

Interim Consolidated Report

For the six-month
period ended June 30,

2024





Berlin

Content

BOARD OF DIRECTORS' REPORT

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Board Of Directors' Report

Financial Position Highlights

in € millions unless otherwise indicated	Jun 2024	Dec 2023
Total Assets	32,525.5	33,559.3
Total Equity	14,423.1	15,149.7
Investment property	24,022.1	24,632.4
Investment property of assets held for sale	398.3	408.3
Cash and liquid assets (including those under held for sale)	2,748.7	3,026.1
Total financial debt (including those under held for sale)	14,132.7	14,242.1
Unencumbered assets ratio (by rent)	72%	74%
Equity Ratio	44%	45%
Loan-to-Value	45%	43%

Key Financials

in € millions unless otherwise indicated	1-6/2024	Change	1-6/2023
Revenue	770.8	(5%)	815.3
Net rental income	587.6	(1%)	596.0
Adjusted EBITDA ¹⁾	502.1	1%	497.5
FFO I ¹⁾	154.1	(12%)	175.3
FFO I per share (in €) ¹⁾	0.14	(13%)	0.16
FFO II	160.6	(21%)	202.8
ICR	4.0x	(0.5x)	4.5x
Loss for the period	(329.6)	(75%)	(1,311.5)
Basic loss per share (in €)	(0.30)	(68%)	(0.95)

1) including AT's share in companies which AT has significant influence, excluding the contributions from assets held for sale

Net asset value

in € millions unless otherwise indicated	EPRA NRV	EPRA NTA	EPRA NDV
Jun 2024	9,472.6	7,663.0	6,871.8
Jun 2024 per share (in €)	8.6	7.0	6.3
Per share development	(5%)	(5%)	(9%)
Dec 2023	9,920.8	8,058.7	7,592.1
Dec 2023 per share (in €)	9.1	7.4	6.9



Berlin

Aroundtown

The Group

The Board of Directors of Aroundtown SA and its investees (the "Company", "Aroundtown", "AT", or the "Group"), hereby submits the interim report as of June 30, 2024. The figures presented are based on the interim consolidated financial statements as of June 30, 2024, unless stated otherwise.

Aroundtown SA is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities primarily in Germany, the Netherlands and London. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. Aroundtown invests in residential real estate through its subsidiary Grand City Properties S.A. ("GCP"), a publicly traded real estate company that focuses on the German as well as London residential real estate market. As of June 30, 2024, the Group's holding in GCP is 63% excluding shares GCP holds in treasury (62% including these shares).

The Group's unique business model and experienced management team led the Group to grow continuously since 2004, navigating successfully through all economic cycles.



Frankfurt HBF & CBD

Approx.
200,000 SQM
lettable space in Frankfurt
prime centers, main central train
station and banking district

**Frankfurt
Büro Center (FBC)**
Mainzer Landstraße
43k sqm

Frankfurt Stadtmitte
Bleichstraße
9k sqm

Intercontinental Frankfurt
Wilhelm-Leuschner-Straße
28k sqm

Frankfurt HBF
Stuttgarter Straße
9k sqm

Frankfurt Office Campus
Gutleutstraße
88k sqm

Banking District

**Frankfurt Hauptbahnhof
(Central Train Station)**

Frankfurt HBF
Hafenstraße
20k sqm

View from Hafenstr. Office Tower



Large financing platform with broad access to diversified funding sources further strengthened in **2024 YTD**

- Strengthened capital market access with **€1.15bn senior unsecured bond** and **€2.5bn perpetual notes** issuances
 - ca. **€240m of bank debt** signed
 - ca. **€475m of disposals** signed
- ▼
- ca. **€675m of bond buyback** (primarily through tender offers in conjunction with new bonds)
 - ca. **€445m of bond redemptions**
 - ca. **€230m reduction in perpetual notes** balance through perpetual exchange and tender offer

Positive operational momentum supporting stabilization



Resi
33%

Consistent strong operations driven by systemic supply-demand imbalance



Hotel
22%

Hotel market positive momentum ongoing



Office
39%

Indexation and rent reversion driving LFL rents growth

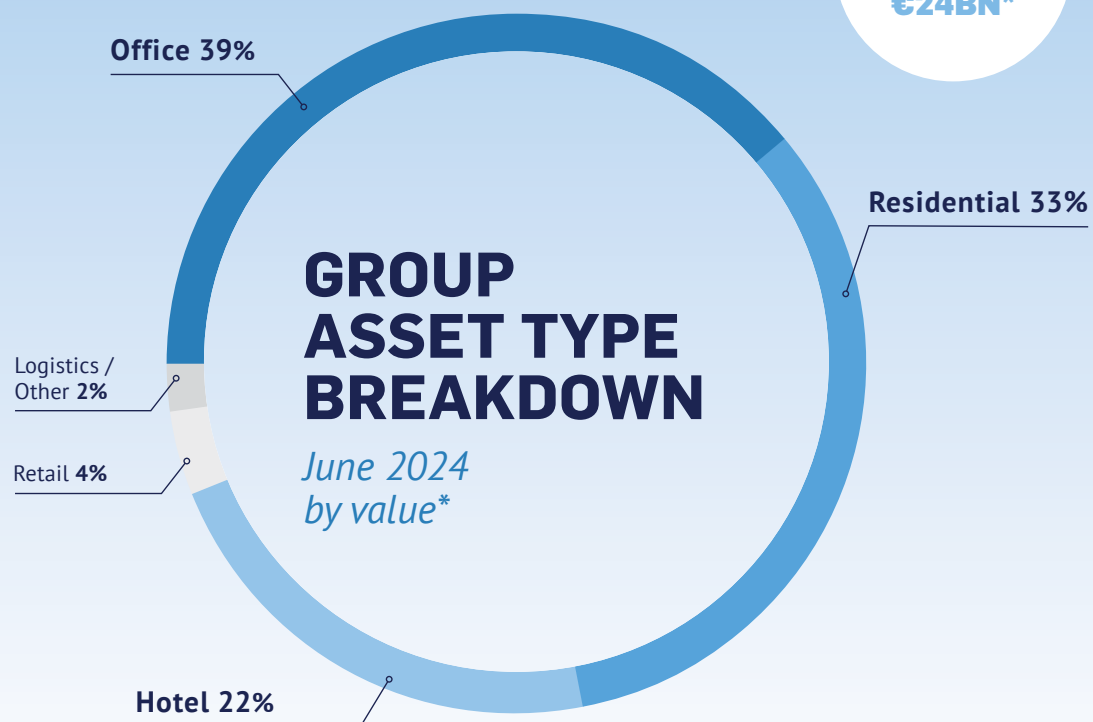
All percentages are portfolio value share

Value decrease has slowed down, supported by improving sentiment in the transaction market

Aroundtown's Quality Portfolio

Well-Diversified Group Portfolio with Focus on Strong Value Drivers

TOTAL PORTFOLIO: €24BN*



*including development rights & invest and excluding properties held for sale



Asset Type

Strongly diversified portfolio with a focus in offices, residential and hotels.



Tenant

High tenant diversification with no material tenant or industry dependency.

Commercial portfolio with over 3,000 tenants and residential portfolio with very granular tenant base.



Location

The portfolio is focused on the strongest economies in Europe: 81% of the Group's portfolio is in Germany and the Netherlands, both AAA rated countries.

Focus on top tier cities of Germany and the Netherlands and on London.

Well-distributed across multiple regions with a large footprint in top tier cities such as Berlin, Munich, and Frankfurt.



Industry

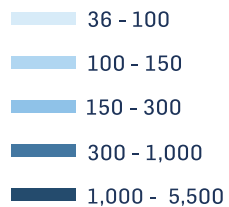
Each location has different key industries and fundamentals driving the demand.

Therefore, the Group's tenants are diversified into distinct sectors, eliminating the dependency on a single industry.

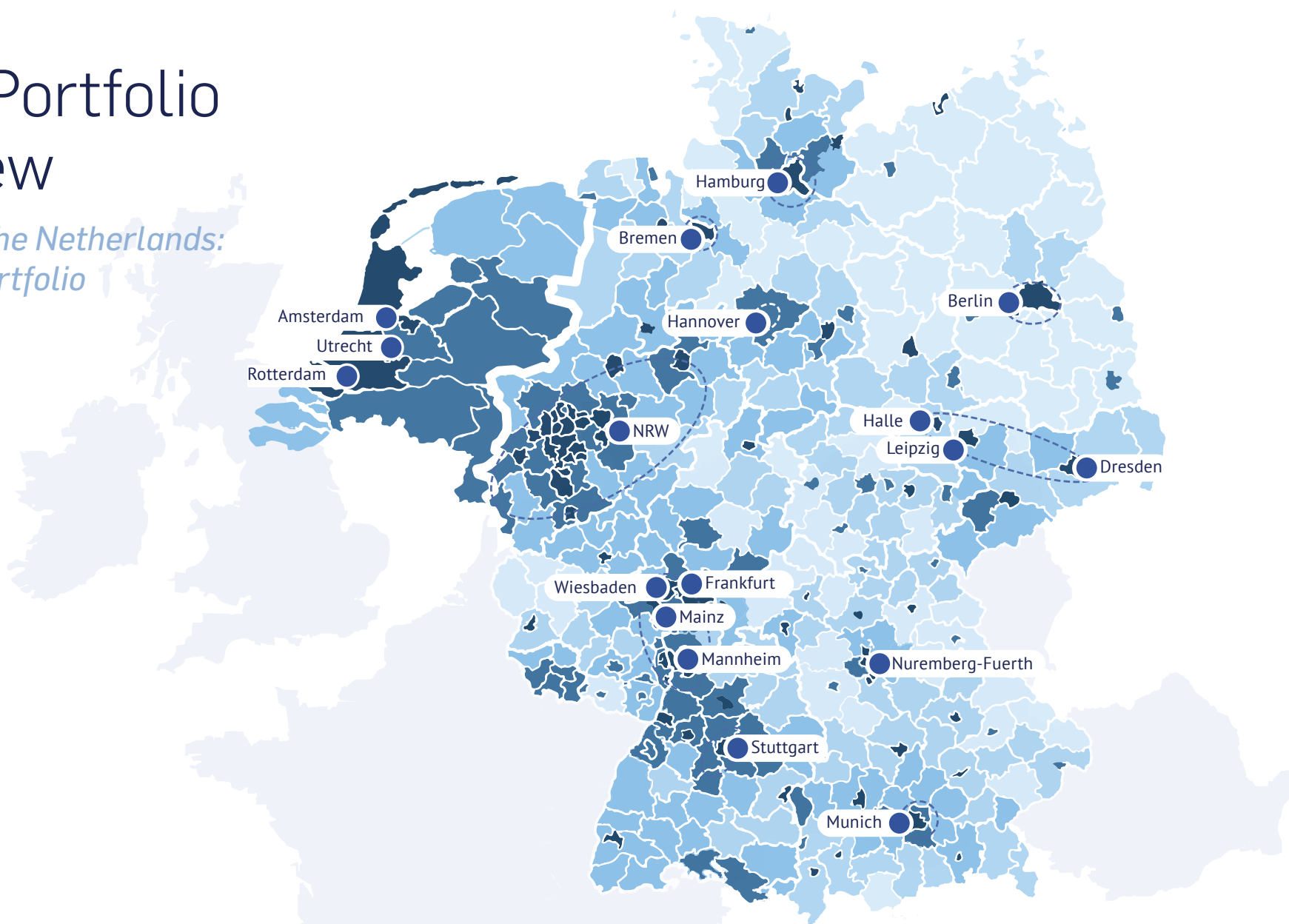
Group Portfolio Overview

*Germany & The Netherlands:
81% of the portfolio*

POPULATION DENSITY IN GERMANY AND THE NETHERLANDS



inhabitants per sqkm
(Destatis & CBS, 2021 & 2022)



● Two of the strongest economies in Europe with AAA credit rating

● Among the lowest unemployment levels in Europe

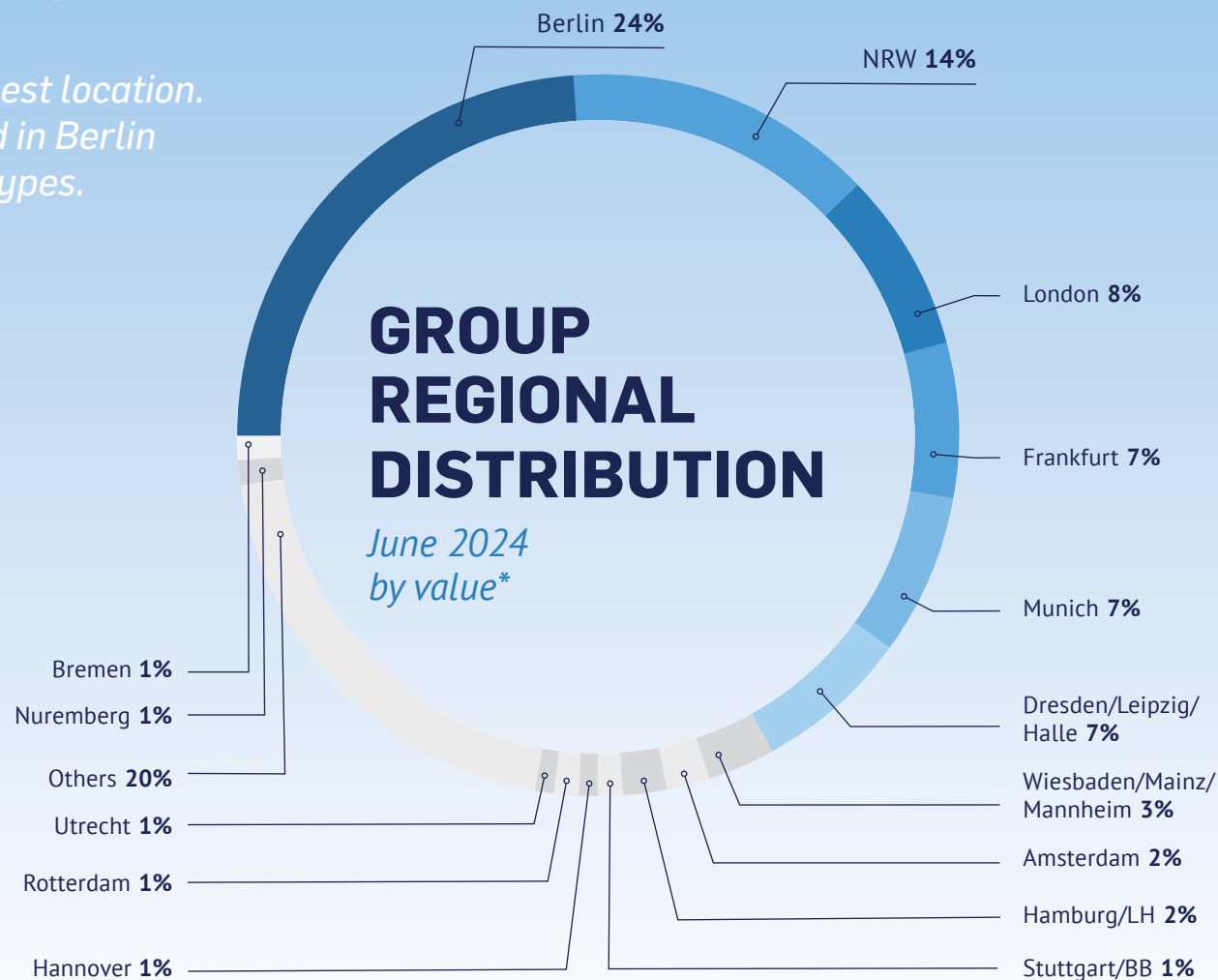
● Low debt/GDP levels compared to European average

● 8 of the 15 largest metropolitans in the EU are in Germany & The NL

● Together making up more than a quarter of the EU's economy

High Geographical Diversification

Berlin is the single largest location. AT is a leading landlord in Berlin across multiple asset types.



*including development rights & invest and excluding properties held for sale



Hackescher Market
Dircksenstrasse
9k sqm

Berlin TV Tower

Alexanderplatz
Karl-Liebknecht-Straße
24k sqm

Alexanderplatz
Karl-Liebknecht-Straße
34k sqm

Alexanderplatz
Karl-Liebknecht-Straße
6k sqm

Alexanderplatz
Bernhard-Weiß-Straße
2k sqm

Alexanderplatz
Alexanderstraße
55k sqm

Alexanderplatz
Train Station

Alexanderplatz
Rathausstraße
11k sqm

Berlin Alexanderplatz

AT has over
140,000 SQM
lettable space in the prime commercial
and tourist center Alexanderplatz

BEST-IN-CLASS BERLIN PORTFOLIO

Central locations within top tier cities:

A Berlin example



- ◆ Commercial properties
- ◆ Residential properties

*Map representing approx. 95% of the portfolio

85%

of the portfolio is located in top tier neighborhoods including Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Friedrichshain, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam

15%

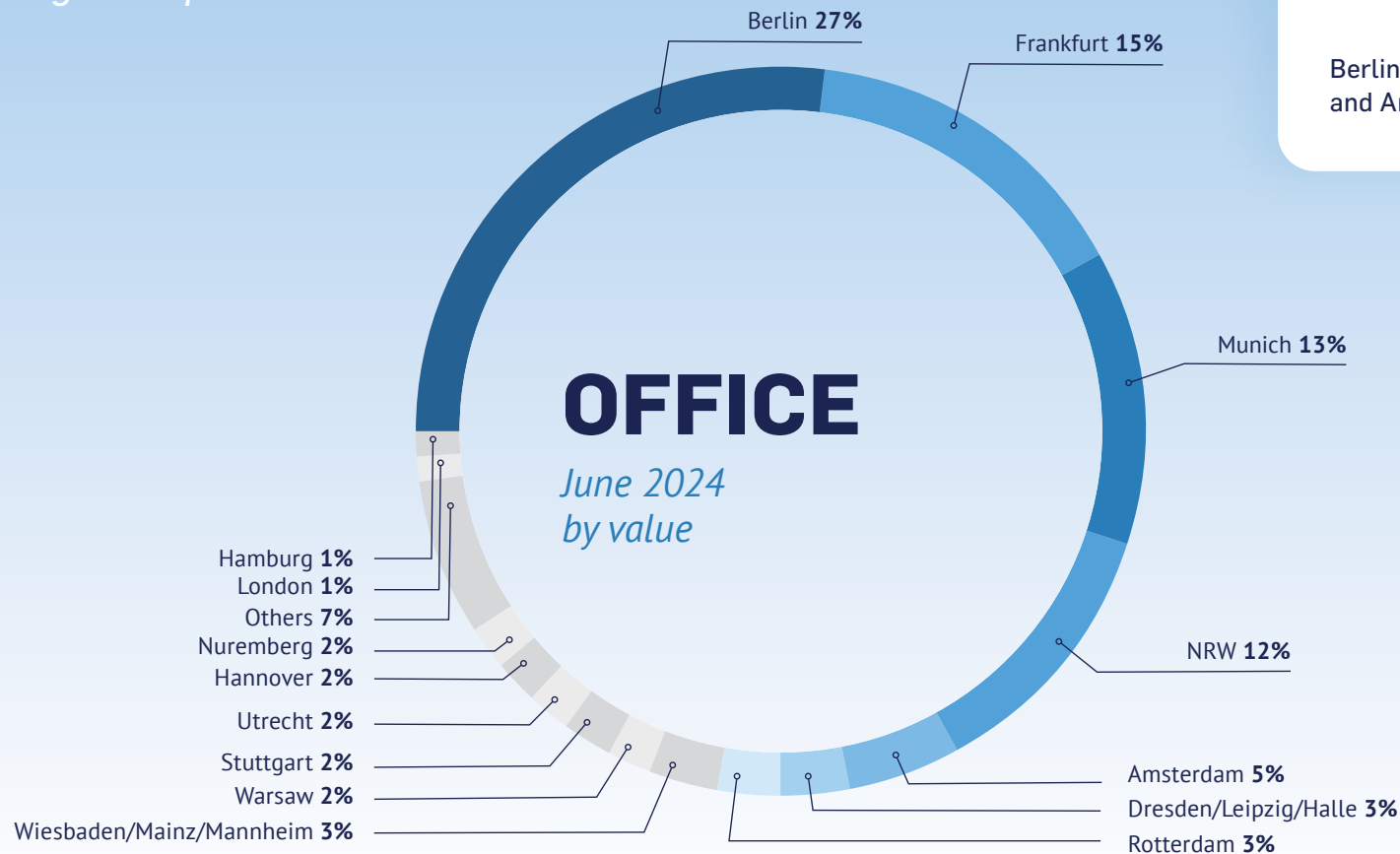
of the portfolio is well located primarily in Reinickendorf, Spandau, Treptow, Köpenick and Marzahn-Hellersdorf

OFFICE: High Quality Offices in Top Tier Cities

*AT is the largest office landlord in
Berlin, Frankfurt and Munich among
publicly listed peers*

**TOP 4
OFFICE
CITIES: 60%**

Berlin, Munich, Frankfurt
and Amsterdam





Leipzig



Utrecht



Stuttgart



Rotterdam



Berlin



Amsterdam



Munich



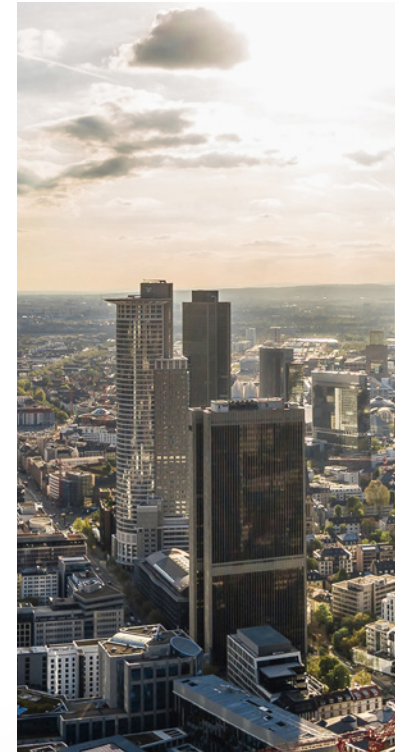
Cologne



Dresden



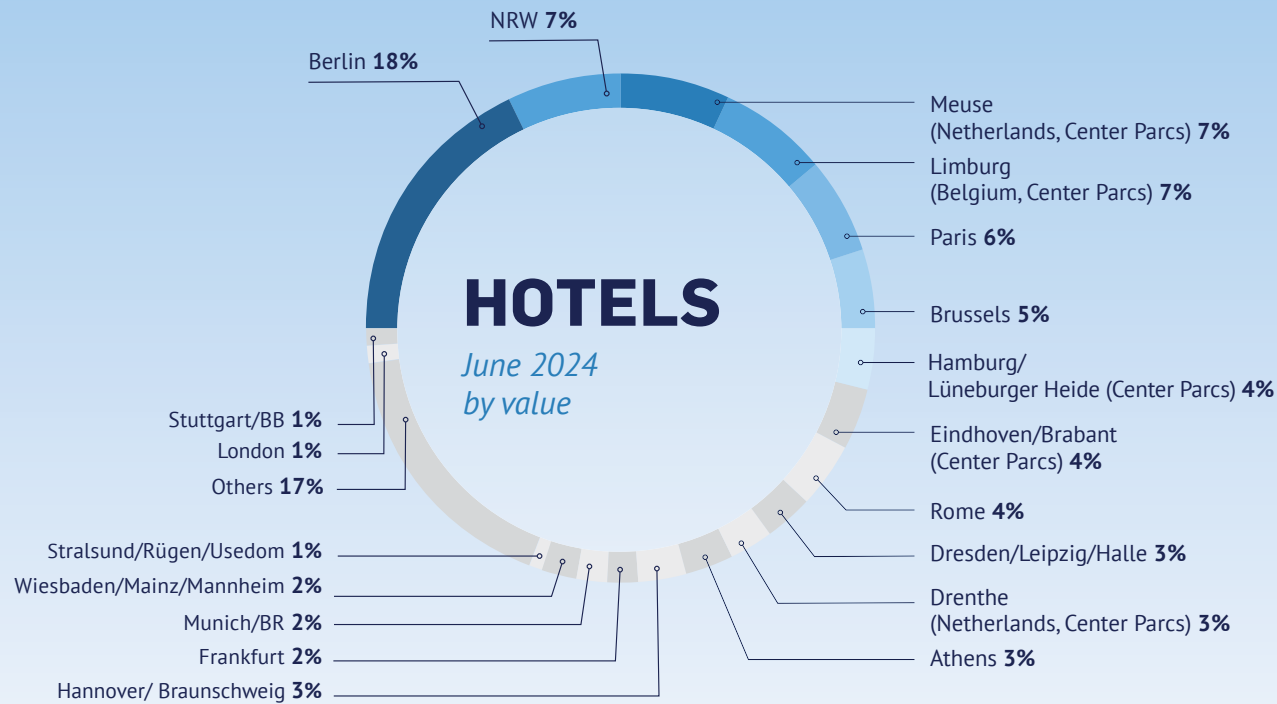
Berlin



Frankfurt

HOTELS: Focus on Central Locations, Quality and Operators with Brand Recognition

Over 150 hotels across top locations with fixed long-term leases with third party hotel operators



AT's hotel portfolio, valued at €4.8 billion as of June 2024, is well diversified and covers a total of 1.6m sqm. The hotels are branded under a range of globally leading branding partners which offer key advantages such as worldwide reservation systems, global recognition, strong loyalty programs, quality perception and benefits from economies of scale. The hotel assets are let to hotel operators which are selected according to their capabilities, track record and experience. AT's management participates in the branding decision of the hotel, applying its expertise in selecting the optimal brand.

Hotels leased to third party operators and franchised with various strong brands and a large scale of categories which provides high flexibility for the branding of its assets



High Geographical Diversification

DIVERSE EUROPEAN METROPOLITAN FOOTPRINT

Fixed long term leases with third party hotel operators

Aroundtown's hotel assets are well-diversified and well-located across major European metropolitans, with a focus on Germany. The locations of AT's hotel assets benefit from a strong tourism industry since they are some of Europe's most visited cities as well as top business locations such as Berlin, Frankfurt, Munich, Cologne, Paris, Rome and Brussels.



Cologne



Berlin



Rome



Hamburg/ Lüneburger Heide (Center Parcs)



Eindhoven/Brabant (Netherlands, Center Parcs)



Berlin



Brussels



Bad Saarow (Brandenburg/Berlin)



Davos



Paris

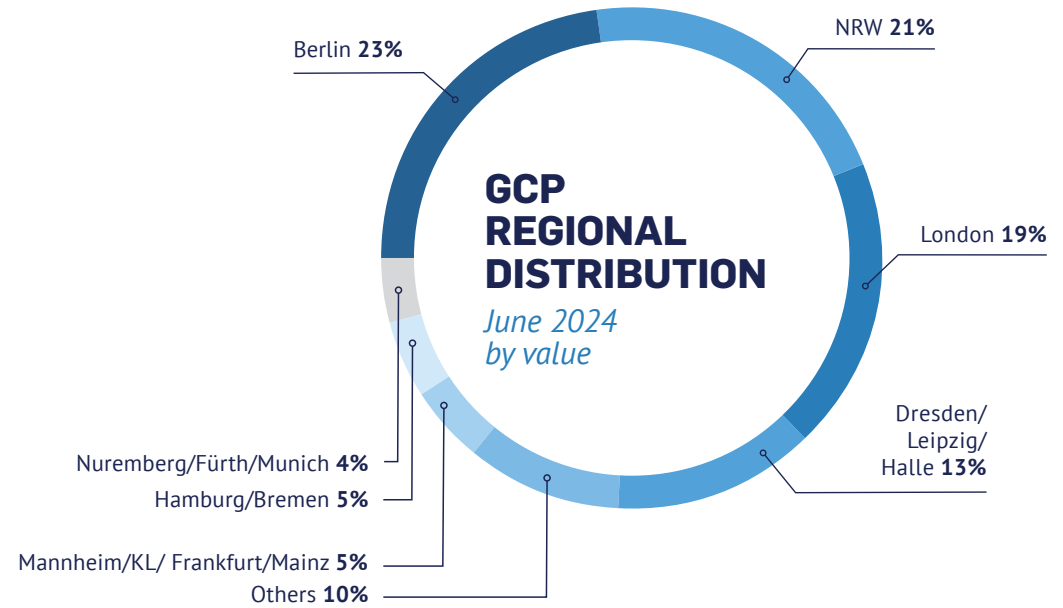


Berlin

Grand City Properties

Residential portfolio

The residential portfolio is primarily held through a 63% stake in Grand City Properties ("GCP") excluding the shares GCP holds in treasury (62% including these shares) as of June 30, 2024. GCP is a leading market player in the German residential market and a specialist in value-add opportunities in densely populated areas, predominantly in Germany, as well as in London. GCP is a publicly listed real estate company, traded on the Frankfurt Stock Exchange. Since July 1, 2021, GCP has been consolidated in AT's financial accounts, providing the Group with a well-balanced portfolio breakdown. GCP holds 62k units in its portfolio with the properties spread across densely populated areas in Germany, with a focus on Berlin, North Rhine-Westphalia and the metropolitan regions of Dresden, Leipzig and Halle, as well as London. GCP includes a relatively small share of commercial properties which AT reclassifies into their relevant asset class. GCP puts a strong emphasis on growing relevant skills in-house to improve responsiveness and generate innovation across processes and departments. Through its Service Center and by supporting local community initiatives, GCP established industry-leading service standards and lasting relationships with its tenants. For more information, please visit GCP's [website](#).



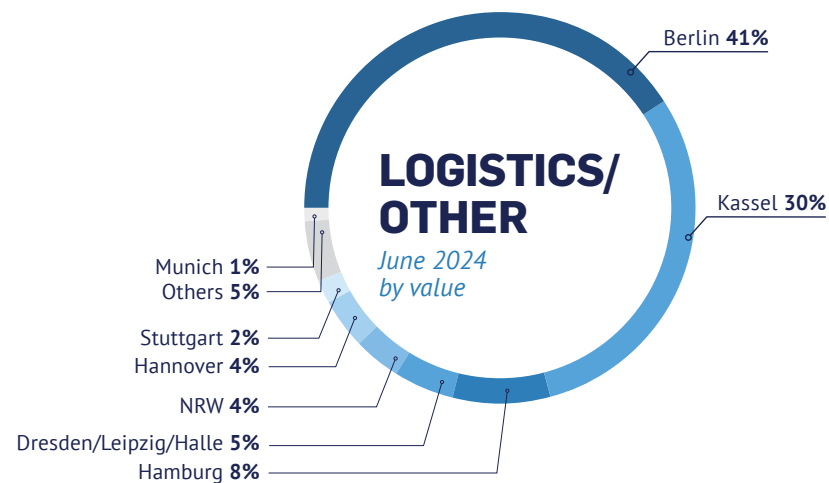
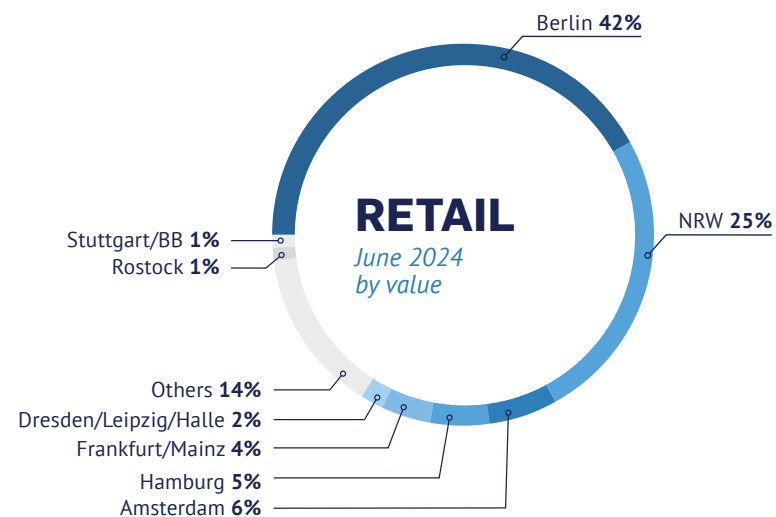
Hamburg

Further Portfolio Diversification through Logistics/Other and Retail

Retail: Largest focus is on resilient essential goods tenants and grocery-anchored properties catering to strong and stable demand from local residential neighborhoods



Kassel



Berlin

Asset type overview

<i>June 2024</i>	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield	WALT (in years)
Office	8,547	3,123	12.9%	444	13.1	2,737	5.2%	4.2
Residential	7,551	3,586	3.7%	376	8.9	2,106	5.0%	NA
Hotel	4,833	1,618	3.2%	246	13.0	2,986	5.1%	14.3
Logistics/Other	403	442	8.2%	26	5.1	911	6.5%	5.1
Retail	1,046	501	11.7%	58	10.8	2,087	5.6%	4.3
Development rights & Invest	1,642							
Total	24,022	9,270	7.9%	1,150	10.9	2,414	5.1%	7.4
Total (GCP at relative consolidation)	20,950	7,832	8.4%	1,001	11.3	2,474	5.2%	7.5

Regional overview

<i>June 2024</i>	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	5,076	1,415	7.7%	210	12.9	3,587	4.1%
NRW	3,194	1,861	8.2%	181	8.4	1,716	5.7%
London	1,808	230	4.3%	95	37.5	7,864	5.2%
Dresden/Leipzig/Halle	1,581	1,046	4.8%	84	6.9	1,511	5.3%
Munich	1,482	524	9.8%	59	9.8	2,830	4.0%
Frankfurt	1,439	486	16.6%	72	14.7	2,965	5.0%
Wiesbaden/Mainz/Mannheim	589	237	6.2%	33	11.8	2,491	5.6%
Amsterdam	554	159	8.3%	29	15.5	3,487	5.1%
Hamburg/LH	457	180	4.5%	28	12.8	2,538	6.0%
Hannover	245	156	16.8%	14	9.2	1,571	5.8%
Stuttgart/BB	226	117	17.3%	12	10.5	1,937	5.3%
Rotterdam	204	83	5.5%	15	14.4	2,455	7.3%
Utrecht	181	70	6.6%	12	13.6	2,611	6.4%
Other	5,344	2,706	6.7%	306	9.9	1,974	5.7%
Development rights & Invest	1,642						
Total	24,022	9,270	7.9%	1,150	10.9	2,414	5.1%

Capital Markets

KEY INDEX INCLUSIONS

Aroundtown's share is a constituent of several major indices such as **MDAX, MDAX ESG+, FTSE EPRA/NAREIT Index Series, MSCI World Small Cap, DJSI Europe** as well as **GPR 100 & 250, GPR Global Top 100 ESG** and **DIMAX**.



INVESTOR RELATIONS ACTIVITIES

The Group is proactively approaching a large investor audience in order to present its business strategy, provide insight into its progress and create awareness of its overall activities to enhance its perception in the market. AT participates in a vast amount of various national and international conferences, roadshows, one-on-one presentations and in virtual video conferences in order to present a platform for open dialogue. Explaining its unique business strategy in detail and presenting the daily operations allows investors to gain a full overview of the Group's successful business approach. The most recent information is provided on Aroundtown's website and open channels for communication are always provided. Currently, AT is covered by 19 different research analysts on an ongoing basis, with reports updated and published regularly.

TRADING DATA	
Placement	Frankfurt Stock Exchange
Market segment	Prime Standard
Trading ticker	AT1
Initial placement of capital	13.07.2015
Key index memberships	MDAX MDAX ESG+ FTSE EPRA / NAREIT: <ul style="list-style-type: none"> - Global - Developed Europe - Eurozone - Germany - Green Indexes DJSI Europe MSCI World Small Cap GPR 100 & 250 GPR Global Top 100 ESG DIMAX
AS OF JUNE 30, 2024	
Number of shares	1,537,025,609
Number of shares, base for share KPI calculations ¹⁾	1,093,513,021 ^{1) excluding suspended voting rights}
AS AT AUGUST 27, 2024:	
Shareholder Structure	Freefloat: 46% Shares held in treasury ⁱⁱ⁾ : 29% Avisco Group/Vergepoint ⁱⁱⁱ⁾ : 15% Stumpf Capital GmbH ⁱⁱⁱ⁾ : 10% <p>ⁱ⁾ 12% are held held through TLG Immobilien AG, voting rights suspended ⁱⁱ⁾ controlled by Yakir Gabay ⁱⁱⁱ⁾ controlled by Georg Stumpf</p>
Market cap	€3.5 bn / €2.5 bn (excl. treasury shares)

Share price performance and total return since initial placement of capital (13.07.2015)





Drenthe (Netherlands, Center Parcs)

Notes on Business Performance



SELECTED CONSOLIDATED INCOME STATEMENTS DATA

	Six months ended June 30,	
	2024	2023
	in € millions	
Revenue	770.8	815.3
Net rental income	587.6	596.0
Property revaluations and capital gains / (losses)	(593.2)	(1,746.0)
Share of loss from investment in equity accounted investees	(41.2)	(62.7)
Property operating expenses	(275.5)	(344.0)
Administrative and other expenses	(31.8)	(31.4)
Operating loss	(170.9)	(1,368.8)
Adjusted EBITDA ¹⁾	502.1	497.5
Finance expenses	(119.6)	(105.4)
Current tax expenses	(63.5)	(58.5)
FFO I ²⁾	154.1	175.3
FFO I per share (in €) ²⁾	0.14	0.16
FFO II ²⁾	160.6	202.8
Other financial results	(26.2)	90.7
Deferred tax income	50.6	247.3
Loss for the period	(329.6)	(1,311.5)

1) including AT's share in the adjusted EBITDA of companies in which AT has significant influence, excluding the contributions from commercial assets held for sale. For more details regarding the methodology, please see pages 42-47

2) including AT's share in the FFO I of companies in which AT has significant influence, excluding FFO I relating to minorities and contributions from commercial assets held for sale. For more details regarding the methodology, please see pages 42-47

OPERATING RESULTS

	Note	Six months ended June 30,	
		2024	2023
		in € millions	
Recurring long-term net rental income		585.0	589.4
Net rental income related to properties marked for disposal		2.6	6.6
Net rental income		587.6	596.0
Operating and other income		183.2	219.3
Revenue	(a)	770.8	815.3
Property revaluations and capital gains / (losses)	(b)	(593.2)	(1,746.0)
Share of loss from investment in equity accounted investees	(c)	(41.2)	(62.7)
Property operating expenses	(d)	(275.5)	(344.0)
Administrative and other expenses	(e)	(31.8)	(31.4)
Operating loss		(170.9)	(1,368.8)

(a) Revenue

In the first six months of 2024 ("H1 2024"), AT recorded net rental income of €588 million, decreasing by 1% compared to €596 million in the first six months of 2023 ("H1 2023"). The decline was mostly due to the impact from net disposals of approx. €1.3 billion since the start of 2023, mostly offset by the 2.9% like-for-like rental growth. The commercial portfolio recorded a like-for-like rental growth of 2.4%, supported by indexation, step-up rent increases and positive momentum in the hotel portfolio, offsetting the impact from the lagging German economy on office letting activity. The residential portfolio continued to benefit from strong operations supported by the systemic supply demand imbalance across portfolio locations and recorded a 3.8% like-for-like rental income growth.

AT further breaks down its net rental income into recurring net rental income and net rental income generated by properties marked for disposal. As AT intends to sell these held-for-sale properties, AT sees their contribution as non-recurring and therefore presents their contributions in a separate line item. In H1 2024, net rental income from held-for-sale properties was €2.6 million, lower compared to the €6.6 million in H1 2023. The decline was mainly due to the smaller disposal volume and held for sale balance. Recurring net rental income totaled €585 million in H1 2024, compared to

€589 million in H1 2023. Recurring net rental income also includes immaterial rental income from properties classified as development rights & invest which is excluded in the run rate.

AT recorded operating and other income in the amount of €183 million in H1 2024, 16% lower compared to €219 million in H1 2023. Operating income is mainly linked to ancillary expenses that are reimbursed by tenants such as utility costs (heating, energy, water, insurance, etc.) and charges for services provided to tenants (cleaning, security, etc.). The reduction in operating and other income was mainly due to the reduced cost of utilities as well as the impact from net disposals. The reduction in the cost of utilities is also reflected in the lower recoverable property operating expenses. Other income also includes income from vendor loans and loans-to-own investments in the amount of €25 million.

Including both net rental income and operating and other income, AT recorded revenue of €771 million in H1 2024, decreasing by 5% compared to €815 million mainly due to the lower operating and other income.

(b) Property revaluations and capital gains / (losses)

Property revaluations and capital gains / (losses) amounted to a loss of €593 million in H1 2024, compared to a loss of €1,746 million in H1 2023. As part of the H1 2024 financials, the full portfolio was revalued by independent and third-party valuers to align with the most updated market environment. As of June 2024, AT recorded a like-for-like value decline of 2.4%, or 1.7% after adding back the capex invested in the portfolio, as compared to December 2023. The valuation decline was mainly due to a slight increase in discount and cap rates used by valuers, partially offset by the growth in AT's operations and in market rents. As a result, the portfolio rental yield increased by 0.1% to 5.1%. The pace of valuation declines significantly slowed down in H1 2024, supported by the improved macro-economic conditions and improved sentiment in the transaction market.

Capital gains or losses represent the sale price of properties disposed compared to their book values. In H1 2024, AT completed approx. €340 million of disposals at a slight premium of 2% to book values and reflecting a capital gain of €5 million. AT executed disposals across almost all asset types of which 67% was office, residential, and hotels, 23% was development rights and 10% was retail. The geographical breakdown of disposals was 38% in London, 29% in non-core locations, 13% in Berlin, 10% in Rotterdam, 5% in Hamburg and 5% in Dresden.

As of June 2024, the portfolio had an average value of €2,414 per sqm and net rental yield of 5.1% compared to €2,421 per sqm and 5.0% as of December 2023.

(c) Share of loss from investment in equity-accounted investees

The share of loss from investment in equity-accounted investees amounted to €41 million in H1 2024, lower compared to €63 million loss in H1 2023. This line item represents AT's share of profits from investments which are not consolidated in AT's financial statements, but over which AT has a significant influence. The loss in H1 2024 was mostly due to slight valuation losses in investees' assets. As of June 2024, the largest equity-accounted investee was the investment in Globalworth Real Estate Investments Limited ("Globalworth" or "GWI") which is a leading publicly listed office landlord in Central and Eastern European markets, mainly focused on Warsaw and Bucharest.

The recurring contribution of equity investees, excluding the non-recurring impact of devaluations, remained robust with an adjusted EBITDA and FFO I of €31 million

and €26 million in H1 2024, compared to €29 million and €23 million in H1 2023, respectively.

(d) Property operating expenses

Property operating expenses totaled €276 million in H1 2024, decreasing by 20% compared to €344 million in H1 2023. The lower expenses were mostly driven by no extraordinary expenses for uncollected hotel rents being recorded compared to last year as the hotel industry recovered back to pre-pandemic levels, the lower cost of utilities which mirrored the decline in operating income, and the impact from net disposals throughout both periods. Excluding the impact of the extraordinary expenses in H1 2023, property operating expenses declined by 14%. The largest component of property operating expenses are ancillary expenses and purchased services which are mainly recoverable from tenants and include utility costs (heating, energy, water, insurance, etc.), charges for services provided to tenants (cleaning, security, etc.) and other services contracted in relation to the operations of properties. Additionally, property operating expenses include maintenance and refurbishment expenses, personnel expenses, depreciation and amortization, and other operating costs that include marketing, letting and legal fees, transportation, travel, communications, insurance, IT and others.

(e) Administrative expenses

AT recorded administrative expenses in the amount of €32 million in H1 2024, stable compared to €31 million in H1 2023. Administrative expenses are mostly composed of administrative personnel expenses, fees for legal, professional, consultancy, accounting and auditing services, and sales, marketing, and IT and other administrative expenses.

RESULTS FOR THE PERIOD & RESULTS PER SHARE

	Note	Six months ended June 30,	
		2024	2023
		in € millions	
Operating loss		(170.9)	(1,368.8)
Finance expenses	(a)	(119.6)	(105.4)
Other financial results	(b)	(26.2)	90.7
Current tax expenses	(c)	(63.5)	(58.5)
Deferred tax income	(c)	50.6	247.3
Impairment of goodwill	(d)	-	(116.8)
Loss for the period	(e)	(329.6)	(1,311.5)
Profit / (loss) attributable to:			
Owners of the Company		(325.2)	(1,039.9)
Perpetual notes investors		97.6	67.0
Non-controlling interests		(102.0)	(338.6)
Basic loss per share (in €)	(e)	(0.30)	(0.95)
Diluted loss per share (in €)	(e)	(0.30)	(0.95)
Weighted average basic shares (in millions)		1,093.4	1,092.9
Weighted average diluted shares (in millions)		1,094.7	1,094.4
Loss for the period		(329.6)	(1,311.5)
Other comprehensive income	(e)	18.3	10.2
Total comprehensive loss for the period	(e)	(311.3)	(1,301.3)

(a) Finance expenses

Finance expenses amounted to €120 million in H1 2024, increasing by 13% compared to €105 million in H1 2023. The increase was mainly due to the higher interest rate environment which resulted in new debt for refinancing purposes to be raised at a higher cost than the current cost of debt, the expiry of certain hedging instruments in between the reporting periods which caused some debt to become variable at current rates, and higher rates within the capped portion of the debt. These impacts were partially offset by higher interest income included in this line item from AT's large liquidity position as well as the effective hedging of variable and capped debt at lower fixed rates, thereby partially offsetting rate increases. Since the start of 2023 and until the end of Q2 2024, AT repaid approx. €1.8 billion of debt mainly from the bond buybacks at discount in 2023 and scheduled redemptions while raising approx. €1.1 billion of new bank debt thereby extending the debt maturity profile and strengthening the liquidity position. As a result of the proactive liability management, the average cost of debt is <2%, the average weighted debt maturity is 4 years and the hedging ratio is 96% as of the end of June 2024.

After the reporting period, the Group successfully issued €1.15 billion of new senior unsecured bonds and repurchased/redeemed early approx. €800 million of near-term bonds at a slight discount, thereby substantially reducing the refinancing risk further. Finance expenses also included finance expenses on lease liabilities of €7 million in H1 2024, lower compared to H1 2023.

(b) Other financial results

Other financial results amounted to an expense of €26 million in H1 2024, compared to an income of €91 million in H1 2023. The income in previous period was mainly driven by bond buybacks at discount while the expense in the current period was mainly driven by the negative changes in the fair value of financial assets. The other financial results line item records the change in the net fair value of financial assets and liabilities, hedging instruments, and derivative instruments which are mainly non-recurring and/or non-cash and thus the result varies from one period to another. Other financial results also include one-off finance related costs incurred to optimize the debt profile like those associated with debt repayments, and expenses related to new financing, currency hedging and others.

(c) Taxation

AT recorded current tax expenses totaling €64 million in H1 2024, increasing by 9% compared to €59 million in H1 2023. Current taxes are composed of income taxes and property taxes. The increase in expenses was mainly due to tax provisions made in relation to updated tax regulation which increased the taxes in some jurisdictions. AT recorded deferred tax income of €51 million in H1 2024, lower compared to an income of €247 million in H1 2023, mainly due to the deferred tax impact from less property devaluations recorded in H1 2024 as compared to in H1 2023.

(d) Impairment of goodwill

AT did not record an impairment of goodwill in H1 2024 compared to an impairment in the amount of €117 million in H1 2023. The goodwill is mainly attributed to GCP's and TLG's deferred taxes which can be impacted by disposals and/or revaluations. The goodwill value will be examined at year-end. EPRA NAV KPI's exclude goodwill and therefore any change in the goodwill balance does not impact these KPIs.

(e) Loss for the period & Loss per share

In H1 2024, AT recorded a net loss of €330 million, a smaller loss compared to a net loss of €1,312 million in H1 2023, mainly due to less property devaluations. The operational performance was offset by the negative property revaluations, net of the associated non-cash deferred tax income, and higher finance and other finance expenses. Correspondingly, a net loss of €325 million was attributed to shareholders in H1 2024 compared to a net loss of €1,040 million in H1 2023 and a net loss of €102 million was attributed to non-controlling interests in H1 2024, compared to a net loss of €339 million in H1 2023. The profit attributable to perpetual notes investors amounted to €98 million in H1 2024, increasing by 46% compared to €67 million in H1 2023 due to the reset of six perpetual notes since the beginning of 2023. In Q2 2024, the Group has successfully executed perpetual note exchange transactions with tender options, targeting these six perpetual notes along with two more notes that have their first call dates in the next twelve months. The exchange transactions reduce the long-term coupon payments and support the credit metrics by S&P. Further details can be found under the *Equity* section of this Board of Directors' report.

The basic and diluted loss per share totaled €0.30 in H1 2024, compared to a basic and diluted loss per share of €0.95 in H1 2023.

AT recorded a total comprehensive loss of €311 million in H1 2024, compared to a loss of €1,301 million in H1 2023. The lower total comprehensive loss was due to the lower net loss and the higher other comprehensive income of €18 million in H1 2024 mainly driven by foreign currency impacts related to hedging activities and changes in forward and other derivative contracts.



Frankfurt

ADJUSTED EBITDA

	Six months ended June 30,	
	2024	2023
in € millions		
Operating loss	(170.9)	(1,368.8)
Total depreciation and amortization	7.8	8.8
EBITDA	(163.1)	(1,360.0)
Property revaluations and capital gains / (losses)	593.2	1,746.0
Share of loss from investment in equity accounted investees	41.2	62.7
Other adjustments ¹⁾	1.4	1.9
Contribution of assets held for sale	(1.5)	(5.4)
Add back: Extraordinary expenses for uncollected hotel rents	-	23.0
Adjusted EBITDA before JV contribution	471.2	468.2
Contribution of joint ventures' adjusted EBITDA ²⁾	30.9	29.3
Adjusted EBITDA	502.1	497.5

1) including expenses related to employees' share incentive plans

2) the adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence and that are not consolidated

Adjusted EBITDA is a key performance measure used to evaluate the operational results of the Group, derived by deducting from the EBITDA non-operational and/or non-recurring items such as revaluation and capital gains, extraordinary expenses, and other adjustments. Additionally, in order to mirror the recurring operational results of the Group, the results from investments in equity-accounted investees is subtracted as this also includes the Group's share in non-operational and non-recurring results generated by these investees. Instead, to reflect their operational earnings, the Group includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where the Group has a significant influence in accordance with its effective holding rate over the period.

Adjusted EBITDA before JV contribution amounted to €471 million in H1 2024, increasing by 1% compared to €468 million in H1 2023. The increase was mainly

due to the like-for-like rental growth of 2.9% and increasing operational profitability which offset the impact from net disposals. Including joint venture positions' adjusted EBITDA contribution, AT recorded an adjusted EBITDA of €502 million in H1 2024, up by 1% compared to €498 million in H1 2023.

AT's adjusted EBITDA also accounts for other adjustments in the amount of €1.4 million in H1 2024, compared to €1.9 million in H1 2023 and are related to non-cash expenses for employees' share incentive plans. In addition, AT conservatively does not include the contributions from properties marked for disposal as they are intended to be sold and therefore, their contributions are non-recurring. This adjustment totaled €1.5 million in H1 2024, lower compared to €5.4 million in H1 2023.



Cologne

FUNDS FROM OPERATIONS (FFO I, FFO II)

	Six months ended June 30,	
	2024	2023
	in € millions	
Adjusted EBITDA before JV contribution	471.2	468.2
Finance expenses	(119.6)	(105.4)
Current tax expenses	(63.5)	(58.5)
Contribution to minorities ¹⁾	(62.4)	(63.7)
Adjustments related to assets held for sale ²⁾	0.2	1.6
Perpetual notes attribution	(97.6)	(67.0)
FFO I before JV contribution	128.3	175.2
Contribution of joint ventures' FFO I ³⁾	25.8	23.1
Extraordinary expenses for uncollected hotel rents	-	(23.0)
FFO I	154.1	175.3
FFO I per share (in €)	0.14	0.16
Weighted average basic shares (in millions) ⁴⁾	1,093.4	1,092.9
FFO I	154.1	175.3
Result from the disposal of properties ⁵⁾	6.5	27.5
FFO II	160.6	202.8

1) including the minority share in TLG's and GCP's FFO

2) the net contribution which is excluded from the FFO amounts to €1.3 million in H1 2024 and €3.8 million in H1 2023

3) the adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence and that are not consolidated

4) weighted average number of shares excludes shares held in treasury; base for share KPI calculations

5) the excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)

Funds from Operations I (FFO I) is an industry standard performance indicator, reflecting the recurring operational profitability. FFO I starts by deducting the finance expenses, current tax expenses and perpetual notes attribution from the adjusted EBITDA. The calculation further includes the relative share in the FFO I of joint venture positions and excludes the share in minorities' operational profits. Furthermore, AT included the extraordinary expenses for uncollected hotel rents and makes an adjustment related to assets held for sale.

In addition, AT provides the FFO II, which is an additional key performance indicator used in the real estate industry to evaluate the recurring operational profits including the disposal gains during the relevant period.

AT generated an FFO I amounting to €154 million in H1 2024, lower by 12% compared to €175 million in H1 2023. The growth in adjusted EBITDA, supported by a higher holding rate in GCP, was offset by the higher finance expenses and perpetual notes attribution. During Q2 2024, the Group has successfully executed perpetual note exchange transactions with tender options, targeting all perpetual notes with past first call dates and first call dates within the next twelve months. The transaction is FFO neutral for 2024 and expected to reduce the coupon payments after 2024, compared to the forecasted pre-exchange levels. Further details can be found under the *Equity* section of this Board of Directors' report. The contribution from assets held for sale, which is excluded from the FFO, totaled €1.3 million in H1 2024, lower compared to €3.8 million in H1 2023. FFO I per share amounted to €0.14 in H1 2024, lower by 13% compared to €0.16 in H1 2023.

AT recorded an FFO II of €161 million in H1 2024, decreasing by 21% compared to €203 million in H1 2023 mainly due to the lower FFO I result and the smaller volume of disposals closed in H1 2024. In H1 2024, AT closed approx. €340 million generating a gain of €6.5 million over total costs.

CASH FLOW

	Six months ended June 30,	
	2024	2023
	in € millions	
Net cash from operating activities	408.0	377.7
Net cash from investing activities	45.4	257.9 ¹⁾
Net cash used in financing activities	(703.0)	(838.3) ¹⁾
Net changes in cash and cash equivalents	(249.6)	(202.7)
Cash and cash equivalents as at the beginning of the period	2,641.2	2,305.4
Other changes ²⁾	6.1	8.3
Cash and cash equivalents as at the end of the period	2,397.7	2,111.0

1) reclassified

2) including change in balance of assets held for sale and movements in exchange rates on cash held
 €408 million of net cash was provided from operating activities In H1 2024, higher by 8% compared to €378 million in H1 2023. The higher operational profitability was mainly due to the like-for-like rental growth of 2.9%, better results in the hotels and lower property operating expenses partially offset by the impact from disposals.

€45 million of net cash was generated by investing activities in H1 2024, compared to €258 million in H1 2023. In H1 2024, approx. €275 million of net cash was received mainly from disposals and repayment of vendor loans, net of new vendor loans granted, transaction costs and tax, as well as distributions from joint ventures and repayment of loans-to-own while €230 million of cash was used mainly for capex and a small amount of acquisitions.

€703 million of net cash was used in financing activities in H1 2024, lower compared to €838 million of net cash used in H1 2023. The decrease was mainly due to the lower net debt repayments in H1 2024, partially offset by the perpetual notes cash tender payments, higher coupon payments to perpetual notes holders and higher net finance expenses.

In total, €250 million of net cash was used during H1 2024. Including other liquid assets, AT's liquidity position was €2.7 billion at the end of June 2024, representing 19% of the total debt position.

ASSETS

	Note	Jun 2024	Dec 2023
		in € millions	
Total Assets	(a)	32,525.5	33,559.3
Non-current assets	(a)	28,067.9	28,867.5
Investment property	(b)	24,022.1	24,632.4
Goodwill and intangible assets	(c)	1,165.6	1,165.7
Investment in equity-accounted investees	(d)	962.7	1,086.5
Long term financial investments and other assets	(e)	1,499.8	1,458.1

(a) Total assets

Total assets amounted to €32.5 billion as of June 2024, 3% lower compared to €33.6 billion as of December 2023 mostly due to the negative property revaluations and the use of cash for the tendered perpetual notes repurchased at discount and net debt repayments, partially offset by operational cashflow recorded in the period. Non-current assets amounted to €28.1 billion as of June 2024, 3% lower compared to €28.9 billion as of December 2023.

(b) Investment property

Investment property represents the largest item under non-current assets and amounted to €24.0 billion at the end of June 2024, lower by 2% compared to €24.6 billion at the end of December 2023, mainly due to the property devaluations, movements of assets into held for sale, and disposals, partially offset by a small amount of acquisitions and capex. The full portfolio was revalued by independent and third-party valuers in H1 2024 to align with the most updated market environment. As of June 2024, AT recorded a like-for-like value decline of 2.4%, or 1.7% after adding back capex, as compared to December 2023 values. The negative property revaluations were mainly due to slightly higher discount and cap rates, partially offset by the growth in operations and market rents. The pace of valuation declines significantly slowed down in H1 2024, mainly due to an improved macro-economic environment.

During H1 2024, AT closed approx. €340 million of disposals at an average premium of 2% to book values, across diverse range of asset types and locations. On the other hand, approx. €80 million of new investment properties were added in the period and

consisted mainly of attractive residential and hotel properties in the UK, mainly in London, with operational upside potential. The majority of these assets were previously held through a joint venture structure and during the period AT increased its stake and obtained control.

(c) Goodwill and intangible assets

Goodwill and intangible assets amounted to €1.2 billion at the end of June 2024, stable compared to €1.2 billion at year-end 2023. As of the end of June 2024, goodwill in the amount of €604 million is related to the TLG takeover and goodwill in the amount of €540 million is related to the consolidation of GCP. All EPRA NAV KPI's exclude the goodwill so any change in the goodwill balance has no impact on these KPI's.

(d) Investment in equity-accounted investees

Investment in equity-accounted investees totaled €1.0 billion at the end of June 2024, lower compared to €1.1 billion at the end of December 2023. The decline was mostly due to valuation losses in investees and obtaining control and consolidation of some investment property. This line item represents the Group's long-term investments in joint ventures in which the Group has a significant influence, but which are not consolidated. The largest investment in this item as at June 30, 2024, which represents half of the total balance of this item, is AT's stake in Globalworth, a leading publicly listed office landlord in Central Eastern European markets, mainly in Warsaw and Bucharest. The holding rate in Globalworth is slightly above 30% as of June 2024, indirectly held through a joint venture. The remaining balance of equity-accounted investees mainly include several positions in real estate properties and investment in real estate related funds specialized among others in Proptech, digitalization and technology in the real estate sector, as well as yielding real estate loan funds, which work in a similar profile to the Group's loans-to-own investments and may provide future access to attractive deals, and additional investments in co-working and renewable energy projects.

(e) Long term financial investments and other assets

Long term financial investments and other assets are mainly comprised of vendor loans that are related to disposals, long-term financial investments and loans-to-own assets. Vendor loans support the facilitation of transactions and were given to several selected buyers of assets that were sold. The loans generally have a maturity of 1-3

years and are expected to be paid in installments from 2024-2026. The loans are secured against the property sold at an initial LTV in the range of 40%-70% at the time of disposal and in case of default gives AT the ability to get the asset back with a penalty to the defaulted buyer (through a process involving a receiver). The balance as of June 2024 is ca. €0.65 billion with an average interest rate of ca. 5%. The future liquidity coming from the repayments of the vendor loans will reduce the Group's leverage as they are conservatively not included in the LTV calculation.

Loans-to-own assets are asset-backed and yielding loans where, under certain conditions, the default of the loan will enable the Group to take over the underlying asset at a material discount. Loans-to-own assets were provided to a diverse number of property owners and sourced through the Group's wide deal sourcing network established over the years. As of June 2024, the loans-to-own balance amounted to €0.4 billion. This item comprises of around 15 investments, with average maturities primarily by 2027, and were given at an average initial LTV of 65%, bearing interest rates of 3%-10% and secured by the underlying asset.

The loans-to-own assets are expected to be repaid or converted into properties and will reduce the Group's leverage. Although the loans-to-own balance is a relatively small part of the Group's balance sheet, it is extending the Group's deal sourcing opportunities, which under certain circumstances may provide attractive options for alternative acquisition opportunities.

Financial investments amounted to ca. €0.4 billion which comprise over 20 investments mainly in real estate funds and potentially co-investments in their attractive deals and financial assets with the expectation for long-term yield.

The long term financial investments and other assets also include ca. €65 million of tenant deposits which are used as a security for rent payments, ca. €50 million of receivables due to revenue straight-lining effect arising from rent-free periods granted to tenants, long-term minority positions in real estate properties and other receivables. Furthermore, non-current assets also include long-term derivative financial assets, deferred tax assets, and advance payments and deposits which mainly refer to advance payments for signed deals, deposits for deals in the due diligence phase and deposits for committed capex programs.

	Jun 2024	Dec 2023
	in € millions	
Current assets	4,457.6	4,691.8
Cash and liquid assets ¹⁾	2,748.7	3,026.1
Trade and other receivables	1,085.8	1,008.3
Assets held for sale ²⁾	412.2	409.4

1) including cash in assets held for sale, short term deposits and financial assets at fair value through profit or loss

2) excluding cash in assets held for sale

Current assets totaled €4.5 billion at the end of June 2024, lower compared to €4.7 billion at the end of December 2023.

The cash and liquid assets balance amounted to €2.7 billion as of June 2024, lower compared to €3.0 billion as of December 2023. Cash and liquid assets mainly decreased as cash was used to repurchase tendered perpetual notes at discount and repay debt, partially offset by operational profitability, net cash proceeds from disposals and repayment of vendor loans and loans-to-own. As of June 2024, AT's liquidity position continues to represent a large proportion of total debt at 19%.

Trade and other receivables balance totaled €1.1 billion at the end of June 2024, compared to €1.0 billion at the end of December 2023. Operating costs and operational rent receivables, pre-paid expenses, and tax assets make up the largest portion and totaled approx. €840 million as of June 2024, higher compared to approx. €775 million as of December 2023. The increase was mainly due to timing impacts related to the settlement of service charges, partially offset by the impact from net disposals. Operating cost receivables relate to ancillary services and other charges billed to tenants. These services include utility and service costs which include heating, water, insurance, cleaning, waste, etc. These operating cost receivables are mainly settled once per year against the advance payments received from tenants and are therefore correlated to pre-payments for ancillary services received from tenants presented under short-term liabilities. Current assets also include financial assets with a maturity of less than 1 year, made up of loans-to-own assets, vendor loans and other receivables which totaled approx. €250 million at the end of June 2024, slightly higher than €230 million at year-end 2023, and explained above as part of the non-current assets.

The assets held for sale balance totaled €412 million as of June 2024, flat compared to €409 million as of December 2023. The closing of disposals included under the assets held for sale balance was offset by the movement of new assets into the held for sale balance. The assets in held for sale are expected to be sold within the next 12 months and once closed will further strengthen the liquidity position. Approx. 70% of this balance are signed but not yet closed. The expected proceeds will strengthen the balance sheet and support future deleveraging.

LIABILITIES

	Jun 2024	Dec 2023
	in € millions	
Short- and long-term loans and borrowings	2,426.7	2,204.1
Short- and long-term straight bonds	11,706.0	12,038.0
Deferred tax liabilities (including those under held for sale)	2,063.7	2,125.1
Short- and long-term derivative financial instruments and other long-term liabilities	841.1	1,076.1
Other current liabilities ¹⁾	1,064.9	966.3
Total Liabilities	18,102.4	18,409.6

1) excluding current liability items that are included in the lines above

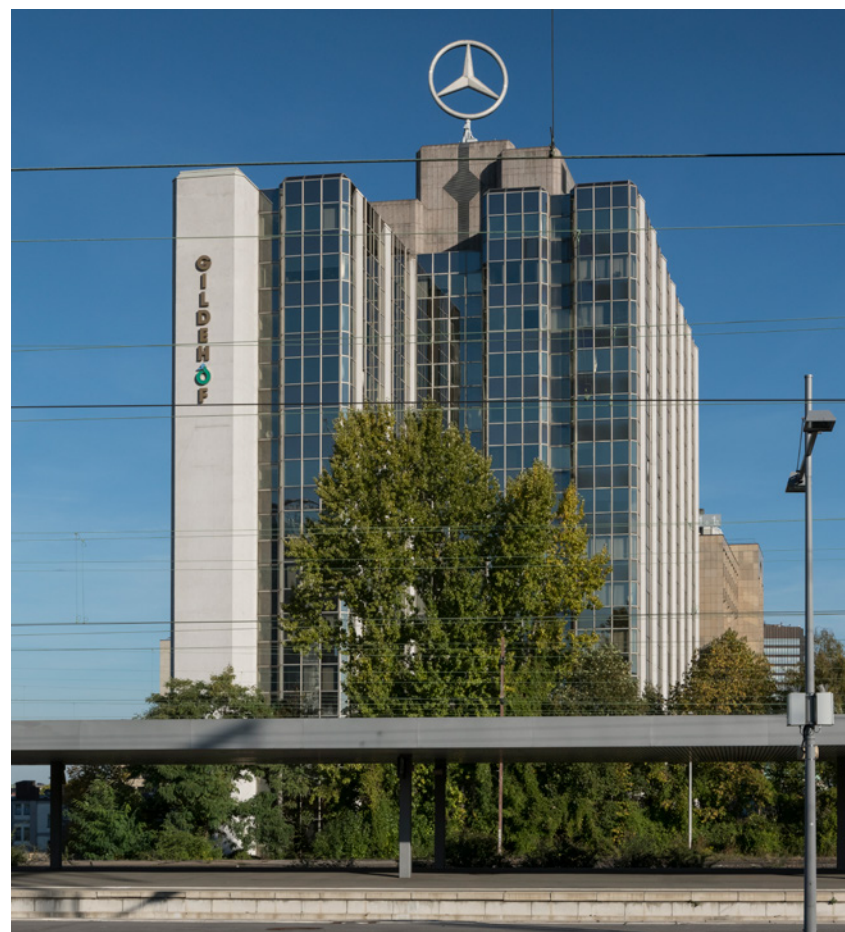
Total liabilities amounted to €18.1 billion as of June 2024, lower by 2% compared to €18.4 billion at the end of December 2023, mainly due to the net debt repayments and lower deferred tax liabilities balance. Total debt from bank loans and bonds totaled €14.1 billion at the end of June 2024, decreasing by 1% compared to €14.2 billion at the end of December 2023. During the reporting period, the Group repaid approx. €330 million in debt, mainly consisting of the maturing AT Series 27 and GCP's Series W 2024 and Series Q 2024 bonds. On the other hand, AT drew approx. €240 million in new bank debt in H1 2024. After the reporting period, the Group successfully issued €1.15 billion in new senior unsecured bonds. The proceeds were used to buyback ca. €800 million in nominal value of shorter-term bonds at a slight discount, primarily through tender offers and early redemptions, and thereby extending the debt maturity profile. Remaining proceeds from the new issuances will be used for covering remaining maturities. Pro forma cash (cash and

liquid assets as of June 2024 plus expected proceeds from signed but not closed disposals, vendor loans, including the impact of the bond issuances, buybacks and redemptions after the reporting period) cover debt maturities until year-end 2026. AT retains €17 billion in unencumbered assets which can be utilized to raise additional secured financing.

Deferred tax liabilities amounted to €2.1 billion at the end of June 2024, lower by 3% compared to €2.1 billion at the end of December 2023. The decline was mainly due to the impact from negative property devaluations and disposals. Deferred tax liabilities are non-cash items that are predominantly tied to revaluation gains, calculated conservatively by assuming theoretical future property disposals in the form of asset deals and as such the full corporate tax rate is applied in the relevant jurisdictions. Deferred tax liabilities represented 11% of total liabilities as of the end of June 2024.

The fair value of short- and long-term derivative financial instruments and other long-term liabilities were lower at the end of June 2024 compared to at the end of December 2023. Other long-term liabilities also include tenancy deposits, lease liabilities mainly in relation to right-of-use assets, and non-current payables to third parties. The derivative financial instruments include a contingent liability created as part of the takeover of TLG.

Other current liabilities amounted to €1.1 billion at the end of June 2024, higher compared to €1.0 billion at the end of December 2023. The increase was mainly due to the timing impacts related to the settlement of service charges, offset by the impact from net disposals. The largest item in other current liabilities is trade and other payables, which mainly comprise of pre-payments for ancillary services received from tenants that are correlated with the operating costs receivables under current assets. Other current liabilities also include tax payables, provisions for other liabilities and accrued expenses and other liabilities in properties held for sale which are not included above. Current assets cover current liabilities by approx. 2 times.



Essen

DEBT METRICS

LOAN-TO-VALUE (LTV)

	Jun 2024	Dec 2023
in € millions		
Investment property ¹⁾	23,975.9	24,580.1
Investment property of assets held for sale	398.3	408.3
Investment in equity-accounted investees ²⁾	729.1	857.1
Total value (a)	25,103.3	25,845.5
Total financial debt ³⁾	14,132.7	14,242.1
Less: Cash and liquid assets ³⁾	(2,748.7)	(3,026.1)
Net financial debt (b)	11,384.0	11,216.0
LTV (b/a)	45%	43%

UNENCUMBERED ASSETS

	Jun 2024	Dec 2023
in € millions		
Rent generated by unencumbered assets ⁴⁾	829.7	855.8
Rent generated by the total Group ⁴⁾	1,158.0	1,158.7
Unencumbered assets ratio	72%	74%

INTEREST COVER RATIO (ICR)

	Six months ended June 30,	
	2024	2023
in € millions		
Finance expenses	119.6	105.4
Adjusted EBITDA ⁵⁾	472.7	473.6
ICR	4.0x	4.5x

- 1) including advance payments and deposits and owner-occupied property and excluding right-of-use assets
- 2) including property related JV's
- 3) including balances under held for sale
- 4) annualized net rent including the contribution from joint venture positions and excluding the net rent from assets held for sale
- 5) including the contributions from assets held for sale, excluding extraordinary expenses for uncollected hotel rents

AT's disciplined debt management approach, strong credit profile and high financial strength are reflected in the solid debt metrics. AT reported an LTV of 45% as of June 2024, increasing compared to 43% as of December 2023 due to negative property revaluations, partially offset by disposals, operational cash flow and suspension of dividends. The use of cash to repurchase tendered perpetual notes at discount, which increased the shareholder equity, improved the credit rating metrics and also increased the LTV. Aroundtown's leverage and financial metrics retain a very significant headroom to bond covenants. The Board of Directors has set an internal LTV guidance of 45% on a sustainable basis, significantly lower than the bond covenants. Following AT's strategy to reduce leverage, the Company expects the LTV to reduce below the Board of Directors' guidance in the coming periods, mainly from disposals and repayments of vendor loans.

The Group's high operational profitability and financial discipline resulted in an ICR of 4.0x in H1 2024, compared to 4.5x in H1 2023 as finance expenses increased by a larger magnitude than adjusted EBITDA. AT had an unencumbered investment property ratio of 72% (by rent) with a total value of €17 billion (excluding held for sale assets) at the end of June 2024. The large pool of unencumbered assets highlights the Group's financial flexibility and provides additional liquidity potential, along with undrawn revolving credit facilities.



Dec 2023

EQUITY

	Jun 2024	Dec 2023
	in € millions	
Total equity	14,423.1	15,149.7
of which equity attributable to the owners of the Company	7,291.1	7,643.3
of which equity attributable to perpetual notes investors	4,480.6	4,756.9
of which non-controlling interests	2,651.4	2,749.5
Equity ratio	44%	45%

Total equity amounted to €14.4 billion at the end of June 2024, lower by 5% compared to €15.1 billion at the end of December 2023, mainly due to the net loss and reduction in the perpetual notes balance. Correspondingly, equity attributable to the owners of the Company and to non-controlling interests amounted to €7.3 billion and €2.7 billion, lower compared to €7.6 billion and €2.7 billion at year-end 2023. In March 2024, the Board of Directors of both Arountown and GCP decided not to recommend a dividend payment for 2023 to be distributed in 2024 given the macro-economic uncertainty and strategic focus on liquidity.

The perpetual notes balance amounted to €4.5 billion at the end of June 2024, lower compared to €4.8 billion at year-end 2023. The decline in the balance was predominantly due to the tendered perpetuals repurchased at a discount of over 30% which reduced the nominal perpetual balance by approx. €230 million. Following IFRS accounting treatment, perpetual notes are classified as equity as they do not have a repayment date, are subordinated to debt, do not have default rights nor covenants and coupon payments are deferrable at the Company's discretion. The perpetual notes are 100% equity under IFRS regardless of whether they are called or not and therefore have no impact on the bond covenants. During Q2 2024, the Group successfully executed perpetual note exchanges and tender offers targeting all notes with past first call dates and first call dates within the next 12 months. The perpetual notes exchange had a high average acceptance rate of ca. 80% and €2.5 billion of new perpetual notes were issued across 5 series. The perpetual exchange and tender offers support credit metrics under S&P methodology and the impacts

are long-term FFO accretive. The Board of Directors of Arountown decided not to call the perpetual notes with a first call date in January 2024 and the reset coupon was adjusted to 4.542%. Furthermore, the Board of Directors of Arountown decided not to call the remaining GBP perpetual notes with a first call date in June 2024 and the higher reset coupon was swapped to 6.85%. The reset rate on the remaining USD perpetual notes that had a first call date in July 2023 was swapped to 5.756%. Perpetual notes remain an important part of the Company's capital structure as they provide a security cushion during volatile times by allowing issuers to manage the timing of any refinancing and conserve cash despite the higher coupon payments.



Düsseldorf

EPRA NAV KPI'S

The European Public Real Estate Association (EPRA) provides three key Net Asset Value (NAV) metrics designed to provide stakeholders with the most relevant information on the fair value of the Group's assets and liabilities. With the evolving nature of their business models, real estate companies progressed into actively managed entities, engaging in non-property operating activities, actively recycling capital and accessing capital markets for balance sheet financing. In line with these developments, EPRA has provided the market with the following three NAV KPI's: EPRA Net Reinstatement Value (EPRA NRV), EPRA Net Tangible Assets (EPRA NTA) and EPRA Net Disposal Value (EPRA NDV).

	Jun 2024			Dec 2023		
	in € millions			in € millions		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to the owners of the Company	7,291.1	7,291.1	7,291.1	7,643.3	7,643.3	7,643.3
Deferred tax liabilities ¹⁾	1,796.3	1,539.7	-	1,841.2	1,564.8	-
Fair value measurement of derivative financial instruments ²⁾	(4.1)	(4.1)	-	14.2	14.2	-
Goodwill in relation to TLG ³⁾	(604.0)	(604.0)	(604.0)	(604.0)	(604.0)	(604.0)
Goodwill in relation to GCP ⁴⁾	(539.8)	(539.8)	(539.8)	(539.8)	(539.8)	(539.8)
Intangibles as per the IFRS balance sheet ⁵⁾	-	(19.9)	-	-	(19.8)	-
Net fair value of debt	-	-	724.5	-	-	1,092.6
Real estate transfer tax ⁶⁾	1,533.1	-	-	1,565.9	-	-
NAV	9,472.6	7,663.0	6,871.8	9,920.8	8,058.7	7,592.1
Number of shares (in millions) ⁷⁾	1,095.2			1,094.4		
NAV per share (in €)	8.6	7.0	6.3	9.1	7.4	6.9

1) excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations. EPRA NRV additionally includes DTL of assets held for sale

2) excluding significant minority share in derivatives

3) deducting the goodwill resulting from the business combination with TLG

4) deducting the goodwill resulting from the consolidation of GCP

5) excluding significant minority share in intangibles

6) including the gross purchasers' costs of assets held for sale and relative share in GCP's relevant RETT

7) excluding shares in treasury, base for share KPI calculations

AT's EPRA NAV KPI's were negatively impacted by the property devaluations net of the deferred tax income, partially offset by the positive operational performance.

The EPRA NRV totaled €9.5 billion or €8.6 per share as of June 2024, both lower by 5%, compared to €9.9 billion and €9.1 per share as of December 2023.

The EPRA NTA amounted to €7.7 billion or €7.0 per share as of June 2024, both lower

by 5%, compared to €8.1 billion and €7.4 per share as of December 2023.

The EPRA NDV amounted to €6.9 billion or €6.3 per share as of June 2024, both lower by 9%, compared to €7.6 billion and €6.9 per share as of December 2023, also due to the higher net fair value of debt from the lower market volatility throughout the period.



Berlin

Alternative Performance Measures

Aroundtown follows the real estate reporting criteria and provides Alternative Performance Measures. These measures provide more clarity on the business and enables benchmarking and comparability to market levels. In the following section, Aroundtown presents a detailed reconciliation for the calculations of its Alternative Performance Measures.

ADJUSTED EBITDA

The adjusted EBITDA is a performance measure used to evaluate the operational results of the Group by deducting from the EBITDA, which includes the *Total depreciation and amortization* on top of the *Operating profit*, non-operational items such as the *Property revaluations and capital gains / (losses)* and *Share of loss from investment in equity accounted investees*, as well as *Contributions of assets held for sale*. Aroundtown adds to its adjusted EBITDA a non-recurring and/or non-cash item called *Other adjustments* which is mainly the expenses for employees' share incentive plans. In order to reflect only the recurring operational profits, Aroundtown excludes the *Share of loss from investment in equity accounted investees* as this item also includes non-operational profits generated by Aroundtown's equity accounted investees. Instead, Aroundtown includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where Aroundtown has significant influence in accordance with its economic holding rate over the period. This line item is labelled as *Contribution of joint ventures' adjusted EBITDA*. Prior to the third quarter of 2021, this line item was mostly attributed to Aroundtown's share in GCP's adjusted EBITDA, however, starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts.

Aroundtown created extraordinary expenses for uncollected hotel rents. Adjusted EBITDA excludes (adds back) these expenses which are called *Extraordinary expenses for uncollected hotel rents*.

Adjusted EBITDA Calculation

Operating profit ¹⁾
(+) Total depreciation and amortization
(=) EBITDA
(-) Property revaluations and capital gains / (losses) ²⁾
(-) Share of loss from investment in equity accounted investees ³⁾
(+) Other adjustments ⁴⁾
(-) Contribution of assets held for sale ⁵⁾
(+) Add back: Extraordinary expenses for uncollected hotel rents ⁶⁾
(=) Adjusted EBITDA before JV contribution ⁷⁾
(+) Contribution of joint ventures' adjusted EBITDA ⁸⁾
(=) Adjusted EBITDA

- 1) Named as „Operating profit“ in FY 2020, 2021 and 2022. Named as „Operating (loss) / profit“ in FY 2023
- 2) Named as „Property revaluations and capital gains“ in FY 2020, 2021 and 2022. Named as „Property revaluations and capital (losses) / gains“ in FY 2023
- 3) Named as „Share in profit from investment in equity-accounted investees“ in FY 2020 and „Share of profit from investment in equity-accounted investees“ in FY 2021 and 2022. Named as „Share of (loss) / profit from investment in equity accounted investees“ in FY 2023
- 4) Including expenses related to employees' share incentives plans. Named as „Other adjustments“ in FY 2023 as no one-off expenses related to TLG merger were recorded in FY 2023. Named as „Other adjustments incl. one-off expenses related to TLG merger“ after the takeover of TLG in FY 2020, 2021 and 2022.
- 5) Named as „Contribution from assets held for sale“ in FY 2020
- 6) Named as „Extraordinary expenses for uncollected hotel rents“ in FY 2023. Named as „Extraordinary expenses for uncollected rent“ in FY 2020, 2021 and 2022. The adjustment started in 2020 after the Covid pandemic in order to reflect the recurring adjusted EBITDA excluding these extraordinary expenses
- 7) Named as „Adjusted EBITDA commercial portfolio, recurring long-term“ in FY 2020
- 8) The adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021, GCP is consolidated. Named as „Adjustment for GCP's and other investments' adjusted EBITDA contribution“ in FY 2020

FUNDS FROM OPERATIONS I (FFO I)

Funds from Operations I (FFO I) is an industry standard performance indicator for evaluating operational recurring profits of a real estate firm. Aroundtown calculates *FFO I* by deducting from the *Adjusted EBITDA before JV contribution*, the *Finance expenses*, *Current tax expenses*, *Contribution to minorities* and adds back *Adjustments related to assets held for sale*. *Adjustments related to assets held for sale* refers to finance expenses and current tax expenses related to assets held for sale. *Contribution to minorities* additionally include the minority share in GCP's FFO I (starting from July 1, 2021) and the minority share in TLG's FFO I excluding the contribution from assets held for sale. Aroundtown additionally deducts the *Perpetual notes attribution* to reach at *FFO I before JV contribution*. Prior to 2021, this figure did not deduct the perpetual notes attribution.

Due to the exclusion of the *Share of loss from investment in equity accounted investees* in the adjusted EBITDA calculation which includes the operational profits from those investments, Aroundtown adds back its relative share in the FFO I of joint venture positions in accordance with the holding rate over the period to reflect the recurring operational profits generated by those investments. This item is labelled as *Contribution of joint ventures' FFO I*. Prior to the third quarter of 2021, this item was mostly attributed to Aroundtown's share in GCP's FFO I, however, starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts. Aroundtown created *Extraordinary expenses for uncollected hotel rents*. Therefore, Aroundtown's *FFO I* included these expenses.

FFO I per share is calculated by dividing the *FFO I* by the *Weighted average basic shares* which excludes the shares held in treasury.

In FY 2020 and FY 2021, Aroundtown additionally showed *FFO I before extraordinary Covid adjustment* and *FFO I per share before extraordinary Covid adjustment* (named as *FFO I before Covid* and *FFO I per share before Covid* in FY 2020), which excluded the *Extraordinary expenses for uncollected rent*.

Starting from FY 2022, this line item is not shown in the table to maintain the focus on the main FFO I KPI.

Funds From Operations (FFO I) Calculation

Adjusted EBITDA before JV contribution
(-) Finance expenses
(-) Current tax expenses
(-) Contribution to minorities ¹⁾
(+) Adjustments related to assets held for sale
(-) Perpetual notes attribution
(=) FFO I before JV contribution ²⁾
(+) Contribution of joint ventures' FFO I ³⁾
(-) Extraordinary expenses for uncollected hotel rents ⁴⁾
(=) FFO I ⁵⁾

- 1) Including minority share in GCP's FFO I (since the consolidation in Q3 2021) and TLG's FFO (since the takeover in Q1 2020)
- 2) Named as „FFO I commercial portfolio, recurring long-term“ in FY 2020. In order to align FFO I better with the market standards, Aroundtown started deducting perpetual notes attribution from its main FFO I KPI in 2020 and from this line item in 2021
- 3) The adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021 GCP is consolidated. Named as „Adjustment for GCP's and other investments' FFO I contribution“ in FY 2020
- 4) Named as „Extraordinary expenses for uncollected rent“ in FY 2020, 2021 and 2022.
- 5) In order to align this KPI better with market standards, in 2020, Aroundtown started deducting the perpetual notes attribution from this KPI

FFO I Per Share Calculation

(c) FFO I
(b) Weighted average basic shares ¹⁾
(=) (c/b) FFO I per share ²⁾

- 1) Weighted average number of shares excludes shares held in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes
- 2) In order to align this KPI better with market standards, in 2020, Aroundtown started deducting the perpetual notes attribution from FFO I

FUNDS FROM OPERATIONS II (FFO II)

Funds from Operations II (FFO II) is an additional measurement used in the real estate industry to evaluate operational recurring profits including the impact from disposal activities. To derive the *FFO II*, the *Results from disposal of properties* are added to the *FFO I*. The results from disposals reflect the profit driven from the excess amount of the sale price, net of transactions costs, to cost price plus capex of the disposed properties.

Funds From Operations II (FFO II) Calculation

FFO I
(+) Result from the disposal of properties ¹⁾
(=) FFO II ²⁾

- 1) The excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)
- 2) In order to align FFO I better with market standards, in 2020, Aroundtown started deducting the perpetual notes attribution

RENTAL YIELD AND RENT MULTIPLE

The rental yield and rent multiple are industry standard indicators to measure the rent generation of a property portfolio relative to its value and are generally used as key valuation indicators.

The *Rental yield* is derived by dividing the *End of period annualized net rental income*, by the *Investment property*. The *End of period annualized net rental income* is the annualized monthly in-place rent of the related *Investment property* as at the end of the period. The *Rent multiple* is the inverse of *Rental yield* and is derived by dividing the *Investment property* by the *End of period annualized net rental income*. As the assets that classified as *Development rights & invest* do not generate material rental income, these are excluded from the calculation.

AT additionally reports rental yield and/or rent multiple on a more granular basis, such as in its portfolio breakdown or in relation to specific transactions, to provide enhanced transparency and comparability on its property portfolio in specific locations and/or in relation to transaction activity.

Rental Yield and Rent Multiple Calculation

(a) End of period annualized net rental income ¹⁾

(b) Investment property ¹⁾

(=) (a/b) Rental yield

(=) (b/a) Rent multiple

1) Excluding properties classified as Development rights & Invest

LOAN-TO-VALUE (LTV)

The Loan-to-Value (LTV) is a measurement aimed at reflecting the leverage of a company. The purpose of this metric is to assess the degree to which the total value of the real estate properties can cover financial debt and the headroom against a potential market downturn. With regards to Aroundtown's internal LTV guidance due to its conservative financial policy, the LTV shows as well the extent to which Aroundtown can comfortably raise further debt to finance additional growth. *Total value* is calculated by adding together the *Investment property* which includes *Advance payments and deposits* and starting from FY 2023 *Owner-occupied property* but excludes the right-of-use assets, *Investment property of assets held for sale* and *Investment in equity-accounted investees* which starting from Dec 2022 include only property related JV's. *Net financial debt* is calculated by deducting the *Cash and liquid assets* from the *Total financial debt* which is a sum of *Short- and long-term loans and borrowings* and *Short- and long-term straight bonds*. *Cash and liquid assets* are the sum of *Cash and cash equivalents*, *Short-term deposits* and *Financial assets at fair value through profit or loss*, as well as cash balances of assets held for sale. Aroundtown calculates the LTV ratio through dividing the *Net financial debt* by the *Total value*.

LTV Calculation

(+) Investment property (incl. advance payments and deposits and owner-occupied property and excl. right-of-use assets) ¹⁾

(+) Investment property of assets held for sale

(+) Investment in equity-accounted investees ²⁾

(=) (a) Total value

(+) Total financial debt ³⁾

(-) Cash and liquid assets ⁴⁾

(=) (b) Net financial debt

(=) (b/a) LTV

- 1) It included inventories - trading property before the item was disposed and starting in Dec 2023 includes Owner-occupied property
- 2) Including property related JV's starting from Dec 2022
- 3) Total of bank loans, straight bonds, schuldscheins and excluding lease liabilities. It included convertible bonds prior to their repayment
- 4) Including balances under held for sale

EQUITY RATIO

Equity Ratio is the ratio of *Total Equity* divided by *Total Assets*, each as indicated in the consolidated financial statements. Aroundtown believes that Equity Ratio is useful for investors primarily to indicate the long-term solvency position of Aroundtown.

Equity Ratio Calculation

(a) Total Equity

(b) Total Assets

(=) (a/b) Equity Ratio

UNENCUMBERED ASSETS RATIO

The Unencumbered assets ratio is an additional indicator to assess Aroundtown's financial flexibility. As Aroundtown is able to raise secured debt over the unencumbered asset, a high ratio of unencumbered assets provides Aroundtown with additional potential liquidity. Additionally, unencumbered assets provide debt holders of unsecured debt with a headroom. Aroundtown derives the *Unencumbered assets ratio* from the division of *Rent generated by unencumbered assets* by *Rent generated by the total Group*. *Rent generated by unencumbered assets* is the net rent on an annualized basis generated by assets which are unencumbered, including the contribution from joint venture positions but excluding the net rent from assets held for sale. In parallel, *Rent generated by the total Group* is the net rent on an annualized basis generated by the total Group including the contribution from joint venture positions but excluding the net rent from assets held for sale.

Unencumbered Assets Ratio Calculation

(a) Rent generated by unencumbered assets ¹⁾

(b) Rent generated by the total Group ¹⁾

(=) (a/b) Unencumbered Assets Ratio

- 1) Annualized net rent including the contribution from joint venture positions and excluding the net rent from assets held for sale

INTEREST COVER RATIO (ICR)

The Interest Cover Ratio (ICR) is widely used in the real estate industry to assess the strength of a firm's credit profile. The multiple indicates the degree to which Aroundtown's operational results are able to cover its debt servicing costs. *ICR* is calculated by dividing the *Adjusted EBITDA* including the contributions from assets held for sale by the *Finance expenses*. *ICR* previously included the contribution from joint venture positions in both the finance expenses and adjusted EBITDA but it was reclassified during 2021 to exclude these contributions in order to reflect the interest cover ratio of the Group's standalone operations excluding its joint venture investments, as well as to simplify this KPI. Aroundtown additionally provides the *ICR, including extraordinary expenses for uncollected hotel rents* and which was previously reported as *ICR, Covid adjusted* and which is calculated by dividing the *Adjusted EBITDA* including extraordinary expenses for uncollected hotel rents and the contributions from assets held for sale by the *Finance expenses*.

ICR Calculation

(a) Finance expenses ¹⁾

(b) Adjusted EBITDA ²⁾

(=) (b/a) ICR

- 1) Previously included contributions from joint venture positions and named as „Group finance expenses“ in FY 2020
- 2) Including the contributions from assets held for sale and previously included contributions from joint venture positions

ICR, Including Extraordinary Expenses for Uncollected Hotel Rents Calculation

(a) Finance expenses

(c) Adjusted EBITDA ^{2) 4)}

(=) (c/a) ICR, including extraordinary expenses for uncollected hotel rents ³⁾

- 1) Previously included contributions from joint venture positions and named as „Group finance expenses“ in FY 2020
- 2) Including the contributions from assets held for sale and previously included contributions from joint venture positions
- 3) Named as ICR, Covid adjusted in FY 2022
- 4) Including extraordinary expenses for uncollected hotel rents.

EPRA NAV KPI'S EPRA NET REINSTATEMENT VALUE (EPRA NRV)

The EPRA NRV is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net assets on a long-term basis, assuming entities never sell assets. This KPI aims to represent the value required to rebuild the company. Aroundtown's *EPRA NRV* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which includes balances in assets held for sale and excludes significant minority share in deferred tax liabilities, as well as excluding deferred tax assets on certain financial instruments in line with EPRA recommendations. Aroundtown also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes significant minority share in derivative financial instruments. These items are added back in line with EPRA's standards as they are not expected to materialize on an ongoing and long-term basis. Aroundtown then deducts the *Goodwill in relation to TLG, Goodwill in relation to GCP* and adds *Real estate transfer tax* which is the gross purchasers' costs in line with EPRA's standards which includes Aroundtown's share in TLG's and GCP's relevant real estate transfer taxes (RETT). Following the consolidation of GCP, the goodwill recognized in relation to GCP became relevant for EPRA NRV calculations. *EPRA NRV per share* is calculated by dividing the *EPRA NRV* by the *Number of shares* which excludes the treasury shares.

The EPRA NAV was discontinued by EPRA starting from FY 2020. Following EPRA guidelines, Aroundtown provided the bridge between the former EPRA NAV and the new EPRA NRV in its FY 2020 report and discontinued reporting EPRA NAV thereafter. The main difference between the former EPRA NAV and the EPRA NRV is the addition of real estate transfer taxes in the EPRA NRV.

EPRA NRV and EPRA NRV Per Share Calculation

Equity attributable to the owners of the Company

(+) Deferred tax liabilities ¹⁾

(+/-) Fair value measurement of derivative financial instruments ²⁾

(-) Goodwill in relation to TLG ³⁾

(-) Goodwill in relation to GCP ⁴⁾

(+) Real estate transfer tax ⁵⁾

(=) (a) EPRA NRV

(b) Number of shares (in millions) ⁶⁾

(=) (a/b) EPRA NRV per share

- 1) Excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations, including DTL of assets held for sale
- 2) Excluding significant minority share in derivatives
- 3) Deducting the goodwill resulting from the business combination with TLG
- 4) Deducting the goodwill resulting from the consolidation of GCP
- 5) Including the gross purchasers' costs of assets held for sale and relative share in TLG's and GCP's relevant RETT
- 6) Excluding shares in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

EPRA NET TANGIBLE ASSETS (EPRA NTA) AND EPRA NTA with RETT

The EPRA NTA is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net tangible assets assuming entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred taxes. Aroundtown's *EPRA NTA* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which excludes the deferred tax liabilities of properties held for sale, retail portfolio, development rights & invest portfolio, GCP's portfolio cities classified as "Others" and significant minority share in deferred tax liabilities, as well as excluding deferred tax assets on certain financial instruments in line with EPRA recommendations. Aroundtown also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes significant minority share in derivative financial instruments. Furthermore, Aroundtown deducts the *Goodwill in relation to TLG*, *Goodwill in relation to GCP* and *Intangibles as per the IFRS balance sheet* which excludes significant minority share in intangibles. The *EPRA NTA* was reclassified in Dec 2022 to exclude *RETT* in order to align better with market standards. The *EPRA NTA per share* is calculated by dividing the *EPRA NTA* by the *Number of shares* which excludes the treasury shares. The *EPRA NTA with RETT* adds gross purchasers' cost of properties which enable RETT optimization at disposal based on track record, including the relative share in GCP's relevant RETT. The *EPRA NTA with RETT per share* is calculated by dividing the *EPRA NTA with RETT* by *Number of shares*.

EPRA NTA (& per share) and EPRA NTA with RETT (& per share) Calculation

Equity attributable to the owners of the Company
(+) Deferred tax liabilities ¹⁾
(+/-) Fair value measurement of derivative financial instruments ²⁾
(-) Goodwill in relation to TLG ³⁾
(-) Goodwill in relation to GCP ⁴⁾
(-) Intangibles as per the IFRS balance sheet ⁵⁾
(=) (a) EPRA NTA⁶⁾
(+) (b) Real estate transfer tax ⁷⁾
(=) (c=a+b) EPRA NTA with RETT⁸⁾
(a) EPRA NTA⁶⁾
(d) Number of shares (in millions) ⁹⁾
(=) (a/d) EPRA NTA per share⁶⁾
(c) EPRA NTA with RETT⁸⁾
(d) Number of shares (in millions) ⁹⁾
(=) (c/d) EPRA NTA with RETT per share⁸⁾

- 1) Excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations
- 2) Excluding significant minority share in derivatives
- 3) Deducting the goodwill resulting from the business combination with TLG
- 4) Deducting the goodwill resulting from the consolidation of GCP. Prior to the consolidation of GCP as of July 1, 2021, there was an adjustment related to surplus on investment in GCP, named as „Goodwill as per the IFRS balance sheet (related to GCP surplus)“
- 5) Excluding significant minority share in intangibles
- 6) Changed in Dec 2022 to exclude RETT
- 7) Including only the gross purchasers' costs of properties where RETT optimization at disposal can be achieved. Additionally including relative share in GCP's relevant RETT
- 8) Previously defined as „EPRA NTA“ or „EPRA NTA per share“ in FY 2020 and FY 2021
- 9) Excluding shares in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

EPRA NET DISPOSAL VALUE (EPRA NDV)

The EPRA NDV is defined by the European Public Real Estate Association (EPRA) as a measure that represents the shareholders' value under a disposal scenario, where deferred taxes, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. Aroundtown calculates its *EPRA NDV* by deducting from the *Equity attributable to the owners of the Company*, the *Goodwill in relation to TLG* and *Goodwill in relation to GCP* and deducting/adding the *Net fair value of debt* which is the difference between the market value of debt and the book value of debt, adjusted for taxes. The *EPRA NDV per share* is calculated by dividing the *EPRA NDV* by the *Number of shares* which excludes the treasury shares.

The EPRA NNNAV was discontinued by EPRA starting from FY 2020. Following EPRA guidelines, Aroundtown provided the bridge between the former EPRA NNNAV and the new EPRA NDV in its FY 2020 report and discontinued reporting EPRA NNNAV thereafter. The main difference between the former EPRA NNNAV and the EPRA NDV is the exclusion of deferred tax liabilities in the EPRA NDV and goodwill related to GCP surplus prior to the consolidation of GCP as of July 1, 2021.

EPRA NDV and EPRA NDV Per Share Calculation

Equity attributable to the owners of the Company
(-) Goodwill in relation to TLG ¹⁾
(-) Goodwill in relation to GCP ²⁾
(+/-) Net fair value of debt
(=) (a) EPRA NDV
(b) Number of shares ³⁾
(=) (a/b) EPRA NDV per share

- 1) Deducting the goodwill resulting from the business combination with TLG
- 2) Deducting the goodwill resulting from the consolidation of GCP. Prior to the consolidation of GCP as of July 1, 2021, there was an adjustment related to surplus on investment in GCP, named as „Goodwill as per the IFRS balance sheet (related to GCP surplus)“
- 3) Excluding shares in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

EPRA LOAN-TO-VALUE (EPRA LTV)

The EPRA LTV is a metric that aims to assess the leverage of shareholder equity within a real estate company. The main difference between EPRA LTV and the Company's calculated LTV is the wider categorization of liabilities and assets with the largest impact coming from the inclusion of perpetual notes as debt, inclusion of financial assets in the net assets and proportionate consolidation adjustments. *EPRA LTV* is calculated by dividing the *EPRA Net debt* by *EPRA Total property value*. *EPRA Net debt* is derived by deducting *Cash and liquid assets* from *EPRA Gross debt*. *Cash and liquid assets* are defined under LTV section above. *EPRA Gross debt* is the sum of *Total financial debt* described under LTV section above, an adjustment related to *Foreign currency derivatives*, *Equity attributable to perpetual notes investors* and *Net payables*. *EPRA Total property value* is the sum of *Investment property* which includes *Advance payments and deposits* but excludes the right-of-use assets, *Investment property of assets held for sale*, *Owner-occupied property*, *Intangibles as per the IFRS balance sheet*, *Net receivables* and *Financial assets*. *Net payables* or *Net receivables* is the sum of *Trade and other receivables* and *Long term financial liabilities and other assets* (both of which excluding loans-to-own assets and vendor loans), net of *Trade and other payables*, *Long term financial liabilities and other payables* (excluding lease liabilities), *Tax payable* and *Provisions for other liabilities and accrued expenses*, including balances in held for sale. If *Net receivables* are larger than *Net payables* in absolute values, the netted sum is shown in *EPRA Total property value*, otherwise in *EPRA Net debt*. *Financial assets* are the sum of loans-to-own assets and vendor loans. The calculation above reaches at *EPRA LTV – Consolidated (as reported)*. Following EPRA guideline, Aroundtown adds its *Share of joint ventures* and deducts *Material non-controlling interests* relating to GCP and TLG for all respective items where relevant which results in *EPRA LTV – Proportionate consolidation* also named as *EPRA LTV*.

EPRA LTV Calculation

(+) Total financial debt ¹⁾
(+/-) Foreign currency derivatives
(+) Equity attributable to perpetual notes investors
(+) Net payables ³⁾
(=) EPRA Gross debt
(-) Cash and liquid assets ¹⁾
(=) (a) EPRA Net debt
(+) Investment property ²⁾
(+) Investment property of assets held for sale
(+) Owner-occupied property
(+) Intangibles as per the IFRS balance sheet
(+) Net receivables ³⁾
(+) Financial assets
(=) (b) EPRA Total property value
(=) (a/b) EPRA LTV ⁴⁾

- 1) The components are described under the LTV section
- 2) Starting in Dec 2023, Investment property under the LTV section was changed to include Owner-occupied property which is added separately below in EPRA LTV
- 3) If Net receivables are larger than Net payables in absolute values, the netted sum is shown in EPRA Total property value, otherwise in EPRA Net debt
- 4) Following EPRA guidelines, Aroundtown adds its share of joint ventures and deducts material non-controlling interests relating to GCP and TLG for all items where relevant

Responsibility statement

To the best of our knowledge, the interim consolidated financial statements of Aroundtown SA, prepared in accordance with the applicable reporting principles for financials statements, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development of the business, and describes the main opportunities, risks, and uncertainties associates with the Group.

Disclaimer

The financial data and results of the Group are affected by financial and operating results of its subsidiaries. Significance of the information presented in this report is examined from the perspective of the Company including its portfolio with the joint ventures. In several cases, additional information and details are provided in order to present a comprehensive representation of the subject described, which in the Group's view is essential to this report.

By order of the Board of Directors, August 28, 2024



Frank Roseen
Executive Director



Jelena Afxentiou
Executive Director

Interim consolidated statement of profit or loss

	Note	Six months ended June 30,		Three months ended June 30,	
		2024	2023	2024	2023
		Unaudited			
in € millions					
Revenue	7	770.8	815.3	384.8	412.7
Property revaluations and capital gains / (losses)		(593.2)	(1,746.0)	(595.6)	(1,612.6)
Share of loss from investment in equity-accounted investees		(41.2)	(62.7)	(45.8)	(67.9)
Property operating expenses		(275.5)	(344.0)	(137.3)	(171.6)
Administrative and other expenses		(31.8)	(31.4)	(15.8)	(15.8)
Operating loss		(170.9)	(1,368.8)	(409.7)	(1,455.2)
Impairment of goodwill		-	(116.8)	-	(116.8)
Finance expenses		(119.6)	(105.4)	(59.0)	(56.3)
Other financial results		(26.2)	90.7	(5.1)	132.7
Loss before tax		(316.7)	(1,500.3)	(473.8)	(1,495.6)
Current tax expenses		(63.5)	(58.5)	(31.0)	(28.0)
Deferred tax income		50.6	247.3	72.9	233.7
Loss for the period		(329.6)	(1,311.5)	(431.9)	(1,289.9)
Profit / (loss) attributable to:					
Owners of the Company		(325.2)	(1,039.9)	(368.2)	(996.4)
Perpetual notes investors		97.6	67.0	52.2	34.2
Non-controlling interests		(102.0)	(338.6)	(115.9)	(327.7)
Loss for the period		(329.6)	(1,311.5)	(431.9)	(1,289.9)
Net loss per share attributable to the owners of the Company (in €)					
Basic loss per share		(0.30)	(0.95)	(0.34)	(0.91)
Diluted loss per share		(0.30)	(0.95)	(0.34)	(0.91)

Interim consolidated statement of other comprehensive income

	Six months ended June 30,		Three months ended June 30,	
	2024	2023	2024	2023
Unaudited				
in € millions				
Loss for the period	(329.6)	(1,311.5)	(431.9)	(1,289.9)
Other comprehensive income / (loss):				
<i>Items that are or may be reclassified subsequently to profit or loss, net of tax:</i>				
Foreign operations – foreign currency translation difference, net of investment hedges of foreign operations	22.6	15.3	2.0	11.4
Cash flow hedges and cost of hedging	10.6	3.4	6.3	0.6
<i>Items that will not be reclassified to profit or loss, net of tax:</i>				
Revaluation of property, plant and equipment	(14.9)	(8.5)	(14.9)	(8.8)
Total comprehensive loss for the period	(311.3)	(1,301.3)	(438.5)	(1,286.7)
Total comprehensive income / (loss) attributable to:				
Owners of the Company	(310.3)	(1,037.7)	(372.0)	(1,001.5)
Perpetual notes investors	97.6	67.0	52.2	34.2
Non-controlling interests	(98.6)	(330.6)	(118.7)	(319.4)
Total comprehensive loss for the period	(311.3)	(1,301.3)	(438.5)	(1,286.7)

Interim consolidated statement of financial position

	Note	As at June 30, 2024	As at December 31, 2023
		Unaudited	Audited
		in € millions	
ASSETS			
Investment property	8.1	24,022.1	24,632.4
Goodwill and intangible assets		1,165.6	1,165.7
Property and equipment		163.1	213.5
Investment in equity-accounted investees		962.7	1,086.5
Advance payments and deposits		95.4	107.4
Derivative financial assets		97.6	138.1
Long term financial investments and other assets		1,499.8	1,458.1
Deferred tax assets		61.6	65.8
Non-current assets		28,067.9	28,867.5
Cash and cash equivalents		2,397.7	2,641.2
Short-term deposits		79.7	127.1
Financial assets at fair value through profit or loss		270.5	257.7
Trade and other receivables		1,085.8	1,008.3
Derivative financial assets		210.9	248.0
Assets held for sale		413.0	409.5
Current assets		4,457.6	4,691.8
Total assets		32,525.5	33,559.3

Interim consolidated statement of financial position (continued)

	Note	As at June 30, 2024	As at December 31, 2023
		Unaudited	Audited
		in € millions	
EQUITY			
Share capital		15.4	15.4
Treasury shares		(2,891.4)	(2,893.3)
Retained earnings and other reserves		10,167.1	10,521.2
Equity attributable to the owners of the Company		7,291.1	7,643.3
Equity attributable to perpetual notes investors	9	4,480.6	4,756.9
Equity attributable to the owners of the Company and perpetual notes investors		11,771.7	12,400.2
Non-controlling interests		2,651.4	2,749.5
Total equity		14,423.1	15,149.7
LIABILITIES			
Loans and borrowings		2,288.7	2,124.2
Straight bonds		10,661.3	11,698.0
Derivative financial liabilities		200.1	306.4
Long term financial liabilities and other payables		525.1	635.1
Deferred tax liabilities		2,039.8	2,106.5
Non-current liabilities		15,715.0	16,870.2
Current portion of long-term loans and loan redemptions		107.2	79.9
Straight bonds		1,044.7	340.0
Trade and other payables		786.2	671.5
Tax payable		77.6	72.5
Provisions for other liabilities and accrued expenses		185.7	215.3
Derivative financial liabilities		115.9	134.6
Liabilities associated with assets held for sale		70.1	25.6
Current liabilities		2,387.4	1,539.4
Total liabilities		18,102.4	18,409.6
Total equity and liabilities		32,525.5	33,559.3

The Board of Directors of Aroundtown SA has authorized these interim consolidated financial statements for issuance on August 28, 2024

Frank Roseen
Executive Director



Jelena Afxentiou
Executive Director



Interim consolidated statement of changes in equity

For the six-month period ended June 30, 2024 (Unaudited)

Attributable to the owners of the Company

	Note	Share capital	Share premium and capital reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Equity attributable to the owners of the Company	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
		in € millions									
Balance as at January 1, 2024 (audited)		15.4	5,073.7	20.2	(2,893.3)	5,427.3	7,643.3	4,756.9	12,400.2	2,749.5	15,149.7
Profit / (loss) for the period		-	-	-	-	(325.2)	(325.2)	97.6	(227.6)	(102.0)	(329.6)
Other comprehensive income for the period, net of tax		-	6.7	8.2	-	-	14.9	-	14.9	3.4	18.3
Total comprehensive income / (loss) for the period		-	6.7	8.2	-	(325.2)	(310.3)	97.6	(212.7)	(98.6)	(311.3)
Transactions with owners of the Company											
Contributions and distributions											
Equity settled share-based payment and other effects		-	(4.3)	-	1.9	-	(2.4)	-	(2.4)	-	(2.4)
Total contributions and distributions		-	(4.3)	-	1.9	-	(2.4)	-	(2.4)	-	(2.4)
Changes in ownership interests											
Transactions with and dividends distributed to non-controlling interests (NCI)		-	-	-	-	10.8	10.8	-	10.8	0.5	11.3
Total changes in ownership interests		-	-	-	-	10.8	10.8	-	10.8	0.5	11.3
Transactions with perpetual notes investors											
Payment to perpetual notes investors		-	-	-	-	-	-	(72.8)	(72.8)	-	(72.8)
Buyback and exchange of perpetual notes	9.1	-	(50.3)	-	-	-	(50.3)	(2,778.8)	(2,829.1)	-	(2,829.1)
Issuance of perpetual notes	9.1	-	-	-	-	-	-	2,477.7	2,477.7	-	2,477.7
Total transactions with perpetual notes investors		-	(50.3)	-	-	-	(50.3)	(373.9)	(424.2)	-	(424.2)
Balance as at June 30, 2024		15.4	5,025.8	28.4	(2,891.4)	5,112.9	7,291.1	4,480.6	11,771.7	2,651.4	14,423.1

The accompanying notes form an integral part of these interim consolidated financial statements

Interim consolidated statement of changes in equity (continued)

For the six-month period ended June 30, 2023 (Unaudited)

Attributable to the owners of the Company

	Share capital	Share premium and capital reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Equity attributable to the owners of the Company	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
in € millions										
Balance as at January 1, 2023 (audited)	15.4	5,186.0	59.6	(3,033.7)	7,358.0	9,585.3	4,747.7	14,333.0	3,490.4	17,823.4
Profit / (loss) for the period	-	-	-	-	(1,039.9)	(1,039.9)	67.0	(972.9)	(338.6)	(1,311.5)
Other comprehensive income for the period, net of tax	-	1.9	0.3	-	-	2.2	-	2.2	8.0	10.2
Total comprehensive income / (loss) for the period	-	1.9	0.3	-	(1,039.9)	(1,037.7)	67.0	(970.7)	(330.6)	(1,301.3)
Transactions with owners of the Company										
Contributions and distributions										
Settlement of mandatory convertible notes	-	(138.5)	-	138.5	-	-	-	-	-	-
Equity settled share-based payment	-	0.8	-	1.3	-	2.1	-	2.1	-	2.1
Total contributions and distributions	-	(137.7)	-	139.8	-	2.1	-	2.1	-	2.1
Changes in ownership interests										
Initial consolidations and deconsolidations	-	-	-	-	-	-	-	-	2.6	2.6
Transactions with non-controlling interests (NCI) and dividends distributed to NCI	-	-	-	-	30.7	30.7	-	30.7	(56.0)	(25.3)
Total changes in ownership interests	-	-	-	-	30.7	30.7	-	30.7	(53.4)	(22.7)
Transactions with perpetual notes investors										
Payment to perpetual notes investors	-	-	-	-	-	-	(66.0)	(66.0)	-	(66.0)
Buyback of perpetual notes	-	4.6	-	-	-	4.6	(6.4)	(1.8)	-	(1.8)
Total transactions with perpetual notes investors	-	4.6	-	-	-	4.6	(72.4)	(67.8)	-	(67.8)
Balance as at June 30, 2023	15.4	5,054.8	59.9	(2,893.9)	6,348.8	8,585.0	4,742.3	13,327.3	3,106.4	16,433.7

The accompanying notes form an integral part of these interim consolidated financial statements

Interim consolidated statement of cash flows

	Six months ended June 30,	
	2024	2023
	Unaudited	
	in € millions	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(329.6)	(1,311.5)
Adjustments to the loss:		
Depreciation and amortization	7.8	8.8
Property revaluations and capital gains	593.2	1,746.0
Share of loss from investment in equity-accounted investees	41.2	62.7
Impairment of goodwill	-	116.8
Finance expenses and other financial results	145.8	14.7
Current and deferred tax (income) / expenses	12.9	(188.8)
Share-based payment	1.4	1.9
Change in working capital	(28.1)	(29.3)
	444.6	421.3
Dividends received	11.1	5.4
Tax paid	(47.7)	(49.0)
Net cash from operating activities	408.0	377.7
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property, equipment and intangible assets	(8.3)	(12.8)
Proceeds from disposals of investment property and proceeds from investees	306.5	520.5
Acquisitions of investment property and associates, investment in capex and advances paid	(230.1)	(210.5)
Investments from / (investment in) traded securities and other financial assets, net	(22.7)	^(*) (39.3)
Net cash from investing activities	45.4	257.9

(*) reclassified

Interim consolidated statement of cash flows (continued)

	Note	Six months ended June 30,	
		2024	2023
		Unaudited	
in € millions			
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments to mandatory convertible notes investors		-	(5.9)
Payments to perpetual notes investors and buyback of perpetual notes	9.1	(424.2)	(67.8)
Buyback and redemption of bonds		(316.5)	(935.6)
Proceeds of loans from financial institutions and others, net of repayments		222.6	376.6
Amortizations of loans from financial institutions and others		(9.2)	(8.0)
Transactions with non-controlling interests		(20.8)	(23.0)
Payments in connection with hedge relations, derivatives and others		(22.2)	(75.7)
Interest and other financial expenses paid, net		(132.7)	(*) (98.9)
Net cash used in financing activities		(703.0)	(838.3)
Net change in cash and cash equivalents		(249.6)	(202.7)
Cash and cash equivalents as at January 1		2,641.2	2,305.4
Assets held for sale – change in cash		(0.7)	3.8
Effect of movements in exchange rates on cash held		6.8	4.5
Cash and cash equivalents as at June 30		2,397.7	2,111.0

(*) reclassified

Notes to the interim consolidated financial statements

1. GENERAL

1.1 Incorporation and principal activities

Aroundtown SA (the “Company” or “Aroundtown”), a public limited liability company (Société Anonyme), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg (formerly: 40, rue du Curé, L-1368, Luxembourg). Aroundtown’s shares are listed on the Prime Standard of the Frankfurt Stock Exchange and included in the MDAX index of the Deutsche Börse (symbol: AT1).

Aroundtown is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities, primarily in Germany, the Netherlands as well as in London. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects.

These interim consolidated financial statements for the six-month period ended June 30, 2024, consist of the financial statements of the Company and its investees (the “Group”).

1.2 Group rating

Aroundtown’s credit rating is ‘BBB+’ with a negative outlook given by Standard and Poor’s (S&P). The rating of ‘BBB+’ also applies to the Company’s unsecured debt. The Group’s subordinated perpetual notes’ rating is ‘BBB-’ with a negative outlook.

The corporate credit rating of Grand City Properties S.A. (a subsidiary of the Company, “GCP”) is ‘BBB+’ with a negative outlook given by S&P, and ‘Baa1’ with a negative outlook given by Moody’s Investors Service (Moody’s), which maintains its public rating on GCP on an unsolicited basis since 2021. The ‘BBB+’ and ‘Baa1’ ratings, both with a negative outlook, also apply to GCP’s senior unsecured debt. GCP’s subordinated perpetual notes are rated ‘BBB-’ with a negative outlook and ‘Baa3’ with a negative outlook, by S&P and Moody’s, respectively.

Aroundtown’s and GCP’s S&P credit ratings were reaffirmed in December 2023.

1.3 Definitions

Throughout the notes to the interim consolidated financial statements following definitions apply:

The Company	Aroundtown SA
The Group	The Company and its investees
Subsidiaries	Companies that are controlled by the Company (as defined in IFRS 10) and whose financial statements are consolidated with those of the Company
Associates	Companies over which the Company has significant influence (as defined in IAS 28) and that are not subsidiaries. The Company’s investment therein is included in the consolidated financial statements of the Company using equity method of accounting
Investees	Subsidiaries, jointly controlled entities and associates
GCP	Grand City Properties S.A. (a subsidiary of the Company; listed for trade in the Prime Standard of the Frankfurt Stock Exchange)
TLG	TLG Immobilien AG (a subsidiary of the Company)
Related parties	As defined in IAS 24
The reporting period	The six-month period ended on June 30, 2024

2. SIGNIFICANT CHANGES IN THE REPORTING PERIOD

The financial position and performance of the Group were affected by the following events and transactions during the reporting period:

1. Completed disposals of investment property in a total value of ca. €340 million (see note 8.2).
2. Drawdowns of secured new bank loans of ca. €225 million, net of repayments. The new loans had a 5-year average tenor.
3. Redemption of three straight bond series with nominal value of ca. €320 million at their maturity date.
4. Executing offers to exchange and tender various of the Group's perpetual notes (see note 9.1).
5. For additional information about changes in the Group's financial position and performance, see the "Notes on business performance" section in the Board of Directors' Report.

3. BASIS OF PREPARATION

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* and are in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

These interim consolidated financial statements do not include all of the information required for a complete set of IFRS financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and December 31, 2023. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2023.

The accounting policies adopted in the preparation of these interim consolidated financial statements, including the judgments, estimates and special assumptions that affect the application of those accounting policies, are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the changes in accounting policies and the adoption of new standard, amendments to standards and interpretations as described in note 4.

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period, and marked as "reclassified".

These interim consolidated financial statements have not been reviewed by an auditor, unless otherwise indicated.

Functional and presentation currency

The Group's interim consolidated financial statements are presented in euro, which is also the Group's functional currency, and reported in millions of euros rounded to one decimal point, unless stated otherwise.

As at June 30, 2024, the Group's main foreign exchange rates versus the euro were as follows:

	EUR/GBP ("British Pound")	EUR/USD ("US Dollar")
June 30, 2024	0.846	1.071
June 30, 2023	0.858	1.087
December 31, 2023	0.869	1.105
Average rate 01-06/2024	0.853	1.077
Changes (%) during the period:		
Six months ended June 30, 2024	(2.6%)	(3.1%)
Six months ended June 30, 2023	(3.2%)	1.9%
Year ended December 31, 2023	(2.0%)	3.6%

4. CHANGES IN ACCOUNTING POLICIES

The following amendments were adopted for the first time in these interim consolidated financial statements, with an effective date of January 1, 2024:

- **Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback**

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right-of-use it retains.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed.

- **Amendments to IAS 1 Presentation of Financial Statements:**

- Classification of Liabilities as Current or Non-current (issued on January 23, 2020);
- Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on July 15, 2020); and
- Non-current Liabilities with Covenants (issued on October 31, 2022)

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

- **Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on May 25, 2023)**

The amendments relate to disclosure requirements in connection with supplier financing arrangements - also known as supply chain financing, financing of trade payables or reverse factoring arrangements.

The new requirements supplement those already included in IFRS standards and include disclosures about:

- Terms and conditions of supplier financing arrangements.
- The amounts of the liabilities that are the subject of such agreements, for which part of them the suppliers have already received payments from the financiers, and under which item these liabilities are shown in the balance sheet
- The ranges of due dates
- Information on liquidity risk

These amendments had no material impact on the Group's interim consolidated financial statements.

5. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured and presented at fair value as at June 30, 2024 and December 31, 2023 on a recurring basis under the relevant fair value hierarchy. Also presented are the Group's material financial liabilities measured at amortized cost.

	As at June 30, 2024					As at December 31, 2023				
	Fair value measurement using					Fair value measurement using				
	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	in € millions					in € millions				
FINANCIAL ASSETS										
Financial assets at fair value through profit or loss ⁽¹⁾	426.3	426.3	213.1	161.0	52.2	418.7	418.7	240.6	135.2	42.9
Derivative financial assets	308.5	308.5	-	308.5	-	386.1	386.1	-	386.1	-
Total financial assets	734.8	734.8	213.1	469.5	52.2	804.8	804.8	240.6	521.3	42.9
FINANCIAL LIABILITIES										
Loans and borrowings ⁽²⁾	2,426.7	2,445.7	-	2,445.7	-	2,204.1	2,221.3	-	2,221.3	-
Straight bonds ⁽³⁾	11,706.0	10,573.8	10,401.7	172.1	-	12,038.0	10,373.8	10,157.2	216.6	-
Derivative financial liabilities	316.0	316.0	-	316.0	-	441.0	441.0	-	441.0	-
Total financial liabilities	14,448.7	13,335.5	10,401.7	2,993.8	-	14,683.1	13,036.1	10,157.2	2,878.9	-

(1) includes the investment in non-current financial assets at fair value through profit or loss

(2) includes the portion classified as held for sale

(3) the carrying amount and fair value exclude accrued interest

Level 1: the fair value of financial instruments traded in active markets (such as debt and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant input required to fair value of financial instrument are observable, the instrument is included in level 2.

Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between level 1, level 2 and level 3 during the reporting period.

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of input such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments and is discussed further below.

Valuation techniques used to determine fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted bonds are based on price quotations at the reporting date. The fair value of unquoted bonds is measured using the discounted cash flow method with observable inputs.
- There is an active market for the Company's listed equity investments and quoted debt instruments.
- For the fair value measurement of investments in unlisted funds, the net asset value is used as a valuation input and an adjustment is applied for lack of marketability and restrictions on redemptions as necessary. This adjustment is based on management judgment after considering the period of restrictions and the nature of the underlying investments.

- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate and foreign exchange swap and forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation technique includes forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves.

6. OPERATING SEGMENTS

6.1 Reportable segments

Products and services from which reportable segments derive their data

Information reported to the Group's Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance is based on Aroundtown's commercial portfolio and GCP's portfolio, and contains the segments' revenue, net operating income and property revaluation and capital gains. The Group's reportable segments under IFRS 8 are therefore as follows:

Commercial portfolio

The portfolio includes mainly office and hotel properties. The Group's assets are well-diversified and well-located across top tier cities in Europe with a focus on Germany and the Netherlands.

GCP portfolio

GCP is a specialist in residential real estate, investing in value-add opportunities in densely populated areas predominantly in Germany and London. GCP's portfolio, excluding assets held for sale and properties under development, as of June 30, 2024, consists of 62 thousand units, located in densely populated areas with a focus on Berlin, North Rhine-Westphalia (Germany's most populous federal state), the metropolitan regions of Dresden, Leipzig and Halle and other densely populated areas as well as London.

6.2 Segment revenues and net operating income

The following is an analysis of the Group's revenue and results by reportable segment:

Six months ended June 30, 2024					
in € millions					
	Commercial portfolio	GCP portfolio	Total reportable segments	Adjustments	Total
Segment revenue	473.5	298.2	771.7	(0.9)	770.8
Net operating income	333.2	170.8	504.0	(0.9)	503.1
Property revaluations and capital gains	(405.9)	(187.3)	(593.2)	-	(593.2)
Share of loss from equity-accounted investees					(41.2)
Administrative and other expenses					(31.8)
Depreciation and amortization					(7.8)
Finance expenses					(119.6)
Other financial results					(26.2)
Loss before tax					(316.7)
Current tax expenses					(63.5)
Deferred tax income					50.6
Loss for the period					(329.6)

Six months ended June 30, 2023					
in € millions					
	Commercial portfolio	GCP portfolio	Total reportable segments	Adjustments	Total
Segment revenue	506.9	309.4	816.3	(1.0)	815.3
Net operating income	316.4	164.7	481.1	(1.0)	480.1
Property revaluations and capital gains	(1,207.2)	(538.8)	(1,746.0)	-	(1,746.0)
Impairment of goodwill	(67.2)	(49.6)	(116.8)	-	(116.8)
Share of loss from equity-accounted investees					(62.7)
Administrative and other expenses					(31.4)
Depreciation and amortization					(8.8)
Finance expenses					(105.4)
Other financial results					90.7
Loss before tax					(1,500.3)
Current tax expenses					(58.5)
Deferred tax income					247.3
Loss for the period					(1,311.5)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in the Group's consolidated financial statements as at and for the year ended December 31, 2023. Segment revenue, net operating income, revaluation and capital gains represent the results earned by each segment without allocation of the depreciation and amortization, administration expenses, share of profits from equity-accounted investees, finance expenses, and tax expenses. These are the measures reported to the Group's CODM for the purpose of resource allocation and assessment of segment performance. The geographical disaggregation is not considered by the Group's CODM on how the operating results are monitored.

7. REVENUE

Six months ended June 30, 2024		
	2024	2023
in € millions		
Net rental income	587.6	596.0
Operating and other income	183.2	219.3
	770.8	815.3

Geographical distribution of revenue

Six months ended June 30, 2024		
	2024	2023
in € millions		
Germany	566.1	604.8
The Netherlands	81.6	90.5
United Kingdom	79.1	81.9
Belgium	13.3	12.7
Others	30.7	25.4
	770.8	815.3

The Group is not exposed to significant revenue derived from an individual customer.

8. INVESTMENT PROPERTY

8.1 Reconciliation of investment property

	2024	2023
	^(*) Level 3	^(*) Level 3
	Unaudited	Audited
in € millions		
Balance as at January 1	24,632.4	27,981.0
Plus: investment property classified as held for sale	408.3	909.1
Total investment property	25,040.7	28,890.1
Additions	83.6	211.5
Modernizations, pre-letting modifications and capital expenditures	166.2	334.6
Disposals (see note 8.2)	(334.8)	(1,273.1)
Effect of foreign currency exchange differences	63.0	52.4
Fair value adjustments	(598.3)	(3,174.8)
Total investment property	24,420.4	25,040.7
Less: investment property classified as held for sale	(398.3)	(408.3)
Balance as at June 30 / December 31	24,022.1	24,632.4

(*) classified in accordance with the fair value hierarchy. Since one or more of the significant inputs is not based on observable market data, the fair value measurement is included in Level 3

8.2 Disposals

During the reporting period, the Group disposed of investment property in the book value of €334.8 million. The sales were done above book value and resulted in a gain of €5.1 million presented as part of the property revaluations and capital gains in the interim consolidated statement of profit or loss. The sales consideration included €69.5 million of vendor loans granted by the Group as a seller.

9. PERPETUAL NOTES

9.1 Exchange and tender offers for the Group's various perpetual notes

In April 2024, following resolutions taken by the Board of Directors of both the Company and GCP, each, the Company and GCP, executed voluntary exchange and tender offers (the "Offers") to the holders of a total of eight outstanding perpetual notes (including those issued by the Company's subsidiaries) that were not called in 2023 and 2024, and for those with first call dates approaching in the next 12 months.

Under the Offers, holders of the relevant existing perpetual notes had the opportunity to exchange existing eligible holdings to one of either:

- new perpetual notes at a relevant exchange ratio and a cash amount for participating in the exchange,
- new perpetual notes at a relevant exchange ratio, a cash amount for participating in the exchange, and 15-20% redemption of their exchanged notes for cash at discount forming a small premium over the market prices prevailing prior to the Offers

Set out below are the Offers' results:

Perpetual notes series tendered	Original currency	Principal amount outstanding prior to the Offers	Principal amount accepted	Thereof principal amount redeemed	Residual principal amount post the Offers	Principal amount accepted
(ISIN)		(in millions of original currency)				(in € millions)
XS1508392625	EUR	368.9	262.0	13.8	106.9	262.0
XS2055106210	EUR	600.0	390.7	24.7	209.3	390.7
XS1752984440	EUR	394.5	282.1	20.1	112.4	282.1
XS2027946610	EUR	500.0	399.3	42.9	100.7	399.3
XS1491364953 ⁽¹⁾	EUR	200.0	151.6	13.2	48.4	151.6
XS1811181566 ⁽¹⁾	EUR	350.0	297.5	20.8	52.5	297.5
XS1634523754	USD	641.5	553.9	60.1	87.6	526.0
XS2017788592	GBP	400.0	379.6	34.8	20.4	444.0
Total principal amount accepted in the Offers (in € millions):						2,753.2

(1) within GCP group

The Offers resulted in a high average acceptance rate of 80% of the tendered nominal values (being ca. €2.8 billion aggregate nominal value of existing perpetual notes). Consequently, the Group issued €2.5 billion of new perpetual notes across 5 different series (detailed in the table below) with extended dates for reset of margins when not called by the Group and simultaneously redeemed at a discount ca. €230 million nominal value of existing perpetual notes as presented in the table above. The total cash paid in the Offers (including for accrued coupons attributed to the accepted notes and net of transaction costs) amounted to €351.4 million.

New series of perpetual notes issued and their main terms:

New perpetual notes series (ISIN)	Original currency	Nominal value issued		Annual coupon rate until first call date (%)	First call date	Next reset margin if not called by the first call date (%)
		(in millions of original currency)	(in € millions)			
XS2799493825	EUR	618.4	618.4	5.000	04/2029	2.349 + 5Y Mid-Swap
XS2799494120	EUR	606.9	606.9	7.125	01/2030	4.508 + 5Y Mid-Swap
XS2799494633 ⁽¹⁾	EUR	409.5	409.5	6.125	01/2030	3.508 + 5Y Mid-Swap
XS2812484728	USD	493.7	458.6	5.836 ⁽²⁾	08/2029	3.163 + 5Y Mid-Swap
XS2812484215	GBP	344.8	401.8	6.950 ⁽²⁾	05/2029	4.493 + 5Y Mid-Swap
Total principal amount newly issued (in € millions):			2,495.2			

(1) within GCP group

(2) effective euro coupon rate after cross-currency swap

9.2 Decision not to exercise options to call

In December 2023, following a resolution made by the Board of Directors of the Company, the Company announced the decision not to exercise the option to voluntarily redeem €394.5 million outstanding nominal value of its 2.125% perpetual notes with first call date on January 17, 2024 (the "EUR Notes"). As stipulated in the terms and conditions of the EUR Notes, the coupon rate starting from January 2024 was set to be at 5-year Mid-Swap rate plus margin of 2.0% p.a. (4.542% p.a.), with the next coupon rate reset date in January 2029.

In May 2024, a similar resolution was made for the Company's £20.4 million outstanding nominal value 3.0% (effective euro coupon rate) perpetual notes with first call date on June 25, 2024 (the "GBP Notes"). As stipulated in the terms and conditions of the GBP Notes, the coupon rate starting from June 2024 was set to be at 5-year Mid-Swap rate plus margin of 4.377% p.a. (8.521% p.a., subsequently swapped into 6.85% p.a. on a fixed notional euro amount) with the next coupon rate reset date in June 2029.

The Group has the option to redeem the EUR Notes and GBP Notes, same for any other perpetual note for which the first call date to voluntarily redeem has passed, at every future coupon payment date, and these have been and will continue being accounted for as equity instruments in the consolidated statement of financial position.

10. COMMITMENTS

As at June 30, 2024, the Group had commitments for future capital expenditures on real estate properties and other financial obligations of ca. €0.3 billion. Furthermore, the Group had signed several deals to dispose of real estate in a volume of ca. €0.2 billion, which were not yet completed and were subject to certain conditions precedent. The Company estimates the completion of these transactions to take place within the next twelve months.

11. CONTINGENT ASSETS AND LIABILITIES

The Group had no significant contingent assets and liabilities as at June 30, 2024.

12. SIGNIFICANT SUBSEQUENT EVENTS

- On July 2, 2024, GCP successfully completed the placement of a €500 million straight bond series Y, maturing in January 2030 and carrying a 4.375% annual coupon. The bonds were issued under EMTN Programme of GCP.
- On July 9, 2024, the Company successfully completed the placement of a €650 million straight bond series 40, maturing in July 2029 and carrying a 4.8% annual coupon. The bonds were issued under the Company's EMTN Programme.
- After the reporting period, the Group bought back through tenders as well as in the secondary market and redeemed ca. €800 million nominal value of its outstanding bonds with original contractual maturities predominantly between January 2025 and February 2027.

13. AUTHORIZATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements were authorized for issuance on August 28, 2024, by the Company's Board of Directors.



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