ADLER GROUP

Q2

QUARTERLY FINANCIAL STATEMENTS 2025

Key Figures Q2

Profit and loss statement

In EUR thousand	For the six months ended 30 Jun 2025	30 Jun 2024	For the three months ended 30 Jun 2025	30 Jun 2024	For the year ended 31 Dec 2024
Income from rental activities	106,281	152,612	49,262	74,390	310,179
Adj. EBITDA from rental activities	40,495	59,847	19,344	28,539	112,131
Adj. EBITDA from rental activities margin	59.4%	57.9%	61.4%	54.5%	54.0%
Adj. EBITDA Total	(19,622)	42,032	(19,441)	23,363	80,990
FFO 1 (from rental activities)	(28,794)	(53,731)	(12,362)	(26,874)	(112,349)
FFO 2 (incl. disposal results and development activities)	(143,404)	(155,708)	(73,759)	(71,441)	(310,961)

Further KPIs

Residential(*)	30 Jun 2025	31 Dec 2024
Monthly in-place rent (EUR per m²)	8.45	8.29
Total vacancy rate	2.0%	1.8%
Number of units	17,772	17,929
Like-for-like rental growth (LTM)	3.4%	1.8%

(*) All values include ground floor commercial units and exclude units under renovation and development projects.

Balance sheet

In EUR thousand except per share data	30 Jun 2025	31 Dec 2024
LTV	72.1%	72.7%

Content

About the Group

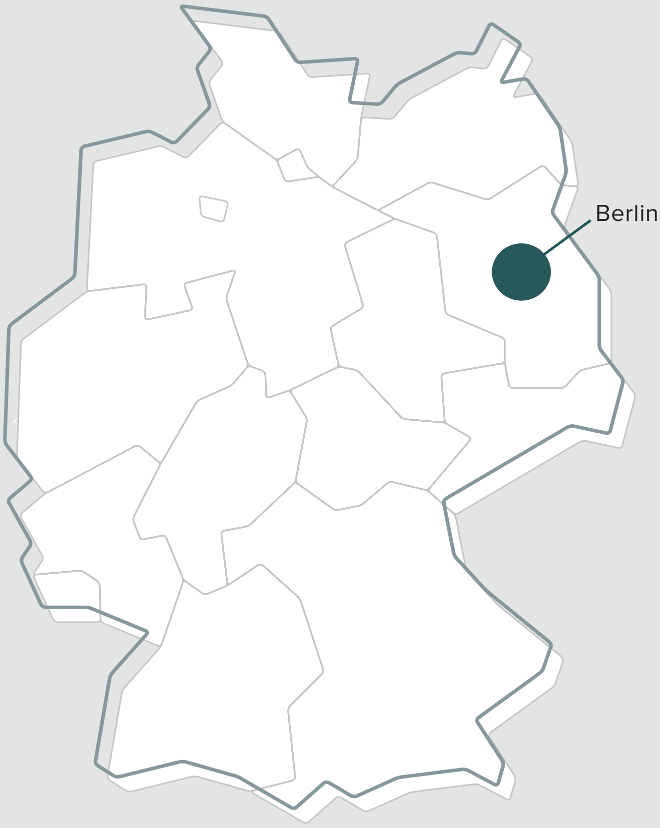
The Adler Group S.A. (the Company) is a Luxembourg-based real estate holding company with numerous subsidiaries (Adler Group) mainly operating in Germany. It specialises in the management and development of income-producing, multi-family residential real estate.

As per the end of Q2 2025, Adler Group owns and manages a core rental portfolio of 17,772 units, almost entirely located in Berlin. Most of the properties fall into the market segment of affordable housing.

Besides the residential rental portfolio, Adler Group owns a portfolio of development projects located in some of the largest cities of Germany. Adler Group does not intend to hold them but rather to generate cash flow and earnings through either forward sales or upfront sales.

As of 30 June 2025, Adler Group had 428 employees based in Luxembourg and in several locations across Germany.

Rental portfolio as at 30 June 2025(*)



Residential rental portfolio locations

(*) Residential units including ground level commercial units, not considering 162 units located outside of the Berlin metropolitan area.

Adler Group Share

Shares	
Stock exchange	**Frankfurt Stock Exchange**
Market segment	**Regulated market (Prime Standard)**
ISIN	**LU1250154413**
WKN	**A14U78**
Total number of shares outstanding	**151,626,107**
Ticker symbol	**ADJ**
Primary listing	**23 July 2015**
Stock exchange	**Frankfurt Stock Exchange**
Issue price	**EUR 20**
Price at the end of Q2 2025	**EUR 0.235**
Highest share price LTM	**EUR 0.440**
Lowest share price LTM	**EUR 0.138**

Shareholder structure(1) (as at 30 June 2025)	
Vonovia SE	**15.9%**
Free Float	**84.1%**

Voting securities	
Stock exchange	**Luxembourg Stock Exchange**
Date of issuance	**15 October 2024**
ISIN	**LU2900363131**
Nominal value	**EUR 0.01**
Total number of voting securities	**454,878,321**

Composition(2) (as at 30 June 2025)	
PIMCO	**24.0%**
Taconic Capital Advisors	**12.3%**
Sculptor Capital Management Inc	**11.1%**
Arini Capital Management	**8.7%**
Other	**44.0%**

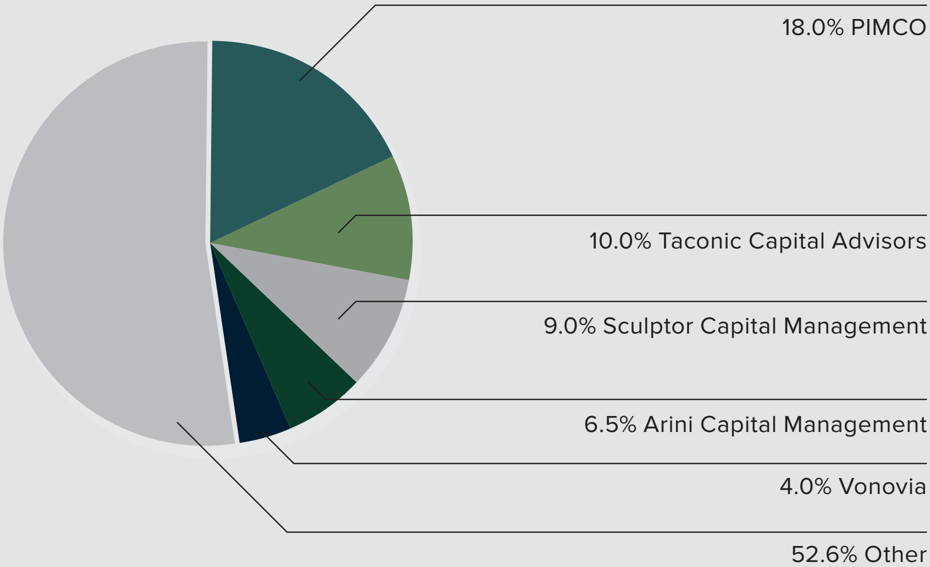
General Note: As part of the comprehensive recapitalisation completed in September 2024, holders of the Investor Notes received new voting securities that represent 75% of the voting rights in Adler Group S.A. (but 0% of the distribution rights). Common shares represent 25% of the voting rights in Adler Group S.A. and 100% of the distribution rights.

(1) Based on approx. 151.6m voting rights attached to the share capital (ISIN LU1250154413); according to the official notifications received from the shareholders; based on the German stock exchange's definition, free float refers to shares that are not owned by major shareholders holding more than 5% of the total shares.

(2) Based on approx. 454.9m voting rights attached to the voting securities (parts bénéficiaires avec le droit de vote; ISIN LU2900363131); based on the voting rights notifications received by the Company in accordance with article 11 of the Luxembourg law of 11 January 2008 on transparency requirements for issuers (as supplemented and amended, the "Luxembourg Transparency Law"), these shareholders hold more than 5% of the voting rights in the Company.

(3) Based on approx. 606.5m total voting rights attached to both the share capital and the voting securities (parts bénéficiaires); according to the official notifications received from the shareholders and holders of voting securities (parts bénéficiaires).

Total number of voting rights (606,504,428) [(3)]
(as at 30 June 2025)



Key stock market data

Adler Group shares are traded on the Prime Standard of the Frankfurt Stock Exchange. During the 12 months ended 30 June 2025, the shares traded between EUR 0.138 and EUR 0.440.

Shareholder structure

As at 30 June 2025, the total number of outstanding shares of Adler Group amounted to 151.6 million. At that time, the main shareholder with holdings of over 5% was Vonovia SE (15.88%) according to the official notifications received from the shareholders. The remaining 84.12% free float shares were mainly held by institutional investors.

On 15 October 2024, approximately 454.9 million voting securities (parts bénéficiaires) were issued to certain bond investors, thereby increasing the number of total voting rights to approximately 606.5 million (including the approximately 151.6m voting rights attached to the share capital).

Dividend policy

Following the implementation of the proposed amendments pursuant to the Restructuring Plan, the Company is not permitted to declare or pay any dividends to shareholders for the year 2022 and thereafter.

If and as long as any of the subordinated notes issued by the Company's subsidiary AGPS BondCo PLC in the nominal amount of approximately EUR 2.3 billion under the Company's guarantee as part of its 2024 financial restructuring (the "Subordinated Notes") remain outstanding, and to the extent that any payments have been made in respect of the Subordinated Notes since the issuance thereof (the "Subordinated Notes Payments"), the Board of Directors may, when approving the annual financial statements of any given financial year recommend to the Annual General Meeting that a dividend be declared and paid in an amount equivalent to one thirty-ninth (1/39) of the total Subordinated Notes Payments.

Interim Management Report

2 Interim Management Report

Fundamentals of the Group

Business model

Adler Group S.A. is a residential real estate company which – through its subsidiaries – holds and manages 17,772 rental units, primarily based in Berlin. This rental portfolio is valued at EUR 3.5 billion as per 30 June 2025. Besides the rental portfolio, Adler Group owns a portfolio of development projects in some of the larger cities in Germany valued at EUR 0.8 billion. In agreement with the bondholders under the terms of the Restructuring Plan, these development projects are to be sold – some sales processes have already begun, others are to be initiated.

Hence, the Adler Group's business model focuses on asset and portfolio management, property and facility management, aiming at improving operating results by increasing rents and decreasing vacancies in its existing portfolio. The portfolio shall be further optimised depending on opportunities or necessities.

Our 428 employees (as per 30 June 2025) are based in Luxembourg and in several locations across Germany in order to bring Adler Group as close as possible to assets and tenants.

Objectives and strategy

Focus on active management of the portfolio to grow earnings and improve EBITDA margins.

Adler Group focuses on increasing rents through active asset management and targeted investments to modernise, refurbish and re-position properties, while constantly screening and anticipating developments in different sub-markets. In order to realise upside potential, Adler Group pursues regular rent increases up to the market levels within the regulatory and legal limits without CapEx investment. In addition, Adler Group continuously reviews rent potentials and pursues growth beyond the rent tables through targeted CapEx investments to modernise, refurbish and/or re-position properties. Vacancies are kept low through active marketing tailored to the respective micro-location.

As apartments are typically renovated to market standard after a tenant has moved out, Adler Group is in the position to rent vacant apartments to higher quality tenants and thus to continuously improve the tenant structure and average rent.

Optimise the portfolio and recycle capital through selective investments and disposals.

By disposing of non-core assets, Adler Group aims to streamline the rental portfolio and to focus on Berlin where a critical mass of assets can be managed thereby improving profitability and portfolio KPIs. Active capital recycling enables Adler Group to reduce leverage and ultimately to improve its capital structure.

Committed to adding value through refurbishment and modernisation.

Investing selected CapEx in refurbishment and modernisation measures in the existing portfolio will elevate the quality of the rental portfolio, improve energy efficiency in line with sustainability targets to reduce greenhouse gas emissions and thus add value overall.

Corporate Governance

The Company's corporate governance practices are governed by Luxembourg Law (particularly the Luxembourg law of 10 August 1915 on commercial companies, as amended) and the Company's articles of association. As a Luxembourg company with its shares admitted to trading on the regulated market (Prime Standrd) of the Frankfurt Stock Exchange, the Company is not subject to any specific mandatory corporate governance rules. The corporate governance practices applied by the Company are those applied under general Luxembourg law.

Composition of the Board

As at 30 June 2025, the Board comprises the following members:

Mr Stefan Brendgen
Independent Director

Dr. Karl Reinitzhuber
Director

Mr Thorsten Arsan
Director

Mr Paul Copley
Independent Director

Mr Matthias Moser
Independent Director

Mr Thilo Schmid
Independent Director

Portfolio Overview

Business performance highlights

As at 30 June 2025, the residential rental portfolio is fully focussed on Berlin after the Company sold its North Rhine-Westphalia (NRW)-based portfolio in February 2025.

Portfolio overview(*)

Location	Fair value EUR m H1 25	Fair value EUR/m² H1 25	Units	Lettable area m²	NRI(**) EUR m H1 25	Rental yield (in-place rent)	Vacancy H1 25	Vacancy Δ YoY LFL	H1 25 Avg. rent EUR/m²/ month	NRI Δ YoY LFL	Rever-sionary potential
Berlin	3,479	2,860	17,610	1,216,509	123	3.5%	1.6%	0.3%	8.46	3.4%	21.0%
Other	5	585	162	9,247	0	5.5%	48.6%	6.4%	5.22	(8.3%)	108.4%
Total	**3,484**	**2,843**	**17,772**	**1,225,756**	**123**	**3.5%**	**2.0%**	**0.3%**	**8.45**	**3.4%**	**21.2%**

(*) All values include ground floor commercial units and exclude units under renovation and development projects.
(**) Annualised net rental income.

In addition to our financial performance indicators, we also use the following non-financial operating performance indicators.

The vacancy rate shows the ratio of m^2 of vacant units in our properties to total m^2. Vacancy rate is used as an indicator of the current letting performance.

The in-place rent per m^2 provides an insight into the average rental income from the rented properties. It serves as an indicator of the current letting performance.

The like-for-like rental growth is the change rate of the net rents generated by the like-for-like residential portfolio over the last 12 months.

The total amounts spent on maintenance and CapEx in relation to the total lettable area of the portfolio are further operational figures to ensure an appropriate level of investment in the real estate portfolio.

All of the above-described non-financial performance indicators are key drivers for the development of rental income.

Portfolio performance

Rental portfolio(*)

	30 Jun 2025	31 Dec 2024
Number of units	17,772	17,929
Average rent/m²/month (EUR)	8.45	8.29
Vacancy	2.0%	1.8%

(*) All values include ground floor commercial units and exclude units under renovation and development projects.

The average rent per m² amounted to EUR 8.45 as at 30 June 2025, a solid increase compared to the previous period. The vacancy rate increased slightly to a still structurally low level of 2.0%.

Like-for-like rental growth(*)

In %	LTM(**) 30 Jun 2025	1 Jan - 31 Dec 2024
Like-for-like rental growth	3.4%	1.8%

(*) All values include ground floor commercial units and exclude units under renovation and development projects.
(**) Last 12 months (LTM).

Like-for-like rental growth of the portfolio amounted to 3.4% over the last twelve months.

Adler Group's fully integrated active asset management is focused on rental growth and employs dedicated strategies to drive all relevant components. In units that require modernisation, Adler Group invests CapEx to improve quality to meet today's standards and regulations. Applying the relevant regulatory framework accurately and efficiently is key to successfully maximising rental growth for let units.

Maintenance and CapEx

In EUR per m²	1 Jan - 30 Jun 2025	1 Jan - 31 Dec 2024
Maintenance	4.2	8.6
CapEx	8.5	18.9
Total	**12.7**	**27.4**

In EUR million	1 Jan - 30 Jun 2025	1 Jan - 31 Dec 2024
Maintenance	6.2	14.5
CapEx	12.4	32.0
Total	**18.6**	**46.5**

In the first six months of 2025, total investment in the core portfolio amounted to EUR 18.6 million resulting in maintenance and CapEx expenses per m² of EUR 12.7.

Vacancy split

Adler Group's active asset management aims to minimise the vacancy rate while keeping the necessary flexibility for portfolio optimisation.

Vacancy(*)

	30 Jun 2025	31 Dec 2024
Total vacancy (units)	442	284
Total vacancy (m²)	24,236	21,806
Total vacancy rate	2.0%	1.8%

(*) All values include ground floor commercial units and exclude units under renovation and development projects.

Financial Overview

Financial performance indicators

Adler Group has been exposed to a challenging situation that was partly self-inflicted and largely caused by external factors since financial year 2022. The situation itself manifested in liquidity constraints, lack of financing capacities and dried real estate markets that made portfolio sales almost impossible. In order to cope with this situation, management decided to focus on always preserving enough liquidity as well as on net rental income as the main key performance indicators. The other financial performance indicators outlined below were not suspended but were followed with a much lower focus than usual. Consequently, we waive the explicit description of the financial performance indicators listed below.

After the recapitalisation completed in September 2024, the Company decided to no longer report the EPRA NAV & NTA metrics as a result of the IFRS accounting treatment of the newly introduced perpetual notes, which would account these as equity. As such, in management's view, EPRA NAV & NTA no longer reflect the intrinsic value of Adler Group correctly.

NOI (net operating income) equals total revenue from the property portfolio less all reasonably necessary operating expenses. Aside from rent, a property might also generate revenue from parking and service fees. NOI is used to track the real estate portfolio's capability of generating income.

Adj. EBITDA from rental activities is an indicator of a company's financial performance and is calculated by deducting the overhead costs from NOI. It is used as a proxy to assess the recurring earnings potential of the letting business.

Adj. EBITDA Total can be derived by adding the net profit from project development activities to Adj. EBITDA from rental activities.

In addition, we present the **NOI margin from rental activities** – calculated as NOI divided by net rental income, as well as **Adj. EBITDA margin from rental activities** – calculated as Adj. EBITDA from rental activities divided by net rental income. These metrics are useful to analyse the operational efficiency at real estate portfolio level as well as at Company level.

Calculation of Adj. EBITDA (from rental activities)

Net rental income

(+)	Income from facility services and recharged utilities costs
=	**Income from rental activities**
(–)	Cost from rental activities[1)]
=	**Net operating income (NOI) from rental activities**
(–)	Overhead costs from rental activities[2)]

= **Adj. EBITDA from rental activities**

1) Cost from rental activities is the aggregate amount of (a) Salaries and other expenses related to rental activities; (b) Net cost of utilities recharged; and (c) Property operations and maintenance, excluding one-off costs. Adjustments for one-off costs include items that are of a non-periodic nature, recur irregularly, are not typical for operations, or are non-cash-effective.

2) Overhead costs from rental activities represent the "General and administrative expenses" from the profit or loss statement excluding one-off costs and depreciation and amortisation relating to rental activities. Adjustments for one-off costs include items that are of a non-periodic nature, recur irregularly, are not typical for operations, or are non-cash-effective like impairment losses on trade receivables.

Calculation of Adj. EBITDA Total

	Income from rental activities
(+)	Income from property development
(+)	Income from real estate inventories disposed of
(+)	Income from other services
(+)	Income from selling of trading properties
=	**Revenue**
(–)	Cost from rental activities[1]
(–)	Other operational costs from development and privatisation sales[3]
=	**Net operating income (NOI)**
(–)	Overhead costs from rental activities[2]
(–)	Overhead costs from development and privatisation sales[4]
=	**Adj. EBITDA Total**
(–)	FFO 2 net interest expenses[5]
(+/–)	Other net financial costs[6]
(–)	Depreciation and amortisation
(+)	Change in fair value of investment properties
(+/–)	Other expenses/income[7]
(–)	Net income from at-equity valued investments[8]
=	**EBT**

3) Other operational costs from development and privatisation sales is the aggregate amount of (a) Costs of real estate inventories disposed of; (b) Costs of property development; and (c) Costs of selling of trading property (condominiums) excluding one-off costs and depreciation and amortisation. Adjustments for one-off costs include items that are of a non-periodic nature, recur irregularly, are not typical for operations, or are non-cash-effective.

4) Overhead costs from development and privatisation sales represent the "General and administrative expenses" from the profit or loss statement excluding one-off costs and depreciation and amortisation excluding costs relating to rental activities. Adjustments for one-off costs include items that are of a non-periodic nature, recur irregularly, are not typical for operations, or are non-cash-effective.

5) FFO 2 net interest expenses is equal to "Interest on other loans and borrowings", excluding day-1 fair value non-cash adjustment and interest capitalised for development projects, plus the nominal interest expense on bonds.

6) Other net financial costs is equal to the total "Net finance costs" from the profit and loss statement less "Net cash interest" as calculated in footnote 5) above.

7) Other expenses/income relates to adjustments for one-off costs which include items that are of a non-periodic nature, recur irregularly, are not typical for operations, or are non-cash-effective.

8) Net income from at-equity valued investments from the profit and loss statement.

Starting with Adj. EBITDA from rental activities, we calculate the main performance figure in the sector, the **FFO 1 (from rental activities)**. This KPI serves as an indicator of the sustained operational earnings power after cash interest expenses and current income taxes of our letting business.

Calculation of FFO 1 (from rental activities)

	Adj. EBITDA from rental activities
(–)	FFO 1 net interest expenses[9]
(–)	Current income taxes relating to rental activities[10]
(–)	Interest of minority shareholders[11]
=	**FFO 1 (from rental activities)**

9) FFO 1 net interest expenses is equal to "Interest on other loans and borrowings" relating to rental activities, excluding day-1 fair value non-cash adjustment, plus the nominal interest expense on bonds.

10) Only current income taxes relating to rental activities.

11) Interest of minority shareholders in Adler's subsidiary Brack Capital Properties N.V. ("BCP") as Adler's share is only 62.78% as at 30 September 2024.

Starting from Adj. EBITDA Total, we calculate **FFO 2 (incl. disposal results and development activities)**. FFO 2 is used to indicate the total operational earnings power.

Calculation of FFO 2 (incl. disposal results and development activities)

	Adj. EBITDA Total
(–)	FFO 2 net interest expenses[5]
(–)	Current income taxes[12]
(–)	Interest of minority shareholders[11]
=	**FFO 2 (incl. disposal results and development activities)**

12) Current income taxes as presented in the financial statements exclude the income tax relating to the disposal of the non-core portfolio.

The Company's **loan-to-value (LTV)** illustrates the relationship between net debt and total property value of a real estate company and thus evaluates the gearing of shareholder equity.

The methodology and illustrative LTV calculation as well as the information taken from the Adler Group balance sheet is depicted in the following table (the calculation of LTV as per 30 June 2025 can be found at the end of this section):

Calculation of LTV		Group as reported	Share of joint ventures[20]	Share of material associates[20]	Non-controlling interests[21]	**Total[22]**
Borrowings from financial institutions[13]						
(+)	Commercial paper					
(+)	Hybrids[14]					
(+)	Bond loans[15]					
(+)	Foreign currency derivatives					
(+)	Net payables[16]					
(+)	Owner-occupied property (debt)					
(+)	Current accounts (equity characteristic)					
(–)	Cash and cash equivalents					
=	**Net debt**					
Owner-occupied property						
(+)	Investment properties at fair value					
(+)	Properties held-for-sale[17]					
(+)	Properties under development[18]					
(+)	Intangibles					
(+)	Net receivables[16]					
(+)	Financial assets[19]					
=	**Total property**					
= LTV in %						

13) Including current and non-current other loans and borrowings.

14) Not including perpetual notes because these instruments are accounted for as equity in the balance sheet according to IFRS.

15) Containing current and non-current corporate bonds.

16) Net payables are equal to payables less receivables on the IFRS balance sheet if that number is positive. Net receivables are equal to receivables less payables on the IFRS balance sheet if that number is positive. Please refer to the following table on net payables to see what this item includes:

17) Incorporating inventories at fair value and non-current assets held-for-sale.

18) This position is included in investment properties at fair value.

19) Containing other financial assets.

20) Net debt and total property value of joint ventures and associated companies are disregarded due to immateriality reasons.

21) Non-controlling interests were only adjusted for minority shareholders in Adler's former subsidiary Brack Capital Properties N.V. (BCP) or reasons of materiality, thus any other minority shareholders are not considered due to their insignificancy. After the disposal of BCP became effective on 3 January 2025, there is no such adjustment anymore.

22) Total column illustrates the combined values of the previous columns.

Calculation of Net payables

Investments in financial instruments	
(+)	Advances related to investment properties
(+)	Restricted bank deposits
(+)	Contract assets
(+)	Trade receivables
(+)	Other receivables and financial assets
(+)	Advances paid on inventories
(–)	Other financial liabilities
(–)	Pension provisions
(–)	Other payables
(–)	Contract liabilities
(–)	Trade payables
(–)	Provisions
(–)	Prepayments received
(–)	Non-current liabilities held-for-sale
= **Net amount**	

We believe that the alternative performance measures described in this section constitute the most important indicators for measuring the operating and financial performance of the Group's business.

We expect all of the above-described alternative performance measures to be useful for our investors when evaluating the Group's operating performance, the net value of the Group's property portfolio and the level of the Group's indebtedness.

Due to rounding, the figures reported in tables and cross-references may deviate from their exact values as calculated.

Profit situation

Compared to the prior year period, **net rental income** in H1 2025 decreased due to the lack of rental income from (i) the subsidiary BCP that was sold at the beginning of January 2025 (approximately EUR 24 million in H1 2024) and (ii) the NRW-based "Cosmopolitan portfolio" that was sold as per the end of February 2025 (accounting for approximately EUR 3 million monthly net rental income). The decrease was partly compensated by rent increases realised on the remaining assets.

The **adjusted EBITDA from rental activities** amounted to EUR 40 million, a decrease compared to the prior year period reflecting primarily the smaller portfolio size. The **adjusted EBITDA Total** was negative as the development segment did not contribute material earnings in this quarter and was impacted by construction costs.

FFO 1 and FFO 2 were both negatively impacted by net interest expenses, although to a lesser extent than in the previous year as the amount of debt has decreased.

EBITDA

Adj. EBITDA from rental activities

	For the six months ended		For the three months ended		For the year ended
In EUR thousand	**30 Jun 2025**	**30 Jun 2024**	**30 Jun 2025**	**30 Jun 2024**	**31 Dec 2024**
Net rental income	68,212	103,400	31,484	52,336	207,562
Income from facility services and recharged utilities costs	38,069	49,212	17,778	22,054	102,617
Income from rental activities	**106,281**	**152,612**	**49,262**	**74,390**	**310,179**
Cost from rental activities	(44,718)	(62,853)	(22,007)	(33,541)	(135,523)
Net operating income (NOI) from rental activities	**61,563**	**89,759**	**27,255**	**40,849**	**174,656**
NOI from rental activities margin (%)	**90.3%**	**86.8%**	**86.6%**	**78.1%**	**84.1%**
Overhead costs from rental activities	(21,069)	(29,914)	(7,912)	(12,311)	(62,526)
Adj. EBITDA from rental activities	**40,495**	**59,847**	**19,344**	**28,539**	**112,131**
Adj. EBITDA margin from rental activities (%)	**59.4%**	**57.9%**	**61.4%**	**54.5%**	**54.0%**

Adj. EBITDA Total

	For the six months ended		For the three months ended		For the year ended
In EUR thousand	**30 Jun 2025**	**30 Jun 2024**	**30 Jun 2025**	**30 Jun 2024**	**31 Dec 2024**
Income from rental activities	106,281	152,612	49,262	74,390	310,179
Income from property development	(1,027)	(15,240)	(1,502)	(24,736)	23,082
Income from other services	1,438	1,526	1,567	398	14,592
Income from real estate inventory disposed of	-	27,000	-	27,000	43,140
Income from sale of trading properties	-	1,088	-	1,088	1,198
Revenue	**106,692**	**166,986**	**49,327**	**78,140**	**392,191**
Cost from rental activities	(44,718)	(62,853)	(22,007)	(33,541)	(135,523)
Other operational costs from development and privatisation sales	(56,263)	(26,411)	(37,974)	(7,490)	(91,369)
Net operating income (NOI)	**5,711**	**77,722**	**(10,655)**	**37,109**	**165,299**
Overhead costs from rental activities	(21,069)	(29,914)	(7,912)	(12,311)	(62,526)
Overhead costs from development and privatisation sales	(4,265)	(5,776)	(875)	(1,435)	(21,783)
Adj. EBITDA Total	**(19,622)**	**42,032**	**(19,441)**	**23,363**	**80,990**
FFO 2 net interest expenses	(120,011)	(183,471)	(55,765)	(90,071)	(359,943)
Other net financial costs	(56,798)	(2,752)	10,476	(5,150)	2,030,728
Depreciation and amortisation	(6,600)	(20,048)	(4,500)	(18,912)	(20,419)
Other income/(expenses)	(125,409)	(110,622)	(92,733)	(102,933)	(458,208)
Change in valuation	(63,348)	(230,400)	(63,348)	(232,481)	(483,177)
Net income from at-equity valued investments	(1)	(980)	(1)	(9)	(1)
EBT	**(391,789)**	**(506,241)**	**(225,312)**	**(426,193)**	**789,970**

FFO

FFO 1 (from rental activities)

In EUR thousand	For the six months ended 30 Jun 2025	30 Jun 2024	For the three months ended 30 Jun 2025	30 Jun 2024	For the year ended 31 Dec 2024
Adj. EBITDA from rental activities	40,495	59,847	19,344	28,539	112,131
FFO 1 net interest expenses	(67,753)	(104,446)	(30,983)	(51,462)	(210,425)
Current income taxes	(1,536)	(5,806)	(723)	(2,250)	(7,234)
Interest of minority shareholders	-	(3,326)	-	(1,700)	(6,821)
FFO 1 (from rental activities)	**(28,794)**	**(53,731)**	**(12,362)**	**(26,874)**	**(112,349)**
No. of shares(*)	151,626	151,626	151,626	151,626	151,626
FFO 1 per share	**(0.19)**	**(0.35)**	**(0.08)**	**(0.18)**	**(0.74)**

(*) The number of shares is calculated as weighted average for the related period.

FFO 2 (incl. disposal results and development activities)

In EUR thousand	For the six months ended 30 Jun 2025	30 Jun 2024	For the three months ended 30 Jun 2025	30 Jun 2024	For the year ended 31 Dec 2024
Adj. EBITDA Total	(19,622)	42,032	(19,441)	23,363	80,990
FFO 2 net interest expenses	(120,011)	(183,471)	(55,765)	(90,071)	(359,943)
Current income taxes	(3,771)	(10,943)	1,448	(3,033)	(25,187)
Interest of minority shareholders	-	(3,326)	-	(1,700)	(6,821)
FFO 2	**(143,404)**	**(155,708)**	**(73,759)**	**(71,441)**	**(310,961)**
No. of shares(*)	151,626	151,626	151,626	151,626	151,626
FFO 2 per share	**(0.95)**	**(1.03)**	**(0.49)**	**(0.47)**	**(2.05)**

(*) The number of shares is calculated as weighted average for the related period.

Financial and asset position

Investment properties decreased both due to the transfer of certain assets from investment properties to assets classified as held-for-sale and the negative fair value adjustments following the revaluation of development projects in H1 2025. **Other non-current assets** include other financial assets of EUR 102 million (mainly comprising loans against non-controlling shareholders of subsidiaries), investments in financial instruments of EUR 28 million (mainly referring to the minority stakes in the NRW-based “Cosmopolitan portfolio”), property and equipment of EUR 16 million and restricted bank deposits of EUR 9 million. **Inventories** primarily include upfront sale projects and the land value of forward sale projects. **Other current assets** include other receivables (EUR 87 million), trade receivables (EUR 61 million) and restricted bank deposits (EUR 34 million). **Non-current assets and liabilities held-for-sale** reduced significantly following the completed disposals of BCP and the NRW-based “Cosmopolitan portfolio”.

Interest-bearing debts include bonds, bank debt and the refinanced facilities as part of the recapitalisation completed in September 2024. **Other liabilities** include provisions (EUR 178 million) with a provision of EUR 61 million due to an onerous contract in connection with a property project, other current payables (EUR 119 million) including income tax payables of EUR 54 million, and trade payables (EUR 46 million). **Non-controlling interests** decreased significantly primarily as a result of the deconsolidation of BCP in early January 2025.

As at 30 June 2025, the **total interest-bearing nominal debts** amounted to around EUR 3,801 million. The average interest rate on all outstanding debt was 7.1%, with a weighted average maturity of 3.9 years.

Financial position

In EUR thousand	30 June 2025	31 Dec 2024
Investment properties and advances related to investment properties	3,811,184	3,963,832
Other non-current assets	173,103	177,646
Non-current assets	**3,984,287**	**4,141,478**
Cash and cash deposits	284,575	246,990
Inventories	389,537	410,886
Other current assets	195,415	199,486
Current assets	**869,527**	**857,362**
Non-current assets held-for-sale	**189,602**	**1,888,313**
Total assets	**5,043,416**	**6,887,153**
Interest-bearing debts	3,408,848	3,535,020
Other liabilities	360,775	587,994
Deferred tax liabilities	255,832	261,726
Liabilities classified as available for sale	**-**	**937,234**
Total liabilities	**4,025,455**	**5,321,975**
Total equity attributable to owner of the Company	**973,802**	**1,326,734**
Non-controlling interests	44,159	238,444
Total equity	**1,017,961**	**1,565,178**
Total equity and liabilities	**5,043,416**	**6,887,153**

Loan-to-value

The table below shows the loan-to-value (LTV).

30 Jun 2025

In EUR thousand	Group loan-to-value	Non-controlling interests	Total
Borrowings from financial institutions	3,126,291		3,126,291
Commercial paper			
Bond loans	282,557		282,557
Foreign currency derivatives			
Net payables	116,477		116,477
Owner-occupied property (debt)			
Current accounts (equity characteristics)			
Cash and cash equivalents	(284,575)		(284,575)
Net financial liabilities	**3,240,750**		**3,240,750**
Owner-occupied property			
Investment properties at fair value	3,811,184		3,811,184
Properties held for sale(*)	579,140		579,140
Properties under development			
Intangibles			
Net receivables			
Financial assets	102,053		102,053
Total property value	**4,492,377**		**4,492,377**
Loan-to-value			**72.1%**

(*) Considers inventories at fair value (EUR 389,537 thousand) as well as non-current assets held-for-sale.

31 Dec 2024

In EUR thousand	Group loan-to-value	Non-controlling interests(**)	Total
Borrowings from financial institutions	3,006,608		3,006,608
Commercial paper			
Bond loans	528,412		528,412
Foreign currency derivatives			
Net payables	1,276,906	(248,077)	1,028,829
Owner-occupied property (debt)			
Current accounts (equity characteristics)			
Cash and cash equivalents	(246,990)		(246,990)
Net financial liabilities	**4,564,936**	**(248,077)**	**4,316,859**
Owner-occupied property			
Investment properties at fair value	3,963,832		3,963,832
Properties held for sale(*)	2,299,199	(429,527)	1,869,672
Properties under development			
Intangibles			
Net receivables			
Financial assets	106,711		106,711
Total property value	**6,369,742**	**(429,527)**	**5,940,215**
Loan-to-value	**71.7%**	**57.8%**	**72.7%**

(*) Considers inventories at fair value (EUR 410,886 thousand) as well as non-current assets held-for-sale.
(**) Considers the interest of minority shareholders in ADLER's subsidiary Brack Capital Properties N.V. ("BCP").

The table below shows the breakdown of net payables as included in the LTV calculation presented above. For the detailed methodology of the LTV calculation, please also refer to the beginning of this section.

Net payables

In EUR thousand	30 Jun 2025	31 Dec 2024
Investments in financial instruments	28,424	7,406
Restricted bank deposits	43,451	45,130
Contract assets	10,914	23,141
Trade receivables	60,680	46,498
Other receivables and financial assets	86,821	91,069
Advances paid on inventories	7,289	7,710
Deduct:		
Other financial liabilities	(9,092)	(9,092)
Pension provisions	(644)	(643)
Other payables	(118,714)	(148,901)
Contract liabilities	0	0
Trade payables	(45,914)	(63,193)
Provisions	(177,519)	(332,406)
Prepayments received	(2,173)	(6,386)
Non-current liabilities held for sale	0	(937,239)
Net payables	**(116,477)**	**(1,276,906)**

Material Events

In the reporting period

1. With effect on 2 January 2025, Adler Group concluded the first tranche of the two stage-closing mechanism by transferring its controlling share of 52.68% in its subsidiary Brack Capital Properties N.V. (BCP) to LEG Immobilien SE for a cash consideration of EUR 184 million. As a result, BCP was deconsolidated.

2. On 20 January 2025, Adler Group announced that it had procured binding commitments in the amount of c. EUR 0.7 billion for the refinancing of the 1.5L Notes issued by ADLER Financing S.à r.l., an orphan special purpose vehicle not related to Adler Group ("Financing SPV"), and a corresponding amendment of the 1.5L Facility between, inter alia, Adler Group and the Financing SPV ("Refinancing").

The amended 1.5L Facility will accrue payment-in-kind (PIK) interest at a rate of 10.00% per annum plus a 0.75% OID with a non-call protection in year one and a 1% call premium in year two (thereafter to be called at par). The reduction of the PIK interest from 14.00% reflects primarily an improved risk profile of Adler Group.

The former 1.5 Notes were divided into two series: (i) a EUR 556 million series, which accrues 14.00% PIK interest annually, and (ii) a EUR 116 million series, which accrues 4.25% PIK interest annually until 30 July 2025, after which it will convert into the EUR 556 million series and accrue interest at 14.00% PIK annually. Both were refinanced in parallel. The maturity date of the 1.5L Facility of 31 December 2029 remains unchanged. The Refinancing was completed on 18 February 2025.

3. On 28 January 2025 and 18 February 2025, the 1L and 1.5L Facilities were effectively refinanced. The outstanding loan amounts were increased, and the fixed interest rates were reduced. After the refinancing, the outstanding amount of the 1L Facility amounted to EUR 1,178 million, with an interest rate of 8.25% (compared to EUR 1,158 million outstanding amount and 12.5% interest rate before refinancing). After refinancing, the outstanding 1.5L Facility amounted to EUR 717 million, with an interest rate of 10% (compared to EUR 707.3 million outstanding amount and 14% interest rate before refinancing).

The new terms after refinancing are substantially different from the previous terms in accordance with IFRS 9. Accordingly, the existing financial liabilities are derecognised, and a new financial liability is recognised at fair value.

4. In January 2025, a Berlin-based property company of Adler Group entered into an agreement with a German bank, according to which the latter extended a secured loan of approximately EUR 345 million by more than three years until October 2028. Also in January 2025, two further loans with a combined nominal amount of EUR 54 million were refinanced, and their maturities were extended to 31 December 2028.

5. On 10 February 2025, S&P revised their outlook on Adler Group and Adler RE to stable from negative and affirmed the B- issuer credit ratings as well as all of the existing issue ratings.

6. On 4 March 2025, Adler Group announced that it had completed the sale of 89.9% of its shares in the subsidiaries of the North Rhine-Westphalia-based "Cosmopolitan portfolio", to Orange Capital Partners and One Investment Management with effect from 28 February 2025. The transaction had been announced on 23 December 2024.

7. On 14 April 2025, the remaining 10.10% of the share capital held in BCP were effectively transferred to the buyer

LEG Immobilien SE, following a tender of Adler Group's shares in a Public Offer under Israeli Law, at a price of EUR 45.00 per share.

8. On 26 April 2025, the sale of the Consus-owned development project CologneApart to Cosimo Investment Group was completed.

9. On 19 May 2025, Adler Group announced that its subsidiary ADLER Real Estate GmbH launched a cash tender offer to repurchase its outstanding EUR 300 million secured notes due on 27 April 2026. The tender offer period started on 19 May 2025 and expired on 16 June 2025. The total tendered (and not validly withdrawn) amount was EUR 285.2 million, representing approx. 95% of the nominal amount outstanding. The Company accepted the full tendered amount for a purchase price of EUR 98.5 per EUR 100 principal amount plus accrued interest. The settlement date for the Tender Offer was 27 June 2025. The existing 1L Facility was upsized in the amount needed to repay the tendered amount.

10. On 25 June 2025, the Annual General Meeting ("AGM") of Adler Group, following the recommendation of the Board of Directors, approved the appointment of AVEGA Revision S.à r.l. as the approved statutory auditor/approved audit firm to perform the statutory audit of the standalone annual accounts and consolidated financial statements of the Company for the financial year ending 31 December 2025. The engagement will continue until the Company's AGM to be held in 2026.

Amongst other resolutions, the AGM also confirmed the appointment of Dr. Karl Reinitzhuber as a director of the Company who was appointed by co-optation since the last general meeting of shareholders of the Company (for declaratory purposes only), and the appointment of Dr. Karl Reinitzhuber as director of the Company for a period running from the date of this AGM until the AGM to take place in the year 2027.

11. The Company repaid the 1L Facility in the aggregate amount of EUR 259 million (excluding accrued interest) in the first half of 2025.

Following the settlement of Adler RE's cash tender offer to repurchase its outstanding EUR 300 million secured notes on 27 June 2025, the Company's 1L notes increased by EUR 281 million to approximately EUR 1.3 billion as per June 2025, up from EUR 1.2 billion as per December 2024.

In this context, S&P revised its ratings on the Adler Group and Adler RE debt instruments. On 30 June 2025, S&P downgraded the issue rating on the Adler Group's 8.25% 1L New Money Facilities due 12 December 2028 from 'B+' to 'B'. The ratings of Adler Group's 10.0% 1.5L senior secured notes due 12 December 2029 and Adler RE's remaining 3.0% senior unsecured notes due 27 April 2026 were also downgraded to 'CCC' from 'CCC+'. The rating on Adler Group's 6.25% Reinstated 2L Notes due 14 January 2030 remained unchanged at 'CCC'. The issuer credit rating of Adler Group also remains unchanged at 'B-' (stable outlook).

Subsequent events

The Group has evaluated transactions and other events occurring after the reporting date of 30 June 2025 up to 27 August 2025, the date on which the quarterly financial statements were finalised, for consideration as subsequent events.

1. On 8 July 2025, it was announced that Adler Group sold its Consus-owned development project Cologneo III to Kölner Wohnungsgenossenschaft eG. The transaction closed in August 2025.

2. On 22 August 2025, Adler Group completed the sale of the remaining 10.1% of its shares in the subsidiaries of the North Rhine-Westphalia-based "Cosmopolitan portfolio", to Orange Capital Partners and One Investment Management, which was measured at a fair value of EUR 21.5 million.

Additional information can be found on the Adler Group website: https://www.adler-group.com/en/investors/publications/news.

Forecast Report

Forecast for 2025

Following certain disposals made from the yielding asset portfolio, such as the stake in Brack Capital Properties N.V. (BCP) with effect of 2 January 2025 and the North-Rhine-Westphalia portfolio with effect of 28 February 2025, Adler Group expects to generate net rental income for 2025 in the range of EUR 127-135 million.

Following the sanctioning of the Restructuring Plan in April 2023, the Company refrained from announcing an FFO 1 guidance for the year 2023 and thereafter due to the current situation of the Group which is primarily focused on steering its liquidity situation and de-leveraging through asset and portfolio disposals.

Opportunities and Risk Report

In addition to the opportunities and risks presented in Adler Group's Integrated Annual Report for financial year 2024, the first half of 2025 showed a positive trend in the Company's overall risk assessment. With regards to opportunities, reference is made to the Integrated Annual Report for 2024.

Significant improvements were achieved particularly in the financial structure of the Company: Following the refinancing of the EUR 300 million Adler Real Estate bond which was completed in the second quarter 2025, the Company now faces no material capital market indebtedness before the end of 2028. Also, the refinancing of both the 1L and 1.5L Adler Group bonds in the combined volume of EUR 1.9 billion, which was completed in the first quarter 2025, was a significant milestone as this measure is expected to generate more than EUR 130 million in interest expense savings over the expected remaining lifetime of the respective facilities.

The comprehensive disposals of the Company's NRW-based rental portfolio as well as the stake in Brack Capital Properties ("BCP") resulted in significant cash proceeds and allowed for substantial debt repayments.

In April 2025, Adler Group published its Integrated Annual Report for financial year 2024 with an unqualified audit opinion.

For further details on the recent developments, please refer to the section "Material events" of the Interim Management Report.

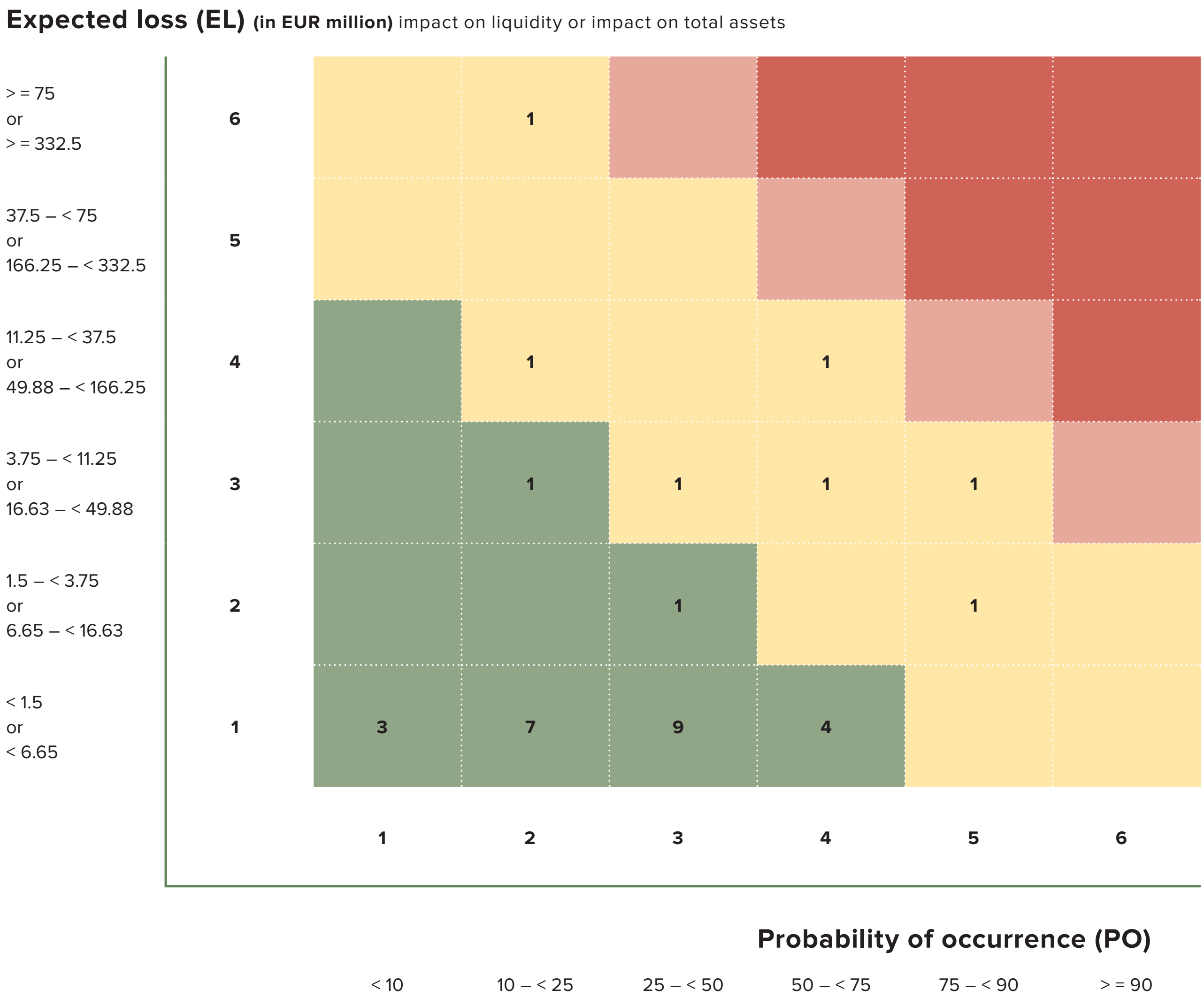
Risk management system

Compared to 31 December 2024, there have been no significant changes in the risk management process and risk identification and assessment. From 2025 onwards, the internal risk report will be prepared on a six-monthly basis, as at 30 June and 31 December.

Quantification scoring model

The risks with a high probability of occurrence and at the same time with a high potential amount of damage are shown in the red area of the heat map as presented in the FY 2024 management report. As at 30 June 2025, those risks have decreased from 3 to zero.

In comparison to the assessment as at 31 December 2024, the assessment as at 30 June 2025 reflected an improved economic environment, the continued recovery of the real estate market, and progress in the Company's structural and process improvements. Accordingly, the "risks from recapitalisation and from other non-financial covenants" as well as the "risks from upfront sales projects" were downgraded to the yellow area of the heat map, while the "risks from forward sale projects" were downgraded to the green area. In total, seven risk sub-categories are allocated to the yellow area and 25 to the green area.


Expected loss (EL) (in EUR million) impact on liquidity or impact on total assets
> = 75 or > = 332.5
6
1
37.5 – < 75 or 166.25 – < 332.5
5
11.25 – < 37.5 or 49.88 – < 166.25
4
1
1
3.75 – < 11.25 or 16.63 – < 49.88
3
1
1
1
1
1.5 – < 3.75 or 6.65 – < 16.63
2
1
1
< 1.5 or < 6.65
1
3
7
9
4
1
2
3
4
5
6
Probability of occurrence (PO)
< 10
10 – < 25
25 – < 50
50 – < 75
75 – < 90
> = 90

Qualitative assessment

As of 30 June 2025, compared to 31 December 2024 no risk sub-categories have been assigned a risk score greater than 4.5 according to the qualitative assessment and are therefore considered highly relevant. Nevertheless, the following risks are considered to be material to the Company (i.e., with a weighting of more than 5% in the overall risk assessment): “risks from recapitalisation and from other non-financial covenants” (qualitative risk score of 4.00), “risks from upfront sales projects” (qualitative risk score of 4.27) and “liquidity risks” (qualitative risk score of 3.98) as well as “risks from financial covenants” and “valuation risks” with risk assessments below the threshold of > 3.0 as at 30 June 2025.

Highly relevant and material risks

Among the risks or risk sub-categories identified and classified by the Group in its qualitative risk assessment as highly relevant (i.e., with a risk score of more than 4.5 in the qualitative assessment) and material (i.e., with a weighting of more than 5% in the overall risk assessment) as at 30 June 2025, there are no risks classified as risks that threaten the existence of the Company according to the quantitative risk assessment. Risks that are threatening the existence of the Company are those allocated in the dark red area of the heatmap, i.e. with a mean value of expected loss and probability of occurrence more than 5 of the quantitative risk assessment.

Overall assessment of risks and opportunities by the Senior Management

As of 30 June 2025, the Senior Management of Adler Group has identified no risks threatening the Company’s continued existence. Against the backdrop of the comprehensive recapitalisation having become effective in September 2024, from today’s perspective, the Senior Management does not see any financial or financing risks, Company-specific or governance risks that could jeopardise the mid-term continuation of Adler Group as a going concern in terms of its results of operations and/or net assets.

Nevertheless, despite proactive measures, the going concern assessment is inherently subject to certain risks and uncertainties. This is predicated on the successful negotiation with creditors to sustain the business, realise asset sales, and settle liabilities in the ordinary course of business for the foreseeable future, which is assessed to be at least, but not limited to, two years from the reporting date.

Responsibility Statement

We confirm, to the best of our knowledge, that the Condensed Interim Financial Statements of Adler Group S.A. presented in these Q2 2025 Quarterly Financial Statements, prepared in conformity with the International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, give a true and fair view of the net assets, financial and earnings position of the Group, and that the Interim Management Report includes a fair review of the development of the business and describes the main opportunities, risks, and uncertainties associated with the Group for the remaining six months of the year.

27 August 2025

Dr. Karl Reinitzhuber
CEO

Thorsten Arsan
CFO

Condensed Consolidated Interim Financial Statements

3 Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statement of Financial Position

In EUR thousand	Note	30 June 2025	31 Dec 2024
Assets			
Non-current assets			
Investment properties	5A	3,811,184	3,963,832
Investments in financial instruments	4	28,424	7,406
Investments accounted under the equity method	5B	411	502
Property, plant and equipment		15,659	13,994
Other financial assets	5C	102,053	106,712
Derivatives		6,336	7,347
Restricted bank deposits		9,437	11,402
Right-of-use assets		6,363	27,376
Other intangible assets		39	40
Contract assets	5D	4,371	2,813
Deferred tax assets		10	54
Total non-current assets		**3,984,287**	**4,141,478**
Current assets			
Inventories	5E	389,537	410,886
Restricted bank deposits		34,014	33,728
Trade receivables	5F	60,680	46,498
Other receivables and financial assets	5G	86,821	91,064
Contract assets	5D	6,543	20,328
Derivatives		68	158
Cash and cash equivalents		284,575	246,990
Advances paid on inventories		7,289	7,710
Total current assets		**869,527**	**857,362**
Non-current assets held-for-sale	5H	189,602	1,888,313
Total assets		**5,043,416**	**6,887,153**

In EUR thousand	Note	30 June 2025	31 Dec 2024
Shareholders' equity			
Share capital		188	188
Share premium		1,775,304	1,775,304
Equity of Group's hybrid investors	5I	716,707	716,707
Reserves		186,318	186,601
Retained earnings		(1,704,715)	(1,352,066)
Total equity attributable to owners of the Company	**5I**	**973,802**	**1,326,734**
Non-controlling interests		**44,159**	**238,444**
Total equity	**5I**	**1,017,961**	**1,565,178**
Liabilities			
Non-current liabilities			
Corporate bonds	5J	267,757	525,690
Other loans and borrowings	5K	3,102,907	2,647,101
Other financial liabilities		9,092	9,092
Derivatives		-	3
Pension provisions		644	643
Lease liabilities		3,982	22,837
Other payables	5L	23	23
Deferred tax liabilities		255,832	261,726
Total non-current liabilities		**3,640,237**	**3,467,115**
Current liabilities			
Corporate bonds	5J	14,800	2,722
Other loans and borrowings	5K	23,384	359,507
Trade payables		45,914	63,193
Other payables	5L	118,689	148,878
Provisions	5L	177,519	332,406
Lease liabilities		2,739	4,534
Prepayments received	5M	2,173	6,386
Total current liabilities		**385,218**	**917,626**
Non-current liabilities held-for-sale	5H	-	937,234
Total shareholders' equity and liabilities		**5,043,416**	**6,887,153**

Dr. Karl Reinitzhuber
CEO

Thorsten Arsan
CFO

Date of approval: 27 August 2025

Condensed Consolidated Interim Statement of Profit or Loss

		For the six months ended 30 June		For the three months ended 30 June	
In EUR thousand	**Note**	**2025**	**2024**	**2025**	**2024**
Revenue	6A	106,692	166,986	49,327	78,140
Cost of operations	6B	(178,576)	(155,678)	(134,594)	(107,948)
Gross profit		**(71,884)**	**11,308**	**(85,267)**	**(29,808)**
General and administrative expenses	6C	(59,961)	(75,496)	(26,923)	(42,778)
Other expenses	6D	(62,718)	(56,479)	(33,560)	(29,973)
Other income	6E	42,933	32,029	29,077	4,077
Changes in fair value of investment properties		(63,348)	(230,400)	(63,348)	(232,481)
Results from operating activities		**(214,978)**	**(319,038)**	**(180,021)**	**(330,963)**
Finance income	6F	14,701	16,079	9,075	9,495
Finance costs	6F	(191,510)	(202,303)	(54,364)	(104,716)
Net finance income / (costs)		**(176,809)**	**(186,223)**	**(45,289)**	**(95,221)**
Net income (losses) from investments in associated companies		(1)	(980)	(1)	(9)
Profit (loss) before tax		**(391,788)**	**(506,241)**	**(225,311)**	**(426,193)**
Income tax income / (expense)		10,507	(1,185)	14,043	(67)
Profit (loss) for the period		**(381,281)**	**(507,426)**	**(211,268)**	**(426,260)**
Profit attributable to:					
Owners of the Company		(350,144)	(492,235)	(189,778)	(413,601)
Non-controlling interests		(31,137)	(15,191)	(21,490)	(12,659)
Profit (loss) for the period		**(381,281)**	**(507,426)**	**(211,268)**	**(426,260)**
Earnings per share in EUR (undiluted)	**6G**	**-**	**(3.25)**	**-**	**(2.73)**
Earnings per share in EUR (diluted)	**6G**	**-**	**(3.25)**	**-**	**(2.73)**

Condensed Consolidated Interim Statement of Comprehensive Income

	For the six months ended 30 June		For the three months ended 30 June	
In EUR thousand	**2025**	**2024**	**2025**	**2024**
Profit (loss) for the period	**(381,281)**	**(507,426)**	**(211,268)**	**(426,260)**
Items that may be reclassified subsequently to profit or loss				
Currency translation reserve	(256)	(2,536)	(734)	5,088
Reserve from financial assets measured at fair value through other comprehensive income	(44)	(180)	-	(180)
Total other comprehensive income / (loss)	**(300)**	**(2,716)**	**(734)**	**4,908**
Total comprehensive income / (loss) for the period	**(381,581)**	**(510,142)**	**(212,002)**	**(421,352)**
attributable to:				
Owners of the Company	(350,427)	(494,101)	(189,989)	(409,243)
Non-controlling interests	(31,154)	(16,041)	(22,013)	(12,108)
Total comprehensive income / (loss) for the period	**(381,581)**	**(510,142)**	**(212,002)**	**(421,351)**

Condensed Consolidated Interim Statement of Cash Flows

		For the six months ended 30 June		For the three months ended 30 June	
In EUR thousand	**Note**	**2025**	**2024**	**2025**	**2024**
Cash flows from operating activities					
Profit (loss) for the period		(381,281)	(507,425)	(211,268)	(426,259)
Adjustments for:					
Depreciation		3,961	9,986	2,079	8,843
Change in fair value of investment properties	5A	63,348	230,400	63,348	232,482
Profit from selling portfolio		-	-	-	439
Non-cash other income and expense	6B, 5L	108,310	(6,399)	106,117	346
Non-cash income from at-equity valued investment associates		(1)	980	(1)	9
Net finance costs / (income)	6F	176,809	186,223	45,289	95,221
Income tax expense		(10,506)	1,185	(14,042)	66
Changes in net working capital[*]		51,525	53,551	39,594	80,495
Income tax paid		(18,105)	(20,271)	(8,282)	(19,763)
Net cash from operating activities		**(5,940)**	**(51,770)**	**22,834**	**(28,122)**
Cash flows from investing activities					
Purchase of and CapEx on investment properties	5A	(12,555)	(37,007)	(6,746)	(25,298)
Proceeds from investment property disposal and/or portfolio share deal	5H	18,729	21,898	14,837	3,713
Purchase of and CapEx on property, plant and equipment		(3,138)	(83)	(2,893)	(39)
Interest received		1,804	4,372	174	2,678
Proceeds from sale of financial instruments		-	-	-	(5)
Proceeds from sale of fixed assets		199	405	47	111
Repayment of long-term loans	5K	10,737	-	-	-
Disposal of subsidiaries, net of cash disposed	4	298,286	13,494	-	-
Change in short-term restricted bank deposits, net		1,019	(986)	324	(17,709)

		For the six months ended 30 June		For the three months ended 30 June	
In EUR thousand	**Note**	**2025**	**2024**	**2025**	**2024**
Net cash from (used in) investing activities		**315,081**	**2,093**	**5,743**	**(36,549)**
Cash flows from financing activities					
Repayment of bonds	5J	(280,922)	-	(280,922)	-
Long-term loans received	5K	294,512	7,622	280,927	7,316
Repayment of long-term loans	5K	(303,398)	(6,065)	(28,557)	(3,123)
Proceeds from issuance of corporate bonds, net		-	91,055	-	-
Repayment of notes		-	(3,408)	-	-
Repayment of short-term loans	5K	(14,912)	(13,501)	(4,428)	(8,458)
Interest paid	6F	(20,172)	(36,046)	(7,956)	(16,811)
Payment of lease liabilities		(1,626)	(2,058)	(438)	(1,044)
Transaction costs		(18,583)	-	-	-
Net cash from (used in) financing activities		**(345,101)**	**37,599**	**(41,374)**	**(22,120)**
Change in cash and cash equivalents during the period		**(35,960)**	**(12,079)**	**(12,797)**	**(86,791)**
Changes in the carrying amount of cash and cash equivalents that are presented among assets held-for-sale as part of a disposal group	**4**	**73,545**	**(31,244)**	**4,841**	**68,216**
Cash and cash equivalents at the beginning of the period		**246,990**	**377,419**	**292,530**	**352,672**
Cash and cash equivalents at the end of the period		**284,575**	**334,096**	**284,575**	**334,096**

(*) Previous year's presentation adjusted

Condensed Consolidated Interim Statement of Changes in Equity

In EUR thousand	Share capital	Share premium	Equity of Group's hybrid investors	Hedging reserve	Currency translation reserve	Other capital reserves	Reserve financial assets measured at FVTOCI	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2025	**188**	**1,775,304**	**716,707**	**145**	**16,949**	**315,746**	**(146,239)**	**(1,352,066)**	**1,326,734**	**238,444**	**1,565,178**
Profit (loss) for the year	-	-	-	-	-	-	-	(350,144)	(350,144)	(31,137)	(381,281)
Other comprehensive income (loss), net of tax	-	-	-	-	(239)	-	(44)	-	(283)	(17)	(300)
Total comprehensive income (loss) for the year	**-**	**-**	**-**	**-**	**(239)**	**-**	**(44)**	**(350,144)**	**(350,427)**	**(31,154)**	**(381,581)**
Transactions with owners, recognised directly in equity											
Transactions with non-controlling interests without a change in control (Note 4)	-	-	-	-	-	-	-	(2,505)	(2,505)	5,301	2,796
Change in consolidation scope related to sale	-	-	-	-	-	-	-	-	-	(168,432)	(168,432)
Balance as at 30 June 2025	**188**	**1,775,304**	**716,707**	**145**	**16,710**	**315,746**	**(146,283)**	**(1,704,715)**	**973,802**	**44,159**	**1,017,961**

In EUR thousand	Share capital	Share premium	Hedging reserve	Currency translation reserve	Other capital reserves	Reserve financial assets measured at FVTOCI	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2024	**188**	**1,873,598**	**145**	**5,305**	**315,746**	**(145,751)**	**(2,278,087)**	**(228,856)**	**271,260**	**42,404**
Profit (loss) for the year	-	-	-	-	-	-	(492,235)	(492,235)	(15,191)	(507,426)
Other comprehensive income (loss), net of tax	-	-	-	(1,686)	-	(180)	-	(1,866)	(850)	(2,716)
Total comprehensive (loss) for the year	**-**	**-**	**-**	**(1,686)**	**-**	**(180)**	**(492,235)**	**(494,101)**	**(16,041)**	**(510,142)**
Transactions with owners, recognised directly in equity										
Transactions with non-controlling interest without a change in control (Note 4)	-	-	-	-	-	-	-	-	(8)	(8)
Share-based payments	-	-	-	-	-	-	550	550	-	550
Other changes	-	-	-	-	-	-	-	-	(88)	(88)
Balance as at 30 June 2024	**188**	**1,873,598**	**145**	**3,619**	**315,746**	**(145,931)**	**(2,769,772)**	**(722,407)**	**255,123**	**(467,284)**

Note 1 – Adler Group S.A.

Adler Group S.A. (the "Company" or "Adler Group") is a public limited liability company (société anonyme) incorporated under Luxembourg law. The address of the Company's registered office is 55 Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg.

The Company is specialised in and focused on the purchase, management and development of income-producing multi-family residential real estate. In addition to being accountable for the condition of its apartments and buildings, Adler Group S.A. assumes responsibility for the tenants, its own employees and the surrounding environment. The portfolio of Adler Group S.A. and its subsidiaries is situated in or on the outskirts of major urban areas with a significant portion in Berlin. Adler Group provides an integrated German residential platform that covers the entire real estate value chain, from acquisition of land, planning and development of projects to property management and letting of residential units.

The condensed consolidated interim financial statements of the Company as at 30 June 2025 and for the six-month period then ended comprise the Company and its subsidiaries (together referred to as the "Group").

Note 2 – Basis of preparation

A. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as applicable in the European Union ("EU"). They do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2024.

These condensed consolidated interim financial statements are presented in Euro ("EUR") and have been rounded to the nearest thousand except where otherwise indicated. Due to rounding, the figures reported in tables and cross-references may deviate from their exact values as calculated.

These condensed consolidated interim financial statements were authorised for issue by the Company's Board of Directors on 27 August 2025.

B. Use of judgements, estimates and fair value measurements

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. This also applies to fair value measurements and the determination of fair values. Actual results may differ from these estimates.

Unless specified otherwise in the following sections, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2024.

C. Uncertainties on the continuation as a going concern

In 2024, Adler Group continued to face persistent challenges due to market weakness in the German real estate sector. Inflationary pressures, elevated borrowing costs, and greater than expected asset devaluations shook investor confidence and curtailed transaction volumes. The initial restructuring plan, agreed in early 2023 foresaw assets being sold to repay debt. This plan was revisited in light of the strained ability to dispose of assets at favourable prices under these market conditions.

In response, Adler Group proactively revised its restructuring concept, focusing on two key pillars: (i) a revised business plan to restructure the Group's most challenging assets while positioning the Company to benefit from the anticipated market recovery, and (ii) a financial restructuring plan to improve the Group's cash position, stabilise the debt structure by postponement of maturities beyond 2026/27 and provide a sufficient equity position until maturity of Adler Group's prolonged debt in order to provide a solid foundation for the Group's going concern for at least, but not limited to, the next two years.

The Management was able to complete the comprehensive recapitalisation and the extension of the debt maturities combined with new liquidity on 19 September 2024, the restructuring effective date. In addition, Adler Group was able to successfully prolong several secured bank loans until 2028.

The recent measures, coupled with the projected recovery of the real estate market and a more stable economic environment, bolsters the Group's assertion of its going concern status, underpinning its capability to fulfil financial commitments, dispose of assets, satisfy liabilities and reduce future interest requirements in the ordinary course of operations.

Nevertheless, despite proactive measures, the going concern assessment is inherently subject to certain risks and uncertainties. This is predicated on the successful negotiation with creditors to sustain the business, realise asset sales, and settle liabilities in the ordinary course of business for the foreseeable future, which is assessed to be at least, but not limited to, two years from the reporting date. The condensed consolidated interim financial statements of Adler Group S.A., as per International Financial Reporting Standards, presuppose the entity's ability to continue as a going concern.

Note 3 – Accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2024. These condensed consolidated interim financial statements should therefore be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

A. Initial application of new standards, amendments to standards and interpretations

The following new or amended standards and interpretations became effective and have been applied as per 1 January 2025 without any material impact on the consolidated financial statements.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)

B. New standards and interpretations not yet applied

Application of the following standards, interpretations and amendments was not mandatory for the 2025 financial year and the Group did not elect to apply them in advance. After a preliminary assessment, the Group does not expect material impacts on the financial statements. The respective changes and their mandatory dates of implementation are outlined in the table below:

Standard/Interpretation	Title	Endorsement status in the EU	Effective date of initial application in the EU
Annual Improvements Volume 11	*Annual Improvements Volume 11 (issued on 18 July 2024)*	9 July 2025	1 January 2026
IFRS 9, IFRS 7	*Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)*	30 June 2025	1 January 2026
IFRS 9, IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024)*	27 May 2025	1 January 2026

Note 4 – Changes in consolidation scope

Effective 2 January 2025, Adler Real Estate GmbH, a wholly owned subsidiary of the Group, concluded the first tranche of the two stage closing mechanism by transferring its controlling share of 52.68% in its subsidiary Brack Capital Properties N.V. (BCP) to LEG Immobilien SE for a cash consideration of EUR 184,003 thousand. As a result BCP — comprising 83 fully consolidated subsidaries — has been deconsolidated. It was previously classified as held-for-sale and presented within the disposal group in accordance with IFRS 5.

The deconsolidation of the disposal group resulted in a net loss of EUR 123,961 thousand. This loss was fully offset by the release of an equal provision for an onerous contract that has been recognised on 31 December 2024. The assets and liabilities in the subsidiaries over which the control is lost, are summarised by each major category in the following table.

In EUR thousand	2 Jan 2025
Investment properties	1,035,490
Financial assets	46,336
Other assets	20,665
Cash and cash equivalents	62,445
Non-current assets held-for-sale	6,500
Assets total	**1,171,436**
Deferred tax liabilities	87,800
Financial liabilities due to banks	339,635
Corporate bonds	221,798
Other liabilities	31,156
Liabilities held-for-sale	8,800
Liabilities total	**689,189**
Non-controlling interests	139,318
Result from deconsolidation	(123,961)

Upon deconsolidation, the retained 10.10% interest in the share capital of BCP were measured at its fair value of EUR 34,965 thousand, determined based on the purchase agreement. Subsequently, on 14 April 2025 the Company sold the remaining shares in a tender offer for BCP for a consideration of EUR 34,965 thousand.

Effective 28 February 2025, Adler Group completed the sale the of the North Rhine-Westphalia-based “Cosmopolitan portfolio” to Orange Capital Partners and One Investment Management for a cash consideration of EUR 169,953 thousand. The transaction was structured as a share deal and involved the disposal of the controlling shares (ranging from 77.25% to 84.70%) in the following six subsidiaries, which were directly held by holding companies of Adler Real Estate GmbH: WBR Wohnungsbau Rheinhausen GmbH, Berlin; MBG Schwelm GmbH, Berlin; ESTAVIS 6. Wohnen GmbH, Berlin; ESTAVIS 7. Wohnen GmbH, Berlin; Resident West GmbH, Berlin; AFP III Germany GmbH, Berlin.

In each of the deconsolidated companies, the Group retained 10.1% interest which was measured at a fair value EUR 21,496 thousand in accordance with the purchase agreement (presented in Investments in financial instruments). With respect to these retained shares, the holding companies have the right - but not the obligation - to sell and transfer the remaining shares to the purchaser at the same consideration per share as received for the controlling interest.

The deconsolidation of the disposal group resulted in a net loss of EUR 91,873 thousand. This loss was fully offset by the release of an equal provision for an onerous contract that has been recognised on 31 December 2024. The assets and liabilities in the subsidiaries over which the control is lost, are summarised by each major category in the following table.

In EUR thousand	**28 Feb 2025**
Investment properties	557,153
Financial assets	1,923
Cash and cash equivalents	11,097
Assets total	**570,173**
Deferred tax liabilities	44,341
Financial liabilities due to banks	2,151
Other loans and debentures	168,795
Other liabilities	42,363
Liabilities total	**257,650**
Non-controlling interests	29,114
Result from deconsolidation	(91,873)

Note 5 – Selected notes to the condensed consolidated interim statement of financial position

A. Investment properties

Investment properties – residential

In EUR thousand	30 June 2025	31 Dec 2024
Balance as at 1 January	**3,486,802**	**4,195,998**
Other capital expenditure	11,740	32,682
Transfer from investment properties to inventories	-	(651)
Transfer from investment properties to assets or disposal groups classified as held-for-sale	(26,839)	(590,420)
Transfer from investment properties to property, plant and equipment	328	571
Disposal of investment properties	(660)	(2,878)
Fair value adjustments	5,964	(227,256)
Changes of investment properties presented as part of a disposal group among non-current assets held-for-sale	-	78,756
Balance as at end of period	**3,477,335**	**3,486,802**

Investment properties under construction – project developments

In EUR thousand	30 June 2025	31 Dec 2024
Balance as at 1 January	**477,030**	**714,927**
Other capital expenditure	1,478	11,948
Transfer from investment properties to assets or disposal groups classified as held-for-sale	(75,507)	6,076
Transfer from investment properties to property, plant and equipment	160	-
Fair value adjustments	(69,312)	(255,921)
Balance as at end of period	**333,849**	**477,030**

According to the Group's fair value valuation policies, investment properties generally undergo a detailed valuation as at 30 June and 31 December of each year, unless the Group identifies material changes in the value of these properties at an earlier date.

The fair value of the residential investment properties as at 30 June 2025 was determined by the valuation expert CBRE, an independent industry specialist that has appropriate, recognised professional qualification and up-to-date experience regarding the location and category of the properties. The fair value of the investment properties under construction (project development) was determined by the valuation expert NAI Apollo, an independent industry specialist with appropriate, recognised professional qualifications and up-to-date experience regarding the location and category of the properties.

The fair value measurement for all the investment properties has been categorised as Level 3 fair value due to prevailing use of unobservable inputs to the adopted valuation method.

The Group values its portfolio of residential investment properties using the discounted cash flow (DCF) method. Under the DCF methodology, the expected future income and costs of the properties are forecast over a period of 10 years and discounted to the date of valuation. The income mainly comprises expected rental income (current in-place rent, market rents as well as their development) taking vacancy losses into account. The residual value method is applied for investment properties under construction (project development). This approach is common to calculate the value of real estate developments in planning stage or still under construction. The approach is a deductive method to derive the market value of an undeveloped project according to its construction/development progress and represents the amount a market participant would be willing to pay for the property (land). The approach is based on the assumption that the market value of an ongoing project can be derived from an indicative market value less the anticipated costs for the realisation of the project (e.g., construction, marketing, financing costs).

The following tables outline the key valuation parameters for residential properties as at 30 June 2025 and as at 31 December 2024.

	Location		
Balance as at 30 June 2025	**Berlin**	**Other**	**Total**
Value (EUR/m²)	2,984	1,751	2,976
Average residential in-place rent	8.59	6.45	8.57
CBRE market rent (EUR/m²)	9.83	9.45	9.82
Multiplier (current rent)	28.74	22.3	28.7
Multiplier (CBRE market rent)	23.53	14.6	23.47
Discount rate (%)	4.86	5.17	4.86
Capitalisation interest rate (%)	2.93	3.87	2.94
Market rental growth (%)	2.41	1.5	2.41
Vacancy rate (%)	0.53	3.41	0.55
Fair value (EUR thousand)	3,454,642	22,693	3,477,335

	Location		
Balance as at 31 Dec 2024	**Berlin**	**Other**	**Total**
Value (EUR/m²)	2,967	1,661	2,958
Average residential in-place rent	8.44	6.19	8.42
CBRE market rent (EUR/m²)	9.83	9.19	9.83
Multiplier (current rent)	29.07	21.90	29.03
Multiplier (CBRE market rent)	23.49	14.30	23.42
Discount rate (%)	4.84	5.18	4.84
Capitalisation interest rate (%)	2.92	3.91	2.92
Market rental growth (%)	2.41	1.50	2.41
Vacancy rate (%)	0.53	3.48	0.55
Fair value (EUR thousand)	3,462,858	23,944	3,486,802

The following table outlines the key valuation parameters for investment properties under construction (development) as at 30 June 2025 and as at 31 December 2024.

Valuation parameters for investment properties under construction	**30 June 2025**	**31 Dec 2024**
Market rent, weighted average (EUR)	14.29	15.14
Project development costs (EUR/m²)	4,032	4,133
Cost of financing, weighted average (in %)	4.17	4.19

It is noted that according to the methodology applied in the valuations for the residential properties, the estimated cash flows for the first ten years are capitalised based on the discount rate basis. Cash flows effective from the eleventh year onwards are capitalised based on the cap rate basis. When applying the residual method on development projects, the market value of the development projects was determined by NAI Apollo by deducting all expected costs (construction, marketing, financing, etc.) from the final value of the completed project.

Sensitivity analysis

The main value drivers influenced by the market are the market rents and their development, current rent increases, the vacancy rate and interest rates. The effect of possible fluctuations in these parameters is shown separately for each parameter and group in the following table for residential investment properties. Additional value drivers are cost of financing and construction costs for the investment properties under construction. Interactions between the parameters are possible but cannot be quantified due to the complexity of the interrelationships:

Investment properties – residential

Valuation parameters current year	Change in parameters	In EUR thousand	Change in values %
Average new letting rent (EUR/m^2)	10%	217,964	6.27
Vacancy rate (%)	1%	(47,672)	(1.37)
Discount and capitalisation rate (%)	25bps	(280,535)	(8.07)

The following table gives an overview of the sensitivity analysis for the prior year:

Valuation parameters prior year	Change in parameters	In EUR thousand	Change in values %
Average new letting rent (EUR/m^2)	10%	225,376	6.46
Vacancy rate (%)	1%	(41,953)	(1.20)
Discount and capitalisation rate (%)	25bps	(276,955)	(7.94)

Assuming all other variables remain constant, a negative change in the parameters at the same percentage would have a similar impact on the value, albeit in the opposite direction.

Investment properties – project development (under construction)

Sensitivity current year	Market rent		Cost of financing		Construction costs	
Change in parameters	(10%)	10%	(0.25%)	0.25%	(10%)	10%
Change of fair value (EUR thousand)	(149,200)	149,300	98,200	(86,500)	174,600	(174,400)

The following table gives an overview of the sensitivity analysis for the prior year:

Sensitivity prior year	Market rent		Cost of financing		Construction costs	
Change in parameters	(10%)	10%	(0.25%)	0.25%	(10%)	10%
Change of fair value (EUR thousand)	(209,360)	209,260	135,930	(120,110)	233,180	(233,180)

B. Investments accounted under the equity method

In EUR thousand	30 June 2025	31 Dec 2024
Balance as at 1 January	**502**	**1,534**
Share in profit and loss	(1)	(1)
Impairment	(90)	(1,035)
Changes of assets presented as part of a disposal group	-	4
Balance as at end of period	**411**	**502**

At the reporting date, the main investments in associated companies are ACCENTRO Real Estate AG, Caesar JV Immobilienbesitz und Verwaltungs GmbH.

C. Other financial assets

Other financial assets include the following items:

In EUR thousand	30 June 2025	31 Dec 2024
Loans to holders of non-controlling interest in subsidiaries	101,036	105,676
Miscellaneous other financial assets	1,017	1,036
Other financial assets	**102,053**	**106,712**

The loans to holders of non-controlling interest in subsidiaries are secured by share liens.

D. Contract assets and liabilities

Contract assets and liabilities mainly result from development contracts with customers. The following table provides information about contract assets and contract liabilities from contracts with customers:

In EUR thousand	30 June 2025	31 Dec 2024
Gross contract assets - non-current	70,845	70,795
Prepayments received on non-current contract balances	(66,474)	(67,982)
Net contract assets - non-current	**4,371**	**2,813**
Gross contract assets - current	124,712	139,611
Prepayments received on current contract balances	(118,169)	(119,283)
Net contract asset - current	**6,543**	**20,328**

E. Inventories

Inventories also include the land from forward sales and can be broken down as follows:

In EUR thousand	30 June 2025	31 Dec 2024
Real Estate "Trading properties (including condominiums)"	389,537	410,599
Other inventories: not development	-	287
Total balance	**389,537**	**410,886**

Based on the updated estimates of the expected sales prices, a write-off of EUR 29,738 thousand (prior period: EUR 73,491 thousand) was recognised in cost of operations. The expected sales prices were determined by the valuation expert NAI Apollo, an independent valuation expert with appropriate, recognised professional qualifications and up-to-date experience regarding the location and category of the properties.

F. Trade receivables

As at the reporting date, trade receivables mainly consist of rental receivables (EUR 14,872 thousand; 31 December 2024: EUR 12,907 thousand), receivables from the sale of real estate (EUR 5,189 thousand; 31 December 2024: EUR 4,637 thousand) and receivables from property development (EUR 28,312 thousand; 31 December 2024: EUR 18,007 thousand).

G. Other receivables and financial assets – current

In EUR thousand	30 June 2025	31 Dec 2024
Receivables from income tax	14,856	14,874
Receivables from other taxes	9,345	6,059
Advances to suppliers	5,533	4,584
Prepaid expenses	7,182	2,588
Miscellaneous other receivables (non-financial)	10,028	9,512
Total other receivables (non-financial)	**46,944**	**37,617**
Receivables against non-controlling shareholders of subsidiaries	24,289	35,001
Loans	10,824	10,836
Deposits	4,059	4,013
Miscellaneous other receivables (financial)	705	3,597
Other receivables (financial)	**39,877**	**53,447**
Total other receivables and financial assets	**86,821**	**91,064**

H. Non-current assets and liabilities held-for-sale

Non-current assets and liabilities held-for-sale included the disposal groups BCP and Cosmopolitan as at 31 December 2024. These disposal groups have been derecognised following the deconsolidation of the respective entities during the reporting period (please refer to Note 4 for further details).

The remainder of the non-current assets classified as held-for-sale amount to EUR 189,602 thousand and comprises mostly development projects designated for disposal through individual assets sales. They are measured at fair value determined based on independent valuation reports or observed transaction prices in case of sale agreement.

I. Equity

The equity of the Group's hybrid investors amounts to EUR 716,707 thousand (31 December 2024: EUR 716,707 thousand) and comprises subordinated perpetual notes. The notes are classified as equity as they are perpetual, and the Group has the unconditional right to defer payments.

The nominal amount of the subordinated perpetual notes, including accumulated Payment-In-Kind (PIK) interest, stood at EUR 2,456,625 thousand as of 30 June 2025 (31 December 2024: EUR 2,382,875 thousand).

J. Corporate bonds

These liabilities are structured as follows as at the balance sheet date:

In EUR thousand	30 June 2025	31 Dec 2024
Adler Bond 2018/2026	14,800	296,169
AGPS Bond Reinstated 2L 2024/2030	267,757	232,243
Total balance	**282,557**	**528,412**

On 20 June 2025, ADLER Real Estate GmbH, a wholly-owned subsidiary of Adler Group S.A. repurchased a nominal amount of EUR 285,200 thousand of its outstanding EUR 300 million secured notes (Adler Bond 2018/2026) due on 27 April 2026 for a purchase price of 98.5%. As a result, the bond was partially derecognised. The outstanding nominal amount is EUR 14,800 thousand.

As at 30 June 2025, the Group was compliant with the covenants stipulated in the bond agreements.

K. Other loans and borrowings

On 28 January 2025, the Company refinanced its 1st Lien (1L) Facility. As part of the refinancing, the outstanding loan amount was increased, and the fixed interest rate was reduced. Subsequent to the refinancing, the outstanding amount of the 1L Facility was EUR 1,178 million, bearing an interest rate of 8.25% p.a. plus a 1.0% original issue discount (compared to EUR 1,158 million outstanding, including PIK, and an interest rate of 12.5% p.a. prior to refinancing). The maturity date of the 1L Facility remains unchanged at 31 December 2028.

The Company made three repayments in the first half of 2025. The first repayment of EUR 96 million was made on 3 January 2025, prior to the above refinancing exercise, which was followed by two repayments in an aggregate amount of EUR 163 million in February and May 2025. On 26 June 2025, the 1L was increased by an amount of EUR 281 million to fund the repayment of the Adler Bond 2018/2026 (please refer to Note 5J).

The revised terms of the 1L Facility were assessed under IFRS 9 and determined to be substantially different from the previous terms. As a result, the original 1L Facility was derecognised, and a new 1L Facility was recognised at fair value. The derecognition resulted in a loss of EUR 14.0 million, which has been presented under finance expense.

On 18 February 2025, Adler Group refinanced the 1.5 Lien (1.5) Facility, which previously consisted of: (i) an EUR 556 million tranche bearing 14.00% PIK interest p.a. and (ii) a EUR 116 million tranche with 4.25% PIK interest annually. Under the amended terms, the now combined 1.5L Facility accrues payment-in-kind (PIK) interest at a rate of 10.00% p.a. plus a 0.75% original issue discount (OID). The facility includes a non-call protection for the first year and a 1% call premium in second year, after which it becomes callable at par. Following the refinancing, the outstanding amount under the 1.5L Facility was EUR 717 million, at an interest rate of 10% p.a. (compared to EUR 707.3 million, including PIK , and an interest rate of 14% p.a. prior to refinancing). The maturity date of the 1.5L Facility remains unchanged at 31 December 2029.

The revised terms of the 1.5L Facility were assessed under IFRS 9 and deemed substantially different from the previous terms. As a result, the original 1.5L Facility was derecognised, and a new 1.5L Facility was recognised at fair value. The derecognition resulted in a loss of EUR 10.6 million, which has been presented under finance expense.

In the second quarter of 2025, the Company refinanced a bank loan with a nominal amount of EUR 341 million upon its maturity. The new loan has a maturity date of 30 October 2028 and bears interest at a rate of 5.4% per annum. Additionally, two further loans with a combined nominal amount of EUR 54 million were refinanced, and their maturities were extended to 31 December 2028.

All loans are secured by assets (investment properties and inventory properties, financial assets, trade and other receivables, cash and cash equivalents).

As at 30 June 2025, other loans and borrowings of Adler Group (excluding IFRS 5) carry an average effective interest rate (i.e., considering the swap interest hedging effect from variable to fixed interest) of 7.1 percent per annum including the New Money Facility (as at 31 December 2024: 8.4 percent). The average maturity of other loans and borrowings including the New Money Facility is 3.9 years (as at 31 December 2024: 3.7 years).

As at 30 June 2025, the Company was in compliance with all applicable financial covenants.

L. Provisions and other payables

In EUR thousand	30 June 2025	31 Dec 2024
Provisions for litigations	18,499	24,809
Onerous contracts	93,581	281,999
Other provisions	65,439	25,598
Provisions	**177,519**	**332,406**
Income tax payables	56,490	70,705
Accrued expenses	6,154	9,304
Deferred income	2,345	2,116
Value added tax	2,815	(146)
Miscellaneous other payables (non-financial)	14,196	15,046
Total other payables (non-financial)	**82,000**	**97,025**
Accrued interest	78	6,056
Tenants' deposits	20,267	20,008
Liability to holders of non-controlling interest in subsidiaries	3,097	3,097
Purchase price liabilities	4,107	1,807
Prepayments received	-	7,275
Miscellaneous other payables (financial)	9,163	13,633
Total other payables (financial)	**36,712**	**51,876**
Total provisions and other payables	**296,231**	**481,307**

A provision has been set up in an amount of EUR 60,500 thousand due to an onerous contract in connection with a property project.

M. Prepayments received

Prepayments received by the Group on contract assets and liabilities (development projects under the scope of IFRS 15) are included in the respective asset or liability balance. Prepayments received on inventories (development projects under the scope of IAS 2) and other assets are disclosed separately in the balance sheet.

Note 6 – Selected notes to the condensed consolidated interim statement of profit and loss

A. Revenue

In EUR thousand	for the six months ended 30 June 2025	2024
Net rental income	68,212	103,400
Revenue from charged cost of utilities(*)	38,069	49,212
Revenue from property development	(1,027)	(15,240)
Revenue from the sale of trading properties	-	1,088
Revenue from real estate inventories disposed of	-	27,000
Miscellaneous other revenue	1,438	1,526
Total	**106,692**	**166,986**

(*) Previous year's presentation adjusted.

Disaggregation of revenue

The following table presents the revenue streams and their allocation to the segments according to IFRS 15.114 in addition to rental income which represents a major source of income in the Group:

1 Jan - 30 June 2025	Segments					
	Residential Property management	Privatisation	Adler RE	Consus	Consolidation	Total
Revenue from charged costs of utilities	30,706	-	18,376	-	(16,697)	32,385
Revenue from property development contracts	-	-	-	(1,027)	-	(1,027)
Miscellaneous other revenue	-	-	-	(9,459)	10,897	1,438
Revenue from contracts with customers (IFRS 15)	**30,706**	**-**	**18,376**	**(10,486)**	**(5,800)**	**32,796**
thereof: products and services transferred at a point in time	-	-	-	-	-	-
thereof: products and services transferred over time	30,706	-	18,376	(10,486)	(5,800)	32,796
Rental income (IFRS 16)	51,473	-	15,473	1,266	-	68,212
Revenue from ancillary costs (IFRS 16)(*)	5,149	-	535	-	-	5,684
Rental income (IFRS 16)	**56,622**	**-**	**16,008**	**1,266**	**-**	**73,896**
Revenues (IFRS 15/IFRS 16)	**87,328**	**-**	**34,384**	**(9,220)**	**(5,800)**	**106,692**

(*) Includes land tax and building insurance.

1 Jan - 30 June 2024	**Segments**					
	Residen-tial Property manage-ment	**Privat-isation**	**Adler RE**	**Consus**	**Consoli-dation**	**Total**
Revenue from charged costs of utilities	20,931	-	27,660	-	(6,370)	42,221
Revenue from sale of trading properties	-	1,088	-	-	-	1,088
Revenue from property development contracts	-	-	-	(15,240)	-	(15,240)
Revenue from real estate inventories disposed of	-	-	-	27,000	-	27,000
Revenue other	-		-	1,526	-	1,526
Revenue from contracts with customers (IFRS 15)	**20,931**	**1,088**	**27,660**	**13,286**	**(6,370)**	**56,595**
thereof: products and services transferred at a point in time	-	1,088	-	(13,714)	(6,370)	(18,996)
thereof: products and services transferred over time	20,931	-	27,660	27,000	-	75,591
Rental income (IFRS 16)	50,497	627	50,779	1,544	(47)	103,400
Revenue from ancillary costs (IFRS 16)(*)	4,267	-	2,724	-	-	6,991
Rental income (IFRS 16)	**54,764**	**627**	**53,503**	**1,544**	**(47)**	**110,391**
Revenues (IFRS 15/IFRS 16)	**75,695**	**1,715**	**81,163**	**14,830**	**(6,417)**	**166,986**

(*) Includes land tax and building insurance.

B. Cost of operations

	For the six months ended 30 June	
In EUR thousand	**2025**	**2024**
Salaries and other expenses	(13,826)	(12,285)
Costs of utilities recharged, net	(31,596)	(46,354)
Costs of property development	(121,560)	(60,774)
Cost of real estate inventories disposed of	(133)	(27,128)
Costs of sale of trading properties (condominiums)	(664)	(1,287)
Property operations and maintenance	(10,797)	(7,850)
Total	**(178,576)**	**(155,678)**

The cost of operations includes inventory write-downs of EUR 29,738 thousand (prior period: EUR 73,491 thousand) and a provision for onerous contracts of EUR 60,500 thousand.

C. General and administrative expenses

	For the six months ended 30 June	
In EUR thousand	**2025**	**2024**
Salaries and related expenses	(11,653)	(15,712)
Share-based payments	-	(550)
Directors fee	(478)	(635)
Rent	(1,099)	82
Professional services	(25,729)	(16,467)
Traveling	(327)	(597)
Office, communication and IT expenses	(5,389)	(6,109)
Advertising and marketing	(125)	(1,067)
Impairment loss on trade receivables	(8,542)	(15,650)
Depreciation	(698)	(7,597)
Depreciation of right-of-use assets	(2,688)	(2,389)
Other(*)	(3,233)	(8,806)
Total	**(59,961)**	**(75,496)**

(*) Previous year's presentation adjusted.

D. Other expenses

Other expenses mainly relate to one-off legal and consulting fees relating to debt restructuring and reorganisation of the Group structure (EUR 18,377 thousand). For prior period this amount was EUR 35,163 thousand.

E. Other income

Other income mainly relates to the derecognition of liabilities, income from prior periods and minor effects from deconsolidation of subsidiaries.

F. Net finance costs

	For the six months ended 30 June	
In EUR thousand	**2025**	**2024**
Interest received	13,210	1,318
Gain from derecognition of derivatives	-	1,314
Other finance income	1,491	13,447
Total finance income	**14,701**	**16,079**
Interest on bonds	(41,631)	(82,100)
Change in fair value of other derivatives	(639)	-
Impairment of financial instruments	(3,426)	(1,208)
Interest on other loans and borrowings	(108,106)	(109,569)
One-off refinance costs	(9,324)	(3,015)
Loss from derecognition or modification of financial instruments	(24,617)	
Net foreign exchange loss	-	(2,609)
Other finance expenses	(3,767)	(3,802)
Total finance costs	**(191,510)**	**(202,303)**
Total net finance costs	**(176,809)**	**(186,224)**

G. Earnings per share

For the purpose of computing earnings per share (EPS), profit and loss of the reporting period has been allocated to the holders of the subordinated perpetual notes. This allocation is based on their cumulative potential dividend claims up to the nominal amount of the perpetual notes, inclusive PIK. Consequently, earnings per share is nil.

Note 7 – Financial instruments

The following table shows an overview of different classes of financial instruments, their carrying amount, measurement basis, fair value and fair value hierarchy level:

30 June 2025

In EUR thousand	Category	Carrying amount	Amortised cost	Fair value through PL	Carrying amounts acc. to IFRS 16 / IAS 28	Fair Value	Fair value hierarchy level
Assets							
Investments in financial instruments							
Other investments in financial instruments	aafvPL	28,424	-	28,424	-	28,424	Level 3
Investments accounted under the equity method	n/a	411	-	-	411	-	n/a
Other financial assets							
Loans to holders of non-controlling interest in subsidiaries	aac	101,036	101,036	-	-	101,036	1)
Miscellaneous other financial assets	aafvPL	1,017	-	1,017	-	1,018	1)
Derivatives	aafvPL	6,404	-	6,404	-	6,404	Level 3
Restricted bank deposits (non-current)	aac	9,437	9,437	-	-	9,437	1)
Restricted bank deposits (current)	aac	34,014	34,014	-	-	34,014	1)
Trade receivables	aac	60,680	60,680	-	-	60,680	1)
Other receivables (financial)							
Receivables against holders of non-controlling interest in subsidiaries	aac	24,289	24,289	-	-	24,289	1)
Loans	aac	10,824	10,824	-	-	10,824	Level 3
Deposits	aac	4,059	4,059	-	-	4,059	Level 3
Miscellaneous other receivables (financial)	aac	705	705	-	-	705	Level 3
Cash and cash equivalents	aac	284,575	284,575	-	-	284,575	1)
Total financial assets		**565,875**	**529,619**	**35,845**	**411**	**565,465**	

Liabilities							
Corporate bonds	flac	282,557	282,557	-	-	290,556	Level 1
Other loans and borrowings	flac	3,126,291	3,126,291	-	-	3,138,754	Level 3
Other financial liabilities							
Other financial liabilities	flac	9,092	9,092	-	-	9,092	1)
Derivatives	lafv	-	-	-	-	-	Level 3
Trade payables	flac	45,914	45,914	-	-	45,914	1)
Lease liabilities	n/a	6,721	-	-	6,721	-	n/a
Other payables (financial)							
Other payables (financial)	flac	36,712	36,712	-	-	36,612	Level 3
Total financial liabilities		**3,507,287**	**3,500,566**	**-**	**6,721**	**3,520,928**	

1) The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, trade and other receivables, restricted and other bank deposits and trade and other payables are considered to be the same or proximate to their fair value due to their short-term nature.

							31 Dec 2024
In EUR thousand	**Category**	**Carrying amount**	**Amortised cost**	**Fair value through PL**	**Carrying amounts acc. to IFRS 16 / IAS 28**	**Fair Value**	**Fair value hierarchy level**
Assets							
Investments in financial instruments							
Other investments in financial instruments	aafvPL	7,406	-	7,406	-	7,406	Level 3
Investments accounted under the equity method	n/a	502	-	-	502	-	n/a
Other financial assets							
Loans to holders of non-controlling interest in subsidiaries	aac	105,676	105,676	-	-	104,029	1)
Miscellaneous other financial assets	aafvPL	1,036	-	1,036	-	1,036	1)
Derivatives	aafvPL	7,505	-	7,505	-	7,505	Level 3
Restricted bank deposits (non-current)	aac	11,402	11,402	-	-	11,402	1)
Restricted bank deposits (current)	aac	33,728	33,728	-	-	33,728	1)
Trade receivables	aac	46,498	46,498	-	-	46,498	1)
Other receivables (financial)							
Receivables against holders of non-controlling interest in subsidiaries	aac	35,001	35,001	-	-	35,001	Level 3
Loans	aac	10,836	10,836	-	-	10,836	Level 3
Deposits	aac	4,013	4,013	-	-	4,013	Level 3
Miscellaneous other receivables (financial)	aac	3,597	3,299			3,299	Level 3
Cash and cash equivalents	aac	246,990	246,990	-	-	246,990	1)
Total financial assets		**514,190**	**497,443**	**15,947**	**502**	**511,743**	

Liabilities							
Corporate bonds	flac	528,412	528,412	-	-	523,285	Level 1
Other loans and borrowings	flac	3,006,608	3,006,608	-	-	3,405,016	Level 3
Other financial liabilities							
Other financial liabilities	flac	9,092	9,092	-	-	9,092	1)
Derivatives	lafv	3	-	3	-	3	Level 3
Trade payables	flac	63,193	63,193	-	-	63,193	1)
Lease liabilities	n/a	27,371	-	-	27,371	-	n/a
Other payables (financial)							
Miscellaneous other payables (financial)	flac	51,876	51,876	-	-	70,355	Level 3
Total financial liabilities		**3,634,679**	**3,607,305**	**3**	**27,371**	**4,000,589**	

1) The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, trade and other receivables, restricted and other bank deposits and trade and other payables are considered to be the same or proximate to their fair value due to their short-term nature.

The fair value of liabilities is estimated by discounting future cash flows by the market interest rate of similar instruments at the date of measurement. In respect of the liability component of convertible bonds, the market rate of interest is determined by bid and ask quotes in the market.

Note 8 – Segments reporting

The basis of segmentation and the measurement basis for segment profit or loss are the same as presented in Note 34 regarding operating segments in the annual consolidated financial statements for the year ended 31 December 2024.

ADLER and Consus are presented as independent segments in accordance with current internal reporting to the chief operating decision maker.

Information about reportable segments

Information regarding the results of each reportable segment is included below.

1 Jan - 30 June						2025
In EUR thousand	**Residential property management**	**Privatisation**	**Adler RE**	**Consus**	**Consolidation**	**Total consolidated**
Revenue from residential property management	87,328	-	34,384	1,266	(16,697)	106,281
Revenue from sale of trading properties (condominiums)	-	-	-	-	-	-
Revenue from selling of other real estate inventories	-	-	-	-	-	-
Revenue from property development	-	-	-	(1,027)	-	(1,027)
Miscellaneous other revenue	-	-	-	(9,459)	10,897	1,438
Consolidated revenue	**87,328**	**-**	**34,384**	**(9,220)**	**(5,800)**	**106,692**
Reportable segment gross profit	58,580	-	8,537	(126,572)	(12,429)	(71,884)
General and administrative expenses						(59,961)
Changes in fair value of investment properties						(63,348)
Other expenses						(62,718)
Other income						42,933
Finance income						14,701
Finance costs						(191,510)
Net income from at-equity valued investments						(1)
Consolidated profit / (loss) before tax						**(391,788)**
Income tax						10,507
Consolidated profit / (loss) after tax						**(381,281)**

1 Jan - 30 June						2024
In EUR thousand	**Residential property management**	**Privatisation**	**Adler RE**	**Consus**	**Consolidation**	**Total consolidated**
External income from residential property management	75,695	627	81,163	1,544	(6,417)	152,612
External income from sale of trading properties (condominiums)	-	1,088	-	-	-	1,088
External income from selling of other real estate inventories	-	-	-	27,000	-	27,000
External income from property development	-	-	-	(15,240)	-	(15,240)
Other income	-	-	-	1,526	-	1,526
Consolidated revenue	**75,695**	**1,715**	**81,163**	**14,830**	**(6,417)**	**166,986**
Reportable segment gross profit	49,916	213	40,669	75,040	(4,449)	11,308
General and administrative expenses						(75,496)
Changes in fair value of investment properties						(230,400)
Other expenses						(56,479)
Other income						32,029
Finance income						16,079
Finance costs						(202,303)
Net income from at-equity valued investments						(980)
Consolidated profit / (loss) before tax						**(506,242)**
Income tax						(1,185)
Consolidated profit / (loss) after tax						**(507,427)**

Note 9 – Material events in the reporting period and subsequent events

1. With effect on 2 January 2025, Adler Group concluded the first tranche of the two stage-closing mechanism by transferring its controlling share of 52.68% in its subsidiary Brack Capital Properties N.V. (BCP) to LEG Immobilien SE for a cash consideration of EUR 184 million. As a result, BCP was deconsolidated.

2. On 20 January 2025, Adler Group announced that it had procured binding commitments in the amount of c. EUR 0.7 billion for the refinancing of the 1.5L Notes issued by ADLER Financing S.à r.l., an orphan special purpose vehicle not related to Adler Group ("Financing SPV"), and a corresponding amendment of the 1.5L Facility between, inter alia, Adler Group and the Financing SPV ("Refinancing").

The amended 1.5L Facility will accrue payment-in-kind (PIK) interest at a rate of 10.00% per annum plus a 0.75% OID with a non-call protection in year one and a 1% call premium in year two (thereafter to be called at par). The reduction of the PIK interest from 14.00% reflects primarily an improved risk profile of Adler Group.

The former 1.5 Notes were divided into two series: (i) a EUR 556 million series, which accrues 14.00% PIK interest annually, and (ii) a EUR 116 million series, which accrues 4.25% PIK interest annually until 30 July 2025, after which it will convert into the EUR 556 million series and accrue interest at 14.00% PIK annually. Both were refinanced in parallel. The maturity date of the 1.5L Facility of 31 December 2029 remains unchanged. The Refinancing was completed on 18 February 2025.

3. On 28 January 2025 and 18 February 2025, the 1L and 1.5L Facilities were effectively refinanced. The outstanding loan amounts were increased, and the fixed interest rates were reduced. After the refinancing, the outstanding amount of the 1L Facility amounted to EUR 1,178 million, with an interest rate of 8.25% (compared to EUR 1,158 million outstanding amount and 12.5% interest rate before refinancing). After refinancing, the outstanding 1.5L Facility amounted to EUR 717 million, with an interest rate of 10% (compared to EUR 707.3 million outstanding amount and 14% interest rate before refinancing).

The new terms after refinancing are substantially different from the previous terms in accordance with IFRS 9. Accordingly, the existing financial liabilities are derecognised, and a new financial liability is recognised at fair value.

4. In January 2025, a Berlin-based property company of Adler Group entered into an agreement with a German bank, according to which the latter extended a secured loan of approximately EUR 345 million by more than three years until October 2028. Also in January 2025, two further loans with a combined nominal amount of EUR 54 million were refinanced, and their maturities were extended to 31 December 2028.

5. On 10 February 2025, S&P revised their outlook on Adler Group and Adler RE to stable from negative and affirmed the B- issuer credit ratings as well as all of the existing issue ratings.

6. On 4 March 2025, Adler Group announced that it had completed the sale of 89.9% of its shares in the subsidiaries of the North Rhine-Westphalia-based "Cosmopolitan portfolio", to Orange Capital Partners and One Investment Management with effect from 28 February 2025. The transaction had been announced on 23 December 2024.

7. On 14 April 2025, the remaining 10.10% of the share capital held in BCP were effectively transferred to the buyer LEG Immobilien SE, following a tender of Adler Group's shares in a Public Offer under Israeli Law, at a price of EUR 45.00 per share.

8. On 26 April 2025, the sale of the Consus-owned development project CologneApart to Cosimo Investment Group was completed.

9. On 19 May 2025, Adler Group announced that its subsidiary ADLER Real Estate GmbH launched a cash tender offer to repurchase its outstanding EUR 300 million secured notes due on 27 April 2026. The tender offer period started on 19 May 2025 and expired on 16 June 2025. The total tendered (and not validly withdrawn) amount was EUR 285.2 million, representing approx. 95% of the nominal amount outstanding. The Company accepted the full tendered amount for a purchase price of EUR 98.5 per EUR 100 principal amount plus accrued interest. The settlement date for the Tender Offer was 27 June 2025. The existing 1L Facility was upsized in the amount needed to repay the tendered amount.

10. On 25 June 2025, the Annual General Meeting ("AGM") of Adler Group, following the recommendation of the Board of Directors, approved the appointment of AVEGA Revision S.à r.l. as the approved statutory auditor/approved audit firm to perform the statutory audit of the standalone annual accounts and consolidated financial statements of the Company for the financial year ending 31 December 2025. The engagement will continue until the Company's AGM to be held in 2026.

Amongst other resolutions, the AGM also confirmed the appointment of Dr. Karl Reinitzhuber as a director of the Company who was appointed by co-optation since the last general meeting of shareholders of the Company (for declaratory purposes only), and the appointment of Dr. Karl Reinitzhuber as director of the Company for a period running from the date of this AGM until the AGM to take place in the year 2027.

11. The Company repaid the 1L Facility in the aggregate amount of EUR 259 million (excluding accrued interest) in the first half of 2025.

Following the settlement of Adler RE's cash tender offer to repurchase its outstanding EUR 300 million secured notes on 27 June 2025, the Company's 1L notes increased by EUR 281 million to approximately EUR 1.3 billion as per June 2025, up from EUR 1.2 billion as per December 2024.

In this context, S&P revised its ratings on the Adler Group and Adler RE debt instruments. On 30 June 2025, S&P downgraded the issue rating on the Adler Group's 8.25% 1L New Money Facilities due 12 December 2028 from 'B+' to 'B'. The ratings of Adler Group's 10.0% 1.5L senior secured notes due 12 December 2029 and Adler RE's remaining 3.0% senior unsecured notes due 27 April 2026 were also downgraded to 'CCC' from 'CCC+'. The rating on Adler Group's 6.25% Reinstated 2L Notes due 14 January 2030 remained unchanged at 'CCC'. The issuer credit rating of Adler Group also remains unchanged at 'B-' (stable outlook).

Subsequent events

The Group has evaluated transactions and other events occurring after the reporting date of 30 June 2025 up to 27 August 2025, the date on which the quarterly financial statements were finalised, for consideration as subsequent events.

1. On 8 July 2025, it was announced that Adler Group sold its Consus-owned development project Cologneo III to Kölner Wohnungsgenossenschaft eG. The transaction closed in August 2025.

2. On 22 August 2025, Adler Group completed the sale of the remaining 10.1% of its shares in the subsidiaries of the North Rhine-Westphalia-based "Cosmopolitan portfolio", to Orange Capital Partners and One Investment Management, which was measured at a fair value of EUR 21.5 million.

Additional information can be found on the Adler Group website: https://www.adler-group.com/en/investors/publications/news.

Financial Calendar 2025

Adler Group S.A.

27 November 2025	**Publication Q3 2025 Results**

Online Financial Calendar

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Investor Relations Adler Group S.A.

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brandcooks GmbH by UPWIRE Group
Hamburg, Zurich, Cape Town

Felix Ernesti
Art Director & Graphic Designer, Berlin

ADLER GROUP

Adler Group S.A.

55 Allée Scheffer
2520 Luxembourg
Grand Duchy of Luxembourg

investorrelations@adler-group.com
www.adler-group.com

QUARTERLY FINANCIAL
STATEMENTS 2025