

Varia Europe Properties AG

Zug

Report of the statutory auditor
to the extraordinary General Meeting

on the proposal of the Board of Directors
for the appropriation of reserves from capital contri-
butions dated 04 April 2023

Report of the statutory auditor

to the extraordinary General Meeting of Varia Europe Properties AG

Zug

As statutory auditor, we have audited the enclosed proposal of the Board of Directors for the appropriation of reserves from capital contributions of Varia Europe Properties AG dated 04 April 2023.

Board of Directors' responsibility

The Board of Directors is responsible for compliance with the requirements of Swiss law and the company's articles of association in relation to the appropriation of reserves from capital contributions.

Auditor's responsibility

Our responsibility is to express an opinion on the enclosed proposal for the appropriation of reserves from capital contributions based on our audit. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we adhere to the professional rules of conduct and plan and perform the audit to obtain reasonable assurance about whether the requirements of Swiss law and the company's articles of association have been fulfilled.

An audit involves performing procedures to obtain audit evidence about whether the requirements of Swiss law and the company's articles of association have been fulfilled. The procedures selected depend on the auditor's judgement. This includes the assessment of the risks of material divergences from the requirements of Swiss law and the company's articles of association, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the proposal of the Board of Directors for the appropriation of reserves from capital contributions complies with Swiss law and the company's articles of association.

PricewaterhouseCoopers SA

Jean-Sébastien Lassonde

Benjamin Hamel

Audit expert
Auditor in charge

Genève, 04 April 2023

Enclosure:

- Proposal of the Board of Directors for the appropriation of reserves from capital contributions dated 04 April 2023

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PROPOSAL BY THE BOARD OF DIRECTORS FOR THE APPROPRIATION OF LEGAL RESERVES FROM CAPITAL CONTRIBUTIONS AS AT DECEMBER 31, 2022

RESERVE FROM CAPITAL CONTRIBUTIONS	31.12.2022 in CHF	31.12.2021 in CHF
Legal reserves from capital contribution carried over from previous year	44,326,590	45,076,590
Dividend distribution of CHF 0.35 per ordinary share on September 30, 2022	-9,979,417	-750,000
Total legal reserves from capital contribution at year-end	34,347,173	44,326,590

Proposition of distribution of reserves from capital contributions

The Board of Directors of Varia Europe Properties AG proposes to the extraordinary general meeting the following appropriation from the Reserve from capital contributions:

PROPOSITION OF APPROPRIATION	31.12.2022 in CHF	31.12.2021 in CHF
Dividend distribution	-	9,979,417
Extraordinary dividend distribution	4,276,893	-
Balance to be carried forward	30,070,280	34,347,173
Total	34,347,173	44,326,590