

ANNUAL FINANCIAL STATEMENTS

OF HOCHTIEF AKTIENGESELLSCHAFT AS OF DECEMBER 31, 2022



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Annual Financial Statements of HOCHTIEF Aktiengesellschaft as of and for the year ended December 31, 2022

Balance Sheet	4
Statement of Earnings	5
Notes to the Financial Statements	6
List of shareholdings of HOCHTIEF Aktiengesellschaft	24
Executive Board Proposal for the Use of Net Profit	27
Boards	28
Responsibility Statement	33
Auditor's Report	34

The 2022 Annual Financial Statements and Management Report of HOCHTIEF Aktiengesellschaft are published in the Bundesanzeiger (Federal Official Gazette). A combined Management Report for HOCHTIEF Aktiengesellschaft and the HOCHTIEF Group is presented beginning on page 31 of the Group Report 2022.

Balance Sheet of HOCHTIEF Aktiengesellschaft

(EUR thousand)	See note	Dec. 31, 2022	Dec. 31, 2021
Assets			
Non-current assets	(1)		
Intangible assets		214	959
Property, plant and equipment		5,493	7,038
Financial assets		5,037,561	4,940,082
		5,043,268	4,948,079
Current assets			
Inventories	(2)	1	3,932
Receivables and other assets	(3)	1,777,404	977,035
Marketable securities	(4)	1,202	1,343
Cash and cash equivalents	(5)	275,995	507,727
		2,054,602	1,490,037
Prepaid expenses	(6)	13,229	16,187
Excess of plan assets over obligations	(9)	–	5,217
		7,111,099	6,459,520
Liabilities and Shareholders' Equity			
Shareholders' equity	(7)		
Subscribed capital*		198,941	180,856
Treasury stock		(6,458)	(6,467)
Reserves		2,734,801	2,361,307
Distributable profit		310,845	134,935
		3,238,129	2,670,631
Provisions			
Provisions for pensions and similar obligations	(9)	109,438	75,559
Other provisions	(10)	151,433	100,334
		260,871	175,893
Liabilities	(11)	3,605,640	3,612,681
Deferred income	(12)	6,459	315
		7,111,099	6,459,520

*Plus conditional capital with a nominal value of EUR 51,200 thousand

Statement of Earnings of HOCHTIEF Aktiengesellschaft

(EUR thousand)	See note	2022	2021
Sales	(14)	101,382	92,899
Change in work in progress		(3,932)	2
Other operating income	(15)	72,064	24,780
Materials	(16)	(13,884)	(14,233)
Personnel costs	(17)	(59,960)	(35,502)
Depreciation and amortization	(18)	(1,213)	(2,165)
Other operating expenses	(19)	(129,461)	(80,546)
Net income from financial assets	(20)	413,251	248,070
Net interest income	(21)	(38,126)	(28,260)
Writedowns on financial assets and marketable securities	(22)	(142)	–
Profit before tax		339,979	205,045
Income taxes	(23)	(31,183)	(38,987)
Profit after income taxes		308,796	166,058
Other taxes	(24)	(17,585)	(8,823)
Net profit before changes in reserves		291,211	157,235
Net profit brought forward		4,824	9,665
Changes in reserves	(7)	14,810	(31,965)
Distributable profit		310,845	134,935

Notes to the HOCHTIEF Aktiengesellschaft Financial Statements

General information

These Annual Financial Statements are prepared in accordance with the German Commercial Code (HGB) and Stock Corporations Act (AktG). In 2022, for the first time, HOCHTIEF applies the mandatory accounting note IDW RH FAB 1.021 on the measurement, under German GAAP, of provisions for pension obligations resulting from direct commitments covered by pension liability insurance. Beyond this, there are no recognition and measurement changes relative to the prior year. For purposes of clarity, a number of items are aggregated in the Balance Sheet and in the Statement of Earnings. These items are broken down into their constituents and commented on elsewhere in these Notes. The Statement of Earnings is presented in vertical format using the nature of expense method of analysis. The financial statements are presented in euros.

The Executive Board and Supervisory Board have issued a declaration of compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporations Act (AktG). The declaration is available for the public to view at all times on the HOCHTIEF website.

Accounting policies

Purchased **intangible assets** are stated at cost of purchase less amortization, on a straight-line basis, over three to five years. If the fair value of an intangible asset is likely to be less than its carrying amount on other than a temporary basis, a writedown is additionally recognized due to impairment. Internally generated intangible assets are not recognized.

Property, plant and equipment is stated at cost of purchase or production (at the amount required to be recognized), less depreciation and, if the fair value of an item of property, plant and equipment is likely to be less than its carrying amount on other than a temporary basis, writedowns due to impairment. Borrowing costs are not included in purchase or production cost. Depreciation is charged on a straight-line basis over useful lives of up to 50 years for buildings and between three and ten years for other assets. Minor assets with a cost of up to EUR 250 are expensed in the year of purchase or production and are not recognized as assets. Minor assets with a cost of more than EUR 250 but less than EUR 1,000 are grouped and depreciated collectively over five years.

Financial assets are reported at acquisition cost, which in addition to acquisition-related costs also includes subsequent costs of acquisition. Shares in affiliated companies and participating interests are reported at fair value if this is lower and the impairment is likely to be other than temporary. In the case of listed companies, impairment testing is carried out on the basis of the market share price. With regard to the remaining shares in affiliated companies, the carrying amount of each investment is tested by management for indications of impairment as of the reporting date. If the preliminary analysis indicates a potential impairment, a detailed enterprise valuation is carried out using a method such as discounted cash flow. If the reason for an impairment ceases to exist, the impairment is reversed up to a maximum of the initial acquisition cost. Long-term securities investments and long-term loans are stated at the lower of acquisition cost or their current stock market price or, if an impairment is likely to be other than temporary, fair value.

Inventories are stated in accordance with the lower of cost or market principle either at cost of purchase or at the cost of production that is required to be recognized for tax purposes. Cost of production includes direct materials, direct labor, direct expenses, and an appropriate proportion of material overhead, labor overhead, and production-related depreciation of non-current assets. Progress payments received from clients are deducted from inventories up to the amount of the cost of production for each project. Advance payments in excess of these amounts are reported as liabilities. Any excess of the cost of purchase, or of the cost of production that is required to be recognized, over attributable value is accounted for by a writedown.

The valuation of **receivables and other current assets** normally measured at nominal value includes appropriate provision as necessary for specific doubtful accounts. A global allowance is also deducted to cover general credit risks.

Marketable securities are reported at the lower of acquisition cost or their current stock market price or fair value.

Cash and cash equivalents are accounted for at nominal value after deduction of necessary writedowns. Cash holdings denominated in foreign currency are translated at the mid-market spot exchange rate on the balance sheet date.

Prepaid expenses are expenses paid before the balance sheet date in respect of a specific future period.

Deferred taxes are recognized for temporary differences between the published financial statements and the tax base. HOCHTIEF Aktiengesellschaft also accounts for all deferred taxes for companies in its tax group. As in the prior year, deferred tax is measured on the basis of a combined tax rate of 31.5%. Deferred tax assets and deferred tax liabilities are presented net. In 2022, as in the previous year, deferred tax liabilities resulting primarily from the fair value measurement of plan assets when accounting for pension provisions were more than offset by deferred tax assets mainly relating to the measurement of pension obligations and other provisions. As in the prior year, the exemption available under the second sentence of Section 274 (1) HGB not to recognize deferred tax assets was applied.

Subscribed capital is stated at nominal value.

Treasury stock is presented as an adjusting item in shareholders' equity. The accounting par value of the treasury stock is deducted from subscribed capital on the face of the balance sheet and any remainder in respect of acquisition cost is charged against other retained earnings. Any transaction costs are recognized in profit or loss. Following sales of shares of treasury stock, any excess of the sale proceeds over the nominal value or accounting par value is credited to the appropriate reserve up to the amount deducted from freely available reserves and any remaining excess is accounted for in the capital reserve. The costs of the sale are recognized in profit or loss.

Provisions for pensions and similar obligations and provisions for long-service bonuses and semi-retirement programs for employees are measured using actuarial tables based on biometric probabilities (Prof. Dr. Klaus Heubeck 2018 G tables). Direct pension obligations are measured in accordance with Section 253 (1) and (2) of the German Commercial Code (HGB). Pensions and similar obligations are consequently measured using the internationally accepted projected unit credit method, which additionally takes into account future pay and pension benefit increases. In setting the discount factor, the option under the second sentence of Section 253 (2) HGB was applied, permitting pension provisions and similar long-term obligations to be discounted using a single average market interest rate found for an assumed remaining term of 15 years. The average is calculated based on the market interest rate over the last ten years for pension obligations and the last seven years for other post-employment and similar long-term obligations. The average for pension obligations is additionally calculated based on the market interest rate over the last seven years. The difference between this and measurement using the ten-year average interest rate is barred from dividend distribution and amounts to EUR 8,692 thousand (2021: EUR 16,297 thousand). The discount rate at the end of the year is based on the figure determined and published by the German Bundesbank as of September 30 each year. Allowance is also made for the effect, foreseeable as of September 30, of determining the average interest rate through to the balance sheet date. The majority of pension obligations are matched by assets held with the sole purpose of meeting pension obligations and ring-fenced from other creditors (plan assets). These include assets invested under a contractual trust arrangement (CTA), pension liability insurance assigned to employees, and mutual fund units under a deferred compensation plan. Securities are measured at fair value. Depending on the type of plan assets involved, fair value is measured using market prices, taking into account bank statements, and insurance statements. Any excess of fair value over cost of acquisition cannot be applied for dividend distribution. Under the second sentence of Section 246 (2) HGB, the fair value of plan assets is offset with the related pension obligations. This offsetting is performed separately for each type of pension obligation. The balance sheet presentation is as an asset or a liability according to whether there is a surplus or a deficit. If the fair value of plan assets exceeds that of the pension obligations, the excess is presented as "excess of plan assets over obligations." Net income from plan assets is likewise offset against the interest expense from unwinding the discount on pension obligations and against any expense/income recognized on changes in the discount factor, and the difference included in net interest income. In 2022, for the first time, HOCHTIEF applies the mandatory accounting note IDW RH FAB 1.021 on the measurement, under German GAAP, of provisions for pension obligations resulting from direct commitments covered by pension liability insurance. This requires pension obligations covered by pension liability insurance and the pension liability insurance itself, if congruent, to be measured from now on at the same amount. HOCHTIEF has elected the asset-side treatment, meaning that the capitalized surrender value of the pension liability insurance, as measured for tax purposes, determines the amount recognized for the pension obligations. Any portion of pension obligations not covered by congruent pension liability insurance continues to be recognized at the required settlement amount. In 2022, the new pronouncement led to prior-period expenses in the amount of EUR 11,216 thousand, which are reported under personnel costs.

Other provisions are recognized based on prudent business judgment and appropriately consider all identifiable risks; the amount provided for reflects the anticipated future costs. Expected future price and cost increases are taken into account when determining the settlement amount. Provisions with a remaining term of over one year are each discounted with the past seven-year average market interest rate for equivalent maturities as determined and published by the German Bundesbank. LTIP provisions are measured in accordance with the German Commercial Code on the basis of intrinsic value. Due to the analysis being based on the measurement parameters as of the reporting date, the intrinsic value corresponds to the difference between the current value on the measurement date and the issue price or, for LTIP stock awards, the current closing price on the measurement date—without taking profit limitation or performance hurdles into account. The computations are performed by an outside appraiser.

Liabilities are reported at the settlement amount.

Deferred income is income received before the balance sheet date in respect of a specific future period.

Derivative financial instruments

As well as for hedging exchange rate fluctuations in our international activities and financing activities, derivatives are also used to hedge cross-currency interest rate risk on debt. Derivatives are utilized exclusively for hedging purposes. Rules on their use and separate control are laid down together with responsibilities by binding directives in all Group companies. In designated hedging relationships (subject to hedge accounting), derivatives are used in connection with the hedged transactions. The counterparties in hedging transactions are invariably banks with first-rate credit standing. Derivatives are initially recognized at cost and are measured in subsequent periods at fair value in accordance with the imparity principle except where hedged items and the corresponding hedging transactions are valued as a unit. Fair values of cross-currency interest rate swaps are determined as of the measurement date on the basis of current reference rates taking into account forward premiums and discounts; fair values of foreign currency derivatives are determined from the forward exchange rates for the relevant currencies at the measurement date. Hedged items are valued as a unit with their corresponding hedging transactions if they are objectively and intentionally complementary in use and function such that gains and losses from the hedged item and the hedging transaction are highly likely to offset each other. At HOCHTIEF, hedged items and hedging transactions can only be valued as a unit in the case of micro hedges, where a single hedging transaction corresponds to a single hedged item. The effectiveness of such a unit at matching future changes in value or cash flows is determined by using the critical terms match method. Retrospective measurement of effectiveness is normally performed using the dollar offset method. Any ineffectiveness is accounted for by applying the imparity principle and recognizing a provision for the unit as needed. In all other respects, accounting presentation follows the net hedge presentation method.

Management estimates and assumptions

The preparation of the annual financial statements requires the management of HOCHTIEF Aktiengesellschaft to make estimates and assumptions that affect the disclosure and reported amounts of assets and liabilities as of the balance sheet date and of income and expenses in the reporting period as well as the disclosure of risks and uncertainties. Actual results may differ from such estimates.

Currency translation

Assets and liabilities in foreign currency are reported in the financial statements at the average spot exchange rate on initial entry in the accounts. Gains and losses due to changes in exchange rates as of the reporting date are recognized in profit or loss. For foreign currency-denominated assets and liabilities with a remaining term of up to one year, any gains due to changes in quoted prices as of the balance sheet date are recognized in profit or loss.

Where the currency risk on foreign currency items is hedged with derivatives such as forward exchange contracts and valued as a unit with the derivatives, the items are translated at the hedged rate.

Explanatory Notes to the Balance Sheet

1. Fixed assets

Movements in non-current assets 2022

(EUR thousand)	Cost of acquisition or production			
	Jan. 1, 2022	Additions	Disposals	Dec. 31, 2022
Intangible assets				
Concessions, industrial property and similar rights and assets, and licenses in such rights and assets, acquired for valuable consideration	38,807	–	–	38,807
	38,807	–	–	38,807
Property, plant and equipment				
Land, similar rights and buildings, including buildings on land owned by third parties	20,060	–	4,842	15,218
Technical equipment and machinery	4,897	–	1,993	2,904
Other equipment and office equipment	6,519	296	100	6,715
	31,476	296	6,935	24,837
Financial assets				
Shares in affiliated companies	3,557,271	98,500	614	3,655,157
Other participating interests	1,422,745	–	–	1,422,745
Long-term securities investments	9,233	2	1,023	8,212
	4,989,249	98,502	1,637	5,086,114
Total non-current assets	5,059,532	98,798	8,572	5,149,758

The shares in affiliated companies mainly relate to HOCHTIEF Asia Pacific GmbH, Essen, HOCHTIEF Americas GmbH, Essen, HOCHTIEF Solutions AG, Essen, and HOCHTIEF Insurance Broking and Risk Management Solutions GmbH, Essen.

Participating interests mainly relate to the interests in Abertis HoldCo S.A., Madrid. The carrying amount of that investment is EUR 1,405,255 thousand, as in the prior year.

A list of shareholdings of HOCHTIEF Aktiengesellschaft is provided starting on page 25.

Long-term securities investments consist in their entirety of shares in mutual fund units linked to a deferred compensation plan to provide a supplementary pension for employees. These shares were acquired on behalf of subsidiaries and thus do not constitute plan assets for HOCHTIEF Aktiengesellschaft.

Cumulative depreciation and amortization					Carrying amount	Carrying amount
Jan. 1, 2022	Depreciation and amortization in 2022	Disposals	Impairment reversals	Dec. 31, 2022	at Dec. 31, 2022	at Dec. 31, 2021
37,848	745	–	–	38,593	214	959
37,848	745	–	–	38,593	214	959
15,968	30	3,215	254	12,529	2,689	4,092
3,755	238	1,993	–	2,000	904	1,142
4,715	200	100	–	4,815	1,900	1,804
24,438	468	5,308	254	19,344	5,493	7,038
31,677	–	614	–	31,063	3,624,094	3,525,594
17,490	–	–	–	17,490	1,405,255	1,405,255
–	–	–	–	–	8,212	9,233
49,167	–	614	–	48,553	5,037,561	4,940,082
111,453	1,213	5,922	254	106,490	5,043,268	4,948,079

2. Inventories

Inventories comprise EUR 1 thousand (2021: EUR 3,932 thousand) in work in progress.

3. Receivables and other assets

(EUR thousand)	Dec. 31, 2022	Of which: remaining term above 1 year	Dec. 31, 2021	Of which: remaining term above 1 year
Trade receivables	798	–	718	–
Receivables from affiliated companies	1,725,796	1,476,212	907,427	683,978
Receivables from companies in which the Company has participating interests	4	–	3	–
Other assets	50,806	135	68,887	296
	1,777,404	1,476,347	977,035	684,274

Receivables from affiliated companies are largely connected with intra-Group financial management and would come under other assets if they were not presented under receivables from affiliated companies. The year-on-year increase mainly relates to the granting of a loan to finance the payment obligation under the offer by HOCHTIEF Australia Holdings Limited to acquire all shares in CIMIC.

Other assets mainly comprise tax refund entitlements. Other assets totaling EUR 135 thousand (2021: EUR 296 thousand) are subject to restrictions.

4. Marketable securities

Marketable securities comprise EUR 1,202 thousand (2021: EUR 1,343 thousand) in shares in investment funds. As in the prior year, marketable securities are not subject to any restrictions.

5. Cash and cash equivalents

Cash and cash equivalents mostly consist of bank balances and, as in the prior year, are not subject to any restrictions.

6. Prepaid expenses

Prepaid expenses mainly consisted of prepaid loan liabilities and the difference between the settlement amount and issue amount of liabilities totaling EUR 8,243 thousand (2021: EUR 9,845 thousand).

7. Equity

(EUR thousand)	Amount on Jan. 1, 2022	Capital increase	Dividends distributed	Net profit before changes in reserves	Other changes	Amount on Dec. 31, 2022
Subscribed capital	180,856	18,085	-	-	-	198,941
Treasury stock	(6,467)	-	-	-	9	(6,458)
Capital reserve	1,711,090	388,129	-	-	-	2,099,219
Retained earnings						
Statutory reserve	1,492	-	-	-	-	1,492
Other retained earnings	648,725	-	-	-	(14,635)	634,090
Total reserves	2,361,307	388,129	-	-	(14,635)	2,734,801
Distributable profit	134,935	-	(130,111)	291,211	14,810	310,845
	2,670,631	406,214	(130,111)	291,211	184	3,238,129

On June 8, 2022, the Executive Board resolved to issue 7,064,593 new shares from Authorized Capital II against contributions in cash with simplified exclusion of shareholders' subscription rights. The Supervisory Board gave its approval on June 8, 2022. The capital increase became effective on June 10, 2022 on entry in the Commercial Register.

The Company's capital stock is divided into 77,711,300 no-par-value bearer shares and amounts to EUR 198,940,928.00. Each share accounts for EUR 2.56 of capital stock. As of December 31, 2022, HOCHTIEF Aktiengesellschaft held a total of 2,522,676 shares of treasury stock as defined in Section 160 (1) 2 of the German Stock Corporations Act (AktG). These shares were purchased from October 7, 2014 onward for the purposes provided for in the resolutions of the Annual General Meeting of May 7, 2014, May 6, 2015, and April 28, 2020, and for all other purposes permitted under AktG. The holdings of treasury stock represent EUR 6,458,050.56 (3.25%) of the Company's capital stock.

Including treasury stock still held, subscribed capital totaled EUR 192,483 thousand as of December 31, 2022 (2021: EUR 174,389 thousand).

The stock buyback program announced on November 8, 2021 was completed as planned on November 7, 2022. A total of 71,560 shares (0.092% of the capital stock) were acquired exclusively via the Xetra trading system. The average purchase price per share paid on the stock exchange was EUR 69.1963 (excluding incidental transaction charges). The stock buyback program was based on the authorization granted at the Annual General Meeting of April 28, 2020 to repurchase, by April 27, 2025, shares in the amount of up to 10% of the Company's capital stock at the time of the Annual General Meeting resolution. A bank mandated by the Company carried out the buyback, which was performed in compliance with Articles 2 to 4 of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016.

In April 2022, 3,175 shares of treasury stock were transferred to members of the Company's Executive Board at a price of EUR 57.92 per share on condition that the shares be held for at least two years after transfer. The transfer settled the transferees' variable compensation entitlements. The shares represent EUR 8,128.00 (0.0041%) of the Company's capital stock.

The capital reserve comprises EUR 2,062,398 thousand (2021: EUR 1,674,269 thousand) constituting the premium on shares issued by HOCHTIEF Aktiengesellschaft together with EUR 4,309 thousand (2021: EUR 4,309 thousand) for the book gain on the sale of treasury stock, and the capital stock represented by the shares canceled in 2016 (EUR 12,824 thousand) and 2014 (EUR 19,688 thousand).

EUR 14,810 thousand has been withdrawn from other retained earnings. In 2021, EUR 31,965 thousand was transferred to other retained earnings from net profit for the year. In addition charging of acquisition cost due to changes in treasury stock affected other retained earnings in the amount of EUR 211 thousand. Reserves in the amount of EUR 21,193 thousand (2021: EUR 29,691 thousand) are not available for distribution in accordance with Section 268 (8) of the German Commercial Code (HGB). This relates to the excess of the fair value of plan assets over the cost of acquisition, used to fund pension obligations. In addition, EUR 8,692 thousand (2021: EUR 16,297 thousand) is not available for distribution in accordance with Section 253 (6) of the German Commercial Code (HGB). This is the difference in amount between the recognition of pension obligations in accordance with the relevant average market interest rate for the past ten years and the recognition of pension obligations in accordance with the relevant average market interest rate for the past seven years.

The Executive Board is unaware of any restrictions on voting rights or on transfers of shares.

There are no shares with special control rights. The Executive Board is not aware of any employee shares where the control rights are not exercised directly by the employees.

Statutory rules on the appointment and replacement of Executive Board members are contained in Sections 84 and 85 and statutory rules on the amendment of the Articles of Association in Sections 179 and 133 of the German Stock Corporations Act (AktG). Under Section 7 (1) of the Company's Articles of Association, the Executive Board comprises at least two individuals. Section 23 (1) of the Articles of Association provides that resolutions of the Annual General Meeting require a simple majority of votes cast unless there is a statutory requirement stipulating a different majority. In instances where the Act requires a majority of the capital stock represented at the time of the resolution in addition to a majority of votes cast, Section 23 (3) of the Articles of Association provides that a simple majority will suffice unless there is a mandatory requirement stipulating a different majority.

Pursuant to the resolution of the Annual General Meeting of April 27, 2022 and to Section 4 (5) of the Articles of Association inserted in accordance with the resolution, the Executive Board is authorized, subject to Supervisory Board approval, to increase the capital stock by issuing new no-par-value bearer shares for cash and/or non-cash consideration in one or more issues up to a total of EUR 65,752 thousand by or before April 26, 2027 (Authorized Capital I). Detailed provisions are contained in the stated section of the Articles.

Pursuant to the resolution of the Annual General Meeting of May 7, 2019 and to Section 4 (6) of the Articles of Association as revised on June 10, 2022, the Executive Board is authorized, subject to Supervisory Board approval, to increase the capital stock by issuing new no-par-value bearer shares for cash and/or non-cash consideration in one or more issues up to a total of EUR 6,589 thousand by or before May 6, 2024 (Authorized Capital II). Detailed provisions are contained in the stated section of the Articles.

Pursuant to the resolution of the Annual General Meeting of April 27, 2022 and thus to the revised Section 4 (4) of the Articles of Association, the Company's capital stock has been conditionally increased by up to EUR 51,200 thousand divided into up to 20 million no-par-value bearer shares (conditional capital). The detailed stipulations are contained in the aforementioned section of the Articles of Association and the aforementioned resolution. Under that resolution, the Executive Board is authorized, subject to the approval of the Supervisory Board, to issue on one or more occasions in the period up to April 26, 2027 registered or bearer warrant-linked and/or convertible bonds, profit participation rights or participating bonds, or any combination of such instruments (collectively "bonds"), in an aggregate principal amount of up to EUR 2,000,000,000.00 with or without maturity restrictions and to grant or issue option rights or obligations to holders or creditors of warrant-linked bonds or of participatory notes with warrants or of warrant-linked participating bonds or to grant or issue conversion rights or obligations to holders or creditors of convertible bonds or convertible participatory notes or convertible participating bonds for up to 20 million no-par-value bearer shares in HOCHTIEF Aktiengesellschaft with an aggregate proportionate interest in the capital stock of up to EUR 51,200,000.00, as stipulated in greater detail in the terms and conditions of the bonds.

Authorization to repurchase shares:

The Company is authorized by resolution of the Annual General Meeting of April 27, 2022 to repurchase its own shares in accordance with Section 71 (1) 8 of the German Stock Corporations Act (AktG). This authorization expires on April 26, 2027. It is limited to 10% of the capital stock at the time of the Annual General Meeting resolution or at the time of exercising the authorization, whichever figure is smaller. The authorization can be exercised directly by the Company or

by a company in its control or majority ownership or by third parties engaged by the Company or engaged by a company in its control or majority ownership and allows the share repurchase to be executed in one or more installments covering the entire amount authorized or any fraction. The repurchase may be effected through the stock exchange or by public offer to all shareholders, or by public invitation to all shareholders to tender shares for sale, or by issuing shareholders with rights to sell shares. The conditions governing the repurchase are set forth in detail in the resolution.

By resolution of the Annual General Meeting of April 27, 2022, the Executive Board is authorized, subject to Supervisory Board approval, in the event of a sale of shares of treasury stock effected by way of an offer to all shareholders, to issue subscription rights to the shares to holders of warrant-linked and/or convertible bonds issued by the Company or by any subordinate Group company. The Executive Board is also authorized, subject to Supervisory Board approval, to sell shares of treasury stock other than through the stock exchange and other than by way of an offer to all shareholders, provided that the shares are sold for cash at a price not substantially below the current stock market price for Company shares of the same class at the time of sale.

The HOCHTIEF Aktiengesellschaft Executive Board is further authorized, subject to Supervisory Board approval and the conditions set out in the following, to offer and transfer shares of treasury stock to third parties other than through the stock exchange and other than by way of an offer to all shareholders. Such transactions may take place in the course of acquisitions of business enterprises in whole or part or of other assets and in the course of mergers. They are also permitted for the purpose of obtaining a listing for the Company's shares on foreign stock exchanges where it is not yet listed. The shares may furthermore be offered for purchase by employees or former employees of the Company or its affiliates. Holders of bonds which the Company or a Group company subordinate to it issues or has issued may also be issued with the shares upon exercising the warrant and/or conversion rights and/or obligations attached to the bonds.

The shares may also, on condition that they be held for at least two years after transfer, be transferred to (current or past) members of the Executive Board of the Company and to (current or past) members of the executive boards and general management of companies under its control within the meaning of Section 17 of the German Stock Corporations Act (AktG), and to current or past employees of the Company or of a company under its control within the meaning of Section 17 AktG. Such transfers are only permitted for the purpose of settling the transferees' variable compensation entitlements. Further conditions of transfer are detailed in the resolution. Where shares are issued to members of the Executive Board of the Company, the decision to issue the shares is taken solely by the Supervisory Board.

Shareholders' statutory subscription rights to such shares are exempt pursuant to Sections 71 (1) 8 and 186 (3) and (4) of the German Stock Corporations Act (AktG) to the extent that the shares are used in exercise of the authorizations set out above.

The Executive Board is also authorized, subject to Supervisory Board approval, to cancel shares of treasury stock without a further resolution of the Annual General Meeting being required for the cancellation itself or its execution.

The conditions governing awards of subscription rights and the sale, transfer, and cancellation of treasury stock are set forth in detail in the Annual General Meeting resolution.

By a further resolution of the Annual General Meeting of April 27, 2022, the Company is authorized to acquire shares of treasury stock in accordance with Section 71 (1) 8 AktG using equity derivatives as well as to exclude shareholders' rights to sell shares and subscription rights. This is not intended to increase the total volume of shares that may be purchased; instead, it merely opens the way for other alternatives to purchase shares of treasury stock within and against the upper limit set in the aforementioned authorization. The Executive Board has been authorized to acquire options which, when exercised, entitle the Company to acquire shares of the Company (call options). The Executive Board is further authorized to sell options which, when exercised by their holder, require the Company to acquire shares of the Company (put options). Moreover, the shares can be acquired using a combination of call and put options or forward purchase agreements. Additional details of the conditions for the use of equity derivatives in the acquisition of treasury stock and for the exclusion of shareholders' rights to sell and subscription rights are set out in the Annual General Meeting resolution.

8. Share-based payment

The following share-based payment plans were in force for managerial staff of HOCHTIEF Aktiengesellschaft and its affiliates in 2022:

Long-term Incentive Plan 2017

The Long-term Incentive Plan 2017 (LTIP 2017) was launched by resolution of the Supervisory Board in 2017 and is open to Executive Board members and selected managerial employees. The plan was based on performance stock awards.

The conditions stipulated that for each performance stock award (PSA) exercised within a two-year exercise period following a three-year waiting period, entitled individuals received from the issuing entity a payment entitlement equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date, plus a performance bonus. The size of the performance bonus depended on the adjusted free cash flow of the last complete year before the exercise date.

The gain was limited to EUR 514.62 per PSA.

The plan was exercised in full in 2022.

Long-term Incentive Plan 2018

The Long-term Incentive Plan 2018 (LTIP 2018) was launched by resolution of the Supervisory Board in 2018 and is open to Executive Board members and selected managerial employees. The plan is based on performance stock awards.

The conditions stipulate that for each performance stock award (PSA) exercised within a two-year exercise period following a three-year waiting period, entitled individuals receive from the issuing entity a payment entitlement equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date, plus a performance bonus. The size of the performance bonus depends for each company on the relevant cash performance indicator in the last complete year before the exercise date. For the members of the Executive Board and managerial employees of HOCHTIEF Aktiengesellschaft, the performance bonus depends on adjusted free cash flow.

The gain is limited to EUR 533.70 per PSA.

Long-term Incentive Plan 2019

The Long-term Incentive Plan 2019 (LTIP 2019) was launched by resolution of the Supervisory Board in 2019 and is open to Executive Board members and selected managerial employees. The plan is based on performance stock awards.

The conditions stipulate that for each performance stock award (PSA) exercised within a two-year exercise period following a three-year waiting period, entitled individuals receive from the issuing entity a payment entitlement equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date, plus a performance bonus. The size of the performance bonus depends for each company on the relevant cash performance indicator in the last complete year before the exercise date. For the members of the Executive Board and managerial employees of HOCHTIEF Aktiengesellschaft, the performance bonus depends on adjusted free cash flow.

The gain is limited to EUR 477.12 per PSA.

Long-term Incentive Plan 2021

The Long-term Incentive Plan 2021 (LTIP 2021) was launched by resolution of the Supervisory Board in 2021 and is open to Executive Board members and selected managerial employees. The plan is based on performance stock awards.

The conditions stipulate that for each performance stock award (PSA) exercised within a two-year exercise period following a three-year waiting period, entitled individuals receive from the issuing entity a payment entitlement equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date, plus a performance bonus. The size of the performance bonus depends for each company on the relevant cash performance indicator in the last three years before the exercise date. For the members of the Executive Board and managerial employees of

HOCHTIEF Aktiengesellschaft, the performance bonus depends on adjusted free cash flow in the last complete year before the exercise date.

The gain is limited to EUR 292.95 per PSA.

Long-term-Incentive Plan 2022

The Long-term Incentive Plan 2022 (LTIP 2022) was launched by resolution of the Supervisory Board in 2022 and is open to Executive Board members. The plan is based on performance stock awards.

The conditions stipulate that for each performance stock award (PSA) exercised within a two-year exercise period following a three-year waiting period, entitled individuals receive a payment entitlement equal to the closing price of HOCHTIEF stock on the last stock market trading day before the exercise date, plus a performance bonus. The size of the performance bonus depends on the adjusted free cash flow of the last complete year before the exercise date.

The gain is limited to EUR 261.03 per PSA.

Other information

The conditions of all plans stipulate that on the exercise—and the fulfillment of all other requisite criteria—HOCHTIEF Aktiengesellschaft normally has the option of delivering HOCHTIEF shares instead of paying out the gain in cash. Where the entitled individuals are not employees of HOCHTIEF Aktiengesellschaft, the expense incurred on exercise is borne by the affiliated company concerned.

Provisions recognized for the stated share-based payment arrangements totaled EUR 3,523 thousand as of the balance sheet date (2021: EUR 5,959 thousand). The total income recognized for the stated arrangements in 2022 was EUR 1,036 thousand (2021: expense EUR 667 thousand). The intrinsic value of plans exercisable at the end of the reporting period was EUR 1,105 thousand (2021: EUR 1,201 thousand). The quantities granted, expired, and exercised under the plans so far are as follows:

	Originally granted	Outstanding at Dec. 31 2021	Granted in 2022	Expired in 2022	Exercised/ settled in 2022	Outstand- ing at Dec. 31, 2022
LTIP 2017 – performance stock awards	17,231	1,300	–	–	1,300	0
LTIP 2018 – performance stock awards	17,219	16,719	–	–	14,819	1,900
LTIP 2019 – performance stock awards	18,635	18,635	–	–	500	18,135
LTIP 2021 – performance stock awards	10,357	10,357	–	–	–	10,357
LTIP 2022 – performance stock awards	–	–	3,133	–	–	3,133

9. Provisions for pensions and similar obligations

Company pensions at HOCHTIEF Aktiengesellschaft comprise a system of components that can be combined into a defined contribution plan. The annual pension component depends on employee income and age (resulting in an annuity conversion factor) as well as a general pension contribution, which HOCHTIEF Aktiengesellschaft reviews every three years and adapts if needed. The benefits to be received are calculated from the sum of all annual pension components accumulated. Benefits comprise an old-age pension, an invalidity pension, and a surviving dependents' pension.

The size of pension provisions is determined on an actuarial basis. This necessarily involves estimates. The Prof. Dr. Klaus Heubeck 2018 G tables are used to provide biometric data for the calculations. The remaining actuarial assumptions used are as follows:

(%)	2022	2021
Discount factor	1.79	1.87
Salary increases	2.75	2.75
Pension increases	2.25	1.75

HOCHTIEF Aktiengesellschaft's pension finances are based on a contractual trust arrangement (CTA). Administered in trust by an external trustee, the transferred assets serve exclusively to fund domestic pension obligations. The transferred cash is invested on the capital market in accordance with investment principles set out in the trust agreement. Units in a special-purpose investment fund (a mixed investment fund) had a fair value, which was equal to their carrying amount, of EUR 107,051 thousand as of December 31, 2022 (December 31, 2021: EUR 124,965 thousand). As in the prior year, HOCHTIEF Aktiengesellschaft did not receive any distribution from the fund. The fund assets—as well as the pension liability insurance and investment fund units in the deferred compensation plan assigned to employees—meet the requirements in the second sentence of Section 246 (2) of the German Commercial Code (HGB). The fair value of these assets is therefore netted against the settlement amount of the pension obligations and income and expenses from plan assets against the interest expense on the pension obligations.

Assets were offset against pension obligations as follows in the balance sheet:

	December 31, 2022			December 31, 2021		
(EUR thousand)	Excess of plan assets over obligations	Provisions for pensions and similar obligations	Total	Excess of plan assets over obligations	Provisions for pensions and similar obligations	Total
Settlement amount of pensions and similar obligations	–	(290,943)	(290,943)	(66,028)	(204,661)	(270,689)
Fair value of assets offset against obligations (Section 246 (2) Sentence 2 HGB)	–	181,505	181,505	71,245	129,102	200,347
Balance	–	(109,438)	(109,438)	5,217	(75,559)	(70,342)
Acquisition cost of assets offset against obligations (Section 246 (2) Sentence 2 HGB)	–	160,312	160,312	71,245	99,412	170,657

The IDW accounting note on the measurement of pension obligations covered by pension liability insurance (IDW RH FAB 1.021) was applied for the first time in 2022. As a result, the previous excess of plan assets over obligations ceased to be recognized. Pension payments totaled EUR 18,100 thousand in 2022 (2021: EUR 18,649 thousand).

The pension expense is made up as follows:

(EUR thousand)	2022	2021
Pension expense	30,738	7,955
Personnel expense	30,738	7,955
Interest expense from unwinding of discount and changes in discount factor	7,734	18,399
(Gains)/losses on plan assets offset against pension expense (Section 246 (2) Sentence 2 HGB)	3,611	(10,135)
Net interest income	11,345	8,264
Total expense	42,083	16,219

The pension expense in 2022 includes an expense of EUR 11,216 thousand due to initial application of the IDW accounting note on the measurement of pension obligations covered by pension liability insurance (IDW RH FAB 1.021). A rise in the pension increase rate used in the calculation of pension obligations also had the effect of increasing the expenses. The interest expense includes EUR 2,491 thousand (2021: EUR 12,535 thousand) in expense relating to the change in the discount rate.

10. Other provisions

(EUR thousand)	Dec. 31, 2022	Dec. 31, 2021
Provisions for taxes	121,562	77,990
Sundry other provisions	29,871	22,344
	151,433	100,334

Provisions for taxes include risk provisioning of EUR 59,032 thousand (2021: EUR 53,800 thousand) in connection with recovery claims by foreign tax authorities.

Other provisions cover items such as personnel-related provisions (mainly share-based and performance-based remuneration together with leave provisions), costs of preparing the annual financial statements, risks in real estate, and litigation risks.

11. Liabilities

(EUR thousand)	Dec. 31, 2022	Of which: with residual term of up to 1 year	Of which: with residual term greater than 1 year and up to 5 years	Dec. 31, 2021	Of which: with residual term of up to 1 year	Of which: with residual term greater than 1 year and up to 5 years
Bonds	1,958,337	10,193	1,044,583	1,958,337	10,193	544,583
Amounts due to banks	821,594	187,094	601,000	750,801	184,301	523,000
Trade payables	1,930	1,930	–	2,653	2,653	–
Amounts due to affiliated companies	813,635	720,314	93,321	879,756	879,756	–
Other liabilities	10,144	10,144	–	21,134	21,134	–
Of which: from taxes	4,404	4,404	–	16,335	16,335	–
Of which: from social insurance contributions	13	13	–	17	17	–
	3,605,640	929,675	1,738,904	3,612,681	1,098,037	1,067,583

Liabilities in the amount of EUR 937 million have a remaining time to maturity of more than five years as of the balance sheet date (2021: EUR 1,447 million). These relate to bonds in the amount of EUR 904 million (2021: EUR 1,404 million) and liabilities to banks in the amount of EUR 33 million (2021: EUR 43 million).

The bonds item relating to bonds issued by HOCHTIEF Aktiengesellschaft comprises the following:

	Carrying amount Dec. 31, 2022 (EUR thousand)	Carrying amount Dec. 31, 2021 (EUR thousand)	Principal amount Dec. 31, 2022 (thousand)	Coupon (%)	Initial term (in years)	Matures
HOCHTIEF AG bond (2021)	502,140	502,140	500,000 EUR	0.63	8	April 2029
HOCHTIEF AG bond (2019)	50,788	50,788	50,000 EUR	2.3	15	April 2034
HOCHTIEF AG bond (2019)	251,027	251,027	250,000 EUR	1.25	12	September 2031
HOCHTIEF AG bond (2019)	104,435	104,435	1,000,000 NOK	1.7	10	July 2029
HOCHTIEF AG bond (2019)	500,822	500,822	500,000 EUR	0.5	8	September 2027
HOCHTIEF AG bond (2019)	44,762	44,762	50,000 CHF	0.77	6	June 2025
HOCHTIEF AG bond (2018)	504,363	504,363	500,000 EUR	1.75	7	July 2025
	1,958,337	1,958,337				

To finance the payment obligation in respect of the off-market takeover offer to acquire all CIMIC shares, HOCHTIEF entered into a transaction facility with a banking syndicate on February 23, 2022 for up to EUR 1 billion with a term of one year (plus two extension options for six months each). After a partial repayment of EUR 406 million on June 17, 2022 following the June 8, 2022 capital increase at HOCHTIEF Aktiengesellschaft, the facility was repaid in full in October 2022 out of the October 2022 promissory note loan issue and existing liquidity.

HOCHTIEF Aktiengesellschaft launched a promissory note loan issue in October 2022 for a total of EUR 246 million. The notes have staggered terms of three, five, seven, and ten years. This further diversified HOCHTIEF's debt maturity profile. The proceeds are earmarked for general corporate purposes, which include completing the long-term funding for the acquisition of the minority interests in CIMIC.

As in the prior year, amounts due to affiliated companies are largely connected with intra-Group financial management.

Other liabilities mainly comprise tax liabilities and payroll liabilities.

12. Prepaid expenses

Prepaid expenses in 2022 mainly resulted from taking out a foreign currency loan, which was hedged over the term by a matching currency derivative. In 2021, prepaid expenses mainly consisted of prepaid property rents and leases.

13. Contingencies, commitments, and other financial obligations

The commitments and potential obligations primarily serve as security for bank loans, contract performance, warranty obligations, and advance payments. Most guarantees as of the reporting date related to participating interests and construction joint ventures.

(EUR thousand)	Dec. 31, 2022	Dec. 31, 2021
Obligations from guarantees and sureties	10,932,972	9,421,822
Of which: for affiliated companies	10,927,244	9,415,794

The obligations for HOCHTIEF Aktiengesellschaft include an unlimited bonding guarantee provided in favor of U.S. insurance companies in respect of obligations of the Turner Group and the Flatiron Group. An amount of USD 9,858 million was utilized as of December 31, 2022 (2021: USD 8,907 million).

This includes guarantees with which HOCHTIEF Aktiengesellschaft is liable for obligations, lines of credit and joint venture guarantees given by Flatiron Construction Corporation, in the latter case up to a maximum of the total contract value. This amounted to EUR 1,189,391 thousand as of December 31, 2022 (2021: EUR 1,046,894 thousand). The size of the liability for each credit facility depends on the outstanding financial obligation extended under the respective facility.

In connection with the sale of 50% of Thiess as of December 31, 2020, the acquirer (Elliott) was granted a put option by CIMIC. Subject to exceptions, the exercise period is between December 31, 2023 and December 31, 2026. If the option were to be exercised, CIMIC would be required to repurchase all or part of the interest in Class A preference shares or ordinary shares in Thiess. The exercise price would be, at maximum, the purchase price originally paid by Elliott (a maximum of AUD 1.1 billion) and any minimum dividends not distributed by Thiess for the six years following completion of the transaction (a maximum of AUD 180 million per year). HOCHTIEF has assumed a guarantee for CIMIC's financial obligations to Elliott under the put option. Under that guarantee, HOCHTIEF would enter into CIMIC's contractual position in the event of payment default by CIMIC. No outflow of assets is anticipated in subsequent years because payment default by CIMIC is extremely unlikely, notably by virtue of its BBB- S&P rating, and HOCHTIEF would take over the interest in Thiess. As of December 31, 2022, the put option is accounted for in the HOCHTIEF Consolidated Financial Statements at an amount of EUR 2.77 million.

During the current year, the Thiess Group acquired all of the ordinary shares of MACA Limited. CIMIC and Elliott financed the acquisition by subscribing for new Class C preference shares in Thiess. CIMIC invested AUD 191.3 million (EUR 126.2 million). These preference shares were issued on equal terms to both investors and provide a coupon return which is ranked above all other equity instruments. In connection with the issue of the new preference shares, Elliott was granted an option on third-party equity of Thiess, which is not fully consolidated ("Thiess option" or "Class C shares option"), by CIMIC. If the Thiess option were to be exercised, CIMIC would be required to purchase all new preference shares. The exercise price would be, at maximum, the purchase price originally paid by Elliott (a maximum of AUD 200 million) plus any unpaid interest. HOCHTIEF has assumed a guarantee for CIMIC's financial obligations to Elliott under the Thiess option. Under that guarantee, HOCHTIEF would enter into CIMIC's contractual position in the event of payment default by CIMIC. As part of the CIMIC's investment in the Thiess Class C preference shares, the parties entered into a Thiess option deed which includes an option for Elliott to put their Class C preference shares to CIMIC for a period of 42 months, starting six months after the end of the Put Option period, or, six months after the

date when Elliott ceases to own any Class A preference shares or ordinary shares or notices the exercise of options related to all remaining Class A preference shares or ordinary shares. CIMIC holds a call option to acquire the Class C preference shares from Elliott, for a period of 42 months, starting at the end of the Put Option period or the date when Elliott ceases to own any Class A preference shares or ordinary shares. The issuance of the new Class C preference shares and associated put and call options did not change the underlying joint control assessment of Thiess. The Thiess option is accounted for in the HOCHTIEF Consolidated Financial Statements at an amount of EUR 1.07 million as of the balance sheet date.

For the part, no recourse has ever been made to these guarantees provided by HOCHTIEF Aktiengesellschaft and, in light of the financial circumstances, none is currently anticipated for the future.

Other financial obligations include EUR 17,015 thousand (2021: EUR 21,165 thousand) in commitments under long-term contracts for the supply of goods and services. These represent obligations under long-term rental contracts. These are partly offset by own use and anticipated rental income totaling EUR 8,285 thousand (2021: EUR 14,981 thousand).

Derivative financial instruments

Derivative financial instruments are used to hedge currency and interest-rate risks on foreign currency positions and financing transactions. The following table shows the derivative financial instruments currently in place:

Dec. 31, 2022 (EUR thousand)	Nominal principal amount		Fair value		Residual term
	external	intra-group	external	intra-group	in month
Currency derivatives					
Forward exchange contracts	–	93,321	–	(3,264)	46
Cross-currency swaps	148,144	–	7,404	–	30 to 79
	148,144	93,321	7,404	(3,264)	
Interest rate swaps	246,500	–	(1,170)	–	5 to 82
	394,644	93,321	6,234	(3,264)	

Promissory note loans with a principal amount of EUR 246,500 thousand (2021: EUR 0 thousand) are hedged against interest-rate fluctuations, with the hedged item and the hedge constituting a hedging relationship in each case and the fair value of the forward exchange contract amounting in total to a negative EUR 1,170 thousand (2021: EUR 0 thousand).

One foreign currency liability to a wholly owned subsidiary with a principal amount of EUR 93,321 thousand (2021: EUR 0 thousand) is hedged against currency fluctuations. The fair value of the currency derivative is a negative EUR 3,264 thousand (2021: EUR 0 thousand).

The corporate bonds issued in Swiss francs and Norwegian kroner are hedged with interest-rate swaps. The bonds have a principal amount of EUR 148,144 thousand and the currency derivatives have a net fair value of EUR 7,404 thousand (2021: negative net fair value of EUR 3,145 thousand).

In the prior year, the currency risk on a USD-denominated Group receivable for EUR 157,739 thousand was hedged with a forward exchange contract of matching amount and maturity. The fair value of the forward exchange contract was EUR 331 thousand.

Explanatory Notes to the Statement of Earnings

14. Sales

HOCHTIEF Aktiengesellschaft's reported sales comprise revenue from performing the functions of a holding company. They comprise sales in Germany totaling EUR 24,547 thousand (2021: EUR 25,679 thousand) and international sales totaling EUR 76,835 thousand (2021: EUR 67,220 thousand). Sales contain rental income of EUR 9,389 thousand (2021: EUR 18,028 thousand). Group management services in the amount of EUR 84,785 thousand are also included (2021: EUR 74,690 thousand).

15. Other operating income

This item contains mainly income from derivatives used to hedge foreign currency transactions in the amount of EUR 45,316 thousand (2021: EUR 0 thousand), as well as exchange rate gains in the amount of EUR 5,064 thousand (2021: EUR 7,375 thousand). It also includes income from royalty agreements in the amount of EUR 12,895 thousand (2021: EUR 12,831 thousand), and prior-period income from reversal of provisions in the amount of EUR 1,262 thousand (2021: EUR 3,536 thousand).

16. Materials

(EUR thousand)	2022	2021
Raw materials, supplies, and purchased goods	99	77
Purchased services	13,785	14,156
	13,884	14,233

17. Personnel costs

(EUR thousand)	2022	2021
Wages and salaries	26,901	25,362
Social insurance and support	2,091	2,103
Pensions	30,968	8,037
	59,960	35,502

The higher pension expenditure relates to the mandatory first-time application of the IDW accounting note on the measurement, under German GAAP, of provisions for pension obligations resulting from direct commitments covered by pension liability insurance (IDW RH FAB 1.021). A rise in the pension increase rate used in the calculation of pension obligations also had the effect of increasing the expenses.

Employees

(average for the year)	2022	2021
Waged/industrial employees	3	3
Salaried/office employees	155	158
	158	161

18. Depreciation and amortization

(EUR thousand)	2022	2021
Intangible assets	746	1,147
Property, plant and equipment	467	1,018
	1,213	2,165

This consists of depreciation and amortization as such, with no impairments.

19. Other operating expenses

Other operating expenses include foreign exchange losses in the amount of EUR 53,318 thousand (2021: EUR 41 thousand). In fiscal year 2022, these mainly result from the valuation of a foreign exchange receivable at the closing rate as of December 31, 2022. This item also includes EUR 20,513 thousand (2021: EUR 32,864 thousand) in writedowns on receivables as well as EUR 13,245 thousand (2021: EUR 9,052 thousand) in prior-period expenses from the charging on of reimbursement claims relating to subsidiaries as well as mainly rentals and lease payments, court costs, attorneys' and notaries' fees, insurance premiums, costs of preparing the annual financial statements, consulting costs, Supervisory Board compensation, allocated charges, IT costs, and advertising costs.

20. Net income from financial assets

(EUR thousand)	2022	2021
Income from profit/loss transfer agreements	326,273	309,866
Expenses from loss transfer agreements	(31,767)	(180,566)
Income from participating interests	118,738	118,738
Of which: from associated companies	118,738	118,738
Income from other securities and long-term loans	7	32
	413,251	248,070

The income from profit/loss transfer agreements mainly relates to the subsidiaries HOCHTIEF Americas GmbH (EUR 193,209 thousand; 2021: EUR 146,577 thousand) and HOCHTIEF Asia Pacific GmbH (EUR 132,100 thousand; 2021: EUR 152,346 thousand). The expenses from transfer of losses mainly relate to HOCHTIEF Solutions AG (EUR 31,121 thousand; 2021: EUR 179,558 thousand).

Income from participating interests in the amount of EUR 118,738 thousand was unchanged to the prior year fully attributable to Abertis HoldCo S.A.

21. Net interest income

(EUR thousand)	2022	2021
Other interest and similar income	51,591	42,542
Of which: from affiliated companies	50,637	27,187
Interest and similar expenses	(89,717)	(70,802)
Of which: to affiliated companies	(5,583)	(57)
	(38,126)	(28,260)

Interest and similar expenses contain the net balance in the amount of EUR 11,345 thousand (2021: EUR 8,264 thousand) of interest expense relating to pension provisions and gains or losses on plan assets. Interest and similar expenses also contain EUR 6 thousand (2021: EUR 12 thousand) in interest expense relating to other provisions with a remaining term of more than one year. In addition, interest income of the previous year included EUR 10,011 thousand in prior-period interest from value-added tax refund entitlements.

22. Writedowns on financial assets and marketable securities

This item comprises EUR 142 thousand (2021: EUR 0 thousand) in writedowns on marketable securities.

23. Income taxes

This item mainly consists of municipal trade tax and corporate income tax. In 2021, EUR 37,400 thousand of this related to additions to risk provisions in connection with recovery claims by foreign tax authorities.

24. Other taxes

This item mainly relates to the write-down of receivables from tax authorities for value-added tax refund entitlements and to value-added tax. The item includes a prior-period tax expense of EUR 13,752 thousand (2021: EUR 1,048 thousand).

25. Total Executive Board and Supervisory Board compensation pursuant to Section 285 (1) No. 9 HGB

Total compensation for incumbent members of the Executive Board in 2022 came to EUR 13,038 thousand (2021: EUR 4,105 thousand).

Total Executive Board compensation includes share-based payment granted in the reporting year with a fair value of EUR 3,218 thousand (2021: EUR 348 thousand). The corresponding number of performance stock awards (PSAs) granted for 2022 will only be determined in the following financial year (2021: 3,133 PSAs).

Payments in the amount of EUR 6,104 thousand (2021: EUR 4,560 thousand) were made to former members of the Executive Board and their surviving dependents. Pension obligations to former members of the Executive Board and their surviving dependents in accordance with HGB totaled EUR 108,948 thousand (2021: EUR 77,925 thousand).

Total compensation for fixed compensation and meeting attendance fees for the members of the Supervisory Board came to EUR 1,971 thousand (2021: EUR 1,929 thousand).

No advances or loans were granted to members of the Executive Board or members of the Supervisory Board in 2022 or in 2021.

26. Post-balance-sheet events

There were no reportable events during the subsequent events period.

27. Auditing fees

The total fee amount recognized in 2022 as expense in relation to auditors KPMG AG Wirtschaftsprüfungsgesellschaft is divided into financial statement audit services, other assurance services and tax consulting. HOCHTIEF Aktiengesellschaft has elected to make use of the option under Section 285 No. 17 of the German Commercial Code (HGB) in its annual financial statements and to dispense with individual disclosure of the fees recognized as expense. This disclosure is provided in the corresponding disclosure in the Notes to the Consolidated Financial Statements. The fees for financial statement audits relate to fees charged by Group auditors KPMG AG Wirtschaftsprüfungsgesellschaft for auditing the HOCHTIEF Group consolidated financial statements, the combined HOCHTIEF Group and HOCHTIEF Aktiengesellschaft management report, and the financial statements of HOCHTIEF Aktiengesellschaft and its domestic subsidiaries, together with fees for the review of the half-year report as of June 30, 2022. The auditors provided other assurance services for HOCHTIEF Aktiengesellschaft mainly in connection with two comfort letter engagements and with agreed-upon procedures in accordance with ISAE 3000 in connection with the review of the separate non-financial Group report, of the sustainability report, and of the compensation report. Tax consulting in the prior-year period related to tax advice to foreign employees.

28. Disclosures, pursuant to Section 160 (1) 8 of the Stock Corporations Act (AktG), on the existence of ownership interests of which notice has been given

The following changes in HOCHTIEF Aktiengesellschaft's ownership structure requiring disclosure pursuant to Section 40 (1) and Section 33 (1) of the German Securities Trading Act (WpHG) applied or occurred during the 2022 reporting year. As a matter of policy, in cases where a party subject to notification requirements has reached or passed above or below a threshold referred to in said sections of the Securities Trading Act on multiple occasions, only the last notification is listed that led to the party reaching or passing above or below the threshold. For more detailed information, please see the individual voting rights notifications submitted to us as published on our website, www.hochtief.com.

Shareholder	Publication date	Thresholds changed	Date when proportion of voting rights attained	Attribution	Voting rights	
					%	absolute
ACS, Actividades de Construcción y Servicios, S.A., Madrid, Spain	June 17, 2011	50 %	June 16, 2011	Direct and indirect	50.16	38,619,868
Atlantia S.p.A., Rome, Italy	September 19, 2022	10, 5, 3%	September 15, 2022	Direct	0	0
BlackRock Inc., Wilmington, USA	July 30, 2019	3 %	July 25, 2019	Indirect	3.3	2,251,645

HOCHTIEF shareholder ACS, Actividades de Construcción y Servicios, S.A., Madrid, Spain, held 68.01% as of December 31, 2022 (December 31, 2021: 50.41%).

29. List of shareholdings of HOCHTIEF Aktiengesellschaft at December 31, 2022

The complete list of subsidiaries is published on our website: www.hochtief.com/subsidiaries2022.

The following table lists fully consolidated companies:

Fully consolidated companies

Name, Domicile	Percent- age stock held	Shareholders' equity Local currency (thousand)	Profit/(loss) for the year Local currency (thousand)
HOCHTIEF Americas Division			
Flatiron Construction Corp., Wilmington, USA	100	USD	427,428
HOCHTIEF Americas GmbH, Essen, Germany	100	EUR	1,218,999
HOCHTIEF USA Inc., Delaware, USA	100	USD	400,117 ²⁾
The Turner Corporation, Dallas, USA	100	USD	657,661 ²⁾
Turner Surety & Insurance Brokerage Inc., New Jersey, USA	100	USD	71,375 ²⁾
HOCHTIEF Asia Pacific Division			
CIMIC Group Ltd., Victoria, Australia	100	AUD	1,079,200 ²⁾
HOCHTIEF Asia Pacific GmbH, Essen, Germany	100	EUR	2,295,949 ²⁾
HOCHTIEF Australia Holdings Ltd., Sydney, Australia	100	AUD	3,800,243 ²⁾
HOCHTIEF Europe Division			
A.L.E.X.-Bau GmbH, Essen, Germany	100	EUR	2,815 ²⁾
EDGITAL GmbH, Herne, Germany	100	EUR	25 ²⁾
HOCHTIEF BePo Hessen Bewirtschaftung GmbH, Essen, Germany	100	EUR	100 ²⁾
Deutsche Bau- und Siedlungs-Gesellschaft mbH, Essen, Germany	100	EUR	17,527 ²⁾
Deutsche Baumanagement GmbH, Essen, Germany	100	EUR	50 ²⁾
HOCHTIEF Bau und Betrieb GmbH, Essen, Germany	100	EUR	200 ²⁾
HOCHTIEF BePo Hessen GmbH, Essen, Germany	100	EUR	100 ²⁾
HOCHTIEF CZ a.s., Prague, Czech Republic	100	CZK	977,010 ²⁾
HOCHTIEF Engineering GmbH, Essen, Germany	100	EUR	3,867 ²⁾
HOCHTIEF Infrastructure GmbH, Essen, Germany	100	EUR	195,511 ²⁾
HOCHTIEF OBK Vermietungsgesellschaft mbH, Essen, Germany	100	EUR	25 ²⁾
HOCHTIEF Offshore Crewing GmbH, Essen, Germany	100	EUR	28 ²⁾
HOCHTIEF ÖPP Projektgesellschaft mbH, Essen, Germany	100	EUR	25 ²⁾
HOCHTIEF PPP Operations GmbH, Essen, Germany	100	EUR	300 ²⁾
HOCHTIEF PPP Schulpartner Braunschweig GmbH, Braunschweig, Germany	100	EUR	25 ²⁾
HOCHTIEF PPP Solutions GmbH, Essen, Germany	100	EUR	32,540 ²⁾
HOCHTIEF PPP Transport Westeuropa GmbH, Essen, Germany	100	EUR	25 ²⁾
HOCHTIEF Projektentwicklung GmbH, Essen, Germany	100	EUR	8,541 ²⁾
HOCHTIEF Solarpartner GmbH, Essen, Germany	100	EUR	25 ²⁾
HOCHTIEF Solutions AG, Essen, Germany	100	EUR	222,023 ²⁾
HOCHTIEF Solutions Real Estate GmbH, Essen, Germany	100	EUR	25 ²⁾
HOCHTIEF Soziale Infrastruktur Europa GmbH, Essen, Germany	100	EUR	184 ²⁾
HOCHTIEF ViCon GmbH, Essen, Germany	100	EUR	811 ²⁾
HTP Immo GmbH, Essen, Germany	100	EUR	1,003 ²⁾
I.B.G. Immobilien- und Beteiligungsgesellschaft Thüringen-Sachsen mbH, Essen, Germany	100	EUR	51 ²⁾
Projektgesellschaft Konrad-Adenauer-Ufer Köln GmbH & Co. KG, Essen, Germany	100	EUR	23,570 ²⁾
synexs GmbH, Essen, Germany	100	EUR	23 ²⁾
TRINAC GmbH, Essen, Germany	100	EUR	31,659 ²⁾
VIA6West Service GmbH, Bad Rappenau, Germany	100	EUR	887 ²⁾
Corporate Headquarters			
Eurafrica Baugesellschaft mbH, Essen, Germany	100	EUR	43,849 ²⁾
HOCHTIEF Insurance Broking and Risk Management Solutions GmbH, Essen, Germany	100	EUR	257,497 ²⁾
Steinfert Multi-Asset Fund SICAV-SIF, Luxembourg, Luxembourg	100	USD	885,644 ²⁾
Stonefort Insurance Holdings S.A., Steinfort, Luxembourg	100	USD	330,433 ²⁾
Stonefort Insurance S.A., Steinfort, Luxembourg	100	USD	55,739 ²⁾
Stonefort Reinsurance S.A., Luxembourg, Luxembourg	100	USD	352,000 ²⁾

1) Profit/loss transfer agreement
2) 2021 figures

Interests in the following joint ventures are additionally consolidated on a proportionate basis:

Joint Ventures

Name, Domicile	Percent-age stock held
HOCHTIEF Americas Division	
Blachard Turner JV LLC, New Jersey, USA	50
CGT Industrial, New Brunswick, Canada	30
Dragados/Flatiron JV, Costa Mesa, USA	50
Dragados/Flatiron LLC, Wilmington, USA	50
Dragados/Flatiron/Sukut JV, Sacramento, USA	30
E.E. Cruz/NAB/Frontier, Holmdel, USA	54
E.E. Cruz/Nicholson JV LLC, Holmdel, USA	51
E.E. Cruz/Nicholson LLC, Holmdel, USA	50
E.E. Cruz/Tully Construction LLC, Holmdel, USA	50
FCI/Fluor/Parsons, La Mirada, USA	45
Flatiron/Kiewit JV, Longmont, USA	65
Flatiron-Zachry JV, Firestone, USA	55
Kiewit/FCI/Manson, Oakland, USA	27
Kiewit/Flatiron General Partnership, Richmond, USA	28
Kiewit-Turner JV, Colorado, USA	50
Lendlease Turner JV, New York, USA	50
McKissack Turner Velez a Tri Venture, New York, USA	49
Nicholson/E.E. Cruz LLC, Holmdel, USA	50
Palmetto Bridge Constructors, Virginia Beach, USA	40
Signature on the Saint Lawrence Construction G.P., Montreal, Canada	25
Sukut/Flatiron JV, Santa Ana, USA	45
Tidewater Skanska/Flatiron, Milton, USA	40
Tishman Turner JV III, New York, USA	50
Tishman-Turner JV I (WTC Transportation HUB), New York, USA	50
TMA JV III, Virginia, USA	50
Topgrade/Flatiron, Livermore, USA	28
Topgrade/Flatiron/Gallagher, Livermore, USA	22
Tully Construction/E.E. Cruz LLC, New York, USA	50
Turner - Kiewit JV, Orlando, USA	25
Turner - PCL - Flatiron, California, USA	57
Turner/Devcon, California, USA	60
Turner/Plaza, New York, USA	66
Turner/STV, New York, USA	50
HOCHTIEF Asia Pacific Division	
Adelaide Metro Operations Pty. Ltd., South Australia, Australia	50
Auckland One Rail Ltd., New Zealand	50
Australian Terminal Operations Management Pty. Ltd., Victoria, Australia	50
Canberra Metro Operations Pty. Ltd., Australian Capital Territory, Australia	50
CIP Holdings General Partner Ltd., New Zealand	40
Cornerstone Infrastructure Partners Holdings LP, New Zealand	40
GSJV Guyana Inc., Guyana	50
GSJV SCC, Barbados	50
IC Integrity Pty. Ltd., Australia	49
Kings Square No. 4 Unit Trust, New South Wales, Australia	50
Kings Square Pty. Ltd., New South Wales, Australia	50
Leighton Abigroup JV, Queensland, Australia	50
Leighton-Infra 13 JV, India	50
Leighton-Ose JV, India	50
Momentum Trains Holding Pty. Ltd., Victoria, Australia	49
Momentum Trains Holding Trust, Victoria, Australia	49
Mpet Pty. Ltd., New South Wales, Australia	50
Mulba Mia Leighton Broad JV, Western Australia, Australia	50
Pulse Partners Agent Pty. Ltd., New South Wales, Australia	49
Pulse Partners Holding Pty. Ltd., New South Wales, Australia	49
Pulse Partners Holding Trust, New South Wales, Australia	49
Spark NEL DC Workforce Pty. Ltd., Victoria, Australia	33

German construction joint ventures included in the Consolidated Financial Statements are as follows:

German construction joint ventures

Name, Domicile	Percent-age stock held
A5 Baulos 5, Walterskirchen, Austria	50
Amalia Harbour - Civil Works Package, Amstelveen, Netherlands	50
Amalia Harbour - General Works Package, Rotterdam, Netherlands	40
ARGE A7 Tunnel Altona, Hamburg, Germany	65
ARGE BAUARGE A6 West, Heilbronn, Germany	60
ARGE Demontage Sicherheitsbeh. Krümmel, Geesthacht, Germany	38
ARGE Ersatzneubau K30, Hamburg, Germany	75
ARGE Fuhle 101, Hamburg, Germany	50
ARGE Haus der Statistik, Berlin, Germany	50
ARGE Ingenieururbau A4 Hörselberge, Eisenach, Germany	75
ARGE Kaiserschleuse, Bremerhaven, Germany	47
ARGE Kanalbau Limburger Straße, Cologne, Germany	50
ARGE KKB Demontage Systeme MH, Brunsbüttel, Germany	50
ARGE KKB Sicherheitsbehälter, Brunsbüttel, Germany	33
ARGE Lindenstraße, Berlin, Germany	50
ARGE RABS 1, Neckarwestheim, Germany	50
ARGE S-Bahn Berlin, S21 Neubau; VE02.1;VE02.2, Berlin, Germany	50
ARGE SBT 1.1 Tunnel Gloggnitz, Gloggnitz, Austria	40
ARGE Tunnel Rastatt, Ötigheim, Germany	50
ARGE Tunnel Schlüchtern, Schlüchtern, Germany	50
ARGE Tunnel Trimbberg, Wehretal, Germany	50
ARGE U2/22 x U5/2 Rathaus/Frankplatz, Vienna, Austria	33
ARGE U-Bahn Nürnberg U3 SW BA 2.2, Nuremberg, Germany	50
ARGE VE41 Hp Marienhof, Munich, Germany	50
BAB A100, 16. Bauabschnitt, Berlin, Germany	50
Bečva, Hranice - Rek. jezu a rybí přech, Bečva, Czech Republic	50
Bratislava - Most SNP - lávka, Bratislava, Slovakia	40
Bratislava - Údržba komunikácií BA II, Bratislava, Slovakia	50
Brno - Kas. Černá pole - logistické cent, Brno, Czech Republic	55
Brno - Svatka PPO, Brno, Czech Republic	30
Citylink, Danderyd, Sweden	50
CRSH1 - Sydhavn, Copenhagen, Denmark	50
Dach-ARGE K6-Bogen II, 1. Bauabschnitt, Düsseldorf, Germany	70
Forth Road Bridge, Queensferry, United Kingdom	28
London Power Tunnels Phase 2, London, United Kingdom	50
London Power Tunnels Phase 2 - Package 5, London, United Kingdom	50
Louny - Novostavba budovy SOKA, Louny, Czech Republic	50
Maliakos Kleidi CJV (Umbrella), Itea-Gonnoi, Greece	40
Maliakos Kleidi OJV (Sub-JV), Itea-Gonnoi, Greece	67
Opava - Přestupní terminál Skládištní, Opava, Czech Republic	50
ÖPP ARGE Betrieb SK Braunschweig, Braunschweig, Germany	70
Ostrava - Organica, Ostrava, Czech Republic	50
Ostrava - VŠB-TUO Nová budova EkF - př.H, Ostrava, Czech Republic	50
Petřvald - Kanalizace Podlesí 1.et., Petřvald, Czech Republic	50
Praha - Modernizace eskalátorů Anděl, Prague, Czech Republic	60
Praha - Modernizace osv. a roz. Kač-Háje, Prague, Czech Republic	50
Praha - Modernizace schodů -Karl.nám., Prague, Czech Republic	60

Name, Domicile	Percent-age stock held
Praha - Modernizace výtahu Karl. nám., Prague, Czech Republic	55
Praha - Pojezdová dráha TWY+stání OP Jih, Prague, Czech Republic	40
Praha - Prodloužení podchodů Praha hl.n., Prague, Czech Republic	50
Stadtbahn Köln, Los Nord, ARGE Ing.-Bau, Cologne, Germany	75
Stuttgart 21 PFA 1. Los 3 Bad Cannstatt, Stuttgart, Germany	40
Třebovice-Č. Tř. - Třebovka úprava toku, Třebovice, Czech Republic	65
Tvrdošín - Nižná - R3, Tvrdošín - Nižná, Slovakia	80
Unibauten Bremen - Instandsetzung, Bremen, Germany	51
ViA15 (A12/A15), Utrecht, Netherlands	25
VW Standard Factory Salzgitter, Salzgitter, Germany	50
Y-ARGE Ingenieurbau PPP Ostregion, Austria	50
Zuidasdok, Amsterdam, Netherlands	43

The joint operations included in the Consolidated Financial Statements are as follows:

Joint operations

Name, Domicile	Percent-age stock held
Acciona Construction Australia Pty. Ltd. & CPB Contractors Pty. Ltd., Australia	50
Acciona Infrastructure & CPB Contractors JV, New South Wales, Australia	50
AECOM Turner NBA JV, Inglewood, USA	50
Aecon-Flatiron-Dragados-EBC, Canada	28
Baulderstone Leighton JV, Victoria, Australia	50
Bintai – Leighton JV, Singapore	49
Branch Civil-Flatiron JV, Roanoke, USA	40
CH2-UGL JV, New South Wales, Australia	50
CPB & BMD JV, New South Wales, Australia	50
CPB & Bombardier JV, New South Wales, Australia	50
CPB & JHG JV, Victoria, Australia	50
CPB & United Infrastructure JV, New South Wales, Australia	75
CPB Bam Ghella UGL JV, Queensland, Australia	0
CPB Black & Veatch JV, Victoria, Australia	50
CPB Contractors & Georgiou Group, Australia	50
CPB Contractors & Spotless Facilities Services, New South Wales, Australia	50
CPB Downer EDI JV, New South Wales, Australia	67
CPB Dragados Samsung JV, New South Wales, Australia	40
CPB Ghella UGL JV, New South Wales, Australia	78
CPB John Holland Dragados JV, New South Wales, Australia	50
CPB Samsung John Holland JV, New South Wales, Australia	33
CPB Seymour Whyte JV, New South Wales, Australia	50
CPB Southbase JV, New Zealand	60
Dragados-VINCI-Flatiron-DCB, New York, USA	25
Flatiron/United JV, Broomfield, USA	67
Flatiron Drill Tech, Broomfield, USA	50
Flatiron/Aecom LLC, Broomfield, USA	70
Flatiron/Dragados/Skut JV, Benicia, USA	35
Flatiron/Lane I-405, Renton, USA	60
Flatiron/Myers JV, Broomfield, USA	70
Fluor/Balfour/Flatiron/Dragados, Greenville, USA	20
Gammon – Leighton JV, Hong Kong	50
GE Betz Pty. Ltd. & McConnell Dowell Constructors (Aust) Pty. Ltd. & United Group Infrastructure Pty. Ltd., New South Wales, Australia	50
Gilbane Turner JV, New York, USA	50
GTBB JV, Albany, USA	55

Name, Domicile	Percent-age stock held
HYLC JV, South Australia, Australia	50
IEC Boardwalk JV, Hong Kong	34
JH & CPB & Ghella JV, New South Wales, Australia	45
John Holland and UGL Infrastructure, Australia	50
John Holland Pty. Ltd., UGL Engineering Pty. Ltd. and GHD Pty. Ltd. Trading as Malabar Alliance, Victoria, Australia	50
McKissack Turner JV DE, Philadelphia, USA	49
Leighton – Able JV, Hong Kong	51
Leighton – China State – Van Oord JV, Hong Kong	45
Leighton – China State JV (BN 55223875-000), Hong Kong	51
Leighton – China State JV (BN 55653767-000), Hong Kong	51
Leighton – Chubb E&M JV, Hong Kong	50
Leighton – Chun Wo JV (BN 54933910-000), Hong Kong	84
Leighton – Chun Wo JV (BN 55479511-000), Hong Kong	60
Leighton – Chun Wo JV (BN 56113156-000), Hong Kong	70
Leighton – Gammon JV, Hong Kong	50
Leighton – HEB JV, New Zealand	80
Leighton – Total JO, Indonesia	67
Leighton China State JV (Wynn Resort), Macao	50
Leighton Contractors Downer JV, Victoria, Australia	50
Leighton Fulton Hogan JV (Sapphire to Woolgoolga), New South Wales, Australia	50
Leighton Fulton Hogan JV (Sh16 Causeway Upgrade), New Zealand	50
Leighton John Holland JV, Singapore	50
Leighton M&E – Southa JV, Hong Kong	50
Leighton Yongnam JV, Singapore	70
Leighton York JV, South Australia, Australia	75
LINXS Operators, Wilmington, USA	13
LLECPB Crossing Removal JV, Victoria, Australia	50
Manidis Roberts Pty. Ltd. & MWH Australia Pty. Ltd. & PB Australia Pty. Ltd. & United Group Infrastructure Pty. Ltd., New South Wales, Australia	60
Martin Harris-Turner JV, Las Vegas, USA	51
Metropolitan Road Improvement Alliance, Western Australia, Australia	71
Mitsubishi Electric Australia Pty. Ltd. & Hyundai Rotem Company & UGL Rail Services Pty. Ltd., New South Wales, Australia	14
Murray & Roberts Marine Malaysia – Leighton Contractors Malaysia JV, Malaysia	50
NRT – Design & Delivery JV, Australia	50
NRT – Infrastructure JV, New South Wales, Australia	50
NRT Systems JV, New South Wales, Australia	40
OWP JV (Optus Wireless JV), New South Wales, Australia	50
Parsons Brinckerhoff Australia Pty. Ltd. & RPS Manidis Roberts Pty. Ltd. & Seymour Whyte Constructors Pty. Ltd. & UGL Engineering Pty. Ltd., New South Wales, Australia	33
PTA Radio, New South Wales, Australia	44
Pulice / FNF / Flatiron JV, Scottsdale, USA	30
Rizzani CPB JV, Australia	50
Saturn Partner LLC, Ohio, USA	49
Spark NEL DC JV, Victoria, Australia	28
Structure Tone - Turner JV, New York, USA	45
Turner – Walsh, Boston, USA	75
Turner AECOM-Hunt JCIHOFV JV, Ohio, USA	55
Turner Barringer JV, North Carolina, USA	50
Turner Clayco JV (JIUC E15 Parking Garage), Illinois, USA	50
Turner MCN St. Elizabeths New Hospital JV, Washington D.C., USA	70
Turner Mosites JV, Pittsburgh, USA	70
Turner Paschen Aviation Partners, Chicago, USA	55
Turner Pike JV, New York, USA	51
Turner Smoot JV Columbus Crew, Ohio, USA	70
Turner Smoot JV Hilton Columbus, Ohio, USA	70
Turner Source, Texas, USA	75
Turner UJAMAA Atlanta Airport JV, Atlanta, USA	80

Name, Domicile	Percent-age stock held
Turner-Kokosing JV, Westerville, USA	60
Turner-McKissack JV II, New York, USA	60
Turner-Walsh-Smoot JV, Columbus, USA	50
Turner-Yates-Kokosing LLC, Cincinnati, USA	33
UGL Cape, Western Australia, Australia	50
UGL Kentz, Western Australia, Australia	50
Valley Transit Partners, Alameda, USA	40
Veolia Water – Leighton – John Holland JV, Hong Kong	24
Walsh - Turner JV II, Illinois, USA	45
Walsh/Turner JV, Ohio, USA	40
WSP Australia Pty Limited & UG Engineering Pty Ltd., New South Wales, Australia	50

The following associates are accounted for in the Consolidated Financial Statements using the equity method:

Associates

Name, Domicile	Percent-age stock held
Abertis HoldCo S.A., Madrid, Spain	20
Canberra Metro Holdings Pty. Ltd., Australia	38
Canberra Metro Holdings Trust, Australia	30
Canberra Metro Trust, Australia	38
Metro Trains Australia Pty. Ltd., Victoria, Australia	20
Metro Trains Melbourne Pty. Ltd., Victoria, Australia	20
Metro Trains Sydney Pty. Ltd., New South Wales, Australia	20
On Talent Pty. Ltd., Australia	30
P.T. Ballast Indonesia Construction, Jakarta, Indonesia	47
Spark North East Link Holding Pty. Ltd., Victoria, Australia	20
Spark North East Link Pty. Ltd., New South Wales, Australia	20
Torrens Connect Pty. Ltd., South Australia, Australia	23

Group affiliation

The annual financial statements of HOCHTIEF Aktiengesellschaft, Essen, Germany, Essen Local Court, Commercial Register number HRB 279, are incorporated into the consolidated financial statements of HOCHTIEF Aktiengesellschaft, which publishes them as an independent listed Group, and are simultaneously consolidated in the consolidated financial statements of ACS Actividades de Construcción y Servicios, S.A., Madrid, Spain. The consolidated financial statements of HOCHTIEF Aktiengesellschaft are published in the Bundesanzeiger (Federal Official Gazette); the consolidated financial statements of ACS are published in the register of Comisión Nacional del Mercado de Valores.

Executive Board proposal for the use of net profit

The Executive Board proposes a resolution on the use of net profit as follows:

The distributable profit of HOCHTIEF Aktiengesellschaft for 2022 in the amount of 310,845,200.00 EUR will be used to pay a dividend of 4.00 EUR per eligible no-par-value share for the capital stock of EUR 198,940,928.00, divided into 77,711,300 no-par-value shares.

The dividend falls due on July 7, 2023.

The amount that would have been payable on shares of treasury stock held by the Company as of the day of the Annual General Meeting and that, under Section 71b of the German Stock Corporations Act (AktG), are not eligible for a dividend will be carried forward. As of the date of preparation of the annual financial statements, February 21, 2023, HOCHTIEF Aktiengesellschaft held a total of 2,522,676 shares of treasury stock, which would mean an amount of 10,090,704.00 EUR to be carried forward. The number of no-par-value shares with dividend entitlement for 2022 may change in the run-up to the Annual General Meeting. In any such event, while the distribution of 4.00 EUR for each no-par-value share with dividend entitlement for 2022 will stay the same, an adjusted proposal for the appropriation of net profit will be made to the Annual General Meeting.

30. Boards

Supervisory Board

Pedro López Jiménez

Madrid, Chairman of the Supervisory Board of HOCHTIEF Aktiengesellschaft, Member of the Board, Vice-Chairman of the Executive Committee and Member of the Nomination Committee of ACS, Actividades de Construcción y Servicios, S.A., Madrid

- b) Abertis Infraestructuras, S.A.
 - ACS Servicios y Concesiones, S.L. (Chairman)¹
 - CIMIC Group Limited¹
 - Dragados, S.A. (Chairman)¹

Matthias Maurer*

Hamburg, Deputy Chairman of the Supervisory Board, Chairman of the Central Works Council of HOCHTIEF Infrastructure GmbH

- b) Medizinischer Dienst / Mecklenburg-Vorpommern e.V. (Chairman of the Administrative Board)

Fritz Bank*

Kreuzau, Deputy Chairman of the Group Works Council of HOCHTIEF Aktiengesellschaft

Dipl.-Ing., Dipl.-Wirtsch.-Ing. Beate Bell

Cologne, management consultant

Christoph Breimann*

Lüdinghausen, Head of Technical Office Building of HOCHTIEF Infrastructure GmbH

Carsten Burckhardt*

Dortmund, Member of the Federal Board of IG Bauen-Agrar-Umwelt (the Construction, Agricultural and Environmental Employees' Union)

- a) Zusatzversorgungskasse des Baugewerbes AG
 - Zusatzversorgungskasse Steine und Erden (ZVK Bayern)
 - Zusatzversorgungskasse des Dachdeckerhandwerks VVaG
 - Zusatzversorgungskasse für das Maler- und Lackiererhandwerk VVaG
 - Zusatzversorgungskasse des Gerüstbaugewerbes VVaG
- b) Board of Directors of the Federal Employment Agency
 - Chairman of XertifiX e.V. (NGO)

a) Membership in other supervisory boards prescribed by law (as of December 31, 2022)

b) Membership in comparable domestic and international corporate governing bodies (as of December 31, 2022)

* Supervisory Board member representing employees

¹ Office within the same corporate group

José Luis del Valle Pérez

Madrid, Member, Director and Secretary of the Board of ACS, Actividades de Construcción y Servicios, S.A., and General Secretary of the ACS Group, Madrid

- b) Abertis Infraestructuras, S.A.
 - ACS Servicios y Concesiones, S.L.¹
 - CIMIC Group Limited¹
 - Dragados, S.A.¹

Natalie Drews*

Seligenstadt, independent Works Council Chairwoman, HOCHTIEF Infrastructure GmbH, Frankfurt am Main location

Ángel García Altozano

Madrid, Corporate General Manager of ACS, Actividades de Construcción y Servicios, S.A., Madrid

- b) Abertis Infraestructuras, S.A.
 - ACS Servicios y Concesiones, S.L.¹
 - Dragados, S.A.¹
 - GED Capital

Dr. rer. pol. h. c. Francisco Javier García Sanz

Madrid, former Member of the Board of Management of Volkswagen Aktiengesellschaft, Wolfsburg, retired

- b) Acerinox, S.A.²
 - INDRA S.A.²
 - TUBACEX

WP StB Dipl. oec. Patricia Geibel-Conrad

Leonberg, Auditing/Tax consultancy in own office/Business consultancy (until October 19, 2022)

- a) CEWE Stiftung & Co. KGaA, Oldenburg²
 - DEUTZ AG, Cologne²
 - NEMETSCHEK SE, Munich²

Luis Nogueira Miguelsanz

Madrid, Secretary-General, Dragados, S.A.

Nikolaos Paraskevopoulos*

Bottrop, Member of the Group Works Council of HOCHTIEF Aktiengesellschaft; Chairman of the Works Council Essen of TRINAC GmbH

a) Membership in other supervisory boards prescribed by law (as of December 31, 2022)

b) Membership in comparable domestic and international corporate governing bodies (as of December 31, 2022)

* Supervisory Board member representing employees

¹ Office within the same corporate group

² Listed company

Nicole Simons*

Niddatal, Attorney-at-law and Member of the Federal Board of IG Bauen-Agrar-Umwelt
(the Construction, Agricultural and Environmental Employees' Union) (Deputy Federal Chairwoman)

- a) SOKA-BAU Zusatzversorgungskasse des Baugewerbes AG
Zusatzversorgungskasse des Steinmetz- und Steinbildhauerhandwerks VVaG (ZVK Steinmetz) (alternating chairperson)
- b) DGB-Rechtsschutz GmbH
facts – Die Infoline GmbH (Chairwoman)

Prof. Dr. Mirja Steinkamp

Hamburg, auditor and tax consultant (from October 19, 2022)

- a) BarthHass GmbH & Co. KG, Nürnberg (Deputy Chairwoman)
Basler AG²
SÜSS MicroTec²

Klaus Stümper*

Lohmar, Chairman of the Group Works Council of HOCHTIEF Aktiengesellschaft

Dipl.-Geol. MBA Christine Wolff

Hamburg, management consultant

- a) SIEVERT SE
- b) Sweco AB²

Supervisory Board Committees**Audit/Sustainability Committee**

Dr. Francisco Javier García Sanz (Member and Chairman from July 11, 2022)

Fritz Bank

Christoph Breimann (from July 11, 2022)

José Luis del Valle Pérez

Ángel García Altozano (Chairman until May 23, 2022)

Patricia Geibel-Conrad (until October 19, 2022)

Matthias Maurer

Luis Nogueira Miguelsanz

Nicole Simons

Prof. Dr. Mirja Steinkamp (from November 3, 2022)

Klaus Stümper (Deputy Chairman)

Human Resources Committee

Pedro López Jiménez (Chairman)

Beate Bell

Carsten Burckhardt

Natalie Drews

José Luis del Valle Pérez

Klaus Stümper

Christine Wolff

a) Membership in other supervisory boards prescribed by law (as of December 31, 2022)

b) Membership in comparable domestic and international corporate governing bodies (as of December 31, 2022)

* Supervisory Board member representing employees

² Listed company

Nomination Committee

Pedro López Jiménez (Chairman)

José Luis del Valle Pérez

Christine Wolff

Mediation Committee pursuant to Sec. 27 (3) of the German Codetermination Act (MitbestG)

Pedro López Jiménez (Chairman)

Beate Bell

Matthias Maurer

Nikolaos Paraskevopoulos

Executive Board

Juan Santamaría Cases

Madrid, Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft, Essen (from July 20, 2022), and Chief Executive

Officer (CEO) of ACS, Actividades de Construcción y Servicios, S.A., Madrid

- b) CIMIC Group Limited (Executive Chairman)¹
 - Thiess Group Finance Pty. Ltd.
 - Thiess Group Finance USA Pty. Ltd.
 - Thiess Group Holdings Pty. Ltd.
 - The Turner Corporation (Member of the Board of Directors)¹

Marcelino Fernández Verdes

Madrid, former Chairman of the Executive Board of HOCHTIEF Aktiengesellschaft, Essen (until July 19, 2022; disclosures on memberships under b) as of July 19, 2022 reporting date)

- b) Abertis Infraestructuras, S.A. (President)
 - Flatiron Holding, Inc.¹
 - The Turner Corporation (Member of the Board of Directors)¹

Peter Sassenfeld

Düsseldorf, Member of the Executive Board (Chief Financial Officer—CFO) of HOCHTIEF Aktiengesellschaft, Essen, and Member of the Executive Board of HOCHTIEF Solutions AG, Essen

- b) CIMIC Group Limited¹
 - Flatiron Holding, Inc.¹
 - HOCHTIEF AUSTRALIA HOLDINGS Ltd.¹
 - The Turner Corporation¹

José Ignacio Legorburo Escobar

Düsseldorf, Member of the Executive Board and Chief Operating Officer (COO) of HOCHTIEF Aktiengesellschaft, Essen, and of HOCHTIEF Solutions AG, Essen

Nikolaus Graf von Matuschka

Aldenhoven/Jüchen, Member of the Executive Board of HOCHTIEF Aktiengesellschaft, Essen, and Chairman of the Executive Board of HOCHTIEF Solutions AG, Essen

- a) HOCHTIEF Infrastructure GmbH (Chairman)¹
 - Malteser Deutschland gGmbH³

Martina Steffen

Velbert, Member of the Executive Board and Labor Director of HOCHTIEF Aktiengesellschaft, Essen, and Member of the Executive Board and Labor Director of HOCHTIEF Solutions AG, Essen

- a) HOCHTIEF Infrastructure GmbH¹
- b) Member of the Board of Trustees of Kinderstiftung Essen (Essen Children's Foundation)

a) Membership in other supervisory boards prescribed by law (as of December 31, 2022)

b) Membership in comparable domestic and international corporate governing bodies (as of December 31, 2022)

¹ Office within the same corporate group

³ Non-profit enterprise

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company, and the management report, which is combined with the Group management report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Essen, February 21, 2022

HOCHTIEF Aktiengesellschaft

The Executive Board



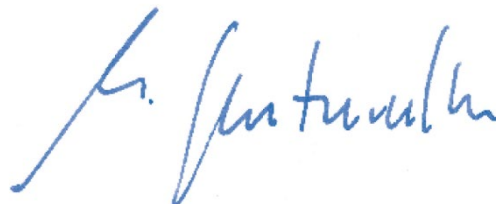
Juan Santamaría Cases



Peter Sassenfeld



José Ignacio Legorburo Escobar



Nikolaus Graf von Matuschka



Martina Steffen

Reproduction of the independent auditor's report

Based on the results of our audit, we have issued the following unqualified auditor's report:

Independent Auditor's Report

To HOCHTIEF Aktiengesellschaft, Essen

Report on the Audit of the Annual Financial Statements and of the Combined Management Report

Opinions

We have audited the annual financial statements of HOCHTIEF Aktiengesellschaft, Essen, which comprise the balance sheet as of December 31, 2022, and the income statement for the financial year from January 1 to December 31, 2022, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report (hereinafter "combined management report") of HOCHTIEF Aktiengesellschaft for the financial year from January 1 to December 31, 2022.

In accordance with German legal requirements, we have not audited the content of those components of the management report specified in the "Other Information" section of our auditor's report.

The management report contains cross-references that are not provided for by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the cross-references and the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2022, and of its financial performance for the financial year from January 1 to December 31, 2022, in compliance with German legally required accounting principles,
- and the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report” section of our auditor’s report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2022. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of shares in affiliated companies and participating interests

Please refer to the sections on “Financial assets” under “Accounting policies” and “Fixed assets” under the “Explanatory notes to the balance sheet” in the notes to the financial statements for information on the accounting policies applied.

THE FINANCIAL STATEMENT RISK

In the annual financial statements of HOCHTIEF Aktiengesellschaft as of December 31, 2022, the long-term financial assets included shares in affiliated companies in the amount of EUR 3,624 million as well as other participating interests in the amount of EUR 1,405 million. Shares in affiliated companies and other participating interests account for 71 % of the balance sheet total and thereby have a material effect on the Company’s assets and liabilities.

The Company did not recognize any impairment losses on shares in affiliated companies and participating interests in financial year 2022.

Shares in affiliated companies and investments in other participating interests are recognised at cost or, if they are expected to be permanently impaired, at their lower fair value. For one subsidiary whose shares were traded on the stock exchange until May 6, 2022 and in which HOCHTIEF Aktiengesellschaft holds an indirect interest, the impairment test was performed using the last available stock market price at the balance sheet date.

Impairment testing of shares in affiliated companies and participating interests depends considerably on the Company’s estimates and assessments.

There is a risk for the annual financial statements that shares in affiliated companies and investments in participating interests are impaired.

OUR AUDIT APPROACH

We initially obtained an understanding of the Company’s process for assessing the recoverability of the carrying amount of the shares in affiliated companies and other participating interests on the basis of explanations provided by the Controlling and Group Accounting departments as well as by assessing documentation. In doing this, we intensively analyzed the Company’s approach to determine impaired shares in affiliated companies and other participating interests and assessed whether there were any indications of a need for impairment that had not been identified by the Company based on the information obtained in the course of our audit.

In this regard, we focused on the forecast of future revenue and earnings performance of the individual companies. We discussed the forecast amounts with those responsible for planning. We also reconciled this information with other internally available forecasts, e.g. for tax purposes, and with the planning for the HOCHTIEF Group approved by the Executive Board and acknowledged by the Supervisory Board.

We also confirmed the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual results and analyzing deviations.

For the company whose shares were traded on the stock exchange until May 6, 2022 and in which HOCHTIEF Aktiengesellschaft holds an indirect interest, we compared the fair value derived from the last available stock market price with the carrying amount of the investment and assessed at the balance sheet date whether there were any indications of impairment based on the forecast of future sales and earnings performance.

OUR OBSERVATIONS

The assumptions and estimates made by the Company and the valuation method underlying the impairment testing of the listed subsidiary are appropriate overall.

Other Information

Management is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the combined corporate governance statement of the Company and the Group referred to in the combined management report, and
- the components of the integrated combined non-financial statement of the Company and the Group, which are marked as unaudited, and
- information extraneous to management reports and marked as unaudited.

The other information also includes:

- the separate non-financial Group report, which is disclosed together with the combined management report, and
- the other parts of the Annual Report (Group Report).

The other information does not include the annual financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

In accordance with our engagement we have performed a separate limited assurance engagement on separate non-financial group report. Please refer to our assurance report dated February 23, 2023, for information on the nature, scope and findings of this assurance engagement.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

Management is responsible for the preparation of annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, management is responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going-concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, 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 opinions. 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 controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report 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 these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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 the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

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

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the “ESEF documents”) contained in the electronic file „AG_Bericht_2022_ESEF_KPMG_20230221.zip“ (SHA256-hash value: b6d755a4f4f3e40c73bb51e013265674ebdb4d8305036928d26973c67658c54a) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file made available identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2022 contained in the “Report on the Audit of the Annual Financial Statements and of the Combined Management Report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the annual financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB.

In addition, the Company's management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The supervisory board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available, containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and the audited combined management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor at the Annual General Meeting on April 27, 2022. We were engaged by the Supervisory Board on November 3, 2022. We have been the auditor of HOCHTIEF Aktiengesellschaft, Essen, since financial year 2019.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the examined ESEF documents. The annual financial statements and the combined management report converted into ESEF format – including the versions to be published in the company register – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents provided in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Charlotte Salzmann.

Essen, February 23, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft

[signature] Ufer
Wirtschaftsprüfer
[German Public Auditor]

[signature] Salzmann
Wirtschaftsprüferin
[German Public Auditor]

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**These annual financial statements are a translation
of the original German version, which remains
definitive.**