Branicks

Debt reduction and operational strength

Half-year Report 2024

Contents

About Branicks Group AG

Branicks Group AG is Germany's leading listed specialist for commercial real estate, with more than 25 years of experience in the property market and access to a broad network of investors. Our business is based on a regional and inter-regional real estate platform with nine offices in all major German markets (incl. VIB Vermögen AG). As of 30 June 2024, we have managed 339 assets with a combined market value of EUR 12.5 billion, always close to our properties and their tenants.

The Commercial Portfolio segment represents the proprietary real estate portfolio of Branicks. In this segment, the Group generates steady cash flows from rental income, optimises the value of its portfolio assets, and realises gains from sales. Further income is generated through selected investments. Through its subsidiary VIB, Branicks also acts as project developer for new logistics properties.

The Institutional Business segment comprises the services related to property investments of institutional investors. The managed vehicles mainly include real estate funds investing in European office and logistics properties. Branicks receives management fees for various elements of its active management service provided during the term of the funds.

Our business model

Match:
Matching properties, users, investors

Transact:
Initiating and structuring transactions to achieve growth and realise the added value create

Develop:
Further developing, maintaining and optimising our managed real estate portfolio

Operate:
Managing real estate comprehensively, actively and sustainably

Key figures

Key financial figures

in EUR million	H1 2024	H1 2023	Δ	Q2 2024	Q2 2023	Δ
Gross rental income	89.1	96.9	7.8	44.7	46.4	1.7
Net rental income	77.1	85.0	7.9	38.6	41.0	2.4
Real estate management fees	20.8	21.8	1.0	11.1	11.3	0.2
Proceeds from sales of property	17.1	356.4	339.3	4.1	0.0	4.1
Profits on property disposals	0.5	8.2	7.7	0.5	0.0	0.5
Share of the profit or loss of associates	3.4	2.8	0.5	1.7	1.9	0.2
Funds from Operations excluding non-controlling interest (FFO)	19.4	22.4	3.0	9.0	9.5	0.5
Funds from Operations II (excluding non-controlling interest, including profit on disposals)	19.9	29.9	10.0	9.0	9.5	0.5
EBITDA	69.4	84.7	15.3	34.5	37.7	3.2
EBIT	– 87.6	24.4	112.1	14.3	– 4.2	18.4
Result for the period	– 131.5	– 16.6	115.0	– 122.7	– 18.8	103.9
Cash flow from operating activities	19.1	64.0	44.9	0.5	57.9	57.4

Key financial figures

per share in EUR[1]	H1 2024	H1 2023	Δ	Q2 2024	Q2 2023	Δ
FFO per share (excluding non-controlling interest)	0.23	0.27	0.04	0.12	0.11	0.01
FFO II per share (excluding non-controlling interest)	0.24	0.36	0.12	0.13	0.11	0.02
Earnings per share (excluding non-controlling interest)	– 1.22	– 0.18	1.03	– 1.11	– 0.18	0.93

[1] All per share figueres adjusted in accordance with IFRSs (average number of shares 6M 2024: 83,565,510; 6M 2023: 83,286,766).

Balance sheet figures

in EUR million	30.06.2024	31.12.2023
Investment property	3,013.9	3,398.6
Non-current assets held for sale (IFRS 5)	527.4	237.5
Equity	1,386.7	1,527.1
Financial liabilities (incl. IFRS 5)	2,744.1	2,974.2
Total assets	4,473.8	4,846.2
Loan-To-Value ratio (LTV)[2]	61.5 %	60.1 %
Adjusted LTV[2, 4]	58.8 %	57.6 %
NAV per share (in Euro)[1]	15.21	15.54
Adjusted NAV per share (in Euro)[4]	17.31	17.63

Key operating figures

	30.06.2024	31.12.2023
Number of properties	339	351
Assets under Management in EUR billion	12.5	13.2
Rental space in sqm	4,546,398	4,609,408
Letting result in sqm	180,900	446,600

Key operating figures (Commercial Portfolio)[3]

	30.06.2024	31.12.2023
Annualised rental income in EUR million	179.5	179.1
EPRA vacancy rate in %	6.2	5.3
WALT in years	4.5	4.9
Avg. rent per sqm in EUR	9.06	8.92
Gross rental yield in %	5.3	5.2

[1] All per share figueres adjusted in accordance with IFRSs (number of shares 30.06.2024: 83,565,510; 31.12.2023: 83,565,510).
[2] Adjusted for warehousing.
[3] Calculated for the Commercial Portfolio only, without repositioning and warehousing.
[4] Incl. full value of Institutional Business.

Foreword

Dear shareholders,

We are delivering on our promises – and doing so in an environment dominated by lingering uncertainty in the real estate market as well as geopolitical crises and economic problems in the first half of 2024.

Although the first green shoots of recovery are appearing in the commercial real estate transaction market, overall volumes remain low. Against this backdrop, Branicks was a very active participant in the market in the first six months of the current year, selling 15 properties for a combined EUR 361 million, although some of these transactions were only notarised in the third quarter. This underscores the high quality of our real estate portfolio.

The financial year to date has been shaped by two key issues: refinancing and reducing debt within our Group on the one hand, and stabilizing our operational strength as well as returning to profitable earnings and cash flow growth on the other. We achieved significant success in both of these areas in line with the restructuring plan set out at the end of March 2024. For example, we were able to massively reduce our bridging loan thanks to both strong like-for-like rental income – which rose 2% compared to the prior-year figure despite our sales activity – and the transaction income we generated. Our bridging loan amounted to EUR 500 million at the start of 2022 and was reduced to EUR 200 million at the end of 2023. We were able to reduce it to EUR 120 million by the middle of 2024, with this figure falling further still to just EUR 40 million by the end of August thanks to additional transaction proceeds and rental income as well as management fees for project development activities. This allows us to drastically lower our future financing costs and achieve our goal of reducing our bridging loan to zero by the end of 2024 and improving our debt ratios. We are doing everything we can to drop below the all-important 50% threshold by the end of 2025.

Our operating performance is similarly impressive. Although our funds from operations (FFO) are down on the previous year at EUR 19.4 million after the first six months of the year, we are still well on track to achieve our annual target of EUR 40 to 55 million. The development of our letting business was encouraging with net rental income of EUR 77.1 million. The year-on-year decline was primarily attributable to property sales. Here, too, we are still aiming to reach our stated full-year target of EUR 500 to 600 million in the Commercial Portfolio.

The aforementioned transactions were also the main reason why assets under management stood at EUR 12.5 billion as of 30 June 2024, of which EUR 3.6 billion is attributable to the Commercial Portfolio and EUR 8.9 billion to the Institutional Business segment, our third-party business for institutional investors. As part of the ongoing optimisation of our portfolio, we are ramping up our strategic focus on the logistics and office asset classes, which make up 80% of the market value of the Commercial Portfolio as of the reporting date. We are proud of our consistent efforts to upgrade our properties to make them more sustainable, and we were able to increase the share of Green Buildings in our Commercial Portfolio to 44.2%. This is a key element of our future value creation and reflects the wishes and demands of our tenants and investors.

Thanks to these successes and the package of cost efficiency enhancement measures planned for the next few quarters, we are on track to return to net profit and generate positive cash flows by 2026. The following strategic targets are fundamental prerequisites for achieving this goal:

- Consistently repaying our debt as already mentioned
- Boosting recurring cash flows from both business units
- Establishing our new renewables asset class as a growing source of income
- Continuing our active 360-degree property management approach
- Maintaining relatively stable vacancy rates and weighted average lease terms (WALT)
- Consistently focusing on cost discipline and reducing operating expenses

We have asked so much of you, our shareholders, and we share your dissatisfaction with our share price performance. And there is still a lot to do. Nevertheless, if we continue to successfully refinance our Group and restore its operational strength, then I – as the CEO of Branicks Group AG with a not insignificant role to play in its process – am confident that the capital markets will reward our efforts. In addition to the ambitions I have already mentioned, we are also aiming to restore Branicks's status as a reliable dividend stock in the medium term.

To do this, we need to keep delivering; there is no alternative.

We would like to express our heartfelt thanks to our employees across the entire Group for their incredible dedication and contribution in these challenging times and would also like to thank you, our shareholders, for placing your trust in our company.

Kind regards,

Frankfurt am Main, August 2024

Sonja Wärntges
Chief Executive Officer

Interim Group management report

Macroeconomic trends

German economy stabilises in first half of 2024

The German economy stabilised in the first half of 2024 despite the persistently challenging global environment. According to Federal Statistical Office data, gross domestic product (GDP) grew by 0.2% in the first quarter compared to the previous quarter. However, this recovery soon faltered in the second quarter with a modest 0.1% decline in economic output. As a result, Germany's GDP for the second quarter of 2024 was down 0.1% on the prior-year figure after adjusting for price and calendar effects.

Investments in equipment and construction in particular declined year-on-year. The anticipated recovery in consumer spending largely failed to materialise at the start of 2024, with private consumer spending stagnating in the first quarter despite the fall in inflation. As a result, the development of consumer spending lagged significantly behind the rise in disposable income, primarily due to increased savings rates and a reduced propensity to buy.

Mood among companies improves slightly

The ifo Business Climate Index stood at 88.6 points in June 2024, improving modestly compared to the end of 2023 (86.4 points). This increase was entirely due to the improvement in companies' expectations (+4.7 points), while their assessment of the current situation (– 0.2 points) remained virtually unchanged. According to the ifo Institute, the German economy is still struggling to overcome stagnation. In June 2024, sentiment was negative in the main construction trade and retail in particular, while the service sector was most confident about the future.

ECB lowers key interest rates

Inflation rates continued to steadily decline in both Germany and the eurozone in the first half of 2024. Germany's inflation rate of 2.2% in June 2024 was only just above the European Central Bank (ECB)'s 2% target, having stood at 3.7% as recently as December 2023. The decline in inflation primarily resulted from lower energy and food prices. Core inflation, which is adjusted for highly volatile food and energy prices, dropped below the 3% mark for the first time since February 2022 to reach 2.9% in June 2024.

German economy stagnating
GDP in Q2 2024
– 0.1%
(year-on-year)

Sentiment slightly brighter
ifo Business Climate Index:
88.6 points
(December 2023: 86.4 points)

Stable labour market
+178 thousand employed people
(year-on-year)

Inflation rate approaching ECB target
Inflation
+2.2%
(June 2024)

The ECB responded to declining inflation rates by lowering its main refinancing rate by 25 basis points to 4.25% in June 2024. Although the ECB has not committed to any further rate cuts in the second half of the year, it stressed that the inflation outlook has improved considerably since it last raised rates in September 2023.

Stable labour market

As in the previous year, the trend seen on the German labour market was uneven but fundamentally stable in the first half of the year. While the number of unemployed people grew by 172,000 year-on-year in June 2024, the most recent data available from the Federal Statistical Office put the number of employed people at 46.0 million, a year-on-year increase of around 178,000 people.

Sector trends

Rental market in the first half of 2024

Office asset class: take-up increases by 9%

According to estimates from real estate consultancy Jones Lang LaSalle (JLL), Germany's office rental market completed a positive turnaround in the first half of 2024. Although take-up remained well below the 10-year average at 1.27 million sqm, this still represents a 9% increase compared to the previous year's relatively weak figure. JLL primarily attributes this increased willingness to conclude leases to the robust labour market as well as companies' persistently high propensity to hire new staff, particularly in the service sector relevant to the office market.

A mixed picture emerged among Germany's top 7 office locations. With strong growth observed in Stuttgart (+45%) and Munich (+21%) while Hamburg (–17%) and Cologne (–8%) were both down on the previous year. According to JLL, the increasing importance of quality and sustainability in office properties – a trend that has been observed for some time now – continued unabated in the first half of the year.

Approximately 0.90 million sqm of office space was completed overall in the first six months of 2024, a surge of 37% that is primarily attributable to the previous year's weak basis for comparison. At the same time, the number of new construction projects being postponed or abandoned remained high, with high construction costs and more stringent project financing requirements for banks having a particularly adverse impact.

Office space take-up in top 7 cities
1.3 million sqm
(+9% year-on-year)

Completed space
0.9 million sqm
(+37% year-on-year)

Vacancy rate
6.2%
(previous year: 5.3%)

Prime rents
+4.4%
(year-on-year)

Moderate increase in vacancies, prime rents continue to rise

The average vacancy rate increased to 6.2% at the end of the first half of 2024 (previous year: 5.3%). JLL primarily attributes this rise to weak demand triggered by economic factors. With the exception of Düsseldorf, the vacancy rate remained in the single-digit percentage range in all of the other top 7 office locations.

Competition for prime space in central locations triggered a further rise in prime rents in the first half of the year, with the JLL Prime Rental Index climbing by 4.4% year-on-year. However, almost all of the top locations showed stable development in the second quarter of 2024. JLL recorded significantly more subdued performance outside the top locations, with landlords facing increasing pressure to grant incentives in B and C locations in particular.

Industrial and logistics asset class: moderate growth compared to weak previous year

According to data from Colliers, take-up in the top 8 industrial and logistics real estate markets was around 956,000 sqm in the first half of 2024. While this represents year-on-year increase of 5%, comparing this figure with the second half of 2023 (– 23%) and the 5-year average (– 28%) shows that letting volumes remain low in absolute terms. Experts from BNP Paribas Real Estate (BNPPRE) attribute this result to continued economic weakness that is slowing demand as many companies opt to extend existing leases, which is not factored in when calculating take-up.

Developments were uneven from a regional perspective in the first half of the year, With strong growth in Cologne (+124%) and Frankfurt (+68%) contrasting with declines in Leipzig (– 39%) and Düsseldorf (– 19%).

After a sharp rise in rents in recent years, rent levels largely stabilised in the first half of 2024 compared to the end of 2023, as prime rents still achieved average growth of 6% compared to 30 June 2023. With the exception of Leipzig, prime rents across all top logistics regions exceeded EUR 7/sqm in the first half of 2024, and even topped EUR 9/sqm in Munich.

Investment market in the first half of 2024

Transaction activity rising, absolute volumes still low

As anticipated by numerous market observers, the German commercial real estate investment market recorded an upturn in the first half of 2024. According to BNPPRE, transaction volumes rose by 34% to EUR 12.2 billion. This increase was primarily driven by the portfolio segment, which more than doubled to a volume of EUR 2.7 billion. However, the positive trend for the first half of 2024 must also be viewed against a backdrop of anaemic transaction activity in the previous year. This means that, despite the increase, transaction volumes for the first half of the current year were still 46% down on the 10-year average. Nevertheless, BNPPRE sees a clear upward trend, with transaction volumes rising from EUR 5.6 billion in the first quarter of 2024 to EUR 6.6 billion in the second quarter.

Investment volumes in Germany's A-locations (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich, Stuttgart) totalled just under EUR 6.5 billion in the first half of 2024. This represents an increase of 59%, well above the growth levels seen in the wider market (+34%). With the exception of Stuttgart, all other locations were able to increase transaction volumes, in some cases considerably. Berlin once again occupied the top spot, followed by Munich.

Sharp increase in revenues from retail and logistics properties, subdued demand for office properties

Retail properties made by far the biggest contribution to total investment volume at just under 30% (previous year: 21%), with revenue in this asset class rising by 92% to EUR 3.6 billion. Logistics properties recorded similarly significant growth of 84% as revenue reached EUR 2.8 billion to give this asset class a 23% share of total investment volume (previous year: 17%). Uncertainty about the further development of office user markets and the wait-and-see approach adopted by many investors regarding the development of final prices caused transaction volumes for office properties to fall by 31% to EUR 2.2 billion, with this asset class's share of total investment volume falling to 18% as a result (previous year: 36%).

The German commercial real estate investment market attracted growing interest from foreign investors in the first half of the year, who saw their share of transaction volumes rise by 10 percentage points to 38%.

Stable prime yields

Prime yields remained virtually unchanged across all asset classes in the first half of 2024 after steadily rising since mid– 2022 due to significantly higher financing costs. The average prime yield for office properties in A-locations was 4.36%. Although this still represents an increase of 47 basis points compared to the prior-year reporting date, it meant that yields remained stable compared to the figure at the end of 2023. Logistics properties showed a similar trend, with prime yields reaching 4.25% at the end of the first half of 2024 (+25 basis points compared to the previous year; unchanged compared to the 2023 year-end). Inner-city commercial buildings also remained stable, achieving average prime yields of 3.76%.

Commercial real estate transaction volume
EUR 12.2 billion
(previous year: EUR 9.1 billion)

Office properties volume
EUR 2.2 billion
(previous year: EUR 3.2 billion)

Logistics properties volume
EUR 2.8 billion
(previous year: EUR 1.5 billion)

Prime yield office
4.36%
(previous year: 3.89%)

Prime yield logistics
4.25%
(previous year: 4.00%)

Business development

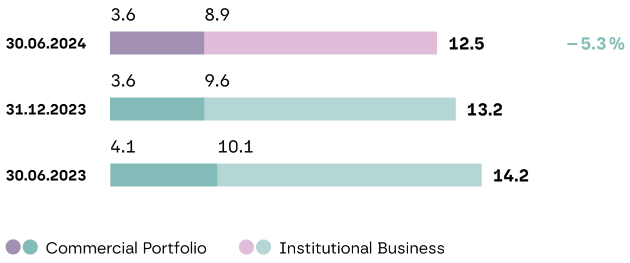
Platform

Assets under management

Assets under management (AuM) on the Branicks platform as of the end of June 2024 came to EUR 12.5 billion, down EUR 1.7 billion on the previous year (30 June 2023: EUR 14.2 billion). Of this total, EUR 3.6 billion was attributable to the proprietary portfolio (Commercial Portfolio) and EUR 8.9 billion to the third-party business for institutional investors (Institutional Business). On 30 June of the previous year, EUR 4.1 billion was in the Commercial Portfolio and EUR 10.1 billion in the Institutional Business. The decreases are mainly attributable to transaction activities.

Assets under Management

in EUR billion



Assets under management on the platform declined slightly compared to the start of the year (31 December 2023: EUR 13.2 billion, of which EUR 3.6 billion in the Commercial Portfolio and EUR 9.6 billion in the third-party business). The decline in the Institutional Business is primarily due to the successful handover of the “Global Tower”, revaluation effects and sales.

The regional portfolio structure at the end of the period under review was very similar to that reported in the first half of 2023, with 7% of assets under management in the North region, 12% in the East region, 28% in the Central region, 24% in the West region and 29% in the South region (30 June 2023: 7%, 11%, 30%, 23% and 29% respectively).

Portfolio by segments

	30.06.2024		
	Commercial Portfolio	Institutional Business	Total
Number of properties	160	179	339
Market value in EUR million[1]	3,592.2	8,947.9	12,540.1
Rental space in sqm	1,733,463	2,812,935	4,546,398

	30.06.2023		
	Commercial Portfolio	Institutional Business	Total
Number of properties	174	184	358
Market value in EUR million[1]	4,096.3	10,064.0	14,160.3
Rental space in sqm	1,880,041	2,889,186	4,769,227

[1] Market value as at 31.12. of the previous year, later acquisition generally considered at cost.

Transactions

A total of 15 sales were notarised by the end of the second quarter of 2024. These consisted of a property from the Commercial Portfolio in Regensburg with a total volume of around EUR 4 million and two further properties in Munich from the third-party business with a volume of around EUR 48 million, which were notarised in late March. June 2024 saw the notarisation of the sale of a package of 12 logistics properties from the portfolio of VIB Vermögen AG (VIB) to the international logistics real estate developer P3 Logistic Parks. The sales value was around EUR 309 million. The transfer of possession, benefits and associated risks was completed step by step after the end of the reporting period. As expected, there were no notarised purchases in the first half of the year.

Transactions 2024

Acquisitions

in EUR million (number of properties)	Notarisations 2024 YTD	thereof: Notarisations 2024 YTD with Transfer until 30.06.2024	Prior-year Notarisations with Transfer until 30.06.2024
Balance Sheet Portfolio	0 (0)	0 (0)	53 (1)
Institutional Business	0 (0)	0 (0)	0 (0)
Total	**0 (0)**	**0 (0)**	**53 (1)**

Sales

in EUR million (number of properties)	Notarisations 2024 YTD	thereof: Notarisations 2024 YTD with Transfer until 30.06.2024	Prior-year Notarisations with Transfer until 30.06.2024
Commercial Portfolio	313 (13)	4 (1)	13 (8)
Institutional Business	48 (2)	48 (2)	50 (1)
Total	**361 (15)**	**52 (3)**	**63 (9)**

Letting business

Annualised rental income was up year-on-year at around EUR 27.2 million (previous year: approximately EUR 24.6 million). This year-on-year growth of 11% was primarily driven by lease renewals of office space in the centre of Frankfurt. Four larger renewals covering around 104,000 sqm of total space were signed in the first half of 2024, with around 74,000 sqm attributable to the Institutional Business with space in Frankfurt, Hodenhagen and Mönchengladbach, and approximately 30,000 sqm to VIB within the Commercial Portfolio with space in Uffenheim.

Letting performance by area was around 180,900 sqm in the first six months of 2024, thus falling short of the high prior-year figure (previous year: approximately 257,900 sqm), which was dominated by four large-scale new leases of retail and logistics space.

Of the **rental income contracted** in the reporting period, around EUR 5.9 million relates to the Commercial Portfolio and around EUR 21.3 million to the Institutional Business (previous year: EUR 10.7 million and EUR 13.9 million, respectively).

Renewals accounted for a rental volume of EUR 23.8 million and new leases for EUR 3.4 million (previous year: EUR 14.9 million and EUR 9.7 million, respectively).

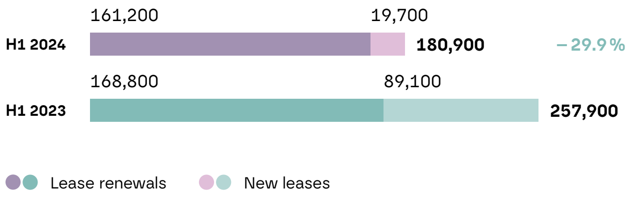
Like-for-like rental income (not including portfolio additions and disposals) for the entire portfolio under management rose by 2.0% in the 12 months to 30 June 2024. Like-for-like growth reached 0.8% in the Commercial Portfolio and 2.5% in the Institutional Business. Indexation continued to play a major role in both segments. Around 68% of the lease expiry volume relates to 2028 onwards. The Company is already holding discussions with users regarding larger leases set to expire in 2024 and 2025.

Letting performance by type of use

	in sqm		annualised in EUR million	
	H1 2024	H1 2023	H1 2024	H1 2023
Office	59,000	44,700	18.1	8.5
Retail	3,900	31,500	0.7	2.9
Logistics	105,200	168,300	6.0	10.3
Further commercial	12,500	13,100	2.4	2.9
Residential	300	300	0.0	0.0
Total	**180,900**	**257,900**	**27.2**	**24.6**
Parking (units)	588	677	0.8	0.5

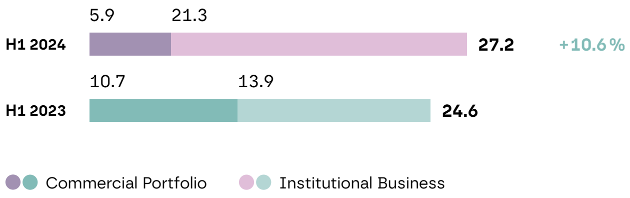
Letting volume by type of lease

in qm



Letting volume by segments

in EUR million



Commercial Portfolio

The Commercial Portfolio segment represents the Branicks Group's proprietary real estate portfolio. Here, we generate steady cash flows from rental income, optimise the value of our portfolio assets, and realise gains from well-timed sales. Branicks also generates income from equity investments.

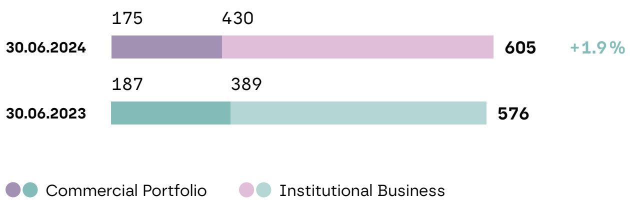
As of 30 June 2024, the directly held portfolio consisted of 160 properties (30 June 2023: 174). The market value of the portfolio was EUR 3,592.2 million (30 June 2023: 4,096.3 million) and the rental space totalled around 1,733,463 sqm (30 June 2023: around 1,880,000 sqm).

Based on annualised rental income of EUR 179.5 million (excluding project developments and repositioning properties), this corresponds to a gross rental yield of 5.3% (30 June 2023: EUR 186.5 million euros and 4.9%). The EPRA vacancy rate was 6.2% (30 June 2023: 4.9%) and the weighted average lease term (WALT) was 4.5 years (30 June 2023: 5.0 years). The decline in the WALT and the rise in the vacancy rate compared to the previous year was primarily caused by transaction-based changes in the portfolio.

As part of the ongoing optimisation of its portfolio, Branicks is increasingly focusing on the two strategic asset classes of logistics and office properties, which collectively accounted for 80% of the market value of the Commercial Portfolio as of the 30 June 2024 reporting date (30 June 2023: 78%).

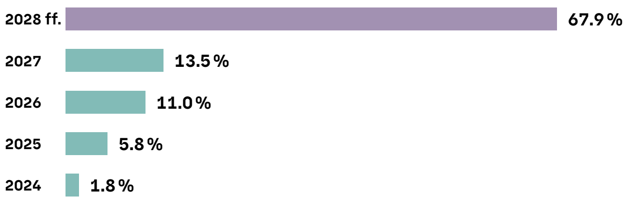
Like-for-like rental income

annualised, in EUR million



Lease terms of overall portfolio

in % of annualised rental income



Top 3 leases

Commercial Portfolio				
VIB portfolio companies	Logistics	Renewal	Uffenheim	30,118 qm
Logistics companies	Logistics	Renewal	Kreut	6,040 qm
VIB portfolio companies	Retail	Renewal	Frankfurt am Main	4,992 qm
Institutional Business				
Financial companies	Office	Renewal	Frankfurt am Main	28,526 qm
Logistics companies	Logistics	Renewal	Mönchengladbach	23,978 qm
Automotive companies	Logistics	Renewal	Hodenhagen	21,767 qm

The office properties asset class is the largest asset class at 42% of market value. At EUR 75.7 million, it accounts for around 42% of annualised rents. Logistics properties follow in second place, representing a share of 38% of the portfolio's market value or 40% of rents. Retail properties only represent 7% of market value and 7% of rents.

The proportion of Green Buildings within the Commercial Portfolio's market value (Green Building ratio) rose marginally to 44.2% at the end of June 2024 (31 December 2023: 43.6%).

As of 30 June 2024, the ten largest tenants in the Commercial Portfolio collectively accounted for 30.0% of annualised rent. The focus on office and logistics properties is also reflected in these top tenants.

Types of use Commercial Portfolio[1]

Type of use	No. of properties	Market value in EUR m	Market value % of total	Rental income EUR m	Rental income % of total	EPRA vacancy rate % of total	WALT
Office	59	1,480.8	42 %	75.7	42 %	9.7 %	5.0
Logistics	61	1,362.4	38 %	71.4	40 %	1.7 %	4.2
Mixed Use	16	301.0	8 %	18.1	10 %	8.5 %	3.7
Retail	10	265.5	7 %	12.8	7 %	12.7 %	4.3
Other	10	29.5	1 %	1.5	1 %	4.7 %	4.5
Project Developments	4	153.0	4 %	n.a.	n.a.	n.a.	n.a.

[1] All figures without project developments and repositioning properties, except for number of properties and market value.

Top 10 tenants in the Commercial Portfolio

Tenants	Asset class	Share of rental income
VOLKSWAGEN AG	Logistics	3.9 %
Deutsche Börse AG	Office	3.7 %
AUDI AG	Logistics	3.5 %
Free and Hanseatic City of Hamburg	Office	3.1 %
Mercedes-Benz AG	Mixed Use	3.1 %
Geis Industrie-Service GmbH	Logistics	3.0 %
DKB Service GmbH	Office	2.9 %
NH Hotels Deutschland GmbH	Hotel	2.6 %
Staatl. Vermögens- und Hochbauamt	Office	2.3 %
SAP Deutschland SE & Co. KG	Office	1.8 %
Total Top 10 tenants		**29,9 %**

Institutional Business

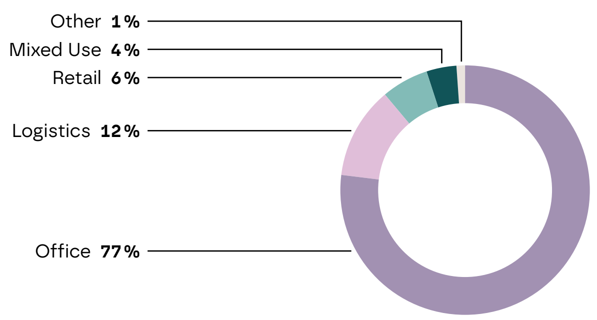
As of 30 June 2024, assets under management in the third-party business totalled EUR 8,947.9 million for 179 properties (30 June 2023: EUR 10,064.0 million for 184 properties). The reduction in the number of properties is mainly due to sales activities and the successful transfer of mandates.

The Branicks Group currently manages 32 vehicles (17 pool funds totalling EUR 5.8 billion, nine club deals totalling EUR 1.7 billion and six separate accounts totalling EUR 1.5 billion) for a total of 172 institutional investors.

Around 61% of equity comes from investors who have invested in more than one Branicks investment product.

At present, around EUR 182 million in committed equity is still available for further acquisitions or forward deals that have already been notarised.

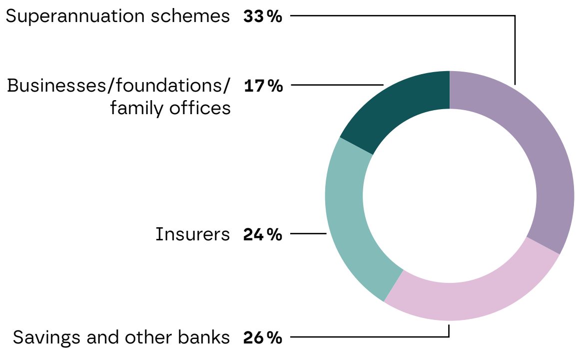
Asset classes



Basis: assets under management in EUR million.

Fundraising for shares yet to be placed is currently continuing – with the aim of placing all of the shares with institutional investors before the end of the current financial year.

Investment partners[1]



[1] Percentages in relation to subscribed equity as at 30 June 2024.

These shares are recognised in the consolidated balance sheet as “non-current assets held for sale” as of 30 June 2024. The Company is also in discussions and explores the market for other investment products.

Workforce changes

The Branicks Group employed a total of 274 people as of 30 June 2024, down from 300 as of the end of 2023. The slight reduction during the first six months of 2024 was primarily attributable to the lower number of employees working in asset and property management.

Number of employees

	30.06.2024	31.12.2023	30.06.2023
Portfolio management, investment and funds	31	39	42
Asset, property and development management	167	185	212
Group management and administration	76	76	80
Branicks Group total	**274**	**300**	**334**

Revenue and results of operations

For Branicks, the first half of the year was characterised by stable income in the letting business on the one hand and a challenging transaction environment and the reinforcing of our financial base on the other. In a market situation dominated by challenging geopolitical conditions, high interest rate and persistently high inflation, Branicks generated funds from operations (FFO) after non-controlling interests totalling EUR 19.4 million (previous year: EUR 22.4 million). At EUR – 131.5 million, the loss for the period was significantly higher year-on-year (previous year: EUR – 16.6 million), due in particular to higher interest expenses of EUR 63.5 million (previous year: EUR 53.2 million) and transaction-related impairment charges of property totalling EUR 114.6 million (previous year: EUR 23.9 million). Overall, Branicks is on track to meet its annual targets communicated in its guidance despite the challenging market situation.

FFO after non-controlling interests reaches EUR 19.4 million thanks to stable letting business despite challenging market environment

Branicks' stable and successful letting business as part of its 360-degree approach was unable to fully compensate the decline in rental income in the first half of 2024. Net rental income in the reporting period came to EUR 77.1 million (previous year: EUR 85.0 million). Overall, FFO in the first half of 2024 was EUR 19.4 million, falling EUR 3.0 million short of the previous year's figure due to higher interest expense and the transaction-related decline in rents (previous year: EUR 22.4 million).

With the average number of shares increasing by 0.3%, FFO per share (after non-controlling interests) was EUR 0.23 (previous year: EUR 0.27).

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Loss for the period impacted by interest expense and impairment charges

Branicks recorded a loss for the period of EUR – 131.5 million in the first half of 2024 (previous year: EUR – 16.6 million), driven mainly by transaction-related impairment charges and higher interest expense including non-recurring effects. Group shareholders' share in profits in the first half of 2024 was EUR – 101.6 million (previous year: EUR – 15.1 million). Earnings per share amounted to EUR – 1.22 (previous year: EUR – 0.18), with an increase of 278,744 in the average number of shares.

FFO reconciliation by segment

The reconciliation of FFO by segment covers two segments: the Commercial Portfolio, which comprises Branicks' own proprietary portfolio, and the Institutional Business, which consists of properties managed for institutional investors. In the following sections, we present the revenue and results of operations of each individual segment.

Transition FFO

	Total			Commercial Portfolio			Institutional Business		
in EUR million	H1 2024	H1 2023	Δ	H1 2024	H1 2023	Δ	H1 2024	H1 2023	Δ
Net rental income	77.1	85.0	9 %	77.1	85.0	9 %			
Profit on disposals	0.5	8.2	94 %	0.5	8.2	94 %			
Administrative expenses	– 14.6	– 11.3	29 %	– 7.3	– 3.7	97 %	– 7.3	– 7.6	4 %
Personnel expenses	– 18.3	– 22.1	17 %	– 6.3	– 7.7	18 %	– 12.0	– 14.4	17 %
Other operating income/expenses	0.6	0.3	73 %	0.5	0.3	67 %	0.1	0.0	
Real estate management fees	20.8	21.8	4 %				20.8	21.8	5 %
Share of the profit or loss of associates	3.4	2.8	18 %	1.9	1.4	36 %	1.5	1.4	7 %
Net interest income	– 54.6	– 45.1	21 %	– 54.3	– 45.1	20 %	– 0.3	0.0	>100 %
Other adjustments [1]	12.7	2.6	>100 %	12.7	2.4	>100 %	0.0	0.2	>100 %
Funds from Operations	27.0	34.0	21 %	24.2	32.6	26 %	2.8	1.4	100 %
Non-controlling interest	– 7.6	– 11.6	35 %	– 6.4	– 10.6	40 %	– 1.2	– 1.0	>100 %
Funds from Operations (excluding non-controlling interest)	19.4	22.4	13 %	17.8	22.0	19 %	1.6	0.4	>100 %
Funds from Operations II (including profit on disposals)	27.5	42.2	35 %	24.7	40.8	39 %	2.8	1.4	100 %
Funds from Operations II (including profit on disposals/excluding non-controlled interest)	19.9	29.9	33 %	18.3	29.5	38 %	1.6	0.4	>100 %

[1] The other adjustments include:
– Transaction, legal and consulting costs of EUR 12,688 thousand (previous year: EUR 2,601 thousand).

Commercial Portfolio

Gross and net rental income impacted by sales

Gross rental income has been reduced year-on-year to EUR 89.1 million (previous year: EUR 96.9 million) on account of sales despite strong letting performance in the first half of 2024 with like-for-like growth in rental income of 0.8% in the Commercial Portfolio. Consequently, net rental income has been reduced to EUR 77.1 million (previous year: EUR 85.0 million).

Sales profit despite difficult market conditions

Branicks generated sales profits of EUR 0.5 million in the first half of 2024 (previous year: EUR 8.2 million).

Operating costs impacted by non-recurring costs

Operating expenses rose to EUR 13.6 million in the first half of 2024 (previous year: EUR 11.4 million. While personnel expenses fell from EUR 7.7 million in the previous year to EUR 6.3 million, administrative expenses rose from EUR 3.7 million in the previous year to EUR 7.3 million as of 30 June 2024, mainly due to non-recurring expenses for legal and consulting costs.

Impairment charges weigh on earnings

Impairment charges of EUR 114.6 million (previous year: EUR 23.9 million) were made in the context of transactions. Overall, therefore, depreciation, amortisation and impairment charges totalling EUR 152.6 million were recognised during the first half-year under review (previous year: EUR 58.2 million).

Net interest result driven by restructuring of liabilities

We restructured our capital market liabilities at the end of the first quarter. Higher interest expense and the non-recurring expenses incurred in this connection amounting to EUR 12.7 million reduced net interest result to EUR – 54.3 million (previous year: EUR – 45.1 million).

FFO contribution at EUR 17.8 million after deducting non-controlling interests

Driven mainly by higher interest expense and a transaction-related decrease in rental income, the segment's FFO contribution as of 30 June 2024 have been reduced to EUR 17.8 million after deducting non-controlling interests (previous year: EUR 22.0 million).

Institutional Business

Real estate management fees shaped by stable recurring fees and low transaction activity

Branicks generated real estate management fees of EUR 20.8 million (previous year: EUR 21.8 million). These consist solely of recurring asset and property management and development fees. The Company did not generate any transaction and performance fees during the half-year under review and the previous year. We expect a gradual recovery in transaction and performance fees in the second half of 2024.

Investment income stable at EUR 1.5 million

Investment income from the Institutional Business remained stable year-on-year at EUR 1.5 million (previous year: EUR 1.4 million).

Operating expenses down by EUR 2.7 million

At EUR 19.3 million, operating expenses were around 12% lower than the previous year (previous year: EUR 22.0 million). This is mainly due to a reduction in personnel expenses, which came to EUR 12.0 million (previous year: EUR 14.4 million). Administrative expenses also declined to EUR 7.3 million (previous year: EUR 7.6 million).

Positive FFO contribution after non-controlling interests

The segment's FFO contribution after non-controlling interests was up year-on-year at EUR 1.6 million (previous year: EUR 0.4 million).

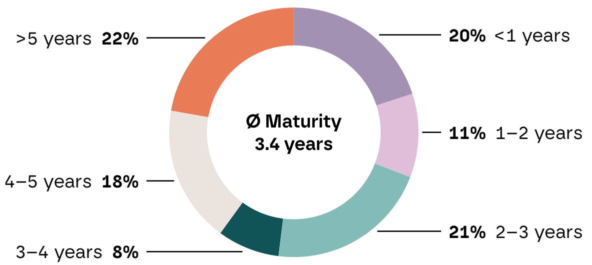
Financial position

The first half of 2024 was dominated by the reinforcing of Branicks' financial base and high interest rates. The extension of the bridge financing and the 2024 promissory note loans achieved at the end of the first quarter has resulted in higher interest expense including non-recurring effects compared to the same period last year.

The proceedings under the German Act on the Stabilisation and Restructuring Framework for Businesses (StaRUG) successfully completed in March gave us planning certainty with regard to repayment dates, interest expense and liquidity. We implemented the partial debt reduction steps set out in the business and liquidity plan as planned by repaying another EUR 40.0 million tranche of the bridging loan as of 30 June 2024. A further EUR 80 million were repaid after 30 June 2024, as a result of which EUR 40 million of the bridge financing was still outstanding as of today.

Maturity of liabilities

as at 30.06.2024



The average term of all financial debt was 3.4 years as of 30 June 2024 (31 December 2023: 3.7 years). The proportion of financing with a term exceeding five years was 22% as of 30 June 2024 (31 December 2023: 23%). Excluding the bridge financing, the average term is 3.5 years (31 December 2023: 3.9 years).

At around 61%, more than half of the Company's financial debt consists of mortgage loans agreed with a wide range of German banks. The remaining portion of the debt primarily comprises corporate bonds, promissory notes and the bridge financing.

The average interest cost of all financial debt as of 30 June 2024 was 3.2% (31 December 2023: 3.1%). All financial debt excl. the bridge financing has an average interest rate of 3.0% (31 December 2023: 3.0%).

As of 30 June 2024, around 82% of financial debt (excl. the bridge financing) was fixed-rate or hedged against fluctuations in interest rates (31 December 2023: 84%).

LTV up slightly to 61.5%

LTV adjusted for temporary warehousing effects rose slightly compared to the end of the year to 61.5% (31 December 2023: 60.1%). The temporary increase results from transactions that have already been notarised but not yet closed as of 30 June 2024.

Adjusted LTV, which includes the value of the Institutional Business, increased accordingly to 58.8% (31 December 2023: 57.6%).

Loan-To-Value (LTV)

in EUR thousand	30.06.2024	31.12.2023
Asset values		
Carrying amount of investment properties	3,013,861	3,398,556
Carrying amount of investment properties under IFRS 5[1]	383,222	100,495
Fair value adjustment	195,084	142,558
Fair value of investment properties, total	**3,592,167**	**3,641,609**
Fair value of investments (indirect property)[2]	344,651	345,773
Goodwill	190,243	190,243
Service agreements	42,596	45,345
Carrying amount of loans/receivables due to related parties	134,147	134,106
Fair value of assets (value)	**4,303,804**	**4,357,076**
Less goodwill	– 190,243	– 190,243
less service agreements	– 42,596	– 45,345
Add fair value of Institutional Business	427,418	427,418
Adjusted fair value of assets (value)	**4,498,383**	**4,548,906**
Liabilities		
Non-current interest-bearing loans and borrowings[1]	1,788,947	1,906,816
Liabilities related to non-current assets held for sale	39,010	39,151
Current interest-bearing loans and borrowings	505,914	618,917
Related party liabilities	6,772	6,649
Corporate Bonds	395,605	394,654
Less cash and cash equivalents	– 91,375	– 345,550
Net liabilities (loan)	**2,644,873**	**2,620,637**
LTV[1]	**61.5 %**	**60.1 %**
Adjusted LTV[1]	**58.8 %**	**57.6 %**

[1] Adjusted for warehousing.
[2] Includes shares in associated companies and participation.

Cash flows shaped by outflows from investing and financing activities

Cash flows in the first half of 2024 were dominated by negative cash flow from financing activities totalling EUR -233.9 million. This figure mainly reflects the partial repayment of the bridge financing in the total amount of EUR 80.0 million and the repayment of real estate loans in the amount of EUR 169.8 million.

Cash flow from investing activities totalled EUR -39.4 million (previous year: EUR 147.6 million) and mainly resulted from the acquisition of a property in Hamburg.

At EUR 19.1 million, cash flow from operating activities was below the previous year's figure in the first half of 2024 (previous year: EUR 64.0 million). This was due to higher interest payments (EUR 45.7 million; previous year: EUR 36.5 million) on the one hand and the absence of operating inflows from transaction fees.

Cash and cash equivalents has been reduced by EUR 393.7 million overall year-on-year.

Cashflow

in EUR thousand	H1 2024	H1 2023
Profit for the period	– 131,533	– 16,551
Cash flow from operating activities	19,107	64,020
Cash flow from investing activities	– 39,355	147,564
Cash flow from financing activities	– 233,927	85,093
Net changes in cash and cash equivalents	– 254,175	296,677
Cash and cash equivalents as at 30 June	91,375	485,081

Net assets

As of 30 June 2024, total assets have been reduced by EUR 372.4 million compared to the end of 2023 to EUR 4,473.8 million.

The EUR 399.4 million decline in non-current assets to EUR 3,641.2 million (previous year: EUR 4,040.6 million) is primarily attributable to the reclassification of 12 logistics properties to current assets as “non-current assets held for sale”. The sale of these properties was notarised at the end of June 2024, with possession, benefits and associated risks having been transferred in the third quarter of 2024.

The EUR 27.0 million increase in current assets to EUR 832.6 million (previous year: EUR 805.6 million) is mainly due to two factors: the EUR 254.2 million drop in cash and cash equivalents to EUR 91.4 million (previous year: EUR 345.6 million) as a result of loan repayments, and the EUR 289.9 million increase in “non-current assets held for sale” to EUR 527.4 million (previous year: EUR 237.5 million) mainly as a result of the reclassification of 12 logistics properties.

Non-current loans and borrowings decreased by EUR 116.9 million to EUR 2,199.2 million (previous year: EUR 2,316.1 million) due to reclassifications to current loans and borrowings, while the EUR 113.0 million decrease in current loans and borrowings to EUR 505.9 million (previous year: EUR 618.9 million) mainly reflects the partial repayments of bridge financing totalling EUR 80.0 million made in April and June 2024.

Equity impacted by loss for the period

Equity as of 30 June 2024 fell by EUR 140.4 million to EUR 1,386.7 million compared to 31 December 2023 (31 December 2023: EUR 1,527.1 million). This is mainly due to the loss for the period of EUR -131.5 million shown for the first six months of 2024 (previous year: EUR -16.6 million). As of the reporting date, the reported equity ratio stood at a solid 31.0% (31 December 2023: 31.5%).

Balance sheet overview

in EUR million	30.06.2024	31.12.2023
Total assets	4,473.8	4,846.2
Total non-current assets	3,641.2	4,040.6
Total current assets	832.6	805.6
Equity	1,386.7	1,527.1
Total non-current financial liabilities	2,199.2	2,316.1
Total current financial liabilities	505.9	618.9
Other liabilities	382.0	384.1
Total liabilities	3,087.1	3,319.1
Balance sheet equity ratio	31.0 %	31.5 %
Loan-To-Value [1]	61.5 %	60.1 %
Adjusted Loan-To-Value [1]	58.8 %	57.6 %
NAV	1,271.3	1,298.4
Adjusted NAV	1,446.5	1,473.5

[1] The ratio of total net financial debt (including liabilities to related parties) to the sum of the market value of the Commercial Portfolio, the market value of other investments, GEG/RLI goodwill and other intangible assets in connection with the acquisition of GEG/RLI, loans to associates and receivables from related parties.

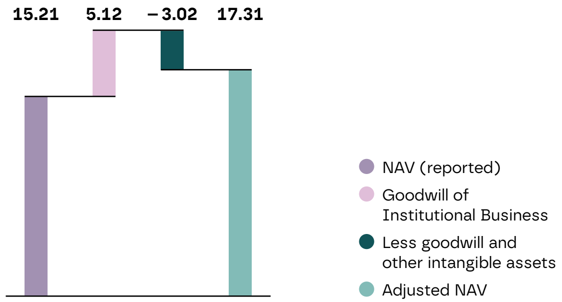
Adjusted net asset value reflects full value of Institutional Business

The net asset value (NAV) is equal to the value of all tangible and intangible assets less liabilities. The NAV was EUR 1,271.3 million as of 30 June 2024 (31 December 2023: EUR 1,298.4 million). Only a portion of the value of real estate management services provided by the Institutional Business is reflected in NAV via the goodwill recognised in the balance sheet, intangible assets and other assets and liabilities. Adding this value contribution delivers a total adjusted NAV as of the reporting date of EUR 1,446.5 million (31 December 2023: EUR 1,473.5 million).

The NAV per share was EUR 15.21, compared to EUR 15.54 as of 31 December 2023, with the number of shares outstanding remaining unchanged compared to the end of 2023. The adjusted NAV per share as of 30 June 2024 was EUR 17.31 (31 December 2023: EUR 17.63).

Adjusted NAV reconciliation (including value of Institutional Business)

in EUR/share



Net Asset Value

in EUR million	30.06.2024	31.12.2023
Carrying amount of investment properties	3,013.9	3,398.6
Fair value adjustment	195.1	142.6
Fair value of investment properties	3,209.0	3,541.1
Real estate assets acc. with IFRS 5	383.2	100.5
Total fair value of investment properties	3,592.2	3,641.6
Carrying amount of equity investments	120.3	129.3
Fair value of equity investments	120.3	129.3
+/– Other assets/liabilities (excluding goodwill)	705.4	682.1
Restatement of Other assets/liabilities [1]	– 246.2	8.0
Net loan liabilities at carrying amount	– 2,705.1	– 2,935.0
Net loan liabilities in accordance with IFRS 5	– 39.0	– 39.2
Non-controlling interests	– 408.5	– 440.7
Goodwill incl. other assets/liabilities	252.2	252.2
Net Asset Value (NAV)	1,271.3	1,298.4
Number of shares (thousand)	83,566	83,566
NAV per share in EUR	15.21	15.54
Adjusted NAV per share in EUR [2]	17.31	17.63

[1] Restated for deferred taxes (EUR +98,002 thousand; previous year: EUR +67,250 thousand), financial instruments (EUR 0 thousand; previous year: EUR -2,909 thousand) and IFRS 5 assets and liabilities (EUR –344,212 thousand; previous year: EUR –61,344 thousand).
[2] Incl. Institutional Business.

Report on expected developments, risks and opportunities

Report on risks and opportunities

The consolidated financial statements and the group management report for financial year 2023, which were published in April 2024, describe in detail the opportunities and risks associated with Branicks' business activities, and provide information on the risk management system and the internal control system. Risk assessment has not changed since then. In terms of opportunities, the prospects for a recovery in the transaction market have further improved as a result of the ECB's interest rate cut in June 2024.

Expected environment in the second half of 2024

Macroeconomic trends

According to estimates from the Kiel Institute for the World Economy (IfW), the economic recovery that began in Germany at the start of the year is likely to continue, with economic output rising by a modest 0.2% during the current year. This economic stabilisation is driven by two primary factors: a rise in exports triggered by global economic growth, and an upturn in consumer spending caused by higher wage increases and a robust labour market. The ifo Business Climate Index also shows a clear shift in mood among German companies, with expectations in particular (89.0 points in June 2024) improving compared to the end of 2023 (84.3 points). However, the fact that the index has steadily fallen from its April 2024 peak over the last three months suggests that this is by no means a lasting upturn.

Ifw Kiel believes that one of the main reasons for the slightly improved economic environment is the turnaround in interest rates triggered by the ECB, as this improves financing conditions for both companies and private households. Ifw Kiel expects two further rate cuts of 0.25 each by the end of 2024. At its July meeting, the ECB voiced its expectation that inflation in the eurozone will fluctuate around its current level of around 2.5% for the rest of the year before falling back towards its 2% target next year.

Sector trends

In July 2024, real estate consultancy JLL reaffirmed its forecast that take-up at Germany's top 7 office locations will increase by 6% to around 2.7 million sqm in the current year. JLL also expects an increase in large-scale lettings of over 5,000 sqm in the second half of the year after the first-half result was primarily driven by small and medium-sized spaces. Despite rising vacancies, JLL sees a risk in the existing shortage of ESG-compliant spaces. As many companies have committed to sustainability targets, their office spaces must also satisfy the relevant requirements. If such spaces are not available, companies often decide to extend their existing leases. JLL expects rents to rise by around 6% across all of Germany's top 7 office locations for the full 2024 financial year as a result of tenants' continuing focus on quality and what is only a moderate vacancy rate.

In light of the slow economic recovery, BNPPRE's market researchers have concluded that take-up in the German logistics rental market will remain stable until the end of 2024, causing it to fall well short of the long-term average. BNPPRE also expects rent levels to remain largely stable.

By contrast, BNPPRE anticipates a moderate upward trend for the German commercial real estate investment market during the current year. Although the economic upturn is lacking the expected momentum, the mood in the investment markets has brightened considerably, particularly as investors are regaining confidence in the current and future market environment. As a result, BNPPRE predicts a 25% to 30% increase in transaction volumes for 2024, and believes that a stabilisation in prime yields is the most likely scenario.

2024 guidance confirmed

We confirm our guidance for the 2024 financial year:

	Guidance
Gross rental income	EUR 160–175 million
Real estate management fees	EUR 40–50 million
FFO I (after minority interests, before tax)	EUR 40– 55 million
Acquisitions	EUR 150– 300 million, of which: Commercial Portfolio: no acquisitions Institutional Business: EUR 150– 300 million
Sales	EUR 650–900 million, of which: Commercial Portfolio: EUR 500–600 million Institutional Business: EUR 150–300 million

Investor relations and capital markets

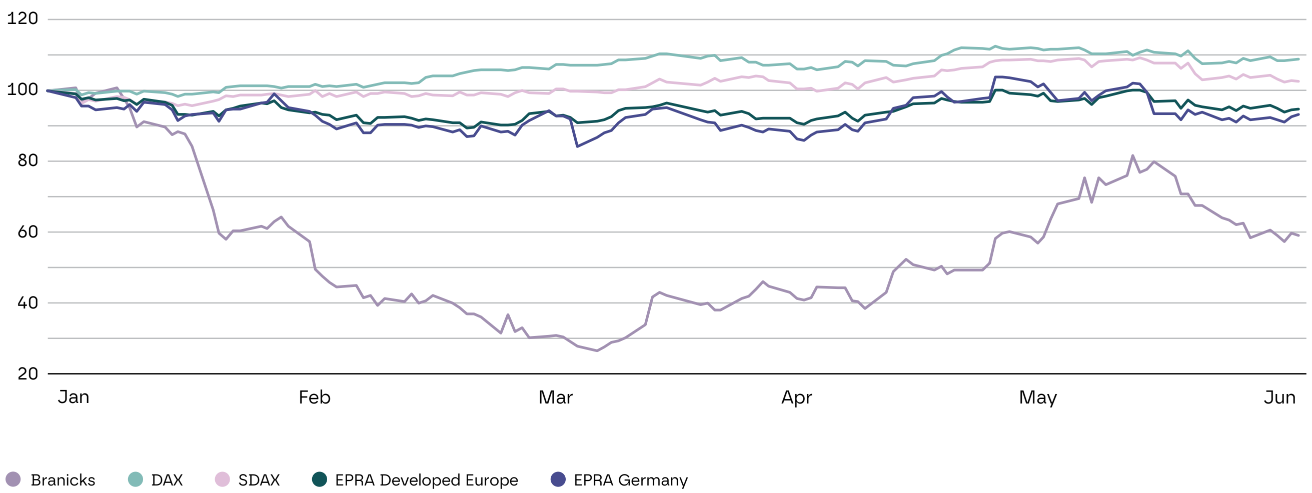
Equity markets mostly sunny with only a few clouds in the first half of 2024

Global equity markets continued their positive trend from the last quarter of the previous year in 2024 and began the year with plenty of momentum. This was driven by the prospect of significant interest rate cuts and a tech and AI-induced tailwind from the USA that also had a positive impact on German stock exchanges. The escalation of the Middle East conflict and a clear shift in the Fed's plans to reduce interest rates triggered a countermovement on the markets and a sharp rise in volatility. After a positive May, the markets were unsettled by the European elections at the start of June.

Germany's benchmark indices experienced mixed fortunes in the first half of the year, with the DAX gaining around 9% while the SDAX rose by just 2%. There was a sense of guarded relief around real estate stocks compared to 2023 due to the prospect of falling interest rates and the slow recovery of the transaction market. Despite this, the EPRA Developed Europe and EPRA Germany sector indices have fallen by 5% and 7% respectively since the start of the year.

Share performance 2024

indexed (Xetra closing price on 31 December 2023 = 100%), Branicks Group AG excluding dividend distribution



Branicks shares suffer losses in first half of year

Shares in Branicks (formerly DIC Asset AG) opened trading at EUR 3.395 on 2 January 2024. The stock was dealt a major blow at the end of January when it was announced that the Company was in negotiations to extend the existing bridging loan and promissory note loan originally due to mature in 2024.

These losses were partially offset once both loans were successfully reorganised and their maturities extended as part of StaRUG proceedings. Our strong first-quarter financial results gave the stock another upward boost in May. This was followed in June by losses primarily attributable to the market uncertainty surrounding the execution of transactions expected by the end of the first half of the year. The shares ended 28 June 2024 with a XETRA closing price of EUR 2.00, a decline of 41% compared to the closing price for 2023.

One bond currently outstanding at Branicks

Developments in the bond market were essentially dependent on central bank policy expectations in the USA and Europe, with delays to the easing cycle by the Fed in particular limiting any more significant rises in bond prices. While the 2023 bond market for the real estate sector suffered due to the rise in interest rates and insolvencies within the industry, it became more attractive once again in the first half of 2024.

Branicks currently has one outstanding bond. With a volume of EUR 400 million, the 21/26 Green Bond on 28 June 2024 closed below par at 39.01% and was therefore at the same level as the opening price for the year. We plan to use the funds from this bond for Green Buildings in accordance with the United Nations' Sustainable Development Goals 9 and 11.

Virtual 2024 General Shareholders' Meeting

At the General Shareholders' Meeting, which as in previous years was held as an online event on 22 August 2024 without shareholders, proxies and guests in physical attendance, all items on the agenda were adopted with large majorities.

Among other things, Mr Jürgen Josef Overath was elected as a new member of the Supervisory Board. He takes over the seat from Prof. Dr. Ulrich Reuter, who resigned from his position effective 31 December 2023. His term of office corresponds to the remainder of Prof. Dr. Ulrich Reuter's term of office and accordingly ends on the day of the General Shareholders' Meeting that resolves to formally approve the Supervisory Board's actions for financial year 2024.

In other resolutions, the actions of the Management Board and Supervisory Board for the 2023 financial year were formally approved. In addition, auditing firm BDO AG Wirtschaftsprüfungsgesellschaft was appointed for the 2024 financial year and the remuneration report for the Management Board and Supervisory Board was discussed. In her speech, CEO Sonja Wärntges looked back on 2023 and gave an insight into developments in 2024, which are primarily reflected in increasing transaction momentum and further steps taken by the Company to reduce its debt.

Basic data Branicks Group share

Number of shares	83,565,510 (registered shares)
Share capital in EUR	83,565,510
WKN/ISIN	A1X3XX/DE000A1X3XX4
Symbol	BRNK
Freefloat	49.9 % (last updated: 30.06.2024)
Exchanges	Xetra, all exchanges in Germany
Deutsche Börse segment	Prime Standard
Designated sponsors	ODDO BHF Corporates & Markets AG, Baader Bank AG
Paying agent	Joh. Berenberg, Gossler & Co. KG

Key figures[1]

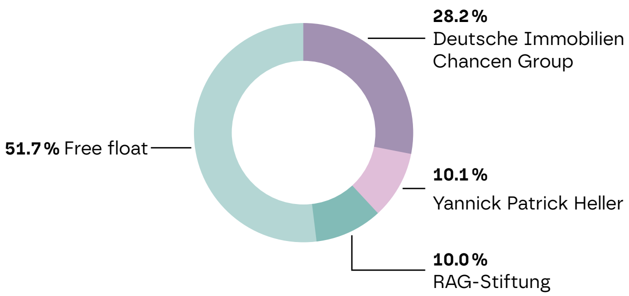
		H1 2024	H1 2023
FFO per share	EUR	0.23	0.27
Half-year closing price	EUR	2.00	5.09
52-week high	EUR	5.53	11.62
52-week low	EUR	0.896	4.87
Market capitalisation at end of period[2]	EUR million	167	425

[1] Xetra closing prices used in each case.
[2] Number of shares as of 30 June 2024: 83,565,510; as of 30 June 2023: 83,565,510.

Basic data bond

Name	Branicks Group AG Green Bond 21/26
WKN/ISIN	A3MP5C/XS2388910270
Segment	Euro MTF market of the Luxembourg Stock Exchange
Minimum investment amount	EUR 100,000
Coupon	2.250%
Issuance volume	EUR 400 million
Maturity	22.09.2026

Shareholder structure



Source: Notifications according the German Securities Trading Act (WpHG) as of 1 August 2024

Stable shareholder structure

Branicks Group AG's shareholder group has a fundamentally stable structure comprising national and international institutional investors. Anchor shareholder Deutsche Immobilien Chancen Group currently holds around 28.2% of the shares, of which 8.2% are attributed via TTL Real Estate GmbH. The RAG-Stiftung, a foundation, has been a major Branicks shareholder since 2014 and holds around 10.0% of the Company's shares. In February 2021, Yannick Patrick Heller exceeded the 10% threshold and currently holds around 10.1% of the Company's shares. A total of around 51.7% of shares are currently in free float. All voting rights announcements available to us are published on our website and in the notes to the consolidated financial statements starting on → page 37.

Consistent capital markets communication

Our investor relations work is based on the principles of openness, transparency and fairness to all financial market participants. Investor relations activities focus on providing ongoing, timely information about the latest developments and course of business to our shareholders, investors and analysts.

In the first half of the year, numerous discussions were held with lenders and bondholders as well as with institutional and private investors, both by telephone and by e-mail. These talks primarily focused on the Company's financial position and debt reduction as part of its restructuring efforts. Along with the publication of the 2023 Annual Report and the key financial figures for the first quarter of 2024, webcasts with presentations by the Management Board were held for capital market participants, followed by an open Q&A session.

We promptly publish all information about Branicks that is relevant for the capital markets on our website and keep this information up to date continually. Besides financial reports, company presentations and notifications, recordings of the teleconferences on the annual and quarterly reporting, and a detailed consensus overview of analysts' current opinions can be found there.

Follow us on:

Ongoing exchange with analysts

Branicks Group AG was covered by a total of eight analysts as of the 30 June 2024 reporting date. There are currently three Buy recommendations, two Hold recommendations and three Sell recommendations. The target prices range from EUR 1.50 to EUR 5.00, with a median target price is EUR 3.30 per share.

Detailed estimates from these research firms are regularly updated and published on Branicks' IR website. The IR team maintains a regular exchange with the analysts on issues relating to modelling and company valuation, with numerous talks again held on this topic in the first half of 2024.

Analyst recommendations

Bank/Financial institute	Analyst	Current recommendation	Current price target in euros
Baader Bank	Andre Remke	Buy	2.35
Berenberg Bank	Kai Klose	Hold	4.00
HSBC	Thomas Martin	Hold	4.50
Kepler Cheuvreux	Ferran Tort Barniol	Sell	1.50
Metzler	Jochen Schmitt	Sell	1.50
ODDO BHF	Manuel Martin	Sell	2.60
SRC Research	Stefan Scharff, Christopher Mehl	Buy	5.00
Warburg Research	Philipp Kaiser	Buy	4.00
Price target (median)			**3.30**

Last updated: 30 June 2024

IR activities in 2024

Fourth quarter

24.09. and 25.09.	Baader Investment Conference 2024
25.09.	Berenberg Goldman German Corporate Conference 2024
07.11.	Publication of the Q3 2024 Statement[1]

[1] With conference call.

Interim consolidated financial statements

as at 30 June 2024

Consolidated income statement

for the period from 1 January to 30 June

in EUR thousand	H1 2024	H1 2023	Q2 2024	Q2 2023
Gross rental income	89,105	96,891	44,737	46,448
Ground rents	– 97	– 87	– 49	– 38
Service charge income on principal basis	16,156	16,541	8,476	7,067
Service charge expenses on principal basis	– 18,726	– 19,345	– 9,705	– 8,043
Other property-related expenses	– 9,383	– 9,022	– 4,905	– 4,469
Net rental income	77,055	84,978	38,554	40,965
Administrative expenses	– 14,564	– 11,283	– 8,402	– 5,643
Personnel expenses	– 18,313	– 22,066	– 8,863	– 11,023
Depreciation and amortisation	– 157,033	– 60,243	– 136,758	– 41,900
Real estate management fees	20,812	21,781	11,118	11,329
Other operating income	926	880	528	259
Other operating expenses	– 363	– 626	– 282	– 42
Net other income	563	254	246	217
Net proceeds from disposal of investment property	17,085	356,355	4,085	0
Carrying amount of investment property disposed	– 16,574	– 348,170	– 3,574	0
Profit on disposal of investment property	511	8,185	511	0
Net operating profit before financing activities	– 90,969	21,606	– 103,594	– 6,055
Share of the profit of associates	3,354	2,833	1,708	1,887
Interest income	8,929	8,146	4,861	5,854
Interest expense	– 63,512	– 53,200	– 35,450	– 24,927
Profit/loss before tax	– 142,198	– 20,615	– 132,475	– 23,241
Current Income tax expense	– 9,514	– 4,796	– 5,038	– 2,805
Deferred tax expense/income	20,179	8,860	14,809	7,255
Profit/loss for the period	– 131,533	– 16,551	– 122,704	– 18,791
Attributable to equity holders of the parent	– 101,594	– 15,109	– 92,236	– 15,205
Attributable to non-controlling interest	– 29,939	– 1,442	– 30,468	– 3,586
Basic (=diluted) earnings per share (EUR)[1]	– 1.22	– 0.18	– 1.10	– 0.18

[1] Calculated with the new average number of shares in accordance with IFRS.

Consolidated statement of comprehensive income

for the period from 1 January to 30 June

in EUR thousand	H1 2024	H1 2023	Q2 2024	Q2 2023
Profit/loss for the period	**– 131,533**	**– 16,551**	**– 122,704**	**– 18,791**
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Fair value measurement of hedging instruments				
Cash flow hedges	– 15	1,158	– 7	1,125
Items that shall not be reclassified subsequently to profit or loss				
Gain/losses on financial instruments classified as measured at fair value through other comprehensive income	– 1,111	– 1,775	– 313	– 12,344
Other comprehensive income [1]	**– 1,126**	**– 617**	**– 320**	**– 11,219**
Comprehensive income	**– 132,659**	**– 17,168**	**– 123,024**	**– 30,010**
Attributable to equity holders of the parent	– 103,016	– 16,074	– 92,543	– 26,772
Attributable to non-controlling interest	– 29,643	– 1,094	– 30,481	– 3,238

[1] After tax.

Consolidated balance sheet

as at June 30

in EUR thousand	30.06.2024	31.12.2023
Goodwill	190,243	190,243
Investment property	3,013,861	3,398,556
Property, plant and equipment	43,953	45,442
Investments in associates	120,345	129,337
Loans to related parties	113,691	114,547
Other investments	98,173	99,036
Intangible assets	30,546	33,483
Deferred tax assets	30,356	29,972
Total non-current assets	**3,641,168**	**4,040,616**
Receivables from sale of investment property	3,677	4,289
Trade receivables	23,296	22,559
Receivables from related parties	20,456	19,559
Income tax receivable	21,556	39,701
Other receivables	126,850	119,056
Other current assets	18,031	17,387
Cash and cash equivalents	91,375	345,550
	305,241	**568,101**
Non-current assets held for sale	527,380	237,457
Total current assets	**832,621**	**805,558**
Total assets	**4,473,789**	**4,846,174**

in EUR thousand	30.06.2024	31.12.2023
Equity		
Issued capital	83,566	83,566
Share premium	914,800	914,800
Hedging reserve	339	354
Reserve for financial instruments classified as at fair value through other comprehensive income	– 9,560	– 8,449
Actuarial gains/losses pensions	709	709
Retained earnings	– 47,833	53,761
Total shareholders' equity	942,021	1,044,741
Non-controlling interest	444,703	482,398
Total equity	**1,386,724**	**1,527,139**
Liabilities		
Corporate bonds	395,605	394,654
Non-current interest-bearing loans and borrowings	1,803,600	1,921,469
Deferred tax liabilities	193,254	214,363
Pension provisions	3,110	3,070
Other non-current liabilities	23,768	24,856
Total non-current liabilities	**2,419,337**	**2,558,412**
Current interest-bearing loans and borrowings	505,914	618,917
Trade payables	7,131	6,380
Liabilities to related parties	6,772	6,649
Income taxes payable	27,057	26,958
Other liabilities	81,844	62,568
	628,718	**721,472**
Liabilities related to non-current assets held for sale	39,010	39,151
Total current liabilities	**667,728**	**760,623**
Total liabilities	**3,087,065**	**3,319,035**
Total equity and liabilities	**4,473,789**	**4,846,174**

Consolidated statement of cash flows

for the period from 1 January to 30 June

in EUR thousand	H1 2024	H1 2023
Operating Activities		
Net operating profit before interest and taxes paid	– 99,379	28,132
Realised gains/losses on disposals of investment property	– 511	– 8,185
Depreciation and amortisation	157,033	60,243
Changes in receivables, payables and provisions	15,612	37,366
Other non-cash transactions	– 21,495	– 8,854
Cash generated from operations	51,260	108,702
Interest paid	– 45,677	– 36,461
Interest received	2,792	3,792
Income taxes received/paid	10,732	– 12,013
Cash flows from operating activities	19,107	64,020
Investing activities		
Proceeds from disposal of investment property	17,085	356,355
Dividends received	0	53
Acquisition of investment property	– 47,704	0
Capital expenditure on investment properties	– 13,009	– 27,047
Acquisition of other investments	– 0	– 191,751
Disposal of other investments	4,443	10,000
Acquisition of office furniture and equipment, software	– 170	– 46
Cash flows from investing activities	– 39,355	147,564
Financing activities		
Repayment of minority interest	– 7,149	– 10,642
Proceeds from other non-current borrowings	61,750	525,949
Repayment of borrowings	– 249,786	– 368,946
Repayment of corporate bonds/promissory notes	– 23,000	0
Lease payments	– 1,801	– 1,401
Payment of transaction costs	– 13,941	– 225
Dividends paid	0	– 59,642
Cash flows from financing activities	– 233,927	85,093
Net increase in cash and cash equivalents	– 254,175	296,677
Cash and cash equivalents as at 1 January	345,550	188,404
Cash and cash equivalents as at 30 June	**91,375**	**485,081**

Consolidated statement of changes in equity

for the period from 1 January to 30 June 2024

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for financial instruments classified as at fair value through other comprehensive income	Actuarial gains/losses pensions	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
Balance at December 31, 2023	**83,566**	**914,800**	**354**	**–8,449**	**709**	**53,761**	**1,044,741**	**482,398**	**1,527,139**
Profit/loss for the period						–101,594	–101,594	–29,939	–131,533
Other comprehensive income[1]									
Items that may be reclassified subsequently to profit or loss									
Gains/losses from cash flow hedges			–15				–15		–15
Items that shall not be reclassified subsequently to profit or loss									
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				–1,111			–1,111		–1,111
Actuarial gains/losses pensions									
Comprehensive income			–15	–1,111		–101,594	–102,720	–29,939	–132,659
Change of non-controlling interest								–7,756	–7,756
Balance at June 30, 2024	**83,566**	**914,800**	**339**	**–9,560**	**709**	**–47,833**	**942,021**	**444,703**	**1,386,724**

1 Net of deferred taxes.

Consolidated statement of changes in equity

for the period from 1 January to 30 June 2023

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for financial instruments classified as at fair value through other comprehensive income	Actuarial gains/losses pensions	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
Balance at December 31, 2022	**83,152**	**912,716**	**–790**	**–6,286**	**740**	**186,593**	**1,176,125**	**487,976**	**1,664,101**
Profit/loss for the period						–15,109	–15,109	–1,441	–16,550
Other comprehensive income*									
Items that may be reclassified subsequently to profit or loss									
Gains/losses from cash flow hedges			1,158				1,158		1,158
Items that shall not be reclassified subsequently to profit or loss									
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				–1,775			–1,775		–1,775
Comprehensive income			1,158	–1,775		–15,109	–15,726	–1,441	–17,167
Dividend distribution for 2022						–62,364	–62,364		–62,364
Issuance of shares through capital increase in kind	414	2,309					2,723		2,723
Transaction costs of equity transactions		–225					–225		–225
Change of non-controlling interest									0
Balance at June 30, 2023	**83,566**	**914,800**	**368**	**–8,061**	**740**	**109,120**	**1,100,533**	**486,535**	**1,587,068**
Profit/loss for the period						–50,851	–50,851	–3,298	–54,149
Other comprehensive income[1]									
Items that may be reclassified subsequently to profit or loss									
Gains/losses from cash flow hedges			–14				–14		–14
Items that shall not be reclassified subsequently to profit or loss									
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				–388			–388		–388
Actuarial gains/losses pensions					–31		–31		–31
Comprehensive income			–14	–388	–31	–50,851	–51,284	–3,298	–54,582
Change of non-controlling interest						–4,508	–4,508	–839	–5,347
Balance at December 31, 2023	**83,566**	**914,800**	**354**	**–8,449**	**709**	**53,761**	**1,044,741**	**482,398**	**1,527,139**

[1] Net of deferred taxes.
[2] Compare Notes December 31, 2023 no. 27i.

Notes to the interim consolidated financial statements

as at 30 June 2024

Notes

General information on reporting

In accordance with section 115 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act), the interim report comprises condensed interim consolidated financial statements and an interim group management report. The condensed interim consolidated financial statements for the period ended 30 June 2024 were prepared in accordance with the requirements of the International Financial Reporting Standards (IFRSs), as adopted by the EU, that are applicable to interim financial reporting (IAS 34). The interim financial statements of the companies included in the consolidated financial statements were prepared using uniform accounting policies. The interim group management report was prepared in accordance with the applicable requirements of the WpHG.

The interim consolidated financial statements were prepared using the same consolidation principles, currency translation policies and accounting policies as applied in the consolidated financial statements for financial year 2023, with the exception of the changes presented in the following. Income taxes were deferred on the basis of the tax rate expected for the full year.

These condensed interim consolidated financial statements do not contain all the information and disclosures required by IFRSs for full-year consolidated financial statements, and should therefore be read in conjunction with the consolidated financial statements for the year ended on 31 December 2023, which form the basis for the accompanying interim financial statements. For information on material changes and transactions in the period up to 30 June 2024, Branicks Group AG (“Branicks”) refers to the interim group management report in this document.

Preparation of the consolidated financial statements requires management to make estimates and assumptions affecting both the measurement of assets, liabilities and contingent liabilities at the end of the reporting period and the measurement and presentation of income and expenses for the period. Actual amounts may differ from these estimates. There were no adjustments due to changes in estimates or assumptions in the period up to the end of June 2024.

Application of new standards and interpretations

a) Standards, interpretations and amendments to standards applicable for the first time in the financial year

The following standards, amendments to standards and interpretations were applied for the first time in the current financial year.

Standard	Title
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Current Liabilities with Covenants
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

These standards and amendments to standards do not materially affect the consolidated financial statements of Branicks.

b) Standards and amendments to standards that have been issued but not yet applied

The following standards, which will become effective in the coming years, have been adopted into applicable EU law:

Standard	Title	Application mandatory for annual periods beginning on or after
None		

The following standards, which will become effective in the coming years, have not yet been adopted into applicable EU law:

Standard	Title	Application mandatory for annual periods beginning on or after
Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability	01.01.2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	01.01.2025
IFRS 19	Subsidiaries without Public Accountability: Disclosures	open
IFRS 18	Presentation and Disclosure in Financial Statements	01.01.2027

Branicks will only apply all of the standards listed from the date of mandatory first-time adoption. The effects of the amendments or new provisions not yet adopted into EU law on the consolidated financial statements of Branicks are currently still being reviewed.

Basis of preparation

As in the previous year, measurement is made on a going-concern basis. Please refer to the explanations in the 2023 Annual Report in the Notes section “Basis of preparation”. As of 30 June 2024, we have implemented the business and liquidity plan on which the StaRUG proceedings was based as planned. We believe it is more likely than not that the business plan will continue to be implemented. Against this background, there are no obstacles to preparing these financial statements on a going-concern basis.

Financial instruments disclosures

No quoted prices in an active market are available for the unlisted shares of DIC Opportunistic GmbH held by the Group and for shares held in limited partnerships (Level 3 of the IFRS 13 fair value hierarchy). Their fair value is based on the indirectly held real estate and equity investments. Changes in fair value between 31 December 2023 and the end of the reporting period amounted to EUR –863 thousand. Please refer to consolidated financial statements for the year ended 31 December 2023 for information on the valuation of the real estate assets.

The following table presents the carrying amounts and fair values of the individual financial assets and financial liabilities for each class of financial instrument and reconciles them to the corresponding line items in the balance sheet. The IFRS 9 measurement categories relevant for the Group are: Financial assets at fair value through OCI (FVOCI), Financial assets at fair value through profit or loss (FVTPL), Financial assets measured at amortised cost (FAAC), and Financial liabilities measured at amortised cost (FLAC).

in EUR thousand	IFRS 9 measurement category	Carrying amount 30.06.2024	Fair Value 30.06.2024	Carrying amount 31.12.2023	Fair Value 31.12.2023
Assets					
Other investments	FVOCI	66,425	66,425	67,536	67,536
Other investments	FVTPL	31,748	31,748	31,500	31,500
Other loans	FAAC	113,691	113,691	114,457	114,547
Receivables from sale of investment property	FAAC	3,677	3,677	4,289	4,289
Trade receivables	FAAC	23,296	23,296	22,559	22,559
Receivables from related parties	FAAC	20,456	20,456	19,559	19,559
Other receivables	FAAC	126,850	126,850	119,056	119,056
Other assets	FAAC	18,031	18,031	17,387	17,387
Cash and cash equivalents	FAAC	91,375	91,375	345,550	345,550
Total	**FAAC**	**397,376**	**397,376**	**642,857**	**642,947**
Liabilities					
Corporate bond – non current	FLAC	395,605	156,040	394,654	152,000
Non-current interest-bearing loans and borrowings	FLAC	1,803,600	1,761,943	1,921,469	1,852,515
Current loans and borrowings	FLAC	505,914	529,750	618,917	615,202
Trade payables	FLAC	7,131	7,131	6,380	6,380
Related party liabilities	FLAC	6,772	6,772	6,649	6,649
Other liabilities [1]	FLAC	77,696	77,696	58,105	58,105
Liabilities related to financial investments held for sale	FLAC	39,010	33,276	39,151	32,843
Total	**FLAC**	**2,835,728**	**2,572,608**	**3,045,325**	**2,723,694**

1 Without current lease liabilities.

Changes in Level 3 financial instruments are as follows:

in EUR thousand	2024	2023
01.01.	99,036	102,549
Addition	0	0
Measurement gains/losses	– 863	– 3,385
Disposals	0	– 128
30.06./31.12.	98,173	99,036

Measurement gains/losses of EUR – 1,111 thousand are recognised in other comprehensive income and EUR 248 thousand are recognised through profit or loss.

Non-current assets

The Company applies the cost model in accordance with IAS 40.56 to measure its investment properties. Please refer to the disclosures in the consolidated financial statements for the year ended on 31 December 2023 for information on the fair value measurement of investment property in accordance with IFRS 13.

Cash and cash equivalents

Of the existing cash and cash equivalents, EUR 66,138 thousand is subject to short-term restrictions on disposal beyond the end of the reporting period.

Segment reporting

The Branicks segment report structured in line with IFRS 8 Operating Segments following the management approach. Reporting is focused on two pillars: the Commercial Portfolio segment, which includes the Company's proprietary portfolio, and the Institutional Business segment, which comprises the management services provided for institutional investors.

Segment reporting

in EUR million	H1 2024 Commercial Portfolio	H1 2024 Institutional Business	H1 2024 Total	H1 2023 Commercial Portfolio	H1 2023 Institutional Business	H1 2023 Total
Key earnings figures						
Gross rental income (GRI)	89.1		89.1	96.9		96.9
Net rental income (NRI)	77.1		77.1	85.0		85.0
Profits on property disposals	0.5		0.5	8.2		8.2
Real estate management fees		20.8	20.8		21.8	21.8
Share of the profit or loss of associates	1.9	1.5	3.4	1.4	1.4	2.8
Depreciation and amortisation	– 152.6	– 4.4	– 157.0	– 58.2	– 2.0	– 60.2
Net other income	0.5	0.1	0.6	0.3		0.3
Net interest result	– 54.3	– 0.3	– 54.6	– 45.1	0.0	– 45.1
Operational expenditure (OPEX)	– 13.6	– 19.3	– 32.9	– 11.4	– 22.0	– 33.4
of which admin costs	– 7.3	– 7.3	– 14.6	– 3.7	– 7.6	– 11.3
of which personnel costs	– 6.3	– 12.0	– 18.3	– 7.7	– 14.4	– 22.1
Other adjustments	12.7	0.0	12.7	2.4	0.2	2.6
Funds from Operations (FFO)	24.2	2.8	27.0	32.6	1.4	34.0
Funds from Operations (excluding non-controlling interest)	17.8	1.6	19.4	22.0	0.4	22.4
Funds from Operations II (FFO II)	24.7	2.8	27.5	40.8	1.4	42.2
Funds from Operations II (excluding non-controlling interest, including profit on disposals)	18.3	1.6	19.9	29.5	0.4	29.9
EBITDA	66.3	3.1	69.4	83.5	1.2	84.7
EBIT	– 86.3	– 1.3	– 87.6	25.2	– 0.8	24.4
Segment assets						
Number of properties	160	179	339	174	184	358
Assets under Management (AuM)	3,592.2	8,947.9	12,540.1	4,096.3	10,064.0	14,160.3
Rental space in sqm	1,733,463	2,812,935	4,546,398	1,880,041	2,889,186	4,769,227

Income statement disclosures

The decline in net rents to EUR 77,055 thousand (previous year: EUR 84,978 thousand) is primarily attributable to sales. While personnel expenses fell to EUR 18,313 thousand (previous year: EUR 22,066 thousand) due to capacity adjustments, administrative expenses rose to EUR 14,564 thousand (previous year: EUR 11,283 thousand) due to higher legal and consulting costs. Depreciation, amortisation and impairment losses increased to EUR 157,033 thousand (previous year: EUR 60,243 thousand) as a result of write-downs on property and investments. Interest expense rose to EUR 63,512 thousand (previous year: EUR 53,200 thousand), mainly due to higher variable interest rates compared to the previous year.

Contingent liabilities

As of 30 June 2024, the Company entered into new contingent liabilities amounting to EUR 30.0 million.

Events after the reporting period

Between the end of the reporting period of the consolidated financial statements and the date of publication, an EUR 80.0 million tranche of the bridge financing was repaid. The remaining EUR 40.0 million is due on 31 December 2024.

Furthermore, the transfer of possession, benefits and associated risks from the sale of a logistics portfolio comprising 12 properties from the Commercial Portfolio segment with a transaction volume of approx. EUR 309 million took place between the reporting date of the consolidated financial statements and today.

Furthermore, the sale of two retail warehouse properties from the Commercial Portfolio with an aggregate cash inflow of around EUR 27 million was notarised. The transfer of possession, benefits and associated risks is scheduled to take place by 30 September 2024.

Mr Jürgen Overath was elected to the Supervisory Board at the General Shareholders' Meeting held on 22 August 2024.

Subsidiaries

The financial information concerning the Group's subsidiaries (VIB Vermögen AG sub-group) in which significant equity interests are held, is summarised below. Non-current assets mainly concern investment property measured in accordance with IAS 40 in conjunction with IAS 16.

in EUR thousand	30.06.2024	31.12.2023
Balance sheet		
Non-current assets	1,914,891	2,181,894
Current assets	567,366	466,481
	2,482,257	**2,648,375**
Equity	1,425,274	1,501,586
– thereof non-controlling interests	430,295	469,413
Non-current liabilities	1,040,896	1,087,639
Current liabilities	16,087	59,150
	2,482,257	**2,648,375**
	H1 2024	H1 2023
Cash flow		
Cash flows from operating activities	29,269	35,540
Cash flows from investing activities	– 195,130	179,200
Cash flows from financing activities	– 12,905	83,091
Profit/loss		
Gross rental income	89,105	46,369
Profit	– 97,302	2,7281

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt am Main, 26 August 2024

The Management Board

Sonja Wärntges   Torsten Doyen   Christian Fritzsche   Johannes von Mutius

Report on audit review

To Branicks Group AG,

We have performed an audit review of the condensed interim consolidated financial statements — comprising the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes – and the interim group management report of Branicks Group AG, Frankfurt am Main, which are part of the half-year financial report pursuant to § 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act), for the period from January 1 to June 30, 2024. The preparation of the condensed interim consolidated financial statements in accordance with those International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report based on our review of the condensed interim consolidated financial statements and on the interim group management report.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude with certain assurance, through critical appraisal, that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable from a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an audit report.

Based on our audit review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Hamburg, August 26, 2024

BDO AG
Wirtschaftsprüfungsgesellschaft

sgd. Härle	sgd. Rücker
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

EPRA key figures

in EUR million	30.06.2024	31.12.2023	Δ
EPRA Net Reinstatement Value (EPRA-NRV)	1,352.1	1,408.4	4 %
EPRA Net Disposal Value (EPRA-NDV)	1,215.3	1,337.8	9 %
EPRA Net Tangible Assets (EPRA-NTA)	937.1	994.0	6 %
EPRA net initial yield (in %)[1]	4.3	4.2	2 %
EPRA “topped up” net initial yield (in %)[1]	4.3	4.2	2 %
EPRA vacancy rate (in %)[2]	6.2	5.3	17 %
EPRA-LTV (%)	61.2	62.4	2 %
	Q2 2024	**Q2 2023**	**Δ**
EPRA earnings	37.4	39.0	4 %
EPRA cost ratio incl. direct vacancy costs (in %)[1]	24.6	20.1	22 %
EPRA cost ratio incl. direct vacancy costs (in %)[1]	23.3	15.2	53 %
EPRA earnings per share[3]	0.45	0.47	4 %
	30.06.2024	**31.12.2023**	**Δ**
NAV per share	**15.21**	**15.54**	**2 %**
Adjusted NAV per share[4]	**17.31**	**17.63**	**2 %**

[1] Calculated for the Commercial Portfolio only.
[2] Calculated for the Commercial Portfolio only, without warehousing, project developments and repositioning.
[3] All per share figueres adjusted accordance with IFRSs (number of shares 6M 2024: 83,565,100; 6M 2023: 83,286,766).
[4] Incl. Full value of Institutional Business.

Legal notes

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Forward-looking statements
This half-year report contains statements that refer to future developments. Such statements constitute assessments that have been taken in the light of the information available. Should the assumptions on which they are based not prove accurate, or should – as specified in the section entitled Risk Report – risks occur, the actual results may differ from those anticipated.

Hinweis:
This report is published in German (original version) and English (non-binding translation).

For computational reasons, rounding differences from the exact mathematical values (monetary amounts (EUR thousand), percentages (%), etc.) may occur in tables and cross-references.