Instone Group

30 JUNE 2025

# Half-year financial report H1 2025

## Key indicators

In millions of euros

| | | 6M 2025 | 6M 2024 |
|---|---|---|---|
| **Key performance indicators** | | | |
| Volume of sales contracts | | 96.3 | 121.9 |
| Volume of new approvals[1] | | 287.9 | 261.6 |
| Revenues adjusted | | 231.0 | 255.4 |
| | | | |
| **Key earnings figures** | | | |
| Gross profit adjusted | | 58.5 | 65.6 |
| Gross profit margin adjusted | In % | 25.3 | 25.7 |
| EBIT adjusted | | 28.9 | 33.4 |
| EBIT margin adjusted | In % | 12.5 | 13.1 |
| EBT adjusted | | 23.9 | 27.8 |
| EBT margin adjusted | In % | 10.3 | 10.9 |
| EAT adjusted | | 17.2 | 20.5 |
| EAT margin adjusted | In % | 7.4 | 8.0 |
| | | | |
| **Key liquidity figures** | | | |
| Cash flow from operations | | -0.5 | 19.3 |
| Cash flow from operations | | 17.0 | 21.1 |
| Free cash flow | | 4.9 | 28.4 |

[1] Excluding volume of approvals from joint ventures consolidated at equity.

## Key indicators

TABLE 001

In millions of euros

| | | 30/06/2025 | 31/12/2024 |
|---|---|---|---|
| **Key performance indicators** | | | |
| Project portfolio | | 6,840.7 | 6,891.1 |
| | | | |
| **Key balance sheet figures** | | | |
| Total assets | | 2,000.8 | 1,939.0 |
| Equity | | 585.6 | 593.4 |
| Carrying amount per share[1] | | 13.37 | 13.56 |
| Cash and cash equivalents[2] | | 271.2 | 266.2 |
| Net financial debt[3] | | 157.7 | 132.5 |
| Leverage[4] | | 2.8 | 2.1 |
| Loan-to-cost[5] | In % | 12.0 | 10.5 |
| ROCE adjusted[6] | In % | 7.7 | 8.1 |
| | | | |
| **Employees[7]** | | | |
| Number[8] | | 406 | 417 |
| FTE[9] | | 337.6 | 341.9 |

[1] Based on 43,322,575 shares as at 30/06/2025 and 31/12/2024 respectively.

[2] Excluding €154.1 million (31 December 2024: €160.0 million) in restricted cash and cash equivalents from the “Westville” project subsidised loan.

[3] Net financial debt = financial liabilities less cash and cash equivalents and term deposits. Excluding the €114.2 million (31 December 2024: €112.6 million) subsidised loan.

[4] Leverage = net financial debt/12-month EBITDA adjusted.

[5] Loan-to-cost = net financial debt/(inventories + contract assets).

[6] Return on capital employed = LTM EBIT adjusted/(four-quarter average equity + net financial debt).

[7] Jahresdurchschnitt.

[8] Average number of employees including trainees, interns and student trainees.

[9] Full-time equivalent.

# TABLE OF CONTENTS

# INTERIM GROUP MANAGEMENT REPORT

# Results of operations, net assets and financial position

**Cumulative financial key performance indicators** TABLE 002

In millions of euros

| | | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|---|
| Revenues adjusted[1] | | 231.0 | 255.4 | -9.6 |
| Gross profit adjusted | | 58.5 | 65.6 | -10.8 |
| Gross profit margin adjusted[1] | In % | 25.3 | 25.7 | |
| EBIT adjusted | | 28.9 | 33.4 | -13.5 |
| EBT adjusted | | 23.9 | 27.8 | -14.0 |
| EAT adjusted[1] | | 17.2 | 20.5 | -16.1 |

[1] Significant financial performance indicators.

## Results of operations

To present the results of operations, some items in the income statement are combined into the following items:

- → The cost of materials, changes in inventories and non-recurring expenses related to the valuation of inventories are covered by “Project costs”.
- → “Gross profit” is the balance of revenue and project costs.
- → Other operating income, staff costs, other operating expenses, and depreciation and amortisation are summarised under “Platform costs”.
- → The consolidated earnings from operating activities and share of results of joint ventures form earnings before interest and tax (EBIT).

The results of operations show all income as positive and all expenses as negative.

Based on the results of operations, the following adjustments are made to produce what the management of the Instone Group considers to be the relevant adjusted results of operations:

As part of the adjusted results of operations of the Instone Group, revenue recognition continues to reflect share deals and asset deals in the same way and similarly in accordance with IFRS 15, irrespective of a decision by the IFRS IC to exempt share deals from revenue recognition over time under IFRS 15.

Adjusted earnings after tax are intended to reflect the sustained profitability and are therefore adjusted for non recurring effects relating to other periods. In particular, the following significant expenses are adjusted: Disposal losses from sales of tangible or financial assets or securities, unscheduled depreciation and amortisation of tangible and financial assets, one-off expenses relating to the valuation of inventories, costs for acquisitions, merger losses, contractual penalties, demands for additional taxes from previous years (e.g. based on audits), severance payments to the Management Board and personnel reductions and restructuring to a greater extent, if these do not meet the strict criteria set out in IAS 37. The adjustment of material income includes, in particular, income from capital gains arising from sales of non-current assets, compensation for damages, writeups on non-current assets, refunds of taxes from previous years based on audits, reversals of provisions for extraordinary events and merger gains.

The ongoing effects from purchase price allocations following the expansion of the scope of consolidation in previous years were also eliminated from the adjusted results of operations.

The calculation of the individual adjusted items is based on the following items in the income statement and the above-mentioned consolidated items:

- Adjusted revenue is revenue adjusted for the effects from purchase price allocations, also taking into account effects from share deals.
- The adjusted project costs include the project costs adjusted for the effects from purchase price allocations, the effects from share deals, other operating income after subtracting the cost of materials (income opposed by a directly attributable item in cost of materials), indirect sales expenses and capitalised interest. They thus reflect the external costs allocated to the project developments.
- Adjusted gross profit is the result of adjusted revenue less adjusted project costs.
- Adjusted platform costs are the platform costs less other operating income after subtracting the cost of materials and indirect sales expenses allocated to project costs and adjusted for non recurring effects.
- The adjusted share of results of joint ventures are the pro rata earnings contributions from associated companies and joint venture companies which are included in the consolidated financial statements using the equity method.
- Adjusted earnings before interest and tax are the adjusted gross profit reduced by the adjusted platform costs, plus the earnings of companies consolidated at equity.
- The adjusted results from investments and financial result comprise the total of other results from investments, finance income, finance costs, and depreciation and amortisation on securities classified as financial assets less capitalised interest.

**Adjusted results of operations** TABLE 003

In millions of euros

| | | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|---|
| Revenues adjusted | | 231.0 | 255.4 | -9.6 |
| Project costs adjusted | | -172.5 | -189.8 | -9.1 |
| **Gross profit adjusted** | | **58.5** | **65.6** | **-10.8** |
| **Gross profit margin adjusted** | **In %** | **25.3** | **25.7** | |
| Platform costs adjusted | | -34.6 | -36.9 | -6.2 |
| Share of results of joint ventures adjusted | | 5.0 | 4.7 | 6.4 |
| **Earnings before interest and tax (EBIT) adjusted** | | **28.9** | **33.4** | **-13.5** |
| **EBIT margin adjusted** | **In %** | **12.5** | **13.1** | |
| Financial result adjusted | | -5.0 | -5.7 | -12.3 |
| **Earnings before tax (EBT) adjusted** | | **23.9** | **27.8** | **-14.0** |
| **EBT margin adjusted** | **In %** | **10.3** | **10.9** | |
| Income taxes adjusted | | -6.7 | -7.3 | -8.2 |
| **Earnings after tax (EAT) adjusted** | | **17.2** | **20.5** | **-16.1** |
| **EAT margin adjusted** | **In %** | **7.4** | **8.0** | |

- Adjusted earnings before tax is based on adjusted earnings before interest and tax less the adjusted results from investments and financial result.
- Adjusted income taxes correspond to income taxes adjusted for the tax effects of purchase price allocations, share deals and non recurring effects.
- Adjusted earnings after tax are the adjusted earnings before tax less the adjusted income taxes.

## Revenue

Adjusted revenue in the first half of 2025 amounted to €231.0 million (previous-year period: €255.4 million), around 9.6% below the previous year's figure. The decline in sales is mainly due to a reduction in construction services compared to the previous-year period. In addition, an institutional sale generated extra revenue in the same period of the previous year.

The adjustment of effects from purchase price allocations changed the revenue slightly by €1.4 million (previous-year period: €1.1 million). The separate valuation of share deals ("Westville" project) increased the revenue by €57.0 million (previous-year period: €38.0 million). The increase compared to the same period of the previous year is due to the planned progress of project development.

**Revenue** TABLE 004

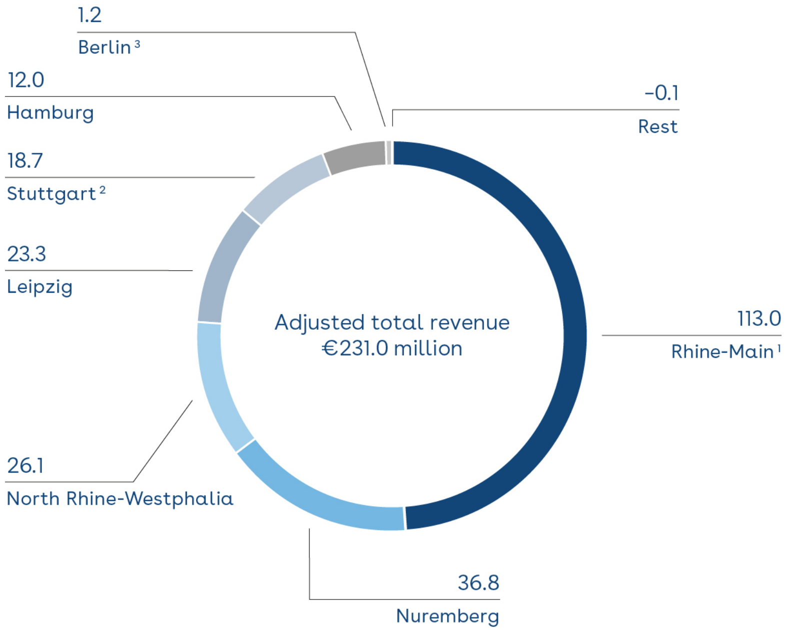
In millions of euros

| | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|
| **Revenue** | **172.7** | **216.3** | **-20.2** |
| + effects from purchase price allocations | 1.4 | 1.1 | 27.3 |
| + effects from share deal agreements | 57.0 | 38.0 | 50.0 |
| **Revenues adjusted** | **231.0** | **255.4** | **-9.6** |

The adjusted revenue of the Instone Group is almost exclusively generated in Germany and is broken down across the regions as follows:

**Sales (adjusted) by region 6M 2025** FIGURE 001

In millions of euros




[1] Includes Frankfurt a. M., Wiesbaden, Maintal and Heusenstamm.

[2] Includes Rottenburg, Schorndorf and Herrenberg.

[3] Includes Potsdam.

## Project costs

The adjusted project costs, essentially comprising the cost of materials and the changes in inventories, also fell in the first half-year to €-172.5 million (previous-year period: €-189.8 million). In particular, a year-on-year reduction in construction activity led to a decrease in the cost of materials to €-165.0 million (previous-year period: €-201.5 million). The increase in changes in inventories to €43.3 million (previous-year period: €39.7 million) is due to the progress of construction on projects that are currently being realised but have yet to be sold.

Indirect sales expenses in the amount of €-3.4 million (previous-year period: €-0.7 million) and other operating income after subtracting the cost of materials of €9.2 million (previous-year period: €10.8 million), of which €6.9 million (previous-year period: €9.4 million) from subsidies, were allocated to adjusted project costs as at 30 June 2025. The adjustment of the capitalised interest in the changes in inventories of €-4.5 million (previous-year period: €-6.1 million) added to the adjusted project costs. Effects from the amortisation of purchase price allocations increased adjusted project costs by €-6.0 million (previous-year period: €6.8 million). Adjusted project costs increased again due to the separate valuation of share deals, this time by €-46.2 million (previous-year period: €-38.8 million).

**Project costs** TABLE 005

In millions of euros

| | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|
| **Project costs** | **-121.7** | **-161.8** | **-24.8** |
| + effects from purchase price allocations | -6.0 | 6.8 | n/a |
| + effects from reclassifications | 1.3 | 4.0 | -67.5 |
| + effects from share deal agreements | -46.2 | -38.8 | 19.1 |
| **Project costs adjusted** | **-172.5** | **-189.8** | **-9.1** |

## Gross profit

In comparison to the previous year's level, the adjusted gross profit fell to €58.5 million in the reporting period (previous-year period: €65.6 million).

**Gross profit** TABLE 006

In millions of euros

| | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|
| **Gross profit** | **51.0** | **54.6** | **-6.6** |
| + effects from purchase price allocations | -4.6 | 7.9 | n/a |
| + effects from reclassifications | 1.3 | 4.0 | -67.5 |
| + effects from share deal agreements | 10.8 | -0.8 | n/a |
| **Gross profit adjusted** | **58.5** | **65.6** | **-10.8** |

The adjusted gross profit margin – calculated from the adjusted gross profit relating to the adjusted revenue – amounted to 25.3% in the reporting period (previous-year period: 25.7%).

## Platform costs

The adjusted platform costs amounted to €-34.6 million (previous-year period: €-36.9 million), which is below the previous year's level. In the reporting period, indirect sales costs of €3.4 million (previous-year period: (€0.7 million) and other operating income after subtracting the cost of materials in the amount of €9.2 million (previous-year period: €10.8 million) were reclassified as project costs.

**Platform costs** TABLE 007

In millions of euros

| | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|
| **Platform costs** | **-28.8** | **-27.1** | **6.3** |
| + effects from reclassifications | -5.8 | -10.1 | -42.6 |
| + non recurring effects | 0.0 | 0.3 | -100.0 |
| **Platform costs adjusted** | **-34.6** | **-36.9** | **-6.2** |

At €-24.1 million, reported staff costs fell in the first half of 2025 compared with the previous year's level (previous-year period: €-25.1 million), constituting a year-on-year decrease of around 4.0%.

The reported other operating income was €10.6 million (previous year: €16.4 million) and therefore below the level of the previous year. Included in this in particular is income from the realisation of grants of €6.9 million (previous-year period: €9.4 million). This decline is due to slower construction progress compared to the same period last year. Income from the reversal of personnel-related provisions and liabilities during the reporting period amounted to €0.3 million (previous-year period: €3.3 million). Furthermore, the reporting period saw income generated from the reversal of project-related provisions and the release of project-related liabilities in the amount of €2.6 million (previous-year period: €2.8 million).

The reported other operating income includes other operating income after subtracting the cost of materials amounting to €9.2 million (previous year: €10.8 million), which was reclassified as adjusted project costs for the purpose of segment reporting.

The reported other operating expenses totalled €-13.6 million (previous-year period: €-15.8 million), likewise below the level of the previous year. Other operating expenses mainly include costs for warranties, consulting expenses, sales costs, IT costs, court costs, and attorneys' and notaries' fees. The decline is mainly due to lower warranty costs compared to the previous year.

## Share of results of joint ventures

The adjusted share of results of joint ventures of €5.0 million (previous-year period: €4.7 million) during the reporting period was almost entirely attributable to construction activities and the sale of the Berlin joint venture "Friedenauer Höhe". It reflects the expected progress of these project developments.

## Earnings before interest and tax (EBIT)

Despite the year-on-year increase in the share of results of joint ventures, adjusted earnings before interest and tax fell as a result of the lower gross profit and the significantly reduced reported other operating income to €28.9 million (previous-year period: €33.4 million).

**EBIT** TABLE 008

In millions of euros

| | | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|---|
| **EBIT** | | **27.2** | **32.1** | **-15.3** |
| + effects from purchase price allocations | | -4.6 | 7.9 | n/a |
| + effects from reclassifications | | -4.5 | -6.1 | -26.2 |
| + non recurring effects | | 0.0 | 0.3 | -100.0 |
| + effects from share deal agreements | | 10.8 | -0.8 | n/a |
| **EBIT adjusted** | | **28.9** | **33.4** | **-13.5** |
| **EBIT margin adjusted** | **In %** | **12.5** | **13.1** | |

## Results from investments and financial result

As in the same period last year, there was no material adjusted income from investments in the first half of 2025.

The reported financial result improved in the reporting period to €-9.4 million (previous-year period: €-11.7 million). This improvement is due primarily to the €4.1 million decrease in financial expenses. The decline is due firstly to the planned reduction in financial liabilities compared with 30 June 2024, and secondly to improved financing terms for existing and newly concluded financing agreements.

The adjusted financial result also increased slightly in the reporting period to €-5.0 million (previous-year period: €-5.7 million). Capitalised interest from project financing before the start of sales in the amount of €4.5 million (previous-year period: €6.1 million) was reclassified as project costs.

## Earnings before tax (EBT)

Adjusted earnings before tax fell to €23.9 million compared to the same half-year period of the previous year (previous-year period: €27.8 million).

**EBT** TABLE 009

In millions of euros

| | | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|---|
| **EBT** | | **17.8** | **20.4** | **-12.7** |
| + effects from purchase price allocations | | -4.6 | 7.9 | n/a |
| + non recurring effects | | 0.0 | 0.3 | -100.0 |
| + effects from share deal agreements | | 10.8 | -0.8 | n/a |
| **EBT adjusted** | | **23.9** | **27.8** | **-14.0** |
| **EBT margin adjusted** | **In %** | **10.3** | **10.9** | |

## Income taxes

The tax rate in the adjusted results of operations in the first half of 2025 was 28.2% (previous-year period: 26.3%). As in the same period of the previous year, the income tax rate was influenced by the expected earnings contributions from project companies accounted for using the equity method.

Due to the effects mentioned above, income taxes in the reported earnings amounted to an expense of €4.5 million in the reporting period (previous-year period: €3.5 million).

## Earnings after tax (EAT)

As a result of the effects mentioned above, the adjusted earnings after tax of the Instone Group totalled €17.2 million (previous-year period: €20.5 million). Before adjustment for effects from purchase price allocations, effects from share deals, non recurring effects and the resulting tax effects, reported earnings after tax were €13.3 million (previous-year period: €16.8 million).

## Earnings after tax and after minority interests

Non-controlling interests in earnings after tax amounted to €0.3 million (previous-year period: €0.0 million). Non-controlling interests in the adjusted earnings after tax likewise amounted to €0.3 million (previous-year period: €0.0 million).

## Earnings per share

Adjusted earnings per share in the first quarter of 2025 were €0.39 (previous-year period: €0.47).

**Earnings per share** TABLE 010

In millions of euros

| | | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|---|
| Shares[1] | In thousands units | 43,322.6 | 43,322.6 | 0.0 |
| | | | | |
| Owners of the Company | | 12.9 | 16.8 | -23.2 |
| Earnings per share | In euros | 0.30 | 0.39 | -23.1 |
| | | | | |
| Owners of the Company adjusted | | 16.9 | 20.4 | -17.2 |
| Earnings per share adjusted | In euros | 0.39 | 0.47 | -17.0 |

[1] Average weighted number of shares as at 30/06/2025 and 30/06/2024.

## Net assets

### Condensed statement of financial position[1]

TABLE 011

In millions of euros

| | 30/06/2025 | 31/12/2024 | Change in % |
|---|---|---|---|
| Non-current assets | 87.9 | 84.5 | 4.0 |
| Inventories | 1,231.4 | 1,188.1 | 3.6 |
| Contract assets | 92.8 | 91.1 | 1.9 |
| Other current assets | 163.4 | 149.1 | 9.6 |
| Cash and cash equivalents and term deposits | 425.3 | 426.2 | -0.2 |
| **Assets** | **2,000.8** | **1,939.0** | **3.2** |
| Equity | 585.6 | 593.4 | -1.3 |
| Liabilities from corporate finance | 141.1 | 137.2 | 2.8 |
| Liabilities from project-related financing | 402.0 | 374.1 | 7.5 |
| Non-current Provisions and other liabilities | 82.4 | 96.4 | -14.5 |
| Current Provisions and other liabilities | 789.7 | 737.9 | 7.0 |
| **Equity and liabilities** | **2,000.8** | **1,939.0** | **3.2** |

[1] Items have been adjusted: Term deposits have been allocated to cash and cash equivalents due to short- to medium-term availability, and financial liabilities allocated on the basis of their use in corporate finance or project financing.

As at 30 June 2025, the Instone Group's total assets rose to €2,000.8 million (31 December 2024: €1,939.0 million). This is due in particular to an increase in inventories and other current assets.

The change in non-current assets is attributable mainly to interests in joint ventures. The shares accounted for using the equity method, which primarily include investments in project companies, rose in the first quarter of 2025 from €64.2 million to €70.0 million. This is mainly due to the sale and construction progress of project developments and the transfer thereof to joint ventures.

The non-current financial receivables amounting to €1.9 million (31 December 2024: €5.0 million) include borrowings from joint ventures and have decreased due to scheduled repayments.

Due to the construction progress of the residential units not yet sold, inventories rose to €1,231.4 million as at 30 June 2025 (31 December 2024: €1,188.1 million). As at 30 June 2025, acquisition costs and incidental acquisition costs for land amounting to €676.8 million (31 December 2024: €679.7 million) were included in inventories.

Receivables from customers for work-in-progress (gross contract assets) that had already been sold and valued at the current completion level of development rose to €375 million as at 30 June 2025 (31 December 2024: €305.2 million). This is mainly due to the start of sales of new project developments and the scheduled development of projects under construction. Payments received from customers amounted to €-287.2 million as at 30 June 2025 (31 December 2024: €-219.0 million).

### Contract assets

TABLE 012

In millions of euros

| | 30/06/2025 | 31/12/2024 | Change in % |
|---|---|---|---|
| **Contract assets (gross)** | **375.0** | **305.2** | **22.9** |
| Payments received | -287.2 | -219.0 | 31.1 |
| | **87.8** | **86.3** | **1.7** |
| Capitalised costs to obtain a contract | 5.0 | 4.8 | 4.2 |
| **Contract assets (net)** | **92.8** | **91.1** | **1.9** |

Other current assets worth €163.4 million (31 December 2024: €149.1 million) mainly include trade receivables, current financial receivables, income tax assets, and other receivables and other assets.

Trade receivables in the reporting period increased to €13.3 million (31 December 2024: €11.7 million), mainly due to withholdings on handed-over residential projects.

The current financial receivables amounting to €25.6 million (31 December 2024: €24.3 million) mainly relate to a loan to a joint venture.

Due to advance payments made during the reporting period, income tax assets increased to €14.4 million (31 December 2024: €8.7 million).

Current other receivables and other assets increased from €101.2 million to €107.0 million in the first half of 2025. These items consist largely of approved public grants of €59.4 million (31 December 2024: €59.4 million) for the construction of buildings, including subsidy of the KfW efficiency programme. Prepayments for land for which the transfer of benefits and encumbrances takes place after the balance sheet date increased to €45.9 million in the reporting period (31 December 2024: €39.5 million).

Cash and cash equivalents and term deposits decreased slightly in the reporting period to €425.3 million (31 December 2024: €426.2 million). This includes cash and cash equivalents from subsidised loans taken out for customers in the amount of €154.1 million (31 December 2024: €160.0 million). For more information, please refer to the consolidated statement of cash flows, page 29 et seq.

In the balance sheet as at 30 June 2025, liabilities from corporate finance amounted to €141.1 million (31 December 2024: €137.2 million) and liabilities from project-related financing (including the subsidised loans for the "Westville" project) amounted to €402.0 million (31 December 2024: €374.1 million). Recognised total liabilities from financing operations therefore rose to €543.1 million as at the reporting date (31 December 2024: €511.3 million). The increase relates exclusively to current financial liabilities. The current project financing included in this is composed of option agreements for extension.

Non-current financial liabilities remain unchanged at €391.1 million as at 30 June 2025 (31 December 2024: €391.1 million). The same period saw current financial liabilities rise to €152.0 million (31 December 2024: €120.2 million). The increase in financial liabilities is due to an increased net borrowing of financial loans in the reporting period.

The non-current provisions and other liabilities amounting to €82.4 million (31 December 2024: €96.4 million) mainly include non-current other liabilities and deferred tax liability in the amount of €29.4 million (31 December 2024: €34.3 million).

The non-current other liabilities amounting to €39.9 million (31 December 2024: €47.4 million) relate in full to the interest and repayment subsidy in connection with subsidised loans. The decrease of €7.5 million is mainly due to the granting of a repayment subsidy for one of the subsidised loans in the amount of €5.9 million. This repayment subsidy must be passed on to the beneficiary and consequently it increases the other current liabilities by the same amount.

The current provisions and other liabilities amounting to €789.7 million (31 December 2024: €737.9 million) mainly include current other liabilities, trade payables, other provisions in the amount of €25.5 million (31 December 2024: €26.3 million) and contract liabilities.

The increase in current other liabilities to €609.6 million (31 December 2024: €541.5 million) resulted mainly from payments received for the "Westville" project in the amount of €575.6 million (31 December 2024: €503.3 million) and the obligation to pass on the repayment subsidy of €5.9 million granted to the beneficiary. This was offset by a fall in liabilities from government grants in the amount of €18.5 million (31 December 2024: €25.4 million) corresponding to the construction progress of the publicly subsidised projects in the reporting year.

Trade payables fell during the reporting period to €130.2 million (31 December 2024: €134.2 million) and mainly included the services provided by contractors. The fall corresponds to the decrease in construction output during the reporting period and is also related to the reporting date.

As expected, contract liabilities decreased to €8.8 million in line with the progress of the individual projects (31 December 2024: €20.4 million).

The equity ratio as at 30 June 2025 was 29.3% (31 December 2024: 30.6%).

As at 30 June 2025, the Company held an unchanged number of 3,665,761 treasury shares, equating to 7.8% of the shares. Adjusted for treasury shares, the number of shares as at 30 June 2025 was 43,322,575 shares.

In the opinion of the management, the leverage (excluding the subsidised loans for the "Westville" project) remains at a very low level. The increase in net debt elevated the leverage to 2.8 times the adjusted EBITDA compared to 31 December 2024. The ratio of net debt to balance sheet inventories, contract assets and contract liabilities improved to 12.0% (31 December 2024: 10.5%). This development is in line with management's expectations.

**Net financial debt and debt-to-equity ratio** TABLE 013

In millions of euros

| | | 30/06/2025 | 31/12/2024 | Change in % |
|---|---|---|---|---|
| Non-current financial liabilities[1] | | 276.9 | 278.5 | -0.6 |
| Current financial liabilities | | 152.0 | 120.2 | 26.5 |
| **Financial liabilities** | | **428.9** | **398.7** | **7.6** |
| Cash and cash equivalents and term deposits[2] | | -271.2 | -266.2 | 1.9 |
| **Net financial debt (NFD)** | | **157.7** | **132.5** | **19.0** |
| | | | | |
| Inventories and contract assets/liabilities | | 1,315.5 | 1,258.7 | 4.5 |
| **Loan-to-Cost[3]** | **In %** | **12.0** | **10.5** | |
| | | | | |
| EBIT adjusted (LTM)[4] | | 53.0 | 57.5 | -7.8 |
| Depreciation and amortisation (LTM)[4] | | 4.1 | 5.0 | -18.0 |
| **EBITDA adjusted (LTM)[4]** | | **57.1** | **62.5** | **-8.6** |
| Leverage (NFD/EBITDA adjusted (LTM))[4] | | 2.8 | 2.1 | |

[1] Excluding financial liabilities of €114.2 million (31 December 2024: €112.6 million) from the subsidised loan for the "Westville" project.

[2] Excluding €154.1 million (31 December 2024: €160,0 million) in restricted cash and cash equivalents from the "Westville" subsidised loan.

[3] Loan-to-cost = net financial debt/(inventories + contract assets/liabilities).

[4] LTM = last twelve months.

Key indicators
Interim group management report
Results of operations, net assets and financial position
Project business at a glance
Risk and opportunities report
Outlook
Condensed consolidated interim financial statements
Other information

## Financial position

At the end of the first half of 2025, the nominal value of financial liabilities from corporate finance remained unchanged at €135.0 million (31 December 2024: €135.0 million); as in the 2024 financial year, no syndicated loans were drawn as at the balance sheet date. Utilisation of lines of project financing (excluding the subsidised loans for the “Westville” project) decreased slightly to €243.9 million (31 December 2024: €244.6 million). The total funding available (excluding the subsidised loans for the “Westville” project), which now amounts to €678.3 million (31 December 2024: €719.2 million), decreased during the reporting period due to the scheduled repayment of project financing.

As at 30 June 2025, cash and cash equivalents totalling €410.0 million (31 December 2024: €442.6 million) were available from project financing (excluding the subsided loans for the “Westville” project) and €268.3 million (31 December 2024: €276.6 million) from corporate financing. These corporate finance agreements contain financial ratios that are described in the “Other disclosures” section of the combined management report on page 147 of the 2024 Annual Report.

The maturities of the non-discounted repayment amounts are as follows:

**Financial liabilities** TABLE 014

In millions of euros

| Corporate finance (promissory notes) | | |
|---|---|---|
| | **Due in** | **Credit line** |
| Term < 1 year | 2025 | 30.0 |
| Term > 1 and < 2 years | 2026 | 37.5 |
| Term > 2 and < 3 years | 2027 | 50.0 |
| Term > 3 years | 2028 | 17.5 |
| | | **135.0** |

| Corporate finance (syndicated loans) | | | Utilisation |
|---|---|---|---|
| | **Due in** | **Credit line** | **30/06/2025** |
| Term < 1 year | 2026 | 33.3 | 0.0 |
| Term > 1 and < 2 years | 0 | 0.0 | 0.0 |
| Term > 2 and < 3 years | 2027 | 100.0 | 0.0 |
| | | **133.3** | **0.0** |

| Project financing | | | Utilisation |
|---|---|---|---|
| | **Due in** | **Credit line** | **30/06/2024** |
| Term < 1 year | 2025/2026 | 185.5 | 101.1 |
| Term > 1 and < 2 years | 2026/2027 | 107.5 | 107.5 |
| Term > 2 and < 3 years | 2027/2028 | 41.2 | 14.2 |
| Term > 3 years | >2028 | 75.8 | 21.1 |
| | | **410.0** | **243.9** |

| Project financing (promotional loans for customers) | | | Utilisation[1] |
|---|---|---|---|
| | **Due in** | **Credit line** | **30/06/2024** |
| Term > 3 years | 2031 | 199.0 | 154.1 |
| | | **199.0** | **154.1** |

[1] This includes interest and repayment subsidy of €39.9 million that is recognised under other non-current liabilities.

### Condensed statement of cash flows

TABLE 015

In millions of euros

| | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|
| Cash flow from operations | -0.5 | 19.3 | n/a |
| Cash flow from investing activities | 5.4 | 9.1 | -40.7 |
| **Free cash flow** | **4.9** | **28.4** | **-82.7** |
| Cash flow from financing activities | -5.8 | 2.7 | n/a |
| **Cash change in cash and cash equivalents** | **-0.9** | **31.1** | **n/a** |
| Cash and cash equivalents at the beginning of the period | 426.2 | 383.6 | 11.1 |
| **Cash and cash equivalents at the end of the period** | **425.3** | **414.7** | **2.6** |

The Instone Group's cash flow from operations of €-0.5 million deteriorated significantly compared to the same period last year (previous-year period: €19.3 million). This decline is mainly due to the increased volume of purchase price payments and land transfer tax payments for land totalling €17.5 million (previous-year period: €1.8 million).

During the reporting period overall, liabilities to contractors for ongoing projects were reduced and significantly higher income tax prepayments were made.

In contrast, increased cash flows from customer payments for ongoing projects, particularly in the second quarter of 2025, had a positive impact on cash flow from operations.

Of the cash and cash equivalents as at 30 June 2025, a total of €159.6 million (30 June 2024: €175.8 million) is subject to restrictions on disposal.

### Cash flow from operations

TABLE 016

In millions of euros

| | 6M 2025 | 6M 2024 | Change in % |
|---|---|---|---|
| EBITDA adjusted | 30.7 | 36.1 | -15.0 |
| Other non-cash items | -9.9 | -3.7 | >100 |
| Taxes paid | -15.4 | -7.7 | 100.0 |
| Change in net working capital[1] | -5.9 | -5.4 | 9.3 |
| **Cash flow from operations** | **-0.5** | **19.3** | **n/a** |
| Payments for land | 17.5 | 1.8 | >100 |
| **Cash flow from operations without new investments** | **17.0** | **21.1** | **-19.6** |

[1] Net working capital is made up of inventories, contract assets and trade receivables, other receivables less contract liabilities and trade payables and other liabilities.

The operating cash flow adjusted for payments for land in the reporting period was €17.0 million (previous-year period: €21.1 million), placing it slightly below the value for the same period last year.

Cash flow from investing activities in the past six months amounted to €5.4 million (previous-year period: €9.1 million). The decline is due to scheduled repayments of loan receivables in the same period of the previous year.

Cash flow from financing activities as at 30 June 2025 amounted to €-5.8 million (previous-year period: €2.7 million). This was mainly due to the net uptake of new financial loans in the amount of €28.4 million (previous year: net borrowing €32.3 million), consisting of incoming payments from new financial loans taken out in the amount of €65.7 million (previous year: €79.4 million) and repayments for financial loans due worth €37.3 million (previous year: €47.0 million). In the reporting period, a dividend payment of €21.7 million (previous-year period: €14.3 million) and interest payments of €10.5 million (previous-year period: €13.2 million) were also included in the cash flow from financing activities.

As at 30 June 2025, financial resources rose to €425.3 million (previous-year period: €414.7 million).

# Project business at a glance

**Real estate business key performance indicators**

TABLE 017

In millions of euros

| | | 6M 2025 | 6M 2024 |
|---|---|---|---|
| Volume of sales contracts[1] | | 96.3 | 121.9 |
| Volume of sales contracts | In units | 182 | 281 |
| | | **30/06/2025** | **31/12/2024** |
| Project portfolio (existing projects)[2] | | 6,840.7 | 6,891.1 |
| of which already sold | | 2,470.5 | 2,755.0 |
| Project portfolio (existing projects) | In units | 13,793 | 14,243 |
| of which already sold | In units | 5,555 | 6,188 |

[1] Volume of sales contracts reflects the revenue-relevant (adjusted) volume of contracts of our projects. It mainly comprises all sales-related transactions, such as notarised real estate purchase agreements, individual orders from clients and rental income. Volume of sales contracts is also referred to as sales volume.

[2] The portfolio value as at the reporting date is the anticipated overall volume of revenue from all projects listed in the project portfolio. Instone Real Estate divides its project portfolio into three different groups depending on the stage of development: For projects with the status "pre-sale", the land has already been purchased, secured or claimed by us in a binding offer, but marketing has not yet begun. Following release for sale and initiation of marketing, projects are transferred to "pre-construction" status. Projects for which construction has started have the status "under construction" until complete handover. Projects are removed from the portfolio the reporting month after all construction obligations have been fulfilled, the project has been sold (except when selling units individually, then once the percentage of units left to be sold is less than 2%) and handover is complete.

The volume of sales contracts for unit sales in the first half of 2025 (€90.6 million/182 units) continued to be heavily influenced by the sales launches that took place in the reporting period. It shows a clearly positive trend compared to the same period last year (previous-year period: €57.5 million/115 units).

For example, with the launch of "nyoo berry" in Duisburg, "Lahnwarte" in Frankfurt am Main and "Gefylde" in Herrenberg, 72 units with a realised volume of €31.3 million were sold.

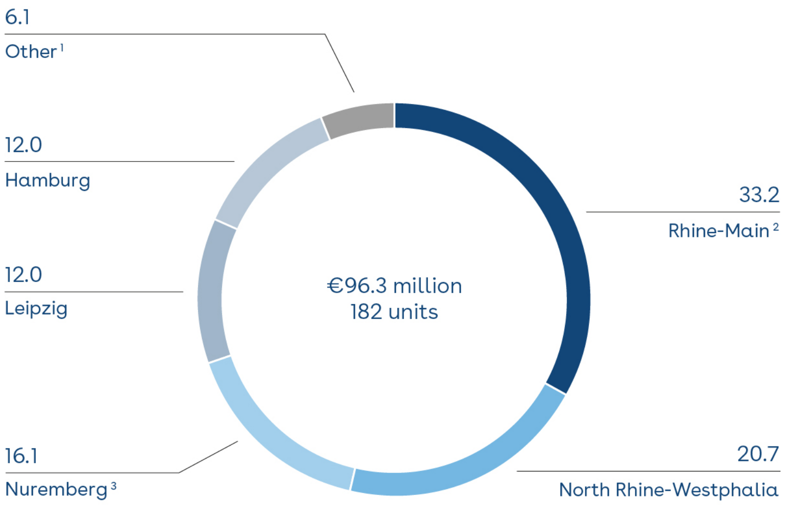
As anticipated, no institutional sales were concluded in the reporting period. The realised volume of sales contracts in the area of investor goods of €5.7 million relates to supplements and purchase price adjustments for projects already sold as well as rental income.

In the first half of 2025, this means that a total volume of sales contracts worth €96.3 million with 182 sales units was achieved. Owing to an institutional sale in the first half of 2024 (institutional total: €64.4 million/166 units), the sales volume in the reporting period was lower than in the first half of 2024 (previous-year period: €121.9 million/281 units).

The full realised volume of sales contracts as at 30 June 2025 was focused on the most important metropolitan regions of Germany.

**Sales in 6M 2025 by region** FIGURE 002

In %




[1] Mainly includes Stuttgart.
[2] Includes Frankfurt a. M., Wiesbaden, Maintal and Heusenstamm.
[3] Also includes Bamberg.

The following projects mainly contributed to successful sales in the reporting period:

**Real estate business key performance indicators – Volume of sales contracts 6M 2025** TABLE 018

In millions of euros

| Individual sale | | Volume | Units |
|---|---|---|---|
| "nyoo berry" | Duisburg | 20.8 | 50 |
| "Schönhof-Viertel" | Frankfurt a. M. | 16.7 | 23 |
| "Urban.Isle Campus" | Hamburg | 11.4 | 20 |
| "Parkresidenz" | Leipzig | 11.4 | 22 |
| "Lahnwarte" | Frankfurt a. M. | 9.4 | 20 |
| "Fuchsgärten" | Nuremberg | 8.2 | 17 |
| "Lagarde" | Bamberg | 7.0 | 18 |
| "Neckar.Au Viertel" | Rottenburg | 4.4 | 10 |
| "Gefylde" | Herrenberg | 1.1 | 2 |
| Other | Other | 0.2 | 0 |
| **Investor goods** | | | |
| Other | Other | 5.7[1] | 0 |

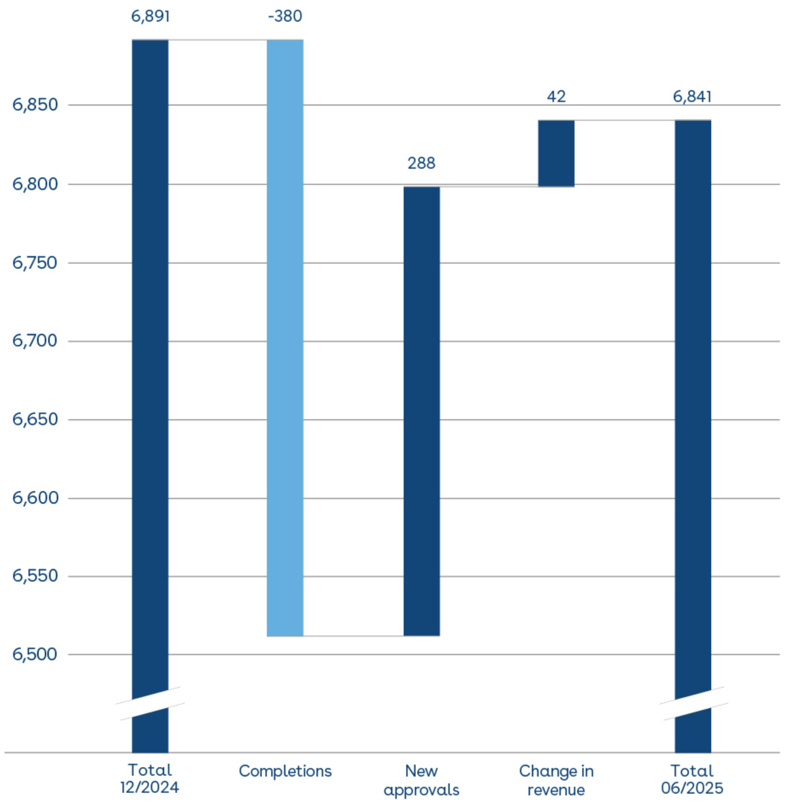
[1] Including supplements, purchase price adjustments and rental income.

The offer for sale of our individual sales projects on the market as at 30 June 2025 included 532 units with an expected revenue volume of €308 million. The increase in the sales offer compared to the 2024 end-year value (31 December 2024: 375 units and €221 million) is due to the sales launches of the "Lahnwarte" project in Frankfurt am Main, the "nyoo berry" project in Duisburg and a sub-project of "Gefylde" in Herrenberg with a total of 339 units. A total of 182 successfully sold unit sales units were deducted from the sales offer during the reporting period.

**Development of the project portfolio as at 30/06/2025**

FIGURE 003

In millions of euros




As at 30 June 2025, the Instone Group's project portfolio comprised 43 projects, from which we currently anticipate a total volume of sales contracts of €6,840.7 million, representing a slight decrease from that of 31 December 2024 (€6,891.1 million).

The decrease in volume is mainly due to the successful completion of the "Seetor City Campus" and "Carlina Park" projects in Nuremberg and the "west.side" project in Bonn (volume: €380 million). In return, four new approvals were granted for projects in Düsseldorf, Munich and the Stuttgart region (volume: €288 million). These new approvals have already resulted in an invitation to tender to acquire a site without board approval. Consequently, the investment funds have been reserved accordingly, but the legally binding conclusion of the property purchase agreements as at 30 June 2025 is still pending.

The Management Board continues to expect additional acquisition opportunities to materialise in the short to medium term, which will lead to a significant expansion of investment activities. We already have several land opportunities in the advanced stages of negotiation in our acquisition pipeline, with a potential revenue volume of more than €500 million under exclusivity.

In addition, the changes in revenue from some existing projects had an increased impact on the value of the project portfolio (€42 million) as part of the further specification of planning.

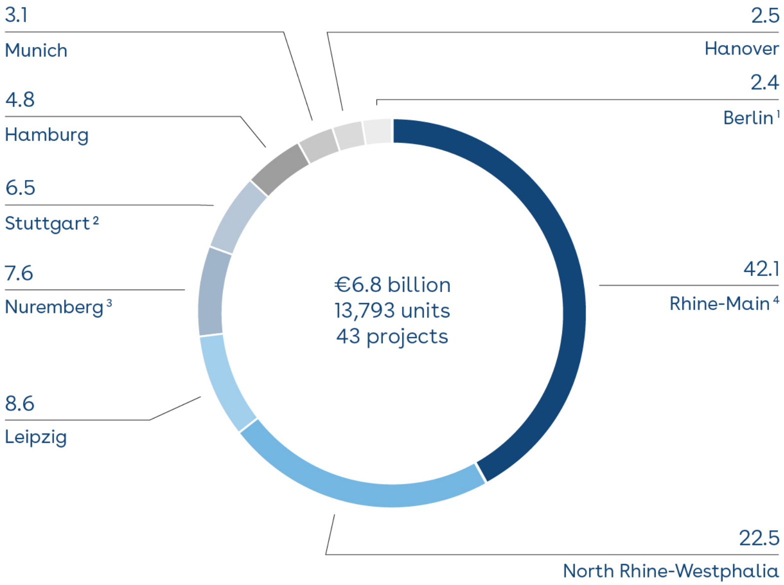
Adjusted revenue of €2,132.0 million has already been generated from the current project portfolio, of which €1,019.3 million has already been handed over.

As at 30 June 2025, the forecast gross profit margin on the project portfolio excluding the "Westville" project in Frankfurt am Main is around 23.5%[1], placing it above the level as at the end of 2024 (23.0%).

[1] If the large "Westville" project is taken into consideration, the expected project gross profit margin for the project portfolio is about 22.5%.

**Project portfolio by region as at 30/06/2025** FIGURE 004

In %




[1] Includes Nauen.

[2] Includes Rottenburg, Herrenberg, Remshalden and Schorndorf.

[3] Includes Bamberg.

[4] Includes Frankfurt a. M., Wiesbaden, Maintal, Hofheim and Heusenstamm.

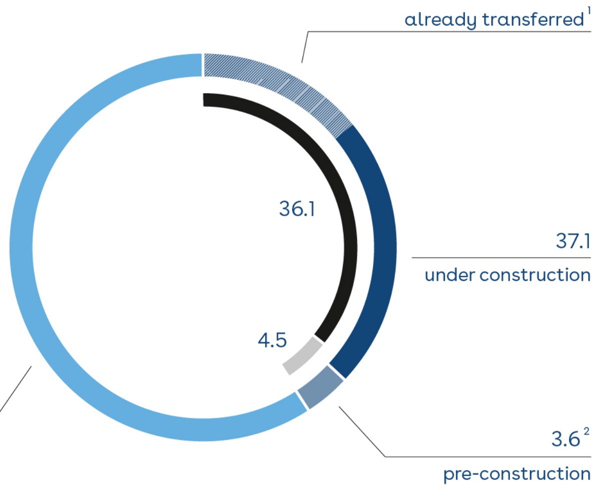
The majority – approximately 98% – of the anticipated overall volume of revenue from the project portfolio as at 30 June 2025 is located in the most important metropolitan regions of Germany: Berlin, Dusseldorf, Frankfurt a. M., Hamburg, Cologne/Bonn, Leipzig, Munich, Nuremberg and Stuttgart. Around 2% is attributable to other attractive, medium-sized cities.

The 43 projects from the Instone Group's project portfolio (as shown in figure 004) will be supplemented by four further projects that will be realised in joint ventures. Overall, these projects consolidated at equity are expected to generate a total volume of around €1.3 billion (Instone Group share approx. €630 million) and the development of around 2,100 residential units.

**Project portfolio by group; Basis: Sale proceeds**

FIGURE 005

In %




Internal sector:
Sold
Unsold

[1] 14.3% of the project portfolio has already been transferred. These projects are included in "under construction".
[2] 0.6% of the project portfolio has already been transferred. These projects are included in "pre-construction".
[3] 10.7% of the project portfolio are in the status of "land acquisition". These projects are included in "pre-sale".

Given our project portfolio's continued growth up to 2022, the conscious decision to take a selective approach to starting sales in the current macroeconomic environment and the ongoing completion of sold projects, most of our current projects are in the "pre-sale" development stage.

Due to the consistent development of our projects with regard to building regulations and in the planning phases relevant to execution, several project sections were ready for sale. This development led to the successful sales launches of the "Lahnwarte" project in Frankfurt am Main, the "nyoo berry" project in Duisburg and the "Gefylde" project in Herrenberg. Against the backdrop of the improved market environment, particularly in unit sales to investors due to the attractive depreciation opportunities, sales launches for further projects are planned for the course of the year.

The categories shown in figure 005 are generally at a comparable level to that of the end of the previous year (31 December 2024: 56.8% pre-sale/40.7% under construction/2.5% pre-construction). However, there is a slight shift from the "under construction" category to the "pre-construction" and "pre-sale" categories.

The share of the portfolio of project sections already transferred, included in the "under construction" category, fell to 14.3% compared to the year-end figure for 2024 (31 December 2024: 16.3%).

In addition, the preceding diagram shows that, as at 30 June 2025, we had already sold approximately 36% of the anticipated overall revenue volume of the project portfolio. In terms of the anticipated revenue volume from "under construction" and "pre-construction" projects, approximately 89% of projects had been sold as at 30 June 2025.

## Adjusted revenue

In the reporting period, we achieved adjusted revenue of €231.0 million (previous-year period: €255.4 million). The following projects contributed significantly to the adjusted revenue:

### Key project revenue recognition (adjusted) 6M 2025

TABLE 019

In millions of euros

| | | Revenue volume (adjusted) |
|---|---|---|
| “Westville” | Frankfurt a. M. | 57.2 |
| “Schönhof-Viertel” | Frankfurt a. M. | 39.8 |
| “Parkresidenz” | Leipzig | 23.2 |
| “Neckar.Au Viertel” | Rottenburg | 18.5 |
| “Lagarde” | Bamberg | 12.7 |
| “Urban.Isle Campus” | Hamburg | 12.0 |
| “Steinbacher Hohl” | Frankfurt a. M. | 10.2 |
| “Boxdorf” | Nuremberg | 9.8 |
| “Literaturquartier” | Essen | 8.4 |
| Seetor “City Campus” | Nuremberg | 8.3 |

The success factors for realising the adjusted revenue were steady sales progress and continual further development in the structural implementation of our projects. For this reason, in addition to the sales progress achieved, progress in the projects under construction has contributed in particular to the generation of revenue.

During the reporting period, construction began on two sub-projects of “Parkresidenz” in Leipzig, one sub-project of “Lagarde” in Bamberg and one sub-project of “nyoo berry” in Duisburg, with 249 units in total. A total of 2,564 units are currently in the construction phase at the same time.

The steady realisation of sales resulted in the handover of 473 units with a volume of around €234 million in the reporting period.

In a market environment that remains challenging despite the signs of recovery, all developments regarding our projects continue to be monitored closely. Recognisable challenges are integrated into the operational processes and the economic project forecasts are prepared accordingly.

The completed projects of the Instone Group’s project portfolio continue to have a sales ratio of close to 100%.

# Risk and opportunities report

At the Instone Group, risk and opportunities management is an integral part of the Group-wide system of corporate governance. For a detailed overview of our risk and opportunities management processes as well as the risk and opportunities situation, please refer to the "Risk and opportunities report" shown in the combined management report on pages 126-144 of the 2024 Annual Report.

There was no material change in the risk and opportunities situation in comparison to our presentation in the risk and opportunities report section of the combined management report for the 2024 financial year.

The risk and opportunities situation is continuously monitored, assessed and, if necessary, incorporated into the ongoing forecast. From the current perspective, there were no identifiable risks that could jeopardise the continued existence of the Instone Group.

# Outlook

Our forecast for business development for 2025, which we announced with the publication of the combined management report for the 2024 financial year in March 2025, continues to be confirmed.

The Management Board now expects the financial and operating performance indicators to develop as follows:

**Forecast** TABLE 020

In millions of euros

| | 2025 |
|---|---|
| Revenue (adjusted) | 500–600 |
| Gross profit margin (adjusted) as a % | ~23% |
| Consolidated earnings after tax (adjusted) | 25–35 |
| Volume of sales contracts | >500 |

The forecast assumes a significant recovery in demand, but sales volumes are not expected to return to pre-crisis levels by 2025.

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

# Condensed consolidated income statement

**Consolidated income statement**

TABLE 021

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| Revenue | 172,706 | 216,309 |
| Changes in inventories | 43,267 | 39,705 |
| | **215,973** | **256,015** |
| | | |
| Other operating income | 10,568 | 16,415 |
| Cost of materials | -164,992 | -201,463 |
| Staff costs | -24,052 | -25,095 |
| Other operating expenses | -13,551 | -15,813 |
| Depreciation and amortisation | -1,767 | -2,642 |
| **Consolidated earnings from operating activities** | **22,179** | **27,416** |
| | | |
| Share of results of joint ventures | 5,023 | 4,665 |
| Other results from investments | 0 | 4 |
| Finance income | 4,736 | 6,435 |
| Finance costs | -13,920 | -18,032 |
| Other financial result | -232 | -132 |
| **Consolidated earnings before tax (EBT)** | **17,787** | **20,356** |
| | | |
| Income taxes | -4,519 | -3,511 |
| **Consolidated earnings after tax (EAT)** | **13,267** | **16,845** |
| | | |
| **Attributable to:** | | |
| Owners of the Company | 12,922 | 16,804 |
| Non-controlling interests | 345 | 41 |
| | | |
| Weighted average number of shares (in units) | 43,322,575 | 43,322,575 |
| **Basic and diluted earnings per share (in €)** | **0.30** | **0.39** |

# Condensed consolidated statement of comprehensive income

**Consolidated statement of comprehensive income**

TABLE 022

in thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| **Consolidated earnings after tax** | **13,267** | **16,845** |
| | | |
| **Items which are not reclassified into the consolidated earnings in future periods** | | |
| Actuarial gains and losses | 839 | 272 |
| Income tax effects | -213 | -47 |
| | | |
| **Income and expenses after tax recognised directly in equity** | **625** | **225** |
| | | |
| **Total comprehensive income for the financial year after tax** | **13,893** | **17,070** |
| | | |
| **Attributable to:** | | |
| Owners of the Company | 13,548 | 17,029 |
| Non-controlling interests | 345 | 41 |
| | **13,893** | **17,070** |

# Condensed consolidated statement of financial position

**Consolidated statement of financial position**

TABLE 023

In thousands of euros

| | 30/06/2025 | 31/12/2024 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Goodwill | 6,056 | 6,056 |
| Intangible assets | 0 | 36 |
| Right of use assets | 9,014 | 8,119 |
| Property, plant and equipment | 413 | 568 |
| Interests in joint ventures | 69,967 | 64,192 |
| Other investments | 400 | 375 |
| Financial receivables | 1,873 | 4,992 |
| Deferred tax | 131 | 131 |
| | **87,855** | **84,470** |
| **Current assets** | | |
| Inventories | 1,231,364 | 1,188,097 |
| Right of use assets | 3,019 | 3,023 |
| Financial receivables | 25,639 | 24,255 |
| Contract assets | 92,841 | 91,076 |
| Trade receivables | 13,276 | 11,742 |
| Other receivables and other assets | 107,036 | 101,219 |
| Income tax assets | 14,409 | 8,674 |
| Cash and cash equivalents | 425,377 | 426,242 |
| | **1,912,962** | **1,854,329** |
| **TOTAL ASSETS** | **2,000,816** | **1,938,799** |

# Condensed consolidated statement of financial position (continued)

**Consolidated statement of financial position**

TABLE 023

In thousands of euros

| | 30/06/2025 | 31/12/2024 |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| Equity | | |
| Share capital | 46,988 | 46,988 |
| Capital reserves | 358,983 | 358,983 |
| Consolidated retained equity | 208,003 | 216,742 |
| Accumulated reserves recognised in other comprehensive income | 1,987 | 1,361 |
| Treasury shares at acquisition costs | -36,697 | -36,697 |
| Equity attributable to shareholders | 579,264 | 587,378 |
| Non-controlling interests | 6,338 | 5,993 |
| | **585,602** | **593,371** |
| **Non-current liabilities** | | |
| Provisions for pensions and similar obligations | 148 | 976 |
| Other provisions | 5,304 | 6,009 |
| Financial liabilities | 391,075 | 391,066 |
| Liabilities from net assets attributable to non-controlling interests | 6 | 6 |
| Leasing liabilities | 7,597 | 7,601 |
| Other liabilities | 39,929 | 47,405 |
| Deferred tax | 29,429 | 34,318 |
| | **473,488** | **487,380** |
| **Current liabilities** | | |
| Other provisions | 25,480 | 26,285 |
| Financial liabilities | 152,001 | 120,189 |
| Leasing liabilities | 4,096 | 3,958 |
| Contract liabilities | 8,754 | 20,441 |
| Trade payables | 130,205 | 134,184 |
| Other liabilities | 609,639 | 541,510 |
| Income tax liabilities | 11,551 | 11,480 |
| | **941,726** | **858,048** |
| **TOTAL EQUITY AND LIABILITIES** | **2,000,816** | **1,938,799** |

# Condensed consolidated statement of cash flows

**Consolidated statement of cash flows**

TABLE 024

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| **Consolidated earnings after tax** | **13,267** | **16,845** |
| (+) Depreciation and amortisation/(-) reversal of impairments of property, plant and equipment | 1,767 | 2,642 |
| (+) Increase/(-) Decrease in provisions | -1,682 | 3,495 |
| (+) Current income tax income/(-) current income tax expense | 9,699 | 5,870 |
| (+) Deferred income tax income/(-) deferred income tax expense | -5,101 | -2,310 |
| (+) Expense/(-) income from interests in joint ventures | -5,023 | -4,665 |
| (+/-) Change in net assets attributable to non-controlling interests | 0 | 2 |
| (+) Interest expenses/(-) interest income | 9,416 | 11,729 |
| (+) Other non-cash income/(-) Expenses | -1,572 | -1,203 |
| (+/-) Change in net working capital[1] | -5,916 | -5,426 |
| (+) Income tax reimbursements/(-) income tax payments | -15,362 | -7,670 |
| **= Cash flow from operations** | **-509** | **19,309** |
| | | |
| (-) Outflows for investments in intangible assets | 0 | -556 |
| (-) Outflows for investments in property, plant and equipment | -21 | -54 |
| (+) Proceeds from disposals of investments | 1,780 | 4,991 |
| (-) Outflows for investments in financial assets | -25 | 0 |
| (+) Proceeds from disposals of unconsolidated companies and other companies | 0 | 6 |
| (-) Outflows for investments in unconsolidated companies and other companies | -752 | -326 |
| (+) Interest received | 4,454 | 4,995 |
| **= Cash flow from investing activities** | **5,436** | **9,057** |

# Condensed consolidated statement of cash flows (continued)

**Consolidated statement of cash flows**

TABLE 024

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| (+) Proceed from loans and borrowings | 65,709 | 79,359 |
| (-) Repayments of loans and borrowings | -37,322 | -47,017 |
| (-) Payments from lessees to repay liabilities from lease agreements | -1,984 | -2,185 |
| (-) Interest paid | -10,535 | -13,192 |
| (-) Dividends paid | -21,661 | -14,296 |
| **= Cash flow from financing activities** | **-5,793** | **2,669** |
| | | |
| Cash and cash equivalents at the beginning of the period | 426,242 | 383,605 |
| (+/-) Cash change in cash and cash equivalents | -865 | 31,034 |
| **= Cash and cash equivalents at the end of the period** | **425,377** | **414,640** |

[1] Net working capital is made up of inventories, contract assets and trade receivables, other receivables less contract liabilities and trade payables and other liabilities.

# Condensed consolidated statement of changes in equity

## Consolidated statement of changes in equity

TABLE 025

In thousands of euros

| | Total | Share capital | Capital reserves | Consolidated retained equity | Changes to accumulated equity recognised in other comprehensive income | Treasury shares at acquisition cost | Equity attributable to shareholders | Non-controlling interests |
|---|---|---|---|---|---|---|---|---|
| **As at: 1 January 2024** | **575,976** | **46,988** | **358,983** | **199,847** | **1,234** | **-36,697** | **570,355** | **5,621** |
| | | | | | | | | |
| Consolidated earnings after tax | 16,845 | 0 | 0 | 16,804 | 0 | 0 | 16,804 | 41 |
| Changes in actuarial gains and losses | 225 | 0 | 0 | 0 | 225 | 0 | 225 | 0 |
| **Total comprehensive income** | **17,070** | **0** | **0** | **16,804** | **225** | **0** | **17,029** | **41** |
| | | | | | | | | |
| Dividend payments | -14,296 | 0 | 0 | -14,296 | 0 | 0 | -14,296 | 0 |
| | **-14,296** | **0** | **0** | **-14,296** | **0** | **0** | **-14,296** | **0** |
| **As at: 30 June 2024** | **578,750** | **46,988** | **358,983** | **202,355** | **1,459** | **-36,697** | **573,088** | **5,662** |
| | | | | | | | | |
| **As at: 31 December 2024** | **593,371** | **46,988** | **358,983** | **216,742** | **1,361** | **-36,697** | **587,378** | **5,993** |
| | | | | | | | | |
| **As at: 1 January 2025** | **593,371** | **46,988** | **358,983** | **216,742** | **1,361** | **-36,697** | **587,378** | **5,993** |
| | | | | | | | | |
| Consolidated earnings after tax | 13,267 | 0 | 0 | 12,922 | 0 | 0 | 12,922 | 345 |
| Changes in actuarial gains and losses | 625 | 0 | 0 | 0 | 625 | 0 | 625 | 0 |
| **Total comprehensive income** | **13,893** | **0** | **0** | **12,922** | **625** | **0** | **13,548** | **345** |
| | | | | | | | | |
| Dividend payments | -21,661 | 0 | 0 | -21,661 | 0 | 0 | -21,661 | 0 |
| | **-21,661** | **0** | **0** | **-21,661** | **0** | **0** | **-21,661** | **0** |
| **As at: 30 June 2025** | **585,602** | **46,988** | **358,983** | **208,003** | **1,987** | **-36,697** | **579,264** | **6,338** |

# Selected explanatory notes to the condensed consolidated interim financial statements

## Basis of the condensed consolidated interim financial statements

### Basis for preparing the condensed consolidated interim financial statements

The condensed consolidated interim financial statements of Instone Real Estate Group SE, Essen and its subsidiaries as at 30 June 2025 have been prepared in accordance with the International Accounting Standard (IAS) 34 “Interim reporting” and the German Accounting Standard (DRS) 16 “Semi-annual financial reporting”.

They should be read in conjunction with the consolidated financial statements and the notes thereto in the Company’s Annual Report for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) of the International Accounting Standards Board (IASB) and the related Interpretations (IFRIC® Interpretations) of the IFRS Interpretations Committee (Committee) as they applied on the balance sheet date, in accordance with Regulation No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards in the European Union and the supplementary disclosures in accordance with Section 315e of the German Commercial Code (HGB).

The preparation of the interim report requires management to make a series of assumptions and estimates. This may lead to discrepancies between the values shown in the interim report and the actual values.

Various items from the condensed consolidated statement of financial position and the condensed consolidated income statement are combined into one item for a better overview. The condensed consolidated income statement is prepared according to the nature of expense method.

The condensed consolidated interim financial statements are prepared in euros, which is the functional currency and the reporting currency of the Group. All amounts are expressed in thousands of euros (€ thousand) unless stated otherwise. Commercial rounding may lead to immaterial rounding differences in the totals.

### First-time application of accounting standards in the current financial year

The changes to the accounting standards that came into effect on 1 January 2025 have no impact on these condensed consolidated interim financial statements.

### Scope of consolidation

As at 30 June 2025, in addition to Instone Real Estate Group SE, a total of 13 (31 December 2024: 13) domestic subsidiaries and two (31 December 2024: two) European foreign companies are part of these condensed consolidated interim financial statements and are fully consolidated.

As at 30 June 2025, ten joint ventures (31 December 2024: ten) were accounted for using the equity method.

In total, seven group entities (31 December 2024: six) had a low business volume or no business operation and were not consolidated for reasons of materiality. They are reported under other investments.

With Westville 5 GmbH changing its legal form and changing its name to franky PropCo 1 GmbH & Co. KG and the fulfilment of all other contractual requirements in June 2025, the shares in the company will be sold with effect from 1 July 2025. Therefore, as of this date, this company is no longer part of the consolidated financial statements and will be deconsolidated. As a result of the deconsolidation, as at 1 July 2025, inventories amounting to €133.5 million, bank balances of €46.1 million, non-current other liabilities in connection with the interest and repayment subsidy of the subsidised loan in the amount of €6.1 million and non-current financial liabilities (subsidised loans) in the amount of €27.4 million will no longer be recognised in the consolidated financial statements. As a result of the sale of the shares, the share deal effects on adjusted revenue, adjusted gross profit and adjusted EAT will be lower in the future, as only three of the four sub-projects of the overall "Westville" project will contribute to earnings in the future.

## Segment reporting

Segment reporting in accordance with IFRS 8 is based on the management approach and thus corresponds to the management and reporting system that the Instone Group uses for its segments. The Instone Group operates in only one operating segment and one geographical segment. It generates its revenue and holds its assets mainly in Germany.

However, the internal reporting for the single operating segment differs from the figures in IFRS accounting. In its internal reporting, the Instone Group focuses in particular on the development of housing projects. For this reason, the Instone Group conducts segment reporting for this one operating segment.

Internal corporate governance for this segment is based in particular on the internal reporting system for the presentation of key developments relating to real estate business and financial business key performance indicators, supplemented by an examination of key project milestones and liquidity development.

The Instone Group manages its segment through the adjusted results of operations using key performance indicators of adjusted revenue, adjusted gross profit and adjusted earnings after interest and tax.

### Adjusted revenue

The performance of the operating segment is reported via adjusted revenue on the basis of revenue recognition over time. Adjusted revenue is calculated by adding the revenue recognition from share deals in the same way as from asset deals, without the effects from purchase price allocations.

### Adjusted gross profit

The adjusted gross profit is used to analyse the project-based company performance and is determined on the basis of the adjusted revenue less the cost of materials, changes in inventories, other operating income after subtracting the cost of materials, indirect sales costs and capitalised interest, but excluding effects from purchase price allocations and share deals.

### Adjusted earnings after tax

Adjusted earnings after tax is calculated on the basis of adjusted gross profit less platform costs, consisting of staff costs, other operating income and expenses, depreciation and amortisation, investment and other income, financial result and income taxes, but is also adjusted for the effects from purchase price allocations and share deals, as well as any non recurring effects including the resulting tax effects, where applicable. The results of joint ventures are included in adjusted earnings before interest and tax, as future earnings of project companies to be recorded under this item are to be allocated to operating earnings.

The effects of the adjusted results of operations are derived from the following:

### Share deal effects

The project companies Westville 2 GmbH, Westville 3 GmbH, Westville 4 GmbH and franky PropCo 1 GmbH & Co. KG (formerly: Westville 5 GmbH) are conceived as asset management companies under German commercial law and constitute one major project in Frankfurt am Main. The Instone Group has already sold these project companies in the form of a share deal with the obligation to build a residential complex. In the adjusted results of operations, the overall "Westville" project is managed in the same way as the other projects in the Instone Group, with revenue recognition over time in accordance with IFRS 15. These companies are valued and included in the consolidated financial statements in accordance with IAS 2. The effects from this different valuation are reflected in the adjusted revenue of €56,963 thousand (previous-year period: €37,969 thousand) and adjusted project costs of €-46,157 thousand (previous-year period: €-38,754 thousand).

### Effects from purchase price allocations

Due to the first-time consolidation of Instone Real Estate Development GmbH in 2014 and Instone Real Estate Leipzig GmbH in 2015 as well as the business activities of S&P Stadtbau GmbH in the 2020 financial year, as at 30 June 2025 inventories and contract assets still included writeups of €5,943 thousand (31 December 2024: €1,301 thousand) from purchase price allocations. The ongoing amortisation of these purchase price allocations on the basis of the progressive implementation of the projects included in these initial consolidations is adjusted for internal reporting. The adjustment for the amortisation of purchase price allocations was attributable as follows: €1,367 thousand (previous-year period: €1,101 thousand) to revenue and €-6,010 thousand (previous-year period: €6,752 thousand) to changes in inventories. Based on current estimates, the Instone Group expects these effects to expire in 2028.

### Reclassifications and non-recurring effects

As at 30 June 2025, indirect sales expenses amounting to €-3,394 thousand (previous-year period: €-699 thousand) as well as other operating income after subtracting the cost of materials in the amount of €9,200 thousand (previous-year period: €10,760 thousand) were allocated to project costs. The adjustment of the capitalised interest in the changes in inventories of €4,456 thousand (previous-year period: €6,065 thousand) had a negative impact on project costs.

No non recurring effects were recorded during the reporting period. In the same period of the previous year, adjustments were made for severance payment expenses of €297 thousand and consulting expenses of €39 thousand.

In the following table, the differences arising from the valuation of the individual data are carried over from the adjusted results of operations into the consolidated reporting:

## Reconciliation of adjusted results of operations 01/01-30/06/2025

TABLE 026

In thousands of euros

| | Adjusted results of operations | Share deal effects | Non recurring effects | Reclassifications | Effects from PPA | Reported results of operations |
|---|---|---|---|---|---|---|
| **Revenue** | **231,036** | **-56,963** | **0** | **0** | **-1,367** | **172,706** |
| | | | | | | |
| **Project costs** | **-172,542** | **46,157** | **0** | **-1,349** | **6,010** | **-121,725** |
| Cost of materials | -159,186 | 0 | 0 | -5,805 | 0 | -164,992 |
| Changes in inventories | -13,356 | 46,157 | 0 | 4,456 | 6,010 | 43,267 |
| | | | | | | |
| **Gross profit** | **58,493** | **-10,806** | **0** | **-1,349** | **4,643** | **50,981** |
| | | | | | | |
| **Platform costs** | **-34,608** | **0** | **0** | **5,805** | **0** | **-28,802** |
| Staff costs | -24,052 | 0 | 0 | 0 | 0 | -24,052 |
| Other operating income | 1,368 | 0 | 0 | 9,200 | 0 | 10,568 |
| Other operating expenses | -10,157 | 0 | 0 | -3,394 | 0 | -13,551 |
| Depreciation and amortisation | -1,767 | 0 | 0 | 0 | 0 | -1,767 |
| Share of results of joint ventures | 5,023 | 0 | 0 | 0 | 0 | 5,023 |
| | | | | | | |
| **EBIT** | **28,909** | **-10,806** | **0** | **4,456** | **4,643** | **27,202** |
| | | | | | | |
| Financial result | -4,959 | 0 | 0 | -4,456 | 0 | -9,416 |
| | | | | | | |
| **EBT** | **23,950** | **-10,806** | **0** | **0** | **4,643** | **17,787** |
| | | | | | | |
| Tax | -6,745 | | | | | -4,519 |
| | | | | | | |
| **EAT** | **17,205** | | | | | **13,267** |

## Reconciliation of adjusted results of operations 01/01-30/06/2024

TABLE 027

In thousands of euros

| | Adjusted results of operations | Share deal effects | Non recurring effects | Reclassifications | Effects from PPA | Reported results of operations |
|---|---|---|---|---|---|---|
| **Revenue** | **255,380** | **-37,969** | **0** | **0** | **-1,101** | **216,309** |
| **Project costs** | **-189,762** | **38,754** | **0** | **-3,997** | **-6,752** | **-161,757** |
| Cost of materials | -191,401 | 0 | 0 | -10,062 | 0 | -201,463 |
| Changes in inventories | 1,639 | 38,754 | 0 | 6,065 | -6,752 | 39,705 |
| **Gross profit** | **65,618** | **785** | **0** | **-3,997** | **-7,854** | **54,552** |
| **Platform costs** | **-36,862** | **0** | **-336** | **10,062** | **0** | **-27,136** |
| Staff costs | -25,095 | 0 | 0 | 0 | 0 | -25,095 |
| Other operating income | 5,654 | 0 | 0 | 10,760 | 0 | 16,415 |
| Other operating expenses | -14,779 | 0 | -336 | -699 | 0 | -15,813 |
| Depreciation and amortisation | -2,642 | 0 | 0 | 0 | 0 | -2,642 |
| Share of results of joint ventures | 4,665 | 0 | 0 | 0 | 0 | 4,665 |
| **EBIT** | **33,421** | **785** | **-336** | **6,065** | **-7,854** | **32,081** |
| Other results from investments | 4 | 0 | 0 | 0 | 0 | 4 |
| Financial result | -5,664 | 0 | 0 | -6,065 | 0 | -11,729 |
| **EBT** | **27,761** | **785** | **-336** | **0** | **-7,854** | **20,356** |
| Tax | -7,296 | | | | | -3,511 |
| **EAT** | **20,465** | | | | | **16,845** |

## Disclosures about the condensed consolidated income statement

### Revenue

Revenue is spread across the following regions:

**Revenue by region** TABLE 028

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| Germany | 172,706 | 216,249 |
| Rest of Europe | 0 | 60 |
| | **172,706** | **216,309** |

The composition of revenue by revenue type is shown in the following table:

**Revenue by revenue type** TABLE 029

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| Revenue from building contracts | | |
| Revenue recognised over time | 168,017 | 211,655 |
| Revenue recognised at a point in time | 1,422 | 1,585 |
| | **169,439** | **213,239** |
| Income from leases | 3,127 | 2,935 |
| Other services | 140 | 135 |
| | **172,706** | **216,309** |

The total amount of unfulfilled or partly unfulfilled performance obligations from purchase agreements that have already been notarised as at the balance sheet date is €314,355 thousand (31 December 2024: €315,246 thousand).

### Depreciation and impairment

There was no impairment of right of use assets, property, plant and equipment or intangible assets.

**Depreciation and amortisation** TABLE 030

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| Right of use assets | -1,554 | -1,860 |
| Property, plant and equipment | -176 | -291 |
| Intangible assets | -36 | -492 |
| | **-1,767** | **-2,642** |

### Income taxes

**Income taxes** TABLE 031

In thousands of euros

| | 01/01-30/06/2025 | 01/01-30/06/2024 |
|---|---|---|
| **Current income tax** | | |
| German trade tax | -3,705 | -3,947 |
| Corporation tax | -5,994 | -1,923 |
| | **-9,699** | **-5,870** |
| **Deferred tax** | | |
| Deferred tax | 5,180 | 2,359 |
| | **5,180** | **2,359** |
| | **-4,519** | **-3,511** |

## Disclosures about the condensed consolidated statement of financial position

### Inventories

Work-in-progress in the amount of €428,453 thousand (31 December 2024: €468,743 thousand) is subject to disposal restrictions due to project financing by banks.

Borrowing costs in the amount of €43,352 thousand (31 December 2024: €38,895 thousand) were capitalised as part of production costs recognised for inventories attributable to project financing based on individual agreements with external lenders.

The inventories were subject to impairment of €25,777 thousand (31 December 2024: €24,446 thousand). Reversals of impairment losses in the reporting period were €8,685 thousand (previous-year period: €15,285 thousand).

### Contract assets

The structure of contract assets is composed as follows:

**Contract assets** TABLE 032

In thousands of euros

| | 30/06/2025 | 31/12/2024 |
|---|---|---|
| Contract assets | 375,020 | 305,245 |
| Payments received | -287,199 | -218,954 |
| | **87,821** | **86,291** |
| Capitalised costs to obtain a contract | 5,020 | 4,784 |
| | **92,841** | **91,076** |

The change in contract assets is due to the increase in fulfilment of the underlying contracts with customers and the parallel increase in advance payments.

The cycle of contract assets is – equivalent to the project term – an average of three years.

The amortisation of the costs to obtain a contract in the amount of €6,133 thousand (previous-year period: €3,241 thousand) offsets the fulfilment of the underlying contracts with customers.

### Cash and cash equivalents

Cash and cash equivalents of €159,561 thousand (31 December 2024: €163,997 thousand) are subject to restrictions on disposal. They result from project financing by banks that is not yet due and from project financing taken out for customers at banks.

### Financial liabilities

**Financial liabilities** TABLE 033

In thousands of euros

| | 30/06/2025 | 31/12/2024 |
|---|---|---|
| Non-current | | |
| To financial institutions from project financing | 255,668 | 269,141 |
| To financial institutions from corporate financing | 19,869 | 19,829 |
| Loans from third parties | 115,538 | 102,096 |
| | **391,075** | **391,066** |
| Current | | |
| To financial institutions from project financing | 115,509 | 87,416 |
| To financial institutions from corporate financing | 1,142 | 532 |
| Loans from third parties | 35,295 | 32,196 |
| Liabilities to minority shareholders | 55 | 45 |
| | **152,001** | **120,189** |
| | **543,077** | **511,255** |

**Financial liabilities 2025**

TABLE 034

In thousands of euros

| | | | | Non-cash changes | | |
|---|---|---|---|---|---|---|
| | 30/06/2025 | 01/01/2025 | Cash flow from financing activities | Neutral offsetting | Accrued interest | Amortisation from the valuation using the effective interest method |
| Loans from banks | 392,188 | 376,918 | 11,367 | 0 | 3,733 | 170 |
| Loans from third parties | 150,834 | 134,291 | 15,763 | 0 | 624 | 155 |
| Liabilities to minority shareholders | 55 | 45 | 0 | 10 | 0 | 0 |
| | **543,077** | **511,255** | **27,129** | **10** | **4,357** | **326** |
| Liabilities from leases | 0 | 11,559 | -11,559 | 0 | 0 | 0 |

**Financial liabilities 2024**

TABLE 035

In thousands of euros

| | | | | Non-cash changes | | |
|---|---|---|---|---|---|---|
| | 31/12/2024 | 01/01/2024 | Cash flow from financing activities | Neutral offsetting | Accrued interest | Amortisation from the valuation using the effective interest method |
| Loans from banks | 376,918 | 381,834 | -7,375 | 0 | 2,290 | 170 |
| Loans from third parties | 134,291 | 151,136 | -17,624 | 0 | 624 | 155 |
| Liabilities to minority shareholders | 45 | 45 | 0 | 0 | 0 | 0 |
| | **511,255** | **533,014** | **-24,999** | **0** | **2,914** | **326** |
| Liabilities from leases | 11,559 | 14,748 | -3,189 | 0 | 0 | 0 |

Current and non-current loans from banks consisted of fixed and variable interest rate loans issued by various banks.

The Instone Group's loans from banks are usually not the subject of contractual assurances and are instead secured by land charges. The subsidised loans taken up were secured by corresponding bank deposits.

## Other disclosures

### Disclosures about related persons and companies

Key related persons and companies include any material entities valued at equity and members of the Management Board and Supervisory Board.

### Relationships with joint ventures

**Relationships with joint ventures/other investments** TABLE 036

In thousands of euros

| | 30/06/2025 | 31/12/2024 |
|---|---|---|
| **Receivables** | | |
| FHP Friedenauer Höhe Dritte GmbH & Co. KG | 390 | 377 |
| FHP Friedenauer Höhe Erste GmbH & Co. KG | 289 | 3,253 |
| FHP Friedenauer Höhe Sechste GmbH & Co. KG | 654 | 633 |
| FHP Friedenauer Höhe Vierte GmbH & Co. KG | 439 | 439 |
| Projekt Am Sonnenberg Wiesbaden GmbH | 24,547 | 23,323 |
| Wohnpark Heusenstamm GmbH & Co. KG | 107 | 104 |
| | **26,426** | **28,130** |
| **Liabilities** | | |
| FHP Friedenauer Höhe Dritte GmbH & Co. KG | 41 | 33 |
| FHP Friedenauer Höhe Erste GmbH & Co. KG | 9 | 0 |
| FHP Friedenauer Höhe Sechste GmbH & Co. KG | 68 | 55 |
| FHP Friedenauer Höhe Vierte GmbH & Co. KG | 78 | 0 |
| Instone Real Estate Projektverwaltungs GmbH | 5 | 3 |
| | **201** | **91** |

The financial receivables from the four project companies FHP Friedenauer Höhe Dritte GmbH & Co. KG, FHP Friedenauer Höhe Erste GmbH & Co. KG, FHP Friedenauer Höhe Sechste GmbH & Co. KG and FHP Friedenauer Höhe Vierte GmbH & Co. KG consist of interest-free loans with residual maturities of between about one to three years.

### Dealings with related persons

There were no material transactions between Instone Real Estate Group SE, Essen, Germany or a Group company and persons from the Management or related persons or companies during the reporting period. There are no conflicts of interest in terms of the participating members of the Management Board and the Supervisory Board.

### Further disclosures on financial instruments

The carrying amounts for individual classes of financial instruments and the carrying amounts for individual categories are shown below in accordance with IFRS 7.

## Carrying amounts of financial instruments in 2025

TABLE 037

In thousands of euros

| | Carrying amount 30/06/2025 | Fair value through profit and loss | At amortised costs | Not within the scope of application of IFRS 9 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Financial assets** | | | | |
| **Financial receivables** | | | | |
| Non-current | 1,873 | 0 | 1,873 | 0 |
| Current | 25,639 | 0 | 25,639 | 0 |
| | **27,512** | **0** | **27,512** | **0** |
| Other investments | 400 | 400 | 0 | 0 |
| Contract assets | 92,841 | 0 | 0 | 92,841 |
| Trade receivables | 13,276 | 0 | 13,276 | 0 |
| Other receivables and other assets | 107,036 | 0 | 1,731 | 105,306 |
| Cash and cash equivalents | 425,377 | 0 | 425,377 | 0 |
| | **666,443** | **400** | **467,896** | **198,146** |
| **EQUITY AND LIABILITIES** | | | | |
| **Financial liabilities** | | | | |
| **Financial liabilities** | | | | |
| Non-current | 391,075 | 0 | 391,075 | 0 |
| Current | 152,001 | 0 | 152,001 | 0 |
| | **543,077** | **0** | **543,077** | **0** |
| Contract liabilities | 8,754 | 0 | 0 | 8,754 |
| Liabilities from net assets attributable to non-controlling interests | 6 | 0 | 6 | 0 |
| Trade payables | 130,205 | 0 | 130,205 | 0 |
| **Other liabilities** | | | | |
| Non-current | 39,929 | 0 | 0 | 39,929 |
| Current | 609,639 | 0 | 15,600 | 594,039 |
| | **649,568** | **0** | **15,600** | **633,968** |
| | **1,331,610** | **0** | **688,888** | **642,722** |

## Carrying amounts of financial instruments in 2024

TABLE 038

In thousands of euros

| | Carrying amount 30/06/2024 | Fair value through profit and loss | At amortised costs | Not within the scope of application of IFRS 9[1] |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Financial assets** | | | | |
| **Financial receivables** | | | | |
| Non-current | 4,992 | 0 | 4,992 | 0 |
| Current | 24,255 | 0 | 24,255 | 0 |
| | **29,247** | **0** | **29,247** | **0** |
| Other investments | 375 | 375 | 0 | 0 |
| Contract assets | 91,076 | 0 | 0 | 91,076 |
| Trade receivables | 11,742 | 0 | 11,742 | 0 |
| Other receivables and other assets | 101,219 | 0 | 2,295 | 98,923 |
| Cash and cash equivalents | 426,242 | 0 | 426,242 | 0 |
| | **659,901** | **375** | **568,450** | **91,076** |
| **EQUITY AND LIABILITIES** | | | | |
| **Financial liabilities** | | | | |
| **Financial liabilities** | | | | |
| Non-current | 391,066 | 0 | 391,066 | 0 |
| Current | 120,189 | 0 | 120,189 | 0 |
| | **511,255** | **0** | **511,255** | **0** |
| Contract liabilities | 20,441 | 0 | 0 | 20,441 |
| Liabilities from net assets attributable to non-controlling interests | 6 | 0 | 6 | 0 |
| Trade payables | 134,184 | 0 | 134,184 | 0 |
| **Other liabilities** | | | | |
| Non-current | 47,405 | 0 | 0 | 47,405 |
| Current | 541,510 | 0 | 12,825 | 528,686 |
| | **588,915** | **0** | **588,915** | **0** |
| | **1,254,801** | **0** | **1,234,360** | **20,441** |

[1] Previous year adjusted.

With the current financial instruments accounted for at amortised costs, the carrying amount corresponds to the fair value, due to the short remaining term to maturity. In the case of non-current financial liabilities, the carrying amount of a part corresponds to the fair value due to the variable interest rate. A fair value was determined for the fixed-interest non-current liabilities, which exceeds the carrying amount by €6,448 thousand as at 30 June 2025. As at 31 December 2024, the fair value exceeded the carrying amount by €5,680 thousand. Non-current liabilities fall under fair value hierarchy level 2. The fair value was determined using a cash value method that applies company-specific current interest rates derived from the market. Non-current financial receivables are recognised at amortised costs. Their fair value differs from the carrying amount by €0 thousand (31 December 2024: €-44 thousand). These loans fall under fair value hierarchy level 2 and were determined using a cash value method taking into account current market interest rates.

As at 30 June 2025, the Instone Group recognised subsidised loans in the amount of €154.1 million (31 December 2024: €160.0 million), which were paid in various tranches. The decrease stems from the granting of a repayment subsidy in the reporting period. These loans were accounted for at fair value on the date on which they were received. It was derived from observable market input parameters (fair value hierarchy level 2). The difference to the actual payment amounts is treated as a government grant under IAS 20 and spread over the full term. The loans are accounted for in subsequent valuations at amortised costs and recognised as other non-current liabilities in the amount of €39.9 million.

## Events after the reporting date

With effect from 1 July 2025, all shares in franky PropCo 1 GmbH & Co. KG (formerly: Westville 5 GmbH) were sold. The corresponding impact on the consolidated financial statements is explained in this chapter in the section entitled “Basis of the condensed consolidated interim financial statements”.

After the balance sheet date on 30 June 2025, Germany decided to reduce the corporate income tax rate from its present rate of 15% to 10% by 2032. The corporate tax rate is to be reduced by one percentage point a year from 2028 onwards. As a result of the change in tax rates, the deferred tax items need to be revalued from the date of the change. The revaluation effect resulting from the tax rate change is currently being investigated. As the investigation process is not yet complete, it is not possible to provide a reliable estimate of the tax rate change effect at the time of preparation.

There are no other events of particular significance to report after the reporting date of 30 June 2025.

### Disclosures on preparation and approval

The Management Board of Instone Real Estate Group SE prepared the consolidated interim financial statements on 6 August 2025 and approved them for forwarding to the Supervisory Board.

Essen, 6 August 2025

The Management Board

Kruno Crepulja David Dreyfus Andreas Gräf

# Other information

# Insurance of legal representatives

To the best of our knowledge, we hereby declare that the semi-annual report for the interim consolidated financial statements accurately reflects the results of operations, net assets and the financial position of the Group in accordance with applicable accounting principles and that the Company's management report together with the combined management report accurately reflect the business performance, including the operating result and financial position, of the Group, and that it also describes the significant opportunities and risks associated with the anticipated development of the Group during the remainder of the financial year.

Essen, 6 August 2025

The Management Board

Kruno Crepulja David Dreyfus Andreas Gräf

# Review report

To Instone Real Estate Group SE, Essen/Germany

We have reviewed the condensed interim consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity as well as selected explanatory notes, and the interim group management report of Instone Real Estate Group SE, Essen/Germany, for the period from 1 January to 30 June 2025, that are part of the half-year financial information under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in accordance with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards) applicable to interim financial reporting, as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the executive directors of the Company. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in compliance with the German Generally Accepted Standards for Reviews of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance to preclude through critical evaluation that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS Accounting Standards applicable to interim financial reporting, as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and to analytical procedures applied to financial data and thus provides less assurance than an audit. Since, in accordance with our engagement, we have not performed an audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements of Instone Real Estate Group SE, Essen/Germany, have not been prepared, in material respects, in accordance with the IFRS Accounting Standards applicable to interim financial reporting, as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Düsseldorf/Germany, 6 August 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
(Rolf Künemann)
Wirtschaftsprüfer
(German Public Auditor)

Signed:
(Nicole Meyer)
Wirtschaftsprüferin
(German Public Auditor)

# Disclaimer

## Forward-looking statements

This condensed consolidated interim report contains forward-looking statements that are based on current management plans, goals and forecasts. However, these statements relate only to findings that are available as at the date this condensed consolidated interim report was prepared. Management does not guarantee that these forward-looking statements will necessarily materialise. Actual future development and the results actually achieved are subject to various risks and can therefore deviate significantly from the forward-looking statements. Several risk factors cannot be influenced by the Instone Group and therefore cannot be conclusively assessed in advance. These include changes in the economic and competitive environment, legislation, fluctuations in interest or exchange rates, legal disputes and investigative proceedings and the availability of financial resources. These and other risks are listed in the 2024 consolidated report, which includes a summary of the management report, as well as in this condensed consolidated interim report. Furthermore, business development and economic results may also be encumbered by other factors. Following publication of this interim consolidated report, there is no intention to in any way update the forward-looking statements made herein or to adjust them to events and developments.

## Rounding of figures

Some figures disclosed in this condensed consolidated interim report have been commercially rounded. As a result, there may be minor deviations between figures in tables and the respective analyses of them in the text of the condensed consolidated interim report, as well as between individual amount totals in tables and the total values indicated in the text. All key performance indicators and percentage changes are calculated on the basis of the underlying data and shown in the unit “thousands of euros".

## Quarterly comparison

TABLE 039

In millions of euros

| | | Q2 2025 | Q1 2025 | Q4 2024 | Q3 2024 | Q2 2024 |
|---|---|---|---|---|---|---|
| **Real estate business key performance indicators** | | | | | | |
| Volume of sales contracts | | 54.7 | 41.6 | 173.6 | 34.7 | 33.9 |
| Volume of sales contracts | In units | 106 | 76 | 366 | 55 | 68 |
| Project portfolio (existing projects) | | 6,840.7 | 6,971.4 | 6,891.1 | 7,111.0 | 7,124.9 |
| of which already sold | | 2,470.5 | 2,796.4 | 2,755.0 | 2,675.8 | 2,784.8 |
| Project portfolio (existing projects) | In units | 13,793 | 14,236 | 14,243 | 14,650 | 14,760 |
| of which already sold | In units | 5,555 | 6,264 | 6,188 | 6,074 | 6,448 |
| Volume of new approvals[1] | | 216.7 | 71.2 | 0.0 | 0.0 | 261.6 |
| Volume of new approvals | In units | 397 | 109 | 0 | 0 | 566 |
| | | | | | | |
| Cash flow from operations | | 16.4 | -16.9 | -24.6 | 107.7 | 47.0 |
| | | | | | | |
| **Adjusted results of operations** | | | | | | |
| Revenues adjusted | | 126.0 | 105.0 | 142.7 | 129.1 | 135.9 |
| Project costs adjusted | | -95.6 | -76.9 | -116.4 | -101.8 | -102.9 |
| **Gross profit adjusted** | | **30.4** | **28.1** | **26.3** | **27.3** | **32.9** |
| **Gross profit margin adjusted** | In % | **24.1** | **26.8** | **18.4** | **21.1** | **24.2** |
| Platform costs adjusted | | -16.9 | -17.7 | -17.1 | -18.9 | -19.2 |
| Share of results of joint ventures adjusted | | 2.4 | 2.6 | 2.9 | 3.6 | 3.8 |
| **Earnings before interest and tax (EBIT) adjusted** | | **16.0** | **12.9** | **12.1** | **12.0** | **17.6** |
| **EBIT margin adjusted** | In % | **12.7** | **12.3** | **8.5** | **9.3** | **13.0** |
| Results from investments adjusted | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Financial result adjusted | | -2.3 | -2.7 | -1.2 | 0.0 | -2.5 |
| **Earnings before tax (EBT) adjusted** | | **13.7** | **10.2** | **10.9** | **11.9** | **15.2** |
| **EBT margin adjusted** | In % | **10.9** | **9.7** | **7.6** | **9.2** | **11.2** |
| Income taxes adjusted | | -3.9 | -2.8 | -3.1 | -3.3 | -4.2 |
| **Earnings after tax (EAT) adjusted** | | **9.7** | **7.5** | **7.9** | **8.5** | **10.9** |
| **EAT margin adjusted** | In % | **7.7** | **7.1** | **5.5** | **6.6** | **8.0** |
| Earnings per share (adjusted) | In euros | 0.22 | 0.17 | 0.18 | 0.19 | 0.25 |

[1] Excluding volume of approvals from joint ventures consolidated at equity.

## Multi-year overview

TABLE 040

In millions of euros

| | | 6M 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|
| **Key liquidity figures** | | | | | | |
| Cash flow from operations | | -0.5 | 102.5 | 107.7 | 70.2 | 43.9 |
| Cash flow from operations without new investments | | 17.0 | 148.0 | 118.1 | 187.2 | 256.3 |
| Free cash flow | | 4.9 | 116.6 | 119.2 | 79.6 | 167.4 |
| Cash and cash equivalents and term deposits[1] | | 271.2 | 266.2 | 267.7 | 255.6 | 151.0 |
| | | | | | | |
| **Key balance sheet figures** | | | | | | |
| Total assets | | 2,000.8 | 1,939.0 | 1,839.6 | 1,780.3 | 1,520.8 |
| Inventories | | 1,231.4 | 1,188.1 | 1,085.8 | 967.3 | 843.7 |
| Contract assets | | 92.8 | 91.1 | 177.1 | 333.6 | 358.0 |
| Equity | | 585.6 | 593.4 | 576.0 | 573.0 | 590.9 |
| Financial liabilities | | 543.1 | 511.3 | 532.6 | 520.6 | 390.5 |
| of wich corporate finance | | 141.1 | 137.2 | 176.8 | 179.7 | 199.1 |
| of wich project financing | | 402.0 | 374.1 | 355.8 | 341.0 | 191.4 |
| | | | | | | |
| Net financial debt[2] | | 157.7 | 132.5 | 186.8 | 265.1 | 239.5 |
| Leverage | | 2.8 | 2.1 | 2.1 | 2.8 | 1.5 |
| Loan-to-cost[3] | In % | 12.0 | 10.5 | 15.1 | 20.8 | 20.1 |
| ROCE adjusted[4] | In % | 7.7 | 8.1 | 10.3 | 10.2 | 22.0 |
| | | | | | | |
| **Employees** | | | | | | |
| Number | | 406 | 417 | 468 | 486 | 457 |
| FTE[5] | | 337.6 | 341.9 | 382.5 | 409.4 | 387.6 |

In millions of euros

| | | 6M 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|
| **Real estate business key performance indicators** | | | | | | |
| Volume of sales contracts | | 96.3 | 330.2 | 211.4 | 292.1 | 1,140.1 |
| Volume of sales contracts | In units | 182 | 702 | 370 | 530 | 2,915 |
| Project portfolio (existing projects) | | 6,840.7 | 6,891.1 | 6,972.0 | 7,668.8 | 7,500.0 |
| of which already sold | | 2,470.5 | 2,755.0 | 2,693.4 | 2,980.5 | 3,038.9 |
| Project portfolio (existing projects) | In units | 13,793 | 14,243 | 14,252 | 16,209 | 16,418 |
| of which already sold | In units | 5,555 | 6,188 | 6,217 | 7,309 | 7,215 |
| Volume of new approvals[6] | | 287.9 | 261.6 | 0.0 | 336.7 | 1,587.4 |
| Volume of new approvals | In units | 506 | 566 | 0 | 749 | 3,245 |
| | | | | | | |
| **Adjusted results of operations** | | | | | | |
| Revenues adjusted | | 231.0 | 527.2 | 616.0 | 621.0 | 783.6 |
| Project costs adjusted | | -172.5 | -408.0 | -461.5 | -463.8 | -562.1 |
| **Gross profit adjusted** | | **58.5** | **119.2** | **154.5** | **157.2** | **221.5** |
| **Gross profit margin adjusted** | **In %** | **25.3** | **22.6** | **25.1** | **25.3** | **28.3** |
| Platform costs adjusted | | -34.6 | -72.9 | -76.5 | -72.5 | -80.5 |
| Share of results of joint ventures adjusted | | 5.0 | 11.2 | 8.1 | 3.9 | 14.6 |
| **Earnings before interest and tax (EBIT) adjusted** | | **28.9** | **57.5** | **86.1** | **88.6** | **155.7** |
| **EBIT margin adjusted** | **In %** | **12.5** | **10.9** | **14.0** | **14.3** | **19.9** |
| Results from investments adjusted | | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Financial result adjusted | | -5.0 | -6.9 | -14.9 | -15.9 | -19.3 |
| **Earnings before tax (EBT) adjusted** | | **23.9** | **50.6** | **71.2** | **72.7** | **136.5** |
| **EBT margin adjusted** | **In %** | **10.3** | **9.6** | **11.6** | **11.7** | **17.4** |
| Income taxes adjusted | | -6.7 | -13.7 | -23.1 | -22.6 | -39.6 |

TABLE 040

In millions of euros

| | | 6M 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|
| **Earnings after tax (EAT) adjusted** | | **17.2** | **36.9** | **48.2** | **50.0** | **96.9** |
| **EAT margin adjusted** | In % | **7.4** | **7.0** | **7.8** | **8.1** | **12.4** |
| Earnings per share (adjusted) | In euros | 0.39 | 0.84 | 1.14 | 1.11 | 2.10 |
| Dividend per share | In euros | | 0.50 | 0.33 | 0.35 | 0.62 |
| Distribution amount | | | 21.7 | 14.3 | 15.2 | 28.7 |

[1] Term deposits comprise cash investments of more than three months. Excluding restricted cash and cash equivalents of €154.1 million (31 December 2024: €160.0 million) from the “Westville” subsidised loan.

[2] Net financial debt = financial liabilities less cash and cash equivalents and term deposits. Excluding the €114.2 million (31 December 2023: €78.1 million) subsidised loan.

[3] Loan-to-cost = net financial debt/(inventories + contract assets).

[4] Return on capital employed = LTM EBIT adjusted/(four-quarter average equity + net financial debt).

[5] Full-time equivalent.

[6] Excluding volume of approvals from joint ventures consolidated at equity.

# Contact

**Head of IR and Capital Market Communication & Strategy**

Burkhard Sawazki

Instone Real Estate Group SE
Grugaplatz 2-4, 45131 Essen, Germany

Phone: +49 201 45355-137
Fax: +49 201 45355-904
Email: burkhard.sawazki@instone.de

# Legal notice

**Instone Real Estate Group SE**

Grugaplatz 2-4
45131 Essen
Germany

Phone: +49 201 45355-0
Fax: +49 201 45355-934
Email: info@instone.de

**Management Board**

Kruno Crepulja (Chairman/CEO)
David Dreyfus
Andreas Gräf

**Chairman of the Supervisory Board**

Stefan Brendgen

**Commercial Register**

Registered in the Commercial Register
of the Essen Local Court under HRB 32658

VAT ID number
DE 300512686

**Concept, design and implementation**

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# Financial calendar

| | |
|---|---|
| 07/08/2025 | Publication of half-year report as at 30 June 2025 |
| 06/11/2025 | Publication of quarterly statement as at 30 September 2025 |

**Instone Real Estate Group SE**

Grugaplatz 2–4
45131 Essen
Germany

Email: info@instone.de
www.instone-group.de