

INSTONE - FOUNDATIONS FOR A GOOD LIFE.

Annual Financial Statement 2025



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TABLE 01

Assets

In thousands of euros

	Note	31/12/2025	31/12/2024
A. Non-current assets			
I. Intangible assets			
Concessions acquired for consideration and licences to such rights and assets		0	36
II. Property, plant and equipment			
Operating and office equipment		99	134
III. Financial assets	1		
1. Investments in affiliated companies		222,651	222,651
2. Loans to affiliated companies of which to shareholders		98,800	96,400
3. Investments		1,413	1,400
		322,863	320,451
		322,962	320,621
B. Current assets			
I. Receivables and other assets	2		
1. Receivables from affiliated companies			
from trade payables:			
€120 thousand (previous year: €120 thousand)			
of which from other assets:			
€176,273 thousand (previous year: €112,471 thousand)		176,393	112,591
2. Receivables from companies with which there is an equity relationship		895	641
3. Other assets		3,153	6,039
		180,441	119,271
II. Cash on hand, bank balances	3	167,257	195,145
		347,699	314,416
C. Prepaid expenses and deferred income		298	38
D. Deferred tax assets	4	13,609	9,232
		684,568	644,308

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Statement of financial position (continued)

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TABLE 01

Equity and liabilities

In thousands of euros

	Note	31/12/2025	31/12/2024
A. Equity	5		
I. Share capital		46,988	46,988
Own shares		-3,666	-3,666
Issued capital		43,323	43,323
Conditional capital: €4,699 thousand (previous year: €4,699 thousand)			
II. Capital reserves		358,958	358,958
III. Other profit provisions		85,805	49,245
IV. Net profit		41,314	26,415
		529,399	477,940
B. Provisions			
1. Provisions for pensions and similar obligations	6	1,967	2,147
2. Tax provisions	7	18,118	7,115
3. Other provisions	7	11,154	9,242
		31,239	18,504
C. Liabilities			
1. Loans from banks and other lenders			
of which with a remaining term of up to one year: €39,320 thousand (previous year: €32,728 thousand)			
of which with a remaining term of more than one year: €67,500 thousand (previous year: €105,000 thousand)	8	106,820	137,728
2. Trade payables			
of which with a remaining term of up to one year: €689 thousand (previous year: €125 thousand)	9	689	125
3. Liabilities to affiliated companies			
of which with a remaining term of up to one year: €5,089 thousand (previous year: €8,605 thousand)			
of which with a remaining term of more than one year: €10,191 thousand (previous year: €0 thousand)			
of which from other liabilities: €5,089 thousand (previous year: €8,605 thousand)	10	15,280	8,605
4. Liabilities to companies with which there is an equity relationship			
of which with a remaining term of up to one year: €8 thousand (previous year: €3 thousand)			
of which from trade payables: €8 thousand (previous year: €3 thousand)		8	3
5. Other liabilities			
of which with a remaining term of up to one year: €1,133 thousand (previous year: €1,402 thousand)			
of which from tax: €531 thousand (previous year: €726 thousand)	11	1,133	1,402
		123,930	147,864
		684,568	644,308

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Income statement from 1 January to 31 December 2025

TABLE 02

In thousands of euros

	Note	2025	2024
1. Revenue	12	8,165	8,027
2. Other operating income	13	5,432	5,930
Operating performance		13,596	13,957
3. Staff costs	14		
a) Salaries		-13,367	-13,235
b) Social security contributions and expenses for pensions and other employee benefits of which for retirement provision: €80 thousand (previous year: €100 thousand)		-1,424	-1,217
4. Depreciation and amortization of intangible non-current assets and property, plant and equipment		-74	-632
5. Other operating expenses		-13,464	-16,058
Operating profit		-14,732	-17,185
6. Income from profit and loss transfer agreements	16	128,124	67,281
7. Income from other securities and loans of the financial assets of which from affiliated companies: €5,458 thousand (previous year: €8,482 thousand)	16	5,458	8,499
8. Other interest and similar income of which from discounting: €131 thousand (previous year: €73 thousand)	16	4,242	6,934
9. Write-downs on financial assets		-170	0
10. Expenses from the acceptance of losses	16	-8,983	-6,364
11. Interest and similar expenses of which to affiliated companies €-8 thousand (previous year: €-214 thousand) of which from compounding: €-62 thousand (previous year: €-9 thousand)	16	-7,795	-10,822
12. Taxes on income and profit of which deferred tax income: €4,377 thousand (previous year: €3,591 thousand)	17	-33,024	-9,829
13. Earnings after tax/annual net profit		73,121	38,513
14. Transfer to other revenue reserves		-36,560	-19,257
15. Profit carried forward from the previous year		4,754	7,158
16. Net profit		41,314	26,415

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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GENERAL PRINCIPLES

Instone Real Estate Group SE (hereinafter also referred to as the "Company") with its registered office at Grugaplatz 2-4, 45131 Essen, Germany, is registered under reference number HRB 32658 in the Commercial Register of the Essen District Court. Instone Real Estate Group SE has been listed on the Regulated Market of the Frankfurt Stock Exchange since 15 February 2018.

The Company is the supreme parent company of Instone Real Estate Group SE (hereinafter also referred to as "Instone Group") and performs the function of management holding in it. As part of this function, it is responsible for defining and monitoring the overall strategy and implementing the corporate objectives.

The Company holds investments in subsidiaries whose principal activity is the acquisition, development, construction, leasing, management, and sale of land and buildings, as well as investment in other companies active in this industry.

Instone Real Estate Group SE is the controlling company for corporate and commercial tax purposes of Instone Real Estate Development GmbH, Nyoo Real Estate GmbH as well as for almost all domestic companies, including for sales tax purposes.

The annual financial statements of Instone Real Estate Group SE have been prepared according to the accounting standards applicable to corporations as per the German Commercial Code (Sections 242 et seqq.

and 264 et seqq. HGB) at the time of their preparation, taking into account the specific legal form statutory provisions of the German Stock Corporation Act (AktG). As a listed company, the Company is a large corporation within the meaning of Section 264d HGB in conjunction with Section 267 (3) sentence 2 HGB.

The income statement has been prepared according to the nature of expense method pursuant to Section 275 (2) HGB.

In order to improve the clarity of presentation, individual items in the statement of financial position and income statement have been grouped together. These items are listed and explained separately in the Annex. The item loans from banks also includes loans from other lenders due to their similar use. The item name has been extended accordingly. In addition, the item "operating result" was added to the income statement.

All amounts are expressed in thousands of euros (€ thousand) unless stated otherwise. As a result, there may be minor deviations between figures in tables and their respective analyses in the body of the text of the Notes to the financial statements, as well as between totals of individual amounts in tables and the total values similarly provided in the text.

As the parent company of the Instone Group, the Company prepares a consolidated financial statement in accordance with the International Financial Reporting Standards (IFRS® Accounting Standards) as applicable in the European Union and the supplementary commercial law provisions to be applied in accordance with Section 315e (1) of the German Commercial Code (HGB). The annual and consolidated financial statements are announced in the Company Register. The consolidated financial statements are also available for access on the Company's website. The management report was combined, in application of Section 315 (5) HGB in conjunction with Section 298 (2) HGB, with the management report of the Instone Group's consolidated financial statements and will be published together with it.

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ACCOUNTING AND MEASUREMENT PRINCIPLES

Intangible assets are recorded at acquisition cost. These include exclusively software for commercial and technical applications. Intangible assets are generally amortized on a straight-line basis over a period of one to five years.

Property, plant and equipment are valued at cost of acquisition or capital cost less scheduled and unscheduled depreciation and amortization. Manufacturing costs include direct production costs and appropriate parts of overheads. Depreciation and amortization on property, plant and equipment is carried out on a straight-line basis in accordance with their service lives. The normal service life for operating and office equipment is between 2 and 14 years.

Low-value fixed assets with acquisition costs of up to €250.00 were recorded as an expense in the year of acquisition or production. Independently useful fixed assets whose cost of acquisition or production exceeds EUR 250.00, but not €1,000.00, are combined into a single item and are depreciated on a straight-line basis over five years. Due to the fact that it is insignificant, purchased user software (trivial programs) is listed under business and office equipment.

Interests in affiliated companies and investments are valued at acquisition cost. Unscheduled depreciation and amortization takes place in the case of permanent impairment.

Loans are carried at amortized costs or, in the case of an expected permanent impairment, at the lower fair value.

If impairment provisions regarding non-current assets were recognized in previous years and the reasons for the impairment have been partially or completely eliminated in the meantime, the impairment is reversed up to a maximum of the amortized cost.

Receivables and other assets are recorded at acquisition cost. For the valuation of receivables and other assets, the foreseeable risks are taken into account through appropriate impairment provisions. The amount of the impairment provision is based on the probable default risk. Receivables are

generally deemed to have been realized at the time of the transfer of risk – in other words at the time of handover to the purchaser. At this point, the revenue is included in the profit and loss statement and the receivables are included on in the statement of financial position balance sheet.

Cash and cash equivalents are reported at their nominal value.

Expenses paid before the date up to which the financial statements are prepared are reported under **Prepaid expenses and deferred income** on the assets side of the statement of financial position, insofar as they represent expenses for a certain period thereafter.

Deferred tax arises due to temporary differences between the statements of financial position prepared for commercial and for tax purposes. Not only are the differences from the Company's own statement of financial position items included in this calculation, but also for those subsidiaries where Instone Real Estate Group SE functions as the controlling company. Deferred tax assets are also recognized for tax refund claims arising from the anticipated utilization of existing tax loss carryforwards in subsequent years. Deferred tax liabilities are capitalized if it can be assumed with sufficient certainty that the associated economic benefits can be claimed. Deferred tax assets and liabilities are offset. Their amount is calculated on the basis of the tax rates which apply, or are expected to apply, at the time of adoption. For all other purposes, deferred tax liabilities are measured on the basis of the tax regulations in force or enacted at the time of reporting. The option to capitalize under Section 274 (1) sentence 2 HGB was exercised and the resulting asset was accounted for with the liability amount after offsetting.

Equity is recognized at nominal value.

Treasury shares are deducted from the share capital at their nominal value. The amount of acquisition costs exceeding the nominal value is offset against the other retained earnings. Transaction costs in connection with the purchase of treasury shares are recognized as a profit or loss. In the event of a renewed issue, shares are withdrawn from the treasury shares holdings at average cost.

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Provisions for pensions and similar obligations include obligations of the Company with respect to current and future benefits to eligible active and former employees and their survivors. Most of these obligations relate to pension benefits. Individual commitments are determined on the basis of the length of service and salaries of employees. The measurement of provisions for defined benefit plans is based on the actuarial value of the respective obligation. This is determined using the projected unit credit method. This method of projected unit credit includes not only the pensions and accrued benefits known at the cut-off date but also the salary increase (3.00%; previous year: 3.00%), pension increases for commitments with an adjustment guarantee (1.00%; previous year: 1.00%), pension increases for other commitments (2.25%; previous year: 2.25%), and probabilities of fluctuation (3.42%; previous year: 3.42%) that are expected in the future. The calculation is based on actuarial reports using biometric calculation methods in the 2018 G mortality tables developed by Professor Dr Klaus Heubeck. Direct pension obligations are valued in accordance with the provisions of Section 253 (1) and (2) HGB.

The option under Section 253 (2) sentence 2 HGB was used for determining the actuarial interest rate. Provisions for pension obligations or comparable long-term obligations may therefore be discounted as a lump sum with the average market interest rate which results for an assumed residual term of ten years. The underlying actuarial interest rate for discounting pension obligations amounted to 2.06% (previous year: 1.90%). In accordance with Section 253 (6) sentence 3 HGB, the difference between the recognition of provisions in accordance with the corresponding average market interest rate from the past ten years and the recognition of the provisions in accordance with the corresponding average market interest rate from the past seven financial years is to be determined in each financial year.

The difference arising from the change in the annual average interest rate due to the extension of the period from seven to ten years is determined as follows:

Pension provisions

TABLE 03

In euros

	31/12/2025	31/12/2024
Provisions derived		
Using the 10-year average interest rate	4,647,016.00	4,630,213.00
Using the 7-year average interest rate	4,502,607.00	4,572,461.00
Difference according to Section 253 (6) HGB	-144,409.00	-57,752.00
Of which, subject to a distribution block in accordance with Section 253 (6) sentence 1 HGB	0.00	0.00

The liabilities from pension commitments are primarily covered by assets that are used exclusively for meeting pension obligations and cannot be accessed by other creditors. This includes assets that are invested in a trust capacity as part of a contractual trust arrangement, reinsurance insurance policies pledged to employees, and fund shares acquired from deferred compensation. They are measured at fair value. Depending on the nature of the cover fund, this value is derived from market prices, bank statements, and insurance information. If the fair value is greater than the acquisition cost, a dividend block is observed. Pursuant to Section 246 (2) sentence 2 HGB, the fair value of the cover fund is to be offset against the covered pension obligations, as are the associated income and expenses.

Provisions for pensions are calculated using actuarial principles and include the Company's obligations with regard to current and future benefits for eligible active and passive employees.

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The **tax provisions** and **other provisions** are formed on the basis of reasonable commercial judgement. Price and cost increases expected in future are taken into account when determining the settlement value of the other provisions. Provisions with a residual maturity of more than one year are each discounted with the average market interest rate of the past seven years with matching maturities calculated and announced by the Deutsche Bundesbank using the net method. The internal value is the one used for the HGB valuation of provisions for long-term stock option programs. The intrinsic value corresponds to the current closing price on the valuation date due to the valuation parameters taken into account on the reporting date.

Liabilities are recognized at the settlement value.

Estimates and assumptions

The preparation of the financial statements requires estimates and assumptions that may affect the application of the Company's accounting principles, recognition, and measurement. Estimates are based on past experience and other knowledge of the transactions to be posted. Actual amounts may differ from these estimates.

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SCHEDULE OF ASSETS

Schedule of assets

TABLE 04

In thousands of euros

	Acquisition/manufacturing costs				Depreciation and amortisation	Carrying amount	Carrying amount
	01/01/2025	Additions	Disposals	31/12/2025	Accumulated depreciation and amortisation	31/12/2025	31/12/2024
Intangible assets							
Concessions acquired for consideration and licenses to such rights and assets	1,766	0	0	1,766	-1,766	0	36
	1,766	0	0	1,766	-1,766	0	36
Property, plant and equipment							
Operating and office equipment	314	3	0	317	-218	99	134
	314	3	0	317	-218	99	134
Financial assets							
Investments in affiliated companies	222,651	0	0	222,651	0	222,651	222,651
Loans to affiliated companies	96,400	153,064	-150,664	98,800	0	98,800	96,400
Shares in investments	1,400	13	0	1,413	0	1,413	1,400
	320,451	153,077	-150,664	322,863	0	322,863	320,451
Total non-current assets	322,531	153,080	-150,664	324,947	-1,984	322,962	320,621

	Depreciation and amortisation		
	01/01/2025	Depreciation and amortisation in the financial year	Accumulated depreciation and amortisation
Intangible assets			
Concessions acquired for consideration and licenses to such rights and assets	-1,730	-36	-1,766
	-1,730	-36	-1,766
Property, plant and equipment			
Operating and office equipment	-180	-38	-218
	-180	-38	-218
Total depreciation and amortisation	-1,910	-74	-1,984

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NON-CURRENT ASSETS

1 FINANCIAL ASSETS

The development of shares in affiliated companies is presented in the following overview.

Development of shares in affiliated companies TABLE 05

In thousands of euros

	2025	2024
Acquisition costs		
As at 1 January	222,651	222,651
Carrying amounts as at 31 December	222,651	222,651

Shares in affiliated companies are shown in the following table.

Interests in affiliated companies to be consolidated TABLE 06

In thousands of euros

	31/12/2025	31/12/2024
Interests in affiliated companies to be consolidated		
Instone Real Estate Development GmbH	222,137	222,137
Westville 1 GmbH	464	464
Nyoo Real Estate GmbH	25	25
Instone Real Estate Beteiligungsgesellschaft mbH	25	25
	222,651	222,651

The development of loans to affiliated companies is presented in the following table.

Development of loans to affiliated companies TABLE 07

In thousands of euros

	2025	2024
Acquisition costs		
As at 1 January	96,400	119,400
Additions	153,064	100,584
Disposals	-150,664	-123,584
As of 31 December	98,800	96,400
Carrying amounts as at 31 December	98,800	96,400

Loans to affiliated companies are presented in the following overview.

Loans to affiliated companies TABLE 08

In thousands of euros

	31/12/2025	31/12/2024
Loans to affiliated companies included in the consolidated financial statement		
Instone Real Estate Development GmbH	61,100	80,700
Nyoo Real Estate GmbH	37,700	15,700
	98,800	96,400

The development of investments is shown below.

Development of investments TABLE 09

In thousands of euros

	2025	2024
Acquisition costs		
As at 1 January	1,400	1,400
Additions	13	0
As of 31 December	1,413	1,400
Carrying amounts as at 31 December	1,413	1,400

The additions in the reporting year exclusively relate to VESTWAY GmbH (formerly: IKFHT Versorgungsgesellschaft mbH).

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CURRENT ASSETS

2 RECEIVABLES AND OTHER ASSETS

The receivables from affiliated companies result mainly from a profit and loss transfer agreement and interest from a loan agreement with Instone Real Estate Development GmbH.

Receivables from affiliated companies

TABLE 10

In thousands of euros

	31/12/2025	31/12/2024
Receivables from affiliated companies		
Instone Real Estate Development GmbH	176,393	112,585
Westville 1 GmbH	0	6
	176,393	112,591

Receivables from affiliated companies in the amount of €48,889 thousand (previous year: €44,571 thousand) are expected to be settled within a period of more than one year.

The other assets include the following items:

Other assets

TABLE 11

In thousands of euros

	31/12/2025	31/12/2024
Other assets		
Receivables from financial authorities	3,153	6,030
Other assets	0	6
Receivables from social security institutions	0	3
	3,153	6,039

3 BANK BALANCES

Bank balances in the amount of €167,257 thousand (previous year: €195,145 thousand), essentially comprise current cash investments as at 31 December 2025. As in the previous year, they are not subject to any drawing restrictions.

4 DEFERRED TAX ASSETS

Deferred tax assets of €13,609 thousand (previous year: €9,232 thousand) result from valuation and recognition differences in pension and personnel provisions and also from the valuation difference in partnerships. The calculation of deferred tax is carried out on the basis of a tax rate of 31.65% (previous year: 31.74%).

5 EQUITY

The Company's share capital as at 31 December 2025 amounted to €46,988,336.00 (previous year: €46,988,336.00) and is fully paid up. It is divided into 46,988,336 no-par-value shares (previous year: 46,988,336 no-par-value shares). The arithmetic nominal value per share is €1.00.

The Annual General Meeting on 14 June 2023 resolved to create authorized capital. The Management Board is authorized, with the consent of the Supervisory Board, to increase the registered capital of the Company in the period until 13 June 2028 through the issue of up to 15,494,168 no-par-value shares by up to €15,494 thousand (2023 Authorized capital).

In addition, the Annual General Meeting on 11 June 2025 resolved to raise the 2021 authorized capital 2021 and also create further authorized capital. The Management Board is therefore authorized, with the consent of the Supervisory Board, to increase the registered capital of the Company in the period until 10 June 2030 through the issue of up to 8,000,000 no-par value shares by up to €8,000 thousand (2025 Authorized capital).

Based on the resolution of the Annual General Meeting 2019, the Management Board acquired a total of 3,665,761 treasury shares. The authorization to acquire own shares expired in 2024. By the resolution of the Annual General Meeting on 11 June 2025, the authorization of the Management Board to repurchase up to 10% of the original share capital was extended until 10 June 2030.

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With effect from 31 August 2021, the Management Board was authorized by the Annual General Meeting to grant options or convertible bond terms once or several times until 8 June 2026 on up to 4,698,833 new shares of the company (conditional capital), subject to the approval of the Supervisory Board.

At the reporting date of 31 December 2025, treasury shares amounted to 3,665,761 shares (previous year: 3,665,761 shares). This corresponds to 7.80% of the registered capital.

In the financial year, dividends of €21,661,287.50 were paid on the basis of a dividend of €0.50 per share entitled to a dividend.

A minimum dividend under Section 254 of the German Stock Corporation Act (AktG) was not paid.

As part of the acquisition of treasury shares, a total of €32,836,696.55 was offset against the other retained earnings. As in the previous year, no additional treasury shares were acquired in the 2025 financial year.

In accordance with Section 58 (2) AktG, €36,560,348.85 from the annual net income was transferred to the other retained earnings.

Capital reserves at 31 December 2025 amounted to €358,957,638.59 (previous year: €358,957,638.59).

The net profit includes a profit carried forward of €4,754 thousand (previous year: €7,158 thousand).

Information on amounts subject to a distribution block

The provisions for pension obligations recognised on the statement of financial position (before deduction of the corresponding hedging funds) were calculated on the basis of the corresponding average market interest rate from the past ten years. Averaging over seven financial years would have resulted in liabilities that are €144,409.00 lower (previous year: €57,752.00 higher liabilities), meaning that, in the reporting year, this difference is not subject to any distribution restriction according to Section 253 (6) HGB. The recognized deferred tax assets of €13,609,387.45 (previous year: €9,232,412.32) are subject to a distribution block in accordance with Section 268 (8) HGB. A total of €13,609,387.45 is therefore subject to a distribution block (previous year: €9,232,412.32).

6 PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

The liabilities from defined benefit plans of Instone Real Estate are listed in the following table.

Pension provisions

TABLE 12

In thousands of euros

	31/12/2025	31/12/2024
Pension provisions		
Settlement value of pensions and similar obligations	4,647	4,630
Fair value of the cover fund	-2,680	-2,483
Net value of the provision for pensions and similar obligations	1,967	2,147
Acquisition costs of the cover fund	2,935	2,657

The fair value of the cover fund is broken down as follows:

Securities

TABLE 13

In thousands of euros

	31/12/2025	31/12/2024
Securities		
CTA assets	2,573	2,378
DC assets	108	105
	2,680	2,483

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7 PROVISIONS

Provisions

TABLE 14

In thousands of euros

	31/12/2025	31/12/2024
Provisions		
Tax	18,118	7,115
Pensions	1,967	2,147
	20,085	9,262
Other provisions		
Share option programs	6,891	5,158
Bonuses	2,720	2,520
External costs of the annual financial statement	688	631
Outstanding annual leave	247	362
Partial retirement top-up amounts	218	223
Partial retirement fulfillment arrears	302	211
Indirect staff costs	66	66
Staff costs	0	50
Compensation levy for severely disabled persons	16	16
Other	7	7
	11,154	9,242
	31,239	18,504

8 LOANS FROM BANKS AND OTHER LENDERS

Loans from banks and other lenders amount to €106,820 thousand (previous year: €137,728 thousand), of which €86,306 thousand (previous year: €117,196 thousand) is attributable to other lenders. The decrease is due to a scheduled repayment of a promissory note loan in the amount of €30,000 thousand. As of the end of the 2025 financial year, the volume of syndicated loans was expanded by entering into new syndicated financing amounting to €47,500 thousand. The new facility has a term of three years plus two renewal options of one year each.

9 TRADE PAYABLES

At the reporting balance sheet date, there were liabilities of €689 thousand (previous year: €125 thousand).

10 LIABILITIES TO AFFILIATED COMPANIES

Liabilities to affiliated companies

TABLE 15

In thousands of euros

	31/12/2025	31/12/2024
Liabilities to affiliated companies		
Westville 1 GmbH	10,173	4,757
Nyoo Real Estate GmbH	5,090	3,664
Westville 3 GmbH	9	116
Instone Real Estate Projekt Rosenheim GmbH	0	67
KORE GmbH	0	2
Westville 4 GmbH	7	0
	15,280	8,605

Liabilities to affiliated companies mainly concern loan liabilities and liabilities related to the profit and loss transfer agreement with Nyoo Real Estate GmbH.

11 OTHER LIABILITIES

Other liabilities

TABLE 16

In thousands of euros

	31/12/2025	31/12/2024
Other liabilities		
Liabilities from taxes	531	726
Liabilities from Supervisory Board bonuses	503	586
Liabilities to workforce	99	90
	1,133	1,402

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12 REVENUE

Revenue in the amount of €8,165 thousand (previous year: €8,027 thousand) mainly relates to revenue with affiliated companies in Germany resulting from Group-internal services.

13 OTHER OPERATING INCOME

Other operating income

TABLE 17

In thousands of euros

	2025	2024
Other operating income		
Other income	5,212	5,135
Income from the reversal of provisions	220	794
	5,432	5,930

The other operating income is mainly the result of the transfer of internal Group costs to the income statement.

14 STAFF COSTS

Staff costs

TABLE 18

In thousands of euros

	2025	2024
Staff costs		
Wages and salaries	-13,367	-13,235
Social security contributions	-1,344	-1,117
Pension costs	-80	-100
	-14,790	-14,452

On an annual average, the Company had 96 employees (previous year: 95 employees) who are exclusively assigned to the commercial service department at the Essen site. Seven of these are senior executives.

15 OTHER OPERATING EXPENSES

Other operating expenses are comprised as shown below. Sundry other operating expenses not recognized elsewhere primarily include administration expenses.

Other operating expenses

TABLE 19

In thousands of euros

	2025	2024
Other operating expenses		
Organizational consulting	-4,769	-6,190
Other taxes	-1,552	-2,100
Costs for IT	-2,368	-1,975
Other expenses	-1,059	-1,673
Insurance premiums	-844	-1,139
Costs of the annual financial statements	-1,007	-917
Costs of the Supervisory Board	-506	-537
Rents, leases, usage fees	-584	-527
Other general costs	-191	-371
Travel costs	-289	-313
Vehicle leasing	-234	-228
Costs of payment transactions	-45	-69
Severance payments	-15	-20
	-13,464	-16,058

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16 FINANCIAL RESULT

Income from profit and loss transfer agreements of €128,124 thousand (previous year: €67,281 thousand) relates to the profit transfer of Instone Real Estate Development GmbH.

Of the income from other securities and loans of non-current financial assets, €5,458 thousand (previous year: €8,482 thousand) relates to affiliated companies.

Income from the discounting of provisions for share option programs amounts to €131 thousand (previous year: €73 thousand).

Expenses from the acceptance of losses of €8,983 thousand (previous year: €6,364 thousand) relates exclusively to the acceptance of losses of New Real Estate GmbH.

Net interest income relating to pension provisions in the amount of €137 thousand (previous year: €114 thousand) includes interest from the interest accrued on the pension obligations in the amount of €-62 thousand (previous year: €-4 thousand). These amounts are offset against the interest income from cover assets amounting to €199 thousand (previous year: €118 thousand).

17 TAXES ON INCOME AND EARNINGS

Taxes on income and earnings

TABLE 20

In thousands of euros

	2025	2024
Taxes on income and earnings		
Trade income tax	-16,736	-7,032
Corporation tax	-19,587	-6,055
Solidarity surcharge	-1,077	-333
Deferred tax	4,377	3,591
	-33,024	-9,829

The calculation of deferred tax is carried out on the basis of a combined income tax rate of 31.65% (previous year: 31.74%).

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18 MEMBERS OF THE MANAGEMENT BOARD

The Management Board comprises the following three members:

Kruno Crepulja

- Chair of the Management Board/CEO of Instone Real Estate Group SE

David Dreyfus

- Member of the Management Board/CFO of Instone Real Estate Group SE

Andreas Gräf

- Member of the Management Board/COO of Instone Real Estate Group SE

19 MEMBERS OF THE SUPERVISORY BOARD

Stefan Brendgen, freelance management consultant

In addition to his role as Chair of the Supervisory Board of the Company, Stefan Brendgen is a member of the following statutory supervisory boards and comparable domestic and foreign supervisory bodies of commercial enterprises:

- HAHN-Immobilien-Beteiligungs AG (Chair of the Supervisory Board)
- Adler Group S.A. (Chair of the Management Board)

Dr Jochen Scharpe, Managing Partner of AMCI and ReTurn Immobilien GmbH

In addition to his role as Deputy Chairman of the Supervisory Board of the Company, Dr Jochen Scharpe is a member of the following other statutory supervisory boards and comparable domestic and foreign supervisory bodies of commercial enterprises:

- FFIRE Immobilienverwaltung AG (Chair of the Supervisory Board)

Dietmar P. Binkowska, freelance management consultant

In addition to his role as a member of the Supervisory Board of the Company, Dietmar P. Binkowska is a member of the following statutory supervisory boards or comparable domestic and foreign supervisory bodies of commercial enterprises:

- Nordwestlotto in Nordrhein-Westfalen GmbH (Chair of the Supervisory Board)

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Christiane Jansen (until 11 June 2025), Managing Director Westdeutsche Lotterie GmbH & Co. OHG

In addition to her role as a member of the Supervisory Board of the Company, Christiane Jansen is not a member of any other statutory supervisory boards of comparable domestic or foreign supervisory bodies of commercial enterprises.

Stefan Mohr, Partner and Head of Corporate Investments, Activum SG Capital

In addition to his role as a member of the Supervisory Board of the Company, Stefan Mohr is not a member of any other statutory supervisory boards of comparable domestic or foreign supervisory bodies of commercial enterprises.

Sabine Georgi (until 11 June 2025), Executive Director DACH, ULI – Urban Land Institute

In addition to her role as a member of the Supervisory Board of the Company, Sabine Georgi is not a member of any other statutory supervisory boards of comparable domestic or foreign supervisory bodies of commercial enterprises.

David S. Beardsell (since 11 June 2025), COO and Head of Management, Activum SG Capital

In addition to his role as a member of the Supervisory Board of the Company, David S. Beardsell is not a member of any other statutory supervisory boards of comparable domestic or foreign supervisory bodies of commercial enterprises.

20 REMUNERATION OF THE MANAGEMENT BOARD

The main components of the remuneration system for the members of the Management Board are as follows:

Fixed basic remuneration

- The fixed remuneration is paid in equal monthly installments.

Fringe benefits

- Fringe benefits consist of taxable monetary benefits, such as the private use of company cars or other benefits in kind.

Short-term performance-based emoluments – short-term incentive (STI)

- The one-year variable compensation in the form of an STI is linked to the commercial success of the Instone Group in the underlying financial year and the personal targets set for the individual members of the Management Board.

Multi-year variable compensation (LTI)

- As a further component of variable remuneration, the members of the Management Board are also promised multi-year variable compensation in the form of an LTI bonus.

Pension commitments

- Some members of the Management Board have a company pension plan in the form of individual contractual pension agreements which are valid after reaching the minimum pensionable age of 65 years.

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The total remuneration granted to the members of the Management Board for the 2025 financial year within the meaning of Sec. 285 (9) HGB totaled €4,878 thousand (previous year: €5,165 thousand). Of the total remuneration, €1,544 thousand (previous year: €1,448 thousand) was for fixed, non-performance-related remuneration components including non-cash remuneration and fringe benefits; €1,115 thousand (previous year: €767 thousand) for variable, one-year, performance-related remuneration components; and €2,168 thousand (previous year: €2,889 thousand) for variable, multi-year, performance-related remuneration components. The fringe benefits were measured at the value determined for tax purposes. Gross pension expenses for the members of the Management Board is €51 thousand (previous year: €59 thousand).

The present value of pension commitments to active and former members of the Management Board is €2,573 thousand (previous year: €2,532 thousand). Pension obligations to previous Management Board members are €1,555 thousand (previous year: €1,565 thousand).

As in the previous year, no advances were paid to members of the Management Board and no loans were made in the reporting year.

21 REMUNERATION OF THE SUPERVISORY BOARD

The total remuneration of the Supervisory Board in the 2025 financial year was €641 thousand (previous year: €683 thousand), of which €521 thousand (previous year: €563 thousand) was remuneration for work on the general committee. Remuneration for work in committees remained the same as the previous year at €120 thousand (previous year: €120 thousand).

In the 2025 financial year, the companies of the Instone Group did not pay or grant any remuneration or other benefits to members of the Supervisory Board for services rendered in a personal capacity, in particular advisory and agency services. Nor were members of the Supervisory Board granted any advances or credits.

22 AUDITOR'S FEES

The following total fees were recorded as an expense for the financial year for the services of the auditor, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, Düsseldorf Office:

Audit fees

TABLE 21

In thousands of euros

	2025	2024
Audit fees		
Audit services	812	840
of which relating to previous years	-70	-14
Other confirmation services	35	68
Other services	39	43
	885	951

In addition to the annual audit and the audit of the consolidated financial statements for the Group, the auditor primarily performed an audit in accordance with IDW PS 900, which is shown in the audit services. In addition, the auditor has provided other confirmation services. These are audits in accordance with Section 16 MaBV as well as other services in the form of agreed investigative actions (covenant reporting) in accordance with ISRS 4400 (revised).

23 EVENTS AFTER THE END OF THE FINANCIAL YEAR

There were no events of particular significance to report after the reporting date of 31 December 2025.

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24 AFFILIATES AND INVESTMENT COMPANIES

List of shareholdings as at 31 December 2025

TABLE 22

	Share of capital in %	Direct shareholdings	Indirect shareholdings	Equity in thousands of euros	Annual result in thousands of euros
Interests in affiliated companies to be consolidated					
DURST-BAU GmbH, Vienna, Austria	100.0		x	482	-34
formart Luxemburg S.à r.l., Luxembourg, Luxembourg	100.0		x	1,396	-30
Gartenhöfe GmbH, Leipzig, Germany	100.0		x	5,995	101
Instone Real Estate Development GmbH, Essen, Germany ¹	100.0	x		190,097	0
Instone Real Estate Projekt MarinaBricks GmbH, Erlangen, Germany	100.0		x	871	38
Instone Real Estate Projekt Rosenheim GmbH & Co. KG, Nuremberg, Germany	100.0		x	3,184	-221
Instone Real Estate Projektbeteiligungs GmbH, Erlangen, Germany	100.0		x	17	23
KORE GmbH, Dortmund, Germany	100.0		x	5,711	-842
Nyoo Real Estate GmbH, Essen, Germany ¹	100.0	x		25	0
Projekt Wilhelmstraße Wiesbaden GmbH & Co. KG, Frankfurt a. M., Germany	70.0		x	24	3
Westville 1 GmbH, Essen, Germany	100.0	x	x	32,065	30,239
franky PropCo 3 GmbH & Co. KG (vormals: Westville 2 GmbH), Essen, Germany	89.9		x	2,741	216
Westville 3 GmbH, Essen, Germany	89.9		x	2,678	173
franky PropCo 2 GmbH & Co. KG (vormals: Westville 4 GmbH), Essen, Germany	89.9		x	2,598	95
Projektgesellschaft Quartiersentwicklung GmbH & Co. KG, Essen, Germany	100.0		x	-32	-34
Immobilien-gesellschaft CSC Kirchberg S.à r.l., Luxembourg, Luxembourg	100.0		x	88	-3
Instone Real Estate Verwaltungsgesellschaft mbH, Essen, Germany	100.0		x	22	0
Instone Real Estate Projektverwaltungs GmbH, Essen, Germany	100.0		x	-113	-27
Instone Real Estate Beteiligungsgesellschaft mbH, Essen, Germany	100.0	x		24	0
Kleyer Beteiligungsgesellschaft mbH, Frankfurt a. M., Germany	100.0		x	61	-92
Projekt Am Sonnenberg Wiesbaden GmbH, Essen, Germany	51.0		x	-4,627	-1,161
Projekt Wilhelmstraße Wiesbaden Verwaltung GmbH, Cologne, Germany	70.0		x	-10	0
Quartiersentwicklung Verwaltungsgesellschaft mbH, Essen, Germany	100.0		x	24	-1
Twelve GmbH & Co. KG, Stuttgart, Germany	50.1		x	39,609	2,411
Twelve Verwaltungs GmbH, Stuttgart, Germany	100.0		x	33	0
Uferpalais Verwaltungsgesellschaft mbH, Essen, Germany	70.0		x	49	0
Westville Vermietungs GmbH, Essen, Germany	100.0		x	-9	-8
Westville Verwaltungs GmbH, Essen, Germany	100.0		x	23	-2
Wohnpark Heusenstamm GmbH & Co. KG, Essen, Germany	50.1		x	4,704	959
Wohnpark Heusenstamm Verwaltungs GmbH, Essen, Germany	100.0		x	24	0

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List of shareholdings as at 31 December 2025

TABLE 22

	Share of capital in %	Direct shareholdings	Indirect shareholdings	Equity in thousands of euros	Annual result in thousands of euros
Shares in investments					
beeboard GmbH, Köln, Germany	50.0	x		1,221	-696
FHP Friedenauer Höhe Dritte GmbH & Co. KG, Berlin, Germany	50.0		x	15,923	15,577
FHP Friedenauer Höhe Erste GmbH & Co. KG, Berlin, Germany	50.0		x	18,610	6,943
FHP Friedenauer Höhe Sechste GmbH & Co. KG, Berlin, Germany	50.0		x	26,233	26,412
FHP Friedenauer Höhe Vierte GmbH & Co. KG, Berlin, Germany	50.0		x	854	160
VESTWAY GmbH (vormals: IKFHT Vertriebsgesellschaft mbH), Essen, Germany	50.0	x		25	0
NREP NSF V Lux 10 S.à r.l., Luxembourg, Luxembourg	20.0		x	0	0
Projektentwicklungsgesellschaft Holbeinviertel mbH & Co. KG, Frankfurt a. M., Germany	50.0		x	1	-24
Wohnpark Gießener Straße GmbH & Co. KG, Frankfurt a. M., Germany	50.0		x	29	4
BEYOUTOPE GmbH, Hannover, Germany	0.02		x	248	-39
CONTUR Wohnbauentwicklung GmbH, Köln, Germany	50.0		x	66	31
FHP Friedenauer Höhe Verwaltungs GmbH, Berlin, Germany	50.0		x	30	3
formart Wilma Verwaltungsgesellschaft mbH, Frankfurt a. M., Germany	50.0		x	56	2

¹ Profit and loss transfer agreement with Instone Real Estate Group SE.

25 CONTINGENT LIABILITIES

Obligations from warranties and guarantees amounted to €71,310 thousand (previous year: €66,456 thousand). They were made for obligations of subsidiaries in favor of third parties. On the basis of the financial situation of the subsidiaries, the risk of recourse is low.

26 OTHER FINANCIAL OBLIGATIONS

Minimum lease payments due in the future are comprised as follows:

Other financial obligations

TABLE 23

In thousands of euros

	31/12/2025	31/12/2024
Other financial obligations		
Due in up to one year	484	534
Due in one to five years	1,770	327
Due in over five years	82	0
	2,336	860

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27 NOTIFICATIONS OF VOTING RIGHTS

As of 31 December 2025, there were investments in the Company that were notified in accordance with Section 33 (1) of the German Securities Trading Act (WpHG):

Voting rights notifications in accordance with section 33 of the German Securities Trading Act

TABLE 24

Notifiables	Name of Shareholders	Name of the third party or controlled company from whose shares voting rights are attributed if the 3% threshold is exceeded	Reason for the notification	Voting rights (Sections 33, 34 WpHG)		Instruments within the meaning of Section 38(1) no. 1 of the Securities Trading Act (WpHG)	Instruments within the meaning of Section 38(1) no. 2 of the Securities Trading Act (WpHG)	Voting rights after threshold touch	Voting rights after threshold touch in %	Notification threshold	Date of threshold touch	Publication Instone Group
				directly	allocated							
Saul Goldstein	ASG Fund VI Tower S.ä r.L./ ASG Fund VII Knight S.ä r.L.	ASG Fund VI Tower S.ä r.L./ ASG Fund VII Knight S.ä r.L.	Acquisition/ sale of shares with voting rights	0	12,192,940	0	0	12,192,940	25.95	Exceedance 25%	05/08/2022	09/08/2022
Hussain Ali Habib Sajwani	Samarra Company Limited	Samarra Company Limited	Acquisition/ sale of shares with voting rights	0	4,715,770	0	0	4,715,770	10.04	Exceedance 10%	24/04/2023	03/05/2023
Ranger Global Real Estate Advisors LLC, New York, USA	-	-	Acquisition/ sale of shares with voting rights	0	1,899,354	0	0	1,899,354	4.04	Shortfall 5%	07/11/2023	10/11/2023
Federico Riggio	Helikon Long Short Equity Fund Master ICAV	Helikon Investments Limited	Acquisition/ sale of shares with voting rights	0	1,729,427	0	659,863	2,389,290	5.08	Exceedance 5%	01/11/2024	06/11/2024
Helikon Long Short Equity Fund ICAV, Dublin, Ireland	Helikon Long Short Equity Fund Master ICAV	Helikon Long Short Equity Fund Master ICAV	Acquisition/ sale of shares with voting rights	0	1,729,427	0	659,863	2,389,290	5.08	Exceedance 5%	01/11/2024	12/11/2024

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Voting rights notifications in accordance with section 33 of the German Securities Trading Act

TABLE 24

Notifiables	Name of Shareholders	Name of the third party or controlled company from whose shares voting rights are attributed if the 3% threshold is exceeded	Reason for the notification	Voting rights (Sections 33, 34 WpHG)		Instruments within the meaning of Section 38(1) no. 1 of the Securities Trading Act (WpHG)	Instruments within the meaning of Section 38(1) no. 2 of the Securities Trading Act (WpHG)	Voting rights after threshold touch	Voting rights after threshold touch in %	Notification threshold	Date of threshold touch	Publication Instone Group
				directly	allocated							
Fidelity Puritan Trust, Boston, USA	-	-	Acquisition/sale of shares with voting rights	1,589,822	0	0	0	1,589,822	3.38	Exceedance 3%	22/01/2025	30/01/2025
FMR LLC, Wilmington, Delaware, USA	Fidelity Puritan Trust	Fidelity Management & Research Company LLC	Acquisition/sale of shares with voting rights	0	3,482,937	15,000	0	3,497,937	7.44	Exceedance 5%	28/01/2025	04/02/2025
The Goldman Sachs Group, Wilmington, USA	-	-	Acquisition/sale of shares with voting rights	0	16,000	1,754,210	812	1,771,022	3.77	Exceedance 3%	28/02/2025	11/03/2025
Janus Henderson Group Plc, St. Helier, Jersey	-	Janus Henderson Investors UK Limited	Acquisition/sale of shares with voting rights	0	1,458,923	0	0	1,458,923	3.10	Exceedance 3%	04/11/2025	07/11/2025

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In 2026, the following investments in the Company have been reported in accordance with Section 33 (1) WpHG:

Voting rights notifications in accordance with section 33 of the German Securities Trading Act

TABLE 25

Notifiables	Name of Shareholders	Name of the third party or controlled company from whose shares voting rights are attributed if the 3% threshold is exceeded	Reason for the notification	Voting rights (Sections 33, 34 WpHG)		Instruments within the meaning of Section 38(1) no. 1 of the Securities Trading Act (WpHG)	Instruments within the meaning of Section 38(1) no. 2 of the Securities Trading Act (WpHG)	Voting rights after threshold touch	Voting rights after threshold touch in %	Notification threshold	Date of threshold touch	Publication Instone Group
				directly	allocated							
Janus Henderson Group PLC, St. Helier, Jersey	-	Janus Henderson Investors UK Limited	Acquisition/ sale of shares with voting rights	0	1,407,470	0	0	1,407,470	2.99	Shortfall 3%	15/01/2026	20/01/2026

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28 DECLARATION OF COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

The Management Board and Supervisory Board of Instone Real Estate Group SE issued their regular declaration of compliance for the 2025 financial year in December 2025, in line with the recommendations of the German Government Commission on the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG).

The declaration of compliance has been made permanently publicly available to shareholders under [► Instone Declaration of Compliance](#) on the Company's website.

29 PROPOSED USE OF PROFITS

The Management Board proposes to use the net profit of €41,314,219.52 to pay a dividend of €0.43 per share entitled to dividend and to carry forward the remaining net profit, including the amount attributable to shares not entitled to a dividend, to the new account.

Essen, 6 March 2026

The Management Board



Kruno Crepulja



David Dreyfus



Andreas Gräf

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To Instone Real Estate Group SE, Essen/Germany

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

AUDIT OPINIONS

We have audited the annual financial statements of Instone Real Estate Group SE, Essen/Germany, which comprise the statement of financial position as at 31 December 2025, and the income statement for the financial year from 1 January to 31 December 2025, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the Parent and the Group of Instone Real Estate Group SE, Essen/Germany, for the financial year from 1 January to 31 December 2025. In accordance with the German legal requirements, we have not audited the content of the corporate governance statement in accordance with Sections 289f and 315d German Commercial Code (HGB) contained in the "Corporate governance statement" subsection of the "Other disclosures" section of the combined management report, including the further reporting on corporate governance contained therein. In addition, we have not audited the content of the non-financial report, which is referenced in various places as sustainability report, and the references extraneous to combined management reports to texts relating to the requirements of the General Reporting Initiative (GRI) and the IFRS S2 standard of the International Sustainability Standards Board (ISSB).

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2025 and of its financial performance for the financial year from 1 January to 31 December 2025 in compliance with German Legally Required Accounting Principles.
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the contents of the corporate governance statement referred to above and of the non-financial report and the references extraneous to combined management reports.

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

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law and of the International Code of

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Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other German professional responsibilities in accordance with these requirements and the IESBA Code. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the measurement of investments in affiliated companies, which we have determined to be a key audit matter.

Our presentation of this key audit matter has been structured as follows:

- A) description (including reference to corresponding information in the annual financial statements)
- B) auditor's response

MEASUREMENT OF INVESTMENTS IN AFFILIATED COMPANIES

- A) The annual financial statements of Instone Real Estate Group SE, Essen/Germany, as at 31 December 2025 report investments in affiliated companies of kEUR 222,651 (32.5% of total assets). These are measured at acquisition cost or, in the event of impairment that is expected to be permanent, at the lower fair value on the reporting date.

Of the investments in affiliated companies reported in the annual financial statements, an amount of kEUR 222,137 (99.8%) is attributable to Instone Real Estate Development GmbH, Essen/Germany, whose annual financial statements recognise the majority of the Instone Group's construction projects. The executive directors of Instone Real Estate Group SE, Essen/Germany, tested these investments for impairment as at the reporting date by performing an internal company valuation. The fair value of the investments in this affiliated company was determined as the present value of future cash flows using the discounted cash flow method. The underlying cash flows are based on the corporate planning prepared by the executive directors and acknowledged by the supervisory board, which includes the expectations of the executive directors of Instone Real Estate Development GmbH regarding the future development of the projects. The cash flows are discounted using the weighted average cost of capital.

The book values of the remaining investments in affiliated companies are tested for indications of impairment as at the reporting date based on analyses performed by the executive directors.

We classified the measurement of investments in affiliated companies as a key audit matter because the result is highly dependent on the discretionary assessments and assumptions of the executive directors with regard to the estimated future cash flows and the discount rate used, and is therefore subject to considerable uncertainty.

The executive directors' disclosures on investments in affiliated companies are included in the "Accounting and measurement principles" subsection of the "Basis of the annual financial statements" section and in the "Non-current assets" subsection of the "Notes to the statement of financial position" section of the notes to the financial statements.

- B) As part of our audit of the measurement of investments in affiliated companies, we gained an understanding, with the involvement of our internal valuation specialists, of the executive directors' methodology for performing the impairment test, including the methods applied, the assumptions made and the data sources used in the company valuation presented to us.

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During our audit, we first gained an understanding of the key processes in place for the measurement of investments in affiliated companies. We evaluated the design of the internal controls relevant to the audit and verified that these had been implemented.

We evaluated the reasonableness of the methods applied, the assumptions made and the data used by the executive directors in the context of the valuation.

With regard to the investment in Instone Real Estate Development GmbH, we assessed whether the future cash flows underlying the measurement and the discount rate used generally form a suitable basis for the valuation of the investments.

In this context, we verified that the underlying future cash flows are consistent with the corporate planning prepared by the executive directors and acknowledged by the supervisory board. By interviewing the executive directors on matters such as the value drivers underlying the corporate planning and by reconciling the assumptions made with macroeconomic and industry-specific market expectations, we verified the plausibility of the planning and examined whether the future cash flows included in the valuation model were derived appropriately from the assumptions made. To assess the quality and reliability of the corporate planning, we also compared the planning of previous financial years with the actual results achieved and analysed any deviations (adherence to planning).

With regard to the determination of the discount rate, we examined the parameters used, including the cost of capital, and verified that these are within the normal market range.

We checked the calculation for determining the company value for mathematical accuracy.

We verified that the disclosures in the notes to the financial statements were complete and accurate.

OTHER INFORMATION

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises:

- the corporate governance statement,
- the non-financial report,
- the references extraneous to combined management reports marked with symbols, and
- the executive directors' confirmations in accordance with Sections 264 (2) sentence 3 and 289 (1) sentence 5 HGB regarding the annual financial statements and the combined management report.

The executive directors and the supervisory board are responsible for the statement in accordance with Section 161 German Stock Corporation Act (AktG) on the German Corporate Governance Code, which is part of the corporate governance statement. Otherwise, the executive directors are responsible for the other information.

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

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

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

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RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

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

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- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

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

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

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OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC REPRODUCTIONS OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT PREPARED FOR PUBLICATION PURSUANT TO SECTION 317 (3A) HGB

Assurance Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 97136ccf8a96c75ae69a2838e758bb725e31b0ba86baeffc294f4685bc9-4ea94, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this assurance work only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Assurance Standard: Assurance Work on the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm has applied the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

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

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

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

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

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

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- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the reporting date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the general meeting on 11 June 2025. We were engaged by the supervisory board on 24 September 2025. We have been the auditor of Instone Real Estate Group SE, Essen/Germany, without interruption since the financial year 2018.

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

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as with the assured ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Nicole Meyer.

Düsseldorf/Germany, 9 March 2026

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed: Rolf Künemann
German Public Auditor

Signed: Nicole Meyer
German Public Auditor

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To the best of our knowledge and in accordance with the applicable accounting principles, the annual financial statements give a true and fair view of the net assets, financial position, and results of operations of the Company. Furthermore, the combined management report of the Company includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Essen, 6 March 2026

The Management Board



Kruno Crepulja



David Dreyfus



Andreas Gräf

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Management Board

Kruno Crepulja (Chair)
David Dreyfus
Andreas Gräf

Chairman of the Supervisory Board

Stefan Brendgen

Commercial Register

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

Sales tax identification number
DE 300512686

Concept, design and implementation

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www.ryze-digital.de

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