

Q1

QUARTERLY FINANCIAL
STATEMENTS 2024

Key Figures^{Q1}

Profit and loss statement

In EUR thousand	For the three months ended		For the year ended
	31 Mar 2024	31 Mar 2023	31 Dec 2023
Income from rental activities	78,222	79,709	314,656
Adj. EBITDA from rental activities	31,309	32,759	109,558
Adj. EBITDA from rental activities margin	61.3%	61.3%	52.3%
Adj. EBITDA Total	18,669	36,713	20,629
FFO 1 (from rental activities)	(26,856)	15,759	(42,642)
FFO 2 (incl. disposal results and development activities)	(84,267)	255	(282,612)

Further KPIs

Residential ^(*)	31 Mar 2024	31 Dec 2023
Monthly in-place rent (EUR per m ²)	7.63	7.60
Total vacancy rate	1.7%	1.1%
Number of units	25,015	25,043
Like-for-like rental growth (LTM)	5.1%	5.1%

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

Balance sheet

In EUR thousand except per share data	31 Mar 2024 ^(*)	31 Dec 2023 ^(*)
EPRA LTV	99.1%	97.6%
EPRA NRV	590,450	670,439
EPRA NRV per share (EUR)	3.89	4.42
EPRA NTA	448,345	528,527
EPRA NTA per share (EUR)	2.96	3.49

(*) Adjusted for BCP IFRS 5 illustration which has been disregarded; the corresponding line items have been reversed into respective balance sheet positions.

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About the Group

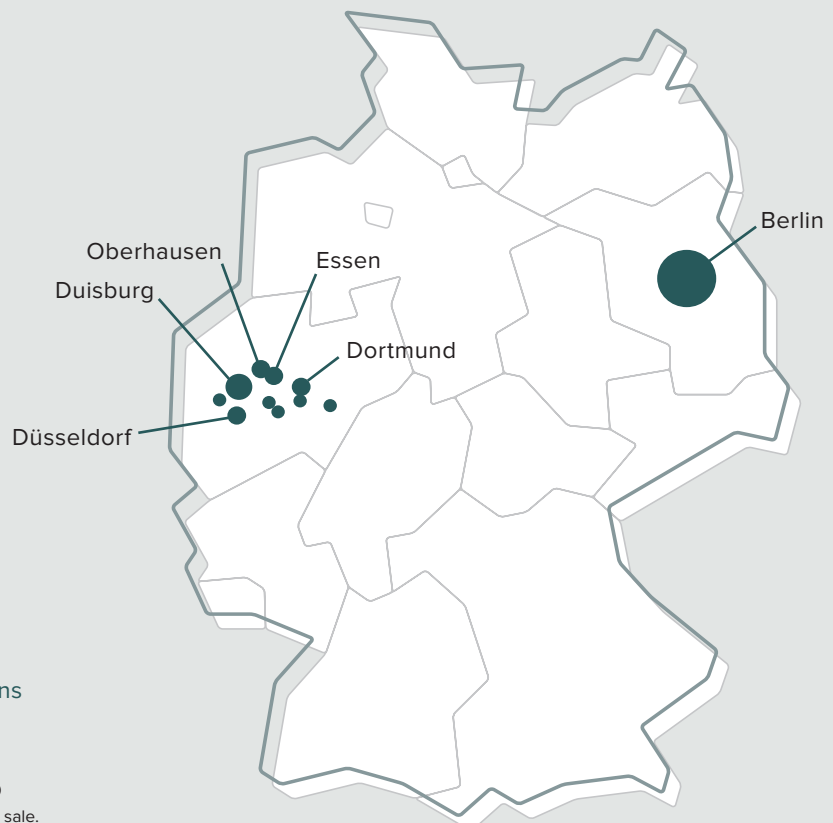
The Adler Group S.A. (the Company) is a Luxembourg-based real estate holding company with more than 500 subsidiaries (Adler Group) mainly operating in Germany. It specialises in the management and development of income-producing, multi-family residential real estate.

Adler Group owns and manages 25,015 residential rental units, largely concentrated in Berlin (around 71% of properties) and North-Rhine-Westphalia (around 29% of properties). Most of the properties fall into the market segment of affordable housing.

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

As at 31 March 2024, Adler Group had 573 employees based in Luxembourg and in several locations across Germany.

Rental portfolio as at 31 March 2024^(*)



^(*) Residential rental portfolio showing all locations with >100 rental units, not considering any assets classified as held for sale.



Adler Group Share

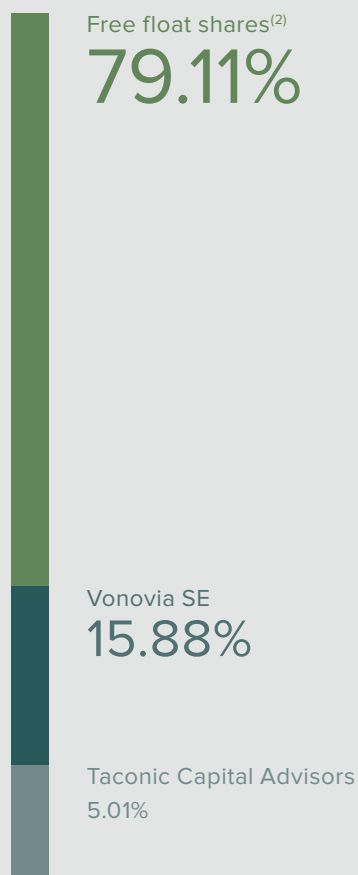
The share

Share information (as at 31 March 2024)

1st day of trading	23 July 2015
Subscription price	EUR 20.00
Price at the end of Q1 2024	EUR 0.180
Highest share price LTM	EUR 1.104
Lowest share price LTM	EUR 0.175
Total number of listed shares outstanding	151.6 million
ISIN	LU1250154413
WKN	A14U78
Symbol	ADJ
Class	Dematerialised shares
Free float	79.11%
Stock exchange	Frankfurt Stock Exchange
Market segment	Prime Standard
EPRA indices	FTSE EPRA / NAREIT Global Index, FTSE EPRA / NAREIT Developed Europe Index, FTSE EPRA / NAREIT Germany Index

Shareholder structure⁽¹⁾

(as at 31 March 2024)



(1) According to the official notifications received from the shareholders.

(2) Based on the German stock exchange's definition, free float refers to shares that are not owned by major shareholders holding more than 5% of the total shares.

Key stock market data

Adler Group shares are traded on the Prime Standard of the Frankfurt Stock Exchange. During the 12 months ended 31 March 2024, the shares traded between EUR 0.175 and EUR 1.104. Adler Group shares are included in the relevant real estate sector indices of the EPRA index family.

Shareholder structure

As at 31 March 2024, the total number of outstanding shares of Adler Group amounts to 151.6 million. At that time, the main shareholders with holdings of over 5% were: Vonovia SE (15.88%) and Taconic Capital Advisors (5.01%), according to the official notifications received from the shareholders. The remaining 79.11% free float shares were mainly held by institutional investors.

Dividend

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

Interim Management Report



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Fundamentals of the Group

Business model

Adler Group S.A. is a residential real estate company which – through its more than 500 subsidiaries – holds and manages 25,015 rental units, primarily based in Berlin and North-Rhine-Westphalia. This rental portfolio is valued at EUR 4.2 billion. Besides the rental portfolio, Adler Group owns a portfolio of development projects in some of the larger cities in Germany valued at EUR 1.5 billion. In agreement with the bondholders under the terms of the Restructuring Plan, these development projects shall be sold – some sales processes have already begun, others are to be initiated.

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

573 operational employees are based in Luxembourg and in several locations across Germany in order to bring Adler Group as close as possible to assets and tenants.

Objectives and strategy

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

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

Vacancies are kept low through active marketing tailored to the respective micro-location.

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

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

By disposing of non-core assets, Adler Group aims to streamline the rental portfolio and to focus on mid- and large-size cities where a critical mass of assets can be managed thereby improving profitability and portfolio KPIs. When selling selected assets, Adler Group aims to sell at or around book value and has supporting documents proving it has been able to do so in the past, thus demonstrating the resilience of the German residential real estate market. Active capital recycling enables Adler Group to reduce leverage and ultimately to improve its capital structure.

Committed to adding value through refurbishment and modernisation.

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

Corporate Governance

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

Composition of the Board

As at 31 March 2024, the Board comprises the following members:

Mr Stefan Brendgen, Chairman

Independent Director

Dr. Heiner Arnoldi

Independent Director

Mr Thilo Schmid

Independent Director

Mr Thomas Zinnöcker

Independent Director

Mr Thierry Beaudemoulin

Director

Mr Thomas Echelmeyer

Director

Portfolio Overview

Business performance highlights

As at 31 March 2024, the residential rental portfolio has a strong focus on Berlin as well as some other larger cities primarily in North-Rhine-Westphalia such as Duisburg and Düsseldorf.

The figures presented in this section show the rental portfolio without assets classified as held for sale (i.e., primarily the assets owned by BCP).

Portfolio overview^(*)

Location	Fair value EURm Q1 24	Fair value EUR/m ² Q1 24	Units	Lettable area m ²	NRI ^(**) EURm Q1 24	Rental yield (in-place rent)	Oper- ational vacancy Q1 24	Vacancy Δ YoY	Q1 24 Avg. rent EUR/m ² / month	NRI Δ YoY LFL	Rever- sionary potential
Berlin	3,566	2,908	17,733	1,226,429	120	3.4%	1.4%	0.1%	8.17	5.5%	21.0%
Other	613	1,325	7,282	462,890	34	5.5%	2.3%	0.7%	6.22	3.9%	16.3%
Total	4,179	2,474	25,015	1,689,319	153	3.7%	1.7%	0.3%	7.63	5.1%	20.0%

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

(**) Annualised net rental income.

In addition to the financial performance indicators, Adler Group also uses the following non-financial operating performance indicators.

The vacancy rate shows the ratio of m² of vacant units in the portfolio to total m² of the portfolio. Vacancy rate is used as an indicator of the current letting performance.

The in-place rent per m² provides an insight into the average rental income from the rented properties. It serves as an indicator of the current letting performance.

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

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

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

Portfolio performance

Rental portfolio^(*)

	31 Mar 2024	31 Dec 2023
Number of units	25,015	25,043
Average rent/m ² /month (EUR)	7.63	7.60
Vacancy	1.7%	1.1%

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

The average rent per m² amounted to EUR 7.63 as at 31 March 2024, a slight increase despite the disposal of the “Wasserstadt” portfolio in Berlin in 2023, comprising approximately 700 non-rent-regulated rental units. The vacancy rate increased slightly to 1.7% due to seasonal effects.

Like-for-like rental growth^(*)

In %	LTM ^(**) 31 Mar 2024	1 Jan - 31 Dec 2023
Like-for-like rental growth	5.1%	5.1%

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

(**) Last 12 months (LTM).

Like-for-like rental growth of the portfolio amounted to 5.1% over the last twelve months. Like-for-like rental growth of our Berlin portfolio amounted to 5.5% while like-for-like rental growth of the remaining portfolio stood at 3.9%.

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

Maintenance and CapEx

In EUR per m ²	1 Jan - 31 Mar 2024	1 Jan - 31 Dec 2023
Maintenance	2.0	6.0
CapEx	3.2	16.1
Total	5.2	22.1

In EUR million	1 Jan - 31 Mar 2024	1 Jan - 31 Dec 2023
Maintenance	3.3	10.6
CapEx	5.5	28.6
Total	8.8	39.1

In the first three months of 2024, total investment in the core portfolio amounted to EUR 8.8 million resulting in maintenance and CapEx expenses per m² of EUR 5.2.

Vacancy split

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

Vacancy^(*)

	31 Mar 2024	31 Dec 2023
Total vacancy (units)	404	291
Total vacancy (m ²)	27,715	19,058
Total vacancy rate	1.7%	1.1%

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

Financial Overview

Financial performance indicators

As outlined at various places in this report (e.g., refer to the section “Material Events”), Adler Group has been exposed to a challenging situation that was partly self-inflicted and largely caused by external factors throughout the financial year 2022. The situation itself manifested in liquidity constraints, lack of financing capacities and dried real estate markets that made portfolio sales almost impossible. By coping with this situation, management decided to focus on always preserving enough liquidity as well as on net rental income as the main key performance indicators. The other financial performance indicators outlined below were not suspended but were followed with a much lower focus than usual. Consequently, we waive the explicit description of the financial performance indicators listed below.

The European Public Real Estate Association (EPRA) changed its definition of Net Asset Value (NAV) in October 2019 and it was applied for the first time in the 2020 financial year. The key figures NAV and NNNAV have been replaced by three new figures: Net Reinstatement Value (NRV), Net Tangible Assets (NTA) and Net Disposal Value (NDV).

In addition to the new EPRA NAV metrics, we continue to show EPRA NAV based on the previous EPRA Best Practice Recommendations (BPRs).

EPRA NAV represents the fair value of net assets on an ongoing, long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances, such as the fair value of financial hedging derivatives and deferred taxes on property valuation surpluses, are there-

fore excluded. Similarly, trading properties are adjusted to their fair value under the EPRA NAV measure.

EPRA NAV makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.

Adler Group has an outstanding convertible bond, which might be converted into equity at maturity. To take this fact into account, we present all the NAV metrics on a diluted basis as well, which includes the fair value of the convertible bond and the fully diluted number of shares at the corresponding reporting date.

Calculation of EPRA NAV

Total equity attributable to owners of the Company

-
- (+) Revaluation of inventories¹⁾
 - (-) Fair value of financial instruments²⁾
 - (-) Deferred taxes³⁾
-

= EPRA NAV

1) Difference between inventories carried in the balance sheet at cost (IAS 2) and the fair value of inventories.

2) Fair value of financial instruments that are used for hedging purposes where the Company has the intention of keeping the hedge position until the end of the contractual duration.

3) For EPRA NAV and EPRA NRV: Deferred tax as per the IFRS balance sheet in respect of the difference between the fair value and the tax book value of investment property, development property held for investment, intangible assets, or other non-current investments. For EPRA NTA: Only deferred taxes relating to the proportion of the portfolio that is intended to be held in the long run and not sold are excluded.

The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis. Assets and liabil-

ities that are not expected to crystallise in normal circumstances, such as the fair value movements on financial hedging derivatives and deferred taxes on property valuation surpluses, are therefore excluded. Since the indicator also aims at reflecting what would be needed to recreate the Company through the investment markets based on its current capital and financing structure, related costs (such as real estate transfer taxes) are included.

Calculation of EPRA NRV

Total equity attributable to owners of the Company

(+)	Revaluation of inventories ¹⁾
(-)	Fair value of financial instruments ²⁾
(-)	Deferred taxes ³⁾
(+)	Real estate transfer tax ⁴⁾

= EPRA NRV

4) For EPRA NRV: Real Estate Transfer Tax on investment properties is the gross value as provided in the valuation certificate (i.e., the value prior to any deduction of purchasers' costs). For EPRA NTA: The Company has a history of successfully completing share deals; and there is a reasonable expectation that the Company can also do so in the future. Therefore, transfer tax optimisation adjustment has been used by applying the implied average transfer tax consistently achieved in the past.

The underlying assumption behind the EPRA Net Tangible Assets calculation assumes that entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.

Calculation of EPRA NTA

Total equity attributable to owners of the Company

(+)	Revaluation of inventories ¹⁾
(-)	Fair value of financial instruments ²⁾
(-)	Deferred taxes ³⁾
(-)	Goodwill
(+)	Real estate transfer tax ⁴⁾

= EPRA NTA

EPRA Net Disposal Value presents a scenario where deferred tax, financial instruments and certain other adjustments are calculated as to the full extent of their liability, including tax exposure not reflected in the balance sheet, net of any resulting tax. This measure should not be viewed as a "liquidation NAV" because, in many cases, fair values do not represent liquidation values.

Calculation of EPRA NDV

Total equity attributable to owners of the Company

(+)	Revaluation of inventories ¹⁾
(-)	Fair value of fixed interest rate debt ⁵⁾
(-)	Goodwill

= EPRA NDV

5) The difference between the fair value of fixed interest rate debt and book value included in the balance sheet as per IFRS.

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

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

Adj. EBITDA Total can be derived by adding the net profit from project development activities, the fair value gain from build-to-hold development and the net profit from privatisations to Adj. EBITDA from rental activities.

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

Calculation of Adj. EBITDA (from rental activities)

Net rental income

(+)	Income from facility services and recharged utilities costs
=	Income from rental activities
(-)	Cost from rental activities ⁶⁾
=	Net operating income (NOI) from rental activities
(-)	Overhead costs from rental activities ⁷⁾
=	Adj. EBITDA from rental activities

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

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

Calculation of Adj. EBITDA Total

Income from rental activities

(+)	Income from property development
(+)	Income from real estate inventories disposed of
(+)	Income from other services
(+)	Income from selling of trading properties
=	Revenue
(-)	Cost from rental activities ⁶⁾
(-)	Other operational costs from development and privatisation sales ⁸⁾
=	Net operating income (NOI)
(-)	Overhead costs from rental activities ⁷⁾
(-)	Overhead costs from development and privatisation sales ⁹⁾
(+)	Profit from portfolio sales ¹⁰⁾
(+)	Fair value gain from build-to-hold development ¹¹⁾
=	Adj. EBITDA Total
(-)	FFO 2 net interest expenses ¹²⁾
(+/-)	Other net financial costs ¹³⁾
(-)	Depreciation and amortisation
(+)	Change in fair value of investment properties
(+/-)	Other expenses/income ¹⁴⁾
(-)	Net income from at-equity valued investment ¹⁵⁾
=	EBT

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

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

10) Profit from portfolio sales includes the disposals of IAS 40 properties. This position compares the proceeds generated from the disposal with the last recognised book value and also deducts the related costs of this sale.

11) Our internally developed build-to-hold portfolio allows the Company to generate fair value gain.

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

13) Other net financial costs is equal to the total "Net finance costs" from the profit or loss statement less "Net cash interest" as calculated in footnote 1) above.

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

15) Net income from at-equity valued investment from the profit and loss statement.

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

Calculation of FFO 1 (from rental activities)

Adj. EBITDA from rental activities

-
- (–) FFO 1 net interest expenses¹⁶⁾
 - (–) Current income taxes relating to rental activities¹⁷⁾
 - (–) Interest of minority shareholders¹⁸⁾

= FFO 1 (from rental activities)

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

17) Only current income taxes relating to rental activities.

18) Interest of minority shareholders in Adler's subsidiary Brack Capital Properties N.V. ("BCP") as Adler's share is only 62.78% as at 31 December 2022.

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

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

Adj. EBITDA Total

-
- (–) FFO 2 net interest expenses¹²⁾
 - (–) Current income taxes¹⁹⁾
 - (–) Interest of minority shareholders¹⁸⁾

= FFO 2

(incl. disposal results and development activities)

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

EPRA has introduced a new metric, the EPRA loan-to-value (LTV) ratio which has been included in the EPRA Best Practices Recommendations (BPR) Guidelines 2022, as part of the EPRA Performance Measures which became effective in 2022.

The Adler Group LTV has been replaced by EPRA LTV and will be reported from the publication of the 2022 Annual Report onwards. EPRA LTV illustrates the relationship between net debt and total property value of a real estate company and thus evaluates the gearing of shareholder equity.

EPRA LTV calculation as well as the information taken from the Adler Group balance sheet is depicted in the following table:

Calculation of EPRA LTV	Group as reported	Share of joint ventures ²⁷⁾	Share of material associates ²⁷⁾	Non-controlling interests ²⁸⁾	Total ²⁹⁾
<hr/>					
Borrowings from financial institutions ²⁰⁾					
(+) Commercial paper					
(+) Hybrids ²¹⁾					
(+) Bond loans ²²⁾					
(+) Foreign currency derivatives					
(+) Net payables ²³⁾					
(+) Owner-occupied property (debt)					
(+) Current accounts (equity characteristic)					
(-) Cash and cash equivalents					
= Net Debt					
<hr/>					
Owner-occupied property					
(+) Investment properties at fair value					
(+) Properties held for sale ²⁴⁾					
(+) Properties under development ²⁵⁾					
(+) Intangibles					
(+) Net receivables ²³⁾					
(+) Financial assets ²⁶⁾					
= Total property					
<hr/>					
= EPRA LTV in %					

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

21) Including convertible bonds.

22) Containing current and non-current corporate bonds.

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

Calculation of Net payables

Investments in financial instruments

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

= **Net amount**

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

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

26) Containing other financial assets.

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

28) Non-controlling interests are only adjusted for minority shareholders in Adler's subsidiary Brack Capital Properties N.V. for reasons of materiality, thus any other minority shareholders are not considered due to their insignificance.

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

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

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

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

Profit situation

Income from rental activities and **Net operating income (NOI)** was stable as the negative effect from the decrease in rental units following portfolio disposals in 2023 was compensated by the like-for-like rental growth. Overhead costs from rental activities increased mainly due to general cost increases including payroll and related expenses as well as higher office rents.

The decrease in **Adj. EBITDA Total** was mainly due to the lower income from both property development and real estate inventory disposed of. Income from property development includes revenue recognition from forward sales and condo sales. Due to the reduced number of projects in the pipeline, associated revenues reduced compared to the previous year. Income from real estate inventory disposed was zero as there was no real estate asset disposal from inventory. The Q1 2023 figure included income from the disposal of the asset "Parkhaus am Jäger".

FFO 1 and FFO 2 were both negatively impacted from the significant increase in net interest expenses due to the New Money Facility of EUR 937.5 million with a PIK interest of 12.5% as well as the 2.75% PIK interest step-up on the Adler Group S.A. bonds, all having become effective in April 2023 as part of the Restructuring Opinion.

EBITDA

Adj. EBITDA from rental activities

In EUR thousand	For the three months ended		For the year ended
	31 Mar 2024	31 Mar 2023	31 Dec 2023
Net rental income	51,064	53,407	209,576
Income from facility services and recharged utilities costs	27,158	26,302	105,080
Income from rental activities	78,222	79,709	314,656
Cost from rental activities	(29,311)	(30,671)	(133,656)
Net operating income (NOI) from rental activities	48,911	49,038	181,000
NOI from rental activities margin (%)	95.8%	91.8%	86.4%
Overhead costs from rental activities	(17,603)	(16,280)	(71,443)
Adj. EBITDA from rental activities	31,309	32,759	109,558
Adj. EBITDA margin from rental activities (%)	61.3%	61.3%	52.3%

Adj. EBITDA Total

In EUR thousand	For the three months ended		For the year ended
	31 Mar 2024	31 Mar 2023	31 Dec 2023
Income from rental activities	78,222	79,709	314,656
Income from property development	9,496	19,803	27,832
Income from other services	1,128	1,974	9,514
Income from real estate inventory disposed of	-	17,500	91,575
Income from sale of trading properties	-	-	1,500
Revenue	88,846	118,986	445,077
Cost from rental activities	(29,311)	(30,671)	(133,656)
Other operational costs from development and privatisation sales	(18,921)	(25,286)	(192,841)
Net operating income (NOI)	40,613	63,029	118,581
Overhead costs from rental activities	(17,603)	(16,280)	(71,443)
Overhead costs from development and privatisation sales	(4,341)	(10,036)	(26,509)
Adj. EBITDA Total	18,669	36,713	20,629
FFO 2 net interest expenses	(93,400)	(32,461)	(277,056)
Other net financial costs	2,398	(10,765)	(219,802)
Depreciation and amortisation	(1,136)	(3,654)	(16,283)
Other income/(expenses)	(7,689)	(58,776)	(295,601)
Change in valuation	2,081	(5,812)	(1,172,738)
Net income from at-equity valued investments	(971)	(346)	(5,108)
EBT	(80,048)	(75,101)	(1,965,959)

FFO

FFO 1 (from rental activities)

In EUR thousand	For the three months ended		For the year ended
	31 Mar 2024	31 Mar 2023	31 Dec 2023
Adj. EBITDA from rental activities	31,309	32,759	109,558
FFO 1 net interest expenses	(52,983)	(12,482)	(135,446)
Current income taxes	(3,556)	(2,892)	(9,441)
Interest of minority shareholders	(1,626)	(1,626)	(7,313)
FFO 1 (from rental activities)	(26,856)	15,759	(42,642)
No. of shares ^(*)	151,626	117,510	141,035
FFO 1 per share	(0.18)	0.13	(0.30)

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

FFO 2 (incl. disposal results and development activities)

In EUR thousand	For the three months ended		For the year ended
	31 Mar 2024	31 Mar 2023	31 Dec 2023
Adj. EBITDA Total	18,669	36,713	20,629
FFO 2 net interest expenses	(93,400)	(32,461)	(277,056)
Current income taxes	(7,910)	(2,371)	(18,872)
Interest of minority shareholders	(1,626)	(1,626)	(7,313)
FFO 2	(84,267)	255	(282,612)
No. of shares ^(*)	151,626	117,510	141,035
FFO 2 per share	(0.56)	0.00	(2.00)

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

Financial and asset position

Investment properties remain almost unchanged due to the lack of disposals and no revaluation in Q1 2024. **Other non-current assets** include other financial assets of EUR 125 million (mainly comprising loans against non-controlling shareholders of subsidiaries), contract assets of EUR 60 million as well as restricted bank deposits of EUR 16 million. **Inventories** primarily include land from forward and upfront sales. **Other current assets** include other receivables (EUR 122 million), trade receivables (EUR 64 million), restricted bank deposits (EUR 35 million) and contract assets (EUR 10 million). **Non-current assets held for sale** mainly relate to BCP. The increase compared to December 2023 was due to the higher cash balance of BCP decreased following the EUR 90 million secured bond placement of BCP in February 2024. **Interest-bearing debt** does not contain debts held at BCP level, as they are shown separately as liabilities held for sale. **Other liabilities** include other current payables (EUR 257 million) with the majority referring to income tax payables, other long-term financial liabilities (EUR 229 million) incl. accrued interest of EUR 215 million, provisions (EUR 98 million) and trade payables (EUR 70 million). The Group's **total equity** decreased mainly due to the negative net result of EUR 81 million for the reporting period.

As at 31 March 2024, the total interest-bearing nominal debts amounted to around EUR 6,487 million. As at Q1 2024, the average interest rate on all outstanding debt is 6.3%, with a weighted average maturity of 2.5 years.

Financial position

In EUR thousand	31 Mar 2024	31 Dec 2023
Investment properties and advances related to investment properties	4,915,445	4,910,925
Other non-current assets	261,520	273,673
Non-current assets	5,176,965	5,184,598
Cash and cash deposits	352,672	377,419
Inventories	519,509	515,467
Other current assets	242,524	251,161
Current assets	1,114,705	1,144,047
Non-current assets held for sale	1,466,052	1,388,142
Total assets	7,757,722	7,716,787
Interest-bearing debts	6,049,937	6,050,626
Other liabilities	737,875	701,844
Deferred tax liabilities	340,308	346,989
Liabilities classified as available for sale	676,278	574,924
Total liabilities	7,804,398	7,674,383
Total equity attributable to owner of the Company	(314,004)	(228,856)
Non-controlling interests	267,328	271,260
Total equity	(46,676)	42,404
Total equity and liabilities	7,757,722	7,716,787

In the tables below we present the new EPRA key figures as presented in the new EPRA BPRs and compare them with the previous EPRA NAV definition.

EPRA NAVs

31 Mar 2024^(*)

In EUR thousand	NAV	NRV	NTA	NDV
Total equity attributable to owners of the Company	(314,004)	(314,004)	(314,004)	(314,004)
Revaluation of inventories	457	457	457	457
Deferred tax	451,621	451,621	451,621	-
Goodwill	-	-	-	-
Fair value of financial instruments	(533)	(533)	(533)	-
Fair value of fixed interest rate debt	-	-	-	1,697,301
Real estate transfer tax	-	452,909	310,804	-
EPRA NAV	137,541	590,450	448,345	1,383,754
No. of shares	151,626	151,626	151,626	151,626
EPRA NAV per share	0.91	3.89	2.96	9.13
Convertibles	-	-	-	-
EPRA NAV fully diluted	137,541	590,450	448,345	1,383,754
No. of shares (diluted)	151,626	151,626	151,626	151,626
EPRA NAV per share fully diluted	0.91	3.89	2.96	9.13

(*) Adjusted for BCP IFRS 5 illustration which has been disregarded; the corresponding line items have been reversed into respective balance sheet positions.

31 Dec 2023^(*)

In EUR thousand	NAV	NRV	NTA	NDV
Total equity attributable to owners of the Company	(228,857)	(228,857)	(228,857)	(228,857)
Revaluation of inventories	5,149	5,149	5,149	5,149
Deferred tax	442,436	442,436	442,436	-
Goodwill	-	-	-	-
Fair value of financial instruments	(606)	(606)	(606)	-
Fair value of fixed interest rate debt	-	-	-	1,697,301
Real estate transfer tax	-	452,316	310,405	-
EPRA NAV	218,123	670,439	528,527	1,473,594
No. of shares	151,626	151,626	151,626	151,626
EPRA NAV per share	1.44	4.42	3.49	9.72
Convertibles	-	-	-	-
EPRA NAV fully diluted	218,123	670,439	528,527	1,473,594
No. of shares (diluted)	151,626	151,626	151,626	151,626
EPRA NAV per share fully diluted	1.44	4.42	3.49	9.72

(*) Adjusted for BCP IFRS 5 illustration which has been disregarded; the corresponding line items have been reversed into respective balance sheet positions.

EPRA loan-to-value

The table below shows the loan-to-value (LTV) according to the latest definition by EPRA.

31 Mar 2024

In EUR thousand	Group loan-to-value	Non-controlling interests ^(*)	Total
Borrowings from financial institutions	2,291,995		2,291,995
Commercial paper			
Hybrids			
Bond loans	3,757,942		3,757,942
Foreign currency derivatives			
Net payables	1,045,937	(275,552)	770,385
Owner-occupied property (debt)			
Current accounts (equity characteristics)			
Cash and cash equivalents	(352,666)		(352,666)
Net financial liabilities	6,743,202	(275,552)	6,467,650
Owner-occupied property			
Investment properties at fair value	4,915,445		4,915,445
Properties held for sale ^(†)	1,986,018	(488,464)	1,497,555
Properties under development			
Intangibles			
Net receivables			
Financial assets	127,259		127,259
Total property value	7,028,722	(488,464)	6,540,259
EPRA loan-to-value	96.1%	56.4%	99.1%

(*) Considers inventories at fair value (EUR 519,966 thousand) as well as non-current assets held for sale.

(†) Considers the interest of minority shareholders in ADLER's subsidiary Brack Capital Properties N.V. ("BCP").

31 Dec 2023

In EUR thousand	Group loan-to-value	Non-controlling interests ^(*)	Total
Borrowings from financial institutions	2,259,272		2,259,272
Commercial paper			
Hybrids	-		-
Bond loans	3,791,353		3,791,353
Foreign currency derivatives			
Net payables	887,121	(241,817)	645,304
Owner-occupied property (debt)			
Current accounts (equity characteristics)			
Cash and cash equivalents	(377,419)		(377,419)
Net financial liabilities	6,560,327	(241,817)	6,318,510
Owner-occupied property			
Investment properties at fair value	4,910,925		4,910,925
Properties held for sale ^(†)	1,908,758	(454,873)	1,453,885
Properties under development			
Intangibles			
Net receivables			
Financial assets	111,920		111,920
Total property value	6,931,603	(454,873)	6,476,730
EPRA loan-to-value	94.6%	53.2%	97.6%

(*) Considers inventories at fair value (EUR 520,616 thousand) as well as non-current assets held for sale.

(†) Considers the interest of minority shareholders in ADLER's subsidiary Brack Capital Properties N.V. ("BCP").

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

Net payables

In EUR thousand	31 Mar 2024	31 Dec 2023
Investments in financial instruments	17,364	17,395
Advances related to investment properties	0	0
Restricted bank deposits	51,299	66,942
Contract assets	70,611	66,294
Trade receivables	64,317	79,273
Other receivables and financial assets	123,170	116,322
Advances paid on inventories	8,978	10,007
Deduct:		
Other financial liabilities	(229,418)	(165,882)
Pension provisions	(768)	(773)
Other payables	(256,158)	(266,876)
Contract liabilities	(9,714)	(14,473)
Trade payables	(70,374)	(65,167)
Provisions	(98,448)	(105,188)
Prepayments received	(40,518)	(50,071)
Non-current liabilities held for sale	(676,278)	(574,924)
Net payables	(1,045,937)	(887,121)

Material Events

In the reporting period

1. On 23 January 2024, Adler Group S.A. confirmed that it will continue its restructuring path as planned. This follows the decision by the Court of Appeal of England and Wales on 23 January 2024 to set aside the Sanction Order made by the High Court of Justice of England and Wales on 12 April 2023. Pursuant to the Sanction Order, the bonds issued by AGPS BondCo plc, a wholly owned subsidiary of Adler Group, were amended as of 17 April 2023. Since then, the amended bond terms have formed the basis of the Adler Group's ongoing liabilities, and the appellants in April 2023 did not apply for the appeal to have a suspensive effect on the Sanction Order. The implementation of the restructuring in April 2023 was carried out in accordance with German law and therefore the terms and conditions of the bonds remain valid regardless of the decision by the Court of Appeal to set aside the Sanction Order. The Court of Appeal's decision was made following a hearing lasting several days at the end of October 2023. While Adler Group respects the decision of the Court of Appeal to set aside the Sanction Order, the decision has no impact on the Adler Group or the effective amendments to the bond terms.

2. Pursuant to a decision of the Tel Aviv Stock Exchange Ltd. ("TASE"), the shares of BCP were transferred to the TASE maintenance list on 31 January 2024.

3. On 19 February 2024, Prof. Dr. A. Stefan Kirsten resigned from his office as Chairman of the Board of Directors of Adler Group S.A. with immediate effect for health reasons and left the Board. This was announced by the Company following an extraordinary meeting of the Board of Directors. Stefan Brendgen, member of the Board, will assume the office of Chairman of the Board of Directors. Adler Group plans to appoint a new member to the Board of Directors at the forthcoming AGM.

4. On 28 February 2024, BCP completed the issuance of a new listed series of Bonds (Series D) with a total scope of approximately ILS 360 million (equivalent to EUR 91.4 million). The bonds are linked to the CPI and bear fixed interest (which is also linked to the CPI) of 5.05%.

5. On 27 March 2024, Adler Group announced the completion of the sale of the Wasserstadt Tankstelle development project in Berlin. The buyer is the Hilpert Group, headquartered in Würzburg. The property was leased to a petrol station until 2022 and is therefore the last undeveloped part of Wasserstadt Berlin. The transaction, which was signed in December 2023, generated net proceeds in the double-digit millions for the Adler Group. The transaction contributes to the declared goals of further reducing the Group's debt in 2024 and beyond, as well as focusing operationally on the residential rental portfolio.

Subsequent events

The Group evaluated transactions or other events in the financial statements that occurred between the reporting date 31 March 2024 and 27 May 2024 (the date of finalisation of the condensed interim financial statements), and classifies the following as subsequent events.

1. On 25 April 2024, Adler Group announced that it is currently in advanced negotiations with a steering committee of bondholders ("SteerCo") to, among others, refinance and extend existing financial indebtedness, partially subordinate existing financial indebtedness and issue instruments representing majority voting control in Adler Group to bondholders. These discussions resulted in a non-binding agreement in principle and the parties are aiming for a lock-up agreement ("Lock-up Agree-

ment”) to be signed with the members of the SteerCo and further bondholders of the Group in due course.

2. On 30 April 2024, Adler Group announced the sale of the development project FourLiving VauVau & Mensa located in Leipzig. Following the positive council resolution passed by a clear majority on 24 April 2024, the City of Leipzig notarised its acceptance of the offer and acquired the project located on Prager Strasse with a gross floor area of around 37,900 square metres and an area of around 1.5 hectares. The transaction, which was signed on 26 April 2024, generated net proceeds of around EUR 26 million at a sales price of EUR 27 million. In the challenging market environment, Adler Group sold the project at a discount of around 5% on the gross asset value as at 31 December 2023. The transaction closed in May 2024.

3. On 24 May 2024, Adler Group announced that Mr. Matthias Moser shall be put forward for appointment for a Board member position at the upcoming Annual General Meeting (AGM) on 25 June 2024. This proposed appointment follows the resignation of Prof. Stefan A. Kirsten in February 2024. Dr. Heiner Arnoldi and Thomas Zinnöcker have also tendered their resignation with effect as of the upcoming AGM.

Pending the AGM’s approval of the appointment, the Board of Directors will transition to five members, in view of streamlining decision-making processes and enhancing overall efficiency. The Board would therefore be composed as follows: Stefan Brendgen (Chairman), Thierry Beaudemoulin (CEO), Thomas Echelmeyer (CFO), Matthias Moser and Thilo Schmid.

Matthias Moser is a graduate economist and an expert in real estate and finance with more than 30 years’ experience. He has held a number of appointments as executive, non-executive and advisor roles in various companies, including most recently Domicil Real Estate AG, SüdeWo GmbH and GBW Immobilien AG.

4. On 24 May, Adler Group announced that it had entered into a binding Lock-Up Agreement with the SteerCo supporting a comprehensive recapitalisation of the Group. The Lock-Up Agreement was signed by bondholders representing more than 60% of the 2L Senior Secured Notes (“2L Notes”) issued by Adler Group’s subsidiary AGPS BondCo plc. Other bondholders that intend to support the recapitalisation of the Group can accede to the Lock-Up Agreement.

First component of the agreement is the extension of the existing Group debt maturities to December 2028, December 2029, and January 2030. Second component is the strengthening of Adler Group’s equity by c. EUR 2.3 billion which is expected to be achieved through the conversion of most of the existing 2L Notes into subordinated Perpetual Notes with terms consistent with equity classification under IFRS, thereby stabilising the Group’s balance sheet. Together with the remaining reinstated 2L Notes of EUR 700 million, the Perpetual Notes form new notes, totalling c. EUR 3 billion. Furthermore, Adler Group will be provided with up to EUR 100 million of fresh money through an increase in the existing 1L New Money facility provided by a special purpose vehicle at the initiative of the bondholders. Additionally, the finance documents will provide for the ability to hold back disposal proceeds of up to EUR 250 million realised from April 2024, which would otherwise be applied in mandatory repayment of the existing 1L New Money facility.

As part of the recapitalisation transaction, bondholders will receive the majority in Adler Group’s voting rights. Following the implementation of the transaction, all outstanding common shares are to represent 25% of Adler Group’s total voting rights. The remaining 75% of total voting rights will be represented by the bondholders. All common shares continue to represent 100% of Adler Group’s dividend distribution rights. Additionally, Adler Group will be permitted under the Perpetual Notes to pay a dividend of up to 2.5% of the amount of any payments made to the Perpetual Notes from the date the reinstated 2L Notes are fully discharged.

In order to implement the transaction, AGPS BondCo plc will shortly launch a consent solicitation. Simultaneously, AGPS BondCo plc will launch a UK restructuring plan in case the requisite consent to implement the transaction is not received via the consent solicitation. In addition, Adler Group will convene an extraordinary General Meeting in due course. Adler Group expects the comprehensive re-capitalisation transaction to be implemented and concluded by end of September 2024 or shortly thereafter.

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

Forecast Report

Forecast for 2024

Adler Group expects to generate net rental income for 2024 in the range of EUR 200-210 million.

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

Against the backdrop of the binding agreement with bondholders for a comprehensive recapitalisation signed on 24 May 2024, from today's perspective, the Senior Management does not see any financial or financing risks, Company-specific or governance risks that could jeopardise the mid-term continuation of the Adler Group as a going concern in terms of its results of operations and/or net assets.

Responsibility Statement

We confirm, to the best of our knowledge, that the Condensed Interim Financial Statements of Adler Group S.A. presented in these Q1 2024 Quarterly Financial Statements, prepared in conformity with the International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, give a true and fair view of the net assets, financial and earnings position of the Company, and that the Interim Management Report includes a fair review of the development of the business, and describes the main opportunities, risks and uncertainties associated with the Company for the remaining nine months of the year.



Thierry Beaudemoulin
CEO



Thomas Echelmeyer
CFO

Condensed Consolidated Interim Financial Statements

3 Condensed Consolidated Interim Financial Statements

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Condensed Consolidated Interim Statement of Financial Position

In EUR thousand	31 Mar 2024	31 Dec 2023
Assets		
Non-current assets		
Investment properties	4,915,445	4,910,925
Investments in financial instruments	17,364	17,395
Investments accounted under the equity method	1,255	1,534
Property, plant and equipment	13,860	14,258
Other financial assets	113,620	111,920
Derivatives	7,653	7,726
Restricted bank deposits	15,935	32,657
Right-of-use assets	31,092	32,293
Other intangible assets	176	239
Contract assets	60,409	55,513
Deferred tax assets	156	138
Total non-current assets	5,176,965	5,184,598
Current assets		
Inventories	519,509	515,467
Restricted bank deposits	35,364	34,285
Trade receivables	64,317	79,273
Other receivables and financial assets	123,170	116,322
Contract assets	10,202	10,781
Derivatives	493	493
Cash and cash equivalents	352,672	377,419
Advances paid on inventories	8,978	10,007
Total current assets	1,114,705	1,144,047
Non-current assets held for sale	1,466,052	1,388,142
Total assets	7,757,722	7,716,787

In EUR thousand	31 Mar 2024	31 Dec 2023
Shareholders' equity		
Share capital	188	188
Share premium	1,873,598	1,873,598
Reserves	169,221	175,445
Retained earnings	(2,357,011)	(2,278,087)
Total equity attributable to owners of the Company	(314,004)	(228,856)
Non-controlling interests	267,328	271,260
Total equity	(46,676)	42,404
Liabilities		
Non-current liabilities		
Corporate bonds	3,757,942	3,787,949
Other loans and borrowings	2,026,770	1,971,049
Other financial liabilities	227,883	164,347
Derivatives	395	323
Pension provisions	768	773
Lease liabilities	27,557	28,648
Other payables	743	53
Deferred tax liabilities	340,308	346,989
Total non-current liabilities	6,382,366	6,300,131
Current liabilities		
Corporate bonds	-	3,404
Convertible bonds	-	-
Other loans and borrowings	265,225	288,224
Other financial liabilities	1,535	1,535
Trade payables	70,374	65,167
Other payables	255,417	266,823
Provisions	98,448	105,188
Lease liabilities	4,523	4,443
Prepayments received	40,518	50,071
Contract liabilities	9,714	14,473
Derivatives	-	-
Total current liabilities	745,754	799,328
Non-current liabilities held for sale	676,278	574,924
Total shareholders' equity and liabilities	7,757,722	7,716,787



Thierry Beaudemoulin

CEO



Thomas Echelmeyer

CFO

Date of approval: 27 May 2024

Condensed Consolidated Interim Statement of Profit or Loss

For the three months ended 31 March

In EUR thousand	2024	2023
Revenue	88,846	118,986
Cost of operations	(47,730)	(77,250)
Gross profit	41,116	41,736
General and administrative expenses	(32,718)	(39,132)
Other expenses	(26,506)	(41,134)
Other income	27,952	12,813
Changes in fair value of investment properties	2,081	(5,812)
Results from operating activities	11,925	(31,529)
Finance income	6,584	14,907
Finance costs	(97,586)	(58,133)
Net finance income / (costs)	(91,002)	(43,226)
Net income (losses) from investments in associated companies	(971)	(346)
Profit before tax	(80,048)	(75,101)
Income tax expense	(1,118)	20,571
Profit for the period	(81,166)	(54,530)
Profit attributable to:		
Owners of the Company	(78,633)	(58,615)
Non-controlling interests	(2,533)	4,085
Profit for the period	(81,166)	(54,530)
Earnings per share in EUR (undiluted)	(0.52)	(0.50)
Earnings per share in EUR (diluted)	(0.52)	(0.50)

Condensed Consolidated Interim Statement of Comprehensive Income

For the three months ended 31 March

In EUR thousand	2024	2023
Profit for the period	(81,166)	(54,530)
Items that may be reclassified subsequently to profit or loss		
Hedging reserve classified to profit or loss, net of tax	-	-
Effective portion of changes in fair value of cash flow hedges	-	(1,170)
Related tax	-	(127)
Currency translation reserve	(7,624)	(10,079)
Reserve from financial assets measured at fair value through other comprehensive income	-	(2,473)
Items that may not be reclassified subsequently to profit or loss		
Reserve from financial assets measured at fair value through other comprehensive income	-	-
Total other comprehensive income / (loss)	(7,624)	(13,849)
Total comprehensive income for the period	(88,790)	(68,379)
attributable to:		
Owners of the Company	(84,857)	(72,464)
Non-controlling interests	(3,933)	4,085
Total comprehensive income for the period	(88,790)	(68,379)

Condensed Consolidated Interim Statement of Cash Flows

For the three months ended 31 March

In EUR thousand	2024	2023
Cash flows from operating activities		
Profit for the period	(81,166)	(54,530)
Adjustments for:		
Depreciation	1,143	3,649
Profit from disposal of portfolio	(439)	(439)
Change in fair value of investment properties	(2,081)	5,812
Non-cash other income and expense	(6,745)	5,307
Change in contract assets	(4,317)	4,704
Change in contract liabilities	(4,759)	(1,062)
Non-cash income from at-equity valued investment associates	971	345
Net finance costs / (income)	91,002	43,226
Income tax expense	1,119	(20,571)
Share-based payments	-	225
Change in short-term restricted bank deposits related to tenants	(1,079)	(106)
Change in long-term restricted bank deposits from condominium sales	-	630
Change in trade receivables	14,956	28,575
Change in other receivables	(3,632)	(70,116)
Change in inventories	(4,042)	1,068
Change in advances received	(9,553)	(12,928)
Change in trade payables	5,207	(23,110)
Change in other payables	(19,725)	45,458
Income tax paid	(509)	(6,103)
Net cash from operating activities	(23,648)	(49,966)
Cash flows from investing activities		
Purchase of and CapEx on investment properties	(11,709)	(17,915)
Advances paid for purchase of investment properties	-	300
Proceeds from disposals of investment properties	1,185	-
Proceeds from selling portfolio	30,494	14,663

For the three months ended 31 March

In EUR thousand	2024	2023
Diposal of shareholder loans in connection with a share deal		
Purchase of and CapEx on property, plant and equipment	(44)	412
Interest received	1,694	1,251
Proceeds from sale of financial instruments	5	-
Proceeds from sale of fixed assets	294	-
Change in short-term restricted bank deposits, net	16,723	(361)
Net cash from (used in) investing activities	38,642	(1,650)
Cash flows from financing activities		
Issuance of ordinary shares		
Prepayments for the acquisition of non-controlling interests	-	(29,727)
Repayment of bonds	(3,408)	-
Long-term loans received	306	-
Repayment of long-term loans	(2,942)	(17,172)
Proceeds from issuance of corporate bonds, net	91,055	-
Repayment of short-term loans	(5,043)	-
Interest paid	(19,235)	(51,904)
Payment of lease liabilities	(1,014)	(1,701)
Transaction costs	-	(738)
Prepaid costs of raising debt	-	(126)
Net cash from (used in) financing activities	59,719	(101,368)
Change in cash and cash equivalents during the period	74,713	(152,984)
Changes in cash and cash equivalents in connection with disposal of non-current assets and groups held for sale	(99,460)	508
Cash and cash equivalents at the beginning of the period	377,419	386,985
Cash and cash equivalents at the end of the period	352,672	234,509

Condensed Consolidated Interim Statement of Changes in Equity

In EUR thousand	Share capital	Share premium	Hedging reserve	Currency translation reserve	Other capital reserves	Reserve financial assets measured at FVTOCI	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 Jan 2024	188	1,873,598	145	5,305	315,746	(145,751)	(2,278,087)	(228,856)	271,260	42,404
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	(78,633)	(78,633)	(2,533)	(81,166)
Other comprehensive income, net of tax	-	-	-	(6,224)	-	-	-	(6,224)	(1,400)	(7,624)
Total comprehensive income (loss) for the period	-	-	-	(6,224)	-	-	(78,633)	(84,857)	(3,933)	(88,790)
Transactions with owners, recognised directly in equity										
Transactions with non-controlling interest without a change in control (Note 5D)	-	-	-	-	-	-	-	-	-	-
Change in consolidation scope related to sale	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	(291)	(291)	1	(290)
Balance as at 31 March 2024	188	1,873,598	145	(919)	315,746	(145,751)	(2,357,011)	(314,004)	267,328	(46,676)

In EUR thousand	Share capital	Share premium	Hedging reserve	Currency translation reserve	Other capital reserves	Reserve financial assets measured at FVTOCI	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 Jan 2023	146	1,844,765	903	10,772	315,746	(133,569)	(621,651)	1,417,112	495,951	1,913,063
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	(58,615)	(58,615)	4,085	(54,530)
Other comprehensive income, net of tax	-	-	(1,297)	(10,079)	-	(2,473)	-	(13,849)	-	(13,849)
Total comprehensive income (loss) for the period	-	-	(1,297)	(10,079)	-	(2,473)	(58,615)	(72,464)	4,085	(68,379)
Transactions with owners, recognised directly in equity										
Transactions with non-controlling interest without a change in control (Note 5)	-	-	-	-	-	-	-	-	2	2
Change in consolidation scope related to sale	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	225	225	-	225
Balance as at 31 March 2023	146	1,844,765	(394)	693	315,746	(136,042)	(680,041)	1,344,873	500,038	1,844,911



Financial Calendar 2024

Adler Group S.A.

25 June 2024	Annual General Meeting 2024
29 August 2024	Publication Q2 2024 Results
30 September 2024 (extended deadline)	Publication Annual Report 2022 and 2023, audited
28 November 2024	Publication Q3 2024 Results

**Online Financial
Calendar**

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