

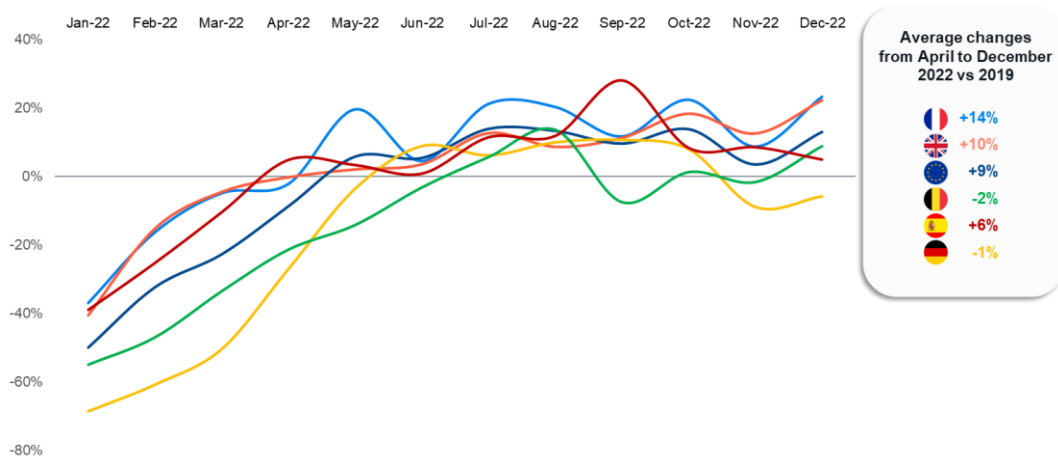
Paris, 17 February 2023

Covivio Hotels 2022 annual results

Hotel activity returned to pre-crisis levels

European hotels benefited from a strong recovery in 2022, taking activity back to 2019 levels. The RevPAR¹ levels recorded from May onwards helped make up for the impact of enduring health restrictions in the early part of the year. Overall, average RevPAR in Europe between April and December 2022 was up 9% compared to 2019, mainly bolstered by France, the United Kingdom and Spain. Only Belgium and Germany remained behind 2019 levels (by approximately 2%, due to a longer period of health restrictions). This recovery stemmed from the return of foreign leisure customers and the strength of domestic visitors, particularly in France. It was primarily driven by an average price increase.

Change in market RevPAR in Europe by country in 2022 compared to 2019 (%)



European hotels ended the year on particularly encouraging results for December, with RevPAR up 13% compared to 2019. And while this dynamic was driven by higher average prices, the occupancy rate also rose significantly. It was only 3.4 percentage points below the 2019 level, and even slightly above it in France (up 0.2 percentage points).

¹ RevPAR: Revenue Per Available Room – Source MKG

The statutory auditors' report on the annual financial information is in the course of preparation.

Covivio Hotels main highlights of the year

Two new post-renovation openings: launch of the Anantara brand in France by NH Hotel Group and opening of a Radisson Red in Spain

The Anantara Plaza Nice Hotel opened in December 2022 after extensive renovation work. This 151-room hotel, located in the heart of Nice, is now a flagship for NH Hotel Group, Covivio Hotels' operating partner, and its first Anantara hotel in France.

Meanwhile, in Madrid, another Covivio Hotels property has reopened under a new brand: Radisson RED, a new lifestyle brand with a bold and avant-garde design from Radisson Hotel Group. This 260-room hotel is located on one of the city's busiest thoroughfares, in the Golden Triangle of Art, just a short distance from Madrid's biggest cultural attractions.

For both projects, Covivio Hotels implemented an active asset and brand management policy, changing operators and repositioning the properties, thereby refreshing the hotel offer and experience. As part of the process, new long-term leases have been signed with NH Hotel Group (15 years) and Radisson Hotel Group (20 years), cementing existing partnerships with these leading brands.

These two transactions, with a target yield of 6%, illustrate Covivio Hotels' strategy of creating value and moving upscale with lifestyle hotels located in the heart of Europe's most attractive and dynamic cities.

Major asset management transaction and new milestone in B&B HOTELS partnership

Covivio Hotels relet 30 French hotels to B&B HOTELS in the second quarter of 2022. These hotels (2,517 rooms) were previously operated under Accor Group brands and let to AccorInvest under variable-rent leases. Covivio Hotels and B&B HOTELS, partners since 2010, have agreed on new 12-year firm fixed-rent leases. Covivio Hotels accordingly benefits from a substantial increase in rents compared to 2019 and participates in a works programme conducted by B&B HOTELS.

These transactions allow Covivio Hotels to provide support to Europe's third-largest economy class hotel brand in a new phase of its development in Europe.

These agreements reflect the growth potential of the Covivio Hotels portfolio and the Group's ability to guarantee a hotel offer increasingly aligned with user expectations.

Signing of new leases with Melia

Covivio Hotels has signed with Melia mid-February new 15 years leases on 3 hotels located in Spain (Valencia, Malaga, and Barcelona) with an increase of €1.2 million of the minimum guaranteed rent. Covivio Hotels will finance a €14.8 million works programme that will allow repositioning of the hotels and energy savings.

Disposal of Club Med Samoëns and €54 million new preliminary sale agreements

In early March 2022, Covivio Hotels closed the sale of a Club Med located in Samoëns, in the Alps, for €125 million excluding duties, including a Group share of €63 million, for which the preliminary sale agreement was signed in late 2021. This asset was owned in partnership with Crédit Mutuel Assurances (50.1% vs 49.9%).

Covivio Hotels also signed 13 new preliminary sale agreements in 2022, including eight commercial properties in a total amount of €54 million, excluding duties (Group share and at 100%). Overall, these agreements were signed with a margin of 8.9% over 2021 appraisal values.

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Increase in portfolio value in 2022: up 2.3%

At the end of December 2022, Covivio Hotels had a unique hotel portfolio in Europe, valued at €5,970 million (€6,613 million at 100%), up 2.3% on a like-for-like basis, with notable increases of 1.7% for leased assets and 4.7% for hotel operating properties.

This strategic portfolio is characterised by:

- high-quality locations: Booking.com location average grade of 8.8/10;
- diversified portfolio: in terms of countries (12 countries) and segments (68% economy/midscale and 32% upscale);
- long-term leases with the major hotel operators: 16 operators with an average firm residual lease term of 12.7 years.

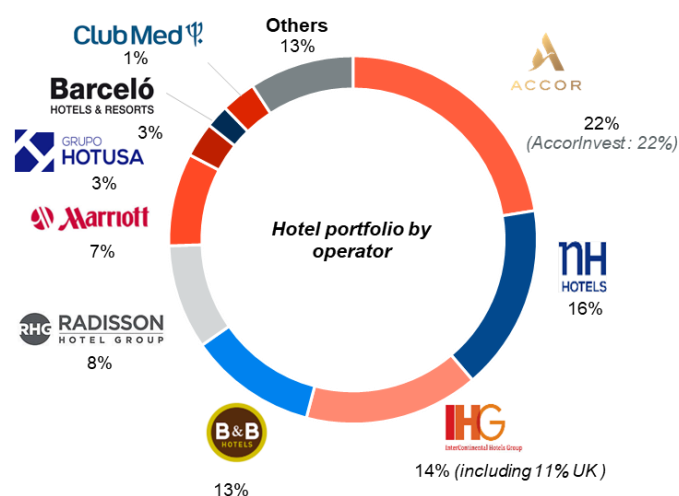
| Group Share (€ millions, excluding duties) | Value 2021 | Value 2022 | LfL change ¹ |
|--|--------------|--------------|-------------------------|
| Hotel lease properties | 4 690 | 4 595 | 1,7% |
| Hotel Operating properties | 1 190 | 1 375 | 4,7% |
| Total Hotels | 5 881 | 5 970 | 2,3% |
| Non-Stratégic (Retail) | 61 | 53 | -5,2% |
| Total Covivio Hotels | 5 942 | 6 022 | 2,3% |

¹ LfL : Like-for-like

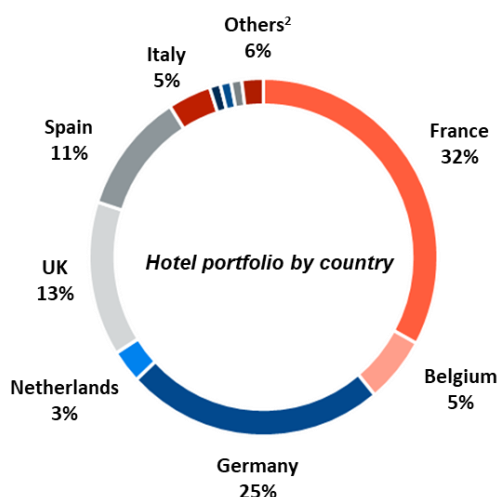
After a 2.8% increase in appraisal values in the first half of 2022, the second half saw a decline of 0.4% mainly due to the fall in the value of assets in the United Kingdom. The increase in capitalisation rates over the last six months was offset by the indexation of fixed rents, the good recovery of variable rents and the asset management transactions completed.

The environmental certification rate of Covivio Hotels assets was 87.5% at the end of 2022, compared to 80.4% at the end of 2021, thanks to the labelling programmes undertaken with operators.

Hotel portfolio breakdown at 31 December 2022 (Group share)



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Hotels revenues up 64.3% like-for-like

| € million | Income | Income | Income | Income | Change Group Share (%) | Change Group Share LFL (%) ^(*) |
|---|--------------|--------------|--------------|--------------|------------------------|---|
| | 2021 | 2021 | 2022 | 2022 | | |
| | 100% | Group Share | 100% | Group Share | | |
| Hotel Lease properties (Variable rents) | 26,7 | 26,7 | 49,4 | 49,4 | 85,2% | 115,5% |
| Hotel Lease properties (UK) | 12,0 | 12,0 | 36,5 | 36,5 | 205,6% | 201,5% |
| Hotel Lease properties (Others) | 136,7 | 123,1 | 148,7 | 136,0 | 10,4% | 8,6% |
| Hotel Operating properties (EBITDA) | 21,4 | 21,0 | 62,0 | 60,1 | 186,7% | 476,6% |
| Total Hotel Revenues | 196,8 | 182,7 | 296,6 | 282,0 | 54,3% | 64,3% |
| Non-strategic (Retail) | 5,5 | 5,5 | 4,2 | 4,2 | -23,0% | 5,8% |
| Total revenues Covivio Hotels | 202,3 | 188,2 | 300,9 | 286,2 | 52,1% | 63,1% |

(*) On a like for like basis

The upturn in business from March 2022 took Hotels revenues up 64.3% on a like-for-like basis in 2022.

2022 Hotels revenues: €282 million Group share

Hotel lease properties (77% of the hotel portfolio)

- Variable-rent hotel real estate (20% of the portfolio): the portfolio is let mainly to AccorInvest in France and Belgium and consists of economy (Ibis) and midscale (Novotel, Mercure) hotels. In 2022, thanks to the recovery of the hotel business, rents for this portfolio, which are entirely indexed to revenues, amounted to €49.4 million, up 115.5% on a like-for-like basis compared to 2021.
- Hotels in the United Kingdom let to IHG (11% of the portfolio): following the signing of a new rental agreement with IHG³, full-year rental income amounted to €36.5 million (compared to €12.0 million in 2021).
- Other hotel lease properties (46% of the portfolio): fixed-rent hotel real estate let to B&B, NH Hotels, Motel One, Barcelo, Hotusa, etc., on long-term leases. Rents increased 8.6% like-for-like, mainly due to the switch to fixed rent for the 30 hotels now let to B&B, the indexation of rents and rental reversion for one hotel in Spain after a change in operator.

² Others: Hungary, Portugal, Czech Republic, Ireland and Poland.

³ This agreement concerns 9 hotels operated under the IHG brand (88% of UK portfolio value), while the last 3 hotels are now managed by Covivio Hotels after the operating properties acquisition.

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In light of the quality and strength of the Covivio Hotels rental base, the rent collection rate for 2022 was 100% and Covivio Hotels recovered all outstanding rent from 2021.

The hotel firm residual lease term amounted to 12.7 years at end-December 2022, while the occupancy rate remained at 100% across the portfolio.

Hotel operating properties (23% of the hotel portfolio)

- Most of these hotels are located in Germany (mainly Berlin) and France. The strong increase in EBITDA from hotel operating properties (x5.7) was mainly driven by hotels in Germany.

LTV and ICR improving

Covivio Hotels' net debt fell by €130 million year-on-year to €2,287 million (Group share) from €2,417 million as of 31 December 2021, with an average interest rate of 1.89% (down 5bp). As a result, the loan-to-value (LTV) ratio improved from 37.1% at end-December 2021 to 35.0% at end-December 2022. Benefiting from the strong rebound in operating income, the interest coverage ratio (ICR) also improved to 6.0x, from 3.1x at end-2021.

The average maturity of Covivio Hotels' debt is 4.3 years, compared to 4.9 years at end-2021.

Covivio Hotels had cash (including undrawn credit lines) of €544 million as of 31 December 2022.

Improved net financial indicators in 2022

Taking into account the fair value adjustment of interest rate hedges and fixed-rate debt, EPRA NDV (net disposal value) rose to €3,763 million from €3,167 million at 31 December 2021, a 18.8% increase standing at €25.4 per share.

EPRA NTA stood at €3,722 million, compared to €3,498 million at end-2021. This amounted to €25.1 per share, a 6.4% increase compared to 2021.

EPRA Earnings were €221 million (vs €99 million in 2021), up 123% year on year, driven by the increase in revenues fuelled by the recovery in the hotel business. EPRA Earnings per share was €1.49 in 2022, compared to €0.70 in 2021 (up 113%).

Dividend

At the 18 April General Meeting, Covivio Hotels will propose a dividend of €1.25 per share (€0.65 per share in 2021), representing a 92% increase and putting the payout ratio at 84%.

2023 outlook

The robust and faster-than-expected recovery of the hotel business has demonstrated the sector's resilience. Covivio Hotels accordingly intends to continue supporting its partners, the leading European and international operators.



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ABOUT COVIVIO HOTELS

Covivio Hotels specialises in owning business premises in the hotel sector. Société d'Investissements Immobiliers Cotée (SIIC), real estate partner of leading hotel industry operators, Covivio Hotels holds a portfolio worth €6.6 billion (at the end of 2022).

Covivio Hotels is graded BBB+ / Stable outlook by Standard and Poor's.



A PROPOS DE COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with €27 billion in assets, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible performance.

Covivio's purpose is to build sustainable relationships and foster well-being, and acts as a responsible real estate operator for all its stakeholders: customers, shareholders and financial partners, internal teams, local authorities, as well as future generations and the planet. Furthermore, its living, dynamic approach opens up exciting project and career prospects for its teams.

Appendice:

Covivio Hotels, a 43.9%-owned subsidiary of Covivio as of 31 December 2022, is a listed property investment company (SIIC) and leading hotel real-estate player in Europe. It invests both in hotels under lease and hotel operating properties.

The figures presented are expressed at 100% and in Covivio Hotels Group share (GS).

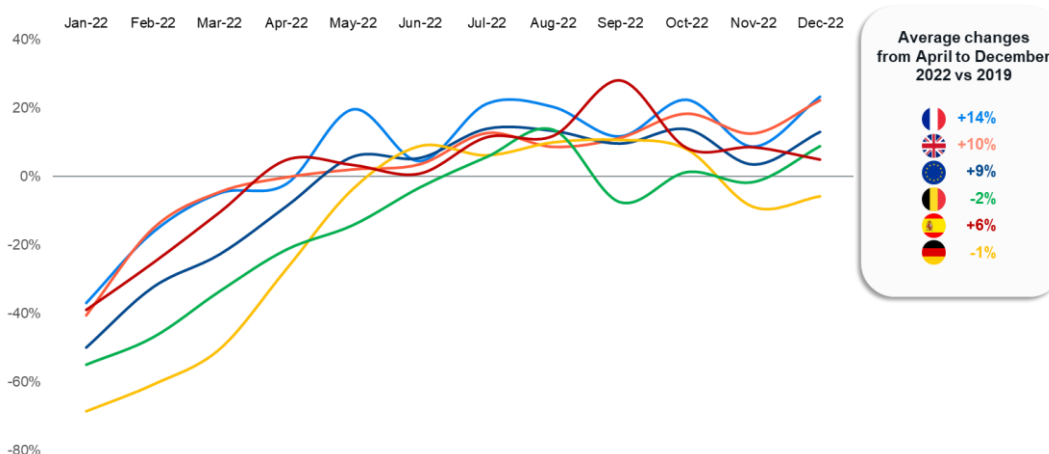
Covivio Hotels owns a high-quality hotel portfolio worth €6.6 billion (€6.0 billion in Group share), focused on major European cities and let or operated by 16 major hotel operators such as Accor, B&B, IHG, NH Hotels, etc. This portfolio offers geographic and tenant diversification (across 12 European countries) and asset management possibilities via different ownership methods (hotel lease and hotel operating properties).

1. Acceleration of recovery over 2022

After a tough beginning of the year mainly due to the Omicron wave, the lifting of restrictions as well as the lower impacts of Covid-19 waves enabled the hotel recovery to further accelerate in 2022:

- ▶ In Europe, the hotel recovery was sustained, and RevPAR progressively came out higher than their 2019 levels, from -50% (vs 2019) in January to +13% in December.
- ▶ The hotels performance in the second half of the year confirmed the strong rebound in European countries, notably France, UK and Spain, which accounts for 56% of Hotel's revenues and testified to the good fundamentals of the hotel industry, particularly the leisure segment.
- ▶ France (and Paris in particular), recorded a strong recovery throughout the year, with RevPAR up +23% in December 2022 vs 2019 (of which +52% in Paris) and occupancy rate 0.2pt above its pre-crisis level (+6.1pts in Paris). These figures demonstrate that, in addition to leisure, business customers are also recovering.
- ▶ The United Kingdom also came back significantly above 2019 levels (RevPAR up +22% in December and occupancy rate only 0.2pts below its 2019 level).

Change in market RevPAR in Europe by country in 2022 compared to 2019 (%)



- ▶ Other good news that appeared over the year was the setting up of Pricing Power. Average daily rates in 2022 beat 2019 levels by +12% on average in Europe, with nice performances among our main exposures: +14% in France and in the UK, and even +8% in Germany.

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- ▶ On the investment side, the transaction volumes recorded in Europe in 2022 reached €14.3 billion, down -16% vs. 2021, mostly due to a low Q4 2022 (-22%). UK, Spain, and France continued to attract investors, while Germany suffered from a higher slowdown.

Assets partially owned by Covivio Hotels include:

- 8 operating properties in Germany (94.9% owned)
- 92 B&B assets in France, including 90 held at 50.2% and 2 held at 31.2%
- 11 B&B assets in Germany (93.0%)
- 8 B&B assets in Germany, 5 of them 84.6% held and the other 3, 90.0% held
- 2 Motel One assets in Germany (94.0%)
- 25 AccorInvest assets in France (23 assets) and Belgium (2 assets), 31.2% (19 assets) and 33.3% (6 assets) owned respectively

2. Accounted revenues: +64.3% on a like-for-like basis

| (In € million) | Revenues 2021 100% | Revenues 2021 Group share | Revenues 2022 100% | Revenues 2022 Group share | Change (%) Group share | Change Group share (%) LfL ¹ |
|-----------------------------------|--------------------------|---------------------------------|--------------------------|---------------------------------|---------------------------------|--|
| Hotel Lease properties - Variable | 26.7 | 26.7 | 49.4 | 49.4 | 85.2% | 115.5% |
| Hotel properties - UK | 12.0 | 12.0 | 36.5 | 36.5 | 205.6% | 201.5% |
| Hotel Lease properties - Fixed | 136.7 | 123.1 | 148.7 | 136.0 | 10.4% | 8.6% |
| Operating properties - EBITDA | 21.4 | 21.0 | 62.0 | 60.1 | 186.7% | 476.6% |
| Total revenues Hotels | 196.8 | 182.7 | 296.6 | 282.0 | 54.3% | 64.3% |

¹ LfL: Like-for-Like

Hotel revenues increased by +64.3% in 2022 compared to 2021, to reached €282.0 million, due to:

▶ Leased hotels:

- **Variable lease properties hotel portfolio** (20% of the hotel portfolio), which is indexed on hotel turnover, and mainly rent by AccorInvest increased by +115.5% like-for-like compared to 2021, due to the suspension of restrictions in Europe and to hotels performances back to 2019 level. These midscale and economy hotels are located in France and Belgium.
- **Hotels located in the UK** (11% of the hotel portfolio): +€10,8 million due to the renegotiation of the leases
- **Other fixed leases** (46% of the hotel portfolio): +€12.9 million vs 2021 mainly due to:
 - +€ 3.0 million due to the arrival of a new tenant in Madrid.
 - Indexation (+€4.7 million)
 - Signing of new fixed leases with B&B France +€ 2.2 million.

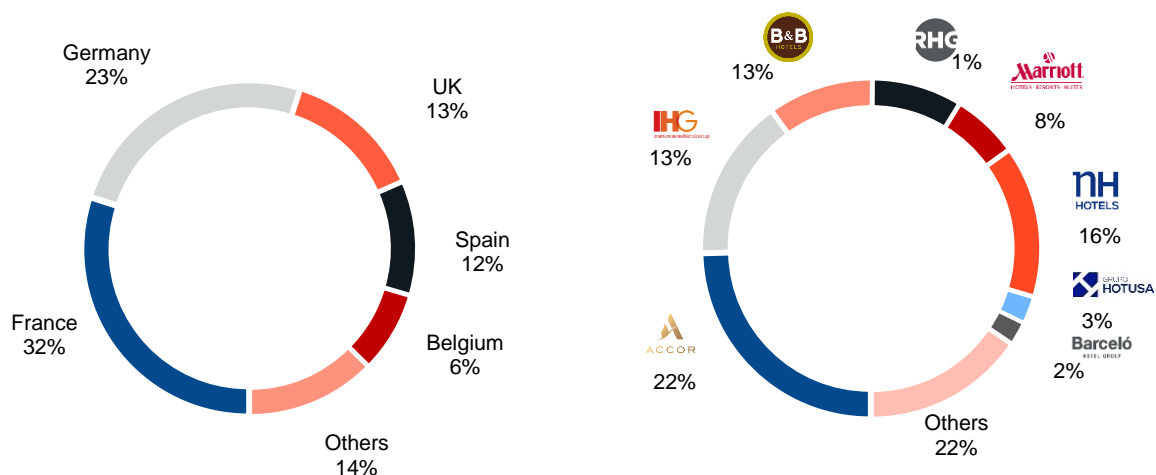
- ▶ **Operating hotels** (23% of the hotel portfolio): mainly located in Germany and in the North of France benefit from the rebound of hotel activity since May. EBITDA increase from €21.0 million to €60.1 million (Germany +€30.9 million & France +€9.3 million).

Collection rate: 100% for hotels excluding rent free and deferred payment.

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3. Annualized revenue

Breakdown by operators and by country (based on 2022 revenues) which amount to €130.9 million in Group share.



Rents are splitted using the following breakdown: fixed (43.3%), variable (21.9%) UK (11.5%), and EBITDA (23.3%)

4. Indexation

Fixed-indexed leases are indexed to benchmark indices (ICC and ILC in France and the consumer price index for foreign assets).

5. Lease expiries:

12.7 years of firm residual lease term

| (In € million, Group share) | By lease end date (1st break) | % of total | By lease end date | % of total |
|------------------------------|-------------------------------|-------------|-------------------|-------------|
| 2023 | 0.0 | 0% | 0.0 | 0% |
| 2024 | 19.7 | 9% | 5.3 | 2% |
| 2025 | 4.7 | 2% | 5.5 | 2% |
| 2026 | 0.0 | 0% | 0.0 | 0% |
| 2027 | 2.0 | 1% | 2.0 | 1% |
| 2028 | 0.0 | 0% | 0.0 | 0% |
| 2029 | 23.7 | 10% | 25.6 | 11% |
| 2030 | 18.6 | 8% | 18.6 | 8% |
| 2031 | 8.8 | 4% | 8.8 | 4% |
| 2032 | 16.8 | 7% | 19.4 | 8% |
| Beyond | 134.4 | 59% | 143.6 | 63% |
| Total Hotels in lease | 228.8 | 100% | 228.8 | 100% |

6. Portfolio values

6.1. Change in portfolio values

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| (In € million, Excluding Duties, Group share) | Value 2021 | Acquis. | Invest. | Disposals | Change in value | Others | Value 2022 |
|---|--------------|-----------|-----------|-------------|-----------------|------------|--------------|
| Hotels - Lease properties | 4 690 | 8 | 52 | -107 | 76 | -125 | 4 595 |
| Hotels - Operating properties | 1 190 | 4 | 12 | | 62 | +108 | 1 375 |
| Total Hotels | 5 881 | 12 | 64 | -107 | 138 | -17 | 5 970 |

At the end of December 2022, the portfolio amounted to €6.0 billion Group share, up €89 million compared to year-end 2021, essentially explained by the positive impact of change in value (+€138 million).

6.2. Change on a like-for-like basis:

+2.3%

| (In € million, Excluding Duties) | Value 2021 Group share | Value 2022 100% | Value 2022 Group share | LfL ¹ change | Yield ² 2020 | Yield ² FY 2021 | % of total value |
|-------------------------------------|------------------------|-----------------|------------------------|-------------------------|-------------------------|----------------------------|------------------|
| France | 1 667 | 2 209 | 1 656 | +3.2% | 4.9% | 4.7% | 28% |
| Paris | 695 | 853 | 717 | | | | |
| Greater Paris (excl. Paris) | 305 | 500 | 311 | | | | |
| Major regional cities | 440 | 525 | 385 | | | | |
| Other cities | 228 | 332 | 243 | | | | |
| Germany | 633 | 666 | 649 | +2.5% | 4.7% | 4.8% | 11% |
| Frankfurt | 72 | 76 | 73 | | | | |
| Munich | 48 | 51 | 51 | | | | |
| Berlin | 71 | 73 | 71 | | | | |
| Other cities | 442 | 467 | 454 | | | | |
| Belgium | 256 | 262 | 235 | -0.1% | 6.3% | 6.0% | 4% |
| Brussels | 81 | 101 | 82 | | | | |
| Other cities | 175 | 160 | 152 | | | | |
| Spain | 630 | 646 | 646 | +2.7% | 5.2% | 5.3% | 11% |
| Madrid | 283 | 289 | 289 | | | | |
| Barcelona | 213 | 216 | 216 | | | | |
| Other cities | 134 | 142 | 142 | | | | |
| UK | 785 | 665 | 665 | -2.9% | 4.8% | 4.5% | 11% |
| Italy | 265 | 277 | 277 | +1.8% | 5.1% | 5.0% | 5% |
| Other countries | 454 | 467 | 467 | +1.5% | 5.2% | 5.1% | 8% |
| Total Hotel lease properties | 4 690 | 5 193 | 4 595 | +1.7% | 5.0% | 4.9% | 77% |
| France | 261 | 300 | 300 | +13.2% | 5.4% | 5.8% | 5% |
| Lille | 106 | 109 | 109 | | | | |
| Other cities | 155 | 191 | 191 | | | | |
| Germany ³ | 804 | 875 | 830 | +2.3% | 6.7% | 4.8% | 14% |
| Berlin | 566 | 621 | 589 | | | | |
| Dresden & Leipzig | 188 | 199 | 189 | | | | |
| Other cities | 51 | 55 | 52 | | | | |

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| | | | | | | | |
|----------------------------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|
| Other countries | 125 | 245 | 245 | +3.4% | 7.1% | 5.8% | 4% |
| Total Hotel Operating properties | 1 190 | 1 420 | 1 375 | +4.7% | 6.3% | 5.2% | 23% |
| Total Hotels | 5 881 | 6 613 | 5 970 | +2.3% | 5.3% | 5.0% | 100% |

¹ Lfl :Like-for-like

² Yields 2021 calculated on the basis of 2021 fixed revenues and 2019 for variable rents and EBITDA

Yields 2022 calculated on the basis of 2022 revenues

³ Yields excluding retail surface for German hotels

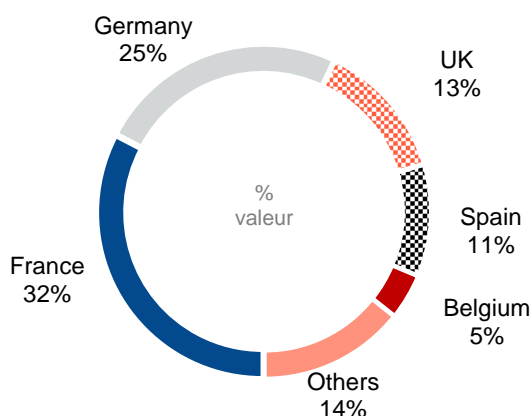
At the end of December 2022, Covivio Hotels held a unique hotel portfolio of €5 970 million (€6 613 million at 100%) in Europe. This strategic portfolio is characterised by:

- **High-quality locations:** average Booking.com location grade of 8.8/10.
- **Diversified portfolio:** in terms of countries (12 countries, none representing more than 32% of the total portfolio), and segment (68% economic/midscale and 32% upscale)
- **Major hotel operators with long-term leases:** 16 hotel operators with an average lease duration of 12.7 years

The portfolio value increased by +2.3% Like-for-Like, a mix of:

- 1) **UK portfolio (-2.9%):** strong recovery in activity in the beginning of the H1 then a 7.5% decline in value in H2 due to an increase in capitalization rates (+50 bps approx.) on these 9 assets representing 11% of total hotel portfolio.
- 2) **Other leased assets (+2.5%):** in line with the resumption on AccorInvest variables rents and the indexation on fixed leased rents. Also thanks to the streamlining of AccorInvest portfolio with joint sales of propcos and opcos and rebranding of 30 assets into Fixed leased B&B hotels.
- 3) **Operating portfolio (+4.7%):** Good performance for the French portfolio with a value increase of +13.2% thanks to one asset in the south of the France which was renovated and the rebound of the leisure clientele. Later start of the recovery of German assets at the end 2022 (+2.3%).

Portfolio breakdown by value and geography



89 % in major European destinations



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- **Bridge table of the portfolio:**

| | |
|---|-----------------|
| Portfolio (as of 31/12/2022) | 6 022 M€ |
| Use rights on investment properties | + 238 M€ |
| Use rights on operating properties | + 43 M€ |
| Equity affiliates > 30% | - 164 M€ |
| Non-accrued goodwill of operating property assets | - 194 M€ |
| Real Estate Assets Group Share | 5 947 M€ |
| The companies's fully consolidated non-controlling interest | + 288 M€ |
| 100% Real estate assets - IFRS accounts | 6 234 M€ |

- **Bridge table of EPRA indicator:**

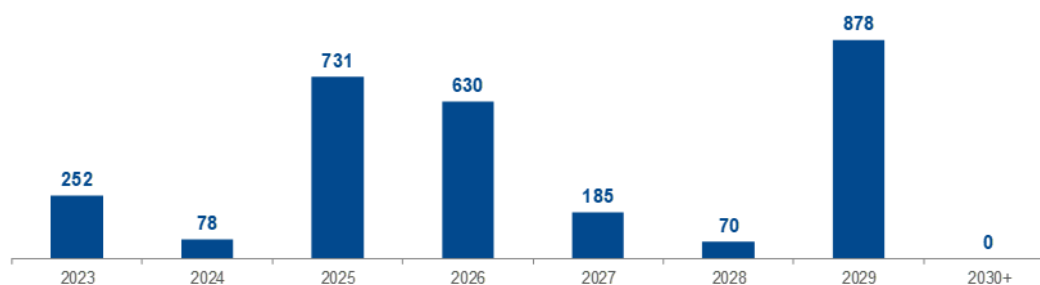
| | |
|---|-----------------|
| Shareholders' equity Group - IFRS Accounts | 3 578 M€ |
| Fair value of operating property assets net of deferred taxes | + 152 M€ |
| Fair value of financial instruments | - 178 M€ |
| Deferred tax (including IFRS adjustments) | + 281 M€ |
| Non optimised transfer rights | + 272 M€ |
| EPRA NRV | 4 105 M€ |
| Deferred tax on non-core assets | - 39 M€ |
| Goodwill and intangibles assets | - 118 M€ |
| Non-optimised transfer rights | - 226 M€ |
| EPRA NTA | 3 722 M€ |
| Optimisation of the transfer rights | - 46 M€ |
| Intangibles assets | + 0 M€ |
| Fair value of fixed-rate debt net (excluding credit spread) of deferred taxes | + 151 M€ |
| Fair value of financial instruments | + 178 M€ |
| Deferred taxes | - 242 M€ |
| EPRA NDV | 3 763 M€ |

- **Bridge table of rental income:**

| € million | Rental income | Non-controlling interest | Rental income |
|-----------------------------|---------------|--------------------------|------------------|
| | 2022 | | 2022 Group Share |
| | IFRS Accounts | | Covivio Hotels |
| Hotels | 297 M€ | -15 M€ | 282 M€ |
| Retail premises | 4 M€ | 0 M€ | 4 M€ |
| Total Rental Income | 301 M€ | -15 M€ | 286 M€ |
| Managed hotel EBITDA | 62 M€ | -2 M€ | 60 M€ |

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- **Debt maturity per year (group share engagement)**



- **Detail of Loan-to-Value (LTV) calculation:**

| (€ million) – Group Share | 31-déc.-21 | 31-déc.-22 |
|--|--------------|--------------|
| Net book debt | 2 417 | 2 287 |
| Receivables linked to associates (fully consolidated) | -22 | -19 |
| Pledges | -93 | -43 |
| Security deposits received | 0 | 0 |
| Purchase debt | 13 | 16 |
| Net debt Group Share | 2 315 | 2 241 |
| Appraised value of real estate assets (including duties) | 6 071 | 6 176 |
| Pledges | -93 | -43 |
| Receivables linked to associates (equity method) | 63 | 63 |
| Share of equity affiliates | 196 | 212 |
| Value of assets | 6 237 | 6 408 |
| LTV Excluding Duties | 38,8% | 36,5% |
| LTV Including Duties | 37,1% | 35,0% |

- **Reconciliation with consolidated accounts:**

Net debt

| (€ million) | Consolidated financial statements | Minority interests | Group Share |
|---------------------------|---|--------------------|--------------|
| Bank Debt | 2 503 | 98 | 2 405 |
| Cash and cash equivalents | 127 | 9 | 118 |
| Net debt | 2 376 | 89 | 2 287 |

COVIVIO HOTELS
PRESS RELEASE

Portfolio (including duties)

| (€ million) | Consolidated financial statements | Portfolio of companies under equity method | Fair value of investment properties | Minority interests | Group Share |
|-------------------------------------|-----------------------------------|--|-------------------------------------|--|--------------|
| Investment & development properties | 4 937 | 512 | 1 411 | -881 | 5 979 |
| Assets held for sale | 43 | | | 0 | 43 |
| Total portfolio | 4 980 | 512 | 1 411 | -881 | 6 022 |
| | | | | Duties | 272 |
| | | | | Portfolio Group Share Including Duties | 6 294 |
| | | | | Portfolio affiliates | 48 |
| | | | | (+) Receivables from equity interests | 66 |
| | | | | Portfolio for LTV calculation | 6 408 |

Interest Coverage Ratio (ICR)

| € million | 31-déc.-21 | 31-déc.-22 |
|--|-------------|-------------|
| EBE (Net rents (-) operating expenses (+) results of other activities) | 155 | 278 |
| Cost of debt | -50 | -46 |
| ICR | 3,08 | 6,00 |

- **Bridge table of EPRA Earnings:**

-

| € million | Net income 100% IFRS Accounts | Non-controlling interest | Net Income, Group Share | Restatements | EPRA Earnings |
|--|-------------------------------|--------------------------|-------------------------|---------------|---------------|
| Net Rental Income | 244,0 | -12,7 | 231,3 | 0,0 | 231,3 |
| Managed hotel income | 62,0 | -1,9 | 60,1 | 0,0 | 60,1 |
| Operating costs | -17,9 | 1,3 | -16,6 | 0,0 | -16,6 |
| Depreciation of operating assets | -38,2 | 0,9 | -37,3 | 32,9 | -4,4 |
| Net allowances to provisions and other | 10,7 | 0,0 | 10,7 | -7,5 | 3,1 |
| OPERATING PROFIT | 260,6 | -12,4 | 248,3 | 25,4 | 273,6 |
| Income from disposals of assets | 3,0 | 0,1 | 3,1 | -3,1 | 0,0 |
| Net valuation gains and losses | 92,2 | -11,2 | 81,0 | -81,0 | 0,0 |
| Income from disposal of securities | -0,0 | 0,0 | -0,0 | 0,0 | 0,0 |
| Income from changes in scope | -0,0 | 0,0 | -0,0 | 0,0 | 0,0 |
| OPERATING PROFIT (LOSS) | 355,8 | -23,5 | 332,3 | -58,6 | 273,6 |
| Costs of net financial debt | -52,1 | 2,0 | -50,1 | 0,0 | -50,1 |
| Interest charges on rental liabilities | -15,2 | 0,0 | -15,2 | 10,6 | -4,6 |
| Fair value adjustment on derivatives | 200,5 | -2,2 | 198,3 | -198,3 | 0,0 |
| Discounting and exchange result | -0,6 | -0,0 | -0,6 | 0,0 | -0,6 |
| Net change in financial and other provisions | -0,2 | 0,2 | 0,0 | 0,0 | 0,0 |
| Share in income of equity affiliates | 19,4 | 0,0 | 19,4 | -7,5 | 12,0 |
| PRE-TAX NET INCOME (LOSS) | 507,6 | -23,6 | 484,1 | -253,7 | 230,3 |
| Deferred tax liabilities | 4,0 | 0,2 | 4,1 | -4,1 | 0,0 |
| Recurrent Tax | -9,6 | 0,2 | -9,4 | 0,0 | -9,4 |
| NET INCOME FOR THE PERIOD | 502,0 | -23,2 | 478,8 | -257,9 | 220,9 |

COVIVIO HOTELS
PRESS RELEASE

- **Balance sheet (100%)**

| € million - Consolidated data | 31-déc.-21 | 31-déc.-22 | € million - Consolidated data | 31-déc.-21 | 31-déc.-22 |
|--|--------------|--------------|---|--------------|--------------|
| INTANGIBLE ASSETS | | | Capital | 593 | 593 |
| Goodwill | 117 | 120 | Premiums | 1 686 | 1 701 |
| Other intangible assets | 0 | 0 | Treasury shares | 0 | 0 |
| TANGIBLE ASSETS | | | Consolidated reserves | 873 | 806 |
| Operating building | 1 006 | 1 111 | Result | 50 | 479 |
| Other property, plant and equipment | 18 | 17 | GROUP EQUITY | 3 201 | 3 578 |
| Assets in progress | 5 | 5 | Non-controlling interests | 197 | 185 |
| Investment property | 4 985 | 4 937 | TOTAL EQUITY | 3 399 | 3 763 |
| Non-current financial assets | 67 | 68 | Long Term Loan | 2 642 | 2 209 |
| Other Loans | 0 | 0 | Long-term rental liabilities | 271 | 276 |
| Non-current financial assets | 67 | 68 | Financial instruments | 54 | 70 |
| Investments in companies accounted for using the equity method | 196 | 212 | Deferred tax liabilities | 254 | 247 |
| Deferred tax assets | 18 | 16 | Retirement and other commitments | 1 | 1 |
| Financial instruments LT assets | 19 | 227 | Other debts and long-term guarantee deposits | 10 | 9 |
| TOTAL NON-CURRENT ASSETS | 6 431 | 6 714 | TOTAL NON-CURRENT LIABILITIES | 3 233 | 2 812 |
| Assets available for sale | 155 | 43 | Liabilities held for sale | 0 | 0 |
| Accrued loan interest | 3 | 7 | Payables | 34 | 43 |
| Inventories and work in progress | 2 | 2 | Debts on acquisitions of fixed assets | 13 | 16 |
| Financial instruments ST assets | 6 | 50 | Short Term Loan | 37 | 295 |
| Receivables | 66 | 49 | Short-term rental liabilities | 5 | 5 |
| Tax receivables (IS) | 8 | 3 | ST financial instruments | 21 | 30 |
| Other receivables | 39 | 37 | Security deposits | 0 | 0 |
| Prepaid expenses | 1 | 1 | Advances and down payments and credit notes to be established | 66 | 11 |
| Cash and cash equivalent | 145 | 127 | Short Term Provisions | 10 | 12 |
| TOTAL CURRENT ASSETS | 425 | 320 | Current taxes | 4 | 5 |
| TOTAL ASSETS | 6 856 | 7 034 | Other debts and tax and social debts | 32 | 28 |
| | | | Accruals accounts | 3 | 15 |
| | | | TOTAL CURRENT LIABILITIES | 225 | 460 |
| | | | TOTAL LIABILITIES | 6 856 | 7 034 |

- **Profit and loss account (100%):**

| € million- Consolidated data | 31-déc.-21 | 31-déc.-22 | Variation |
|--|------------|------------|------------|
| Rents | 181 | 239 | 58 |
| Rental charges not recovered | -2 | -3 | 0 |
| Expenses on Buildings | -2 | -3 | 0 |
| Net bad debt expenses | -13 | 11 | 23 |
| NET RENTS | 163 | 244 | 81 |
| Revenue from hotels under management | 108 | 228 | 120 |
| Operating expenses of hotels under management | -86 | -166 | -80 |
| RESULTS OF HOTELS UNDER MANAGEMENT | 21 | 62 | 41 |
| Management and administration income | 3 | 5 | 2 |
| Activity Fees | -1 | -1 | 0 |
| Structure costs | -21 | -21 | 0 |
| COUT DE FONCTIONNEMENT NET | -20 | -18 | 2 |
| Depreciation of operating assets | -42 | -38 | 4 |
| Net change in provisions and other | 17 | 11 | -6 |
| OPERATING RESULT | 139 | 261 | 121 |
| Income from asset disposals | 0 | 3 | 3 |
| Result of value adjustments | -16 | 92 | 108 |
| Income from the sale of securities | -1 | 0 | 1 |
| Result of changes in scope | -22 | 0 | 22 |
| OPERATING INCOME | 99 | 356 | 257 |
| Cost of net financial debt | -58 | -52 | 5 |
| Interest expense on rental liabilities | -14 | -15 | -1 |
| Value adjustment of derivative instruments | 70 | 201 | 131 |
| Discounting and exchange result | -1 | -1 | 0 |
| Early amortization of loan issue costs | -2 | 0 | 1 |
| Share of profit of companies accounted for using the equity method | 11 | 19 | 9 |
| NET INCOME BEFORE TAX | 106 | 508 | 402 |
| Deferred taxes | -26 | 4 | 30 |
| Corporate taxes | -5 | -10 | -5 |
| NET INCOME FOR THE PERIOD | 74 | 502 | 428 |
| Minority interests | -24 | -23 | 1 |
| NET INCOME FOR THE PERIOD - GROUP SHARE | 50 | 479 | 428 |

- **Glossary:**

1) Definition of the acronyms and abbreviations used:

GS: Group share

Chg: Change

LfL: Like-for-Like scope

2) Firm residual term of leases

Average outstanding period remaining of a lease calculated from the date a tenant first takes up an exit option.

3) Triple net lease

Lease contract reached between a landlord and a tenant. A "triple net" lease means a lease for which all the taxes and expenses (work, maintenance) related to proper functioning of the building are at the expense of the tenant.

4) Loan To Value (LTV)

Calculation of the LTV is detailed in the Appendices.

5) Rental income

Recorded rent corresponds to gross rental income accounted for over the year by taking into account the deferment of any relief granted to tenants, in accordance with IFRS standards.

The like-for-like rental income posted allows comparisons to be made between rental income from one year to the next, before taking changes to the portfolio (e.g. acquisitions, disposals, building works and development deliveries) into account. This indicator is based on assets in operation, i.e. properties leased or available for rent and actively marketed.

6) EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation):

This is gross operating income after rent. The calculation can be described in the following manner:

(+) Total revenues (revenues)
(-) Purchases and External Expenses
(-) Personnel Expenses
= EBITDAR
(-) Rental income
= EBITDA

7) EBITDAR Margin:

EBITDAR corresponds to the gross operating income before rent. It is used to compare companies with different ownership policies.

The EBITDAR margin corresponds to the following calculation: EBITDAR / Total rental income

The level of operating profits of hotels varies depending on the hotel category.

8) Portfolio

The portfolio presented includes investment properties and properties under development, as well as operating properties and properties in inventory for each of the entities, stated at their fair value.

9) Yield

The portfolio returns are calculated according to the following formula:

$$\frac{\text{Annualised gross rental income}}{\text{Value excluding duties on the scope in question}}$$

10) Average annual rate of debt

$$\frac{\begin{aligned} &\text{Financial cost of bank debt for the period} \\ &+ \text{Financial cost of hedges for the period} \end{aligned}}{\text{Average used financial net debt outstanding in the year}}$$

11) Occupancy rate

The occupancy rate corresponds to the spot financial occupancy rate at the end of the period and is calculated using the following formula:

$$1 - \frac{\text{Loss of rental income through vacancies (calculated at MRV)}}{\text{Rental income of occupied assets + loss of rental income}}$$

This indicator is calculated solely for properties on which asset management work has been done and therefore does not include assets available under pre-leasing agreements. Occupancy rate are calculated using annualized data solely on the strategic activities portfolio.

12) Like-for-like change in rent

This indicator compares rents recognised from one financial year to another without accounting for changes in scope: acquisitions, disposals, developments including the vacating and delivery of properties. The change is calculated on the basis of rental income under IFRS for strategic activities.

On hotel operating properties, the change in constant scope is calculated based on EBITDA.

Restatement done:

- Deconsolidation of acquisitions and disposals realised on the N and N-1 periods
- Restatements of assets undergoing work, i.e.:
 - Restatement of assets released for work (realised on N and N-1 years)
 - Restatement of deliveries of under-work assets (realised on N and N-1 years).

13) Like-for-like change in value

This indicator is used to compare asset values from one financial year to another without accounting for changes in scope: acquisitions, disposals, works, developments including the vacating and delivery of properties.

Restatement done:

- Deconsolidation of acquisitions and disposals realised during the period
- Restatement of work realised on assets during period N (including assets under development).