Aroundtown SA

Annual Accounts

For the year ended December 31, 2024

(with the report of the Réviseur d'Entreprises agréé thereon)

Registered address:

37, Boulevard Joseph II
L-1840 Luxembourg

RCS Luxembourg: B217868
Share Capital: EUR 15,370,256

Table of contents

MANAGEMENT REPORT

The management of Aroundtown SA (the "Company", "Aroundtown" or "AT", and together with its investees "Aroundtown Group" or "the Group") presents the Company's Annual Accounts for the year ended December 31, 2024.

Aroundtown SA is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities primarily in Germany, the Netherlands and London. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. Aroundtown invests in residential real estate primarily through its subsidiary Grand City Properties S.A. ("GCP"), a publicly traded real estate company that focuses predominantly on the German residential real estate market, as well as on the London residential market. The Group's unique business model and experienced management team led the Group to grow since 2004, navigating successfully through all economic cycles.

CAPITAL MARKET, DEVELOPMENTS AND PERFORMANCE

The Company continued with active debt management using the sales proceeds from its subsidiaries and redeemed EUR 0.7 billion nominal value of its various straight bond series with contractual maturities between 2025 – 2031, as well as the contractual redemption of 2024 bonds, presenting a solid debt maturity prolongation (see note 11 of the Annual Accounts).

In addition, in April and September 2024, the Board of Directors approved a voluntary exchange and tender offer targeting the holders of six outstanding perpetual notes (including those issued by the Company's wholly owned subsidiaries) ("the Notes"), that were not called in 2023 and 2024, and for those with first call dates approaching in the next 12 months. The Company announced an acceptance of EUR 2.4 billion in aggregate nominal value of the Notes, that were exchanged for 4 new notes series placed by a subsidiary of the Company. For more information see note 11 of the Annual Accounts.

Additionally, the Company successfully placed EUR 0.65 billion nominal value of a new straight bond series 40 with contractual maturity in July 2029 and interest rate of 4.8% p.a. Moreover, as at December 31, 2024, the Company had undrawn revolving credit facilities totaling approximately EUR 0.8 billion, ensuring accessible additional liquidity.

The profit for the year amounted to EUR 186.8 million and the total equity of the Company amounted to EUR 5.4 billion as at December 31, 2024.

FINANCIAL RISK MANAGEMENT

The Company is exposed to liquidity, operating and other risks. For more information see note 24 of the Annual Accounts.

MANAGEMENT REPORT *(continued)*

OWN SHARES

The Company did not acquire any own shares in 2024 and as at December 31, 2024 held directly 32,287,892 shares and additional 411,144,171 shares through its subsidiaries. There was no change in the own shares held by the Company during 2024. For more information see note 7 and 10 of the Annual Accounts.

COMPANY'S SHARES

During the reporting period there was no issuance of new ordinary shares.

CAPITAL STRUCTURE

The Company's ordinary shares are listed on the Frankfurt Stock Exchange – Prime Standard and included in the MDAX index of the Deutsche Börse (symbol: AT1). The Company also has perpetual notes and senior straight bonds listed on the Irish Stock Exchange (in particular its EMTN Programme), Luxembourg Stock Exchange and Frankfurt Stock Exchange. There are no restrictions on the transfer of the Company's traded securities.

LIKELY FUTURE DEVELOPMENTS

The Company raises capital and borrowings mainly through its EMTN Programme to fund the acquisition and development of the underlying property portfolio held by the Company through its subsidiaries.

ACTIVITIES IN THE FIELD OF RESEARCH AND DEVELOPMENT

Due to the nature of its business, the Company does not engage in any research and development activities.

BRANCHES OF THE COMPANY

The Company did not operate any branches in 2024 or 2023.

COMPLIANCE WITH TRANSPARENCY LAW

The Company is subject to, among others, the Luxembourg law of January 11, 2008, on transparency requirements for issuers, as amended (the "**Transparency Law**"). In particular, the Company continuously monitors compliance with the disclosure requirements with respect to regulated information within the meaning of article 1(10) (the "**Regulated Information**") of the Transparency Law and therefore publishes, stores with the Luxembourg Stock Exchange as the officially appointed mechanism (OAM) and files with the Commission de Surveillance du Secteur Financier (the "**CSSF**") the Regulated Information on an ongoing basis.

The quarterly and annual financial reports, investor presentations, press releases and ad-hoc notifications are available in English on the Company´s website. In addition, the Company provides on its website information about its organization, its management and upcoming and past shareholder meetings, such as its Annual General Meetings, Extraordinary General Meetings and Ordinary General Meetings. The Company´s website further provides a financial calendar announcing the financial reporting dates as well as other important events. The financial calendar is published before the beginning of a calendar year and is regularly updated.

The individual Aroundtown SA Annual Accounts are published annually on the same day as the Aroundtown SA consolidated annual report.

MANAGEMENT REPORT *(continued)*

INFORMATION ACCORDING TO ARTICLE 11(2) OF THE LUXEMBOURG TAKEOVER LAW

The following disclosure is provided pursuant to article 11 of the Luxembourg law of May 19, 2006, transposing Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004, on takeover bids, as amended (the "Takeover Law"):

(a) With regard to article 11(1)(a) and (c) of the Takeover Law (capital structure), the relevant information is available under note 10 of the Annual Accounts. In addition, the Company's shareholding structure showing each shareholder owning 5% or more of the Company's share capital is available below and on the Company's website, where the shareholding structure chart is updated as per shareholder notifications on a regular basis.

(b) With regard to article 11(1)(b) of the Takeover Law, the ordinary shares issued by the Company are admitted to trading on the regulated market of the Frankfurt Stock Exchange (Prime Standard) and are freely transferable according to the Company's articles of association (the "Articles of Association").

(c) In accordance with the requirements of Article 11(1)(c) of the Takeover Law, the following significant shareholdings were reported to the Company until December 31, 2024:

Shareholder name	Amount of shares (1)	Percentage of voting rights
Aroundtown SA and its wholly owned affiliates	259,495,926	16.88% (2)
Avisco Group PLC / Vergepoint Limited (3)	230,660,516	15.01%
TLG Immobilien AG	183,936,137	11.97% (2)
Stumpf Capital GmbH (4)	154,351,365	10.04%

(1) Total number of issued and fully paid ordinary shares as of December 31, 2024: 1,537,025,609
(2) Voting rights are suspended
(3) Controlled by Mr. Yakir Gabay
(4) Controlled by Mr. Georg Stumpf

(d) With regard to article 11(1)(d) of the Takeover Law, each ordinary share of the Company gives right to one vote according to article 8.1 of the Articles of Association. There are no special control rights attaching to the ordinary shares. The voting rights attached to ordinary shares held by TLG Immobilien AG in the Company are suspended. The suspension of the voting rights applies to any other shares acquired by the Company, either directly or through subsidiaries, pursuant to its buy-back programme.

(e) With regard to article 11(1)(e) of the Takeover Law, control rights related to the issue of ordinary shares are directly exercised by the relevant employees. The key terms and conditions in relation to the Company's incentive share plan are described under note 19 of the Annual Accounts.

(f) With regard to article 11(1)(f) of the Takeover Law, the Articles of Association impose no voting rights limitations. However, the sanction of suspension of voting rights automatically applies, subject to the Transparency Law to any shareholder (or group of shareholders) who has (or have) crossed the thresholds set out in the Transparency Law but have not notified the Company accordingly. In this case, the exercise of voting rights relating to the shares exceeding the fraction that should have been notified is suspended. The suspension of the exercise of voting rights is lifted the moment the shareholder makes the notification.

MANAGEMENT REPORT *(continued)*

INFORMATION ACCORDING TO ARTICLE 11(2) OF THE LUXEMBOURG TAKEOVER LAW (CONTINUED)

(g) With regard to article 11(1)(g) of the Takeover Law, as of December 31, 2024, the Company was not aware of any agreements between shareholders that would lead to a restriction on the transfer of shares or voting rights.

(h) With regard to article 11(1)(h) of the Takeover Law, according to article 15.1 of the Articles of Association, the members of the Board of Directors of the Company (the "Board") shall be elected by the shareholders at their annual general meeting by a simple majority vote of the shares present or represented. The term of the office of the members of the Board shall not exceed six years, but they are eligible for re-election. Any member of the Board may be removed from office with or without specifying a reason at any time. In the event of a vacancy in the office of a member of the Board because of death, retirement or otherwise, this vacancy may be filled out on a temporary basis until the next meeting of shareholders, by observing the applicable legal prescriptions. Further details on the rules governing the appointment and replacement of a member of the Board are set out in the section "Corporate Governance" of these Annual Accounts.

According to article 14 of the Articles of Association, any amendment to the Articles of Association made by the general meeting of the shareholders shall be adopted if (i) more than one half of the share capital is present or represented and (ii) a majority of at least two-thirds of the votes validly cast are in favour of adopting the resolution. In case the first condition is not reached, a second meeting may be convened, which may deliberate regardless of the proportion of the share capital represented and at which resolutions are taken at a majority of at least two-thirds of votes validly cast.

(i) With regard to article 11 (1)(i) of the Takeover Law, the Board of Directors is endowed with wide-ranging powers to exercise all administrative tasks in the interest of the Company including the establishment of an Advisory Board, an Audit Committee, a Risk Committee, a Remuneration Committee and a Nomination Committee. Further details on the powers of the Board are described in the section "Corporate Governance" of these Annual Accounts.

Pursuant to article 7.2 of the Articles of Association, the Board is authorized to issue shares under the authorised share capital as detailed under note 10 (share capital) and note 19 (Share-based payment agreements) of the Annual Accounts. According to article 8.7 of the Articles of Association, the Company may redeem its own shares to the extent and under the terms permitted by law. The shareholders' meeting held on 26 June 2024 re-authorized the Company's buy-back program to buy-back, either directly or through a subsidiary of Aroundtown, shares of Aroundtown for a period of five (5) years not exceeding 50% of the aggregate nominal amount of Aroundtown's issued share capital. The program is currently inactive.

(j) With regard to article 11(1)(j) of the Takeover Law, the Company's listed straight bonds, perpetual notes and security issuances (listed under note 11 of the Annual Accounts) under the EMTN programme contain change of control provisions that provide noteholders with the right to require the Company to repurchase their notes upon a change of control of the issuer. The Company's International Swaps and Derivatives Association (ISDA) master agreement securing derivate transactions with regard to its listed debts contains a termination right if the Company is financially weaker after a takeover.

(k) With regard to article 11(1)(k) of the Takeover Law, there are no agreements between the Company and members of the Board or employees according to which, in the event of a takeover bid, the Company may be held liable for compensation arrangements if the employment relationship is terminated without good reason or due to a takeover bid.

Luxembourg, March 26, 2025

....	....
Frank Roseen	Jelena Afxentiou
Executive Director	Executive Director

CORPORATE GOVERNANCE

The Group places a strong emphasis on corporate governance, which is executed responsibly by the Board of Directors and the management teams. The Group is proud of the high degree of confidence of its investors, which is reflected in the impressive placement of funds by major global investment banks. Among the Group's shareholders and bondholders are large international leading institutional investors and major global investment and sovereign funds.

Aroundtown follows very strict Codes of Conduct which apply to its employees and business partners respectively and include references to policies and rules in respect of Anti-Corruption (inclusive of anti-bribery guidelines), Anti-Discrimination, conflicts of interest and others.

Aroundtown is not subject to any compulsory corporate governance code of conduct or respective statutory legal provisions. In particular, Aroundtown is not required to adhere to the "Ten Principles of Corporate Governance" of the Luxembourg Stock Exchange or to the German Corporate Governance Code, which are only applicable to domestic issuers, save for recommendations C.10 (with sole reference to its applicability to the Chair of the Audit Committee) D.8 and D.9 of the German Corporate Governance Code (Deutscher Corporate Governance Kodex). Aroundtown issues an annual declaration that it does not deviate from the aforementioned recommendations of the German Corporate Governance Code. In general, Aroundtown already complies with most of these principles and continues to take steps to implement environmental, social and corporate governance best practices throughout its business. The Group's efforts support the United Nations Sustainable Development Goals, particularly those relating to Peace, Justice and Strong Institutions (#16) and Partnerships for the Goals (#17).

The Group is a founding member of the United Nations Global Compact Network Germany, one of the largest corporate sustainability initiatives, signaling the Group's commitment to strong corporate governance through adherence the Ten Principles of the UN Global Compact.

BOARD OF DIRECTORS

The Board of Directors makes decisions solely in the Group's best interests and independently of any conflict of interest. The Group is administered by a Board of Directors that is vested with the broadest powers to perform in the Group's interests. All powers not expressly reserved by the Luxembourg Law of 10 August 1915 on commercial companies, as amended, ("Luxembourg Companies Act") or by the articles of association of Aroundtown SA ("Articles of Association") to the general meeting of the shareholders fall within the competence of the Board of Directors.

On a regular basis, the Board of Directors evaluates the effective fulfilment of its remit and compliance with corporate governance procedures implemented by the Group. Evaluations are also performed by the Audit and Risk Committees on related aspects. The Board of Directors currently consists of a total of seven members, of which four members are independent, and one member is non-executive. The members are elected by the general meeting of shareholders and resolve on matters on the basis of a simple majority, in accordance with the Articles of Association. The number of directors, their term and their remuneration are determined by the general meeting of shareholders and the maximum term of directors' appointment at each election is six years according to Luxembourg law, however directors may be re-appointed after such term.

The members of the Board of Directors undertake regular training on topics such as regulatory and legal updates, sector-specific and capital markets subjects and ESG matters.

CORPORATE GOVERNANCE *(continued)*

ANNUAL GENERAL MEETING

The Annual General Meeting of the shareholders of Aroundtown SA ("AGM") was held on June 26, 2024, in Luxembourg. All items on the agenda were carried by a majority, including the approval of the statutory Annual Accounts of the Company and the consolidated annual report of the Group for the year ended December 31, 2023.

The next Annual General Meeting of the shareholders is intended to take place on June 24, 2025, in Luxembourg.

MEMBERS OF THE BOARD OF DIRECTORS

Name	**Position**
Mr. Frank Roseen	Executive Director
Ms. Jelena Afxentiou	Executive Director
Mr. Ran Laufer	Non-Executive Director
Mr. Markus Leininger	Independent Director
Ms. Simone Runge-Brandner	Independent Director
Mr. Markus Kreuter	Independent Director
Mr. Daniel Malkin	Independent Director

The Annual General Meeting in 2023 approved the renewal of the mandates of all directors until the Annual General Meeting 2027.

SENIOR AND KEY MANAGEMENT

Name	**Position**
Mr. Barak Bar-Hen	Co-CEO and COO
Mr. Eyal Ben David	CFO
Mr. Oschrie Massatschi	CCMO (Chief Capital Markets Officer) (until December 31, 2024)
Ms. Limor Bermann	CSO (Chief Sustainability Officer)

ADVISORY BOARD

The Board of Directors has established an Advisory Board to provide expert advice and assistance. The Board of Directors decides on the composition, tasks and term of the Advisory Board as well as the appointment and dismissal of its members. The Advisory Board has no statutory powers under the Luxembourg Companies Act or the Articles of Association of the Company, but applies rules adopted by the Board of Directors. The Advisory Board and its members are an important source of guidance for the Company when making strategic decisions.

MEMBERS OF THE ADVISORY BOARD

Name	**Position**
Dr. Gerhard Cromme	Chairperson of the Advisory Board
Mr. Yakir Gabay	Advisory Board Deputy Chairperson
Mr. Claudio Jarczyk	Advisory Board Member
Mr. David Maimon	Advisory Board Member

CORPORATE GOVERNANCE *(continued)*

AUDIT COMMITTEE

The Board of Directors has established an Audit Committee in order to maintain high corporate governance and transparency standards as well as to provide guidance to the Board in fulfilling the Board's responsibilities to the Company and its shareholders regarding the integrity of the accounting and financial process, internal control and risk management. The responsibilities of the Audit Committee include monitoring to the integrity of the Annual Accounts, including reporting to the Board of Directors on its activities and the adequacy of internal systems controlling the financial reporting processes and the accounting processes, including reviewing accounting standards. The Audit Committee recommends to the Board of Directors the appointment and replacement of the approved independent auditor and provides guidance to the Board of Directors on the approval of the annual financial statements of the Group and, in particular, shall monitor the independence of the approved independent auditor, the additional services rendered by such auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement with the auditor. The Board of Directors decides on the composition, tasks and term of the Audit Committee as well as the appointment and dismissal of its members. The Audit Committee consists of the independent directors Mr. Markus Kreuter (Chairperson), Mr. Markus Leininger, Mr. Daniel Malkin and Ms. Simone Runge-Brandner.

RISK COMMITTEE AND RISK OFFICER

The Board of Directors has established a Risk Committee to maintain high corporate governance and transparency standards as well as to provide guidance to the Board in fulfilling the Board's responsibilities to the Company and its shareholders. The Committee shall monitor the effectiveness and adequacy of the internal control system and risk management system. The Committee is tasked with assisting and providing advice and recommendations to the Board of Directors in fulfilling its oversight responsibilities, relating to the identification of different types of risks, recommending a risk management structure including its organization and its process as well as assessing and monitoring the effectiveness of existing risk management systems. The Risk Committee is supported by the Risk Officer, who brings a systematic and disciplined approach to evaluating and improving the culture, capabilities, and practices integrated with strategy-setting and execution. The Risk Officer's responsibilities are determined and monitored by the Risk Committee, whose oversight is established pursuant to the Rules of Procedure of the Risk Committee. The Risk Committee provides advice on compliance actions, in particular, by reviewing the Group's procedures to detect risk, assessing the effectiveness of the Group's risk management and internal control system and by assessing the scope and effectiveness of the systems established by the Company to identify, assess and mitigate risks. The Board of Directors decides on the composition, tasks and term of the Risk Committee and the appointment and dismissal of its members. The members of the Risk Committee are Mr. Markus Kreuter (Chairperson), Ms. Simone Runge-Brandner , Mr. Ran Laufer and Mr. Daniel Malkin.

INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

The Group closely monitors and manages any potential risk and sets appropriate measures in order to mitigate the occurrence of any possible failure to. the extent possible. The Board has allocated duties and responsibilities regarding internal control and risk management systems to both the Audit Committee and the Risk Committee. These committees work closely together to ensure the effectiveness of the risk management system. The Risk Committee constructs the risk management structure, organization and processes. The Risk Committee also monitors the effectiveness of risk management functions throughout the organization, ensures that the required infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline. The Group categorizes the risk management systems into two main categories: internal risk mitigation and external risk mitigation.

CORPORATE GOVERNANCE *(continued)*

The internal controls and compliance of the Group are supervised by the Risk and Audit Committees and are supported by Mr. Christian Hupfer, the Chief Compliance Officer.

INTERNAL RISK MITIGATION

Internal controls are constructed from five main elements:

- Risk assessment – set by the Risk Committee and guided by an ongoing analysis of the Group's organizational structure and existing risks in order to by identify and minimize potential weaknesses. Further, the Risk and Audit Committees assess control deficiencies in the organization and execute on issues which have been identified that may have an impact on the risk management framework.
- Control discipline – based on the organizational structure and supported by employee and management commitments. The discipline is established on the foundations of integrity and ethical values.
- Control features – the Group sets physical controls and undertakes compliance checks and verifications including cross departmental checks. The Group puts strong emphasis on separation of duties as approval and payments are done by at least two separate parties. Payment verifications are cross checked and confirmed with
- budget and contracts. Any payment exceeding a certain set threshold amount requires additional approval by the head of the department as a condition for payment.
- Monitoring procedures – the Group monitors and tests unusual entries, mainly through a detailed monthly actual vs. budget analysis and checks. Strong and sustainable control and organizational systems reduce the probability of errors and mistakes significantly. The Company's management sees a degree of high importance in constantly improving all measures, adjusting to market changes and organizational dynamics.
- ESG-risk-related expenditures – the Group has included identification of potential financial liabilities and future expenditures linked to ESG risks in the organizational risk assessment. Potential future expenditures on ESG matters and opportunities are included in the financial budget.

COMPLIANCE, CODE OF CONDUCT, DATA PROTECTION AND INFORMATION & CYBER SECURITY

Safeguarding the Group from any reputational damage due to error or misconduct is essential in maintaining the Group's reputation. Therefore, enforcing responsible behavior guided by integrity is a central tool for the management in terms of its dealings. For this reason, the compliance and risk management teams are structured accordingly and supplemented by procedures which cover all steps of real estate investment and the management chain to ensure compliance. In order to stipulate ethical behavior throughout its operations, Aroundtown has implemented Codes of Conduct for both employment contracts and business partner contracts which incorporate policies that prevent compliance violations and misconducts. These policies include the Anti-Corruption Policy, the Diversity Policy and the Anti-Discrimination Policy, as well as measures to prevent human right violations and ensure data protection the Company's Whistleblowing Policy.

The Group has agreed on binding standards to achieve an ethical business conduct within its group, its employees and other personnel in order to expressly distance itself from corrupt behaviors and unethical business practices. Such principles shall also be explicitly acknowledged by its business partners. The Code of Conduct for Business Partners, which is mandatory for Aroundtown's business partners with contracts of above EUR 5,000, includes elements such as respecting and recognizing employees' rights pertaining to freedom of association and the exercise of collective bargaining, providing fair remuneration in wages, refraining from child, forced and compulsory labor, respecting the minimum age requirements within given countries and providing a workplace free of harassment and discrimination of any kind.

CORPORATE GOVERNANCE *(continued)*

The Code of Conduct for Employees is supplemented by topical guidelines as well as the Diversity Policy and Anti-Discrimination Policy. The diversity of perspectives from differences in nationality, ethnicity, race, culture, age, gender, religion, ideology, sexual identity, or physical ability are all respected. Discrimination on the basis of any of these characteristics constitutes an infringement of basic human rights and is explicitly prohibited throughout the Group. In addition to these general requirements, the Group also promotes diversity in many different areas, such as a professional and cultural background and talent pool. The commitment to diversity is guided by the Diversity Committee which implemented a diversity training program during the orientation period for employees. Additionally, Aroundtown is a signatory of the "Diversity Charter" (*Charta der Vielfalt*), a corporate initiative to promote diversity in companies and institutions. Regular assessments and reports are conducted to ensure transparency and accountability. Employees are encouraged to participate in diversity training programmes to foster a more inclusive environment. Aroundtown is committed to the representation of women on the board of directors and ensuring a diverse mix of professional backgrounds and expertise. Board members are selected based on multiple years of experience in the real estate sector and other relevant industries. In 2024, women held 33% of management positions across the Group, compared to 35 % in 2023. As of December 31, 2024, women held two of the seven positions on the Board of Directors. Further details about the Group's diversity management and key figures can be found in its sustainability reporting materials.

In addition to these general requirements, the Group also promotes diversity in many different areas, such as a professional and cultural background and talent pool. The commitment to diversity is guided by the Diversity Committee, which is created and operated by employees, has implemented a diversity training program during the orientation period for new employees

The Group has instruments in place to prevent and fight violations of laws, such as human rights violations, corruption and bribery and employees have reporting channels available in case of a possible violation. Measures are dealt with in confidence to the full extent permitted by statutory law. Reported issues are investigated by the Chief Compliance Officer. In addition to the reporting channels, there is also a whistleblowing channel operated by an external service provider, which enables complete anonymity. If any violation is determined, certain disciplinary measures are taken if preconditions in that respect are met.

The Company´s Code of Conduct includes the prohibition of insider dealing. The Company is subject to several obligations under Regulation (EU) No. 596/2014 (Market Abuse Regulation, "MAR"). Pursuant to Article 19 para. 5 sub-para. 1 sentence 1 of MAR, the Company notifies all persons discharging managerial responsibilities of their obligations in the context of managers' transactions. Memorandums, notifications and information are distributed regularly.

The Group has established procedures to protect the confidentiality and integrity of management information and data across all business process. Furthermore, a view to the implementation of the EU General Data Protection Regulation (GDPR), the Group had implemented a wide range of guidelines and provisions including enhanced mandatory awareness training on GDPR. The Group has implemented Standard Operating Procedures (SOPs) to ensure that all personal data stored and processed in the course of the Group's operations are safe from manipulation and misuse. Additionally, the Group has adopted an information security and privacy strategy in order to maintain a high level of controls to help minimize the potential risks. The Codes of Conduct for Employees as well as Business Partners can be found on AT's website.

CORPORATE GOVERNANCE *(continued)*

EXTERNAL RISK MITIGATION

In the ordinary course of business, the Group is exposed to various external risks. The Risk Committee continuously determines whether the requisite infrastructure, resources and systems are in place and adequate to maintain a satisfactory level of risk. The potential risks and exposures are related, inter alia, to the volatility of interest rate risk, inflation risk, liquidity risk, credit risk, regulatory and legal risks, rent collection and tenant deficiencies, the need for unexpected capital investments, property damage risk and market downturn risk. The Group has direct and specific measures and boundaries to address and mitigate each risk, hedging and reducing to a minimum the occurrence of failure or potential default.

NOMINATION COMMITTEE

The Board of Directors has established a Nomination Committee to identify suitable candidates for director positions and examine their skills and characteristics. The Nomination Committee consists of independent directors, Mr. Markus Leininger, Mr. Markus Kreuter, Ms. Simone Runge-Brandner and Mr. Daniel Malkin.

REMUNERATION COMMITTEE

The Board of Directors has established a Remuneration Committee in order to determine and recommend to the Board the Remuneration Policy, which outlines remuneration metrics for the Executive Directors and members of Senior Management, including evaluation of short-term and long-term performance-related remuneration to senior executives. The Remuneration Committee consists of independent Directors Mr. Daniel Malkin, Mr. Markus Leininger, Mr. Markus Kreuter (Chairperson) and Ms. Simone Runge-Brandner.

ESG COMMITTEE

The Board of Directors has established an ESG Committee to supervise the Company´s ESG processes. In addition, the ESG Committee reviews and assesses the Company's contribution to sustainable development. The ESG Committee consists of executive director Mr. Frank Roseen and independent directors, Mr. Markus Leininger (Chairperson) and Mr. Markus Kreuter, and is assisted by non-voting advisory members who hold key positions in the Company's group as well as the Sustainability Department.

SHAREHOLDERS' RIGHTS

The Group respects the rights of all shareholders and ensures that they receive equal treatment. All shareholders have equal voting rights, and all corporate publications are transmitted through general publication channels as well as on a specific section on its website. The shareholders of Aroundtown SA exercise their voting rights at the general meeting of the shareholders, whereby each share is granted one vote. The voting rights attached to shares held by TLG Immobilien AG in Aroundtown SA are suspended. The suspension of the voting rights also applies to shares held and/ or acquired by Aroundtown SA, either directly or through subsidiaries, pursuant to its share buyback programme. The Annual General Meeting of the shareholders takes place at such place and time as specified in the notice of the meeting. At the Annual General Meeting of the shareholders, the Board of Directors presents, among other items, the directors' report as well as consolidated financial statements of the most recent financial year to the shareholders. The Annual General Meeting resolves, among others, on the financial statements of Aroundtown, the appointment of the approved independent auditor of the Group and the discharge and appointment or re-election of the members of the Board of Directors, in case their mandate is about the expire.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group's ESG Strategy is guided by our dedication to operating responsibly, creating value for our stakeholders, including our tenants and employees and improving the environmental and social performance of our assets. The core of our business model – investing in value-add opportunities instead of demolition and new asset development – demonstrates our commitment to sustainable real estate. Overall, our approach and success are underpinned by a set of comprehensive long-term targets which aim to deliver tangible benefits for our stakeholders, our investors, tenants, building users, local communities, employees and the environment.

The Company considers ESG to be pivotal to the overall success of the organization and has thus created and integrated wide reaching ESG policies into the different functions of the Company. To monitor and manage its sustainability-related measures, the Company is also committed to transparently reporting on its ESG progress. As a result, the various efforts and initiatives undertaken since 2023, as well as the Company's future targets are extensively displayed in the Sustainability Report section of the Consolidated Annual Report, as well as on AT's website. The Company maintains its reporting processes in line with the EPRA sBPR (sustainability Best Practice Recommendations) guidelines and has published non-financial data also externally reviewed with limited assurance under the ISAE 3000 standard. This is the 8th year in a row for which we have been awarded the Gold Award EPRA BPR and the 7th year awarded the Gold Award EPRA sBPR, showcasing our continued commitment to the highest standards of transparency and reporting.

The Company also received recognition from Sustainalytics, a sustainability rating agency, which ranked us as "Low Risk" in its ESG rating and among the 3rd percentile of the global rated universe. Our S&P Global Corporate Sustainability Assessment (CSA) was ranked in the top 5th percentile of real estate companies globally. AT was included in the Dow Jones Best-in-Class Index Europe, the MDAX ESG+, and the Bloomberg Gender Equality Index. Additionally, AT reports in reference to the Global Reporting Initiative (GRI), and conducts Sustainability Accounting Standards Board (SASB) mapping, which are published in separate documents on the website.

ESG COMMITTEE AND ESG MANAGMENT

The Company's governance incorporates consideration of sustainability issues at both the Board of Directors and management levels. The operational ESG strategy has been established and is managed by the Board of Directors, which has ultimate oversight of the overall ESG performance. The Board of Directors has established an ESG Committee to supervise ESG strategy, regulatory compliance, and sustainability risk mitigation. The ESG Committee shall be composed of at least two members of the Board of Directors.

The ESG Committee is chaired by Markus Leininger and two additional voting members, Markus Kreuter and Frank Roseen, both members of the Board of Directors, as well as advisory members including the Company's Chief of Sustainability Officer, the Group's Head of Energy, the Chief Operations Officer of the German operations, and the Group's Head of Human Resources. The ESG Committee oversees strategic guidance on ESG topics and is responsible for reviewing and assessing the Company's responsible business strategy, policies and practices with respect to ESG. The Committee meets at least twice per year, with additional meetings called as required, and sets the direction for the work of the Sustainability Department.

The Sustainability Department acts as a cross-departmental interface, working across the Company to review and communicate on sustainability programs, as well as responsible for sustainability reporting. It is led by the Chief Sustainability Officer. The Department also prepares the Company's materiality analysis and ESG reporting, as well as responds to enquiries by investors and rating agencies on ESG topics. It collaborates closely with the Energy Department, which applies its engineering expertise to implement the technical elements of our sustainability strategy. There are constant exchanges of information between departments around ESG-related aspects.

RESPONSIBILITY STATEMENT

To the best of our knowledge, the Annual Accounts of Aroundtown SA, prepared in accordance with the applicable reporting principles for Annual Accounts, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report of the Company includes a fair review of the development of the business, and describes the main opportunities, risks and uncertainties associated with the Company.

Luxembourg

March 26, 2025

....	....
Frank Roseen	Jelena Afxentiou
Executive Director	Executive Director

KPMG Audit S.à r.l.
39, Avenue John F. Kennedy
L-1855 Luxembourg

Tel: +352 22 51 51 1
Fax: +352 22 51 71
E-mail: info@kpmg.lu
Internet:www.kpmg.lu

To the Shareholders of
Aroundtown SA
37, boulevard Joseph II
L-1840 Luxembourg
Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the annual accounts

Opinion

We have audited the annual accounts of Aroundtown SA (the "Company"), which comprise the balance sheet as at 31 December 2024, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (the "CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of shares in affiliated undertakings

a. Why the matter was considered to be one of most significance in our audit of the annual accounts of the current period

We refer to accounting policy at note 2.5 “Financial assets” and note 5 “Financial assets” of the annual accounts.

As at December 31, 2024 shares in affiliated undertakings represent 56% of the total assets of the Company. These represent investment of the Company in the underlying group and its underlying assets, which are mainly investment properties.

Recoverability of shares in affiliated undertakings depends on the performance of the subsidiaries, thus management performs an impairment assessment at each reporting date.

The identification of impairment indicators and the assessment whether there is a durable depreciation in value requires management judgment.

Due to the significance of the amount and the required application of judgement by management, the valuation of shares in affiliated undertakings is identified as a key audit matter.

b. How the matter was addressed in our audit

Our procedures concerning the valuation of shares in affiliated undertakings included, but were not limited to, the following:

— We obtained an understanding of the impairment assessment process through inquiries with management, based on their knowledge of the recent developments in the financial position and cash flows of the affiliated undertakings;

— We assessed the design and implementation of the key controls around the identification of triggers and assessment of impairment (value adjustment);

— We reviewed management’s assessment related to the timing and recognition of the impairment events and charges and corroborated them with the underlying data;

— We preformed a reconciliation of the investments recorded by the Company and the equity position of the affiliated undertakings as per their audited financial information;

— We assessed the impairment calculation for the shares in affiliated undertakings by reviewing the affiliated undertakings’ financial information. This to ensure their net assets are sufficient to recover the value of the participations.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report and the Corporate Governance Statement but does not include the annual accounts and our report of the “réviseur d'entreprises agréé” thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for presenting the annual accounts in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

Our responsibility is to assess whether the annual accounts have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as “réviseur d'entreprises agréé” by the Shareholders on 26 June 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is eight years.

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

We have checked the compliance of the annual accounts of the Company as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to annual accounts.

For the Company it relates to:

— annual accounts prepared in a valid xHTML format.

In our opinion, the annual accounts of Aroundtown SA as at 31 December 2024, identified as 529900H4DWG3KWMBMQ39-2024-12-31-0-en.Xhtml, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our audit report only refers to the annual accounts of Aroundtown SA as at 31 December 2024, identified as 529900H4DWG3KWMBMQ39-2024-12-31-0-en.Xhtml, prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version

Luxembourg, 26 March 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

Muhammad Azeem

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494
Email : centralebilans@statec.etat.lu

RCSL Nr. : B217868 | Matricule : 2017 2209 115

eCDF entry date :

BALANCE SHEET

Financial year from 01 01/01/2024 **to** 02 31/12/2024 *(in* 03 EUR)

Aroundtown SA

37, Boulevard Joseph II
L-1840 Luxembourg

ASSETS

		Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101		101		102	
I. Subscribed capital not called	1103		103		104	
II. Subscribed capital called but unpaid	1105		105		106	
B. Formation expenses	1107	Note 4	107	166.997,65	108	1.870.133,58
C. Fixed assets	1109		109	15.532.594.926,36	110	18.559.528.230,30
I. Intangible assets	1111		111		112	
1. Costs of development	1113		113		114	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		115		116	
a) acquired for valuable consideration and need not be shown under C.I.3	1117		117		118	
b) created by the undertaking itself	1119		119		120	
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		121		122	
4. Payments on account and intangible assets under development	1123		123		124	
II. Tangible assets	1125		125	7.723,00	126	20.395,21
1. Land and buildings	1127		127		128	
2. Plant and machinery	1129		129		130	

RCSL Nr. : B217868 | Matricule : 2017 2209 115

		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131		131	7.723,00	132	20.395,21
4. Payments on account and tangible assets in the course of construction	1133		133		134	
III. Financial assets	1135	Note 5	135	15.532.587.203,36	136	18.559.507.835,09
1. Shares in affiliated undertakings	1137		137	10.297.339.548,25	138	17.668.549.381,87
2. Loans to affiliated undertakings	1139		139	5.235.237.284,66	140	890.873.752,50
3. Participating interests	1141		141		142	
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Investments held as fixed assets	1145		145		146	
6. Other loans	1147	Note 5	147	10.370,45	148	84.700,72
D. Current assets	1151		151	2.900.636.098,76	152	629.787.191,70
I. Stocks	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work in progress	1157		157		158	
3. Finished goods and goods for resale	1159		159		160	
4. Payments on account	1161		161		162	
II. Debtors	1163	Note 6	163	2.080.151.910,72	164	271.257.264,41
1. Trade debtors	1165		165		166	
a) becoming due and payable within one year	1167		167		168	
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171	Note 6	171	1.865.793.673,77	172	31.743.374,46
a) becoming due and payable within one year	1173		173	1.841.491.216,15	174	8.293.363,22
b) becoming due and payable after more than one year	1175		175	24.302.457,62	176	23.450.011,24
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	
4. Other debtors	1183	Note 6	183	214.358.236,95	184	239.513.889,95
a) becoming due and payable within one year	1185		185	214.358.236,95	186	239.513.889,95
b) becoming due and payable after more than one year	1187		187		188	

		Reference(s)		Current year		Previous year
III. Investments	1189		189	145.653.483,76	190	126.401.883,15
1. Shares in affiliated undertakings	1191		191		192	
2. Own shares	1209	Note 7	209	94.312.932,53	210	80.073.972,16
3. Other investments	1195		195	51.340.551,23	196	46.327.910,99
IV. Cash at bank and in hand	1197	Note 8	197	674.830.704,28	198	232.128.044,14
E. Prepayments	1199	Note 9	199	112.125.900,85	200	108.161.034,48
TOTAL (ASSETS)			201	18.545.523.923,62	202	19.299.346.590,06

RCSL Nr. : B217868	Matricule : 2017 2209 115

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301		301	5.383.527.266,19	302	5.196.642.751,29
I. Subscribed capital	1303	Note 10.1	303	15.370.256,09	304	15.370.256,09
II. Share premium account	1305	Note 10.2	305	4.927.327.718,04	306	4.941.504.441,41
III. Revaluation reserve	1307		307		308	
IV. Reserves	1309		309	95.365.987,09	310	81.127.026,72
1. Legal reserve	1311	Note 10.3	311	1.053.054,56	312	1.053.054,56
2. Reserve for own shares	1313	Note 10.4	313	94.312.932,53	314	80.073.972,16
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves, including the fair value reserve	1429		429		430	
a) other available reserves	1431		431		432	
b) other non available reserves	1433		433		434	
V. Profit or loss brought forward	1319	Note 10.5	319	158.641.027,23	320	-87.829.976,61
VI. Profit or loss for the financial year	1321		321	186.822.277,74	322	246.471.003,68
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
B. Provisions	1331		331	2.662,50	332	2.662,50
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335		336	
3. Other provisions	1337		337	2.662,50	338	2.662,50
C. Creditors	1435	Note 11	435	13.161.993.994,93	436	14.102.701.176,27
1. Debenture loans	1437		437	9.598.616.276,91	438	11.210.171.954,39
a) Convertible loans	1439		439		440	
i) becoming due and payable within one year	1441		441		442	
ii) becoming due and payable after more than one year	1443		443		444	
b) Non convertible loans	1445	Note 11.1	445	9.598.616.276,91	446	11.210.171.954,39
i) becoming due and payable within one year	1447		447	1.204.582.541,88	448	125.314.719,83
ii) becoming due and payable after more than one year	1449		449	8.394.033.735,03	450	11.084.857.234,56
2. Amounts owed to credit institutions	1355	Note 11.2	355	140.648.166,20	356	146.513.954,79
a) becoming due and payable within one year	1357		357	1.331.318,13	358	6.616.584,79
b) becoming due and payable after more than one year	1359		359	139.316.848,07	360	139.897.370,00

		Reference(s)		Current year		Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361		361		362	
a) becoming due and payable within one year	1363		363		364	
b) becoming due and payable after more than one year	1365		365		366	
4. Trade creditors	1367	Note 11	367	38.648.456,24	368	25.347.893,93
a) becoming due and payable within one year	1369		369	38.648.456,24	370	25.347.893,93
b) becoming due and payable after more than one year	1371		371		372	
5. Bills of exchange payable	1373		373		374	
a) becoming due and payable within one year	1375		375		376	
b) becoming due and payable after more than one year	1377		377		378	
6. Amounts owed to affiliated undertakings	1379	Note 11.3	379	3.373.706.716,18	380	2.720.332.908,72
a) becoming due and payable within one year	1381		381	829.187.819,14	382	761.712.725,20
b) becoming due and payable after more than one year	1383		383	2.544.518.897,04	384	1.958.620.183,52
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385		386	
a) becoming due and payable within one year	1387		387		388	
b) becoming due and payable after more than one year	1389		389		390	
8. Other creditors	1451	Note 11	451	10.374.379,40	452	334.464,44
a) Tax authorities	1393		393	10.321.083,36	394	278.468,99
b) Social security authorities	1395		395	53.296,04	396	55.995,45
c) Other creditors	1397		397		398	
i) becoming due and payable within one year	1399		399		400	
ii) becoming due and payable after more than one year	1401		401		402	
D. Deferred income	1403		403		404	
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	18.545.523.923,62	406	19.299.346.590,06

Annual Accounts Helpdesk :

Tel. : **(+352) 247 88 494**
Email : **centralebilans@statec.etat.lu**

RCSL Nr. : B217868	Matricule : 2017 2209 115
	eCDF entry date :

PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2024 **to** 02 31/12/2024 *(in* 03 EUR)

Aroundtown SA

37, Boulevard Joseph II
L-1840 Luxembourg

		Reference(s)		Current year		Previous year
1. Net turnover	1701		701		702	
2. Variation in stocks of finished goods and in work in progress	1703		703		704	
3. Work performed by the undertaking for its own purposes and capitalised	1705		705		706	
4. Other operating income	1713		713		714	
5. Raw materials and consumables and other external expenses	1671		671	-15.091.590,09	672	-9.811.408,00
a) Raw materials and consumables	1601		601		602	
b) Other external expenses	1603	Note 12	603	-15.091.590,09	604	-9.811.408,00
6. Staff costs	1605		605	-593.180,08	606	-503.642,60
a) Wages and salaries	1607		607	-531.778,70	608	-444.496,05
b) Social security costs	1609		609	-41.687,12	610	-55.762,13
i) relating to pensions	1653		653	-41.687,12	654	-34.824,21
ii) other social security costs	1655		655		656	-20.937,92
c) Other staff costs	1613		613	-19.714,26	614	-3.384,42
7. Value adjustments	1657		657	-1.717.230,19	658	-2.452.707,74
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	Note 4	659	-1.717.230,19	660	-2.452.707,74
b) in respect of current assets	1661		661		662	
8. Other operating expenses	1621	Note 13	621	-22.839.039,79	622	-25.125.191,12

RCSL Nr. : B217868	Matricule : 2017 2209 115

		Reference(s)		Current year		Previous year
9. Income from participating interests	1715	Note 14	715	471.972.065,89	716	543.586.612,11
a) derived from affiliated undertakings	1717		717	471.972.065,89	718	543.586.612,11
b) other income from participating interests	1719		719		720	
10. Income from other investments and loans forming part of the fixed assets	1721		721		722	
a) derived from affiliated undertakings	1723	Note 15	723	292.620.792,00	724	23.120.079,00
b) other income not included under a)	1725		725		726	
11. Other interest receivable and similar income	1727	Note 15	727	123.657.220,46	728	348.161.991,07
a) derived from affiliated undertakings	1729		729	1.871.368,71	730	30.197.770,89
b) other interest and similar income	1731		731	121.785.851,75	732	317.964.220,18
12. Share of profit or loss of undertakings accounted for under the equity method	1663		663		664	
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	Note 16	665	-36.219.416,56	666	-193.987.593,25
14. Interest payable and similar expenses	1627	Note 17	627	-614.962.528,90	628	-436.481.195,79
a) concerning affiliated undertakings	1629		629	-222.130.977,97	630	-85.512.697,30
b) other interest and similar expenses	1631		631	-392.831.550,93	632	-350.968.498,49
15. Tax on profit or loss	1635	Note 23	635	-10.000.000,00	636	
16. Profit or loss after taxation	1667		667	186.827.092,74	668	246.506.943,68
17. Other taxes not shown under items 1 to 16	1637	Note 23	637	-4.815,00	638	-35.940,00
18. Profit or loss for the financial year	1669		669	186.822.277,74	670	246.471.003,68

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024

Note 1. General

Aroundtown SA (the "Company" or "Aroundtown") was incorporated in the Grand Duchy of Luxembourg on September 13, 2017 as a "Société Anonyme" (public limited liability company) in accordance with the Luxembourg Law of August 10, 1915, as amended, on Commercial Companies (the "Law") for an unlimited period of time. Its registered office is at 37 Boulevard Joseph II, L-1840 Luxembourg and the Company is registered with the Régistre de Commerce et des Sociétés du Grand Duché de Luxembourg (the "Luxembourg R.C.S.") under number B217868.

Aroundtown is a holding company which holds, via subsidiaries and affiliates (together: "Aroundtown Group" or "the Group"), real estate assets with a focus on income generating quality properties with value-add potential in central locations in top tier Europe cities, primarily in Germany and the Netherlands. The Aroundtown Group invests primarily in commercial and residential real estate which benefits from strong fundamentals and growth prospects.

The Company`s financial year begins on 1 January and ends on 31 December of each year.

The Company's object is (i) the acquisition, sale, administration, operation, letting or renting, in any form by any means, whether directly or indirectly, of any real estate assets in both the Grand Duchy of Luxembourg and abroad; (ii) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, shares, rights and interests in, and obligations of, Luxembourg and foreign companies or other assets including but not limited to real estate assets; (iii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, bonds, debentures, notes and other securities or financial instruments of any kind (including notes, shares or units issued by Luxembourg or foreign investment funds or similar undertakings) and receivables, claims or loans or other credit facilities and agreements or contracts relating thereto; (iv) the acquisition and holding of interests, directly or indirectly, in any form whatsoever, in any Luxembourg or foreign entities, by way of, among others, the subscription or the acquisition of any securities and/or rights through participation, contribution, underwriting, firm purchase or option, patents, service marks, trademarks licenses and other commercial or intellectual property rights, negotiation or in any other way; and (v) the ownership, administration, development and management of a portfolio of assets or interests (including, among other things, the assets and interests referred to in (i) through (iv) above).

The Company may borrow in any form. It may obtain any form of credit facility. The Company may issue bonds, notes, promissory notes, perpetual notes, certificates, shares, beneficiary parts, options, warrants and other debt or equity instruments, convertible or not. It may use financial derivatives or raise funds by any other means.

The Company may use any techniques and instruments to efficiently manage its investments and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks. The Company may enter into, execute and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending or similar transactions.

The Company may also render any assistance, whether by means of financing, administration, marketing or any other kind of service, to its subsidiaries or companies in which it has a direct or indirect interest, even not substantial, and/or any company being a direct or indirect shareholder of the Company and/or any company belonging to the same group as the Company (the "Connected Companies"). For the purposes of this Article, a company shall be deemed to be part of the same group as the Company if such other company directly or indirectly owns, is owned by, is in control of, is controlled by, or is

Note 1. General (continued)

under common control with, or is controlled by a shareholder of, the Company, in each case whether beneficially or as trustee, guardian or other fiduciary. A company shall be deemed to control another company if the controlling company possesses, directly or indirectly, all or substantially all of the share capital of the Company or has the power to direct or cause the direction of the management or policies of the other company, whether through the ownership of voting securities, by contract or otherwise.

The Company may in particular:

- Lend funds including the proceeds of any borrowings or issues of securities to its Connected Companies;
- Enter into any guarantee, pledge or any other form of security, whether by personal covenant or by mortgage or charge upon all or part of the undertaking, property assets (present or future) or by all or any of such methods, for the performance of any contracts or obligations of the Company and of any of the Connected Companies, or any director, manager or other agent of the Company or any of the Connected Companies, within the limits of any applicable law provision;
- Subordinate its claims in favor of third parties to secure the obligations of any Connected Companies; and
- Render administrative and marketing assistance to its Connected Companies.

In addition to the foregoing, the Company may perform all legal, commercial, technical and financial transactions and, in general, all transactions which are necessary or useful to fulfil its corporate object as well as all transactions directly or indirectly connected with its purpose or which may favor its development.

The descriptions of the object of the Company are to be construed broadly and such enumeration is not limiting. The Company's purpose shall include any transaction or agreement which is entered into by the Company unless it is inconsistent with the relevant article in the Company's articles of association.

Pursuant to Section XVI of the amended law of August 10, 1915, the Company also prepares consolidated accounts which are deposited with the Luxembourg R.C.S. and published according to the provisions of Luxembourg law. The Company's accounts are included in the consolidated financial statements of the Group. These Annual accounts are also available at the registered office of the Company or its website (www.aroundtown.de).

Aroundtown's ordinary shares are listed on the Prime Standard of the Frankfurt Stock Exchange and included in the MDAX index of the Deutsche Börse (symbol: ATI).

Aroundtown's credit rating is BBB+ with a negative outlook given by Standard and Poor's (S&P). The rating of BBB+ also applies to the Company's unsecured debt. The Company's subordinated perpetual notes' rating is BBB-.

Note 2. Summary of Significant Accounting Policies

2.1 Basis of presentation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements (Lux GAAP) on a going concern basis and under the historical cost convention.

The accounting and valuation policies applied for the financial year ended December 31, 2024 are determined by the Board of Directors in compliance with the amended Law of December 19, 2002.

The Company has prepared financial statements for the previous financial years up until the financial year ended December 31, 2023 (inclusive) in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. For financial periods starting January 1, 2024, the Board of Directors resolved to change and amend the basis of preparation of the financial statements of the Company to align it with the other group entities in Luxembourg and to enhance efficiencies of preparation, audit and basis for tax implementations and to adopt General Accepted Accounting Principles of Luxembourg (“Lux GAAP”). The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the management of the Company to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and its results fairly.

The annual accounts of the Company are presented in Euro and the accompanying notes in thousands of Euro (KEUR), rounded to the nearest KEUR, unless otherwise stated.

2.2 Foreign currency transactions

The Company maintains its books and records in Euro.

Transactions expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction.

Formation expenses and fixed assets expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction. At the balance sheet date, these items remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the financial year.

Other assets and liabilities are valued individually at the lower and the higher respectively, of their value at the historical exchange rate or their value determined at the exchange rates prevailing at the balance sheet date. Realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation. Only unrealised exchange losses are recorded in the profit and loss account.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account and the net unrealised exchange gains are not recognised.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 2. Summary of Significant Accounting Policies (continued)

2.3 Formation expenses

Formation expenses consist of share capital increase costs, credit facility and bank loan transaction costs and subscription fees for bonds and perpetual notes. They are amortized on a straight-line basis over a period of 5 years or over the lifetime of the related financial facility respectively.

If the financial instruments are repaid, converted, repurchased or redeemed on an earlier date, the related remaining balances of unamortized financing costs are directly fully expensed in the profit and loss account in the year of repayment/repurchase/redemption/conversion.

2.4 Tangible assets

Tangible assets are valued at purchase price including the expenses incidental thereto. They are depreciated over their estimated useful economic lives.

The depreciation rates and methods applied are as follows:

	Depreciation rates	Depreciation method
Other fixtures and fittings, tools and equipment	20-33%	Straight-line

Where the Company considers that a tangible asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reason for which the value adjustments were made have ceased to apply.

2.5 Financial assets

Financial assets comprise Shares in affiliated undertakings, Loans to affiliated undertakings and Other loans which are valued in the accounts at purchase price/nominal value (loans) including the expenses incidental thereto.

In case the Company deems that there is a durable depreciation in value of the financial fixed assets, value adjustments are recorded, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.6 Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.7 Investments

Investments may include transferable securities, own shares, as well as other investments in shares and other securities equivalent to shares and in bonds or other forms of securitized debts.

Own shares are shares that have been reacquired by the Company and are recognized at their acquisition cost, including directly attributable transaction costs.

Transferable securities, own shares as well as other investments are valued at the lower of cost including expenses incidental thereto and calculated on the basis of the FIFO method or market value. A value adjustment is recorded where the market value is lower than the cost of purchase. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply. The market value corresponds to:

Note 2. Summary of Significant Accounting Policies (continued)

a. the last available quoted price in an active market for quoted securities;
b. the fair value estimated with due care and in good faith by the Company based on market and business assumptions.

2.8 Derivatives

Derivative financial instruments include mainly cross currency interest and credit default swaps and forward contracts. Derivatives are initially stated at cost for derivatives purchased. At each balance sheet date, unrealized losses are recognized in the profit and loss account, whereas gains are accounted for when realized. In case of derivative financial instruments used for hedging an asset and/or a liability, unrealized gains or losses are deferred until the recognition of the realized losses or gains on the hedged items, with exception for hedging of interest rate (e.g., using cross-currency swap derivative instruments), whereby the unrealized losses or gains are recognized to reflect the effective interest rate contracted in the hedge agreement.

Commitments on those derivative financial instruments are disclosed in notes 6, 11.4 and 13.

2.9 Prepayments

The asset item includes expenditures incurred during the financial year but relating to subsequent financial year.

Prepayments also include discounts, issuance costs for bonds and perpetual notes and upfront fees for loans. These costs are capitalized and amortized over the period of the facility or recognized in the corresponding financial year, as applicable.

2.10 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges which have their origin in the financial year or in a previous financial year, the nature of which is clearly defined and which at the Balance Sheet date are either likely to be incurred, or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

2.11 Creditors

Creditors are recorded at their nominal value.

Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is amortized on a straight-line basis over the period of the debt.

2.12 Income and charges

Income and charges are recorded on the accrual basis of accounting.

2.12.1 Interest income and interest charges

Interest income and interest charges are accrued on a timely basis, by reference to the principal outstanding and at the nominal interest rate applicable, with adjustments, where applicable, pursuant to hedge financial instrument contracts designated for hedging the interest rate.

2.12.2 Dividend income

Dividend income from investments is recognized when the shareholder’s right to receive the payment has been established.

2.13 Taxation

The Company is subject to the general tax regulation applicable to commercial companies in Luxembourg.

2.14 Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to directors and senior management is generally recognized as an expense, with a corresponding increase in provision, over the vesting period of the awards.

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Note 3. Critical accounting estimates

The preparation of the annual accounts and the application of the accounting policies and methods described below require critical accounting estimates that involve judgements and the use of assumptions. By their nature, the assessments necessary for drawing up the annual accounts require the formulation of hypotheses and carry risks and uncertainties as to their occurrence in the future.

Although the Board of Directors believes that it has taken all available information into account in determining these judgements and estimates, the actual future profits and losses from the operations concerned could differ from these estimates and therefore have a material impact on the annual accounts.

The use of estimates mainly concerns the estimation of the recoverable amount of the potentially impaired financial assets.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 4. Formation expenses

Formation expenses consist of share capital increase costs incurred as part of a significant extension of Company's activity:

	2024	**2023**
	KEUR	KEUR
Gross book value - opening balance	**31,774**	**31,774**
Additions for the financial year	-	-
Disposals for the financial year	-	-
Gross book value – closing balance	**31,774**	**31,774**
Accumulated value adjustments - opening balance	**(29,904)**	**(27,467)**
Allocations for the financial year	(1,703)	(2,437)
Reversals for the financial year	-	-
Accumulated value adjustments – closing balance	**(31,607)**	**(29,904)**
Net book value - opening balance	**1,870**	**4,307**
Net book value - closing balance	**167**	**1,870**

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024

Note 5. Financial assets

The movements for the financial year are as follows:

	Affiliated undertakings			
	Shares	**Loans**	**Other loans**	**Total**
	KEUR	KEUR	KEUR	KEUR
Gross book value - opening balance	**17,945,537**	**890,874**	**85**	**18,836,496**
Additions for the financial year	210,474	4,897,573	-	5,108,047
Disposals for the financial year	(7,531,225)	(553,209)	(75)	(8,084,509)
Gross book value – closing balance	**10,624,786**	**5,235,238**	**10**	**15,860,034**
Accumulated value adjustments - opening balance	**(276,988)**	**-**	**-**	**(276,988)**
Allocations for the financial year	(81,719)	-	-	(81,719)
Reversals for the financial year	31,261	-	-	31,261
Accumulated value adjustments - closing balance	**(327,446)**	**-**	**-**	**(327,446)**
Net book value - opening balance	**17,668,549**	**890,874**	**85**	**18,559,508**
Net book value - closing balance	**10,297,340**	**5,235,238**	**10**	**15,532,588**

The Company periodically evaluates the recoverability of its investments in affiliates whenever indicators or impairment are present. Indicators of impairment include items such as declines in revenues, earnings or cash flows or material adverse changes in economic or political stability of the particular country, which may indicate that the carrying amount of an asset is not recoverable in full. If the loss in value is considered durable, a value adjustment is recorded for the investment in affiliates. During the financial year, the Company has concluded to record a value adjustment of KEUR 50,458 (2023: KEUR 213,367), as per the recoverable amount identified.

Loans to affiliated undertakings predominantly correspond to:

Main loans granted to affiliated undertakings were to TLG Immobilien AG, with a balance as at December 31, 2024 of KEUR 337,665 (2023: KEUR 529,500), to Bluestyle Limited, nil (2023: KEUR 65,010), to Aroundtown Limited, nil (2023: KEUR 296,364), and to Aroundtown Real Estate Limited of KEUR 4,897,573 (2023: nil). See also note 15 - Interest on loans granted to affiliated undertakings.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 5. Financial assets (continued)

Significant affiliated undertakings in which the Company holds at least 20% of the share capital as at December 31, 2024 are as follows:

Affiliate	Country	Percentage Holding (%)	Acquisition costs, net of value adjustments	Equity as at December 31, 2024 (***)	Profit (loss) for the year ended December 31, 2024 (***)
			KEUR	KEUR	KEUR
Aroundtown Limited (*) (With registered office at 54B Artemidos & Nikou Demetriou 54B, Scanner Avenue Tower, 6031, Larnaca, Cyprus)	Cyprus	100%	5,783,708	8,008,889	68,821
TLG Immobilien AG (With registered office at Wittestraße 30, Haus F, 13509 Berlin (until 7.3.2025: Alexanderstraße 1, 10178 Berlin))	Germany	88.11%	2,878,839	3,248,389	12,436
Edolaxia Group Limited (**) (With registered office at 54B Artemidos & Nikou Demetriou 54B, Scanner Avenue Tower, 6031, Larnaca, Cyprus)	Cyprus	100%	1,096,007	3,071,026	132,799
Alfortia Limited (With registered office at 54B Artemidos & Nikou Demetriou 54B, Scanner Avenue Tower, 6031, Larnaca, Cyprus)	Cyprus	100%	4,956	109,035	2,878
Bluestyle Limited (With registered office at 54B Artemidos & Nikou Demetriou 54B, Scanner Avenue Tower, 6031, Larnaca, Cyprus)	Cyprus	100%	321,030	438,332	41,213
Aroundtown Holdings B.V. (With registered office at H.J.E. Wenckebachweg 123, 1096AM Amsterdam)	Netherlands	100%	195,286	161,025	19,867
AT Securities B.V. (With registered office at H.J.E. Wenckebachweg 123, 1096AM Amsterdam)	Netherlands	100%	2,000	9,740	(14,140)
Aroundtown Holdings S.à r.l. (37, Boulevard Joseph II, L-1840 Luxembourg)	Luxemburg	100%	10,077	20,966	21,367
ATF Netherlands B.V. (With registered office at H.J.E. Wenckebachweg 123, 1096AM Amsterdam)	Netherlands	100%	2,000	2,826	183
			10,293,903	**15,070,228**	**285,424**

(*) the amount includes investment in Redeemable Preference Shares (“RPS”) in Aroundtown Real Estate Limited, a wholly owned subsidiary of Aroundtown Limited. The RPS carry similar rights as the ordinary shares carry, with the exception that they accumulate their right for dividends, so any future dividend would be first paid to the RPS holders and the remaining part to the ordinary shareholders, pro-rata. The RPS are redeemable at the sole discretion of the issuer.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 5. Financial assets (continued)

(**) as at December 31, 2024, the Company held indirectly, via its holdings in Edolaxia Group Limited, 61.86% in Grand City Properties S.A. ("GCP") (excluding own share of GCP held in treasury) (December 31, 2023: 62.68%).

(***) Based on individual financial information prepared in accordance with IFRS as adopted by the European Union (EU) as of December 31, 2024.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 6. Debtors

Debtors are composed of:

	Within one year	After more than one year	Total December 31, 2024	Total December 31, 2023
	KEUR	KEUR	KEUR	KEUR
Amounts owed by affiliated undertakings	1,841,492	24,302	1,865,794	31,744
Other debtors	214,358	-	214,358	239,514
Total	**2,055,850**	**24,302**	**2,080,152**	**271,258**

Other debtors correspond mainly to Receivables from non-affiliated undertakings amounted to KEUR 200,830 (2023: KEUR 203,495), including a security granted, as detailed in Note 13, amounting to KEUR 200,000;

Amounts owed by affiliated undertakings correspond mainly to:

- Receivables from Aroundtown Real Estate Limited amounted to KEUR 1,831,877 (2023: nil).

Receivables from AOE Inv. & Management S.à r.l. amounted to KEUR 24,403 (2023: KEUR 22,697).

Note 7. Own shares

As at December 31, 2024, the Company held 32,287,892 of own shares (2023: 32,287,892 own shares) having carrying amount of KEUR 94,313 (2023: KEUR 80,074). No own shares were acquired during the year.

The own shares held in treasury by the Company and the Company's wholly owned affiliates are suspended from voting and dividend rights. In other cases, shares held in treasury are also suspended from voting rights but entitled to dividends.

Movements in own shares are detailed as follows:

	Number of shares	Cost	Value adjustment	Net value
		KEUR	KEUR	KEUR
Opening balance as at January 1, 2024	**32,287,892**	**161,536**	**(81,462)**	**80,074**
Movements	-	-	14,239	14,239
Closing balance as at December 31, 2024	**32,287,892**	**161,536**	**(67,223)**	**94,313**

The own shares held represent 2.10% of the Company's subscribed capital as of December 31, 2024.

Note 8. Cash at bank and in hand

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

The Company holds its cash at bank and in hand with highly-rated (mostly between A- to A by the leading global rating agencies) banks and financial institutions. Concentration risk is mitigated by not limiting the exposure to a single counter party.

The composition of cash and cash equivalents was as follows:

	2024 KEUR	2023 KEUR
Cash at banks	347,374	77,004
Cash deposits of up to three months	327,457	155,124
Total	**674,831**	**232,128**

None of the cash at bank and in hand items are restricted.

Note 9. Prepayments

Prepayments are mainly composed of discounts and issuance costs for bonds and perpetual notes and upfront fees for loans, for a total amount of KEUR 112,126 (2023: KEUR 108,161). These costs are amortized over the period of the facility. As at December 31, 2024, the Company has recorded under prepayments KEUR 252 (2023: KEUR 119) of prepaid operating expenses related to the following financial year.

Note 10. Capital and reserves

Note 10.1. Subscribed capital

As at December 31, 2024 and December 31, 2023, the subscribed capital amounts to KEUR 15,370 and is divided into 1,537,025,609 shares fully paid up ordinary shares, each with a nominal value of EUR 0.01. The authorized share capital of the Company amounts to KEUR 30,000 and is divided into 3,000,000,000 ordinary shares, each with a nominal value of EUR 0.01.

There was no movement in the subscribed capital of the Company during the financial year.

Note 10.2. Share premium

The share premium was derived directly from the capital increases that took place since the date of incorporation and from conversion of the convertible bonds into ordinary shares and can be distributed at any time.

On March 26, 2024, The board of directors of the Company has decided not to recommend a dividend payment for 2023 financial year at the Company's annual general meeting, following the increase in macro-economic and capital markets uncertainty and volatility. The decision not to pay was officially accepted by the annual general meeting that took place on June 26, 2024.

Note 10.3. Legal reserve

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As at December 31, 2024, the legal reserve amounted to KEUR 1,053 (2023: KEUR 1,053).

Note 10.4. Reserve for own shares

The Company created a non-distributable reserve ("Reserve for own shares") for an amount of KEUR 94,313 (2023: KEUR 80,074). Refer to Note 7. for information on own shares held by the Company.

Note 10.5. Movements in the reserves and profit or loss items

	Legal reserve KEUR	Reserve for own shares KEUR	Profit or (loss) brought forward KEUR	Profit for the financial year KEUR
Opening balance as at 1 January 2024	**1,053**	**80,074**	**(87,830)**	**246,471**
Movement for the year:				
- Allocation of previous year's profit	-	-	246,471	(246,471)
- Profit for the financial year	-	-	-	186,822
- Other movements	-	14,239	-	-
Closing balance as at 31 December 2024	**1,053**	**94,313**	**158,641**	**186,822**

Note 11. Creditors

Amounts shown under "Creditors" are as follows:

	Note	Within one year KEUR	After more than one year KEUR	Total 2024 KEUR	Total 2023 KEUR
Non-convertible loans	11.1	1,204,583	8,394,034	9,598,617	11,210,172
Amounts due to credit institutions	11.2	1,331	139,317	140,648	146,514
Trade creditors		38,648	-	38,648	25,348
Amounts owed to affiliated undertakings	11.3	829,188	2,544,519	3,373,707	2,720,333
Other creditors		10,374	-	10,374	334
Total		**2,084,124**	**11,077,870**	**13,161,994**	**14,102,701**

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 11.1. Non-convertible loans

Non-convertible loans are detailed as follows:

	2024	2023
	KEUR	KEUR
Bonds	8,566,968	8,564,386
Perpetual notes	910,926	2,521,178
Interest payable for bonds and perpetual notes	110,861	128,021
Derivative instruments	(13,014)	(9,350)
Other liabilities	22,876	5,937
Total	**9,598,617**	**11,210,172**

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 11.1. Non-convertible loans (continued)

Set out below is an overview of the Company's bonds as at December 31, 2024 and December 31, 2023:

Series	Note	Currency	Nominal amount in original currency as at 31.12.2024	Nominal amount in original currency as at 31.12.2023	Coupon rate (p.a.)	Contractual maturity	Carrying amount in EUR as at 31.12.2024	Carrying amount in EUR as at 31.12.2023
			ccy million	MEUR			KEUR	KEUR
Series H	(a) (b) (c)	USD	400.0	400.0	1.365	03/2032	372,440	372,440
Series I	(*)	EUR	178.9	206.9	1.88	01/2026	178,900	206,900
Series J	(b) (c) (l)	GBP	483.5	483.5	1.48	10/2029	578,842	556,312
Series K	(*)	EUR	266.3	478.9	1.00	01/2025	266,300	478,900
Series L	(b) (c) (e)	USD	150.0	150.0	4.846	02/2038	125,156	125,156
Series M	(c)	CHF	239.8	239.8	0.73	01/2025	213,075	213,075
Series N	(*)	EUR	795.0	800.0	1.63	01/2028	795,000	800,000
Series O		EUR	296.8	296.8	2.0	11/2026	296,800	296,800
Series P	(c) (f), (*)	AUD	-	202.0	1.244%+ Euribor (6M)	05/2025	-	128,290
Series R	(b) (c) (g), (*)	CAD	62.4	181.8	3.00	09/2025	40,362	117,531
Series T	(h)	EUR	150.0	150.0	3.00	09/2030	150,000	150,000
Series U		EUR	75.0	75.0	2.97	09/2033	75,000	75,000
Series V		EUR	50.0	50.0	2.7	10/2028	50,000	50,000
Series W		EUR	76.0	76.0	3.25	11/2032	76,000	76,000
Series X	(c)	CHF	99.8	99.8	1.72	03/2026	91,515	91,523
Series NOK	(a) (b) (c)	NOK	750.0	750.0	0.818	07/2027	79,316	79,316
Series 27	(*)	HKD	-	430.0	1.62	03/2024	-	48,325
Series 28	(b) (c) (i), (*)	USD	496.5	540.8	5.167	03/2029	438,483	477,562
Series 29	(b) (c) (j)	NOK	1735.0	1,735.0	3.00	03/2029	179,032	179,032
Series 30	(b) (c) (k), (*)	GBP	387.7	388.7	3.00	04/2031	454,171	455,342
Series 31	(c)	JPY	7,000.0	7,000.00	1.42	05/2029	61,253	61,253
Series 32	(*)	EUR	518.2	603.8	0.63	07/2025	518,200	603,800
Series 33		EUR	600.0	600.0	1.45	07/2028	600,000	600,000
Series 34	(b) (c)	NOK	500.0	500.0	1.055	07/2025	45,923	46,629
Series 36	(*)	EUR	475.5	519.5	1.50	05/2026	475,500	519,500

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Series	Note	Currency	Nominal amount in original currency as at 31.12.2024	Nominal amount in original currency as at 31.12.2023	Coupon rate (p.a.)	Contractual maturity	Carrying amount in EUR as at 31.12.2024	Carrying amount in EUR as at 31.12.2023
			ccy million	MEUR			KEUR	KEUR
Series 38		EUR	727.8	727.8	0.00	07/2026	727,800	727,800
Series 39		EUR	1027.9	1027.9	0.375	04/2027	1,027,900	1,027,900
Series 40	(d)	EUR	650.0	-	4.80	07/2029	650,000	-
Total							**8,566,968**	**8,564,386**

(a) coupon and principal are linked to Consumer Price Index (CPI) through derivative instruments

(b) effective coupon in euro

(c) the Company hedged the currency risk of the principal amount until maturity

(d) In July 2024, the Company successfully completed the placement of EUR 650 million nominal value series 40 bonds for a net price of ca. 97.1% of its nominal value, maturing in July 2029 and carrying a 4.8% annual coupon. The bonds were issued under the EMTN Programme

(e) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a., semi-annually until Q1-2023, and 1.78% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The Company fixed the variable interest to 4.846% p.a. from April 2024 until February 2028

(f) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.605% p.a., semi-annually until Q2-2023, and 1.244% p.a. plus Euribor (6M), semi-annually for the following years until maturity (and eventually early repayment)

(g) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.7% p.a., semi-annually until Q3-2023, and 2.72% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The company fixed the variable interest to 3.0% p.a. from March 2024 until maturity

(h) the Company hedged the interest rate risk, the effective annual euro coupon is 2.0% until Q3-2023, and a semi-annual coupon of 2.266% p.a. plus Euribor (6M) for the following years until maturity. The Company fixed the variable interest to 3.0% p.a. from March 2024 until September 2027

(i) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a., semi-annually until Q1-2023, and 2.636% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The Company fixed the variable interest to 5.167% p.a. from March 2024 until March 2026

(j) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a. until Q1-2023,

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

and 2.52% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The Company fixed the variable interest to 3.0% p.a. from March 2024 until maturity

(k) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a. until Q2-2023, and 2.11% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The Company fixed the variable interest to 3.0% p.a. from April 2024 until April 2028

(l) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.48% p.a. from July 2024 until maturity

(*) Buyback and redemption of bonds

During the year, the Company bought back some of its straight bonds. Set forth are the amounts bought back and redeemed upon maturity during the year 2024:

Straight bond	**Currency**	**Contractual maturity**	**Nominal value bought back**		**Outstanding nominal value as at December 31, 2024**
			in millions (original currency)	**in EUR millions**	**in millions (original currency)**
Series 27	HKD	03/2024	430.0	48.3	Fully redeemed
Series K	EUR	01/2025	212.6	212.6	266.3
Series P	AUD	05/2025	202.0	127.3	Fully redeemed
Series 32	EUR	07/2025	85.6	85.6	518.2
Series R	CAD	09/2025	119.4	78.5	62.4
Series I	EUR	01/2026	28.0	28.0	178.9
Series 36	EUR	05/2026	44.0	44.0	475.5
Series N	EUR	01/2028	5.0	5.0	795.0
Series 28	USD	03/2029	44.3	39.2	496.5
Series 30	GBP	04/2031	1.0	1.2	387.7
Total nominal value bought-back /redeemed				**669.7**	

Note 11.1. Non-convertible loans (continued)

Main security, pledge and negative pledge as defined in the bonds' term and conditions

This note provides an overview of certain covenants of the Company under its series of bonds (other than the perpetual notes, which do not contain financial covenants) which are outstanding as at December 31, 2024. The complete terms and conditions of each series of bonds are set forth in the relevant bond documentation. Capitalised terms used in this note have the meanings set forth in the terms and conditions of the relevant series of bonds.

Save for one of the Company's outstanding series of bonds (Series 36), which contains a similar provision, the Company undertakes that it will not, and will procure that none of its Subsidiaries will, up to (and including) the Final Discharge Date, incur any Indebtedness (other than any Refinancing Indebtedness) if, immediately after giving effect to the incurrence of such additional Indebtedness and the application of the net proceeds of such incurrence: the sum of:

a) (i) the Consolidated Indebtedness (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date would exceed 60 per cent. (depending on the relevant series of bonds) of the sum of (without duplication): (i) the Total Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the value of all assets acquired or contracted for acquisition by the Group as determined at the relevant time in accordance with IFRS and the accounting principles applied by the Company in the latest Financial Statements as certified by the auditors of the Company since the Last Reporting Date (or, as the case may be, the purchase price of any Real Estate Property acquired or contracted for acquisition by the Group since the Last Reporting Date); and (iii) the proceeds of any Indebtedness incurred since the Last Reporting Date (but only to the extent that such proceeds were not used to acquire Real Estate Property or to reduce Indebtedness); and

b) (i) the Consolidated Secured Indebtedness (excluding the GCP Series E Bonds, as the case may be, and in each case less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Secured Indebtedness (excluding the GCP Series E Bonds, as the case may be, and in each case less Cash and Cash Equivalents) incurred since the Last Reporting Date shall not exceed 45 per cent. of the sum of (without duplication): (i) the Total Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; (ii) the value of all assets acquired or contracted for acquisition by the Group as determined at the relevant time in accordance with IFRS and the accounting principles applied by the Company in the latest Financial Statements as certified by the auditors of the Company since the Last Reporting Date (or, as the case may be, the purchase price of any Real Estate Property acquired or contracted for acquisition by the Group since the Last Reporting Date); and (iii) the proceeds of any Indebtedness incurred since the Last Reporting Date (but only to the extent that such proceeds were not used to acquire Real Estate Property or to reduce Indebtedness).

Note 11.1. Non-convertible loans (continued)

In most of the Company's outstanding series of bonds (excluding Series 36), the Company undertakes that the sum of: (i) the Unencumbered Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Unencumbered Assets (less Cash and Cash Equivalents) newly recorded since the Last Reporting Date will at no time be less than 125 per cent. of the sum of: (i) the Unsecured Indebtedness (less Cash and Cash Equivalents) at the Last Reporting Date; and (ii) the Net Unsecured Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date.

The Company undertakes that, on each Reporting Date, the Interest Coverage Ratio will be at least 1.8 (excluding one series of standalone bonds, for which the Consolidated Coverage Ratio will be at least 2.0).

Save for two of the Company's series of bonds, which contains similar provisions, the Company's outstanding series of bonds contain a customary negative pledge clause that prohibits the Company, so long as any of the Senior Notes remain outstanding, from creating or having outstanding any Security Interest (other than a Permitted Security Interest) upon any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Capital Markets Indebtedness, unless the Company promptly takes any and all action necessary to ensure that:

(i) all amounts payable by it under the Senior Notes and the Trust Deed are secured by the Security Interest equally and rateably with the Capital Markets Indebtedness to the satisfaction of the Trustee; or

(ii) such other Security Interest or other arrangement is provided either (i) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Senior Noteholders or (ii) as is approved by an Extraordinary Resolution of the Senior Noteholders.

The exposure of the Company to interest rate risk in relation to financial instruments is reported in note 24 to the annual accounts. There have been no breaches in covenants during the year and up to the date of approval of these annual accounts.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

11.1 Non-convertible loans (continued)

Set out below is an overview of the Company's perpetual notes as at December 31, 2024 and December 31, 2023:

Issuer	Note	Currency	Nominal amount in original currency as at 31.12.2024	Nominal amount in original currency as at 31.12.2023	Annual coupon rate until next reset date	First call date	Next reset margin	Carrying amount in EUR as at 31.12.2024	Carrying amount in EUR as at 31.12.2023
			KEUR	KEUR				KEUR	KEUR
Aroundtown SA	(e) 11.1.1	EUR	93,700	394,500	4.542	01/2025	2.250+5Y Mid-Swap	93,700	394,500
Aroundtown SA	(a) (b) (c) 11.1.1	GBP	19,319	400,000	6.850	06/2025	4.627+5Y Mid-Swap	21,631	447,878
Aroundtown SA	(d) 11.1.1	EUR	155,300	600,000	6.193	12/2025	4.230+5Y Mid-Swap	155,300	600,000
Aroundtown SA	(d) 11.1.1	EUR	61,495	500,000	2.875	01/2025	3.460+5Y Mid-Swap	61,495	500,000
Aroundtown SA		EUR	578,800	578,800	1.625	04/2026	2.419+5Y Mid-Swap	578,800	578,800
Total								**910,926**	**2,521,178**

The issuer of the perpetual notes may, at its sole discretion, elect to defer the payment of coupons on the notes. These unpaid coupons arrears must be paid by the issuer upon the occurrence of certain events, including but not limited to dividends, distributions or other payments made to instruments such as the Company's ordinary shares, which rank junior to the perpetual notes. Any such deferred amounts shall not be compounded. The principal value of the notes may be redeemed at the issuer's sole discretion and on certain dates as detailed above under "First call date". If the Company decides not to redeem a perpetual note, the annual coupon rates for following periods are updated according to the "Next reset margin" (updated on the First call date and every 5 years from that date when the perpetual note is not called by the Company). The next possible call date shall be in each subsequent year of the Next call date.

(a) effective euro coupon rate using cross-currency swap the euro amount is based on the historical rate as of placement of the notes
(b) the euro amount is based on the historical rate as of placement of the notes
(c) in May 2024, a resolution was made for the Company's £20.4 million outstanding nominal value (after the Perpetual Notes Offers described in note 11.1.1, nominal value of £19.3 million was left outstanding) of its 4.75% perpetual notes with first call date on June 25, 2024 (the "GBP Notes"). As stipulated in the terms and conditions of the GBP Notes, the coupon rate starting from June 2024 was set to be at 5-year Mid-Swap rate plus margin of 4.377% p.a. (total coupon rate of 8.521% p.a., subsequently swapped into 6.85% p.a. on a fixed euro notional amount) with the next coupon rate reset date in June 2029.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 11.1 Non-convertible loans (continued)

(d) In November 2024, the Company announced the decision not to voluntarily redeem its EUR 155.3 million and EUR 61.5 million outstanding nominal value of its 3.375% and 2.875% perpetual notes with first call date on December 23, 2024, and January 12, 2025, respectively (the “EUR Notes”). As stipulated in the terms and conditions of these EUR Notes, the coupon rate starting from December 2024 and January 2025 was set to be at 5-year Mid-Swap rate plus margin of 3.98% p.a. (total coupon rate of 6.193%) and 5-year Mid-Swap rate plus margin of 3.46% p.a. (total coupon rate of 5.871%), with the next coupon rate reset date in December 2029 and January 2030, respectively.

(e) on December 13, 2023, the Company announced its decision not to exercise the option to voluntarily call the 2.125% perpetual note series in January 2024. Consequently, as from January 17, 2024, the perpetual note series bears annual coupon with an increased rate of 4.542% (equal to 2.0% + 5-year Mid-Swap as of the reset date). The next call date by the Company’s discretion and the next reset margin shall be in January 2025 and 2.25% + 5-year Mid-Swap, respectively

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 11.1.1 Exchange and tender offers

In April 2024, following resolutions taken by the Board of Directors of the Company, the Company, executed voluntary exchange and tender offers (the "April Offers") to the holders of a total of four outstanding perpetual notes that were not called in 2023 and 2024, and for those with first call dates approaching in the next 12 months.

Under the April Offers, holders of the relevant existing perpetual notes had the opportunity to exchange existing eligible holdings to one of either:

(i) new perpetual notes at a relevant exchange ratio and a cash amount for participating in the exchange; or
(ii) new perpetual notes at a relevant exchange ratio, a cash amount for participating in the exchange, and 15-20% redemption of their exchanged notes for cash at discount forming a small premium over the market prices prevailing prior to the April Offers.

In September 2024, another exchange and tender offer (the "September Offers", and together with April Offers – the "Perpetual Notes Offers") was executed by the Company, under which the holders could choose between:

(i) new perpetual notes at a relevant exchange ratio; or
(ii) new perpetual notes at a relevant exchange ratio, and 20% redemption of their exchanged notes for cash at discount forming a small premium over the market prices prevailing prior to the September Offers.

Set out below are the Perpetual Notes Offers' results:

Perpetual notes series tendered	Original currency	Principal amount outstanding prior to the Perpetual Notes Offers	Principal amount accepted	Thereof principal amount redeemed at discount	Principal amount accepted	Thereof principal amount redeemed at discount
(ISIN)		(in millions of original currency)			(in EUR millions)	
XS2055106210	EUR	600.0	443.7	24.8	443.7	24.8
XS1752984440	EUR	394.5	300.8	21.4	300.8	21.4
XS2027946610	EUR	500.0	438.2	44.0	438.2	44.0
XS2017788592	GBP	400.0	380.7	34.9	426.2 (*)	39.1 (*)
Total principal amount accepted in the Perpetual Notes Offers and of which redeemed at discount (in EUR millions):					1,608.9	129.3

(*) exchanged / redeemed nominal values at historical rate as of original placement of the notes

The Perpetual Notes Offers resulted in a high average acceptance rate of c.a. 83% of the tendered nominal values (being ca. EUR 1.6 billion aggregate nominal value of existing perpetual notes). Consequently, the Company's wholly owned affiliates issued EUR 2.1 billion of new perpetual notes across 4 different series (for which the Company acts as guarantor; see also note 21) with extended dates for reset of margins when not called by the Company.

Note 11.2. Amounts due to credit institutions

On July 11, 2022 the Company entered into a Term Facility Agreement amounting to KEUR 140,000 from Industrial and Commercial Bank of China Ltd., Luxembourg Branch (“ICBC loan” or the “loan”).

Amounts due to credit institutions include mainly loan with a principal amount of KEUR 140,000 (2023: KEUR 140,000). The loan bears interest rate of 2% (modified in October 2024 from rate of 0.75% + Euribor 6M) and has the maturity in 2028. The accumulated interest is payable within one year, and amounts to KEUR 1,331 (2023: KEUR 3,034).

Moreover, the Company has revolving credit facilities (RCF) from various financial institutions in a volume of KEUR 775,000 (2023: KEUR 675,000), none are drawn down as at December 31, 2024.

The main terms and conditions, including covenants, pledge, and negative pledge of the ICBC loan and the RCF, are similar to those of the bonds detailed in Note 11.1, with relevant adjustments.

Note 11.3. Amounts owed to affiliated undertakings

Amounts owed to affiliated undertakings are detailed as follows:

	2024	**2023**
	KEUR	KEUR
Loans from affiliated undertakings and interest payable related thereto	3,368,379	2,709,942
Other liabilities towards affiliated undertakings	5,328	10,391
Total	**3,373,707**	**2,720,333**

Loans obtained from affiliated undertakings have an average interest rate of 6.2% p.a. as at December 31, 2024 (2023: 4.9%) and mature between 2026-2030 (2023: 2025-2044).

Note 11.4 Derivative financial instruments

The Company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risk, associated with its straight bonds and has entered swap and cross-currency swap agreements ("CCS") as detailed below. Moreover, the Company acquired forward derivatives to hedge its exposure to foreign currency across its subsidiaries. The carrying amount of the derivative instruments represents the unrealized effect on hedging the interest rate of the underlying hedged bond or the unrealized loss if no hedged item is concerned:

Risk(s) hedge	Hedging instrument	Hedged item	Currency	Maturity	Carrying amount as at December 31, 2024	Carrying amount as at December 31, 2023
					in KEUR	in KEUR
Foreign currency	CCS	Bond series H	USD	2032	12,280	10,353
Foreign currency and interest rate	CCS	Bond series J	GBP	2029	1,819	-
Foreign currency	CCS	Bond series NOK	NOK	2027	449	562
Foreign currency and interest rate	CCS	Bond series L	USD	2038	111	(262)
Foreign currency and interest rate	CCS	Bond series P	AUD	Unwind	-	(380)
Foreign currency and interest rate	CCS	Bond series R	CAD	2025	176	(765)
Interest rate	Swap	Bond series T	EUR	2030	280	(1,335)
Foreign currency	CCS	Bond series 27	HKD	Unwind	-	853
Foreign currency and interest rate	CCS	Bond series 28	USD	2029	3,330	(836)
Foreign currency and interest rate	CCS	Bond series 29	NOK	2029	3,611	2,173
Foreign currency and interest rate	CCS	Bond series 30	GBP	2031	1,132	5,314
Foreign currency	CCS	Bond series 34	NOK	2025	434	465
Foreign currency and interest rate	Forwards, IRS and other CCS			2025-2029	(10,608)	(6,792)
					13,014	**9,350**

Note 12. Other external expenses

Other external expenses are detailed as follows:

	2024	**2023**
	KEUR	KEUR
Professional fees	(6,142)	(7,670)
Bank fees	(5,926)	(463)
Audit fees	(1,562)	(771)
Administrative expenses	(448)	(330)
Advertising and marketing expenses	(584)	(577)
Total	**(15,092)**	**(9,811)**

Professional fees include the cost of legal, insurance, consultancy and other similar professional services. Professional fees include services rendered by related parties amounting to KEUR 1,404 (2023: KEUR 668).

Audit fees include the following services rendered by KPMG Audit S.à. r.l as the “réviseur d’entreprises agréé” of the Company:

	2024	**2023**
	KEUR	KEUR
Audit services	(1,331)	(685)
Audit related services	(197)	(56)
Tax services	(34)	(29)
Total	**(1,562)**	**(771)**

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 13. Other operating expenses

As part of the share-to-share voluntary takeover offer the Company has made to the shareholders of TLG in February 2020, the Company and an existing shareholder of TLG, not a related party of the Company (the "Investor") entered into an agreement (the "Agreement"), pursuant to which the Investor has agreed to refrain from tendering ca. 12 million TLG shares (the "Custody Shares") in the voluntary takeover offer or to dispose of them in the absence of the Company's consent in a due time and no sooner than 34 months after entering the Agreement ("Minimum period"). As a consideration for such undertaking, the Investor has been entitled to receive for the period it holds the Custody Shares an agreed minimum gross return on the Custody Shares ("Custody Fees") and in the event of a future disposal a preset share price for the Custody Shares. Following the Minimum Period, the Investor has the right to dispose of the Custody Shares. By doing so, the Company committed to indemnify the Investor for any difference between the consideration the Investor receives in such disposal and the preset share price ("PPM Instrument"). To postpone such decision for up to 10 years, the Company has the option to provide an interest-bearing loan, secured by the Custody Shares, in the amount of the preset share price multiplied by the number of Custody Shares. During 2023, the Company made available ca. KEUR 200,000, indirectly backed with the Custody Shares, of which KEUR 200,000 in the form of a collateralized short-term credit default swap, which is presented under Other debtors (note 6). Other operating expenses primarily arise from Custody interest amounting to KEUR 20,489.

Note 14. Income from participating interests

Income from participating interests include dividends received from affiliated undertakings, amounting to KEUR 471,972 (2023: KEUR 543,587).

Dividend income was recorded from the following subsidiaries:

- Aroundtown Limited: KEUR 200,000 (2023: KEUR 400,000)
- TLG Immobilien AG: KEUR 93,270 (2023: KEUR 87,522)
- Aroundtown Holdings B.V.: KEUR 4,200 (2023: KEUR 55,840)
- Keystreet Investments Limited: nil (2023: KEUR 153)
- Aroundtown Real Estate Limited: KEUR 16 (2023: KEUR 72)
- Bluestyle Limited.: KEUR 120,699 (2023: nil)
- Alfortia Limited.: KEUR 29,894 (2023: nil)
- Edolaxia Limited.: KEUR 23,893 (2023: nil)

Note 15. Income from other investments and loans forming part of the fixed assets and Other interest receivable and similar income

Income from other investments and loans forming part of the fixed assets and Other interest receivable and similar income is detailed as follows:

	2024	**2023**
	KEUR	KEUR
Gain on unwinding of derivative financial instruments	23,947	41,220
Interest on loans granted to affiliated undertakings	292,621	23,120
Interest income from deposits	12,499	5,199
Gain on buyback of bonds and perpetual notes	60,105	270,800
Other financial income	27,106	30,943
Total	**416,278**	**371,282**

Note 16. Value adjustments in respect of financial assets and of investments held as current assets

Value adjustments in respect of financial assets and of investments held as current assets are detailed as follows:

	2024	**2023**
	KEUR	KEUR
Impairment of investments in subsidiaries (note 5)	(50,458)	(213,367)
(Impairment) / reversal of impairment of own shares (note 7)	14,239	19,379
Total	**(36,219)**	**(193,988)**

Note 17. Interest payable and similar expenses

Other interest payable and similar expenses is detailed as follows:

	2024	**2023**
	KEUR	KEUR
Financial costs with bonds and perpetual notes	334,691	294,634
Loss on buyback of bonds and perpetual notes	21,004	5,832
Interest for loans received from affiliated undertakings	192,952	85,513
Interest for bank loans and current bank accounts	8,750	9,989
Loss on unwinding of derivative financial instruments	9,878	10,741
Other financial expenses	47,687	29,772
Total	**614,962**	**436,481**

Financial costs with bonds and perpetual notes include the interest expense, as well as the amortization of discounts and issuance costs of these instruments.

Note 18. Related party transactions

Related party balances and transactions are presented in notes 5, 6, 11, 12, 14, 15, 16 17, 19, 20 and 21.

Note 19. Emoluments granted to the members of the management and supervisory bodies and commitments in respect of retirement pensions for former members of these bodies

The Company has aligned the Board of Directors' and Chief Officers's remuneration package (consisting of base salary, consultancy fees and allowances, as well as short-term bonus and long-term incentive remuneration) with the provisions of the Remuneration Policy of the Company. According to the Remuneration Policy, the variable remuneration, in particular, (consisting of short-term remuneration and long-term remuneration) is tied to the achievement of certain pre-defined performance measures.

As at December 31, 2024, the Board of Directors of the Company has the following structure: two executive directors (2023: two), one non-executive director (2023: one), and four independent directors (2023: four).

The total remuneration for the members of the Board of Directors amounted to KEUR 1,976 (2023: KEUR 1,613).

Incentive share plan

The Board of Directors is authorized to issue up to 8.5 million shares for an incentive plan for the Board of Directors, key management and senior employees. The incentive plan has up to 4 years vesting period with specific milestones to enhance management long-term commitment to the Company's strategic targets.

The key terms and conditions related to the program are as follows:

Grant date	Number of shares (in thousands)	Contractual life of the incentive
April 2021 – September 2028	4,771	Up to 4 years

The number and weighted-average of shares under the share incentive program and replacement awards were as follows:

	2024	**2023**
	Thousand shares	
Outstanding on January 1	3,636	2,552
Granted during the year	1,471	2,620
Exercised during the year (*)	(336)	(1,536)
Outstanding on December 31	4,771	3,636

*in accordance with the terms and conditions of the incentive plan, 455 thousand shares (2023: 403 thousand) were delivered from the Company's treasury (held by a subsidiary of the Company) to employees across the Aroundtown Group, and the rest amounts were either settled in cash or cancelled.

Note 20. Advances and loans granted to the members of the management and supervisory bodies

As of December 31, 2024, the Company's wholly owned affiliates have outstanding loans of EUR 7.1 million (2023: EUR 4 million) to the Executive Directors and Chief Officers. The loans are payable from 2025 until 2029 and bear annual accrued interest rate of up to 3% plus Euribor.

Note 21. Off balance sheet financial commitments

The Company granted unconditional and irrevocable guarantees on its wholly owned subsidiaries ATF Netherlands B.V., Aroundtown Finance S.à.r.l and AT Securities B.V.'s obligations and to others in an aggregate amount of up to EUR 2.4 billion. The guarantee to the subsidiaries was granted as part of their issued perpetual notes.

The Company provides a guarantee to a non-related party shareholder for the minimum price of the Custody Shares, as detailed in Note 13, which was estimated at approx. EUR 130 million as of December 31, 2024 (2023: EUR 115 miilion).

Note 22. Staff

The Company employed an average of 6 persons (2023: 5) during the financial year.

Note 23. Taxation

The Company is subject in Luxembourg to the general tax regulations applicable to all companies.

The Company is incorporated and operates in Luxembourg and its subsidiaries and affiliates operate in various other countries, which have enacted new legislation to implement the global minimum top-up tax. The Company is subject to the top-up tax in relation to some of its subsidiaries and affiliates' operations, where the statutory tax rate is below 15 percent. The newly enacted tax legislation is effective since January 1, 2024.

In 2024, Luxembourg announced a reduction in the corporate income tax rates. The tax rate for companies with taxable income up to EUR 175,000 will decrease from 15% to 14%, and for companies with taxable income exceeding EUR 200,000, it will decrease from 17% to 16%. These changes will impact the measurement of deferred tax assets and liabilities, as well as tax provisions. The Company has proactively evaluated the potential effect of these changes and has adjusted its deferred tax balances accordingly for future periods. There is no impact on the 2024 Annual Accounts, as the changes will not apply retroactively. The newly enacted tax legislation will be effective from January 1, 2025 and the new corporation tax rate for Luxembourg companies will be as per the table below:

Taxable income	**Current CIT rate**	**New CIT rate**	**New aggregate rate (CIT and municipal business tax) ***
≤ EUR 175,000	15%	14%	21.73%
EUR 175,000 – 200,000	15% – 17%	14% - 16%	21.73% – 23.87%
≥ EUR 200,001	17%	16%	23.87%

* for taxpayers resident in Luxembourg-City (including the 7% employment fund surcharge)

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 24. Financial risk management

Financial risk factors

The Company is exposed to the following major risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The board of directors is supported by a risk committee that advices on financial risks and the appropriate financial risk governance framework for the Group. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Group's activities.

a. *Market risk*
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises 2 types of risks: interest rate risk and currency risk.

b. *Credit risk*
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including cash and cash equivalents held in banks, derivatives and other financial instruments.

c. *Liquidity risk*
Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of loss. The Company has procedures with the objective of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

Operating risk
Operational risk is the risk that derives from the deficiencies relating to the Company's information technology and control systems as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously.

Other risks
Through ordinary course of business, the Company is exposed to various external risks. The Risk Committee is constantly determining whether the infrastructure, resources, and systems are in place and adequate to maintain a satisfactory level of risk. The potential risks and exposures are related, inter alia, to volatility of interest rate risk, liquidity risks, credit risks, regulatory and legal risks, collection and tenant deficiencies, the need for unexpected capital investments, and market downturn risk.
The Company sets direct and specific guidelines and boundaries to mitigate and address each risk, hedging and reducing to a minimum the occurrence of failure or potential default.

Note 24. Financial risk management (continued)

Geopolitical situation involving Russia and Ukraine

On 24 February 2022, Russia initiated a full-scale invasion of Ukraine and escalating the Russo-Ukrainian War (the War) and hostilities have continued since then. The War has received widespread international condemnation and in reaction to Russian hostilities many nations and organisations, including Germany and the European Union, have announced sanctions against Russia, Russian companies, and individuals in and from Russia. The Group is not directly impacted by the War, as neither its portfolio nor its operations have direct exposure to Ukraine or Russia. However, the Group is impacted by the indirect consequences of the War. As a result of the War, inflationary pressures have increased, specifically heating and energy costs, which have an impact on the operating costs of the Group. Such pressures may also have an impact on the ability of the Group’s tenants to pay rent and/or for the Group to recover expenses related to recoverable expenses from tenants. Furthermore, the increased energy costs have led to a wider inflationary pressure. Higher levels of inflation have impacted interest rates and borrowing costs, while increased volatility in the capital markets have reduced the Group’s ability to raise capital at attractive prices, resulting in an increase in its cost of capital and potentially limiting its growth opportunities. While much of the volatility has reduced and price levels have reduced in recent periods, risk of renewed price volatility remains, which could have negative financial impacts on the Company. As a result of the large number of refugees that have entered the European Union and Germany following the War. This has resulted in an increased strain on the residential real estate market in Germany. This further exacerbates the supply and demand mismatch, increase political pressure for home construction or market intervention. The full effects are currently still unclear and will depend significantly on the duration and final outcome of the War as well as the distribution of refugees across the European Union. While the War is currently limited to Ukraine on one side and Russia and several of its allies on the other, continued escalation may result in other countries joining the conflict and at this stage the Group is unable to assess the full impact of such a scenario on the Company, and the likelihood of its occurrence.

Lingering and/or renewed inflationary risk

In recent years, several consecutive events, such as the COVID pandemic, supply chain disruptions, the high amount of cash injected into the market as a monetary response and the geopolitical situation around Russia and Ukraine, among others, have resulted in a high inflationary environment. Inflationary pressure has been particularly strong in energy prices, in particular for oil and gas, caused by the War, and material prices. While in pressures have eased, risks remain that may result in inflationary pressures increasing once more. This may also result in tenant’s inability to bear the costs that are passed through to them as part of the lease agreements. It cannot be ruled out that losses of rent will occur in the future or that the Group will be unable to collect operating costs from tenants and that the Group will lose considerable rental income. In order to mitigate the risk, the Group continues to provide information to its tenants to support them in reducing their consumption of energy. Higher levels of inflation particularly for energy and materials may have an impact on the Group’s ability to acquire materials for capex measures at a reasonable price and increase utility costs or result in delays across the Group’s operations. Furthermore, higher levels of inflation across the economy may result in higher personnel expenses and expenses related to external services, which could have a negative impact on the Group’s profitability. In addition, higher levels of inflation have resulted in rapid and significant increases in interest rates and consequently resulted in significant volatility in capital markets, which has a negative impact on the cost and availability of new financing for the Group on one hand and have put upward pressure on discount rates and cap rates. While in recent periods the momentum has shifted, renewed interest rate pressures, if prolonged, could consequently have a further adverse impact on the fair value of the Group’s assets and share price performance.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 24. Financial risk management (continued)

Uncertain interest rate environment
In order to battle the increased inflation levels, the European Central Bank has raised interest rate levels rapidly and has declared that it would maintain high interest levels at least until inflation slows down and it reached the desired level. This has led to a significant rise in interest rates in Germany and throughout the Eurozone and led to a decrease in real estate valuations and investments, resulting in lower transaction level and lower demand for real estate, among other effects. Starting mid-2024 the ECB started easing rates, and as a result pressures have eased. However, rates remain above the level seen in recent years and a renewed increase in interest rates could adversely impact the Group's business in a number of ways, including:
The discount and cap rates used to calculate the value of the Group's properties tends to increase in an environment of rising interest rates, which in turn could result in the Group Group's properties having a lower fair value. Although the Group's current debt structure primarily involves debt at fixed interest rates or, where variable interest rates apply, is predominantly subject to interest rate hedging agreements, the increase in interest rates may have a negative impact on the Group's ability to refinance existing debt or incur additional debt on favourable terms. Financial institutions such as banks may seek to reduce their exposure to the real estate sector and also might be subject to increased equity requirements and balance sheet regulations resulting in restraints to lend out money to customers which could make it more difficult for the Group to obtain bank financing at desired terms. In general, rising interest rates (or market expectations regarding future increases in interest rates) would make financing required by the Group for its refinancing, acquisition, capital expenditure and/or other real estate activities more expensive, which could reduce the Group's profits. When negotiating financing agreements or extending such agreements, the Group depends on its ability to agree to terms and conditions that will provide for interest payments that will not impair its profit targets, and for amortisation schedules that do not restrict its ability to pay intended dividends.

Further, the Group may be unable to enter into hedging instruments that may become necessary if variable interest rates are agreed upon or may only be able to do so at significant costs. If the current environment in which high rates prevail will remain for a prolonged period, the Group's financing costs, including costs for hedging instruments, may increase, which would likely reduce the Group's profits. The Group's debt includes a material amount of perpetual notes. Such notes include in their terms a reset of their respective interest rates every five years (reset date), starting from the first call date, based on a specified margin plus a 5-year swap rate (reset rate). If a reset date falls in a period of high interest rates it is likely that such notes will carry a materially higher interest going forward, thereby reducing the profits available to shareholders. Furthermore, the Company generally aims to replace its perpetual notes issues on their first voluntary call date by a new issue. In times of elevated interest rates, the rates that the Company would pay on a new issuance may differ materially from the reset rate, it may therefore be uneconomical for the Company to call the respective notes and issue new notes, as has been the case with its notes with the first call date in January and in October 2023. The willingness of purchasers to acquire real estate in an environment of rising interest rates may be negatively affected, thereby restricting the Group's ability to dispose of its properties on favourable terms when desired. Most purchasers finance their acquisitions with lender provided financing through mortgages and comparable security (in Germany so-called land charges). Lack of availability of such financing at attractive rates therefore reduces demand for properties. Any of the foregoing factors may have a material adverse effect on the Group's business, net assets, financial condition, cash flows and results of operations.

Climate related risks
The significant impact of human activity on ecosystems and the climate have become apparent in recent years. As a result, the Company does not only face changing physical climate risks but also transitional climate risks resulting from changes in investor and consumer demand, from regulatory changes as well as from other societal factors. The Company faces several physical climate-related risks.

Aroundtown SA

Notes to the annual accounts for the financial year ended December 31, 2024 (continued)

Note 24. Financial risk management (continued)

Climate related risks (continued)

The Company actively attempts to identify these risks and implement measures to mitigate the impact of such risks to the Company, for example through insurance. To better understand the Company's exposure to physical risks, the Company has adopted a tool for asset-level assessment of physical risk develop. This analysis will serve the Company in determining which risks are material in order to develop adaptation solutions. Furthermore, increased occurrence of severe weather events will likely result in higher insurance premiums. In addition to physical climate-related risks the Company also faces transitional risks. As a result of the more apparent impact of climate changes in recent years regulators have increased their efforts to mitigate current as well as potential future impacts of climate change through a wide range of Emerging regulations in the Group's regions pursuing a phase-out of fossil fuels and improved energy efficiency present technological risks to the Company which requires careful attention when planning maintenance and capex measures. At the EU level, the EU Council and EU Parliament reached an agreement in December 2023 on the recast of the Energy Performance of Buildings Directive (EPBD) to include new minimum energy performance requirements for buildings that progressively increase over time, although the specific requirements can only be known once national-level implementation commences among member states who will define their own target pathways. Noncompliance with the energy requirements under the new EPBD would result in an inability to let the assets and requires increased capital expenditures to become compliant. The Company continuously monitors changes in regulations and aims to minimise the financial risk through pro-active carbon reduction and energy efficiency policies and programmes. Furthermore, the Group's sustainability strategy incorporates self-set targets for material environmental, social and corporate governance matters (ESG). If any of these self-set ESG goals are not met, this could damage the Group's reputation. Considering the increasing focus of market participants and lenders on sustainability and "green financing", this could have a negative impact on the Group's refinancing and access to further financing, for example, via the capital market or by taking out loans, at all or on attractive terms. If the Group fails to meet expectations and trends related to sustainability aspects in a timely manner or at all, there could be a decline in demand from tenants. Furthermore, this could also lead to investors divesting from the Group's bonds or shares, as they also expect ESG goals to be met. From a regulatory perspective, failure to achieve the sustainability goals may also have a negative impact on the Group. To take on a proactive approach, the Company has developed a CO2 pathway to guide the investment in on-site renewable energy and building energy efficiency improvements needed to achieve it's 2030 emission reduction target while enabling further emission reductions down the line. In order mitigate risks related to CO2 emissions, and in order to reach the Company's environmental targets, the Group is developing an investment program, which covers a wide variety of activities involving both energy efficiency improvements and renewable energy projects. The size and scope of the investment program depends on the availability of governmental subsidies and grants, as is also subject to increasing cost of material. Furthermore, potential new requirements set by the regulators or set as a market standard, could increase the amount the Company would need to invest and potentially accelerate the execution time of the investment program. In 2022, the Company began the process of aligning to the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations framework. Although the TCFD has been disbanded and integrated into the International Sustainability Standards Board (ISSB), the framework's core principles for corporate climate-related risk disclosures have also been adopted by the European Sustainability Reporting Standards (ESRS) E1 Standard The early decision to align to best practices on climate-related risk disclosures leaves the Company in a good position for ensuring compliance, although it is a process requiring continuous effort. As part of this process, the Company continuously updates its climate-related risk assessment each year. The Building Resilience Task Force, an interdepartmental team dedicated to this effort, continues to further develop control mechanisms and risk mitigation measures for climate-related risks.

Note 25. Subsequent events

The Company redeemed two bond series at their maturity with total nominal value of ca. EUR 480 million.