per day (previous year: around 138 thousand).

**+18.8%**

DAX

**-1.8%**

SDAX



HAMBORNER SHARE PERFORMANCE

The HAMBORNER REIT AG shares followed the negative market trend for shares in small and mid-cap companies in 2024 with a stable, but slightly negative performance. The share price only saw moderate fluctuations over the course of the year.

Starting the year at a price of €6.81, the share reached its high for the year as early as January at €7.00, before falling to a low for the year of €6.26 at the end of February. The share price then recovered gradually up to the company’s Annual General Meeting held in late April.

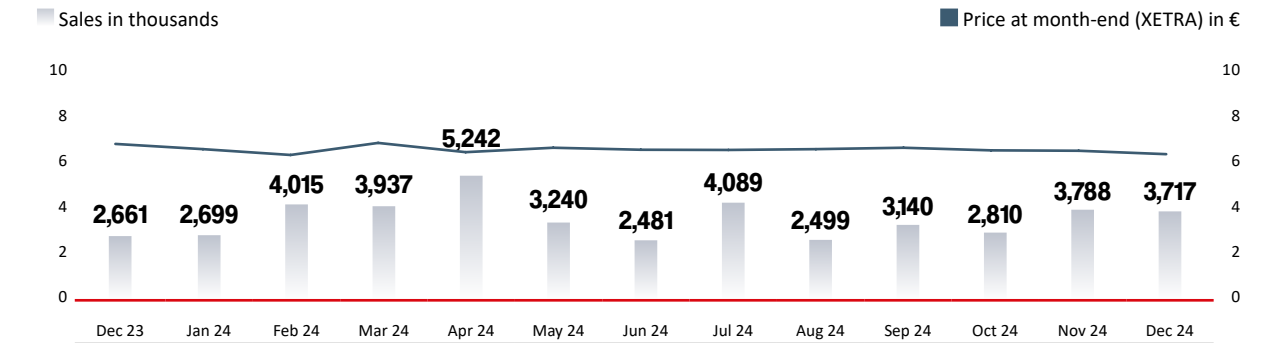
After the expected correction due to the dividend payment in early May the share priced moved largely sideways. The share closed 2024 at €6.30, which represents a year-on-year decline of around 7.5%.

As at the end of 2024, market capitalisation was €512.5 million (previous year: €553.9 million).

OVERVIEW OF HAMBORNER SHARES		2024	2023	2022
Issued capital	€ million	81.3	81.3	81.3
Market capitalisation <sup>1</sup>	€ million	512.5	553.9	553.9
Year-end share price	€	6.30	6.81	6.81
Highest share price	€	7.00	7.75	7.75
Lowest share price	€	6.26	6.07	6.07
Dividend per share	€	0.48 <sup>2</sup>	0.48	0.48
Total dividend	€ million	39.0	39.0	39.0
Dividend yield <sup>1</sup>	%	7.6	7.0	7.0
Price / FFO ratio <sup>1</sup>		9.9	10.1	10.1

<sup>1</sup> Basis: XETRA year-end share price  
<sup>2</sup> Proposal to the 2025 Annual General Meeting

PRICE TREND FOR 2024



DIVIDEND

With largely stable business development in line with the budget in 2024, the Management Board and Supervisory Board will propose to the ordinary Annual General Meeting on 26 June 2025 the distribution of a dividend at the previous year's level, in the amount of €0.48 per share. This would correspond to a dividend yield of 7.6% based on the share price at the end of 2024.

HAMBORNER has been known for many years for its stable and dependable dividend policy. The company intends to continue making attractive dividend distributions to the extent allowed by its commercial performance.

INVESTOR RELATIONS AND CORPORATE COMMUNICATION

Active, continuous and transparent communication with the capital market is a matter of high importance at HAMBORNER. The company provides regular information about its strategic, operating and financial performance by means of active investor relations work. At the same time, transparency standards are continuously developed to provide investors with a reliable and transparent impression of the company at all times, to enable a fair company valuation, and build confidence in the company.

The company took part in several capital market and specialist conferences in Germany and abroad in 2024, and organised roadshows both in person and online in Germany and other financial centres in Europe. Existing and potential investors were also able to speak directly with the Management Board during individual and group meetings. Furthermore, the Management Board and the investor relations team reported to private investors about the development of the company at special events, and answered questions in numerous additional discussions and telephone calls.

7.6%

Dividend yield

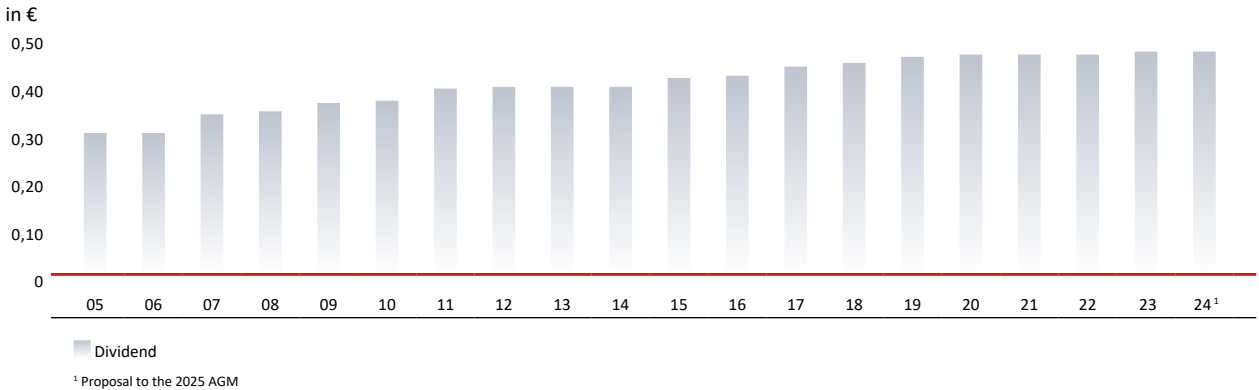
€ 0.48

Proposed dividend

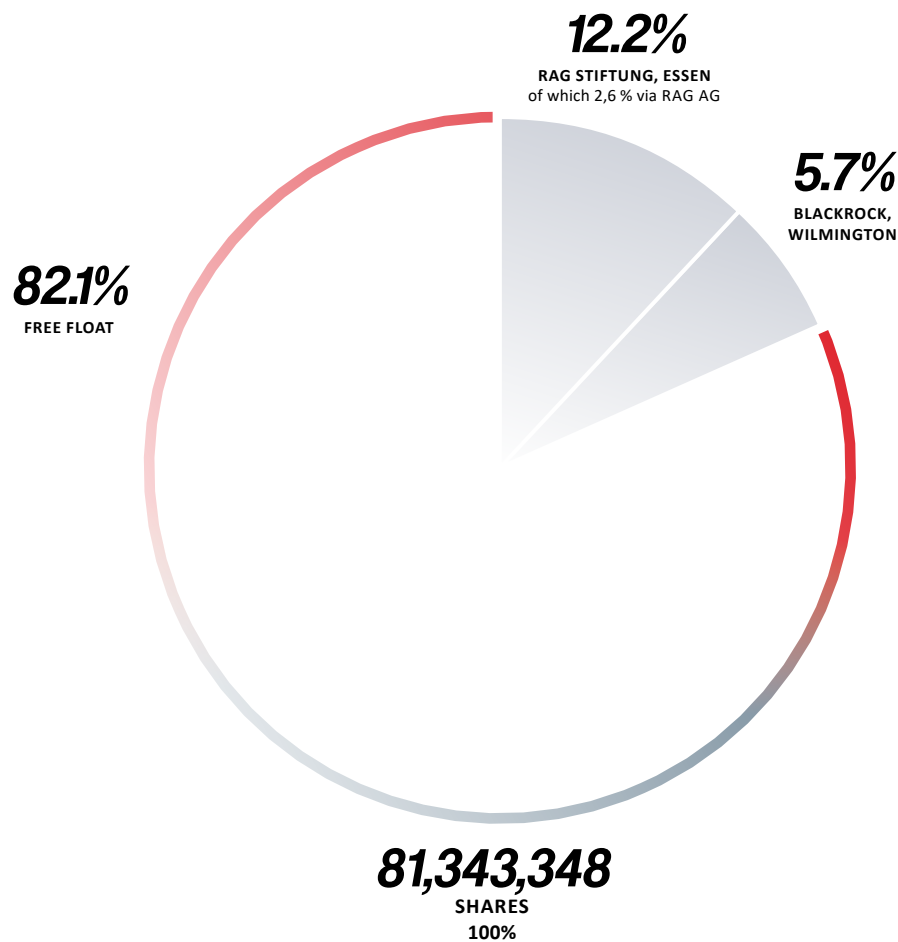
In line with a suggestion in the German Corporate Governance Code, the Chair and Deputy Chair of the Supervisory Board also regularly engage in dialogue with the company's investors. Discussions about the company's current and future performance and subjects specific to the Supervisory Board last took place in autumn 2024 as part of a governance roadshow. The next regular roadshow is planned for 2026.

The company's investors and stakeholders were regularly supplied with updated information, not only through direct dialogue, but also online. The company website, [www.hamborner.de/en/](http://www.hamborner.de/en/) provides a detailed overview of the property portfolio, as well as permanent access to the latest company data and publications. Visitors can also register for the Investor Newsletter to receive information about HAMBORNER REIT AG directly by email. Furthermore, the financial calendar provides advance details of our publication dates and roadshow and conference planning.

DIVIDEND TREND 2005-2024



# SHAREHOLDER STRUCTURE AS AT 31 DECEMBER 2024



Public relations work also remains an important element of the company's communications strategy. Ongoing dialogue with the financial, trade and business press as well as the relevant associations was continued in 2024. The Management Board members and other company staff report openly, promptly and reliably on developments and events relating to the company and the market in press releases and interviews.

The company will continue its active investor relations work in 2025 and actively provide information about the development of HAMBORNER REIT AG.

### CONTACT FOR INVESTORS AND PRESS

Christoph Heitmann  
Head of Investor Relations, Financing & Corporate Communications  
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Email: [info@ir.hamborner.de](mailto:info@ir.hamborner.de)

# TRANSPARENT REPORTING IN ACCORDANCE WITH EPRA

HAMBORNER REIT AG has been a member of EPRA since 2010. The European Public Real Estate Association (EPRA) is an organisation that publicly represents the interests of the major European property companies and supports the development and market presence of the European property corporations. As in previous years, HAMBORNER conducts reporting in line with the standards recommended by EPRA in order to ensure transparency and comparability in determining key performance indicators.

## OVERVIEW OF EPRA INDICATORS

OVERVIEW OF EPRA INDICATORS IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
EPRA NRV	900,608	923,729
EPRA NTA	796,291	814,629
EPRA NDV	837,306	871,187
EPRA earnings	51,579	54,661
EPRA net initial yield	5.2%	5.2%
EPRA "topped-up" net initial yield	5.3%	5.2%
EPRA vacancy rate	2.8%	2.7%
EPRA cost ratio (including direct vacancy costs)	30.6%	26.4%
EPRA cost ratio (not including direct vacancy costs)	29.5%	25.5%
EPRA LTV	43.7%	43.5%

## EPRA NRV, EPRA NTA AND EPRA NDV

EPRA NRV describes a portfolio-holding property company which is not generally in the business of selling properties. Assets and liabilities which do not normally lead to long-term appreciation or depreciation, for example fair value adjustments to financial instruments, are not taken into account. The indicator should reflect the value that would be required for the company to recover.

EPRA NTA focuses on determining the value of a property company's tangible assets. This calculation assumes that property companies buy and sell properties, and that taxes must be deferred as a result. Intangible assets and market values of financial instruments must be adjusted.

Shareholders want to know the full extent of liabilities and the company value resulting from these if assets are sold and liabilities not held to maturity. EPRA NDV therefore incorporates financial instruments and other liabilities with their fair values less any taxes incurred.

31 DEC. 2024 IN € THOUSAND	EPRA NRV	EPRA NTA	EPRA NDV
IFRS shareholders' equity	403,555	403,555	403,555
Diluted NAV	403,555	403,555	403,555
Revaluation of investment property (using cost model according to IAS 40)	392,793	392,793	392,793
Diluted NAV at market value	796,348	796,348	796,348
Market value of financial instruments	0	0	–
Intangible assets according to the IFRS balance sheet	–	–57	–
Fair value of fixed interest rate liabilities	–	–	40,958
Land transfer tax / acquisition costs	104,260	–	–
NAV	900,608	796,291	837,306
Number of shares (fully diluted) in thousands	81,343	81,343	81,343
NAV per share in €	11.07	9.79	10.29

31 DEC. 2023 IN € THOUSAND	EPRA NRV	EPRA NTA	EPRA NDV
IFRS shareholders' equity	429,958	429,958	429,958
Diluted NAV	429,958	429,958	429,958
Revaluation of investment property (using cost model according to IAS 40)	384,971	384,971	384,971
Diluted NAV at market value	814,929	814,929	814,929
Market value of financial instruments	0	0	–
Intangible assets according to the IFRS balance sheet	–	–300	–
Fair value of fixed interest rate liabilities	–	–	56,258
Land transfer tax / acquisition costs	108,800	–	–
NAV	923,729	814,629	871,187
Number of shares (fully diluted) in thousands	81,343	81,343	81,343
NAV per share in €	11.36	10.01	10.71

The company uses the diluted NAV at market value according to the preceding EPRA calculation method as a control parameter.

## EPRA EARNINGS

The figure “EPRA earnings” shows a property company’s ability to make distributions from its sustainable operating income by adjusting net income for any measurement effects or the result of disposals, for example. This indicator is therefore comparable to the funds from operations (FFO) figure communicated by the company (cf. [page 43 et seqq.](#)).

EPRA EARNINGS IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Earnings per IFRS	16,270	–660
+ Changes in value of investment property <sup>1</sup>	39,642	55,850
– Profit or losses on disposal of investment properties	–4,333	–529
EPRA earnings = FFO	51,579	54,661
Number of shares in thousands	81,343	81,343
EPRA earnings per share in € = FFO per share in €	0.63	0.67

<sup>1</sup> Depreciation, impairment losses and reversals of impairment losses on property are recognised here on account of the recognition of property at depreciated cost.

## EPRA NET INITIAL YIELD

EPRA net initial yield is calculated on the basis of annualised rental income as at the reporting date, less property costs that cannot be reallocated to tenants, and divided by the fair value of the portfolio including incidental costs of acquisition. “Topped-up” net initial yield also takes into account adjustments for rental incentives, such as rent-free periods.



EPRA NET INITIAL YIELD IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Fair value of the property portfolio (net)	1,413,620	1,471,000
+ Incidental costs of acquisition	104,260	108,800
+ Fair value of the properties held for sale <sup>1</sup>	27,390	0
<b>Fair value of investment property portfolio (gross)</b>	<b>1,545,270</b>	<b>1,579,800</b>
Annualised rental income	92,250	92,002
– Non-transferable property costs	–11,164	–10,341
<b>Annualised net rental income</b>	<b>81,087</b>	<b>81,661</b>
+ Adjustments for rental incentives <sup>1</sup>	658	521
<b>Topped-up annualised rental income</b>	<b>81,744</b>	<b>82,182</b>
<b>Net initial yield in %</b>	<b>5.2</b>	<b>5.2</b>
<b>Topped-up net initial yield in %</b>	<b>5.3</b>	<b>5.2</b>

<sup>1</sup> The term of the rental incentives is on average 10.9 years (11.2 years in the previous year)

## EPRA VACANCY RATE

The vacancy rate is calculated using the ratio of market standard annualised rent for vacant space to market standard rents for the portfolio as a whole, as at the reporting date.

EPRA VACANCY RATE IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Annualised standard market rent for vacant space	2,723	2,600
Annualised standard market rent for portfolio as a whole	95,631	95,123
Vacancy rate in %	2.8	2.7

The vacancy rate came to 2.8% as at 31 December 2024, which is slightly higher than the previous year (2.7%). This is due to a slightly disproportionate increase in annualised vacancy rents. This mainly concerns the vacancy at the property in Linzer Straße, Bremen.

## EPRA COST RATIO

The EPRA cost ratio is intended to allow comparison of the relevant operating costs and administrative costs of listed property companies. The relevant costs include all expenses from the IFRS financial statements (not including depreciation, interest, or taxes) for the management of the property portfolio that cannot be reallocated or passed on. The relevant costs calculated in this way are then compared to the company's adjusted income from rents and leases.

EPRA COST RATIO IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Administrative / operating expenses per IFRS income statement	62,634	75,672
+ Service charge costs less income from incidental costs passed on to tenants	4,993	3,812
– Other operating income from costs passed on to third parties / reimbursed expenses	–286	–288
–/+ Investment property depreciation and amortisation	–39,642	–55,850
<b>EPRA costs (including direct vacancy costs)</b>	<b>27,699</b>	<b>23,346</b>
– Direct vacancy costs	–951	–792
<b>EPRA costs (including direct vacancy costs)</b>	<b>26,748</b>	<b>22,554</b>
<b>Gross rental income less ground rent costs</b>	<b>90,628</b>	<b>88,592</b>
<b>EPRA cost ratio in % (including direct vacancy costs)</b>	<b>30.6</b>	<b>26.4</b>
<b>EPRA cost ratio in % (including direct vacancy costs)</b>	<b>29.5</b>	<b>25.5</b>

In the reporting year, as in the previous year, no costs were capitalised in connection with the administration of the property portfolio. General contractors are usually commissioned for the planning and performance of larger modernisation work eligible for capitalisation.

To the extent that the company's own employees render key services in connection with these measures, the corresponding personnel expenses are capitalised.

### EPRA CAPEX MEASURES

Investment expenses (CapEx) are subdivided into categories for greater transparency.

EPRA CAPEX MEASURES IN € THOUSAND	2024	2023
<b>Acquisitions</b>	<b>9</b>	<b>24,603</b>
<b>Investment property</b>		
Creation of additional rental space	3,431	0
Without creation of additional rental space	191	2,837
Maintenance measures relating to new acquisitions	529	351
<b>Total (investment property)</b>	<b>4,151</b>	<b>3,188</b>
<b>Total CapEx</b>	<b>4,160</b>	<b>27,791</b>
Reconciliation of accrual-based allocation to expenses	-269	-346
<b>TOTAL CAPEX AFTER OUTFLOWS</b>	<b>3,891</b>	<b>27,445</b>

Acquisitions of €9 thousand (previous year: €24.6 million) stemmed from the purchase price adjustment made in 2024 for a property in Münster, and incidental acquisition costs for pending purchases. HAMBORNER took possession of the properties in Hanau and Offenburg in the previous year.

Investment properties incurred total investment costs of €4,160 thousand in the 2024 financial year (previous year: €3,188 thousand).

Additional rental area was created at the Kempten property, which required investment of €3,431 thousand in 2024.

In the 2024 financial year, €191 thousand (previous year: €2,837 thousand) was paid in investment expenses for existing rental space of current tenants or new lets. These mainly relate to modifications in the Bremen property and capitalised estate agent fees for letting the property in Ratingen.

If defects to the object of purchase are found in the course of due diligence, and these are not remedied by the seller, the purchase price is normally reduced on acquisition. Expenses of €529 thousand (previous year: €351 thousand) were paid after possession had been transferred in the 2024 financial year to remedy such defects. Grout repairs accounted for €183 thousand in Kempten and €99 thousand in Hallstadt, with €76 thousand spent on roof repairs in Dietzenbach. Work carried out the previous year consisted primarily of €143 thousand for roof and joist repairs in the Dietzenbach property and €129 thousand for revitalisation work on the asset in Mainz.

In total, CapEx measures in 2024 came to €4.2 million (previous year: €27.8 million), which resulted in outflows of €3.9 million (previous year: €27.5 million). The difference is due to the provisions of €0.3 million recognised as at 31 December 2024 (previous year: €0.3 million).

HAMBORNER has no subsidiaries or joint ventures.

### EPRA LTV

EPRA LTV is a consistent, comparable metric for the industry and is used to express the debt-coverage ratio. It is the ratio of borrowings as defined by IFRS, less cash and cash equivalents, to the total fair value of the property portfolio.

LOAN TO VALUE IN ACCORDANCE WITH EPRA IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Non-current financial liabilities without derivatives	511,611	641,403
Current financial liabilities	169,638	41,457
Cash	-51,766	-43,304
<b>Net financial liabilities</b>	<b>629,483</b>	<b>639,556</b>
Investment property at fair value according to valuation	1,413,620	1,471,000
Sales value of the undeveloped land holdings	460	460
Non-current assets held for sale	27,390	0
Capitalised incidental costs of acquisition on properties not yet transferred	29	0
	<b>1,441,499</b>	<b>1,471,460</b>
<b>Loan to value in accordance with EPRA</b>	<b>43.7%</b>	<b>43.5%</b>

# MANAGEMENT REPORT

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# BASIC INFORMATION ON THE COMPANY

## Positioning and strategy

### OPERATING ACTIVITIES

HAMBORNER REIT AG is a stock corporation listed on the SDAX. It operates exclusively in the property sector and has positioned itself as an asset manager of commercial properties. The company holds a property portfolio diversified by asset classes and regions, which essentially consists of modern office properties in established locations, as well as retail properties focusing on local shops in city centre locations, neighbourhood centres, and high-footfall suburban locations in large and medium-sized cities in Germany.

HAMBORNER REIT AG is an industry leader thanks to its many years of experience in the property and capital market, a sustainable and attractive dividend policy compared to its competitors, and a lean and transparent corporate structure. The company is a real estate investment trust (REIT) and benefits from this at a corporate level through an exemption from corporation and trade tax.

### STRATEGIC ALIGNMENT

#### Expansion of the existing portfolio

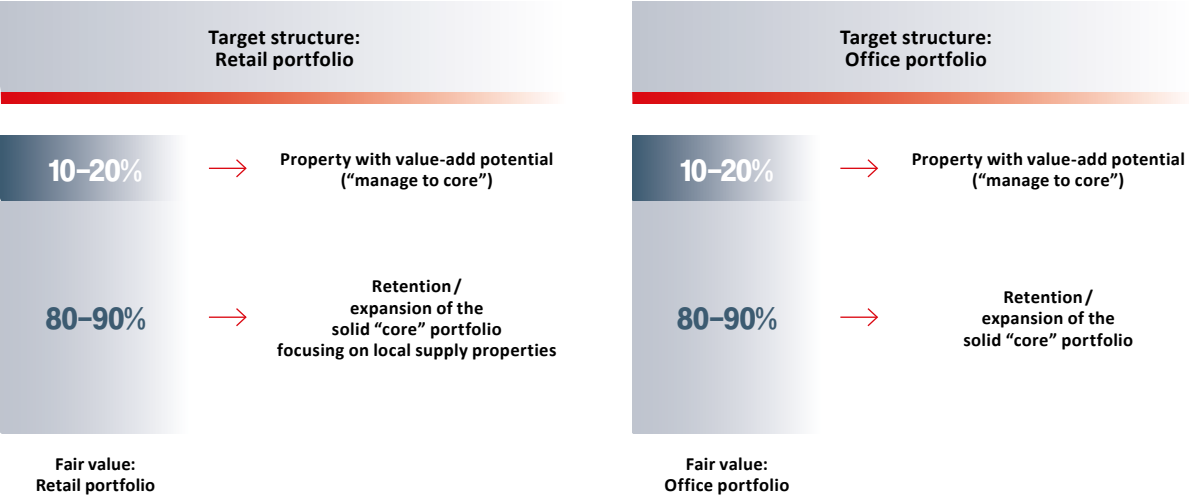
Along with the efficient management and development of the properties currently held, the corporate strategy at HAMBORNER REIT AG targets yield-driven expansion of the existing commercial property portfolio.

The company pursues an active portfolio strategy based on a two-pillar model and looks to invest in office and retail properties with an eye to regional diversification. Its objective is to safeguard the profitability of the property portfolio in the long term by acquiring properties with a solid and attractive risk/return profile compared with the market.

With respect to the structure of the retail portfolio, the company is concentrating on large-area properties with predominant usage in the area of foodstuffs retail or in the extended local retail sector, such as DIY stores.

Our investment focus in both the office and retail sectors is on the acquisition of core properties. These are properties characterised by high quality of location and buildings, tenant compositions with strong credit ratings, and long-term leasing situations. The company has determined a target rate of around 80% to 90% of the total portfolio volume for property classified as “core”.

## “TWO PILLAR” PORTFOLIO STRUCTURE OF HAMBORNER REIT AG



As well as expanding the existing core portfolio, the portfolio strategy also anticipates supplementary investment in “manage to core” properties which offer additional appreciation potential. In particular, they are characterised by major leasing, modernisation and/or repositioning requirements. The company seeks to identify and develop existing appreciation potential, taking into account the expertise at its disposal. The target rate for the proportion of manage to core property is 10% to 20% of the total portfolio volume.

The target volume for investments in retail properties is generally between €10 million and €100 million. In the office sector, the company prefers to acquire properties with a purchase volume of between €20 million and €100 million. In the event of a sufficiently attractive investment opportunity the company will consider portfolio acquisitions in the above-mentioned property segments.

#### **Geographical focus**

As part of its investment activity, the company is primarily focusing on locations in large and mid-sized cities in German metropolitan regions, which have attractive growth prospects in terms of economic and demographic framework conditions. This covers not only major cities and urban centres, but also parts of the highly prosperous hinterland which is home to some exciting investment opportunities in the local shopping and food retail sector. In terms of its investment in office properties, however, the company focuses primarily on established office locations within the major cities of the metropolitan regions.

This broad regional focus on metropolitan areas, combined with a specialisation in two asset classes, gives the company the flexibility it needs when selecting properties and continuing its steady growth.

#### **Active portfolio management**

In addition to yield-driven expansion of the portfolio as part of new acquisitions, the HAMBORNER REIT AG strategy sets out to continuously further develop the existing portfolio.

This includes in particular the regular analysis of properties in terms of their long-term risk-return prospects and the identification and realisation of existing value potential, including through the targeted disposal of properties.

#### **Financing strategy**

The HAMBORNER REIT AG financing strategy pursues the goal of ensuring sustainable growth and company stability.

The company seeks to create a sustainable and solid financing structure with a defensive loan-to-value profile (LTV) and high equity ratio, and also to provide sufficient liquidity that is as optimised as possible, coupled with a balanced structure and debt maturity.

It also plans to finance the future expansion of its property portfolio with a balanced mix of equity and debt capital, while striving to maintain a REIT equity ratio above the legally required minimum of 45%.

#### **Company financial controlling**

##### **FINANCIAL CONTROLLING**

The company's financial controlling system is geared towards contributing to the achievement of its goals. It extends from standardised investment analyses for individual properties to integrated budget and medium-term planning at company level (earnings, assets and cash flow planning). Internal controlling processes that compare actual performance against targets ensure that any deviations from plan are identified early and create the necessary internal transparency for developments in key performance indicators over the course of the year.

Governance at company level is based on the performance indicator calculated using IFRS figures for funds from operations (FFO). Key variables for changes in FFO are rental income, vacancy rate, maintenance, interest, personnel and other operating expenses. The great importance of FFO for corporate governance is also reflected in the variable remuneration of the Management Board, which is partly based on changes in FFO per share. Calculation of the FFO performance indicator is shown in the economic report.



PERFORMANCE INDICATORS

Funds from operations

Funds from operations (FFO) is a financial ratio calculated on the basis of the IFRS financial statements, and functions as an indicator of the company's long-term operating performance. It is used in value-oriented corporate management to show the generated funds that are available for investment, repayment and dividend distributions to shareholders. Adjusting FFO for maintenance and modernisation expenses capitalised and not recognised as an expense in the reporting year results in adjusted funds from operations (AFFO).

Portfolio

The property portfolio comprised 66 properties as at the end of the reporting year. The properties are predominantly in large and medium-sized cities at 46 locations in Germany, and have a total usable floor area of 621,547 m², almost all of which is in commercial use. More detailed information on the year of purchase, location, size and type of use as well as the fair value of all properties can be found in

the list of properties in the annex to the management report on pages 105 et seqq.

The portfolio and key indicators are presented according to property use as follows:

Table with 4 columns: KEY PORTFOLIO INDICATORS, RETAIL, OFFICE, TOTAL. Rows include Property value, Number of properties, Leasable space, Annualised rent, Annualised rent yield, EPRA vacancy rate, and Weighted remaining lease term.

Portfolio disposals

The transfer of possession from the sale of the property An der Alster, Hamburg, took place in December 2024.

Table with 6 columns: CITY, ADDRESS, BUILDING USE, CARRYING AMOUNTS IN € THOUSAND, PURCHASE PRICE IN € THOUSAND, RENTAL INCOME P.A. IN € THOUSAND. Rows for Hamburg and TOTAL.

Tenant structure

The foundation for our successful performance in 2024 was laid with a combination of a high-quality and diversified portfolio and a solid tenant structure, characterised by long-term retention of tenants with a good reputation and excellent credit standing. The following table provides an overview of the company's ten biggest tenants:

Table with 2 columns: TOP 10 TENANTS, RENTAL INCOME IN %¹. Rows list major tenants like EDEKA Group, Kaufland Group, REWE Group, etc., and a TOTAL row.

¹ Share of annualised rental income (including rent guarantees)

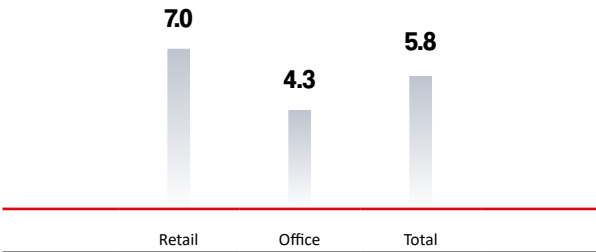
A glance at the tenant structure shows that a significant proportion of rental income is generated with companies which are comparatively insensitive to economic trends. Particularly noteworthy in this category are food retailers, which contributed around one third of the company's rental income in the 2024 financial year.



Remaining terms on leases according to property use are shown below and are weighted by rental income:

WEIGHTED REMAINING TERM  
OF LEASES

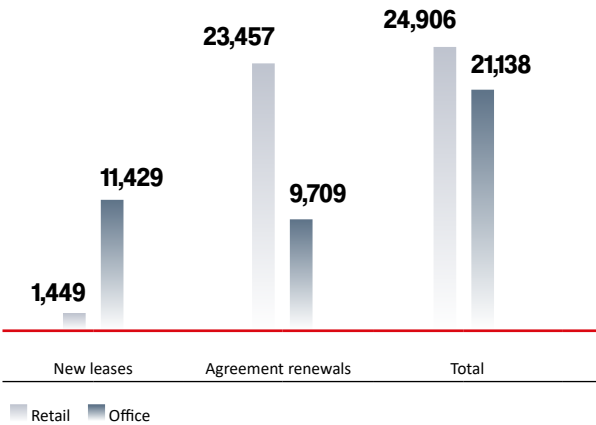
(As at 31 December 2024; in years)



The leasing performance in the 2024 financial year is shown in the following graphic:

LEASING PERFORMANCE

(2024 financial year; in m²)



New leases were signed for 25 assets in 2024, covering a total usable floor area of around 12,878 m².

The biggest new lease by area was for around 2,083 m² in the building in Ratingen, which was let to ATC EH GmbH & Co. KG.

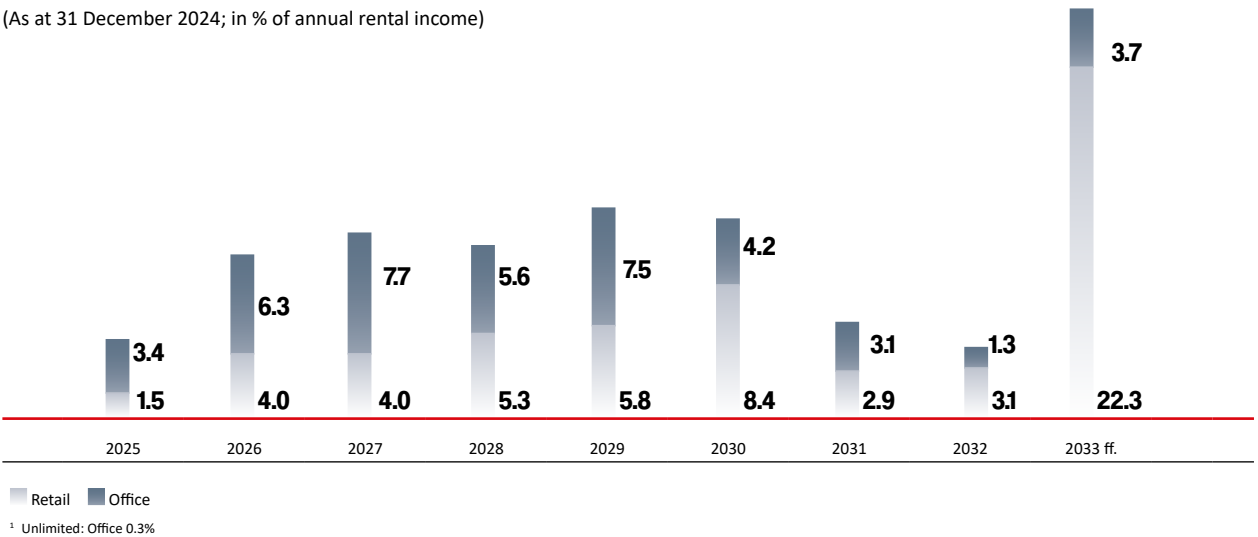
Leases for a total area of around 33,170 m² were renewed through a combination of contract extensions and options being exercised.

Particularly notable were the lease renewals for Giorgio Armani for 2,500 m² at the Munich property and Fitnessland GmbH for 2,200 m² at the office building in Celle.

The company continues not to expect to be faced with any serious cluster risk in relation to re-letting in the coming years.

LEASE EXPIRY SCHEDULE<sup>1</sup>

(As at 31 December 2024; in % of annual rental income)



# ECONOMIC REPORT

## Economic environment

### MACROECONOMIC TREND

The German economy remained in the doldrums in the 2024 financial year. This stemmed partly from the after-effects of geopolitical risks and wars and the ensuing loss of purchasing power. High energy costs, deglobalisation and structural problems also had a negative impact on the economy. The average overall inflation rate came to 2.2%. Gross domestic product for the full year 2024 fell by 0.2% due to a wide range of structural and cyclical challenges, including the geopolitical situation.

Unemployment increased significantly from the previous year by 178,000 in 2024. This caused the unemployment rate to go up to 6.0% at end of 2024 (December 2023: 5.7%).

## SITUATION ON THE REAL ESTATE MARKET IN GERMANY

### Retail space market

The retail property market in Germany was again largely stable in 2024. Depending on locations and strategies, the year-on-year performance was positive, with rising occupancy rates and stable rents.

According to estimates by BNP Paribas Real Estate, the retail letting market passed the 500,000 m<sup>2</sup> mark again in 2024 – for the first time since 2019 – reaching around 506,000 m<sup>2</sup>, which is roughly 15% higher than the previous year. The fourth quarter was the year's best with 147,000 m<sup>2</sup>, a similar volume to the same period in 2019.

JLL identified particularly strong demand for large units. A total of 350,600 m<sup>2</sup> were let by the third quarter of 2024, which is 4% higher than the previous year. Lets for more than 1,000 m<sup>2</sup> accounted for a good 55% of the total. Textile retailing is growing and relying to a significantly greater extent on bricks-and-mortar shops again, with a share of 36% of the take-up by the third quarter. The food/restaurant segment came in second place, with a share of 20%, followed by health/beauty at 7%.

Prime rents were virtually unchanged year on year. The Kaufingerstraße-Marienplatz location in Munich continues to lead the field at €340/m<sup>2</sup>, followed by the Tauentzienstraße in Berlin at €290/m<sup>2</sup> and Zeil in Frankfurt and Königsallee in Düsseldorf, each at €270/m<sup>2</sup>.

According to figures from the Federal Statistics Office, the volume of new retail leases rose by 2.7% in 2024 on a nominal basis (not price-adjusted) and by 1.3% in real terms compared with 2023. Non-food retail in particular reported higher sales, with year-on-year increases of 2.2% in real terms and 2.5% on a nominal basis compared with 2023. Food retail remained solid, up by a nominal 4.1% and real 1.7% after seasonal and calendar day adjustments. The fall in the inflation rate over the year meant that consumer spending was higher than in prior years. The sector remains faced with structural challenges, however. Functioning locations continue to see stable footfall, whereas less attractive locations are struggling with lower demand and rising vacancy rates.

MEC METRO-ECE Centermanagement GmbH & Co. KG (MEC) has found that shopping centres are becoming increasingly important, particularly in suburban and rural areas, where they fulfil essential consumer needs. The greater integration of leisure activities and food courts has proved to be a winning strategy here for increasing customer retention.

According to the property services provider Savills Immobilien Beratungs-GmbH (Savills), the viability of many retail locations depends on factors including centrality, accessibility and customer expectations. Sustainable retail concepts and flexible letting strategies are becoming more important as digitalisation continues to spread through the retail sector.

### *Office space market*

Performance on the German office property market varied in 2024. According to the property services provider Jones Lang LaSalle SE (JLL), take-up of office space in the seven main German cities (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich, Stuttgart) rose to some 2.7 million m<sup>2</sup>, which represents a year-on-year increase of 6%. There were significant regional differences between the cities in terms of take-up. Munich and Stuttgart were up by 29% and 26% respectively, while Hamburg, Frankfurt and Düsseldorf saw declines of 6%, 8% and 16% respectively compared with the previous year.

Vacancies increased by around 1.1 million m<sup>2</sup> year-on-year to reach a new high of 6.7 million m<sup>2</sup>. The mean office vacancy rate for the seven German cities was 6.8% in 2024, which is an increase of 1% over 2023. Here too, significant regional differences could be seen. Vacancy rates varied from 4.3% in Cologne to 10.6% in Düsseldorf.

Whereas JLL published a figure of 1.3 million square metres for new-build office space in the seven largest cities in 2023, Colliers reported an increase to 2.0 million square metres for 2024. The latter property services provider only expects new construction to slow from 2025.

JLL reported an average increase of 6% in prime rents. The property services provider puts Munich as the most expensive office location, with prime rents of €54.50/m<sup>2</sup> per month, followed by Frankfurt at €50.00/m<sup>2</sup> per month. The rise in prime rents is related to an increasing focus on quality by users. Demand for high-quality space in central locations remains high, while run down and less attractive properties are often under pressure. The trend towards shedding office space continued, driven by hybrid working patterns, rising operating costs and calls for sustainability.

Another key aspect for potential office tenants was the increased importance of ESG criteria. Many companies paid greater attention to the environmental and energy-efficiency characteristics of the properties they used in 2024. In addition to the positive sentiment this generates with employees and customers, the trend also has the potential to reduce costs.

### *German property investment market*

The German property investment market closed the year 2024 with the strongest single quarter for two years, according to JLL. A transaction volume of €11.8 billion in the fourth quarter contributed to an annual total of €35.3 billion, which represents a year-on-year increase of 14%. The fact that the fourth quarter accounted for around a third of the annual total could be seen as a positive sign for 2025, were it not for the numerous geopolitical and economic uncertainties that are set to make the current year challenging for investors too.

For all the vagaries of politics and the economic cycle, JLL sees interest rates as being the main driver of investment markets.

### *Living and logistics report best quarterly result since the first quarter of 2022*

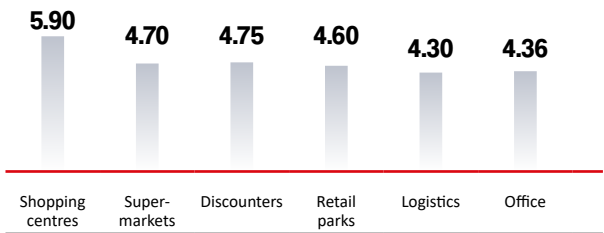
Investors' main focus in 2024 was on the living segment, according to JLL. Approximately 30% (€10.5 billion) of invested capital went to residential properties, student accommodation and old people's homes. Logistics buildings also improved on their 2023 transaction volume slightly, coming in at a solid second place at €7.9 billion (+8%).

According to JLL, supermarkets and retail superstores were among the products most in demand in 2024. This use type accounted for more than €2.1 billion or nearly 40% of the total transaction volume in this asset class. Transformation and repositioning are two key concepts that are particularly important for town centre department stores and shopping centres. Top locations were revived in 2024, also thanks to international city tourism, and owners and investors of

shopping centres tried to address the structural challenges facing them with entertainment and leisure activities.

NET PRIME YIELDS  
AT YEAR-END 2024<sup>1</sup>

(in %)



<sup>1</sup> Average for all top cities  
(Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich and Stuttgart)

Source: Jones Lang LaSalle

According to JLL, office properties made it to fourth place, just after retail, in 2024. The transaction volume of €5.5 billion represented a small increase of 6% on the previous year. Only seven transactions larger than €100 million were registered over the year as a whole. Rising occupancy rates for office properties are nevertheless cause for optimism, according to JLL. The performance in 2024 was better for smaller transactions, with JLL reporting a recovery in the total number of office property deals completed nationwide in Germany – up by 19% compared with 2023. Higher equity requirements and attractive pricing meant it was mainly private investors and family offices that seized entry options for smaller office buildings with high occupancy rates and sustainable concepts in 2024.

Portfolio transactions supported by living and logistics

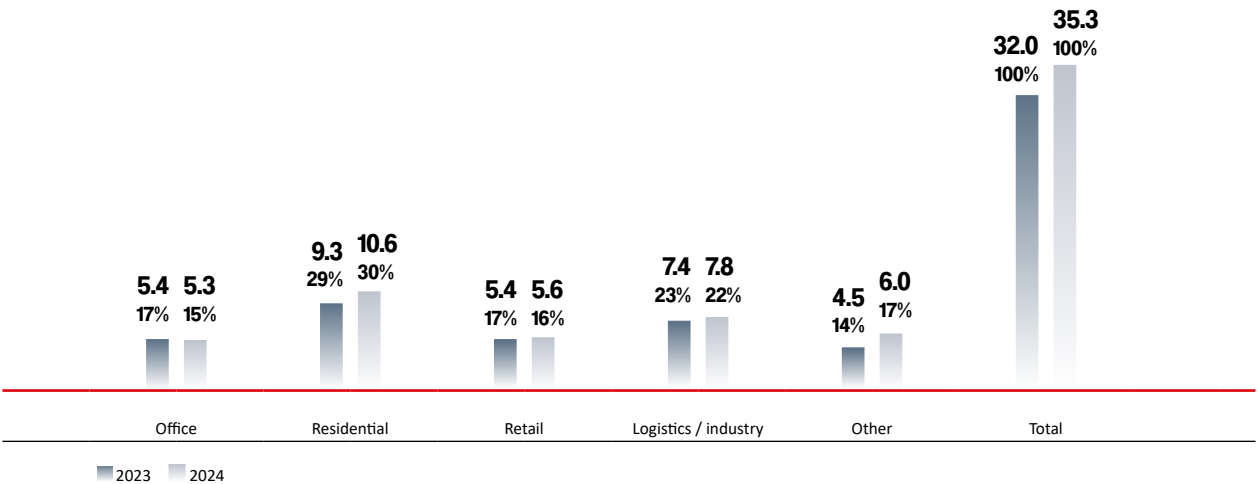
The volume of portfolio transactions rose sharply in the last three months of 2024 compared with prior quarters, which was mainly due to greater activity in the living and logistics segments, which account for some 80% of portfolio investment volume. Portfolio disposals with a volume of nearly €12 billion were reported for the full year, a decline of just 1% on 2023. Individual transactions went sharply in the other direction, accounting for two thirds of the total volume in Germany with an increase of 23% compared with 2023.

Share of seven big cities up – Berlin and Munich in the lead by transaction volume

In 2024, around €16.8 billion or 39% more than the previous year was invested in property in the seven biggest cities for real estate, Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich and Stuttgart. These markets' share of all German transactions rose as a result from 39% to 48% within one year. Berlin in particular profited from numerous residential property transactions, boosting transaction volume by more than 50% to €6.1 billion. A long way behind came Munich at around €3.2 billion and Hamburg at €2.4 billion. Frankfurt am Main only managed fourth place. €1.8 billion there were still enough for a 17% increase compared with 2023, however. The figure for 2024 was nevertheless down very significantly by 77% on the ten-year average.

TRANSACTION VOLUME ACCORDING TO MAIN USAGE TYPE

(Total) transaction volume in Germany; in € / in % of annual volume





Under these circumstances, discussions about converting properties for use in other ways are expected to increase.

Prime yields stabilise

Prime yields for property assets were largely stable over the course of 2024, according to JLL. Some asset classes saw greater fluctuations, however, and in both directions. The retail market was characterised by great stability, with prime yields for retail parks (4.6%) unchanged over the year, as with the high street retail segment (3.5%). Only shopping centres saw an increase in prime yields to 5.9% in the autumn. This figure continued to apply at year-end. Developments in prime yields were also stable for office properties, at least after the last small increase in the first quarter in five of the seven metropolitan markets. There was no change in the fourth quarter either. Munich is therefore still the most expensive office location by prime yield, ahead of Berlin.

Overall assessment by the Management Board

The 2024 financial year was dominated to a greater extent by economic stagnation.

The company’s net assets and financial position remain very comfortable. Concentrating the operating business on commercial properties and continuing to develop the portfolio form the basis for a stable operating performance. The conservative accounting for property at cost is also beneficial. The impact on earnings of impairment losses and their reversal as a result of the revaluation of properties is generally much lower than with accounting at market values. The earnings trend is therefore overall less volatile.

Furthermore, the company’s relatively low net debt, in consideration of the available liquid funds, is also proof of its continued solid financial position.

KEY CONTROL INDICATORS 2024	2023		2023	TARGET ACHIEVEMENT
	Target	Actual	Actual	
Rents and leases	€92 million to €93 million	€93.0 million	€91.1 million	→
FFO	€50 million to €51 million	€51.6 million	€54.7 million	↑

The forecast for the year under review set at the beginning of 2024 and updated over the course of the year (targets) was achieved in terms of rental and lease income and slightly exceeded in terms of funds from operations (FFO).

The forecast for rental and lease income set in 2024 was therefore achieved.

FFO fell year on year by 5.6% to €51.6 million and so was slightly above the most recent forecast. The decline was mainly due to higher maintenance expenses.

Detailed notes and a deviation analysis of the FFO performance indicator for forecasting purposes can be found in the section “Results of operations”.

Overall, the Management Board considers that the company’s economic position at the time the financial statements were prepared is good. On the basis of the assumptions presented in the forecast, it currently expects that the economic position will remain stable and develop according to plan in 2025.

Results of operations, net asset situation and financial position (IFRS)

RESULTS OF OPERATIONS (IFRS)

HAMBORNER generated rental and lease income from the management of its properties of €93.0 million (previous year: €91.1 million).

The increase of €1.9 million, or 2.0%, compared with 2023 is primarily the result of rent increases following property additions (€1.0 million) as well as from rent decreases due to property sales (€0.1 million). On a like-for-like basis – i.e. comparing the properties held in the portfolio throughout 2023 and 2024 – income from rents and leases of €91.0 million was €1.4 million or 1.6% higher than the previous year (previous year: €86.9 million). This is largely due to index-based rent increases. The reduction in the risk provisions recognised in the previous years for rent reductions in connection with the COVID-19 pandemic resulted in no income in the reporting year (previous year: €0.4 million).



At 2.5% (previous year: 2.6%), the economic vacancy rate taking into account agreed rental guarantees continues to be at an extremely low level. Not including rental guarantees, the vacancy rate was 2.6% (previous year: 2.8%).

Total maintenance expenses amounted to around €10.1 million in the financial year (previous year: €8.4 million). There were also measures eligible for capitalisation of around €4.2 million (previous year: €3.2 million).

As in the past, work was done on individual projects in the 2024 financial year as part of planned maintenance on roofs and building services facilities with a view to enhancing the energy efficiency of the properties in question and thereby guaranteeing their long-term letting prospects. In addition, tenant improvements and conversions were carried out in the wake of new leases and re-lettings. The most extensive revitalisation and refurbishment projects in the portfolio were carried out at the following sites in 2024:

The company carried out its biggest single project in the reporting year in the town centre shopping centre at Sandstraße 1–15 in Lübeck, which was acquired in 2016. In the course of improving the building's technical installations, maintenance work was carried out on the conveyor systems, emergency lighting, fire alarm, voice alarm system, ventilation and control technology for a total of €970 thousand.

Another big investment of €560 thousand was made in the building Am alten Eisenwerk 2 in Lüneburg. The insulation of the flat roof was improved and the waterproofing renewed as part of the scheduled maintenance.

Two more investments were made as part of scheduled maintenance at the office buildings in Balcke-Dürr-Allee 7, Ratingen, and Wetterkreuz 15, Erlangen. Surface coating work was carried out in the twin-level underground car park in Ratingen. The costs amounted to €335 thousand. Maintenance work was carried out on the heating/cooling system in Erlangen without interrupting operations. This incurred costs of €312 thousand.

Work to facilitate the re-letting of an area (approx. 1,700 m<sup>2</sup>) used by real, the previous tenant, was completed in the retail park in Gießen in the second half of 2024. A lease with the new tenant Aldi means that the former retail space has now been fully re-let. The costs amounted to €246 thousand.

Two larger projects to modify office space were completed at Hermann-Köhl-Str. 3, Bremen, and Balcke-Dürr-Allee 7, Ratingen. 1,200 m<sup>2</sup> was re-let in Bremen. The costs of the conversion came to €330 thousand, of which €210 thousand can be capitalised. Approximately 2,100 m<sup>2</sup> was re-let at the office building in Ratingen. The investment costs were around €185 thousand.

In addition, work to reduce energy consumption was carried out at several properties, as in previous years. This consisted primarily of switching the lighting in common areas and outside areas to LED. This incurred costs of €391 thousand in total.

Net rental income dropped by €1.0 million or 1.3% to €75.0 million (previous year: €76.0 million).

Administrative and personnel expenses were €0.8 million or 10.3% higher than in the previous year at €8.9 million in total (previous year: €8.1 million). The operating cost ratio, i.e. administrative and personnel expenses in relation to income from rents and leases, was therefore higher than the previous year and amounted to 9.6% (previous year: 8.8%).

Administrative expenses rose by €314 thousand to €1,930 thousand (previous year: €1,616 thousand). This is mainly due to higher Supervisory Board costs (€108 thousand) in connection with the election of a replacement Supervisory Board member.

Personnel expenses increased by €516 thousand to €6,960 thousand (previous year: €6,444 thousand). The change in personnel expenses is due chiefly to personnel changes (€215 thousand), salary increases for employees (€133 thousand) and higher Management Board remuneration (€96 thousand).

Other operating income came to €5.4 million (previous year: €1.8 million). It stemmed mainly from write-backs of €3.9 million following the revaluation of the properties in Gießen and Münster. There was also income of €801 thousand in compensation for the early termination of a lease by a tenant at the Ratingen property. The previous year's income consisted partly of compensation of €790 thousand for the early termination of a lease at the Mainz property.

Other operating expenses of €3.2 million (previous year: €2.7 million) relate primarily to legal and consultancy costs of €1,815 thousand (previous year: €1,388 thousand). They include expenses related to the tender for new central service providers for technical and infrastructural property management (€404 thousand), as well as expenses in connection with IT consultancy (€303 thousand), sustainability (€295 thousand) and recruitment (€202 thousand). The item also includes costs for investor relations and public relations work of €577 thousand (previous year: €392 thousand) and write-downs on trade receivables of €477 thousand (previous year: €620 thousand).

**Depreciation and amortisation** fell by €12.3 million in 2024 to €43.6 million. The properties are carried at amortised cost and therefore report depreciation, which amounted to €37.1 million in the reporting year as against €36.8 million in the previous year. Furthermore, there were total impairment losses of €6.4 million (previous year: €19.0 million) on five properties. €3.3 million of the impairment losses relate to the retail property in Lübeck and properties in Stuttgart, Kempten, Hamburg and Ditzingen.

This led to an increase of €13.6 million in the **operating result**, which amounted to €24.7 million (previous year: €11.1 million).

The company recognised **earnings from the sale of investment property** of €4.3 million (previous year: €0.5 million). For details, please see [pages 43 and 79 of this Annual Report](#).

**Earnings before interest and taxes (EBIT)** rose by €17.4 million from €11.7 million to €29.1 million.

The **financial result** amounted to €–12.8 million in the year under review compared with €–12.3 million in the previous year.

Other interest and similar income came to €1.5 million (previous year: €1.8 million). Interest income in the reporting year stemmed from overnight cash deposits.

Interest expenses of €–14.3 million (previous year: €–14.1 million) consisted mainly of interest expenses on borrowing of €–13.2 million (previous year: €–13.1 million). This was €0.1 million higher than in the previous year. The increase is mainly due to refinanced loans with higher loan volumes and increased variable interest rates (€0.9 million). By contrast, scheduled loan repayments and loan expiries led to an interest expense decrease (€0.8 million).

After deducting the financial result from EBIT, the net profit for the year amounted to €16.3 million (previous year: annual net loss €0.7 million).

**Funds from operations (FFO)**

FFO came to €51.6 million (previous year: €54.7 million) in the 2024 financial year. This corresponds to FFO per share of €0.63 (previous year: €0.67). FFO decreased by 5.6% compared with the previous year. Last year’s Annual Report initially forecast FFO within a range of €49.0 million to €50.5 million. The FFO forecast was increased in the third quarter of 2024 to €50.0 million to €51.0 million to reflect the performance over the year. The figure was ultimately slightly higher than forecast.

The increase in the forecast over the year was particularly due to increased other operating income and higher interest income. Maintenance expenses also declined over the course of the year as work originally planned for 2024 was deferred to 2025. Details of FFO performance are set out in the following table:

FUNDS FROM OPERATIONS IN € THOUSAND	2024	2023
Net rental income	74,977	75,977
– Administrative expenses	–1,930	–1,616
– Personnel expenses	–6,960	–6,444
+ Other operating income <sup>1</sup>	1,465	1,759
– Other operating expenses	–3,183	–2,709
+ Interest income	1,513	1,792
– Interest expenses	–14,303	–14,098
<b>FFO</b>	<b>51,579</b>	<b>54,661</b>
– Capitalised expenditure (CapEx)	–4,159	–3,188
<b>AFFO</b>	<b>47,420</b>	<b>51,473</b>
<b>FFO per share in €<sup>2</sup></b>	<b>0.63</b>	<b>0.67</b>
<b>AFFO per share in €<sup>2</sup></b>	<b>0.58</b>	<b>0.63</b>

<sup>1</sup> Less reversals of impairment losses  
<sup>2</sup> Based on the number of shares at the end of the respective reporting period

€0.63  
FFO / Share



## NET ASSETS IN ACCORDANCE WITH IFRS

The company's total assets fell by €27.3 million to €1,113.5 million (previous year: €1,160.8 million) as at 31 December 2024. Around 94% of assets are accounted for by properties. Property assets recognised at amortised acquisition or production cost had a carrying amount of €1,037.9 million as at 31 December 2024 (previous year: €1,100.6 million) and are made up as follows:

REPORTED PROPERTY ASSETS IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
<b>Investment property</b>		
Developed property assets	1,023,765	1,086,270
Incidental costs of pending acquisitions	29	0
Undeveloped land holdings	219	219
Right-of-use assets for leasehold properties	13,912	14,065
<b>Total reported property assets</b>	<b>1,037,925</b>	<b>1,100,554</b>
<b>Property held for sale</b>		
Developed property assets	24,693	0
	<b>24,693</b>	<b>0</b>
<b>TOTAL</b>	<b>1,062,618</b>	<b>1,100,554</b>

Details of disposals of properties in the reporting year are set out on [page 43 et seq.](#) of the Annual Report.

Alongside properties, another key item on the assets side is cash and cash equivalents (€51.8 million). Around 36% of total assets are funded by equity (€411.2 million) and 60% by debt (€681.2 million). These items are presented in detail in the company's financial position.

The company has a credit line of €2.0 million with one bank. It had not been used as at the reporting date.

## Net asset value (NAV)

NAV indicates the value of a company's property, plant and equipment and intangible assets, less its liabilities and debts. Taking unrealised gains on properties into account, NAV is calculated as follows:

NET ASSET VALUE IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Reported non-current assets	1,043,350	1,109,923
+ Reported current assets	82,513	46,718
– Non-current liabilities and provisions	–535,869	–665,376
– Current liabilities	–186,439	–61,307
<b>Reported NAV</b>	<b>403,555</b>	<b>429,958</b>
+ Hidden reserves in "Investment property"	390,096	384,971
+ Hidden reserves in "Non-current assets held for sale"	2,697	0
<b>NAV</b>	<b>796,348</b>	<b>814,929</b>
<b>NAV per share in €</b>	<b>9.79</b>	<b>10.02</b>

The €18.6 million decline in absolute NAV to €796.3 million results in particular from the impairments in the property portfolio that were measured in the annual valuation by JLL. This results in a NAV per share of €9.79 (previous year: €10.02).

We again had the property portfolio evaluated by a third-party expert to determine the properties' market values as at 31 December 2024. As in previous years, JLL was commissioned to determine the market value of the property portfolio and to document this in an expert opinion. The portfolio was measured on the basis of the

generally recognised International Valuation Standards (IVS) and the guidelines of the Royal Institution of Chartered Surveyors (RICS).

These state that market value "is the estimated amount for which an asset or liability should exchange 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 above definition is the same as that of the "fair value model" as found in the International Financial Reporting Standards under IAS 40 in conjunction with IFRS 13. The measurement was performed on the basis of a discounted cash flow (DCF) method. In the DCF method, the forecast cash flows were calculated for a standard analysis period of ten years – 2025 to 2034. A capitalised residual value is forecast on the basis of the respective long-term net proceeds for the end of the ten-year planning horizon. The market value of a property is derived from the sum of the discounted cash flows of the overall planning period plus the residual value also discounted to the measurement date.

When calculating cash flows, rental income was always reduced by the property-specific costs that cannot be allocated to tenants. In addition, the expected expenses for maintenance or modernisation and the expected administrative expenses were deducted. Rent increases based on indexation were taken into account for long-term contracts. Rent forecasts were prepared if rental agreements were terminated within the period under review. They were discounted to the measurement date to calculate the present value of future cash flows. The

**€9.79**  
NAV / Share

discount rates range between 4.95% and 9.10% and take into account the respective risks specific to the property. These trended as follows:

DISCOUNT RATE IN %	2024	2023
Retail	4,95–9,10	5,00–9,10
Office	5,35–8,40	5,25–8,50

No assumptions and expectations regarding the future trend of market rents are taken into account, as the fair value definition is based on the measurement date principle. The forward-looking assumptions and estimates are based on the prevailing conditions at the valuation date. Existing uncertainty regarding future cash flows is factored into the discount rates by means of risk adjustment.

The fair values calculated by JLL are shown separately for each property in the list of properties on [page 105 et seqq.](#) of the Annual Report. Also shown separately are rental income as the key factor in

determining net cash flows, the discount rates and capitalisation rates. The total market value of the property portfolio calculated was €1,441.0 million, a decrease of €30.0 million on the previous year's portfolio value. The difference comes from reductions of €5.8 million in fair value due to disposals and an impairment loss in the portfolio of €24.1 million compared with the previous year due to revaluation. Taking investments of €4.2 million in existing property assets into account (subsequent capitalisation), the like-for-like decline in the portfolio value came to €28.3 million or 1.9%. The declines in fair value of €38.9 million are offset by increases in fair value of €10.6 million.

Properties are recognised conservatively at amortised cost, and not at their higher fair values. Therefore, the company also recognises depreciation on properties, with the result that both positive and negative changes in value are recognised in hidden reserves but do not necessarily affect earnings. In the reporting year, based on the fair value measurement, impairment losses of €6.4 million in total were recognised on the carrying amounts of properties in Lübeck, Stuttgart, Kempten, Ditzingen and Hamburg.

The company's financial situation remains very comfortable. **Cash and cash equivalents** were €51.8 million at the end of the reporting period, compared with €43.3 million as at 31 December 2023. The inflows for the financial year were mainly a result of operating activities (€60.8 million; previous year: €68.7 million), the refinancing of financial loans (€42.4 million), and proceeds from the sale of properties (€8.0 million). Cash outflows primarily relate to investments in the property portfolio (€4.4 million), dividend payments for the 2023 financial year (€39.1 million), and interest and principal payments (€59.2 million).

The financial structure of the company is still extremely solid. On the equity and liabilities side of the statement of financial position, equity amounted to €411.2 million after €434.2 million in the previous year. The company therefore has an accounting equity ratio of 36.3% (previous year: 37.4%). Financial liabilities were €681.2 million and, taking into account new borrowing from refinancing, scheduled repayments and draw-downs of loans, went down by €1.6 million compared with the previous year (€682.9 million). €42.4 million of the total related to the refinancing of loans. The new borrowing was offset by scheduled repayments of €25.3 million in the reporting year, and refinanced loans of €18.9 million. After deducting cash and cash equivalents from financial liabilities, net financial debt amounted to €629.5 million (previous year: €639.6 million). Comparing net financial liabilities with the property portfolio at fair value, the company has an EPRA LTV ratio of 43.7% (previous year: 43.5%).

## FINANCIAL POSITION (IFRS)

STATEMENT OF CASH FLOWS (ABRIDGED) IN € THOUSAND	2024	2023
Cash flow from operating activities	60,774	68,721
Cash flow from investing activities	3,557	–15,210
Cash flow from financing activities	–55,869	–140,319
Cash-effective changes to cash funds	8,462	–86,808
Cash funds on 1 January	43,304	130,112
Cash funds on 31 December	51,766	43,304



Changes in interest rates are very important for the company's financial position. In order not to be subject to short-term interest rate risks, HAMBORNER has arranged, as far as possible, fixed long-term conditions for the financing of investments. One secured loan for €45.0 million is at a floating rate of interest. Given the short three-year term of this loan, which expires on 31 December 2025, it was decided after weighing the risks and opportunities not to use interest rate hedges.

The average interest rate on loans is 1.9% (previous year: 1.8%). Taking into account the already agreed and pending refinancing of existing loans, average interest rates are expected to increase. The average remaining term is 3.3 years (previous year: 4.1 years).

The very solid and comfortable financing structure of the company is shown by the maturity analysis below, which presents the annual refinancing requirements for expiring loans in relation to the total portfolio of loans borrowed as at the end of the reporting period.

Obligation to comply with certain financial covenants

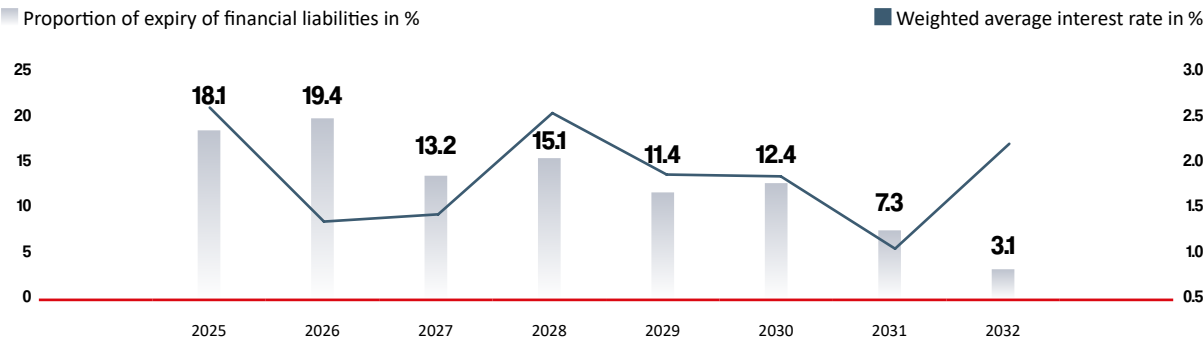
In connection with the remaining tranche of the €12.5 million (previous year: €12.5 million) promissory note loan from 2018, the company has given the creditors assurances that it will comply with the following conditions at the end of each financial year during the term of the loan:

- A ratio of net financial liabilities to the fair value of the property portfolio of not more than 60%
- EBITDA to net interest income of at least 1.8

For one loan of €15.6 million the ratio of the credit balance to the current market value of the asset may not exceed 75% at any time.

Non-compliance with these conditions would entitle the creditors to cancel the loan agreement. These ratios were maintained in the reporting year.

EXPIRY OF FINANCIAL LIABILITIES



## Financial information (HGB)

### GENERAL INFORMATION

The company prepares a financial statement both in accordance with the regulations of the German Commercial Code (HGB) and a financial statement in accordance with International Financial Reporting Standard (IFRS) regulations as applicable in the European Union. The management of the company is based on values calculated in accordance with IFRS.

The main differences in HGB and IFRS figures relate in particular to the valuation of property, the recognition of subsequent capitalisation for property assets, pension provisions, the valuation of provisions for mining damage, and the treatment of the costs of the capital increases, as well as to the classification and reporting. The main differences between the items of the statement of financial position and the income statement described in detail in the result of operations, net asset situation and financial position (IFRS) and in the HGB annual financial statements are as follows:

- **Income from rents and leases:** The different presentation of rents and leases under HGB and IFRS stems from presentation in accordance with IFRS 16. This requires that income from land tax and insurance of €2.3 million (previous year: €2.3 million) are presented in income from rents and leases. Under HGB, it is shown in the item income from service charges passed on to tenants.
- **Increase/decrease in work in progress:** The difference in the amount of income from incidental costs passed on to tenants recognised under HGB and IFRS is due to the fact that under HGB, incidental costs that have not yet been invoiced may not be shown as income, but as payments received on account. At the same time the operating costs passed on are capitalised through increase/decrease in work in progress within the inventories item.

- **Property and building maintenance:** The different capitalisation criteria in connection with maintenance and modernisation activities resulted in maintenance expenses being €1.4 million higher at €11.5 million in the HGB financial statements in the reporting year. The same expense was capitalised under investment property in accordance with IFRS provisions.

- **Other operating expenses / administrative expenses:** The administrative expenses (€1.9 million) reported as a separate item in the IFRS income statement are included under other operating expenses in the HGB annual financial statements. By contrast to the IFRS financial statements, HGB does not separate administrative expenses and other operating expenses.

- **Other operating expenses and income from the disposal of non-current assets / earnings from the disposal of property:** A disposal gain of €4.7 million after sales costs of €0.2 million from the sale of the property An der Alster, Hamburg, is reported in the IFRS financial statements. Under HGB, income from the disposal of non-current assets of €4.9 million is part of other operating income. The costs to sell are reported under other operating expenses in the HGB financial statements. The Supervisory Board remuneration (€438 thousand; previous year: €438 thousand) previously recognised in administrative expenses is presented in personnel expenses for 2024 and the previous year. Under HGB this item remains part of other operating expenses.

- **Impairment losses:** Impairment losses of €6.4 million included in depreciation and amortisation in accordance with IFRS relate to five properties. By contrast, write-downs of €6.7 million were recognised for two properties as required by HGB.

- **Write-backs:** The write-backs under HGB (€3,389 thousand) and IFRS (€3,928 thousand) differ by €539 thousand, partly due to the different treatment of impairment losses. The write-backs under both sets of accounting standards result from the year-end revaluation of the assets in Gießen and Münster, which were largely

influenced by changes in the occupancy factors and in discount and capitalisation rates.

- **Land and land rights / reported property assets:** The carrying amount of properties in accordance with commercial law is €1,052.4 million and is therefore €10.4 million higher than the carrying amount of investment property in the IFRS financial statements. In accordance with IFRS 5, the properties in Lübeck and Osnabrück were reclassified as properties held for sale with a carrying amount of €24.9 million as at the reporting date of 31 December 2024. Leasehold rights of use are included under the item of investment property in accordance with IFRS provisions. These do not have to be capitalised in the HGB financial statement. The rights of use reported under properties in the IFRS financial statements amounted to €13.9 million as at 31 December 2024. In addition, €2.2 million relates to the company's administrative building in Duisburg. The capitalised costs of the administrative building are not assigned to property assets under IFRS, but rather to (other) property, plant and equipment. Under HGB, they are reported with the rental property under land and land rights. Impairment losses and different capitalisation rules also resulted in a lower carrying amount under IFRS.

- **Equity:** The HGB equity was €411.6 million as at the end of the reporting period, €0.4 million higher than the amount recognised under IFRS. The difference results in the first instance from various accounting differences in the reporting year and previous years. Secondly, it results from cumulative actuarial gains and losses on pension provisions of €3.9 million within the revenue reserve reported in the IFRS financial statements. In total, the reported HGB equity ratio of 36.1% is 0.2 percentage points lower than the reported IFRS equity ratio.

— **Liabilities to banks / financial liabilities:** Liabilities to banks in the HGB annual financial statements amounted to €681.8 million. By contrast, financial liabilities of €681.2 million are reported as required by IFRS. The difference of €0.6 million concerns recognition of financial liabilities including transaction costs and the associated subsequent measurement using the effective interest method in the IFRS financial statements.

Given the detailed presentation and analysis of the results of operations, net asset situation and financial position in accordance with IFRS, which also applies to the results of operations, net asset situation and financial position under HGB, taking into account the deviations explained above, the HGB presentation is shown in condensed form below:

### RESULTS OF OPERATIONS (HGB)

The **income from rents and leases** amounted to €90.7 million in the reporting year (previous year: €88.8 million). The slight increase stems mainly from an increase of €1.4 million on a like-for-like basis and from a change of €0.9 million in the property portfolio. The reduction in the risk provisions recognised in previous years for rent reductions in connection with the COVID-19 pandemic resulted in lower income in the reporting year of €0.4 million. **Income from incidental costs passed on to tenants** amounted to €9.3 million in the reporting year (previous year: €0.5 million). This consists of incidental costs for prior years invoiced in the reporting year and reflects the change in the treatment of incidental costs in the HGB financial statements in 2023.

**Other operating income** went up year on year by €8.7 million to €11.3 million (previous year: €2.6 million). This comes partly from the disposal of the property An der Alster in Hamburg (€4.9 million) and from write-backs (€3.4 million) as a result of the year-end valuation of properties in Gießen and Münster.

**Property management expenses** amounted to €33.2 million (previous year: €30.8 million). **Depreciation and amortisation** of €43.2 million was €6.1 million down on the previous year (€49.3 million) due to lower impairment losses. This increased the **operating result** by €11.3 million compared with the previous year to €26.6 million (previous year: €15.3 million).

The **financial result** rose by €0.3 million to €–11.7 million (previous year: €–11.4 million). This is largely due to the scheduled repayment and expiry of loans.

The company closed the 2024 financial year with a **net profit** of €14.9 million (previous year: €3.9 million).

**Distributable profit** came to €39.0 million (previous year: €39.0 million). The withdrawal from the capital reserve amounted to €24.2 million (previous year: €35.1 million).

### NET ASSETS AND FINANCIAL POSITION (HGB)

The company's **total assets** fell by €24.6 million compared with the previous year to €1,138.9 million. Non-current assets of €1,052.8 million were €39.4 million down on the previous year (€1,092.3 million), mainly due to depreciation, amortisation and impairment losses. **Current assets** including prepaid expenses increased by €14.9 million to €86.1 million. This is mainly the result of higher liquidity. Equity was €411.6 million compared with €435.8 million the previous year. **Liabilities to banks** declined overall by a net amount of €1.8 million to €681.8 million. Non-current assets are fully covered by equity and medium and long-term borrowing.

For details of the financial position, we refer you to the comments on the IFRS financial position.

### PROPOSAL FOR THE APPROPRIATION OF PROFITS

The basis of the dividend distribution is net retained profits under German commercial law (HGB). The net profit for the reporting year calculated in accordance with the provisions of HGB was €14,862 thousand. After a transfer from the capital reserve of €24,183 thousand, the distributable profit amounted to €39,045 thousand.

The Management Board and Supervisory Board propose that the distributable profit of HAMBORNER REIT AG for the 2024 financial year of €39,044,807.04 be used as follows:

Distribution of a dividend of €0.48 per share to the share capital entitled to dividend payments. With 81,343,348 shares entitled to dividends, this amounts to a total distribution of €39,044,807.04.

The number of shares entitled to dividend payments may increase or fall by the time of the Annual General Meeting if the company purchases treasury shares. In this case, an amended proposal regarding use of the distributable profit will be submitted to the Annual General Meeting whereby the dividend amount per share remains the same.

# FURTHER LEGAL DISCLOSURES

## *Disclosures in accordance with section 289a(1) HGB*

### *Composition of issued capital*

As at 31 December 2024, the issued capital of the company amounted to €81,343,348 and was fully paid up. The share capital is divided into 81,343,348 no-par-value registered shares, each at a nominal value of €1 per share. The company is authorised to issue global certificates for shares. Shareholders are not entitled to certificates for their shares.

Each share grants one vote at the Annual General Meeting, whereby the rights of shares held by persons subject to disclosure requirements or that are assigned to such persons in accordance with section 34 of the German Securities Trading Act (WpHG) do not apply in the period in which the disclosure requirements of section 33(1) or (2) WpHG are not met. In accordance with section 44(1)(2) WpHG, this does not apply to rights in accordance with section 58(4) AktG and section 271 AktG if disclosure was not deliberately forgone and this has been rectified. Please refer to the German Stock Corporation Act for information on the rights and obligations of shareholders, including in particular the right to participate in the Annual General Meeting (section 118(1) AktG), the right to information (section 131 AktG), voting rights (section 133 et seqq. AktG) and the right to participate in profits (section 58(4) AktG).

### *Restrictions relating to voting rights or the transfer of shares*

The shares issued by HAMBORNER are not subject to any restrictions in this respect.

### *Capital holdings exceeding 10% of voting rights*

Information on disclosures regarding the existence of holdings exceeding 10% of voting rights can be found in the notes to the financial statements under "Other information and required disclosures".

### *Shares with special rights bestowing control*

No shares issued by the company bestow any such special rights.

### *Nature of voting right control if employees hold interests in capital and do not exercise their control rights directly*

HAMBORNER does not have an employee share programme. If employees have purchased HAMBORNER shares, they exercise the related rights directly in accordance with the statutory requirements and the provisions of the Articles of Association.

### *Statutory regulations and provisions of the Articles of Association for the appointment and dismissal of members of the Management Board and the amendment of the Articles of Association*

In accordance with section 84(1) AktG, members of the Management Board are appointed by the Supervisory Board for a maximum of five years. A repeat appointment or extension of the term of office is permitted for a maximum of five years in each case. In accordance with Article 7(1) of the Articles of Association, the Management Board of the company consists of several members, the number of which is determined by the Supervisory Board. The Supervisory Board can also appoint one member as Chair of the Management Board in accordance with section 84(2) AktG. Furthermore, it can revoke the appointment of a member of the Management Board and the appointment as its Chair for cause in accordance with section 84(3) AktG. If a necessary member of the Management Board is lacking, the court must appoint this member in urgent cases at the request of a party involved in accordance with section 85 AktG.

Any amendment to the Articles of Association requires a resolution of the Annual General Meeting in accordance with section 179 AktG. The Annual General Meeting can delegate to the Supervisory Board the authority to make amendments that relate only to the wording (section 179(1)(2) AktG). This authority has been transferred to the Supervisory Board in accordance with Article 12(3) of the Articles of Association of the company. An amendment to the Articles of Association requires a qualified majority resolution by the Annual General Meeting comprising at least three-quarters of the share capital represented in the vote (section 179(2)(1) AktG). In accordance with section 179(2) AktG, the Articles of Association can stipulate other capital majorities and additional requirements.

#### *Authority of the Management Board to issue shares*

Article 3 of the Articles of Association contains information on the share capital of the company. To allow the company the opportunity to react to market events while safeguarding the share price and, in particular, to allow it to react to capital market requirements and acquisitions flexibly, at short notice and in a manner consistent with market and industry practices, the Annual General Meeting on 27 April 2023 authorised the Management Board to:

Increase the company's share capital up to 27 April 2027 with the consent of the Supervisory Board, once or several times, by up to €32,537 thousand in total by issuing new registered shares against cash and non-cash contributions (Authorised Capital 2022). The new shares must be offered to shareholders for subscription. The new shares may be accepted by one or more banks specified by the Management Board or active enterprises pursuant to section 53(1)(1) or section 53b(1)(1) or 53b(7) of the German Banking Act (KWG), with the requirement that they are offered to shareholders for subscription (indirect subscription rights).

Furthermore, at the Annual General Meeting on 28 April 2022, the Management Board was authorised, with the approval of the Supervisory Board, to issue bearer or registered warrant and convertible bonds or combinations of these instruments (bonds), with or without a term of maturity, up to a nominal total of €150 million until 27 April 2027, and to grant the bearers or creditors (bearers) of bonds conversion rights to new registered shares in the company with a total pro rata amount of share capital of up to €8,134,334 in accordance with the more detailed conditions of the warrant or convertible bonds (bond conditions).

When issuing warrant or convertible bonds, the Management Board is authorised to contingently increase the share capital of the company by up to €8,134 thousand, divided into up to 8,134 thousand registered shares (Contingent Capital 2022).

With the approval of the Supervisory Board, the Management Board can remove shareholders' statutory pre-emption rights in certain cases for a partial amount. The above authorisations had not been utilised by the end of the reporting period.

#### *Authority of the Management Board to buy back shares*

In future and at short notice, it may be expedient for the company to buy back its own shares to afford it greater flexibility of action.

The Management Board was therefore authorised to acquire shares of the company by the Annual General Meeting on 29 April 2021 until 28 April 2026. The authorisation is limited to the acquisition of shares accounting for not more than 10% in total of share capital, either at the time of the resolution by the Annual General Meeting on this authorisation or at the time that this authorisation is exercised, whichever is the lower. The authorisation can be exercised in full or in part, and in the latter case on multiple occasions. The authorisation cannot be used by the company for the purposes of trading in its own shares.

At the discretion of the Management Board, the shares will be acquired on the stock exchange by way of a public offering to all shareholders of the company or by way of a public invitation to all shareholders of the company to submit offers for sale.

#### *Significant arrangements of the company subject to a change of control following a takeover bid and their repercussions*

In the event of a change of control following a takeover bid, the lenders are entitled to demand early repayment of the promissory note loan together with the interest incurred up to the date of early repayment.

#### *Agreements by the company with the Management Board or employees for compensation in the event of a change of control*

According to the remuneration system for Mr Karoff and Ms Verheyen, there are no rules in place for a takeover offer (change of control).

There are also no compensation agreements with employees of the company.

### *Corporate governance declaration*

HAMBORNER REIT AG has presented the key elements of its corporate governance structures in its corporate governance declaration. These are an annual declaration of compliance from the Management Board and the Supervisory Board, key corporate management practices exceeding legal requirements, a representation of the operating procedures of the Management Board and the Supervisory Board, and information on the composition and operating procedures of their committees.

The corporate governance declaration can be found on the company's website at [www.hamborner.de/en/](https://www.hamborner.de/en/) under HAMBORNER REIT AG / Sustainability / Governance.

In accordance with the specifications of section 162 AktG, the Management Board and the Supervisory Board of HAMBORNER REIT AG annually prepare a detailed report on the remuneration granted and owed in the last financial year to each individual current or former member of the Management Board and Supervisory Board. This report also contains detailed information about the currently applicable remuneration systems for the members of the Management Board and the Supervisory Board.

The remuneration report can be accessed on the company's website at [www.hamborner.de/en/](https://www.hamborner.de/en/) under HAMBORNER REIT AG / Sustainability / Governance and under Investor Relations / Financial Reports.



# REPORT ON RISKS AND OPPORTUNITIES

## Risk report

### PRINCIPLES OF OUR RISK POLICY

As a property company operating across Germany, HAMBORNER is exposed to a variety of risks that can influence the company's net assets, financial position and results of operations. The overarching objective of the HAMBORNER risk strategy is to minimise potential risks. In association with this, HAMBORNER has always tailored its business policy to avoid business areas which have particularly high risk potential. Suitable measures are taken in order to eliminate or reduce the impact or probability of unavoidable risks associated with HAMBORNER's commercial activities. In this respect, as in prior years, HAMBORNER did not participate in highly speculative financial transactions in 2024. We take appropriate risks if the rewards offsetting them can be expected to produce adequate value appreciation. The German Corporate Governance Code (GCGC) calls for disclosures on the internal control and risk management system that exceed those required by law for the management report and that are therefore not covered by the auditors of the financial statements (disclosures not part of the management report).

### RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

In order to limit risk, HAMBORNER has implemented a risk management system in accordance with section 91(2) and (3) AktG for the timely identification and handling of risks that could affect the economic position of the company. The early risk detection system is examined by the auditor as part of the audit of annual financial statement in accordance with Section 317(4) HGB. In organisational terms the risk management function is independent and is guided directly by the company strategy. The company's internal risk management system is integrated into operational procedures – particularly planning and controlling processes – and spans several levels. This is described in full in a company policy.

Employees also receive regular training on the handling and internal communication of risks. One key element here is the communication of relevant risks by the risk owner at the management meetings generally held twice a week. All employees are required to notify their manager of any existing risks immediately. In addition, all relevant risks are reported to the risk management division as part of a quarterly risk inventory. This also covers potential risks to which the company is exposed in the course of its business activities.

These potential risks are assigned to the following sub-categories: strategic risks, operational risks, compliance risks and financial risks. During the quarterly risk reporting to the Management Board and Supervisory Board, the identified risks are assessed, and measures to

manage them are defined as required. If necessary, any material risks identified between the regular reporting dates are reported separately. The possible risks in individual risk categories are quantified in terms of the possible extent of damage and an assessment of their probability. The assessment is performed by the respective responsible departments. Risk reporting is based on the planning agreed in each instance. In accordance with the requirements of the revised version of IDW PS 340 (01/2022), the overall risk position is measured on a voluntary basis using a Monte Carlo simulation.

Streamlined organisational structures and transparent decision-making ensure that the Management Board is directly involved in material transactions with an impact on risk. Accounting processes are performed exclusively by our own qualified employees. HAMBORNER prepares and communicates annual and half-year financial reports as well as quarterly statements. When preparing the annual financial statements, we consult experts with regard to the valuation of investment property and the calculation of the company's pension obligations.

The dual control principle, taking into account appropriate signature regulations, is applied to all material transactions. Within the company, there is corresponding functional segregation between the different departments involved. Moreover, regular internal reports on business performance are prepared and submitted to decision-makers. These serve as a basis for identifying deviations from operational targets and initiating any control measures if necessary. The

finance and accounting system uses standardised and certified software. There are dedicated rules for allocating write and read rights for the internal IT systems to individual employees in accordance with their tasks and functions. The internal control system is reviewed by the internal audit function, which has been outsourced to an external auditing firm. The processes and areas to be audited in the respective financial year are chosen by the company in agreement with the Audit Committee.

Statement on the effectiveness of the internal control and risk management system

In the company’s opinion, the internal control and risk management system is suitable and effective for the complexity and size of the company.<sup>1</sup>

PRESENTATION OF RISK AREAS

In principle, the areas of risk to which HAMBORNER is exposed can be divided into general market risks, operational risks, financial risks and other risks specific to HAMBORNER. Risks that could have a substantial impact on the net assets, financial position and results of operations of the company are described below.

RISK CATEGORIES AND RISK ASSESSMENT THEREOF

Risks are classified as low, medium and high using the following matrix, depending on the anticipated loss and the probability of occurrence. The risks and how they are dealt with by the company are addressed in detail in the following bullet points.

STRATEGIC RISKS

National and international market environment

The national and international market environment is dominated by three topics: the inflation rate, interest rates and current geopolitical risks, particularly in connection with the wars in Ukraine and the Middle East and the actions being taken by the new US administration. According to the Federal Statistics Office, the average annual inflation rate in Germany was 2.2% in 2024, which was significantly lower than in the three preceding years. Landesbank Baden-Württemberg is only cautiously optimistic for the year 2025 and

anticipates an inflation rate of around 2.0%. German economic output fell by 0.2% year on year in 2024 due to cyclical and structural difficulties. The bank expects GDP to fall again by 0.2% in 2025 in view of the European Central Bank’s monetary policy, labour market policy and a decline in investments and exports. Global economic performance increased by 3.2% in 2024 compared with the previous year. The International Monetary Fund IMF and the Kiel Institute (IfW) are predicting global economic growth on par with the previous year for 2025. The potential consequences of the national and international market environment are discussed below in the respective risk categories.

AMOUNT OF LOSS	EXPECTED LOSS AMOUNT (AMOUNT OF LOSS X PROBABILITY OF OCCURRENCE)				
	Very low (0% to 5%)	Low (6% to 25%)	Medium (26% to 50%)	High (51% to 75%)	Very high (76% to 100%)
Very high (> €20 million)	Medium	Medium	High	High	High
High (€5 million to €20 million)	Low	Medium	High	High	High
Medium (€1 million to €5 million)	Low	Medium	Medium	Medium	High
Low (€250 thousand to €1 million)	Low	Low	Low	Medium	Medium
Very low (< €250 thousand)	Low	Low	Low	Low	Low
Probability of occurrence	Very low (0% to 5%)	Low (6% to 25%)	Medium (26% to 50%)	High (51% to 75%)	Very high (76% to 100%)

Risks from changes to the regulatory environment

This risk category covers risks arising from potential legal changes relating to key regulatory requirements and the company’s legal structure. In addition, the risk of non-compliance with amended accounting specifications in accordance with HGB and IFRS, and risks in the form of administrative penalties due to the breach of reporting obligations (WpHG, AktG) fall into this category. Potential risks also exist in relation to ESG-relevant regulations, particularly those relating to sustainability under the Taxonomy Regulation and reporting under the Corporate Sustainability Reporting Directive (CSRD), which

<sup>1</sup> This paragraph consists of disclosures not part of the management report and so has not been audited.



based on the current status at EU level could become mandatory for HAMBORNER from 2026 for the financial year 2025.

The European Commission published a legislative proposal (Omnibus Package) on 26 February 2025, partly to reduce the reporting obligations under CSRD and EU Taxonomy, and to provide a new framework to encourage the sustainability transformation.

A review and reconciliation of the mandatory reporting obligations is underway and external auditors will be consulted as necessary. Two full-time employees are responsible for the topic of sustainability at HAMBORNER and are supported by external service providers where necessary.

In addition, the staff entrusted with these areas undergo regular advanced training with the result that the risk of non-compliance with changes to the regulatory requirements is minimised. The internal audit function, which has been outsourced to a firm of auditors, also tests the company annually. In view of the measures described above, the risk is considered to be low.

#### **Organisational structure risks**

This risk relates to inefficient organisational structures which could in the long run lead to increased expenditure and lower income for HAMBORNER. As part of regular management meetings with the Management Board, responsibilities and organisational assignment are reviewed and amended where necessary. In addition, an internal audit of selected business processes is performed annually by an external auditor. Potential inefficiencies and problems are quickly identified through detailed conversations and meetings with the responsible people. HAMBORNER therefore considers the risk to be low.

### **OPERATIONAL RISKS**

#### **Leasing risk**

The leasing risk consists of the risk that new tenancy agreements cannot be signed or existing agreements extended as they expire, as well as the risk of existing vacancies. Longer marketing periods have to be assumed for large retail spaces. In view of the economic situation, it can generally be assumed for properties that the marketing times for letting space will increase to between 9 and 18 months. In the area of office properties, requirements for the type of spaces are changing due to the effects of mobile working. Generally speaking, increasing requirements from prospective tenants with respect to ESG criteria may result in longer marketing periods and less favourable rental conditions for less energy-efficient buildings.

Furthermore, it is unclear to what extent it will be possible to, for example, allocate carbon-related costs to tenants in the future as a result of regulatory changes. Asset Management regularly performs an analysis relating to leases potentially expiring in the next 24 months, as well as vacant units. Overall, the risk is considered medium for the overall portfolio due to regular dialogue with tenants, long-term leases and the high proportion of "good-as-new" properties. In the reporting year, the economic vacancy rate including rent guarantees was 2.6% on average (2023: 2.8%), and was therefore again at a comparatively low level.

#### **Risks of rental losses**

In view of the current economic situation and the possibility of further rent increases due to index-linked contracts, it cannot be ruled out that some tenants may not be able to meet their financial obligations due to insolvency. The loss allowances recognised in 2024 only came to €0.8 million, however. In view of the broadly diversified

tenant portfolio and regular dialogue with tenants the risk is considered to be low.

#### **Maintenance risk**

Properties which are held as long-term investments carry a growing risk of significant maintenance expenses due to their age. In addition, further measures — in particular to reduce energy consumption and modernise properties sustainably — may be necessary as a result of the increasing importance of ESG criteria. Changing demands in terms of how the space in office buildings is arranged, e.g. as a result of additional mobile working can result in substantial building costs, which because of the shortage of qualified staff, may increase due to higher expenses for external service providers. The price increases, supply chain problems for construction materials and lack of capacity among contractors that were a feature of the past two years have now stabilised.

In order to counteract the maintenance risk, corporate planning includes detailed annual planning in the form of individual measures to reflect the risks stated above. Based on this plan, as well as regular reporting and against the background of the high proportion of as-new properties, the risk is considered medium.

#### **Risks from property transactions**

Risks from property transactions arise firstly in investments, and secondly in divestments. For example, when investing, the wrong decision may be made when acquiring a property. Risks and obligations relating to properties may therefore be overlooked in the course of purchase auditing, which may lead to unplanned expenses or lower income for HAMBORNER. In order to reduce these risks, calculations on the basis of various scenarios are carried out with the help of an investment model. In addition, the acquisition process takes place on

a cross-departmental basis, and external service providers are engaged if necessary (solicitors, experts, etc.). An ESG assessment is also part of the due diligence for an acquisition and the results are taken into account for the purchase decision.

Disinvestment also entails risks. Properties could be sold below market value or interested parties may fail to materialise, for example due to ESG-relevant criteria not being met, with the result that properties cannot be sold as planned. In addition, there may be a breach of warranty obligations in the framework of submitted guarantees in purchase contracts. To avoid these risks, a detailed sales plan is drawn up in close collaboration with the individual specialist departments. As with the acquisitions process, the sales process is organised on an interdepartmental basis.

Taking this intensive collaboration between departments as a basis, substantial risks arising from investment and divestment transactions are rated as low.

#### *IT risks*

The business processes at HAMBORNER are largely dependent on the use of IT systems. Disruptions or failures affecting these IT systems can have an adverse effect on business operations. The potential IT risks essentially comprise damage or disruption to hardware, the manipulation of or unauthorised access to IT systems and the resulting malfunctions, as well as unauthorised access to sensitive information.

HAMBORNER has a number of measures in place to reduce these risks, including an up-to-date security suite and a firewall, as well as a separate server area with backups. Hardware failures can be substantially reduced through regular monitoring. Staff also undergo

regular training and follow a system of access rights. The systems used are also updated regularly and tested for resilience. In view of the numerous security measures, the limitation of operating capability due to IT risks is considered low.

#### *HR risks*

Well-trained and motivated employees are central to the company's success. Due to increasing requirements, individual employees or entire departments can experience work overload and demotivation. This may in turn result in staff shortages or increased staff turnover. These scenarios mean increased recruitment costs and a loss of valuable knowledge resources. In addition, there is a risk that properly qualified specialists may not be recruited in time. With existing personnel, there is also the risk of qualification shortcomings due to insufficient basic and advanced training measures. The issues mentioned may result in additional costs for external providers/advisers.

This risk is prevented by measures such as holding regular management and department meetings. Personnel needs are also analysed on a short to medium-term basis. Employees and managers also hold recurring performance reviews and feedback meetings, anonymous staff surveys are carried out regularly and the existing personnel receive training as needed. In addition, various benefits are offered to increase employer attractiveness. There are also close working relationships with qualified recruitment agencies. As a result of these steps, the risk is considered medium.

## **FINANCIAL RISKS**

### *Valuation risks*

The valuation of properties is performed by independent experts and reflects the market value. HAMBORNER does not have any influence on exogenous factors that impact the market value, such as falling prices and rent levels. In addition, the property's location and condition as well as forecast rents are important factors in property valuation. Adverse developments in these factors or property characteristics that no longer meet market standards may result in a reduction of a property's market value. Furthermore, aspects including economic changes, inflation and rising financing costs can have a negative influence on the property valuation.

In view of the interest rate cuts by central banks, which are positive from the property perspective, it can be assumed that market values for real estate will bottom out in 2025, whereby the location, type of use and quality of the assets have a significant influence on current and future values. Due to HAMBORNER's diversified portfolio and the long-term leases concluded for office properties, often with public or semi-public providers, as well as the regular analysis by independent valuers, the risk for HAMBORNER of further write-downs in the existing portfolio is considered to be medium.

### *Tax risks*

Tax risks mainly arise when the exemption from corporation tax and trade tax ends, possibly leading to loss of REIT status. In addition, there may be risks in amendments to the REIT Act. Other risks currently exist in terms of changes to tax law affecting VAT, land transfer tax and land tax. The basis for calculated land tax will change from 2025, though the change should not impact the amount of tax paid by companies. HAMBORNER cannot rule out however that expenses may increase if the lease does not allow costs to be charged to tenants.

Thanks to continuous monitoring and continued employee training, as well as membership of industry associations, the risk is therefore considered low.

### *Liquidity risk*

The liquidity risk is expressed primarily through liquidity bottlenecks, for example as a result of an uncoordinated procedure across individual departments. HAMBORNER addresses this risk by regularly preparing a twelve-month liquidity plan, which is communicated to all managers and the Management Board. Liquidity is also monitored on an ongoing basis and a liquidity reserve is held. Liquidity risks are included in the analysis of risk-bearing capacity in risk reporting. The threat to liquidity is considered to be low.

### *Loan agreement default risk (covenants)*

Covenants are in place, particularly for the promissory note loan issued in 2018. Net financial liabilities based on the fair value of the property portfolio therefore must not exceed a share of 60% (LTV). The ratio of EBITDA to net interest income must also be at least 1.8. Non-compliance with these conditions would entitle the creditors to cancel the loan agreement.

€12.5 million of the promissory note loan was still outstanding at year-end 2024, but will be repaid on schedule on 31 March 2025. The LTV of 43.7% as at 31 December 2024 is significantly below the limit of 60%. The EBITDA to net interest income ratio is also well above the required 1.8 at 5.4. In view of the regular monitoring of the compliance of the financial covenants, the loan agreement default risk can be considered low.

For one other loan of €15.6 million the ratio of the credit balance to the current market value of the asset may not exceed 75% at any time.

Non-compliance with these conditions would entitle the creditors to cancel the loan agreement. These ratios were maintained in the reporting year.

### *Financing risks*

Financing risks relate primarily to the risk of rising interest rates (interest rate change risk). This may lead to higher interest payments on variable and fixed interest loans when they are taken out or the term is extended.

Early repayment penalties may be due if debt-financed properties are sold; these may be substantial depending on the amount of the encumbrance, and could swallow up part of the sales proceeds. For this reason, we arrange with banks to reschedule debt to other portfolio properties where possible, in order to limit or avoid early repayment penalties.

The average remaining term of the loans is 3.3 years, based on the end of the reporting period as at 31 December 2024.

Loans with a cumulative outstanding balance of around €123.3 million expire in 2025. If the loans are not repaid when they fall due, either in accordance with the repayment schedule or when the property is sold, significantly higher costs must be assumed to extend the loans – even though the ECB cut interest rates in 2024 – because most of these existing loans were taken out at a time of low interest rates. This is reflected in the planning, however.

The financing risk is considered to be medium.

### *Subsidence risks*

Potential risks are posed by HAMBORNER's former mining activities, e.g. subsidence damage or shaft stabilisation, on account of the possible future discontinuation of large-scale dewatering activities in the Ruhr area. The economic risk associated with dewatering activities was assessed by an expert in 2005. The provisions relating to mining currently amount to €3.1 million (in accordance with IFRS). Based on the current assessment, there are no further financial risks. For this reason, the risk arising from mining damage is classified as low.

## COMPLIANCE RISKS

In addition to the strategic, operating and financial risks, there is a risk that HAMBORNER loses its REIT status by infringing the REIT Act or by infringing compliance requirements. This also applies to breaches of employment law by service providers, e.g. minimum wage requirements. While these risks cannot be ruled out, they are unlikely or economically insignificant now and in the near future. The risks are therefore considered to be low.

### Litigation risks

Litigation risks relate to the costs of legal action, as well as other potential payments that could result in an adverse deviation from plans. They also relate to errors of legal judgement that subsequently result in a loss or higher costs due to the need to seek external legal advice. HAMBORNER uses selective support by external law firms and regular training in order to minimise the risk of legal errors.

The specialist departments are supported by the Legal function in order to minimise the risk of legal disputes. Total potential losses from various individual legal disputes and possible errors of judgement come to approximately €1.2 million. The probabilities of occurrence vary significantly. Altogether, the risk arising from litigation is classified as low.

## Environmental and climate risks

Environmental and climate risks include risks arising from the physical effects of climate change on the properties held as investments as well as risks arising from the negative effects of business activities on climate change. The latter take the form of regulatory and market-related transitory risks, which have already been explained in detail with the keyword ESG, in the corresponding risk categories. Damage to or destruction of property may be caused by extreme weather events as a result of climate change, fires or terrorist attacks.

The resulting damage will largely be covered by the fire and natural hazard insurance policies in place. The financial risk in relation to physical damage is low thanks to the insurance policies in place. The property portfolio has also been tested recurrently for climate risks since 2022. No material effects are expected on business activities or the business model. Taking into account the transitory risks relating to the environment and climate already considered in the other risk categories, the risks should be considered moderate.

## Opportunities

The current macroeconomic situation, with challenges such as geopolitical uncertainties, inflation and structural change, may not only create risks but also opportunities for HAMBORNER. If inflation declines, lower interest rates may prompt greater activity on the transaction market, which would be to HAMBORNER's benefit. Value potential can be realised by continuous portfolio optimisation and the selective implementation of manage-to-core strategies, also in view of existing or future sustainability regulations.

## Overall assessment of the risk situation

The risk and opportunities situation for HAMBORNER is largely determined by the national market environment and the current economic conditions. The main factors are inflation rates, interest rates and the still feeble global economy, which will continue to have an impact on the 2025 financial year. If inflation can be held down despite the geopolitical uncertainties and the ECB continues its positive policy of cutting interest rates, this could prompt a moderate upswing in the German economy and the property market.

HAMBORNER's business model has proven to be very stable overall thanks to its long-term leases with dependable, creditworthy tenants. Income from rents and leases rose by 2.0% last year compared with 2023 and the vacancy ratio was again kept very low at 2.6% (previous year: 2.8%). FFO was down year-on-year by 5.6%, due to higher expenses, partly for maintenance and administration.

According to our assessment of overall risk, there are currently no risks to HAMBORNER as a going concern or that could significantly impair its net asset situation, financial position or results of operations. The company is confident that it can continue to take advantage of the opportunities and challenges that arise in future, without having to take unreasonable risks.



# FORECAST REPORT

## Company strategy

The company intends to maintain the strategic direction of the company as presented in the section titled “Basic information on the company in the current financial year, taking into account the requirements of the German REIT Act in terms of company law and capital. The main elements of the company strategy are reviewed as necessary and adapted to current market conditions in close coordination with the Supervisory Board.

## Expected market trend

### MACROECONOMIC ENVIRONMENT

The German government is currently expecting GDP to increase slightly by 0.3% in 2025, partly because of declining inflation.

According to the Federal Economics Ministry, it is becoming increasingly clear that Germany is facing fundamental structural problems. A lack of workers and professionals, excessive bureaucracy and weak private and public investment can be clearly felt.

The Bundesbank is expecting inflation to drop from an average of 2.5% in 2024 to 2.4% in 2025. In subsequent years the inflation rate is predicted to keep falling.

Experts from the Bundesbank again forecast a slight decline in employment in 2025 and a further increase in unemployment. The Bundesbank specialists only expect the labour market to recover from 2026.

## INDUSTRY ENVIRONMENT

### Lettings market

The German property market is looking ahead to a challenging future, but one which also holds opportunities. According to the property services provider Colliers International Deutschland GmbH (Colliers) the polarisation between prime locations and less desirable areas is set to increase.

Demand for high-quality space in central locations will remain strong, whereas peripheral sites may continue to become less attractive. At the same time the experts assume that innovative concepts and flexible letting arrangements will become more important.

The retail sector is expected to stabilise, supported by the return of consumer confidence and rising sales. Structural change remains pervasive, however, particularly as a result of demographic shifts and changing patterns of consumption. Retail properties that offer innovative concepts, such as one-stop shopping, healthcare services and entertainment should generally have better prospects than retail parks without any additional services. Retail parks that cater to the needs of the ageing population may be able to profit from this in the years ahead.

In view of the ongoing consolidation of retail space, advanced structural change and more stable demand for retail units, it can be assumed that locations which are currently functioning will continue to have good a chance going forward.

On the office property market a further increase in prime rents is expected in 2025, driven by a shortage of prime locations and rising ESG demands. Vacancy rates could increase at the same time, especially in less attractive segments. Construction work is expected to slow, which would cause modern office space to become scarcer over the long term.

One decisive factor will be how companies adapt to hybrid working models. Employers are increasingly looking for offices that offer both modern technological connections and flexible ways of using them. At the same time the expectation is that office buildings that do not meet these requirements will increasingly have to be repurposed or completely refurbished.

This period of transformation in the German property market is expected to continue in 2025. Innovative approaches, sustainability and flexibility are the key factors here for long-term success. While the challenges will remain, adapting to the new realities holds opportunities for market participants. Companies that engage actively with sustainability and find up-to-date uses for their properties can gain competitive advantages over the long term.

Investment market

JLL has reported that the performance of the investment market for office properties in five of the seven major cities was stable in 2024. Munich is still the most expensive office location by prime yield, ahead of Berlin. Yields could come under pressure in the current year, however. Significantly better financing conditions – the five-year euro swap is currently around 40 basis points lower than a year ago – should ensure that competition among buyers for top properties increases in all asset classes, compressing yields especially in the segments of living, logistics/industry and food retailing, particularly if the central bank continues its current policy of reducing interest rates. The foundation and basis of investment markets remain the letting markets, however. Their performance in 2025 will be watched very carefully, especially if the main return on an investment is intended to come from rental income. JLL has made positive rental forecasts for the office sector in all seven cities. Combined with a slight yield compression in Munich and Berlin, the capital values of the seven largest property markets are predicted to rise by an average of nearly 4% in 2025, it says. The recovery is still slow, according to JLL, but 2025 could be a good time to invest in well positioned, sustainable properties and profit from any upside potential.

Expected company performance

KEY INDICATOR	2025 PLAN	2024
Income from rents and leases	€87,5 million to €89 million	€93.0 million
FFO	€44 million to €46 million	€51.6 million

In view of its high-quality property portfolio, solid financial, earnings and liquidity position, and despite the still difficult economic conditions, the company has a fundamentally positive outlook of the year 2025.

Its operating performance in 2025 is expected to remain influenced by ongoing uncertainty about the further development of property markets.

The timing and volume of potential property acquisitions and selected disposals, as well as the resulting effects on revenue and operating earnings remain hard to predict. For this reason, the company has not included any purchases or disposals of properties in its forecast.

On current expectations, rental and lease income will be between €87.5 million and €89.0 million in 2025. The anticipated year-on-year decline is largely due to the recent disposals of properties from the portfolio.

The operating result (FFO) is expected to be between €44.0 million and €46.0 million in the 2025 financial year. The forecast decline is due partly to lower rental income as a result of asset disposals and partly to higher maintenance and personnel expenses than last year, as well as costs in connection with the implementation of regulatory and strategic projects. Cost increases for maintenance, personnel and administration are expected to rise by 10% to 20%. At the level of other operating expenses the company currently expects the increase to be higher in percentage terms, which is due partly to non-recurring effects over the course of the year.

Although FFO, the key performance indicator for the dividend distribution, is currently predicted to decline, the company also intends to make an attractive dividend payment for 2025. This assumes that HAMBORNER avoids any major, unforeseeable reductions in earnings and continues to develop its property portfolio as planned.

Duisburg, 31 March 2025

The Management Board

Niclas Karoff

Sarah Verheyen

# SEPARATE FINANCIAL STATEMENTS (IFRS)

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**Income statement**

**FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024**

IN € THOUSAND	NOTES	31 DEC. 2024	31 DEC. 2023
<b>Income from rents and leases</b>		<b>92,987</b>	<b>91,121</b>
Income from incidental costs passed on to tenants		12,697	13,440
Real estate operating expenses		–20,603	–20,224
Property and building maintenance		–10,104	–8,360
<b>Net rental income</b>	(1)	<b>74,977</b>	<b>75,977</b>
Administrative expenses	(2)	–1,930	–1,616
Personnel expenses	(3)	–6,960	–6,444
Amortisation of intangible assets, depreciation of property, plant and equipment and investment property	(4)	–43,570	–55,850
Other operating income	(5)	5,393	1,759
Other operating expenses	(6)	–3,183	–2,709
		<b>–50,250</b>	<b>–64,860</b>
<b>Operating result</b>		<b>24,727</b>	<b>11,117</b>
Result from the sale of investment property	(7)	4,333	529
<b>Earnings before interest and taxes (EBIT)</b>		<b>29,060</b>	<b>11,646</b>
Interest expenses		–14,303	–14,098
Interest		1,513	1,792
<b>Financial result</b>	(8)	<b>–12,790</b>	<b>–12,306</b>
<b>Period result</b>		<b>16,270</b>	<b>–660</b>
Basic = diluted earnings per share (in €)	(9)	0.20	–0.01

**Statement of comprehensive income**

**FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024**

IN € THOUSAND	NOTES	31 DEC. 2024	31 DEC. 2023
<b>Period result as per the income statement</b>		<b>16,270</b>	<b>–660</b>
Items not subsequently reclassified to profit or loss in future:			
Actuarial gains / losses (–) on defined pension obligations	(18)	–177	–595
<b>Other comprehensive income</b>		<b>–177</b>	<b>–595</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>16,093</b>	<b>–1,255</b>

Statement of financial position

**Statement of financial position – assets**

**AS AT 31 DECEMBER 2024**

IN € THOUSAND	NOTES	31 DEC. 2024	31 DEC. 2023
<b>Non-current assets</b>			
Intangible assets	(10)	57	300
Property, plant and equipment	(10)	2,545	2,739
Investment property	(11)	1,037,925	1,100,554
Financial assets	(12)	2,355	2,093
Other assets	(13)	8,079	8,397
		<b>1,050,961</b>	<b>1,114,083</b>
<b>Current assets</b>			
Trade receivables	(13)	4,667	2,240
Financial assets	(12)	399	478
Other assets	(13)	787	696
Cash and cash equivalents	(14)	51,766	43,304
Non- current assets held for sale	(15)	24,894	0
		<b>82,513</b>	<b>46,718</b>
<b>TOTAL ASSETS</b>		<b>1,133,474</b>	<b>1,160,801</b>

**Statement of financial position – liabilities**

IN € THOUSAND	NOTES	31 DEC. 2024	31 DEC. 2023
<b>Equity</b>	(16)		
Issued capital		81,343	81,343
Capital reserves		300,454	335,573
Retained earnings		29,369	17,202
		<b>411,166</b>	<b>434,118</b>
<b>Non-current liabilities and provisions</b>			
Financial liabilities	(17)	511,611	641,403
Trade payables and other liabilities	(18)	16,348	16,203
Pension provisions	(19)	4,564	4,649
Other provisions	(20)	3,346	3,121
		<b>535,869</b>	<b>665,376</b>
<b>Current liabilities and provisions</b>			
Financial liabilities	(17)	141,031	41,457
Financial liabilities held for sale	(17)	28,607	0
Trade payables and other liabilities	(18)	14,285	17,151
Other provisions	(20)	2,516	2,699
		<b>186,439</b>	<b>61,307</b>
<b>TOTAL EQUITY, LIABILITIES AND PROVISIONS</b>		<b>1,133,474</b>	<b>1,160,801</b>

Statement of cash flows | Statement of changes in equity

## Statement of cash flows

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024

IN € THOUSAND	NOTES	2024	2023
<b>Cash flow from operating activities</b>	(24)		
Period result		16,270	–660
Financial result		11,905	11,931
Depreciation and amortisation (+) / reversals (–)		39,643	55,849
Change in provisions		–220	–383
Gains (–) / losses (+) (net) on the disposal of property, plant and equipment and investment property		–4,922	–536
Change in receivables and other assets not attributable to investing or financing activities		–2,122	289
Change in liabilities not attributable to investing or financing activities		220	2,231
		<b>60,774</b>	<b>68,721</b>
<b>Cash flow from investing activities</b>	(25)		
Investments in intangible assets, property, plant and equipment and investment property		–4,443	–28,556
Proceeds from disposals of property, plant and equipment and investment property		8,000	1,500
Proceeds (+) for cash collateral for financial liabilities		0	11,846
		<b>3,557</b>	<b>–15,210</b>
<b>Cash flow from financing activities</b>	(26)		
Dividends paid		–39,045	–38,231
Proceeds from borrowings of financial liabilities		42,400	13,500
Repayments of borrowing		–44,152	–101,882
Repayments of lease liabilities		–412	–392
Interest payments		–14,660	–13,314
		<b>–55,869</b>	<b>–140,319</b>
<b>Cash-effective changes to cash funds</b>		<b>8,462</b>	<b>–86,808</b>
<b>Cash funds on 1 January</b>		<b>43,304</b>	<b>130,112</b>
<b>Cash funds on 31 December</b>		<b>51,766</b>	<b>43,304</b>

## Statement of changes in equity

IN € THOUSAND	ISSUED CAPITAL	CAPITAL RESERVES	RETAINED EARNINGS		EQUITY TOTAL
			IAS 19 Reserve Pension provisions	Other retained earnings	
As at 1 January 2023	81,343	346,071	–3,177	49,367	473,604
Withdrawal from capital reserves		–10,498		10,498	0
Distribution of profit for 2022 (€0.47 per share)				–38,230	–38,230
Net profit for the period 1 Jan. to 31 Dec. 2023				–661	–661
Other comprehensive income 1 Jan. to 31 Dec. 2023			–595		–595
Total comprehensive income 1 Jan. to 31 Dec. 2023			–595	–661	–1,256
As at 31 December 2023	81,343	335,573	–3,772	20,974	434,118
Withdrawal from capital reserves		–35,119		35,119	0
Distribution of profit for 2023 (€0.48 per share)				–39,045	–39,045
Net profit for the period 1 Jan. to 31 Dec. 2024				16,270	16,270
Other comprehensive income 1 Jan. to 31 Dec. 2024			–177		–177
Total comprehensive income 1 Jan. to 31 Dec. 2024			–177	16,270	16,093
As at 31 December 2024	81,343	300,454	–3,949	33,318	411,166



# NOTES

## *General information on preparation of financial statements*

HAMBORNER REIT AG is a listed corporation (securities identification number A3H233) headquartered in Duisburg, Germany. It is entered in the Commercial Register of Duisburg District Court under HRB 4. Since its conversion into a REIT, it has also been subject to the provisions of the German Act on German Real Estate Stock Corporations with Listed Shares (REITG – German REIT Act).

HAMBORNER REIT AG acquires ownership or easement rights for German and foreign immovable property within the meaning of section 3 of the German REIT Act (REIT-Gesetz, "REITG") excluding residential properties in Germany, for use, management or disposal. It can also acquire, hold, manage and dispose of equity investments in partnerships and corporations within the meaning of section 3 REITG. As a REIT AG, HAMBORNER is exempt from both corporation tax and trade tax.

As a listed REIT stock corporation, HAMBORNER REIT AG prepares and publishes separate financial statements within the meaning of section 325 (2a) HGB, in accordance with the provisions of the International Financial Reporting Standards (IFRS).

The separate financial statements as at 31 December 2024 were prepared in accordance with IFRS as applicable in the European Union at the end of the reporting period and the additional provisions of commercial law in accordance with section 325 (2a) HGB. IFRS include the IFRS issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS) and the interpretations of the International Financial Reporting Interpretations

Committee (IFRIC) and the Standing Interpretations Committee (SIC). All the standards and interpretations issued by the IASB and effective at the time of the preparation of the financial statements have been applied to the extent that they have been endorsed by the EU. The separate financial statements of the company therefore comply with the IFRS.

The financial statements were prepared on a going-concern assumption, because the Management Board sees no significant uncertainties that could make this unreasonable.

The financial statements were prepared in euros (€). All amounts are shown in thousands of euros (€ thousand) unless stated otherwise. Minor rounding differences can occur in totals and percentages.

The Management Board prepared the separate financial statements as at 31 December 2024 and the management report for 2024 on 31 March 2025 and approved them for submission to the Supervisory Board.

The separate financial statements prepared as required by the IFRS in accordance with section 325 (2a) HGB and the annual financial statements prepared in accordance with commercial law are submitted to the operator of the company register. The IFRS financial statements will then be published there. The financial statements are available for download at [hamborner.de/en/](https://hamborner.de/en/). They can also be requested from HAMBORNER REIT AG, Goethestr. 45, 47166 Duisburg, Germany.

Accounting policies

These separate financial statements as at 31 December 2024 are based on the same accounting policies as the separate financial statements for the previous year. The statement of financial position as at 31 December 2024 is structured by maturity in accordance with IAS 1.60. Items that have been summarised in the statement of financial position and the income statement are explained in the notes.

REVISED OR NEW IFRS AND THE RESULTING CHANGES IN ACCOUNTING POLICIES

Since the preparation of the separate financial statements as at 31 December 2023, the following standards and interpretations have been amended or became effective for the first time as a result of their endorsement in EU law or their entry into force:

STANDARD / INTERPRETATION	NAME	NATURE OF AMENDMENT	EFFECTIVE DATE	EXPECTED MATERIAL EFFECT
IFRS 16	Lease Liability in a Sale and Leaseback	Standardization of the subsequent measurement of lease liabilities	1 January 2024	None
IAS 7 und IFRS 7	Reverse-Factoring-Transaction	Reverse factoring transactions	1 January 2024	None
IAS 1	Presentation of Financial Statements / Accounting Policies	Classification of liabilities as current or non-current, deferral of effective date, non-current liabilities with covenants	1 January 2024	None

The new or revised standards and interpretations had no material impact on HAMBORNER'S financial statements.

The following standards and interpretations already passed, amended or issued by the IASB were not yet effective for the 2024 financial year. The option to apply standards and interpretations early was not exercised.

STANDARD / INTERPRETATION	NAME	NATURE OF AMENDMENT	EFFECTIVE DATE	EXPECTED MATERIAL EFFECT
IAS 21	Lack of exchangeability	lack of exchangeability	1 January 2025	None
IFRS 18	Presentation and information in the financial statements	Replaces the previous standard IAS 1 and aims to improve the presentation and disclosure of financial statements	1 January 2027	None
IFRS 19	Subsidiaries without public accountability	Subsidiaries without public accountability	1 January 2027	None



## SEGMENT REPORTING

Segment reporting in accordance with IFRS 8 is based on the management approach and is therefore consistent with the management and reporting system used in the company for its segments. HAMBORNER only operates in one business segment and one geographical segment, and generates its revenue and holds its assets exclusively in Germany. This means that, as in previous years, it has not prepared a segment report. Internal reporting is also based on the IFRS accounting figures.

More than 10% of HAMBORNER's rental revenue in the 2024 financial year was generated with the EDEKA Group, which accounted for 13.6% (previous year: 12.3%) or €12.3 million (previous year: €10.9 million).

## ASSUMPTIONS AND ESTIMATES

In preparing the financial statements, assumptions have been made and estimates used that affect the reporting and amount of the recognised assets, liabilities, income and expenses. These assumptions and estimates essentially relate to the determination of useful life, the fair value of land, buildings and receivables and their impairment, the calculation of the fair value of financial instruments and the recognition and measurement of provisions. The carrying amounts of the items concerned can be found in the statement of financial position and the notes. Actual values may deviate from the assumptions and estimates made in individual cases. Changes are taken into account when new information is available.

Calculation of the fair value of the investment property to be disclosed in the notes in accordance with IAS 40 is essentially subject to a series of forward-looking assumptions and estimates.

Key measurement parameters include achievable rents in the analysis period, as well as discounting and capitalisation rates. Achievable rents are derived first from existing leases, and also from market rents for vacant spaces and assumed lease renewals. Market rents reflect the existing rent potential at the relevant locations as at the end of the reporting period. In measuring market rents, the existing comparative rents at the location and those based on current demand for space are recorded. Forward-looking assumptions and expectations relating to a potential market rent trend at the relevant locations are not factored into the measurement. Discounting and capitalisation rates are derived mainly from the acquisition factors observed on the market as at the end of the reporting period, depending on the type and location of the relevant properties. In this process the current price level of comparative transactions is taken into account, adjusted if necessary by property-specific risk additions or deductions. No assumptions and expectations regarding the future trend of transaction prices are taken into account, as the fair value definition is based on the measurement date principle. Any scenarios assuming that market rent and transaction prices recover again in future are not considered in the measurement.

Forward-looking assumptions and estimates in the valuation generally relate to fundamental parameters such as inflation (assumption: 2025: 2.4%, 2026: 2.1%; 2027 and thereafter: 1.9%), marketing periods for vacancies or expiring lease agreements and possible exercising of options/lease agreement extensions. Assumptions in these latter cases are made with corresponding expectations depending on the location, rental space, and existing tenant. The forward-looking assumptions and estimates are based on the prevailing conditions at the valuation date. Existing uncertainty regarding future cash flows is factored into the discount rates by means of risk adjustment.

## INTANGIBLE ASSETS

Intangible assets are measured at cost less straight-line amortisation. Amortisation is recognised in line with the economic useful life, which is between three and eight years in principle.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at cost less straight-line depreciation. The company's administrative building in Duisburg, including operating and office equipment, are reported by HAMBORNER under property, plant and equipment. Depreciation for the administrative building is based on a total useful life of 33 years. Operating and office equipment has an average useful life of between one and 15 years.

The company reports the results from disposals of property, plant and equipment under "Other operating income" (gains) or "Other operating expenses" (losses).

## INVESTMENT PROPERTY

Investment property is measured at amortised cost less straight-line depreciation in accordance with the option under IAS 40 (30) in conjunction with (56). All already-developed and under-development land, buildings and parts of buildings held to generate future rental income or gains from appreciation and/or with an undetermined use are classified as investment property. They are not intended for HAMBORNER's own administrative purposes or for short-term trading in the context of ordinary business activities. Depreciation is recognised on a straight-line basis over the economic life. The property portfolio is depreciated over periods of between 33 and 50 years. When a property is purchased its useful life is determined in agreement with the Technical Management and Transaction Management

departments. The useful life depends among other things on the age, condition and potential economic use of the building. The remaining useful life is also reviewed in the context of any necessary major modernisation work.

The results from sale of the investment property are shown separately in the income statement.

To calculate the fair value disclosed in the notes in accordance with IAS 40, the company had its developed property portfolio valued by an independent expert at the end of 2024. The market values of property were calculated in line with internationally recognised standards using the discounted cash flow (DCF) method (level 3 of the measurement hierarchy in accordance with IFRS 13). Under this method, the market value of a property is calculated as the total of the discounted cash flows for the entire planning period, usually ten years (2025 to 2034), plus the residual value of the property calculated on the basis of its long-term free cash flow less costs to sell, also discounted to the measurement date. Discount rates of between 3.80% and 7.15% (previous year: 3.85% and 7.15%) were used to calculate residual values. Cash flows and residual values were discounted using risk-adjusted interest rates of between 4.95% and 9.10% (previous year: 5.00% and 9.10%).

Incidental acquisition costs for properties not yet in the company's possession and rights of use for leaseholds presented under this item are carried at (discounted) amortised cost using the cost model.

The fair value of the undeveloped land holdings was calculated by the company using the market-based approach in accordance with

level 2. Standard land values calculated in expert reports for similar properties and areas are used, and risk deductions are charged in line with the particular characteristics of the properties. On average, the fair value of undeveloped land was €2.69 per m<sup>2</sup> at the end of 2024, unchanged from the previous year (previous year: €2.69 per m<sup>2</sup>).

#### **IMPAIRMENT LOSSES AND REVERSALS OF IMPAIRMENT LOSSES ON INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY**

The recoverability of the carrying amounts for all intangible assets, property, plant and equipment and investment property is reviewed regularly. In addition, the carrying amounts are reviewed if events or changes in circumstances indicate that it may no longer be possible to recover the recognised carrying amount. If the recoverable amount of these assets is less than the carrying amount at the end of the reporting period, this is shown by the recognition of impairment losses.

The recoverable amount is determined using the fair value as calculated by an expert before the deduction of transaction costs of a notional acquisition (gross capital value) as the value in use within the meaning of IAS 36.30. If the reasons for impairment losses recognised in previous years no longer exist, they are reversed up to the amortised carrying amounts of the respective assets. Impairment losses are reported under "Amortisation of intangible assets, depreciation of property, plant and equipment and investment property". Reversals of impairment losses are recognised in "Other operating income".

#### **LEASES**

HAMBORNER operates as a lessor of investment property. Payments received for these leases are recognised as revenue in the income statement over the term of the lease.

HAMBORNER is the lessee, as defined by IFRS 16, for three leaseholds and to a minor extent for items of operating and office equipment. Discounted future financial liabilities from leases must be recognised as lease liabilities. These are reduced over time as lease instalments are paid. Lease liabilities are reported under current and non-current trade payables and other liabilities. At the same time, a right of use to the respective leased asset must be recognised. Right-of-use assets are reported under the statement of financial position item in which the underlying asset would be reported. Accordingly, the right-of-use assets for leaseholds are reported as investment property and the right-of-use assets for operating and office equipment under property, plant and equipment. Right-of-use assets are amortised over the term of the lease.

Lease payment amounts for leasehold properties depend on contractually agreed index values. Changes made to the amount of lease payments on the respective reporting dates are taken into account in the measurement of the lease liability.

TRADE RECEIVABLES AND OTHER ASSETS

Trade receivables are initially evaluated at the transaction price. All other financial assets are initially evaluated at fair value less any transaction costs.

Depending on the classification of the financial assets, subsequent evaluation is at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss. All financial assets at HAMBORNER are classified as at amortised cost.

Trade receivables mainly refer to rent receivables. In accordance with IFRS 9, impairment must be recognised for expected credit losses on trade receivables at amortised cost using the expected credit loss model.

In the case of trade receivables, if there is objective evidence in individual cases for impairment of the receivable (e.g. due to [the threat of] insolvency), proper account must be taken of identifiable risks through the use of write-downs while allowing for existing security deposits (level 3). As soon as it becomes evident that a receivable cannot be collected and can no longer be settled, it is de-recognised. A receivable is assumed uncollectable in the case of actual inability to pay or if the debtor has filed for insolvency due to lack of assets.

The probability and amount of defaults on trade and other receivables shown as at 31 December 2024 are estimated on an individual basis. Credit risks are reflected in the form of valuation allowances. Measurement of the default amount and probability of occurrence depend in particular on whether requests have been made to reduce

rent or whether tenants have filed for insolvency, and the tenant's credit standing.

The financial assets consist of cash security deposits by tenants that are held on bank accounts, and of additional bank balances pledged in the previous year. No write-down based on the expected credit loss model was recognised, as defaults are not anticipated due to the excellent credit standing of the banks at which cash and cash equivalents are held.

Non-financial assets consist mainly of subsidies paid to tenants for construction costs. The agreed amounts will be spread out on a straight-line basis over the term of the leases in the form of a reduction in rents.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise call money with an initial remaining term of less than three months.

As financial assets, cash and cash equivalents are measured at fair value on initial recognition and subsequently at amortised cost. Subsequent measurement is at amortised cost. No write-down based on the expected credit loss model was recognised, as defaults are not anticipated due to the excellent credit standing of the banks at which cash and cash equivalents are held.

NON-CURRENT ASSETS HELD FOR SALE

With the decision of the relevant committees to dispose of the property, it was reclassified in accordance with IFRS 5 as non-current assets held for sale. Non-current assets are classified as held for sale if a sale is highly likely in the next twelve months. The assets classified as held for sale are carried at the lower of the carrying amount and fair value less costs to sell. Depreciation is no longer recognised from the time of reclassification.

PROVISIONS

Provisions are classified as non-current or current in line with the maturity structure required under IFRS, and are reported accordingly.

PENSION PROVISIONS

Pension provisions are calculated using the projected unit credit method, taking into account future adjustments in salaries and pensions. They are calculated using the biometric data in the 2018 G Heubeck mortality tables.

The following parameters were applied:

PARAMETER P.A. IN %	2024	2023
Interest rate	3.37	3.47
Pension trend	2.05	2.35



Sensitivity analyses as shown under note 19 were performed to demonstrate the sensitivity of the implemented parameters that are considered significant. These sensitivity analyses should not be considered representative for the actual change in the performance-based pension obligation. It is thought unlikely that deviations from the assumptions made will occur in isolation, as the assumptions are partly interrelated.

Actuarial gains and losses from experience adjustments and changes in assumptions are recognised in retained earnings in the year in which they arise. The interest expenses included in pension expenses are reported in interest expenses.

Expenses for defined contribution plans are recognised as an expense and reported in personnel expenses.

#### **OTHER PROVISIONS**

Current provisions are recognised in the amount of expected utilisation (best estimate) without discounting and take into account all obligations identifiable at the end of the reporting period based on transactions or past events for which the amount or timing is uncertain. This includes only third-party obligations for which an outflow of assets is likely.

Provisions for obligations that will not result in a reduction of assets in the subsequent year are recognised in the amount of the present value of the forecast outflow of assets.

Long-term, share-based Management Board remuneration is measured with the fair value of the liability as at the end of each reporting period and on the settlement date. All changes in fair value are recognised in profit or loss.

#### **FINANCIAL LIABILITIES**

Liabilities are measured at fair value taking into account transaction costs on first-time recognition. Subsequent measurement is at amortised cost using the effective interest method. Liabilities are classified as non-current if the agreements provide for repayment after twelve months.

#### **REVENUE FROM CONTRACTS WITH CUSTOMERS**

At HAMBORNER, income from ordinary activities as defined by IFRS 15 is essentially generated from rents and leases and from service costs charged to tenants.

Income from rents and leases is not affected by IFRS 15 as it falls within the scope of IFRS 16 for accounting for leases.

For income from service costs charged to tenants, the pro rata income from service charges for land tax and insurance expenses is also unaffected by IFRS 15 as it does not represent an independent performance obligation with a distinct benefit for the tenant. In this regard, this income also represents consideration in connection with property letting, and therefore also falls within the scope of IFRS 16. The other service costs charged to tenants reported under this item are independent performance obligations and so are not lease components. This income must therefore be accounted for as required by IFRS 15. HAMBORNER is the principal in these contracts, and so the consideration, i.e. prepayments of service costs and excess charges, must be reported as revenue.

#### **RECOGNITION OF EXPENSES AND REVENUE**

The recognition of revenue and other operating income is based on when services are rendered or, for sales transactions, when all the risks and rewards of ownership have been substantially transferred to the buyer.

Operating expenses are recognised when services are utilised or when they are incurred.



## Notes to the income statement

### (1) NET RENTAL INCOME

Net rental income breaks down as follows:

IN € THOUSAND	2024	2023
Income from rents and leases	92,987	91,121
Income from incidental costs passed on to tenants	12,697	13,440
Real estate operating expenses	-20,603	-20,224
Property and building maintenance	-10,104	-8,360
<b>NET RENTAL INCOME</b>	<b>74,977</b>	<b>75,977</b>

Income from rents and leases for properties recognised in accordance with IAS 40 increased by €1,866 thousand to €92,987 thousand in the reporting year (previous year: €91,121 thousand). The change was due to rent increases following property additions in the reporting year and the previous year (€929 thousand), rent losses as a result of property disposals (€-34 thousand) and an increase in portfolio rents (like-for-like) of €1,434 thousand. The reduction in the risk provisions recognised in the previous years for rent reductions in connection with the COVID-19 pandemic resulted in lower income than the previous year of €463 thousand.

Income from incidental costs passed on to tenants mainly includes advances on billable heating and operating costs in addition to fractional amounts on heating and operating costs billed in the financial year. This income decreased by €743 thousand in the reporting year. An increase in income from incidental costs charged to tenants of

€31 thousand was due to the change in the investment property portfolio. The income from reallocating incidental costs to tenants for the other properties in the portfolio increased by a total of €712 thousand. This is mainly due to differences between the statements of incidental costs sent in the financial year and the estimates of residual costs made as at 31 December 2023.

Most of the real estate operating expenses can be passed on to the tenants under the terms of their rental agreements.

IN € THOUSAND	2024	2023
<b>Real estate operating expenses</b>		
Consumption costs (electricity, water, sewage, heating)	5,446	6,077
Infrastructural building management	4,048	3,980
Technical building management (maintenance)	3,876	3,410
Property tax	3,141	2,998
Other operating costs	1,403	1,399
Insurance	1,274	1,062
Centre management	566	557
Advertising costs	327	309
Miscellaneous	522	431
<b>TOTAL</b>	<b>20,603</b>	<b>20,224</b>

The expenses for property and building maintenance amounted to €10,104 thousand compared with €8,360 thousand in the previous year. €3,366 thousand of these expenses relate to unplanned and ongoing maintenance, €5,387 thousand to planned maintenance and €1,351 thousand to leasehold improvements.

The direct operating expenses for the leased property in the reporting year amounted to €30,707 thousand (previous year: €28,584 thousand). With the exception of temporary, partial vacancies in individual properties, the entire inventory was let at the end of the reporting period.

### (2) ADMINISTRATIVE EXPENSES

The administrative expenses items break down as follows:

IN € THOUSAND	2024	2023
Software License Fees	410	323
Costs of the Annual General Meeting	249	253
Fees for auditors	210	133
Energy and maintenance costs of management	202	182
Supervisory board costs	147	40
Costs annual report	139	133
employee travel expenses	82	51
Bank charges and bank fees	18	49
Miscellaneous	473	452
<b>TOTAL</b>	<b>1,930</b>	<b>1,616</b>

The auditors' fees (€210 thousand; previous year: €133 thousand) included in administrative expenses consist of audit fees of €190 thousand and advance audit services in connection with future CSR reporting of €20 thousand.

### (3) PERSONNEL EXPENSES

Personnel expenses were slightly up on the previous year at €6,960 thousand (previous year: €6,444 thousand).

IN € THOUSAND	2024	2023
Wages and salaries	5,741	5,272
Social security contributions and related expenses	681	633
Retirement benefit expenses / pension expenses	100	101
Remuneration of the Supervisory Board	438	438
<b>TOTAL</b>	<b>6,960</b>	<b>6,444</b>

PROPERTY	2024	31 DEC. 2024	31 DEC. 2023
	Impairment losses	Achievable amount (gross capital value)	Discounting rate
Lübeck, Sandstr. 1	3,285	20,850	8.85
Stuttgart, Schockenriedstraße 17	1,386	14,500	6.90
Kempten, Ulmer Straße 21	1,129	29,200	7.00
Ditzingen, Siemensstraße 31–33	385	11,640	8.25
Hamburg, Kurt-A.-Körber-Chaussee 9	259	11,380	7.30
		Capitalisation rate	Discounting rate
			Capitalisation rate
			9.05
			6.80
			6.65
			5.15
			6.75
			5.30
			9.05
			7.15
			7.30
			5.90

PROPERTY	2023	31 DEC. 2023
	Impairment losses	Achievable amount (gross capital value)
Lübeck, Sandstr. 1	8,014	24,830,000
Hamburg, Kurt-A.-Körber-Chaussee 9	3,450	11,870,000
Stuttgart, Schockenriedstraße 17	2,587	16,200,000
Kempten, Ulmer Straße 21	2,105	27,500,000
Freiburg, Munzinger Straße 6	1,650	17,700,000
Münster, Robert-Bosch-Str. 17	614	24,100,000
Neu-Isenburg, Siemensstr. 10	569	15,700,000
		Discounting rate
		Capitalisation rate
		9.05
		6.80
		6.65
		5.15
		6.75
		5.30
		7.35
		5.65
		5.50
		4.90
		6.55
		6.00

### (4) DEPRECIATION AND AMORTISATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY AND IMPAIRMENT LOSSES

Depreciation, amortisation and impairment losses went down by €12,280 thousand on the previous year to €43,570 thousand. Of the total, €43,253 thousand relates to investment property (previous year: €55,432 thousand). This amount includes depreciation of €36,808 thousand (previous year: €36,444 thousand). As in the previous year, impairment losses of €6,445 thousand (previous year: €18,989 thousand) were recognised for five properties (previous year: seven properties) due to changes in the discount and capitalisation rates and letting factors.

The item also includes depreciation and amortisation of right-of-use assets of €568 thousand in line with IFRS 16. Of this, €461 thousand relates to right-of-use assets reported under investment property and €107 thousand to property, plant and equipment.

### (5) OTHER OPERATING INCOME

Other operating income breaks down as follows:

IN € THOUSAND	2024	2023
Reversal	3,928	0
Compensation and reimbursement	1,026	1,238
Charges passed on to tenants and leaseholders	274	279
Recoveries on receivables previously written down	97	165
Miscellaneous	68	77
<b>TOTAL</b>	<b>5,393</b>	<b>1,759</b>

The write-backs of €3,928 thousand result from the year-end revaluation of the assets in Gießen and Münster, which were largely due to changes in the occupancy factors and in discount and capitalisation rates.

Income from compensation and reimbursement consisted largely of compensation of €801 thousand for the early termination of a lease by a tenant at the property in Ratingen. The previous year's income consisted partly of compensation of €790 thousand for the early termination of a lease at the Mainz property.

## (6) OTHER OPERATING EXPENSES

Other operating expenses break down as follows:

IN € THOUSAND	2024	2023
Legal and consultancy costs	1,815	1,388
Costs for investor relations and public relations	577	392
Write-downs and depreciation / amortisation on trade receivables	477	620
Miscellaneous	314	309
<b>TOTAL</b>	<b>3,183</b>	<b>2,709</b>

Legal and consultancy costs of €1,815 thousand (previous year: €1,388 thousand) particularly included expenses related to the tender for new central service providers for technical and infrastructural property management (€404 thousand), as well as expenses in connection with IT consultancy (€303 thousand), sustainability (€295 thousand) and recruitment (€202 thousand). The item also includes costs for investor relations and public relations work of €577 thousand (previous year: €392 thousand) and write-downs on trade receivables of €477 thousand (previous year: €620 thousand).

## (7) EARNINGS FROM THE DISPOSAL OF PROPERTY

The company generated net income from the disposal of property of €4,333 thousand in the reporting year after €529 thousand in the previous year. The net income for the reporting year consists essentially of the proceeds and selling costs for the property An der Alster in Hamburg.

## (8) FINANCIAL RESULT

The financial result in the reporting year consists of interest income and expenses. Interest income was €1,513 thousand (previous year: €1,792 thousand) and consists mainly of interest on overnight accounts of €1,437 thousand.

Interest expenses rose by €205 thousand to €14,303 thousand and relate to financial liabilities of €13,343 thousand (previous year: €13,309 thousand). This increase is mainly due to refinanced loans with higher loan volumes and increased variable interest rates of €895 thousand. By contrast, scheduled loan repayments and loan expiries led to an interest expense decrease of €847 thousand.

Interest expenses in connection with the measurement of lease liabilities amounted to €540 thousand (previous year: €542 thousand).

## (9) EARNINGS PER SHARE

Net profit for the period was €16,270 thousand, and as such €16,930 thousand above the previous year's figure. The increase is due in particular to the lower impairment losses and the reversals of impairment losses recognised in the course of the annual valuation of the property assets.

Earnings per share amount to €0.20 and are calculated in accordance with IAS 33. Earnings per share are determined by dividing the net profit for the period attributable to the shareholders by the weighted average number of shares in the financial year.

Earnings per share are not diluted by, for example, stock options or convertible bonds as HAMBORNER has no such programmes. The basic and diluted earnings per share are therefore the same.

	2024	2023
Weighted average number of shares outstanding in thousands	81,343	81,343
<b>Net profit / profit for the year in € thousand</b>	<b>16,270</b>	<b>-660</b>
Earnings per share in €	0.20	-0.01

*Notes to the statement of financial position*

**STATEMENT OF CHANGES IN NON-CURRENT ASSETS**

IN € THOUSAND	EXPLANATION OF NOTES	COST					WRITE-DOWNS					CARRYING AMOUNTS		
		As at 1 Jan. 2024	Additions	Disposals	IFRS 5 Reclassifi- cation	As at 31 Dec. 2024	As at 1 Jan. 2024	Additions (depreciation and amortisation for the financial year)	Reversals	Disposals	IFRS 5 Reclassifi- cation	As at 31 Dec. 2024	As at 31 Dec. 2023	As at 31 Dec. 2024
Intangible assets	(10)	1,101	3	0	450	654	801	45	0	0	249	597	300	57
Property, plant and equipment	(10)	4,745	79	42	0	4,782	2,006	273	0	42	0	2,237	2,739	2,545
Investment property	(11)	1,452,411	4,466	4,000	63,352	1,389,525	351,857	43,252	3,928	922	38,659	351,600	1,100,554	1,037,925
<b>TOTAL</b>		<b>1,458,257</b>	<b>4,548</b>	<b>4,042</b>	<b>63,802</b>	<b>1,394,961</b>	<b>354,664</b>	<b>43,570</b>	<b>3,928</b>	<b>964</b>	<b>38,908</b>	<b>354,434</b>	<b>1,103,593</b>	<b>1,040,527</b>

IN € THOUSAND	EXPLANATION OF NOTES	COST				WRITE-DOWNS				CARRYING AMOUNTS	
		As at 1 Jan. 2023	Additions	Disposals	As at 31 Dec. 2023	As at 1 Jan. 2023	Additions (depreciation and amortisation for the financial year)	Disposals	As at 31 Dec. 2023	As at 31 Dec. 2022	As at 31 Dec. 2023
Intangible assets	(10)	1,099	2	0	1,101	653	148	0	801	446	300
Property, plant and equipment	(10)	4,618	176	49	4,745	1,785	270	49	2,006	2,833	2,739
Investment property	(11)	1,434,408	27,790	9,787	1,452,411	305,248	55,432	8,823	351,857	1,129,160	1,100,554
TOTAL		1,440,125	27,968	9,836	1,458,257	307,686	55,850	8,872	354,664	1,132,439	1,103,593

**(10) INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT**

Intangible assets include acquired rights of use for system and application software for the company's IT system.

The carrying amount of the company's administrative building in Duisburg reported under property, plant and equipment was €2,221 thousand (previous year: €2,310 thousand) as at the end of the reporting period.

Right-of-use assets relating to a leased operating and office equipment asset reported under property, plant and equipment, performed as follows:

IN € THOUSAND	2024	2023
<b>As at 1 January</b>	<b>221</b>	<b>179</b>
+/- Additions/ disposals	0	143
– Depreciation and amortisation	–107	–101
<b>As at 31 December</b>	<b>114</b>	<b>221</b>

**(11) INVESTMENT PROPERTY/ADVANCE PAYMENTS**

Investment property performed as follows in the reporting year:

IN € THOUSAND	2024	2023
<b>As at 1 January</b>	<b>1,100,554</b>	<b>1,129,160</b>
+ Additions due to acquisition	–20	24,602
+ Additions to incidental costs of pending acquisitions	29	0
+ Additions due to costs subsequently added	4,150	3,188
	<b>4,159</b>	<b>27,790</b>
– Disposals due to sales	–3,078	–964
– Disposals due to reclassifications in accordance with IFRS 5	–24,693	0
	<b>–27,771</b>	<b>–964</b>
+ Write-ups	3,928	0
	<b>3,928</b>	<b>0</b>
– Depreciation on buildings for the financial year	–36,347	–35,988
– Impairment losses for the financial year	–6,445	–18,989
	<b>–42,792</b>	<b>–54,977</b>
+/- Change in evaluation of right-of-use assets	–153	–455
<b>As at 31 December</b>	<b>1,037,925</b>	<b>1,100,554</b>

The carrying amount of right-of-use assets as defined by IFRS 16 performed as follows in the reporting year:

IN € THOUSAND	2024	2023
<b>As at 1 January</b>	<b>14,065</b>	<b>14,520</b>
+/- Addition / revaluation	308	0
– Disposals	0	0
– Depreciation and amortisation	–461	–455
<b>As at 31 December</b>	<b>13,912</b>	<b>14,065</b>

Taking into account the additions and disposals in the reporting year, the fair value of the investment property was €1,428,021 thousand as at 31 December 2024 (previous year: €1,485,525 thousand).

The year-end valuation reflected around €9.9 million in ESG activities and around €6.5 million in ESG-related maintenance expenses across the portfolio for the years 2025 to 2029, which will be capitalised. This work is part of HAMBORNER's decarbonisation strategy and has the potential to save a cumulative 6,000 tonnes of carbon dioxide in the period mentioned.

The fair value of investment property breaks down as follows:

IN € THOUSAND	2024	2023
Developed property portfolio	1,441,010	1,471,000
Less properties held for sale	-27,390	0
Incidental costs of pending acquisitions	29	0
Undeveloped land holdings	460	460
Right-of-use assets for leases	13,912	14,065
<b>TOTAL</b>	<b>1,428,021</b>	<b>1,485,525</b>

## (12) FINANCIAL ASSETS

The non-current financial assets of €2,355 thousand (previous year: €2,093 thousand) relate to cash security deposits from tenants. Current financial assets amounted to €399 thousand (previous year: €478 thousand).

## (13) TRADE RECEIVABLES AND OTHER ASSETS

Trade receivables and other current assets break down as follows:

IN € THOUSAND	2024	2023
<b>Trade receivables</b>		
Rent in arrears and billed incidental costs	3,293	2,067
Write-downs on trade receivables	-762	-637
Deferred receivables from future incidental cost invoices (contract assets)	2,083	707
Miscellaneous	53	103
<b>TOTAL</b>	<b>4,667</b>	<b>2,240</b>

Loss allowances were recognised for the expected loss of €762 thousand in conjunction with the remeasurement of outstanding receivables as at the end of the reporting period (previous year: €637 thousand).

Write-downs on trade receivables performed as follows:

IN € THOUSAND	2024	2023
<b>As at 1 January</b>	<b>637.0</b>	<b>325.0</b>
Addition	445.0	499.0
Revaluation	-320.0	-187.0
<b>As at 31 December</b>	<b>762.0</b>	<b>637.0</b>

Maturities of trade receivables as at 31 December 2024 are as follows:

### MATURITY OF TRADE RECEIVABLES IN € THOUSAND

	Total	Overdue				Not due
		< 30 days	> 30 days	> 60 days	> 90 days	
Gross receivable	3,292	646	422	196	1,754	274
Write-down	-762	-39	-53	-25	-645	0
Net receivable	2,530	607	369	171	1,109	274

The receivables not yet due fall due within one year.

Other assets amount to €8.9 million (previous year: €9.1 million) and mainly consist of building cost subsidies of €8.1 million (previous year: €8.5 million) paid in the context of new leases in Celle, Gießen and Mannheim. The agreed amounts will be spread out on a straight-line basis over the term of the leases in the form of a reduction in rents. Of the other assets, €787 thousand (previous year: €693 thousand) have a term of up to one year.

(14) CASH AND CASH EQUIVALENTS

Cash and cash equivalents break down as follows:

IN € THOUSAND	2024	2023
Bank balances	51,764	43,299
Cash balances	2	5
TOTAL	51,766	43,304

€49,317 thousand (previous year: €36,926 thousand) of the bank balances was invested in overnight accounts.

(15) NON-CURRENT ASSETS HELD FOR SALE

The properties in Lübeck and Osnabrück were presented in the item “Non-current assets held for sale” as at 31 December 2024. The contract for the sale of the Lübeck property was signed on 19 December 2024. The sales price was €20,850 thousand and the carrying amount is the same. The contract for the sale of the Osnabrück property was signed on 27 January 2025. The sales price was €6,540 thousand and the carrying amount was €4,044 thousand. Risks and rewards are expected to be transferred to the buyer in 2025.

(16) EQUITY

Changes in equity from 1 January 2023 to 31 December 2024 are shown in the statement of changes in equity. As at 31 December 2024, the company’s issued capital was €81,343 thousand (previous year: €81,343 thousand) which is divided into 81,343 thousand (previous year: 81,343 thousand) bearer shares. The nominal value of each share is €1.

The Annual General Meeting on 28 April 2022 authorised the Management Board to increase the company’s share capital up to 27 April 2027 with the consent of the Supervisory Board by up to €32,537 thousand in total (Authorised Capital 2022), once or several times, by issuing new registered shares against cash and non-cash contributions. The new shares must be offered to shareholders for subscription. The new shares may be accepted by one or more banks specified by the Management Board or active enterprises pursuant to section 53(1)(1) or section 53b(1)(1) or 53b(7) of the German Banking Act (KWG), with the requirement that they are offered to shareholders for subscription (indirect subscription rights).

Furthermore, on 28 April 2022 the Management Board was authorised, with the approval of the Supervisory Board, to issue bearer or registered warrant and convertible bonds or combinations of these instruments (bonds), dated or undated, up to a nominal total of €150,000 thousand until 27 April 2027, and to grant the bearers or creditors (bearers) of bonds conversion rights to new registered shares of the company with a total pro rata amount of share capital of up to €8,134 thousand in accordance with the more detailed conditions of the warrant or convertible bonds (bond conditions).

When issuing warrant or convertible bonds, the Management Board is authorised to contingently increase the share capital of the company by up to €8,134 thousand, divided into up to 8,134 thousand registered shares (Contingent Capital 2022).

With the approval of the Supervisory Board, the Management Board can remove shareholders’ statutory pre-emption rights in certain cases for a partial amount. The above authorisations had not been utilised by the end of the reporting period.

The Management Board was authorised by the Annual General Meeting on 29 April 2021 to acquire shares in the company until 28 April 2026. The authorisation is limited to the acquisition of shares accounting for not more than 10% in total of share capital, either at the time of the resolution by the Annual General Meeting on this authorisation or at the time that this authorisation is exercised, whichever is the lower. The authorisation can be exercised in full or in part, and in the latter case on multiple occasions. The authorisation cannot be used by the company for the purposes of trading in its own shares. The Management Board has not yet utilised this authorisation.

The capital reserve amounted to €300,454 thousand as at the reporting date. Capital reserves includes amounts which exceed the nominal value when issuing new shares as part of capital increases. €35,119 thousand was transferred from the capital reserve to pay the dividend for 2023.

Retained earnings amount to €29,369 thousand as at 31 December 2024 (previous year: €17,202 thousand). For the 2024 financial year, distribution of a dividend of €0.48 per share on the share capital entitled to dividends will be proposed at the Annual General Meeting. With 81,343,348 shares entitled to dividends, this results in a distribution to the shareholders of €39,045 thousand.

The “Reserve for IAS 19 pension provisions” included in retained earnings of €–3,949 thousand (previous year: €–3,772 thousand) relates to the cumulative actuarial gains and losses on defined-benefit pension obligations.





The objectives of capital management are to ensure the continuation of the company as a going concern, generate an adequate return on equity, and remain solvent.

A key performance indicator for this is the equity ratio, which is also recognised by investors, analysts and banks.

IN € THOUSAND	2024	2023	CHANGE
Equity	411,166	434,118	−5.3%
Total assets	1,133,474	1,160,801	−2.4%
<b>Reported equity ratio in %</b>	<b>36.3</b>	<b>37.4</b>	<b>−3.0%</b>

In addition, the company is required to comply with the equity coverage ratio of at least 45% codified in accordance with section 15 REITG in order to maintain its status as a real estate investment trust (REIT). Compliance with the REIT equity ratio is therefore subject to ongoing monitoring. As at 31 December 2024, this indicator was 55.2% (previous year: 55.1%).

A key figure in connection with solvency is the EPRA loan-to-value (LTV) ratio. This ratio is defined as net financial liabilities to the calculated value of the properties. As at 31 December 2024, the LTV was 43.7% (previous year: 43.5%).

The framework for management of the capital structure, for example by capital increases, is defined by the provisions of company law.

The capital management targets were achieved in the financial year.

### **(17) FINANCIAL LIABILITIES**

Financial liabilities fell by €1.7 million to €681.2 million. The existing property loans are generally based on long-term fixed-interest agreements.

By contrast, for a floating-rate loan of €45.0 million with a term of three years, after weighing the risks and opportunities it was decided not to use interest rate hedges as the term is considered manageable. The loan is also secured by land charges.

Financial liabilities break down by maturity as follows:

IN € THOUSAND	31 DEC. 2024			31 DEC. 2023		
	Current		Non-current	Current		Non-current
	Less than 1 year	2 to 5 years	More than 5 years	Less than 1 year	2 to 5 years	More than 5 years
Financial liabilities	169,638	377,111	134,500	41,457	452,693	188,710

Financial liabilities of €681.2 million include €28.6 million to finance the properties held for sale in Lübeck and Osnabrück. The planned disposals of these assets mean the liabilities now have a remaining term to maturity of less than one year.

IN € THOUSAND	31 DEC. 2024			31 DEC. 2023		
	Less than 1 year	2 to 5 years	More than 5 years	Less than 1 year	2 to 5 years	More than 5 years
Financial liabilities	178,081	402,158	140,171	52,521	480,961	194,208

With the exception of the unsecured promissory note loans of €12.5 million, all loans are secured by investment property. Land charges of €822.5 million have been entered against the company for the financial liabilities reported as at 31 December 2024. In addition, the rent receivables on the secured properties have usually been assigned to the lending banks by way of undisclosed assignment. The non-current property loans bear interest at rates between 0.88% and 4.17% (average interest rate: 1.89%). In line with loan agreements, repayments are made monthly or quarterly.

The table below shows the contractually agreed payments for interest and the repayment of financial liabilities. Interest payments on floating-rate loans are calculated uniformly using the last interest rate set before the end of the reporting period.

**Fair value of financial assets and liabilities measured at amortised cost**

Except for financial liabilities, the carrying amounts of the financial assets and liabilities in the statement of financial position constitute a reliable approximation of the fair value due partly to the short terms.

The fair values of financial liabilities (not including those related to assets held for sale) are equal to the present values of the payments associated with the liabilities, taking into account the current matched-term interest rate parameters at the end of the reporting period (level 3). This level reflects the company's own default risk.

IN € THOUSAND	31 DEC. 2024		31 DEC. 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities	652,636	612,962	682,860	626,601

**(18) TRADE PAYABLES AND OTHER LIABILITIES**

IN € THOUSAND	2024	2023
<b>Financial liabilities</b>		
Lease liabilities (IFRS 16)	14,833	14,938
Trade payables	7,941	6,083
Security deposits	2,355	2,098
Reimbursement of prepaid additional costs	813	340
Other purchase price retention	551	880
Supervisory Board remuneration	438	438
Security retention for rent guarantees	403	565
Audit fees	317	117
Granted building cost subsidies	100	4,350
Miscellaneous	454	374
	<b>28,205</b>	<b>30,183</b>
<b>Other liabilities</b>		
Rental and leasing advances	1,230	777
VAT liabilities	619	1,336
Land tax obligations	173	122
Deferred investment subsidies	59	71
Land transfer tax liabilities	18	615
Miscellaneous	329	250
	<b>2,428</b>	<b>3,171</b>
<b>TOTAL</b>	<b>30,633</b>	<b>33,354</b>

€14,285 thousand (previous year: €17,152 thousand) of trade payables and other liabilities are due within one year.

The non-current financial liabilities (€2,411 thousand; previous year: €2,146 thousand) have a remaining term of less than five years.

Undiscounted lease liabilities mature as follows:

IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
Up to one year	943	1,019
Between two and five years	3,467	3,441
More than five years	30,498	29,721
<b>TOTAL</b>	<b>34,908</b>	<b>34,181</b>

### (19) PENSION PROVISIONS

There are pension scheme commitments for former employees and their surviving dependants. These are defined-benefit pension commitments within the meaning of IAS 19. Provisions are measured using the projected unit credit method. In addition to the pensions and vested claims as known at the end of the reporting period, the projected unit credit method also takes into account forecast increases in pensions and assumed inflation.

In relation to performance-oriented benefit pension plans, the company is exposed to general actuarial risks such as longevity and interest rate risks. In particular, the risks affect the allocation to pension provisions at HAMBORNER and therefore the net asset situation of the company. In order to quantify these risks and present them appropriately in the statement of financial position, HAMBORNER had the provision evaluated by an independent expert, taking into account the sensitivities of actuarial parameters.

HAMBORNER is able to pay the monthly pension payments to recipients or their surviving dependants from its operating activities (internal financing). The company's liquidity management monitors that it is able to meet payment obligations at all times.

As at 31 December 2024, the pension obligations are distributed among four recipients and three surviving dependants. The number of beneficiaries has remained the same year-on-year.

The weighted average term of performance-based commitments was around 8.7 years as at the end of the reporting period (previous year: around 8.0 years).

Pension provisions performed as follows:

IN € THOUSAND	2024	2023
Carrying amount 1 January (= present value 1 January)	4,649	4,250
Interest expenses	155	159
Actuarial gains (-) / losses recognised for the current year	177	595
(due to change in financial assumptions)	(+42)	(+173)
(due to experience adjustments)	(+135)	(+421)
Pension payments	-417	-355
<b>TOTAL</b>	<b>4,564</b>	<b>4,649</b>

The changes in the main actuarial assumptions would have had the following effects on the present value of pension obligations:

CHANGE IN PENSION PROVISIONS IN € THOUSAND	INCREASE	DECREASE
Discounting rate (-1.0% / +1.0%)	436 (464)	-372 (-394)
Pension trend (+0.25% / -0.25%)	97 (94)	-95 (-91)
Deviation in mortality from standard (-7.5% / +7.5%)	152 (153)	-138 (-139)

The sensitivity calculations are based on the average term of the pension obligation calculated as at 31 December 2024. The calculations were performed in isolation for the actuarial parameters classified as significant in order to separately show the effects on the present value of pension obligations.

Pension payments from defined-benefit pension commitments of €405 thousand are expected in the 2025 financial year.

In the year under review, HAMBORNER paid contributions of €326 thousand (previous year: €302 thousand) to statutory pension insurance, which is deemed to be a defined contribution pension scheme. In addition, the company paid direct insurance premiums of €5 thousand (previous year: €5 thousand). The company has no obligations other than its payment obligations under defined contribution schemes. The expenses are recognised in personnel expenses.

**(20) OTHER PROVISIONS**

Other provisions break down as follows:

IN € THOUSAND	1 JAN. 2024	UTILISATION	REVERSALS	ADDITIONS	DISCOUNTING	31 DEC. 2024	OF WHICH NON-CURRENT	OF WHICH CURRENT
<b>Provisions for</b>								
Mining damage	2,829	0	0	108	188	3,125	3,125	0
Employee bonuses	521	510	11	556	–	556	0	556
Management Board bonuses (STI)	447	447	0	500	–	500	0	500
Management Board bonuses (LTI)	359	66	98	97	3	295	221	74
Reimbursements from uninvoiced operating costs	1,363	294	104	163	–	1,128	0	1,128
Miscellaneous	301	296	5	258	–	258	0	258
<b>TOTAL</b>	<b>5,820</b>	<b>1,613</b>	<b>218</b>	<b>1,682</b>	<b>191</b>	<b>5,862</b>	<b>3,346</b>	<b>2,516</b>

The provisions for mining damage relate to the potential risks from previous mining activities. Please see the more detailed information in the risk report, which is a component of the management report. Provisions relating to mining activities are non-current provisions measured at their probable settlement amount at the end of the reporting period. Depending on their respective remaining terms (between three and ten years; previous year: between four and eleven years), interest rates between 2.9% and 3.6% (previous year: between 3.6% and 3.9%) were assumed for discounting. The provisions for mining damage increased on balance by €296 thousand compared with the previous year, to €3,125 thousand. The increase

is mainly due to interest rate effects for the amounts recognised the previous year as a result of changes in maturities and interest rates. These are recognised in interest expenses in the amount of €188 thousand. The higher accrued interest on provisions of €108 thousand due to higher inflation rates is shown in other operating expenses.

The provision for employee bonus obligations assumes that the expected bonuses for 2024 will be €35 thousand higher than in the previous year and amount to €556 thousand. In addition, there are provisions for Management Board bonuses from long-term share-

based remuneration (LTI) of €295 thousand (previous year: €359 thousand), €74 thousand of which will be paid out in 2025 on the basis of the valuation as at the end of the reporting period, and for short-term remuneration (STI) of €500 thousand (previous year: €447 thousand). The remaining terms of the long-term share-based remuneration as at the financial statement date were three months, 15 months, 27 months, and 39 months.

The provision of €1,128 thousand (previous year: €1,363 thousand) for refunding operating costs to tenants results from an expected obligation to reimburse excess advance payments.

**(21) ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS**

In the separate financial statements, financial instruments are classified in line with the classification used for the statement of financial position. The following table shows the reconciliation of the items of the statement of financial position to classes formed by the company in accordance with the minimum requirements of IFRS 7.

31 DEC. 2024	BALANCE SHEET APPROACH	EVALUATION IN ACCORDANCE WITH IFRS 9	NON-FINANCIAL ASSETS / LIABILITIES
		At amortised cost	
<b>Assets</b>			
Financial assets	2,754	2,754	
Current trade receivables and other assets	5,454	4,667	787
Cash and cash equivalents	51,766	51,766	
	<b>59,974</b>	<b>59,187</b>	<b>787</b>
<b>Liabilities</b>			
Non-current financial liabilities	511,611	511,611	
Non-current trade payables and other liabilities	16,348	2,411	13,937
Current financial liabilities	141,031	141,031	
Financial liabilities held for sale	28,607	28,607	
Current trade payables and other liabilities	14,285	13,304	981
	<b>711,882</b>	<b>696,964</b>	<b>14,918</b>

31 DEC. 2023	BALANCE SHEET APPROACH	EVALUATION IN ACCORDANCE WITH IFRS 9	NON-FINANCIAL ASSETS / LIABILITIES
		At amortised cost	
<b>Assets</b>			
Financial assets	2,571	2,571	
Current trade receivables and other assets	2,936	2,240	696
Cash and cash equivalents	43,304	43,304	
	<b>48,811</b>	<b>48,115</b>	<b>696</b>
<b>Liabilities</b>			
Non-current financial liabilities	641,403	641,403	
Non-current trade payables and other liabilities	16,203	2,146	14,057
Current financial liabilities	41,457	41,457	
Current trade payables and other liabilities	17,151	14,030	3,121
	<b>716,214</b>	<b>699,036</b>	<b>17,178</b>

HAMBORNER is exposed to various risks, including financial risks, on account of its business activities. The risk report, which is part of the management report, includes further details on financial risks and their management.

The risks resulting from financial instruments relate to credit, liquidity and market risks. There are credit risks in the form of risks of default on financial assets. The maximum value of this risk is the carrying amount of the financial assets. This is the total of all carrying amounts for the original financial instruments. If risks of default exist, they are taken into account by means of write-downs.

Liquidity risks constitute refinancing risks and thus risks of being able to meet existing payment obligations on time. The strategy and the results of the planning process are taken as a basis for the early identification of the future liquidity situation. The expected liquidity requirements are scheduled in medium-term planning, which covers a period of five years.

Liquidity requirements are calculated by means of regular forecasts.

Sensitivity analyses are required for the presentation of market risks in accordance with IFRS 7. The effects on earnings and equity are shown by way of hypothetical changes in risk variables based on past data. Interest rate risks in particular are relevant for HAMBORNER in this regard.

Interest rate risks result from changes in the market interest rate. Sensitivity analyses, which show the effects of changes of market interest rate levels on interest payments, interest expenses, interest income and equity, are performed in line with IFRS 7. The following premises apply here:

Interest rate risks regarding primary financial instruments with a fixed interest rate are reported only if they are measured at fair value. In the case of financial instruments measured at amortised cost, changes in interest rates have no effect on accounting. For financial liabilities with floating interest rates, interest rate risks directly affect profit and loss if these risks are not hedged by suitable financial instruments. HAMBORNER has agreed floating interest rates for one loan secured by a land charge (€44.0 million) for which no interest rate swaps have been concluded. On the basis of current interest rates, the interest expense for the loan secured by a land charge would go up or down by €441 thousand per year if the base rate were increased or reduced by one percentage point.

## **(22) CONTINGENT LIABILITIES AND FINANCIAL OBLIGATIONS**

There were no material contingent liabilities or other financial obligations as at the reporting date.

## **(23) LEASES**

### ***HAMBORNER as a lessor***

All leases that HAMBORNER has concluded with its tenants are classified as operating leases under IFRS as all the risks and rewards of ownership remain with the company.

Investment property with a carrying amount of €1,028.1 million (previous year: €1,086.3 million) was let under operating leases as at 31 December 2024.

The leases, which are essentially for office and retail space, are usually concluded for terms of between three and 20 years. Around 98% of the leases contain indexation clauses that peg rents to changes in the consumer price index. The rental payments are recognised at the agreed amount. If the leasing rate changes due to the indexation clause, the rental payment is only adjusted then. Rent deposits are usually agreed. The full reallocation of incidental costs is intended. Leases with volume-based payments generated income of €648 thousand (previous year: €394 thousand). HAMBORNER will receive the following contractually guaranteed rent payments from its current commercial leases:

IN € THOUSAND	31 DEC. 2024	31 DEC. 2023
in 1st year	87,903	87,011
in 2nd year	83,599	80,408
in 3rd year	74,743	72,391
in 4th year	64,509	65,409
in 5th year	55,480	54,410
after 6th year	185,534	258,261
<b>TOTAL</b>	<b>551,769</b>	<b>617,890</b>

The lease payments include rental income until the probable end of the agreed lease, depending on whether termination or non-utilisation of an option to renew is actually expected. As soon as any change in the assumed option becomes apparent, this is taken into account accordingly.

The lease payments are recognised in income from rents and leases on a straight-line basis over the term of the lease. Initial direct costs that can be attributed directly to the negotiation and closing of a lease are recognised with the lease object as investment property and depreciated over the life of the relevant lease.

Rental incentives in the form of building subsidies and rent-free periods are distributed over the term of the lease and offset against the rental income. They are recognised as other assets and offset from income over the term of the lease.

In accordance with IFRS 16.87, any modification of an operating lease must always be recognised as a new lease. If an incentive has been given, this is taken into account with the new lease term.

#### *HAMBORNER as a lessee*

Quantitative information on leases in which HAMBORNER is a lessee can be found in the disclosures on the respective items of the statement of financial position and the income statement.

For the leasehold in Solingen, the existing renewal option was taken into account in the measurement of the lease liability as HAMBORNER has a strong financial incentive to exercise the option on the basis of the contractual provisions.

For the leasehold in Freiburg, only a renewal option of ten years up to 30 June 2033 was taken into account in the measurement of the lease liability. Given the long-term lease in place, there is a financial incentive that makes it highly probable that the lease will be renewed. There are also two other options for ten years each that have not been taken into account. As HAMBORNER receives compensation from the leasehold owner in the amount of the market value of the building in the event of the lease being terminated, based on the assessment of the market situation as at the time of the first renewal option expiring, it is not currently reasonably certain that there will be a financial incentive to renew the lease. The annually payable ground rent for the property currently comes to €323 thousand per year.

There are no material leases that have been signed but not yet commenced.



## Notes on the statement of cash flows

The statement of cash flows shows the development of cash flows broken down as cash generated by and used in operating, investing and financing activities.

The cash funds comprise bank deposits and cash balances with an initial remaining term of less than three months. Cash funds were €51.8 million as at the end of the reporting period compared with €43.3 million in the previous year.

The statement of cash flows was prepared in accordance with the provisions of IAS 7. Exchange rate fluctuations have no effect at HAMBORNER.

### (24) CASH FLOW FROM OPERATING ACTIVITIES

The cash flow from operating activities was €60.8 million after €68.7 million in the previous year. The financial result reported in the cash flow statement deviates from the financial result in the income statement as only the financial result relating to financing activity is reported in the statement of cash flows. Interest rate effects relating to operating activity, for example for compounding and discounting of provisions, are not included.

Operating cash flow per share performed as follows:

		2024	2023
<hr/>			
Number of shares outstanding at the end of the period	in thousands	81,343	81,343
Operating cash flow	€ thousand	60,774	68,721
Operating cash flow per share	€	0.75	0.84

### (25) CASH FLOW FROM INVESTING ACTIVITIES

The cash flow from investing activities resulted in cash inflow of €3.6 million (previous year's cash outflow: €15.2 million). The net cash inflow was made up of cash outflows for acquisitions of €4.4 million, offset by cash inflows of €8.0 million from an asset sale.

The payments for investments in intangible assets, property, plant and equipment and investment property do not correspond to the additions shown in the statement of changes in non-current assets. This is mainly due to purchase price retentions and payments for the land transfer tax that are not yet due as at the end of the reporting period.

### (26) CASH FLOW FROM FINANCING ACTIVITIES

The cash flow from financing activities amounts to €–55.9 million (previous year: €–140.3 million). Cash inflows from borrowing of €42.4 million are mainly offset by payments for the dividend for 2023 (€39.0 million; previous year: €38.2 million) and interest and principal repayments (€59.2 million) on the loans for the partial financing of the properties.

The change in current and non-current liabilities from financing activities (financial liabilities) is as follows:

IN € THOUSAND	2024	2023
<hr/>		
As at 1 January	682,860	770,705
Addition due to acceptance of loans	42,400	13,500
Disposal due to repayment of loans	–44,152	–101,882
Addition due to current accrued interest and repayments	183	197
Disposal due to current accrued interest and repayments	–44	–34
Change in deferred transaction costs	2	374
<b>Financial liabilities</b>	<b>681,249</b>	<b>682,860</b>
As at 1 January	14,938	15,187
Repayments of lease liabilities	–412	–392
Addition / Disposal of lease liabilities	308	143
<b>lease liabilities</b>	<b>14,833</b>	<b>14,938</b>
<b>Total liabilities from financing activities</b>		
As at 1 January	697,798	785,892
As at 31 December	696,082	697,798

Cash flow from lease liabilities comprises interest payments of €540 thousand (previous year: €542 thousand) and principal repayments of €412 thousand (previous year: €392 thousand).

Other notes and mandatory disclosures

EVENTS AFTER THE END OF THE REPORTING PERIOD

Risks and rewards from the property in Lübeck are expected to be transferred to the buyer on 1 April 2025. The sales contract for the property in Osnabrück was signed on 27 January 2025. Risks and rewards are expected to be transferred on 1 April 2025.

EMPLOYEES

The average number of employees over the year (not including the Management Board) was as follows:

	2024	2023
Commercial property management	14	17
Technical property management	7	9
Administration	32	21
TOTAL	53	47

CORPORATE GOVERNANCE

In November 2024, the Management Board and Supervisory Board issued an updated declaration of compliance and published it online at [www.hamborner.de/en/](http://www.hamborner.de/en/) under HAMBORNER REIT AG / Sustainability / Governance.

NOTIFICATION OF THE EXISTENCE OF AN EQUITY INVESTMENT

In order to maintain REIT status, investors are not permitted to directly hold 10% or more of shares, or to own shares to such an extent that they hold 10% or more of voting rights under section 11 (4) REITG. As at the end of the reporting period on 31 December 2024, the company was not aware of any shareholders with a direct shareholding of more than 10% of the share capital.

In accordance with section 160(1)(8) AktG, the existence of equity investments reported to the company in accordance with section 33(1) or (2) of the German Securities Trading Act (WpHG) must be disclosed.

VOTING RIGHT NOTIFICATIONS

No.	Reporting entity	Voting rights in accordance with Sections 33, 34 WpHG	Voting rights from instruments in accordance with Section 38(1) WpHG	Share of voting rights in %	Threshold affected	Date threshold affected	Allocation of voting rights in accordance with Section 34 WpHG
1	RAG Foundation, Essen, Germany	9,926,280		12.2	Exceeding 10%	27 Sep. 2016	yes: 2.62%
3	BlackRock Inc., Wilmington, DE, USA	4,063,454	559,964	5.68	Shortfall 5%	19 Nov. 2024	no

The following table shows the reportable equity investments of which the company was notified by 31 March 2025. The information was taken from the most recent notification received by the company from a reporting entity. All publications by the company concerning notifications of equity investments in the reporting year and until 16 April 2025 can be found on the HAMBORNER REIT AG website under News. Please note that the percentage and voting right information for equity investments could now be out of date on account of non-reportable acquisitions or sales of shares.

There was an indirect equity investment in the capital of the company, indirectly amounting to or exceeding 10% of the voting rights, as at 31 December 2024. This was held by the RAG Foundation, Essen.

RELATED PARTY DISCLOSURES FOR THE 2024 FINANCIAL YEAR

The only HAMBORNER-related parties within the meaning of IAS 24 are the members of the Management Board, the Supervisory Board, and their close family members. There were no reportable transactions with related parties in the 2024 financial year.

REMUNERATION OF THE MANAGEMENT BOARD AND THE  
SUPERVISORY BOARD

The remuneration paid to persons in key positions within the company which is reportable under IAS 24 refers to remuneration of the active Management Board and the Supervisory Board.

Total remuneration for members of the Management Board amounted to €1,370 thousand in the financial year (previous year: €1,204 thousand).

The Management Board receives fixed remuneration totalling €731 thousand (previous year: €635 thousand), benefits totalling €47 thousand (previous year: €48 thousand) and annual cash payments for free use (pension allowance) totalling €94 thousand (previous year: €90 thousand).

The Management Board also receives short-term remuneration (STI) totalling €500 thousand (previous year: €447 thousand). This short-term variable remuneration (STI) offers incentives for the operational implementation of the company strategy in a specific financial year. Alongside financial performance criteria, the Supervisory Board does not implement financial performance criteria which is considered when calculating the payment using a criteria-based adjustment factor (modifier). The STI payment amount is calculated by multiplying the target amount in euros by the overall target achievement. The overall target achievement is in turn calculated from the two financial criteria of funds from operations (FFO) per share (60% weighting), and occupancy rate (40% weighting). The targets achieved within these criteria are added according to the weighting, and multiplied by the defined modifier (range of 0.8 to 1.2). The target achievement range for the financial performance criteria and overall target achievement in the 2020 remuneration system is 0% to 150%. It is therefore possible for no STI to be paid. At the same time the maximum payment is capped at 150% of the target amount.

Along with current remuneration of €1,372 thousand (previous year: €1,220 thousand), remuneration in the financial year of €–1 thousand (previous year: –€16 thousand) relates to long-term share-based remuneration (LTI).

On the basis of the share commitments awarded in 2024, share-based remuneration (addition: €97 thousand) and valuation effects (reversal: €98 thousand) resulted in income of €1 thousand in the reporting year (previous year: €16 thousand).

The LTI is accrued on a straight-line basis over the performance period of four years.

Provisions and liabilities for remuneration of active members of the Management Board amount to €795 thousand (previous year: €806 thousand), of which €574 thousand is payable in the short term.

The total remuneration of the Management Board in accordance with HGB totalled €1,667 thousand in the financial year (previous year: €1,580 thousand), whereby the share-based remuneration is included at its fair value at the time of remuneration (€359 thousand).

The LTI of Mr Karoff and Ms Verheyen relates to virtual share commitments which are paid to the Management Board after the end of the respective performance period, and with the payroll run following the company's Supervisory Board meeting at which the annual financial statements for the third financial year following the granting year are approved.

The amount of the payment is calculated as the number of share commitments awarded, multiplied by the average closing prices of HAMBORNER shares on the XETRA trading system over the last 20 trading days prior to the end of the performance period.

The number of share commitments awarded rises or falls depending on what percentage of the performance targets has been achieved. Performance targets include growth in net asset value and relative total shareholder return, and carry a 50% weighting. The calculated payment amount is limited to 200% of the target amount.

The fair value per vested share commitment as at the end of the reporting period is therefore essentially the arithmetic mean of the HAMBORNER shares over the last 20 trading days of the financial year (€6.38).

The number of virtual share commitments awarded and still outstanding on 31 December 2024, and the closing price of HAMBORNER shares on the respective commitment date, are presented below:

NUMBER OF VIRTUAL SHARE COMMITMENTS GRANTED TO MR KAROFF

	Share reference price on granting date	Payment	Number
LTI 2021	€8.96	2025	22,322
LTI 2022	€9.73	2026	20,555
LTI 2023	€6.93	2027	33,190
LTI 2024	€6.75	2028	42,716

NUMBER OF VIRTUAL SHARE COMMITMENTS GRANTED TO MS VERHEYEN

	Share reference price on granting date	Payment	Number
LTI 2022	€9.73	2026	3,341
LTI 2023	€6.93	2027	18,759
LTI 2024	€6.75	2028	20,740



Virtual share awards developed as follows:

	2024	2023
As at 1 January	115,420	116,020
Addition of virtual share commitments granted	63,456	51,950
Disposal of virtual share commitments paid out	-17,253 <sup>1</sup>	-52,550
As at 31 December	161,623	115,420

<sup>1</sup> Target achievement rate was 56.9%.

Each tranche has a performance period of four years in total and ends on 31 December of the third year after the award year. If the service agreement is ended before the end of this performance period due to termination without notice for cause pursuant to section 626 (1) BGB by HAMBORNER or termination by the Management Board member or by mutual consent without cause, all the contingent share awards are forfeited without compensation. If the service agreement comes to a regular end, the performance shares are paid out in cash at the end of the agreed performance period in line with the plan.

If the service agreement ends in the course of a year, the payout amount for the tranche of the financial year in which the service agreement ends is curtailed by one twelfth for each month in which there was no service agreement in this year.

The members of the Supervisory Board receive fixed annual remuneration. The amount depends on function and membership of the relevant committees.

The remuneration of the Supervisory Board for the financial year was €438 thousand (previous year: €438 thousand).

The recognised pension provisions for former Management Board members and their surviving dependants amounted to €2,592 thousand as at the financial statement date. Post-employment benefits under these pension commitments (€247 thousand) and other benefits to surviving dependants (€170 thousand) amounted to €417 thousand in the reporting year.



Executive bodies of the company  
and their mandates

Dr Eckart John von Freyend, Bad Honnef  
Honorary Chair of the Supervisory Board

SUPERVISORY BOARD

Dr Andreas Mattner, Hamburg  
Chair  
Independent management consultant  
Managing shareholder of Drachen GmbH  
External mandates:  
Member of the Supervisory Board of neoshare AG<sup>1</sup>  
Member of the Advisory Committee of ECE Group  
GmbH & Co. KG<sup>2</sup>  
Member of the Advisory Committee of ECE Group  
Verwaltung GmbH<sup>2</sup>

Claus-Matthias Böge, Hamburg  
Deputy Chair  
Managing Director of CMB Böge Vermögensverwaltung GmbH  
External mandates:  
Bijou Brigitte modische Accessoires AG, Hamburg<sup>1</sup>

Maria Teresa Dreö-Tempsch, Vienna  
Member of the Management Board of Berlin Hyp AG  
External mandates:  
Member of the Supervisory Board of neoshare AG<sup>1</sup>

Rolf Glessing, Illerkirchberg  
Managing Shareholder of Glessing Management Beratung GmbH  
External mandates:  
FCF Fox Corporate Finance GmbH<sup>2</sup>  
Member of the Board of Trustees of Josef H. Boquoi  
Foundation<sup>2</sup>  
Member of the Board of Trustees of bofrost Foundation<sup>2</sup>  
Member of the Board of Trustees of Mein Wohnen  
Foundation<sup>2</sup>

Ulrich Graebner, Bad Homburg v. d. H.  
Senior Advisor of Houlihan Lokey Germany AG  
Partner at Cara Investment GmbH  
External mandates:  
None

Christel Kaufmann-Hocker, Düsseldorf  
Independent management consultant  
External mandates:  
None

Mechthilde Dordel<sup>3</sup>, Oberhausen  
Employee of HAMBORNER REIT AG  
(Finance & Accounting)

Klaus Hogeweg<sup>3</sup>, Mülheim an der Ruhr  
Employee of HAMBORNER REIT AG  
(IT & Digital Transformation)

Johannes Weller<sup>3</sup>, Willich (until 14 August 2024)  
Employee of HAMBORNER REIT AG  
(Portfolio & Risk Management)

Ulrike Glasik<sup>3</sup>, Oberhausen (from 15 August 2024)  
Employee of HAMBORNER REIT AG  
(Finance & Accounting)

<sup>1</sup> Membership of other statutory supervisory boards  
<sup>2</sup> Membership of comparable boards in Germany and abroad  
<sup>3</sup> Supervisory Board member representing the employees



COMMITTEES OF THE SUPERVISORY BOARD

Executive and Nomination Committee

Dr Andreas Mattner (Chair)  
Claus-Matthias Böge  
Maria Teresa Dreö-Tempsch  
Ulrich Graebner

Audit Committee

Claus-Matthias Böge (Chair)  
Rolf Glessing  
Christel Kaufmann-Hocker  
Johannes Weller (until 14 August 2024)  
Klaus Hogeweg (from 29 August 2024)

ESG Committee

Dr Andreas Mattner (Chair)  
Maria Teresa Dreö-Tempsch  
Ulrich Graebner

MANAGEMENT BOARD

Niclas Karoff, Berlin

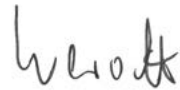
Chair  
Responsible for Strategy, Finance & Accounting, Portfolio & Risk  
Management, Internal Audit, Legal & Corporate Governance,  
Investor Relations & Corporate Communications, Human Resources,  
Sustainability & ESG, Executive Office

Sarah Verheyen, Munich

Responsible for IT & Digital Transformation, Transaction  
Management, Asset Management, Technical Management,  
Property Management, Sustainability & ESG, Executive Office

Duisburg, den 31 March 2025

Management Board



Niclas Karoff



Sarah Verheyen

# FURTHER DISCLOSURES

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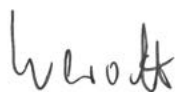


# RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the separate financial statements give a true and fair view of the net asset situation, financial position and result of operations of the company, and the management report of the company includes a fair review of development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Duisburg, 31 March 2025

The Management Board



Niclas Karoff



Sarah Verheyen

# INDEPENDENT AUDIT OPINION

To HAMBORNER REIT AG, Duisburg, Germany

## *Report on the audit of the separate financial statements and the Management Report*

### **AUDIT OPINIONS**

We have audited the separate financial statements of HAMBORNER REIT AG, Duisburg – consisting of the statement of financial position as at 31 December 2023 and the statement of comprehensive income, the income statement, the statement of changes in equity and the statement of cash flows for the financial year from 1 January to 31 December 2023, in addition to the notes to the financial statements, including a summary of the key accounting policies. We also audited the management report of HAMBORNER REIT AG for the financial year from 1 January to 31 December 2023.

In our opinion, based on the findings of our audit:

— The attached separate financial statements, in all material respects, comply with IFRS as adopted by the EU and the additional requirements of German commercial law in accordance with section 325(2a) HGB, and give a true and fair view of the net assets and financial position of the company in accordance with these requirements as at 31 December 2023 and its results of operations for the financial year from 1 January to 31 December 2023; and

— as a whole, the attached management report fairly presents the position of the company. In all material respects, this management report is consistent with the separate financial statements and with German legal requirements, and accurately presents the risks and opportunities of future development.

In accordance with section 322(3) sentence 1 HGB, we declare that our audit has not led to any objections concerning the compliance of the separate financial statements or the management report.

### **BASIS FOR AUDIT OPINIONS**

We conducted our audit in accordance with section 317 HGB, the EU Audit Regulation (No. 537/2014) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW – German Institute of Public Auditors). Our responsibility under these provisions and policies is described further in the section of our audit report entitled “Auditors’ responsibility for the audit of the separate financial statements and the management report”. We are independent from the company in accordance with the commercial and professional regulations of European and German law and have fulfilled our other German professional obligations in accordance with these requirements. Furthermore, in accordance with Article 10(2)(f) of the EU Audit Regulation, we declare that we have not performed any prohibited non-audit services as defined by Article 5(1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinions on the separate financial statements and the management report.

### **KEY AUDIT MATTERS IN THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS**

Key audit matters are those that, based on our professional judgement, were most significant in our audit of the separate financial statements for the financial year 1 January to 31 December 2023. These matters were taken into account in the context of our audit of the separate financial statements as a whole and in the formation of our audit opinion; we have not issued a separate opinion on these issues.

In our opinion, the following matters were of most significance in our audit:

#### **① Valuation of investment property**

Our presentation of this key audit matter is structured as follows:

#### **① Matters and definition of issues**

#### **② Audit procedure and findings**

#### **③ Reference to further information**

In the following, we present the key audit matter:

## 1 Valuation of investment property

- ① In the separate financial statements of HAMBORNER REIT AG, property assets of €1,101 million (95% of total assets) are reported under the statement of financial position item “Investment property” as at 31 December 2023. The option under IAS 40.30 in conjunction with IAS 40.56 is exercised for the valuation of property assets, and investment property is recognised at amortised cost. The fair values in line with IAS 40 in conjunction with IFRS 13 are disclosed in the notes to the separate financial statements. The valuation of investment property at market value is carried out by an external expert as at the balance sheet date using discounted cash flow models. For this purpose, the external expert uses the initial data provided by the company’s officers (e.g. tenant base list, planned maintenance and modernisation measures, non-allocable incidental costs and other information provided) as well as other assumptions relevant to the valuation (e.g. current and future market rents). In addition, the expert assessed the general conditions of the property in question, existing opportunities and risks and the conditions of the property market specific to the location and property type in order to determine appropriate discount rates and comparative yields. On the basis of the values calculated, an impairment requirement totalling €19.0 million was identified for the financial year.

The result of the valuation is highly dependent on the judgements of the company’s officers and is therefore subject to considerable estimation uncertainties. Even minor changes in the valuation-relevant assumptions can lead to significant changes in the information on the fair values and the development of the value of the company’s property assets. In light of this and due to the complexity of the valuation and its material significance for the net assets and results of operations of the company, this matter was of particular significance in our audit.

- ② As part of our audit, we assessed in particular the valuations performed by the external expert with regard to the requirements of IAS 40 in conjunction with IFRS 13 and with regard to their timeliness, the methodology used and the models applied therein as well as the comprehensibility of the valuation. In addition, we assessed the qualifications, objectivity and independence of the external expert engaged by the company. We also obtained an understanding of the significant initial data, value parameters and assumptions underlying the valuations and, in particular, assessed their appropriateness for the purposes of the valuations and verified whether the value parameters were within reasonable ranges. In this context, we have also brought in our own internal valuation specialists. We inspected a sample of properties and verified the company’s valuations on the basis of our own comparative valuations using discounted cash flow models.

Taking into account the information available, we believe that the valuation parameters applied by the company’s officers and the underlying valuation assumptions are suitable overall for the valuation of the investment property.

- ③ The company’s disclosures on investment property are contained in the section “Accounting policies” and “Notes to the statement of financial position” in Note (11) of the notes to the financial statements.

## OTHER INFORMATION

The company’s officers are responsible for the other information.

Other information comprises:

- The Corporate Governance Declaration in accordance with Section 289f HGB
- The annual report – excluding cross-references to external information – with the exception of the audited separate financial statements, the audited management report and our auditor’s report

Our audit opinions on the separate financial statements and the management report do not extend to the other information, and accordingly we do not offer any audit opinion or any other form of audit conclusion on it.

In connection with our audit, we have a responsibility to read the other information stated above and to assess whether the other information:

- contains material inconsistencies compared to the separate financial statements, the content-reviewed information in the management report, or our findings from the audit, or
- is otherwise materially incorrect.

## **RESPONSIBILITY OF THE COMPANY'S OFFICERS AND THE SUPERVISORY BOARD FOR THE SEPARATE FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT**

The company's officers are responsible for the preparation of the separate financial statements, ensuring that they comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law in accordance with section 325 (2a) HGB, and that the separate financial statements give a true and fair view of the net assets, financial position and results of operations of the company. Furthermore, the company's officers are responsible for the internal controls that they have deemed necessary to enable the preparation of separate financial statements that are free from material misstatements as a result of fraud (i.e. manipulation of the accounts or embezzlement) or error.

In preparing the separate financial statements, the company's officers are responsible for assessing the company's ability to continue as a going concern. They are also responsible for disclosing matters in connection with the company's ability to continue as a going concern, if relevant. Furthermore, they are responsible for the accounting on the basis of the going concern principle, unless there is the intention to liquidate the company or discontinue operations, or there is no realistic alternative.

Moreover, the company's officers are responsible for the preparation of a management report that, on the whole, provides an accurate view of the company's position and which is in all material respects consistent with the separate financial statements and with German legal requirements, and accurately presents the risks and opportunities of future development. Also, the company's officers are responsible for the precautions and measures (systems) that they deem necessary to enable the preparation of a management report in

accordance with German legal requirements to provide sufficient suitable evidence for the statements in the management report.

The Supervisory Board is responsible for monitoring the company's accounting process for the preparation of the separate financial statements and the management report.

## **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT**

Our objective is to obtain reasonable assurance as to whether the separate financial statements as a whole are free from material misstatements as a result of fraud or error, and whether the management report as a whole provides an accurate view of the company's position and is in all material respects consistent with the separate financial statements, audit findings and German legal requirements, and accurately presents the risks and opportunities of future development, and to issue an audit report containing our audit opinions on the separate financial statements and the management report.

Reasonable assurance is a high degree of assurance, but not a guarantee that an audit performed in accordance with section 317 HGB, the EU Audit Regulation and the German generally accepted standards for the audit of financial statements promulgated by the IDW will always reveal a material misstatement. Misstatements may be the result of fraud or error, and are considered material if they could, individually or collectively, reasonably be expected to influence the economic decisions that users make on the basis of these separate financial statements and the management report.

We exercise due discretion and maintain a critical approach during our audit. Furthermore:

- We identify and assess the risks of material misstatements in the separate financial statements and the management report due to fraud or error, we plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to form the basis of our audit opinions. The risk that material misstatements due to fraud are not detected is greater than the risk that material misstatements due to errors are not detected, because fraud may include collusion, forgery, deliberate omissions, misleading presentations and the evasion of internal controls.
- We gain an understanding of the internal control system relevant to the audit of the separate financial statements and of the systems relevant to the audit of the management report in order to plan audit procedures that are appropriate under the given circumstances, but not with the objective of expressing an opinion on the effectiveness of these company systems.
- We assess the appropriateness of the accounting policies applied by the company's officers and the reasonableness of the estimates and associated disclosures by the company's officers.
- We draw conclusions about the adequacy of the going-concern principle applied by the company's officers and, on the basis of the audit evidence obtained, whether there is material uncertainty about events or circumstances that could give rise to significant doubts about the company's ability to continue as a going concern. If we come to the conclusion that material uncertainty exists, we are required to refer to the relevant disclosures in the separate financial statements and the management report in the

auditors' report or, if these disclosures are inappropriate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our opinion. However, future events or circumstances could lead to the company being unable to continue its business activities.

- We assess the presentation, structure and content of the separate financial statements overall, including the notes, and whether the separate financial statements present the underlying transactions and events in such a way that the separate financial statements, in accordance with the IFRS as adopted by the EU, and the additional requirements of German commercial law in accordance with section 325 (2a) HGB, give a true and fair view of the net assets, financial position and results of operations of the company.
- We assess the management report for consistency with the separate financial statements, its legality, and the overall view of the company that it provides.
- We perform audit procedures on the forward-looking statements made in the management report by the company's officers. In particular, on the basis of sufficient and suitable audit evidence, we analyse the significant assumptions on which the forward-looking statements are based, and assess whether the forward-looking statements have been properly derived from these assumptions. We do not issue a separate audit opinion on the forward-looking statements or the underlying assumptions. There is a considerable yet unavoidable risk that future events will deviate significantly from the forward-looking statements.

We discuss, with those responsible for monitoring, the planned scope and scheduling of the audit, among other things, as well as significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

We declare to those responsible for monitoring that we have complied with the relevant independence requirements and discuss with them all relationships and other issues that can reasonably be assumed to affect our independence, and if relevant, the action or the precautions taken to eliminate any threats to our independence.

Of the issues we discuss with those responsible for monitoring, we determine which issues were most significant in the auditing of the separate financial statements for the current reporting period and which are as such key audit matters. We describe these issues in our audit opinion, unless the public disclosure of such issues is prevented by law or other legal provisions.

### **Other statutory and legal requirements**

*Report on the audit of the electronic reproduction of the separate financial statements and the management report prepared for publication purposes in accordance with section 317 (3a) HGB*

### **AUDIT OPINION**

We have performed an assurance engagement in accordance with section 317 (3a) HGB to obtain reasonable assurance about whether the reproduction of the separate financial statements and the management report (hereinafter also referred to as "ESEF documents") contained in the file "Hamborner\_Reit\_GB+LB\_ESEF-2023-12-31" and prepared for publication purposes complies in all material respects with the requirements of section 328(1) HGB for the electronic reporting format (ESEF format). In accordance with German legal requirements, this audit only extends to the conversion of the information contained in the separate financial statements and the management report into the ESEF format and therefore does not extend to the information contained in these statements or any other information contained in the above-mentioned file.

In our opinion, the reproduction of the separate financial statements and the management report contained in the above-mentioned file and prepared for publication purposes complies in all material respects with the requirements of section 328(1) HGB for the electronic reporting format. Beyond this audit opinion and our audit opinions on the accompanying separate financial statements and on the accompanying management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the audit of the separate financial statements and the management report" above, we do not express any audit opinion on the information contained in these disclosures or on the other information contained in the above-mentioned file.

### **BASIS FOR THE AUDIT OPINION**

We conducted our audit of the reproduction of the separate financial statements and of the management report contained in the above-mentioned file in accordance with section 317(3a) HGB and the IDW Auditing Standard: Audit of Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317(3a) HGB (IDW PS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibilities under those standards are further described in the section "Auditor's responsibilities for the audit of the ESEF documents". Our auditing practice has applied the quality management system requirements of the IDW Quality Assurance Standards: Quality Assurance Requirements in Auditor Practice (IDW QMS 1 (09.2022)).

## RESPONSIBILITY OF THE COMPANY'S OFFICERS AND THE SUPERVISORY BOARD FOR THE ESEF DOCUMENTS

The company's officers are responsible for the preparation of the ESEF documents including the electronic reproduction of the separate financial statements and the management report in accordance with section 328(1) sentence 4 no. 1 HGB.

Furthermore, the company's officers are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material non-compliance, whether due to fraud or error, with the requirements of section 328(1) HGB for the electronic reporting format.

The Supervisory Board is responsible for monitoring the process of preparing the ESEF documents as part of the financial reporting process.

## AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE ESEF DOCUMENTS

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material violations, whether due to fraud or error, of the requirements of section 328(1) HGB. We exercise due discretion and maintain a critical approach during our audit. Furthermore:

- We identify and assess the risks of violations, whether due to fraud or error, of the requirements of section 328(1) HGB, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to form the basis of our audit opinion.

- We gain an understanding of the internal control system relevant to the ESEF documents in order to plan audit procedures that are appropriate under the given circumstances, but not with the objective of expressing an opinion on the effectiveness of these controls.
- We assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents fulfils the requirements of Delegated Regulation (EU) 2019/815 in the version applicable at the reporting date for the technical specification for this file.
- We assess whether the ESEF documents enable the audited separate financial statements and the audited management report to be reproduced in XHTML format with the same content.

## OTHER DISCLOSURES IN ACCORDANCE WITH ARTICLE 10 OF THE EU AUDIT REGULATION

We were selected as the auditors of the separate financial statements by the Annual General Meeting on 27 April 2023. We were engaged by the Supervisory Board on 22 July 2023. We have served as the auditor of HAMBORNER REIT AG, Duisburg, without interruption since the 2023 financial year.

We declare that the audit opinions contained in this audit report are consistent with the additional report to the Audit Committee in accordance with Article 11 of the EU Audit Regulation (audit report).

## NOTE ON ANOTHER MATTER – USE OF THE AUDIT OPINION

Our audit opinion should always be read in conjunction with the audited separate financial statements and the audited management report as well as the audited ESEF documents. The separate financial

statements and management report converted into the ESEF format – including the versions to be entered in the company register – are merely electronic reproductions of the audited separate financial statements and the audited management report and do not replace them. In particular, the “Report on the audit of the electronic reproduction of the separate financial statements and of the management report prepared for publication purposes in accordance with section 317(3a) HGB” and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

## RESPONSIBLE GERMAN PUBLIC AUDITOR

The German Public Auditor responsible for the audit is Uwe Rittmann.

Düsseldorf, 31 March 2025

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

gez. Uwe Rittmann  
German Public Auditor

gez. Esra Cansiz  
German Public Auditor

## REIT information

As a REIT company, HAMBORNER has been exempt from German corporation and trade tax since 1 January 2010. In order to maintain this status, the regulations of the German REIT Act (REIT-Gesetz, "REITG") must be complied with and a declaration to this effect issued by the Management Board.

In connection with the annual financial statements in accordance with section 264 HGB and the separate IFRS financial statements in accordance with section 325(2a) HGB, the Management Board issues the following declaration of compliance with the requirements of sections 11 to 15 REITG and the calculation of the composition of income in terms of income subject to and not subject to income tax for the purposes of section 19(3) and section 19a REITG as at 31 December 2024:

### SECTION 11 OF THE GERMAN REIT ACT: FREE FLOAT

In accordance with section 11(1) REITG, a REIT company must maintain at least 15% of its shares in free float on a sustained basis. As at 31 December 2024, HAMBORNER REIT AG's free float according to the notifications of voting rights received was 82.11%. The company notified the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) accordingly by way of a letter dated 8 January 2025.

In accordance with section 11(4) REITG, shareholders are not permitted to directly hold 10% or more of shares, or enough shares that they hold 10% or more of voting rights. On the basis of voting right notifications received from shareholders in accordance with section 33(1) and section 40(1) and (2) WpHG, according to current knowledge no shareholder directly holds 10% or more of shares, nor do they hold 10% or more of voting rights.

### SECTION 12 OF THE GERMAN REIT ACT: ASSET AND INCOME REQUIREMENTS

In accordance with section 12(2) REITG, at least 75% of the total assets of the company (i.e. total assets minus the deductions for the distribution obligation within the meaning of section 13(1) REITG and reserves

within the meaning of section 13(3) REITG) must consist of immovable assets. In accordance with section 12(1) REITG, immovable investment property must be measured at fair value within the meaning of IAS 40.

As at the end of the 2024 financial year, 95.3% of the company's total assets were immovable assets.

In accordance with section 12(3) REITG, at least 75% of revenue and other income must derive from immovable assets for renting and leasing, including activities connected to real estate or to the disposal of immovable assets.

This requirement was met to 98.7% in the reporting year.

### SECTION 13 OF THE GERMAN REIT ACT: DISTRIBUTION TO INVESTORS

In accordance with section 13(1) REITG, HAMBORNER is required to distribute to its shareholders by the end of the subsequent financial year at least 90% of its HGB net profit for the year, reduced or increased by the allocation to or reversal of the reserve for gains on the disposal of immovable assets in accordance with section 13(3) REITG and also reduced by any loss carry-forward from the previous year.

This requirement was met in the reporting year. Provided that the Annual General Meeting approves the dividend proposal, the company will distribute a dividend to its shareholders amounting to €39.0 million.

### SECTION 14 OF THE GERMAN REIT ACT: EXCLUSION OF REAL ESTATE TRADING

This regulation states that a REIT company cannot conduct trade with its immovable assets if the income from these assets constitutes more than half of the value of the average portfolio of immovable assets within the last five years as a REIT company.

The company has sold approximately 13.5% of its average portfolio of immovable assets within the last five years.

### SECTION 15 OF THE GERMAN REIT ACT: MINIMUM EQUITY

The equity of a REIT company calculated in accordance with section 12(1) REITG must not fall below 45% of the fair value of its immovable assets.

The REIT equity ratio is calculated in accordance with section 12(1) REITG as the ratio of equity to total capital. Equity is calculated on the basis of fair value. This comprises balance sheet equity and unrealised capital gains.

The corresponding value at HAMBORNER was 55.2% as at 31 December 2024.

### SECTION 19 OF THE GERMAN REIT ACT: COMPOSITION OF INCOME IN TERMS OF INCOME SUBJECT TO AND NOT SUBJECT TO INCOME TAX

Under this regulation, the partial income rule in accordance with section 3(40) of the German Income Tax Act and the resulting 95% tax exemption in accordance with section 8b of the German Corporation Tax Act do not apply to the distributions of a REIT company. However, these tax exemptions are granted if the REIT company distributes profits subject to tax at the level of the REIT company.

Subject to the approval of the Annual General Meeting, HAMBORNER will distribute a dividend of €39.0 million, which is not subject to taxation.

HAMBORNER holds no shares in REIT service companies, with the result that the relevant asset and income requirements do not apply.

Duisburg, 31 March 2025

The Management Board



List of properties

*List of properties (as at: 31 December 2024)*

YEAR OF ACQUISITION	PROPERTY		PROPERTY USE	PROPERTY SIZE IN M <sup>2</sup>	USABLE FLOOR AREA IN M <sup>2</sup>	RENT IN 2024 (INCLUDING RENT GUARANTEES) IN €	WEIGHTED REMAINING TERM OF LEASES IN MONTHS	FAIR VALUE IN € <sup>1</sup>	DISCOUNT RATE IN %	CAPITALISATION RATE IN %	OTHER COMMENTS
1976	Solingen	Friedenstr. 64	Retail	27,344	7,932.75	1,571,039	119	22,790,000	6.20	5.00	Leasehold property
1981	Cologne	Von-Bodelschwingh-Str. 6	Retail	7,890	3,050.00	482,413	84	8,980,000	5.15	4.25	
1986	Frankfurt am Main	Königsteiner Str. 73–77	Retail	6,203	2,640.30	408,960	46	9,350,000	5.45	4.25	
1988	Dortmund	Westfalendamm 84–86	Office	1,674	2,683.61	286,511	60	3,200,000	6.90	6.15	
1991	Dortmund	Königswall 36	Office	1,344	2,989.97	463,476	28	5,440,000	6.90	5.90	
2007	Münster	Johann-Krane-Weg 21–27	Office	10,787	9,540.15	1,593,468	16	21,260,000	6.75	6.10	
2007	Neuwied	Allensteiner Str. 15	Retail	8,188	3,500.57	471,763	36	4,030,000	9.10	6.90	
2007	Freital	Wilsdruffer Str. 52	Retail	15,555	7,940.36	760,113	106	7,580,000	6.85	5.65	
2007	Geldern	Bahnhofstr. 8	Retail	12,376	8,748.55	755,027	90	11,110,000	5.80	4.70	
2007	Lüneburg	Am Alten Eisenwerk 2	Retail	13,319	4,610.64	500,320	82	7,870,000	6.00	5.15	
2007	Meppen	Am neuen Markt 1	Retail	13,111	10,204.73	974,408	114	13,860,000	5.70	4.45	
2008	Bremen	Hermann-Köhl-Straße 3	Office	9,994	7,195.38	441,392	52	7,900,000	8.30	6.45	
2008	Bremen	Linzer Straße 7, 9, 9a	Office	9,276	10,270.32	1,326,735	37	15,470,000	7.70	6.40	
2008	Osnabrück	Sutthausen Str. 285–287	Office	3,701	3,831.33	594,369	31	6,540,000	8.05	6.95	
2008	Freiburg	Robert-Bunsen-Str. 9a	Retail	26,926	9,253.00	1,299,668	66	12,290,000	6.60	5.25	Leasehold property
2009	Münster	Martin-Luther-King-Weg 18–28	Office	17,379	13,795.30	2,056,954	47	29,950,000	6.50	5.75	
2010	Erlangen	Wetterkreuz 15	Office	6,256	7,328.14	1,348,182	76	17,750,000	7.25	6.05	
2010	Hilden	Westring 5	Retail	29,663	10,845.88	955,504	110	12,340,000	7.60	6.15	
2010	Stuttgart	Stammheimer Str. 10	Retail	6,853	6,362.98	1,379,197	42	23,010,000	5.35	4.30	
2010	Ingolstadt	Despagstr. 3	Office	7,050	5,361.79	937,618	17	10,300,000	7.10	6.05	
2011	Leipzig	Brandenburger Str. 21	Retail	33,917	11,130.98	943,433	118	13,330,000	6.85	5.65	
2011	Regensburg	Hildegard-von-Bingen-Str. 1	Office	3,622	8,945.42	1,654,077	40	24,160,000	6.80	5.60	
2011	Erlangen	Allee-am-Röthelheimpark 11–17	Office	10,710	11,648.68	2,094,985	51	32,270,000	6.65	5.65	
2011	Freiburg	Lörracher Str. 8	Retail	8,511	4,127.26	987,697	58	18,060,000	5.00	4.20	
2012	Aachen	Debyestraße 20	Retail	36,177	11,431.00	1,328,519	147	19,720,000	7.05	5.80	
2012	Tübingen	Eugenstraße 72–74	Retail	16,035	13,000.00	2,243,681	60	33,320,000	5.95	5.00	
2012	Karlsruhe	Rüppurrerstr. 1	Retail	10,839	15,152.35	2,993,870	134	52,850,000	5.85	4.50	



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YEAR OF ACQUISITION	PROPERTY		PROPERTY USE	PROPERTY SIZE IN M <sup>2</sup>	USABLE FLOOR AREA IN M <sup>2</sup>	RENT IN 2024 (INCLUDING RENT GUARANTEES) IN €	WEIGHTED REMAINING TERM OF LEASES IN MONTHS	FAIR VALUE IN € <sup>1</sup>	DISCOUNT RATE IN %	CAPITALISATION RATE IN %	OTHER COMMENTS
2013	Munich	Domagkstr. 10–16	Office	5,553	12,257.12	2,967,581	42	60,540,000	5.35	4.50	
2013	Berlin	EUREF-Campus 12/13	Office	3,100	12,641.71	2,988,386	36	59,430,000	6.65	5.65	
2013	Bayreuth	Spinnereistr. 5a, 5b, 6–8	Office	8,297	9,035.62	1,521,955	58	17,770,000	6.90	6.15	
2013	Hamburg	Kurt-A-Körber-Chaussee 9, 11	Retail	20,330	10,407.88	1,387,017	47	10,590,000	7.30	5.60	
2015	Aachen	Gut-Dämme-Str.14 / Krefelder Str. 216	Office	3,968	10,058.93	1,773,807	60	31,310,000	6.25	5.55	
2015	Celle	Friedenstr. 64	Retail	56,699	25,493.19	1,984,264	97	38,250,000	5.60	4.15	
2015	Gießen	Gottlieb-Daimler-Str. 27	Retail	46,467	18,378.51	1,189,499	84	21,480,000	5.40	4.45	
2015	Berlin	Tempelhofer Damm 198–200	Retail	6,444	6,290.03	1,579,492	54	29,120,000	5.45	4.10	
2015	Neu-Isenburg	Schleussnerstr. 100–102	Retail	9,080	4,249.43	896,780	73	16,150,000	5.70	4.40	
2016	Lübeck	Königstraße 84–96	Retail	4,412	13,522.32	2,480,810	37	20,850,000	8.85	7.15	
2016	Ditzingen	Dieselstr. 18	Retail	22,095	10,036.00	1,251,585	135	10,830,000	8.25	6.75	
2016	Mannheim	Spreewaldallee 44–50	Retail	103,386	28,381.66	3,986,640	126	74,500,000	5.40	4.60	
2016	Münster	Martin-Luther-King-Weg 30, 30a	Office	4,986	3,317.20	545,686	16	7,390,000	6.75	6.10	
2017	Cologne	Am Coloneum 9 / Adolf-Grimme-Allee 3	Office	15,461	26,517.26	3,069,553	85	55,300,000	6.75	6.00	
2017	Hallstadt	Michelinstr. 142	Retail	41,829	21,710.91	2,797,238	37	38,600,000	6.50	4.75	
2017	Berlin	Märkische Allee 166–172	Retail	17,264	6,528.70	1,042,278	15	18,400,000	5.20	3.80	
2017	Ratingen	Balcke-Dürr-Allee 7	Office	4,476	10,388.79	2,122,140	27	28,600,000	6.65	5.85	
2017	Hanau	Otto-Hahn-Str. 18	Retail	37,525	14,318.47	2,270,116	93	44,280,000	5.60	4.20	
2017	Kiel	Kaistraße 90	Office	2,049	6,737.56	1,560,212	66	21,060,000	6.75	5.75	
2017	Passau	Steinbachstr. 60/62	Retail	6,797	4,476.17	943,572	68	14,420,000	6.30	4.85	
2018	Bonn	Basketsring 3	Retail	10,823	4,934.08	793,215	120	17,000,000	5.45	4.45	
2018	Düsseldorf	Harffstr. 53	Retail	10,360	5,342.85	635,563	36	11,220,000	4.95	4.00	
2018	Cologne	Unter Linden 280–286	Retail	21,873	6,533.30	1,193,806	74	23,150,000	5.30	3.95	
2018	Darmstadt	Gräfenhäuserstr. 85, 85a, 85b	Office	7,641	8,192.45	701,970	30	10,650,000	8.40	6.85	
2018	Darmstadt	Leydheckerstr. 16	Retail	27,819	11,000.00	1,973,726	62	33,600,000	5.80	4.30	
2018	Berlin	Landsberger Allee 360–362	Retail	37,875	16,390.41	2,093,456	66	31,150,000	6.15	4.95	
2019	Bamberg	Starkenfeldstr. 21	Office	6,574	6,160.25	951,013	51	14,200,000	6.30	5.65	
2019	Lengerich	Alwin-Klein-Str. 1	Retail	9,436	4,611.34	747,947	98	14,300,000	5.25	4.55	



List of properties

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2020	Neu-Isenburg	Siemensstr. 10a	Office	3,604	4,542.00	1,078,971	72	14,500,000	6.55	6.00	
2020	Bonn	Soenneckenstraße 10, 12	Office	6,902	6,500.48	1,729,263	88	28,300,000	5.70	4.65	
2020	Aachen	Gut-Dämme-Str./Grüner Weg	Office	8,383	8,322.65	2,387,356	82	38,500,000	5.80	5.00	
2020	Dietzenbach	Masayaplatz 3	Retail	14,667	5,056.75	875,243	60	16,600,000	5.45	4.05	
2021	Mainz	Isaac-Fulda-Allee 3	Office	5,940	7,748.00	1,721,508	36	19,700,000	7.55	5.80	
2021	Stuttgart	Schockenriedstraße 17	Office	2,813	5,929.09	693,003	18	13,500,000	6.90	5.25	
2021	Münster	Robert-Bosch-Straße 17	Office	2,108	6,361.47	1,138,064	64	22,300,000	5.50	4.90	
2022	Freiburg	Munziger Straße 6	Retail	27,723	10,658.78	1,409,784	99	16,300,000	7.35	5.65	Leasehold property
2022	Kempten	Ulmer Straße 21	Retail	24,303	17,067.36	1,630,533	96	27,700,000	7.00	5.55	
2023	Hanau	Oderstraße 12	Retail	12,878	4,030.00	436,492	132	5,440,000	6.30	5.30	
2023	Offenburg	Isaak-Blum-Straße 18	Retail	33,225	13,897.00	1,231,174	76	19,300,000	6.25	5.15	
				<b>1,049,865</b>	<b>621,547</b>	<b>92,634,076</b>		<b>1,441,010,000</b>			

<sup>1</sup> according to JLL valuation report as of December 31, 2024

DISCLAIMER

This report contains forward-looking statements, for example concerning general economic developments in Germany, the future situation of the property industry and the forecast business performance of HAMBORNER REIT AG. These statements are based on current assumptions and estimates by the company, which were made carefully on the basis of all information available at the relevant time. If the assumptions on which statements and forecasts are based are not accurate, the actual results may differ from those currently anticipated.

GLOSSARY

 <https://www.www.hamborner.de/en/glossary/>

FINANCIAL CALENDAR 2025/2026

17 April 2025	2024 Annual Report
8 May 2025	Interim statement, 31 March 2025
26 June 2025	2025 Annual General Meeting
5 August 2025	Half-year financial report, 30 June 2025
6 November 2025	Interim statement, 30 September 2025
26 February 2026	Provisional figures for the 2025 financial year
22 April 2026	2025 Annual Report
7 May 2026	Interim statement, 31 March 2026
11 June 2026	2026 Annual General Meeting

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