

# 2025

ANNUAL REPORT

# Key Figures 2025

## Profit and loss statement

In EUR thousand	For the year ended		For the three months ended	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Income from rental activities	197,494	310,179	45,024	80,202
Adj. EBITDA from rental activities	72,410	112,131	14,639	26,361
Adj. EBITDA from rental activities margin	55.0%	54.0%	48.4%	50.2%
Adj. EBITDA Total	(6,454)	80,990	8,524	28,300
FFO 1 (from rental activities)	(68,029)	(112,349)	(22,501)	(24,360)
FFO 2 (incl. disposal results and development activities)	(252,599)	(310,961)	(68,683)	(63,730)

## Further KPIs

Residential <sup>(*)</sup>	31 Dec 2025	31 Dec 2024
Monthly in-place rent (EUR per m <sup>2</sup> )	8.61	8.29
Total operational vacancy rate	1.3%	1.8%
Number of units	17,504	17,929
Like-for-like rental growth (LTM)	3.6%	1.8%

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

## Balance sheet

In EUR thousand except per share data	31 Dec 2025	31 Dec 2024
LTV	76.3%	72.7%

# Contents

## 1 To our Stakeholders

04	About the Group
06	Letter from the Board
10	Adler Group Share
12	Corporate Governance Report
29	Summary Remuneration Report

## 2 Combined Management Report

36	Fundamentals of the Group
42	Portfolio Overview
45	Economic Review
54	Material Events
57	Forecast Report
58	Opportunities and Risk Report
69	Responsibility Statement

## 3 Consolidated Financial Statements

72	Report of the Réviseur d'Entreprises agréé
80	Consolidated Statement of Financial Position
82	Consolidated Statement of Profit or Loss
83	Consolidated Statement of Comprehensive Income
84	Consolidated Statement of Cash Flows
86	Consolidated Statement of Changes in Equity
88	Notes to the Consolidated Financial Statements

## 4 Annual Accounts

192	Report of the Réviseur d'Entreprises agréé
198	Balance Sheet
200	Profit and Loss Account
201	Notes to the Annual Accounts

## 5 Financial Calendar & Imprint

# About the Group


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

As per the end of the financial year 2025, Adler Group owns and manages a core rental portfolio of 17,504 units, almost entirely located in Berlin. Most of the properties fall into the market segment of affordable housing.

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

As of 31 December 2025, Adler Group had 337 employees based in Luxembourg and in several locations across Germany.

## Rental portfolio as at 31 December 2025<sup>(\*)</sup>

 Residential rental portfolio locations



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



# Letter from the Board

## *Dear Stakeholders,*

Our message for you is straightforward: After a transformative year in 2024, Adler Group has seen a year of normal and successful business in 2025. Our company is back on track – even though the geopolitical, general economic and industry-specific environment has remained challenging during the last year and will remain uncertain in 2026.

The Board has set a clear strategy for 2025 to focus on the highly attractive Berlin residential market. **This strategy entailed the sale of all development projects and the completion** of our few remaining forward sale projects. Additionally, the **strategy included initiatives for financial and operational excellence** – in terms of improving our balance sheet and adjusting the organisation to its smaller and focussed size.

### **What have we achieved in 2025?**

The new Management Team has implemented and executed the Board's strategy with enormous speed, while also exercising due care. Today, Adler Group is almost 100 per cent focussed on our 17,455 units in the Berlin residential market, currently valued at around EUR 3.5 billion. As the German capital, Berlin is a second-to-none marketplace with continuously high demand for affordable housing, while there has been only limited supply of new buildings. This situation of excess demand will most

likely remain unchanged in the years to come and led – following a period of stabilization in 2024 – to an uplift in valuations of our yielding portfolio of +1.0% in 2025.

Additionally, the team has worked relentlessly on our Berlin portfolio to improve the quality of our assets for our tenants. Our new focus has opened options and measures to improve the efficiency of our operations. Furthermore, management continues to optimise the responsiveness of the organisation to cater for our tenants' issues. These efforts, together with the attractiveness of the Berlin market, directly translate into low vacancy rates of 1.3% and rental growth of 3.6%. That said, we continue to offer affordable rents of EUR 8.61 on average per square metre.

Outside Berlin, we have disposed of our yielding assets during 2025 and significantly fewer development projects are still on our balance sheet, many of those having been sold, or awaiting closing. For the remainder, we are **working on strategic solutions** in the months to come. In line with our strategy, the Management Team has also streamlined the organisation to its smaller and focussed size. As per year-end, Adler Group has 337 employees who serve our tenants.

On the finance side, Adler Group has also improved significantly in 2025. We have successfully refinanced two large facilities at the beginning of last year – our EUR 1.2 billion 1L facility and our EUR 0.7 billion 1.5L facility. This is

saving the Group approximately EUR 134 million in interest costs. Combined with the refinancing of the EUR 300 million Adler Real Estate notes due in April 2026 and more than EUR 400 million in bank loans, Adler Group has now only a limited amount of debt maturing until 2028. We can act according to our strategy without any time pressure.

In a nutshell: Adler Group has made huge progress on its way to normalization, backed by both – a less difficult and somewhat improving real estate market environment as well as fully audited annual reports since 2022, all of them with unqualified audit opinions and no restatements. All of these developments are catalysts for our business and in the best interests of all stakeholders.

A closer review of the material events in 2025, as set out in this annual report, reveals a substantial number of significant developments. Many of the earlier material events relate to the refinancing of our balance sheet, as mentioned above. This progress was only possible, because – since the end of September 2024 – Adler Group has once again been a fully audited company. As a result, access to the capital markets has been restored. This represents a very important milestone in our journey.

Beginning in spring, the material events demonstrate our journey towards a Berlin-focussed real estate company. We sold our stake in Brack Capital Partners and the Cosmopolitan portfolio in North Rhine-Westphalia and disposed of several development projects and yielding assets. As of end of March 2026, the following were signed and closed or are expected to be closed in the near future: The Holsten Quartier in Hamburg, Benrather Gärten and Upper North Tower in Düsseldorf, the Wilhelm, Hede- mannstrasse and Kornversuchsspeicher in Berlin, Cologneo III and Stolkgasse in Cologne, and Kaiserlei in Of- fenbach. All of these projects are already under development by new owners and will help local communi- ties to improve the attractiveness of their cities. Some of the remaining development projects are in exclusive sales processes so that we are confident of finding equally at- tractive solutions for all in 2026. Finally, we are on a good track to complete construction of our forward sales pro-

jects Quartier Hoym in Dresden, Ostforum in Leipzig and Grand Ouest in Frankfurt. At Ostforum we signed up Deloitte as the anchor office tenant with 8,000 m<sup>2</sup> of of- fice space, the biggest office lease of the year in Leipzig overall.

#### **What comes next?**

The sentiment and the interest rate environment in the German real estate market will hopefully improve further in 2026, however, residential real estate will not remain without its challenges. For 2026, Adler Group expects to generate net rental income in the range of EUR 124 to 129 million and to achieve like-for-like rental growth of ap- proximately 3%.

As stated above, Adler Group holds a significant and at- tractive residential portfolio in the growing Berlin market. Accordingly, we are currently exploring all strategic op- tions for the portfolio and its financing. To this end, we have mandated an investment bank with particular exper- tise in value-driven sectors such as real estate.

Together with the Management Team and the external advisors, the Board of Directors will assess what is in the best legitimate interest of all stakeholders of Adler Group. This will be an open-ended process with, and we would like to emphasise this again, no time constraints.

Finally, let us inform you of some staff changes in 2025:

At the end of May, Mr Jan Duken left Adler Group after successfully completing his mandate to support the re- structuring of the Group. Mr Sven-Christian Frank decided to leave our Senior Management at the end of October to pursue other professional opportunities outside Adler Group. As Chief Legal Officer, Mr Frank played an instru- mental role during his tenure. On behalf of the Board of Directors, we would like to express our sincerest thanks to Sven and Jan for their contributions.

There were no changes to the composition of the Board of Directors in 2025. The Board comprises Mr Stefan Brend-

gen as Chairman, Mr Thilo Schmid as Chairman of the Audit Committee, Mr Matthias Moser and Mr Paul Copley as non-executive Members of the Board, and the executive members Dr. Karl Reinitzhuber, CEO of Adler Group, and Mr Thorsten Arsan, CFO of Adler Group.

On behalf of the Board of Directors I would like to thank all employees for the achievements made in 2025. And let me also express our deep gratitude for the support of you, our stakeholders.

Yours sincerely,



**Mr Stefan Brendgen**

CHAIRMAN OF THE BOARD OF DIRECTORS



**Dr. Karl Reinitzhuber**

CEO

Luxembourg, 31 March 2026



Dr. Karl Reinitzhuber , Stefan Brendgen



# Adler Group Share

Shares		Voting securities	
Stock exchange	<b>Frankfurt Stock Exchange</b>	Stock exchange	<b>Luxembourg Stock Exchange</b>
Market segment	<b>Regulated market (Prime Standard)</b>	Date of issuance	<b>15 October 2024</b>
ISIN	<b>LU1250154413</b>	ISIN	<b>LU2900363131</b>
WKN	<b>A14U78</b>	Nominal value	<b>EUR 0.01</b>
Total number of shares outstanding	<b>151,626,107</b>	Total number of voting securities	<b>454,878,321</b>
Ticker symbol	<b>ADJ</b>	<b>Composition<sup>(2)</sup></b> (as at 31 December 2025)	
Primary Listing	<b>23 July 2015</b>	PIMCO	<b>24.0%</b>
Stock exchange	<b>Frankfurt Stock Exchange</b>	Taconic Capital Advisors	<b>12.3%</b>
Issue price	<b>EUR 20</b>	Sculptor Capital Management Inc	<b>11.1%</b>
Price at the end of Q4 2025	<b>EUR 0.199</b>	Arini Capital Management	<b>8.7%</b>
Highest share price LTM	<b>EUR 0.360</b>	Other	<b>44.0%</b>
Lowest share price LTM	<b>EUR 0.170</b>		
<b>Shareholder structure<sup>(1)</sup></b> (as at 31 December 2025)			
Vonovia SE	<b>15.9%</b>		
Free Float	<b>84.1%</b>		

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

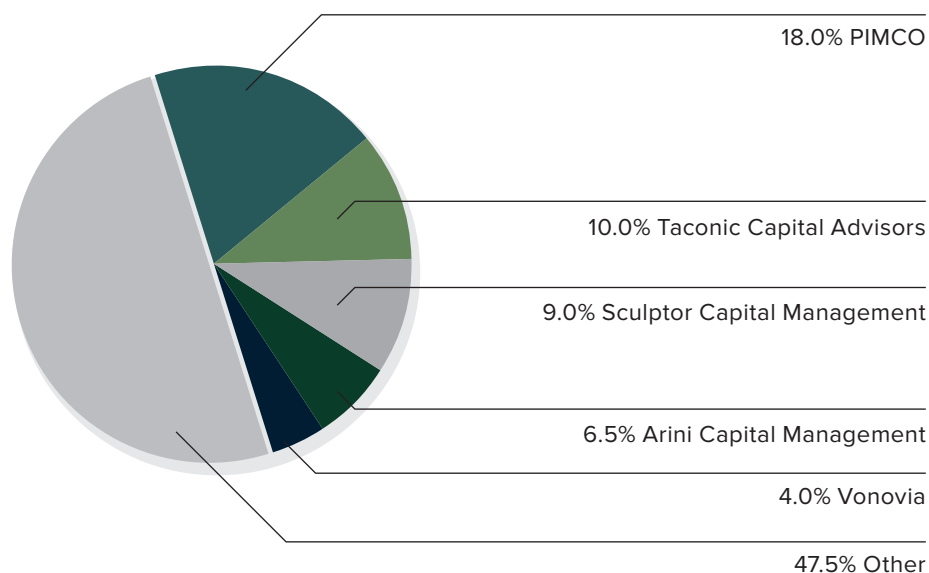
(1) Based on approx. 151.6m voting rights attached to the share capital (ISIN LU1250154413); according to the official notifications received from the shareholders; based on the German stock exchange's definition, free float refers to shares that are not owned by major shareholders holding more than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

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

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

## Total number of voting rights (606,504,428) <sup>(3)</sup>

(as at 31 December 2025)



### Key stock market data

Adler Group shares are traded on the Prime Standard of the Frankfurt Stock Exchange. During the 12 months ended 31 December 2025, the shares traded between EUR 0.170 and EUR 0.360.

### Shareholder structure

As at 31 December 2025, the total number of outstanding shares of Adler Group amounted to 151.6 million. At that time, the main shareholder with holdings of over 5% was Vonovia SE (15.88%) according to the official notifications received from the shareholders. The remaining 84.12% free float shares were mainly held by institutional investors.

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

### Dividend policy

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

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

# Corporate Governance Report

## Principles of Corporate Governance

Adler Group places high value on good corporate governance in compliance with all applicable laws while also upholding the principles of ethical business conduct in daily operations. In order to meet the requirements of good corporate governance at all times, Adler Group adapts its organisation continuously. This relates not only to structures, but also to reporting lines and management processes, taking into account the changing format of the Group.

Effective compliance management is a key pillar of good corporate governance. Based on the general corporate objectives, Adler Group's management has defined appropriate principles and guidelines to ensure that both its legal representatives and employees as well as third parties comply with the applicable rules and laws. Through these principles and guidelines, Adler Group intends to prevent serious violations of applicable laws and voluntary commitments.

At Adler Group, the compliance management is ingrained within its corporate culture, emphasising adherence to rules and ethical standards. This entails management's commitment to exemplary compliance behaviour, serving as a guiding example for all. Integrity and responsible conduct of managers across all levels are pivotal in fostering a culture of compliance. With a primary goal of minimising reputational and financial risks, Adler Group has effectively implemented robust corporate governance practices thus far.

## General

The Company's corporate governance practices are governed by Luxembourg law (particularly the Luxembourg Law of 10 August 1915 on commercial companies, as

amended (the "Luxembourg Companies Law") and the Company's articles of association (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.

The governing bodies of the Company are the board of directors (the "Board", and each member of the Board individually, a "Director") and the general meeting of the shareholders and holders of voting securities (the "General Meeting"). The powers of these governing bodies are defined in the Luxembourg Companies Law and the Company Articles. Together with the senior management (the "Senior Management") which as at 31 December 2025 was composed of a chief executive officer (the "CEO") who has also been appointed as daily manager of the Company (the "Daily Manager"), and the chief financial officer (the "CFO"), the Company's Board manages the Company in accordance with the provisions of Luxembourg law. The Board's duties, responsibilities and business procedures are laid down in specific rules of procedure, the latest version of which was approved by the Board on 1 November 2025.

## Board

As a general rule, the Directors are elected by the General Meeting. However, in the event of a vacancy in the office of a Director, the remaining members of the Board may fill such vacancy and appoint a successor to act until the next General Meeting which shall resolve on the permanent appointment in compliance with the applicable legal provisions. As at 31 December 2025, four out of six Directors are

independent directors. The only non-independent Directors are the CEO (appointed also as a Daily Manager) and the CFO of the Company.

The Board develops the strategic direction of the Company together with the Senior Management and ensures its implementation. The Board is vested with the broadest powers to take any actions necessary or useful to fulfil the corporate objectives of the Company save for actions reserved by law for the General Meeting.

### Changes at Board level

During the year 2025, there were no changes at Board level.

### Composition of the Board

as at 31 December 2025:

**Mr Stefan Brendgen**

*Independent Director*

**Dr. Karl Reinitzhuber**

*Director*

**Mr Thorsten Arsan**

*Director*

**Mr Paul Copley**

*Independent Director*

**Mr Matthias Moser**

*Independent Director*

**Mr Thilo Schmid**

*Independent Director*

### Mr Stefan Brendgen

*Chairman of the Board of Directors*

Mr Stefan Brendgen studied business administration at Bayreuth University and the University of Cologne. During his career, he has held various management positions in the real estate industry, including at DTZ Zadelhoff, Tishman Speyer Properties, and Allianz Real Estate. From 2015 to 2017, he was a board member at IVG Immobilien AG and, among others, chairman of the supervisory board of Triuva Kapitalverwaltungsgesellschaft mbH. He has been chairman of the supervisory board of Instone Real Estate Group SE since 2018 and of HAHN-Immobilien-Beteiligungs AG since 2021. Mr Brendgen has been a member of the Board of Directors of Adler Group S.A. since June 2023 and Chairman of the Board since February 2024.

### Dr. Karl Reinitzhuber

Dr. Karl Reinitzhuber is a seasoned leader with a proven track record in driving profitable growth in the real estate sector. With deep expertise and a strong network in the German market, he has held key leadership roles and worked as an entrepreneur and advisor in residential and retail real estate. As CEO of Carestone Group for five years, he led initiatives that expanded the company's market position. Previously, he served as CFO and CEO at Unibail-Rodamco Germany, contributing to its growth. Between 1997 and 2011, Dr. Reinitzhuber held influential positions at HOCHTIEF Group, including Board Member at Leighton Holdings and Managing Director of the residential developer HOCHTIEF Construction AG. Dr. Reinitzhuber's academic credentials include a Doctorate degree and a degree in Business Administration from WHU. He is also a certified supervisory and advisory board member from the Boards Academy.

## Mr Thorsten Arsan

Mr Thorsten Arsan is a seasoned financial executive with extensive experience in real estate finance and corporate management. In his previous position, he was the Chief Financial Officer of Peach Property Group AG in Zurich, overseeing financial strategy and operations. Before that, he was the Senior Vice President of Finance, Controlling, and Investor Relations at Adler Group in Berlin. Mr Thorsten Arsan's notable leadership roles include being Chairman of the Board of Directors at Vonovia Finance B.V. and Head of Corporate Finance at Vonovia. His earlier career includes significant positions at Eurohypo AG, Deutsche Bank AG, and Moody's Investors Service. He holds an MBA from Fachhochschule Biberach School, Germany.

## Mr Paul Copley

Mr Paul Copley is an experienced business leader and insolvency specialist with a distinguished career spanning over two decades. Currently, he holds several prominent roles, including board appointments at FTX, Lowell Financial, MBS Group and Steinhoff Africa, and creditors' committee engagements at Intu Properties and Lehman Brothers Holdings. His past experience includes serving as CEO of Kaupthing and Partner in Business Recovery Services at PricewaterhouseCoopers, where he built a strong reputation in managing complex corporate restructurings and insolvencies. Mr Paul Copley is a qualified Chartered Accountant and Insolvency Practitioner, holding a BA in English Language and Literature from the University of Liverpool.

## Mr Matthias Moser

Mr Matthias Moser studied Economics at the Johannes-Gutenberg University of Mainz. From 1998 to 2000, he was director and head of export and project finance in the infrastructure and telecom sectors of Deutsche Bank. From 2000 to 2003, Mr Moser was managing director and partner at Terra Firma Capital Partners (formerly Nomura Principal Finance Group). From 2004 to 2009, he was managing director and partner of Fortress Investment Group. During his career, Mr Moser also held various management positions in the real estate industry, including the chairman of the supervisory board position of Gagfah Immobilien AG between 2004 and 2009. From 2011 to 2016, Mr Moser was managing director of Patrizia Alternative Investments GmbH and chairman of the advisory board of SüdeWo GmbH, as well as chairman of the supervisory board of GBW Immobilien AG. Mr Moser has been a member of the Board of Directors of Adler Group S.A. since June 2024.

## Mr Thilo Schmid

Mr Thilo Schmid held several positions in the software industry including at KHK-Software, in Frankfurt and Basel and was chief technology officer at Aparis Software GmbH. After working as a real estate project controller at the Tivona Group, Basel, he joined Wecken & Cie., a Swiss family office, as an investment manager in 2008, where he is responsible for venture capital and real estate investments.

Mr Schmid has been a member of the Board of Directors of Adler Group S.A. since October 2020.

## Committees established by the Board

The Board's work takes place through plenary sessions and committees, which exercise their activities under the responsibility of the Board. As at 31 December 2025, the Company had three committees:

- *the Audit Committee,*
- *the Nomination and Compensation Committee, and*
- *the Ad hoc Committee.*

As at 1 January 2024, the Company also had the Financing Committee and the Investment Committee. Following Prof. Dr. A. Stefan Kirsten's resignation as Chairman of the Board of Directors and Stefan Brendgen's subsequent appointment as new Chairman of the Board, the Financing Committee and the Investment Committee were merged to the Investment and Financing Committee with effect as of 28 February 2024. Subsequently, the Investment and Financing Committee was dissolved on 25 June 2024.

The Committees are expressly governed by the Committees' rules of procedure, the last version of which was adopted by the Board on 28 August 2024 (the "Committees' Rules of Procedure"). In accordance with these rules, the Committees convene whenever required by the Company's affairs.

## Audit Committee

as at 31 December 2025:

**Mr Thilo Schmid**

*Chairman*

**Mr Matthias Moser**

**Mr Stefan Brendgen**

**Mr Paul Copley**

The purpose of the Audit Committee is

- (i) to assist the Board in fulfilling its oversight responsibilities relating to the integrity of the financial statements and the adequacy of internal control systems over financial reporting;
- (ii) to monitor the effectiveness of the Company's internal quality control and risk management systems;
- (iii) to make recommendations for the appointment, compensation, retention, and oversight of the external auditors and consider their independence; and
- (iv) to evaluate whether any transaction between the Company and a related party is a material transaction that would require the approval of the Board and publication.

It is not required to submit to the Audit Committee transactions entered into between the Company and its subsidiaries, provided:

- (i) that they are wholly owned; or
- (ii) if not wholly owned, that no other related party of the Company has any interest in that subsidiary.

The Audit Committee also performs other duties imposed by applicable laws and regulations of the markets on which the Company's shares are listed, as well as any other duties entrusted to it. The Audit Committee only has an internal function and reports periodically to the Board on its activities. Only the above-mentioned decision-making powers or powers of representation were delegated to the Audit Committee. The Chairman of the Audit Committee must be independent of the Company. The Committees' Rules of Procedure do not provide for a fixed membership term.

## Nomination and Compensation Committee

as at 31 December 2025:

.....  
**Mr Stefan Brendgen**

*Chairman*  
.....

**Mr Thilo Schmid**  
.....

**Mr Matthias Moser**  
.....

**Mr Paul Copley**  
.....

The purpose of the Nomination and Compensation Committee is to determine, revise, and assist with the implementation of the remuneration policy, make proposals as to the remuneration of the Senior Management, and advise on any benefit or incentive schemes. It further assists the Board with respect to matters relating to the nomination of candidates for the Board and the Committees and advises on any benefit or incentive schemes. The Nomination and Compensation Committee decides on behalf of the Board regarding the engagement of executive recruiters and advisors to fill open positions within Senior Management or on the Board and to set the job specifications for such open positions. No other decision-making powers of the Board have been delegated to the Nomination and Compensation Committee. The Nomination and Compensation Committee shall furthermore assist with the preparation of any remuneration report of the Company, to the extent that such a report is legally required. The Committees' Rules of Procedure do not provide for a fixed membership term.

## Ad Hoc Committee

as at 31 December 2025:

**Dr. Karl Reinitzhuber**

*CEO, Chairman*

**Mr Thorsten Arsan**

*CFO*

**Mr Florian Sitta**

*CLO [was appointed as a member of the Ad Hoc Committee as of 28 January 2026]*

The purpose of the Ad Hoc Committee is to resolve the disclosure of information by the Company to meet its obligations under the Market Abuse Regulation. The Ad Hoc Committee shall review, identify and resolve if information is to be considered inside information and if it should be subject to disclosure or whether the prerequisites for a delay in the disclosure of such inside information are applicable. It is a key requirement of the Ad Hoc Committee that its members be available at short notice. The Board has delegated decision-making powers and power of representation in respect of the disclosure of information by the Company to meet its obligations under the Market Abuse Regulation to the Ad-hoc-Committee. The Committees' Rules of Procedure do not provide for a fixed membership term.

## The performance of the Board of Directors

The Company is not legally obliged to comply with the German Corporate Governance Code ("GCGC"). As, however, the majority of the Group's activities are conducted in Germany, the Board has decided to commit to its recommendations. Therefore, the activities of the Board comply with the GCGC in its key respects (see table below). All members of the Board have professional skills and qualifications to properly and expertly perform their respective functions. With the exception of the CEO and the CFO, all members of the Board are considered independent.

Unlike German companies with their two-tier supervisory board/management board structure, Adler Group S.A. has a one-tier Board structure. Accordingly, any reference to the supervisory board below, insofar as it refers to Adler Group S.A., should be understood as a reference to the Board of Adler Group S.A. Similarly, any reference below to the management board, insofar as it relates to Adler Group S.A., should be understood as a reference to the Senior Management of Adler Group S.A.

**Assessment criteria**

**Ability, diversity, and organisation**

Overall, the members of the Supervisory Board have the knowledge, skills and professional experience required to properly perform their duties.



The statutory gender quota is complied with (≥ 30%).



The Supervisory Board specifies concrete objectives for its composition and sets itself a competence profile.



An age limit is set for members of the Supervisory Board.



The term of Supervisory Board membership shall be disclosed.



**Diligence**

Each Supervisory Board member has sufficient time available to perform his or her duties.



Members of the Management Board of a listed company shall not hold more than a total of two (GCGC)/five (investors) supervisory board mandates in non-Group listed companies or comparable functions.



**Independence**

The Supervisory Board shall include what it considers to be an appropriate number of independent members from the group of shareholder representatives, thereby taking into account the shareholder structure.

A Supervisory Board member is considered independent if they are independent from the company and its Management Board, and independent from any controlling shareholder.



A Supervisory Board member is considered independent if they have no personal or business relationship with the company that may cause a substantial – and not merely temporary – conflict of interest.



A Supervisory Board member is considered independent if they do not act as a representative of a major shareholder.



A Supervisory Board member is considered independent if the company for which the member works does not supply goods and services worth more than EUR 10,000 to the company for which the Supervisory Board member works.



A Supervisory Board member is considered independent if the company for which the Supervisory Board member works has no material business relationship with Adler Group S.A. (material = more than 1% of revenue).



A Supervisory Board member is considered independent if they have not been a member of the Supervisory Board for more than twelve years.



The independent proportion of shareholder representatives is > 50%, i.e., there is no personal or business relationship with the company that may cause a substantial – and not merely temporary – conflict of interest.



**In accordance with the German Corporate Governance Code**

Criterion fulfilled Criterion not fulfilled

**Assessment criteria**

**Conflicts of interest**

The Supervisory Board members are obliged to act in the best interests of the company. In all their decisions, they must neither pursue personal interests nor exploit for themselves business opportunities to which the company is entitled.



Each Supervisory Board member shall inform the Chair of the Supervisory Board of any conflicts of interest without undue delay.



Each Management Board member shall disclose conflicts of interest to the Chair of the Supervisor Board and to the Chair or Spokesperson of the Management Board without undue delay and shall inform the other members of the Management Board.



Management Board members shall only assume sideline activities, especially Supervisory Board mandates outside the company, with the approval of the Supervisory Board.



Supervisory Board members shall not be members of governing bodies of, or exercise advisory functions at, significant competitors of the company, and shall not hold any personal relationships with a significant competitor.



**Committees**

The Supervisory Board shall establish an Audit Committee that addresses the topics of reviewing and monitoring the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the audit of the financial statements, and compliance.



The Chair of the Audit Committee shall have specific knowledge and experience in applying accounting principles and internal control procedures, shall be familiar with audits, and shall be independent. The Chair of the Supervisory Board shall not chair the Audit Committee.



The Chair of the Supervisory Board and the Chair of the Audit Committee shall be independent from the company. The Supervisory Board shall form a Nomination Committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the General Meeting.



**In accordance with the German Corporate Governance Code**

Criterion fulfilled  Criterion not fulfilled

## The independence of the Board of Directors in 2025

Member	In accordance with German Corporate Governance Code Criteria
<b>Mr Matthias Moser</b>	<input checked="" type="checkbox"/>
<b>Dr. Karl Reinitzhuber</b> <i>Senior Management</i>	<input type="checkbox"/>
<b>Mr Stefan Brendgen</b>	<input checked="" type="checkbox"/>
<b>Mr Thorsten Arsan</b> <i>Senior Management</i>	<input type="checkbox"/>
<b>Mr Thilo Schmid</b>	<input checked="" type="checkbox"/>
<b>Mr Paul Copley</b>	<input checked="" type="checkbox"/>

Not Independent    Independent

### Senior Management and Daily Manager

The Senior Management of the Company is integral to the management of the Company and its subsidiaries. For external disclosure purposes, Senior Management shall be defined as comprising the CEO and the CFO.

As at 31 December 2025, the Senior Management of the Company consisted of Dr. Karl Reinitzhuber (CEO), and Mr Thorsten Arsan (CFO). Dr. Karl Reinitzhuber was appointed as CEO of the Company as of 1 December 2024, Mr Thorsten Arsan as CFO of the Company as of 27 November 2024.

In addition to the CEO and CFO, the Company has other C-level officers, including a chief legal officer (CLO) and a chief operating officer (COO), who perform important management functions within the Group. However, as these officers do not hold corporate mandates as directors or daily managers of the Company, there is no requirement under Luxembourg law to disclose them in this report.

In accordance with article 8 of the Company Articles and in addition to being part of the Senior Management, Dr. Reinitzhuber has been appointed by the Board as the daily

manager of Adler Group (délégué à la gestion journalière) and is thus responsible for the day-to-day management of the Company (Daily Manager). Mr Arsan has not been appointed as Daily Manager but has been granted certain specific delegations by the Board with respect to daily management of the Company.

### Changes in the Senior and Daily Management

During the year 2025, the Company and Mr Jan Duken agreed to terminate his agreement with effect as of 31 May 2025 and the Company and Mr Sven-Christian Frank agreed to terminate his agreement with effect as of 31 October 2025.

#### Composition of the Senior Management

as at 31 December 2025:

**Dr. Karl Reinitzhuber**  
*CEO and Daily Manager*

**Mr Thorsten Arsan**  
*CFO*

## General Meetings

Any duly constituted General Meeting shall represent all the holders of shares and voting securities (parts bénéficiaires) of the Company. It shall have the widest powers to order, implement or ratify all acts connected with the Company's operations that are not conferred on the Board of Directors.

General Meetings are held at the Company's registered office in Luxembourg or any other place in Luxembourg as may be specified in the respective convening notice of the meeting.

The Company shall ensure equal treatment of all shareholders so that they are in the same position with regard to participating in and exercising voting rights at the General Meeting.

General Meetings (other than the Annual General Meeting) may be called as often as the interests of the Company require. The Board is obliged to call a General Meeting when a group of shareholders or voting security holders representing at least one-tenth of the issued and outstanding shares requests the convening of a General Meeting in writing, indicating the agenda of the proposed meeting.

In accordance with the Luxembourg Law of 24 May 2011 (the "Luxembourg Shareholder Rights Law"), the convening notice to a General Meeting is to be published at least thirty days before the day of the meeting in the official gazette of Luxembourg (Recueil Electronique des Sociétés et Associations), and a Luxembourg newspaper, as well as in media that may reasonably be relied upon for the effective dissemination of information to the public throughout the European Economic Area, and which are accessible rapidly and on a non-discriminatory basis. If a General Meeting is adjourned for lack of quorum, provided that the convening requirements of the Luxembourg Shareholder Rights Law have been complied with and no new item has been added to the agenda, the 30-day period is reduced to at least a 17-day period. A convening notice must, inter alia, contain the precise date and location of the General Meeting and

the proposed agenda. It must also set out the conditions for attendance and representation at the meeting.

The convening notice and the documents required to be submitted to the shareholders and holders of voting securities in connection with a General Meeting shall be posted on the Company's website from the date of the first publication of the General Meeting convening notice, as set out above.

In accordance with the Luxembourg Shareholder Rights Law, shareholders who hold, individually or collectively, at least 5% of the issued share capital of the Company have the right to put items on the agenda of the General Meeting of the shareholders and also to place draft resolutions for items included or to be included on the agenda of the General Meeting of the shareholders. These rights shall be exercised through requests in writing by the relevant shareholders submitted to the Company by postal services or electronic means. The request must be accompanied by a justification or a draft resolution to be adopted in the General Meeting of the shareholders and shall include the electronic or mailing address at which the Company can acknowledge receipt of the request. Any such request from shareholders must be received by the Company no later than on the 22nd day prior to the date of the General Meeting of the shareholders.

In accordance with articles of association of the Company, holders who hold, individually or collectively, at least 10% of the issued voting securities of the Company have the right to put items on the agenda of the General Meeting and also to place draft resolutions for items included or to be included on the agenda of the General Meeting. Any decision in relation to any dividend, repayment or any other kind of distributions being expressly excluded from the scope of this right. These rights shall be exercised through requests in writing by the relevant holders submitted to the Company by postal services or electronic means. The request must be accompanied by a justification or a draft resolution to be adopted in the General Meeting and shall include the electronic or mailing address at which the Company can acknowledge receipt of the request. Any

such request from holders must be received by the Company no later than on the 22nd day prior to the date of the General Meeting of the shareholders.

Under normal circumstances, each shareholder and holder of voting securities is entitled to attend the General Meeting, in person or by proxy, and to exercise voting rights in accordance with the Company Articles.

Each share or voting security (excluding any shares held by the Company) shall entitle the holder to one vote at all General Meetings subject to the provisions of applicable law.

### **Conflicts of interest and related party transactions**

Any Director having a direct or indirect financial interest conflicting with that of the Company (intérêt de nature patrimoniale opposé à celui de la société) in a transaction which has to be considered by the Board, must advise the Board thereof and cause a record of their statement to be included in the minutes of the meeting of the Board. The Director may not take part in the deliberations related to, and shall not vote on, such transaction.

At the next subsequent General Meeting, before any other resolution is put to vote, a special report shall be made on any transactions in which any of the Directors may have had an interest conflicting with that of the Company.

Where, because of conflicts of interest, the quorum or majority requirements for a vote on an agenda item are not met, the Board may decide to refer the decision on the agenda item in question to the General Meeting for decision. These provisions shall not apply where the decisions of the Board concern ordinary business entered into under normal conditions.

These provisions shall apply by analogy to any Daily Managers. In case there is only one sole Daily Manager and that Daily Manager is faced with a conflict of interest as described in this Article, the relevant decision shall be referred to the Board.

Any material transaction between the Company and a related party shall be subject to the prior approval of the Board and the Company shall publicly announce material transactions with related parties on its website latest at the time of conclusion of the transaction. For the purposes of the preceding sentence:

**“material transaction”** shall mean any transaction between the Company and a related party whose publication or disclosure would be likely to have a significant impact on the economic decisions of shareholders of the Company and which could create a risk for the Company and its shareholders who are not related parties, including minority shareholders. The nature of the transaction and the position of the related party shall be taken into consideration;

**“related party”** has the same meaning as in the international accounting standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

### **Issuance & buy-backs of shares**

On 9 August 2024, the extraordinary General Meeting of the Company resolved to convert the dematerialised shares into registered shares of the Company and to approve the amendment and restatement of the Company Articles, which currently no longer include provisions for authorised capital and the Board's authority to issue shares within its limits.

The Company does not currently hold any of its own shares, nor does a third party hold any of the Company's shares on behalf of the Company. Without prejudice to the Market Abuse Regulation and the principle of equal treatment of shareholders, the Company and its subsidiaries, as referred to in Article 430-23 (1) of the Luxembourg Companies Law, may, directly or through a person acting in its own name but on the Company's behalf, acquire its own shares subject to an authorisation given by the General Meeting in accordance with the provisions of Article 430-15 (the “Buy-Back Authorisation”).

A Buy-Back Authorisation has been granted by the General Meeting in 2020. Pursuant to this Buy-Back Authorisation, the General Meeting has granted all powers to the Board, with option to delegate, to buy-back, either directly or through a subsidiary of the Company, shares of the Company for a period of 5 years following the date of the 29 September 2020 General Meeting. The aggregate amount of the shares of the Company, which may be acquired pursuant to the Buy-Back Authorisation, may not exceed 10% of the aggregate amount of the issued share capital of the Company at the date of exercise of the authorisation.

The EGM on 9 August 2024 also resolved that, as part of the recapitalisation transaction, certain investors receive 75% of Adler Group's total voting rights via the issue of voting securities by the Board, the shares are to represent 25% of Adler Group's total voting rights while maintaining 100% of the dividend distribution rights.

## Compliance

Good corporate governance ensures that legal requirements and the Company's internal regulations are complied with and that the Company remains transparent for its shareholders and other stakeholders. However, these goals can only be achieved if managers and employees are aware of how important it is to comply with laws and regulations. Ensuring this is the task of the Adler Group's compliance management.

### Compliance management

The Company attaches great importance to a compliance culture that is practised throughout the Group and is convinced that a business policy which is consistently guided by laws and reasonable rules serves the long-term interests of the Company. Compliance with these rules is therefore a top priority: towards third parties in order to be a reliable partner, and towards employees in order to create a working environment characterised by integrity, respect and fairness.

In this context, the culture is decisively shaped by the "tone from the top", the behaviour of the Adler Group's management at all levels, their integrity and responsible behaviour. After all, the compliance climate prevailing in the Company depends on the role model of the superiors. Adler Group has successfully implemented this to date.

Adler Group has installed a comprehensive compliance management system (CMS) in order to cope with the associated challenges. The Group's key compliance topics include anti-corruption, supplier management, prevention of money laundering and data protection. They all are essential prerequisites for good corporate governance. Adler Group's CMS is based on valid standards and is constantly being further developed.

In order to prevent bribery and corruption, the Senior Management and the managing directors of the Group companies are keen to promote fair and respectful interaction among employees across all hierarchical levels. This is supported by the belief that employees who feel heard and respected are less inclined to take improper advantage for themselves at the expense of the Company or to damage the Company through illegal or non-compliant behaviour.

### Compliance organisation

One of the central pillars of the compliance management system is the compliance organisation, which helps to ensure that the Company is compliant at all times, both in its capacity as a listed company and in its operations, project development and portfolio management. During the financial year 2025, the compliance organisation consisted of the CLO, the Head of Compliance and Risk Management, and a team of compliance, and risk managers.

The compliance organisation is a central function, embedded in the Group-wide Compliance & Risk Management. Collaboration with other departments (e.g. Legal) is close when required. Furthermore, the Adler Group is advised by external service providers on specific compliance issues. They provide assistance with the crea-

tion of documents and guidelines and serve as a sparring partner in discussions of relevant compliance matters. Ad hoc and routine audits are performed by an external service provider as necessary. The reporting and escalation channel for compliance issues leads firstly to the CLO and, depending on the issue, to Senior Management and/or the Board of Directors.

### **Whistleblower system and protection of whistleblowers**

Even before the Whistleblower Protection Act ('HinSchG') came into force in July 2023, Adler Group had an electronic whistleblower system in place that offered employees a communication channel through which anonymous or anonymised reports could be submitted. The internal reporting office required by HinSchG, which is responsible for operating the reporting channels, is located in the Adler Group's Compliance department which offers low-threshold accessibility for whistleblowers and their protection at the same time.

### **Compliance risks**

A functioning compliance management system is inconceivable without a thorough analysis of compliance risks which are regularly assessed together with the risk owners in the framework of the risk management system. When appropriate, measures are implemented to minimise risks which again are reviewed in regular audits by Internal Audit. Information is passed on to the Adler Group's management in the form of regular risk reports or, if necessary, ad-hoc reports. These reports are first supplied to Senior Management and then passed on to the Board of Directors.

### **Compliance system in practice**

New employees are informed about the Code of Conduct of the Adler Group and the pertinent guidelines on relevant issues during onboarding. All information is available on the intranet as well and employees are educated via interactive online learning and classroom trainings.

In the course of 2025, there were a few indications of compliance violations in the Group for which measures have been taken. The system thus repeatedly proved its efficiency, and at the same time major damage to the Company was averted.

### **Compliance regulations**

Adler Group makes codes, policies and guidelines available to employees in written form and also publishes them on the publicly accessible website. The documents are regularly reviewed to ensure they are up-to-date. Key documents, including topic-related reports, are:

- Vision, mission, values
- Code of Conduct
- Code of Conduct for Freelancers
- Code of Conduct for Business Partners
- Company Articles
- Anti-Discrimination Policy
- Anti-Corruption Policy
- Data Protection Policy
- Human Rights Policy
- Policy on Political and Social Engagement
- Guideline on the environment
- General Terms and Conditions (GTC)
- Remuneration Policy for the Board of Directors and Senior Management

### **Data protection**

Data protection and data security are key components of the compliance culture of Adler Group. In an increasingly digitalised environment, extensive and precise rules provide a framework for safe working in terms of data protection. As a real estate company, the Adler Group mainly collects and stores data on prospective and existing tenants, for which it uses special software. The Adler Group also stores data on job applicants and employees in conjunction with the initiation and completion of the hiring process. In addition, it stores personal data on capital market participants who wish to be informed by the Adler Group about major business events.

Legal requirements - such as the provisions of the General Data Protection Regulation (GDPR) - are, of course, complied with throughout Adler Group. Should data protection issues arise, they are recorded and dealt with. The designated data protection officer evaluates protective measures and proposes changes where necessary. The Board and Senior Management of Adler Group are regularly informed about ongoing processes and developments.

The Company has formulated a data protection guideline that applies to the entire Group with all locations. The guideline specifies objectives, principles, organisational structures and levels of responsibility for data protection within the Company. To supplement the policy, Adler Group provides additional guidelines on, for example, the rights of data subjects, the private use of hardware and software or the handling of data and IT systems.

When employment contracts are signed, employees must agree to comply with the provisions of the GDPR.

### **IT security**

Companies are exposed to the risk of unauthorised access from outside and, therefore, need an efficient and secure environment for the use of information technology (IT).

Adler Group has established standardised IT security for networks and computer systems throughout the Group at a high level in order to make unauthorised access as unlikely as possible ("cyber security"). Most business processes in the operating business are digitalised in order to provide central protection and control. The Board of Directors has assumed overall responsibility for the protection of IT systems and is regularly informed about current topics in the area of cyber security. The management level directly below the Board of Directors includes the Cyber Security Officer (CSO) as a central coordination point.

The CSO is responsible for two departments with different specialisations: intensive monitoring on the one hand and the further development of IT security on the other. As in previous years, the systems in use are also subject-

ed to external performance tests ("penetration testing") and audits.

In 2025, Adler Group continued to be exposed to the general cyber threat landscape; no security relevant incidents or targeted attacks were identified. The effectiveness of the Group-wide information security management system was confirmed through ongoing threat analyses, regular internal security audits, awareness training, and controlled test attacks. In addition, the network infrastructure at all sites was significantly strengthened through the roll-out of new firewalls and modernised network technology.

### **Risk management and monitoring of the Company's financial reporting**

The Company believes that integrated risk management ("IRM") is an essential component of efficient business management activities and internal control systems. The Company seeks to preserve the Company's assets and proactively advance the Company's strategic and compliance objectives through effective integrated risk management and financial governance.

The Board of Directors periodically discusses the operational and financial results and the associated risks. A description of the risk management system, the monitoring of financial reporting and the significant individual risks can be found in the Opportunities and Risk Report of this Integrated Report.

### **Audit**

On 25 June 2025, the Ordinary General Meeting of the Company appointed AVEGA Revision S.à r.l. as the approved statutory auditor/approved audit firm to perform the statutory audit of the standalone annual accounts and consolidated financial statements of the Company for the financial year ended 31 December 2025.

## Diversity policy

The vast majority of the Group's employees are employed at the level of subsidiaries of the Company. Overall, and throughout the Group, there is significant diversity among employees and management.

The understanding that all people should be treated equally and that their individuality should be respected to the greatest possible extent is fundamental to the Company and the entire Group. The idea of diversity is therefore embedded in many publicly available guidelines concerning mission, vision and values, human rights, anti-discrimination and a general code of conduct. As a result, Adler Group has successfully achieved a high level of diversity at every level of the Group and within all companies belonging to the Group.

### Disclosures pursuant to Article 11 of the Luxembourg Law on Takeovers of 19 May 2006

**a)** With reference to article 11(1)(a) of the abovementioned Luxembourg Law on Takeovers: As at 31 December 2025, the Company had issued a single class of shares. Each share entitled the holder to one vote. For further information regarding the structure of capital, reference is made to Note 8 of the Annual Accounts. After the issuance of voting securities (that do not represent a portion of the share capital of the Company) in 2025 as part of the recapitalisation efforts, shares are entitled to 25% of total voting rights while 75% of the voting rights of the Company have been allocated to the voting securities.

**b)** The Company Articles do not contain any restrictions on the transfer of shares and voting securities of the Company.

**c)** According to the notifications of major holdings received with respect to the 2025 financial year, the following shareholders held more than 5% of total voting rights attached to Company shares, as at 31 December 2025:

- Vonovia SE

**d)** The Company issued voting securities (parts bénéficiaires avec le droit de vote) which do not represent a portion of the share capital of the Company. Each voting security grants its holder the right to one vote at all general meetings of the Company, except for any decision in relation to any declaration or payment of dividend. The voting securities carry no dividend entitlement, no right to share in the Company's profit and no right to share in any surplus in the event of the Company's liquidation.

According to the notifications of major holdings received with respect to the 2025 financial year, the following holders of voting securities held more than 5% of total voting rights attached to Company voting securities as at 31 December 2025:

- Arini Credit Master Fund Limited/ Arini Squarepoint Diversified Partners Fund 7 Limited
- Sculptor Capital Management Inc
- Taconic Capital Advisors L.P.
- Pacific Investment Management Company LLC.

**e)** The control rights of any shares issued in connection with employee share schemes (if any) are exercised directly by the respective employees.

**f)** As at 31 December 2025, the Company Articles did not contain any restrictions on voting rights except that the voting securities do not carry any right to participate in voting in relation to any dividend payment or any other kind of distribution.

**g)** There are no agreements with shareholders which are known to the Company and may result in restrictions on the transfer of securities or voting rights within the meaning of Directive 2004/ 109 / EC (Transparency Directive).

**h)** Rules governing the appointment and replacement of Directors:

- The Board shall be composed of at least three Directors. The Board shall be appointed by the General Meeting which determines the number, the duration of the mandate and the remuneration of the Directors.

- The right to nominate for appointment one candidate can be exercised individually by (i) any individual holder of voting securities holding at least 10% of voting securities, and (ii) any group of holders (not included under item (i)) holding between 10% and 30% of voting securities. An individual holder of voting securities can only be counted towards one group of holders at the same time. If no such nominations for appointment are made, the General Meeting may appoint director(s) from any nominations for appointment made by the Board of Directors to the General Meeting. If the exercise of the nomination rights in the paragraph above results in more nominations for appointment than positions that are vacant or available on the Board of Directors, then all such nominations for appointment shall be put to the General Meeting.
- The Directors are appointed for a term which, pursuant to the Luxembourg Companies Law, may not exceed six years. They can be removed at any time without justification by the General Meeting by a simple majority vote, irrespective of the number of shares represented at such General Meeting.
- In the event of a vacancy in the office of a Director because of death, retirement, resignation, dismissal, removal or otherwise, the remaining Directors may fill such vacancy and appoint a successor to act until the next meeting of the General Meeting at which such appointment shall be confirmed by the General Meeting or at which the General Meeting may appoint another Director.
- According to the Company Articles, the Board shall elect from among its ranks a Chairman of the Board and may also elect from among its ranks one or more Deputy Chairmen.
- Rules governing the amendment of the Company Articles:
- At any extraordinary General Meeting for the purpose of amending the Company Articles or voting on resolutions, the adoption of which is subject to the quorum and majority requirements for the amendment of the Company Articles, the quorum shall be at least one half of all the shares issued and outstanding, and at least one half of all the voting securities issued or outstanding. If the said quorum is not present, a second meeting may be convened at which there shall be no quorum requirement unless the proposed amendment to the Company Articles affects the rights of the holders of voting securities, in which case a quorum of at least one half of voting securities must be present or represented. For the sake of clarity, and without limitation, it is noted that any General Meetings at which a resolution is proposed to issue new shares or to create an authorised share capital to issue new shares in future, shall be regarded as a matter affecting the rights of the voting securities.
- In order for the proposed resolutions to be adopted at a meeting, and unless otherwise provided by law, a two thirds (2/3) majority of the votes of the shareholders validly cast is required at any such General Meeting without counting the abstentions, including a favourable vote of at least half of the voting securities in case the proposed amendment to the Company Articles affects the rights of the holders of the voting securities.

**i) Powers of the Board:**

- The management of the Company is incumbent on the Board. For this, it has the most extensive powers. Its competence extends to all legal acts that are not, expressly by law or the Company Articles, reserved for the General Meeting. The Board may, in particular, purchase real estate directly or through intervening companies, issue bonds and other debt obligations, provide mortgages or other security, reduce or forgive debts and conclude settlements on behalf of the Company.
- The Company shall be bound against third parties in all circumstances by the joint signature of any two Directors. The Company shall also be bound against third parties by (i) the sole or joint signature(s) of any person or persons to whom such signatory power shall be delegated by the Board or, (iii) with respect to matters of daily management, by the sole signature of a Daily Manager.
- On 9 August 2024, the extraordinary General Meeting of the Company resolved to approve the amendment and restatement of the Company Articles, which currently no longer include provisions for authorised capital and the Board's authority to issue shares within its limits.
- The Company may proceed with the purchase of its own shares within the limits laid down by law.
- On 9 August 2024, the extraordinary General Meeting of the Company resolved to approve the amendment and restatement of the Company Articles, which currently no longer include provisions for declaring interim dividends by the Board.

**j)** There are no significant agreements to which the Company is party and which take effect, alter or terminate upon a change of control of the Company following a takeover bid.

**k)** As of the date of this report, the Company is not a party to agreements with its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid.

# Summary Remuneration Report

## Remuneration of the Board of Directors

Compensation of the members of the Board of Directors (the “**Board**” and each member a “**Director**”) is determined by the general meeting of the shareholders (the “**General Meeting**”) of Adler Group S.A. (the “**Company**”).

On 27 November 2024, the General Meeting approved the following gross remuneration of the Directors to be applicable as of 1 January 2025:

- an annual fixed remuneration in a gross amount of EUR 300,000 for the role of the Chairman of the Board;
- an annual fixed remuneration in a gross amount of EUR 210,000 for the role as the Chairman of the Company's Audit Committee;
- an annual fixed remuneration in a gross amount of EUR 180,000 for the role as a Director of the Company (excluding the Chairman of the Board of Directors and Chairman of the Company's Audit Committee);

In total, the Board of Directors received an annual fixed remuneration in the amount of EUR 1,230,000.

If a Director is not appointed for the entire duration of a given financial year, the annual fixed remuneration shall be paid *pro rata temporis* for the relevant period of appointment during the respective year.

On 25 June 2025, the General Meeting approved an additional aggregate gross remuneration for the directors, applicable for FY 2025, in an aggregate gross amount of EUR 6,000,000, and authorised the Board to allocate this

aggregate amount among the members of the Board, as deemed appropriate, and to determine the implementation modalities and the payment conditions (the “**Additional Remuneration**”). The General Meeting further resolved to confirm that the additional remuneration described in the preceding sentence is supplementary to the fixed remuneration structure (as approved by the general meeting held on 27 November 2024).

All Directors are covered by the Company's directors' & officers' liability insurance and are entitled to reimbursement of any reasonable costs incurred within the scope of their duties as Directors, upon presentation of proof of payment of such costs.

## Remuneration of the Senior Management

The remuneration of members of the senior management - CEO and CFO - (together the “**Senior Management**” and each a “**Senior Manager**”) and the daily manager (délégué à la gestion journalière) (the “**Daily Manager**”) of the Company is determined by the Board.

As at 31 December 2025, the Senior Management of the Company was composed of:

- Dr. Karl Reinitzhuber (director, chief executive officer (“**CEO**”)), position held from 1 December 2024;
- Mr Thorsten Arsan (chief financial officer (“**CFO**”)), position held from 1 October 2024.

The CEO, Karl Reinitzhuber is appointed as Daily Manager. There are no other Daily Managers appointed.

Mr Jan Duken resigned from his position as COO of the Company with effect as of 31 May 2025 and Mr Sven-Christian Frank resigned from his position as CLO of the Company with effect as of 31 October 2025. As the Company disclosed the remuneration of Mr Duken and Mr Frank in its previous reports, the Company, for reasons of transparency, discloses the remuneration awarded or due to Mr Duken and Mr Frank during FY 2025.

The Company will no longer separately disclose the individual remuneration of the CLO and the COO, who are not members of the Board or Daily Managers. This change in disclosure practice, while representing a departure from prior years' voluntary transparency measures, remains in full compliance with the legal requirements under the Luxembourg law, which do not mandate disclosure of remuneration for senior management members who are neither directors nor daily managers.

During the FY 2025, the Senior Management remuneration system provided for a fixed annual salary, and a short-term incentive (“**STI-Bonus**”) and a long-term incentive (“**LTI-Bonus**”) for the former CLO. Members of Senior Management may also receive certain fringe benefits and are covered by the directors' & officers' liability insurance. In addition, the Senior Management is entitled to reimbursement of any reasonable costs incurred within the scope of their duties as senior executives, upon presentation of proof of payment of such costs.

### Fixed annual salary

Pursuant to the respective agreements with the Company or its subsidiaries, the current members of Senior Management are entitled to receive the following gross fixed annual remuneration (*pro rata temporis as applicable*):

- Dr. Karl Reinitzhuber – EUR 800,000 per annum (part of which is paid pursuant to the agreement with Adler Properties GmbH);
- Mr Thorsten Arsan – EUR 700,000 per annum (part of which is paid pursuant to the agreement with Adler Properties GmbH).

Pursuant to the respective agreements with the Company or its subsidiaries, the former members of senior management – CLO and COO – were entitled to receive the following gross fixed annual remuneration (*pro rata temporis as applicable*):

- Mr Sven-Christian Frank – EUR 600,000 per annum (part of which was paid pursuant to agreements with Adler Properties GmbH and Consus Real Estate AG);
- Mr Jan Duken – EUR 680,000 per annum (part of which was paid pursuant to the agreement with Adler Properties GmbH).

### STI-Bonus – general framework

The STI-Bonus is an annual payment dependent on the achievement of certain targets, which are agreed between the relevant member of Senior Management and the Company.

Pursuant to the respective agreements with the Company or its subsidiaries, the current members of Senior Management are entitled to receive the following STI-Bonus (*pro rata temporis as applicable*):

- Dr. Karl Reinitzhuber – EUR 350,000 per annum (to be paid pursuant to the agreement with Adler Properties GmbH);
- Mr Thorsten Arsan – EUR 350,000 per annum (to be paid pursuant to the agreement with Adler Properties GmbH).

Pursuant to the respective agreements with the Company or its subsidiaries, the former members of Senior Management were entitled to receive the following STI-Bonus (*pro rata temporis as applicable*) during the FY 2025:

- Mr Sven-Christian Frank – EUR 300,000 per annum; and
- Mr Jan Duken – EUR 250,000 per annum (paid pursuant to the agreement with Adler Properties GmbH).

### LTI-Bonus – general framework

The former member of Senior Management, Mr Sven-Christian Frank, was eligible to earn an LTI-Bonus,

to be settled in shares of the Company or in cash (at the discretion of the Company).

Pursuant to the respective agreement with the Company, the maximum LTI-Bonus payable to Mr Sven-Christian Frank was EUR 300,000 per annum.

### **Total remuneration paid to the Senior Management**

The summary remuneration report covers the remuneration of Senior Management who held office during the FY 2025.

Furthermore, this remuneration report is only in summary form. A complete remuneration report will be presented to the 2026 Annual General Meeting of shareholders of the Company as required by the Luxembourg Law of 24 May 2011 on the exercise of certain rights of shareholders in listed companies (as amended).

In FY 2025, the following total remuneration was paid to the current and former members of Senior Management:

in EUR	Karl Reinitzhuber CEO	Thorsten Arsan CFO
Fixed remuneration	620,000 <sup>(*)</sup>	520,000 <sup>(*)</sup>
Fringe benefits	54,000 (including car allowance, travel allowance)	54,000 (including car allowance, travel allowance)
<b>Total (fixed remuneration and fringe benefits)</b>	<b>674,000</b>	<b>574,000</b>
STI-Bonus for the FY 2024	15,000	87,500
STI-Bonus for the FY 2025	The amount will be determined and will be payable only after the close of FY 2025 and therefore is not reported on herein	The amount will be determined and will be payable only after the close of FY 2025 and therefore is not reported on herein
Extraordinary items	N/A	N/A
Fixed remuneration for the mandate as a director of the company	180,000	180,000
Additional Remuneration for the mandate as a director of the company	1,080,000	1,080,000
<b>Total</b>	<b>1,949,000</b>	<b>1,921,500</b>

In the FY 2025, the following total remuneration was paid to the former members of the Senior Management:

in EUR	Sven-Christian Frank former CLO	Jan Duken former COO
Fixed remuneration	600,000 <sup>(*)</sup>	271,333 <sup>(*)</sup>
Fringe benefits	45,500 (including health insurance, car lease)	22,500 (including car allowance, travel allowance)
<b>Total (fixed remuneration and fringe benefits)</b>	<b>645,500</b>	<b>293,833</b>
STI-Bonus for the FY 2024	300,000	N/A
STI-Bonus for the FY 2025	N/A	N/A
LTI-Bonus for the FY 2024	N/A	N/A
LTI-Bonus for the FY 2025	N/A	N/A
Extraordinary items	2,231,663 <sup>(*)</sup> (pursuant to the termination with settlement agreement)	836,000 <sup>(*)</sup> (pursuant to the termination with settlement agreement)
<b>Total</b>	<b>3,177,163</b>	<b>1,129,833</b>

(\*) Paid by/due from the Company/Adler Properties GmbH/Consus Real Estate AG.

(\*\*) Paid by/due from the Company/Adler Properties GmbH.



# Combined Management Report



## 2 Combined Management Report

36	Fundamentals of the Group
42	Portfolio Overview
45	Economic Review
54	Material Events
57	Forecast Report
58	Opportunities and Risk Report
69	Responsibility Statement

# Fundamentals of the Group

## Business model

Adler Group S.A. is a residential real estate company which – through its subsidiaries – holds and manages 17,504 rental units, primarily based in Berlin. This rental portfolio is valued at EUR 3.5 billion as per 31 December 2025. Besides the rental portfolio, Adler Group owns a portfolio of development projects in some of the larger cities in Germany valued at EUR 0.5 billion. In agreement with the bondholders under the terms of the Restructuring Plan, these development projects are to be sold – some sales processes have already begun, others are to be initiated.

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

Our 337 employees (as per 31 December 2025) are based in Luxembourg and in several locations across Germany in order to bring Adler Group as close as possible to assets and tenants.

## Objectives and strategy

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

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

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

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

By disposing of non-core assets, Adler Group aims to streamline the rental portfolio and to focus on medium 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.

**Competitive strengths**

**We benefit from a fully integrated, efficient and scalable in-house real estate portfolio management platform, led by an experienced management team focussed on growth and value creation.**

This platform enables us to create value across the entire spectrum of real estate portfolio management, including identifying, acquiring and managing suitable real estate assets or portfolios. Our platform, combined with our in-depth knowledge of the real estate market, makes us well suited to identify portfolio assets that can be improved through targeted capital expenditure. Our management

team is experienced in in-house asset management, property and facility management and construction management. Furthermore, we have qualified teams of real estate professionals in all areas of our business operations which allow us to be flexible in adapting to market conditions to sustain further portfolio growth.

**We are a top-tier residential real estate platform with a high quality portfolio that is focussed on the Berlin market.**

We have sharpened our portfolio by disposing of non-strategic yielding assets leading to a range of assets in German cities with attractive yield potential. The core real estate portfolio of the Adler Group comprised 17,504 rental units as of 31 December 2025. The Berlin residential market continuously benefits from a combination of positive net migration, an increase in qualified workers, a decreasing average household size and limited supply of new rental units, ultimately resulting in continued rental growth, which we expect to positively impact our business.

**We are committed to tenant satisfaction through our business approach.**

We strive for tenant satisfaction and place our tenants at the centre of our operations. We demonstrate high responsiveness to our tenants' needs and actively manage communications with our tenants through in-house and external call centres. Furthermore, we maintain our properties at the market standard suitable for the current demand through ongoing investments. Our business approach leads to better tenant satisfaction as shown by our sustainable high rent collection rate and decreasing number of vacancies in our properties.

## Financial performance indicators

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

**Income from rental activities** equals net rental income plus income from facility services and recharged utilities costs.

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

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

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

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

### Calculation of Adj. EBITDA (from rental activities)

Net rental income

---

(+)	Income from facility services and recharged utilities costs
=	<b>Income from rental activities</b>
(–)	Cost from rental activities <sup>1)</sup>
=	<b>Net operating income (NOI) from rental activities</b>
(–)	Overhead costs from rental activities <sup>2)</sup>

---

= **Adj. EBITDA from rental activities**

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

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

### Calculation of Adj. EBITDA Total

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

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

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

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

6) Other net financial costs is equal to the total "Net finance costs" from the profit and loss statement less "FFO 2 net interest expenses" as calculated in footnote 5) above.

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

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

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

### Calculation of FFO 1 (from rental activities)

Adj. EBITDA from rental activities	
(-)	FFO 1 net interest expenses <sup>9)</sup>
(-)	Current income taxes relating to rental activities <sup>10)</sup>
(-)	Interest of minority shareholders
=	<b>FFO 1 (from rental activities)</b>

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

10) Only current income taxes relating to rental activities.

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

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

Adj. EBITDA Total	
(-)	FFO 2 net interest expenses <sup>5)</sup>
(-)	Current income taxes <sup>11)</sup>
(-)	Interest of minority shareholders
=	<b>FFO 2 (incl. disposal results and development activities)</b>

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

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

The methodology and illustrative LTV calculation as well as the information taken from the Adler Group balance sheet is depicted in the following table (the calculation of LTV as per 31 December 2025 can be found at the end of this section):

	Group as reported	Share of joint ventures <sup>19)</sup>	Share of material associates <sup>19)</sup>	Non-controlling interests <sup>20)</sup>	Total <sup>21)</sup>
<b>Calculation of LTV</b>					
Borrowings from financial institutions <sup>12)</sup>					
(+)	Commercial paper				
(+)	Hybrids <sup>13)</sup>				
(+)	Bond loans <sup>14)</sup>				
(+)	Foreign currency derivatives				
(+)	Net payables <sup>15)</sup>				
(+)	Owner-occupied property (debt)				
(+)	Current accounts (equity characteristic)				
(-)	Cash and cash equivalents				
=	<b>Net debt</b>				
Owner-occupied property					
(+)	Investment properties at fair value				
(+)	Properties held for sale <sup>16)</sup>				
(+)	Properties under development <sup>17)</sup>				
(+)	Intangibles				
(+)	Net receivables <sup>15)</sup>				
(+)	Financial assets <sup>18)</sup>				
=	<b>Total property</b>				
<b>= LTV in %</b>					

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

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

14) Containing current and non-current corporate bonds.

15) 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.

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

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

18) Containing other financial assets.

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

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

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

### Calculation of Net payables

#### Investments in financial instruments

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(+)	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

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= **Net amount**

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

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

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

### Portfolio performance indicators

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

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

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

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

The total amounts spent on maintenance and CapEx in relation to the total lettable area of the portfolio are further operational figures to ensure an appropriate level of investment in the real estate portfolio. **Maintenance expenses** are spent to keep the property in its current condition and are typically charged to the consolidated income statement. These maintenance measures ensure the living quality of tenants and tenant satisfaction, which in turn decreases vacancies and increases reletting rents, giving place to higher and stable rental income. **CapEx** measures comprise targeted investments that increase the quality, safety and overall features of the assets in the portfolio, supporting the ability to capture higher rents. Examples of these investments include refurbishments of facade or roof as well as refurbishments of apartments. CapEx are typically capitalised to the investment properties. The diverse CapEx projects support the value growth of the portfolio and the letting process, resulting in lower vacancies and higher rent potential. Additionally, Adler Group carries investments aimed at improving the energy efficiency and CO<sub>2</sub> reduction.

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

# Portfolio Overview

## Business performance highlights

As at 31 December 2025, the residential rental portfolio is fully focussed on Berlin after the Company sold its North Rhine-Westphalia (NRW)-based portfolio in February 2025.

## Portfolio overview<sup>(\*)</sup>

Location	Fair value EUR m Q4 25	Fair value EUR/m <sup>2</sup> Q4 25	Units	Lettable area m <sup>2</sup>	NRI <sup>(**)</sup> EUR m Q4 25	Rental yield (in-place rent)	Opera- tional vacancy Q4 25	Vacancy $\Delta$ YoY LFL	Q4 25 Avg. rent EUR/m <sup>2</sup> / month	NRI $\Delta$ YoY LFL	Rever- sionary potential
Berlin	3,480	2,880	17,455	1,208,373	125	3.6%	1.3%	0.1%	8.62	3.6%	18.4%
Other	1	474	49	2,636	0	8.0%	15.1%	(6.2%)	4.86	(16.0%)	70.1%
<b>Total</b>	<b>3,482</b>	<b>2,875</b>	<b>17,504</b>	<b>1,211,009</b>	<b>125</b>	<b>3.6%</b>	<b>1.3%</b>	<b>0.1%</b>	<b>8.61</b>	<b>3.6%</b>	<b>18.4%</b>

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

In addition to our financial performance indicators, we also use the following **operational performance indicators**:

The **vacancy rate** shows the ratio of m<sup>2</sup> of vacant units in our properties to total m<sup>2</sup>. Vacancy rate is used as an indicator of the current letting performance. Operational vacancy excludes unavailable units, i.e., units under refurbishment and decommissioned units.

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

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

The total amounts spent on maintenance and CapEx in relation to the total lettable area of the portfolio are further

operational figures to ensure an appropriate level of investment in the real estate portfolio. **Maintenance expenses** are spent to keep the property in its current condition and are typically charged to the consolidated income statement. These maintenance measures ensure the living quality of tenants and tenant satisfaction, which in turn decreases vacancies and increases reletting rents, giving place to higher and stable rental income. **CapEx** measures comprise targeted investments that increase the quality, safety and overall features of the assets in the portfolio, supporting the ability to capture higher rents. Examples of these investments include refurbishments of facade or roof as well as refurbishments of apartments. CapEx are typically capitalised to the investment properties. The diverse CapEx projects support the value growth of the portfolio and the letting process, resulting in lower vacancies and higher rent potential. Additionally, Adler Group carries investments aimed at improving the energy efficiency and CO<sub>2</sub> reduction.

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

## Portfolio performance

### Rental portfolio<sup>(\*)</sup>

	31 Dec 2025	31 Dec 2024
Number of units	17,504	17,929
Average rent/m <sup>2</sup> /month (EUR)	8.61	8.29
Total operational vacancy <sup>(**)</sup>	1.3%	1.8%

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

(\*\*) Operational vacancy excludes unavailable units, i.e., units under refurbishment and decommissioned units; Total vacancy rate amounting to 2.0% as per December 2025.

The average rent per m<sup>2</sup> amounted to EUR 8.61 as at 31 December 2025, a slight increase compared to the previous year. The operational vacancy rate decreased slightly to a structurally low level of 1.3%.

### Like-for-like rental growth<sup>(\*)</sup>

In %	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Like-for-like rental growth	3.6%	1.8%

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

Like-for-like rental growth of the portfolio amounted to 3.6% over the last twelve months.

Adler Group's fully integrated active asset management is focussed 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 <sup>2</sup>	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Maintenance	9.7	8.6
CapEx	20.6	18.9
<b>Total</b>	<b>30.3</b>	<b>27.4</b>
In EUR million	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Maintenance	13.1	14.5
CapEx	27.8	32.0
<b>Total</b>	<b>40.9</b>	<b>46.5</b>

In the twelve months of 2025, total investment in the core portfolio amounted to EUR 40.9 million resulting in maintenance and CapEx expenses per m<sup>2</sup> of EUR 30.3.

**Vacancy split**

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

**Vacancy<sup>(\*)</sup>**

	31 Dec 2025	31 Dec 2024
Total vacancy (units)	188	284
Total vacancy (m <sup>2</sup> )	15,547	21,806
Total operational vacancy rate <sup>(**)</sup>	1.3%	1.8%

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

(\*\*) Operational vacancy excludes unavailable units, i.e., units under refurbishment and decommissioned units; Total vacancy rate amounting to 2.0% as per December 2025.

# Economic Review

## Economic and industry-specific parameters

### Overall economic development

In 2025, the German economy showed only a very modest and uneven improvement after two weak years. GDP rose by 0.2%.

Factors impeding a stronger recovery remained broadly similar: energy prices eased but volatility persisted, global conflicts continued to weigh on sentiment, and trade policy uncertainty (including US tariff arrangements) dampened investment. Private consumption benefited from real wage gains, but investment was restrained by weak order books in construction and manufacturing.

Labour market indicators reflected the weakness. As per December, the registered unemployment rate (Bundesagentur für Arbeit) stood at 6.2% with total registered unemployed near 2.9 million; employment growth was largely stagnant, while short time work persisted in pockets of industry.

Inflation remained near the ECB's target. On average, prices in Germany rose by 2.2% in 2025 according to the cost-of-living-index, as published by the German Federal Statistical Office.

### Industry development

The real estate sector showed early signs of stabilization in 2025 following the sharp decline in 2024. After three consecutive annual decreases, building permits increased

again, with Destatis reporting +10.8% y/y to around 238,500 approved units. Growth was observed in both single-family and multi family, the latter approvals increased by 12.1%, while approvals for two-family houses remained at a low level.

Transaction markets continued to stabilize in 2025 but remained well below the levels of the last decade. Industry trackers reported total investment volumes of approximately EUR 34 billion for the full year 2025, slightly below the prior year, with residential/multifamily again the strongest asset class. Investor demand continued to focus on smaller lot sizes, while large-cap transactions remained scarce amid cautious market sentiment.

Interest rates, a key valuation driver, fell materially from their peaks and stabilized in 2025, albeit long term rates showed an upwards trend in Q4. Following the June 2024 easing cycle, the ECB held its deposit facility at 2.00% and the main refinancing rate at 2.15% through September and December 2025, emphasizing a data dependent stance. While financing conditions improved versus 2023–2024, the effect on 2025 real estate activity was gradual, reflecting the recent steepening of the yield curve.

For Adler Group, the improving—but still selective—market dynamics are positive insofar as the Company still intends to sell assets to restructure its finances. With more price discovery and narrowing bid ask spreads, it may be easier to find buyers than in the recent past, especially in Berlin where strong occupation and rental demand persist; however, execution remained dependent on asset quality, micro location, and financing availability.

Rents for existing apartments continued to increase in 2025, though the national averages conceal pronounced regional and contract type differences; market activity in Berlin remained governed by the “Berliner Mietspiegel” framework for determining allowable rent adjustments by quality characteristics, size, and location. (The official Mietspiegel 2024 remained the reference publication during 2025; market offer price trackers suggested mid-to-high teens euro/m<sup>2</sup> averages, with wide dispersion by district and specification.)

### Legal framework

The Building Energy Act (Heizungsgesetz) continued to apply in 2025, requiring that newly installed heating systems be powered by at least 65% renewable energy, with transition periods varying by municipal heat planning (district heating availability, etc.)

The CO<sub>2</sub> levy increased to 55 euro per tonne from 1 January 2025 under Germany’s national system, with the transition to the EU wide ETS 2 for fuels adopted by law and scheduled to start in 2027—with a possibility of postponement to 2028 depending on EU level decisions and energy price conditions. Analysts expect higher and market determined certificate prices under ETS 2 versus the fixed national levy, implying stronger long run incentives for energy efficiency in buildings. Landlords still share the levy burden proportionally, supporting investment in heating modernisation and building efficiency.

In rental markets, the regulation to observe since 2015—the “Mietpreisbremse” (rental brake)—was extended. The Bundestag and Federal Government prolonged its validity until 31 December 2029, allowing Länder to continue designating “angespannte Wohnungsmärkte” (stressed markets) where initial rents at re letting are capped at 10% above the local reference rent.

## Profit and net asset situation

Compared to FY 2024, **net rental income** slightly decreased due to the lack of rental income resulting from the disposals of BCP and the NRW-based portfolio, both completed in Q1 2025.

The **adjusted EBITDA from rental activities** amounted to EUR 72 million, decrease compared to the prior year reflecting primarily the smaller portfolio size.

The **adjusted EBITDA Total** was negative as the development segment did not contribute material earnings in this quarter and was impacted by construction costs.

Compared to FY 2024, **FFO 1 and FFO 2** were both negatively impacted by net interest expenses, although to a lesser extent than in the previous year as the amount of debt has decreased.

## EBITDA

### Adj. EBITDA from rental activities

In EUR thousand	For the year ended		For the three months ended	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Net rental income	131,565	207,562	30,247	52,502
Income from facility services and recharged utilities costs	65,929	102,617	14,777	27,700
<b>Income from rental activities</b>	<b>197,494</b>	<b>310,179</b>	<b>45,024</b>	<b>80,202</b>
Cost from rental activities	(79,872)	(135,523)	(18,550)	(36,546)
<b>Net operating income (NOI) from rental activities</b>	<b>117,622</b>	<b>174,656</b>	<b>26,474</b>	<b>43,656</b>
<b>NOI from rental activities margin (%)</b>	<b>89.4%</b>	<b>84.1%</b>	<b>87.5%</b>	<b>83.2%</b>
Overhead costs from rental activities	(45,212)	(62,526)	(11,837)	(17,296)
<b>Adj. EBITDA from rental activities</b>	<b>72,410</b>	<b>112,131</b>	<b>14,639</b>	<b>26,361</b>
<b>Adj. EBITDA margin from rental activities (%)</b>	<b>55.0%</b>	<b>54.0%</b>	<b>48.4%</b>	<b>50.2%</b>

### Adj. EBITDA Total

In EUR thousand	For the year ended		For the three months ended	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Income from rental activities	197,494	310,179	45,024	80,202
Income from property development	(9,630)	23,082	(4,754)	33,851
Income from other services	2,266	14,592	621	12,506
Income from real estate inventory disposed of	111,250	43,140	51,000	16,140
Income from sale of trading properties	840	1,198	840	110
<b>Revenue</b>	<b>302,220</b>	<b>392,191</b>	<b>92,731</b>	<b>142,809</b>
Cost from rental activities	(79,872)	(135,523)	(18,550)	(36,546)
Other operational costs from development and privatisation sales	(172,627)	(91,369)	(51,657)	(48,568)
<b>Net operating income (NOI)</b>	<b>49,721</b>	<b>165,299</b>	<b>22,524</b>	<b>57,695</b>
Overhead costs from rental activities	(45,212)	(62,526)	(11,837)	(17,296)
Overhead costs from development and privatisation sales	(10,962)	(21,783)	(2,163)	(12,100)
<b>Adj. EBITDA Total</b>	<b>(6,454)</b>	<b>80,990</b>	<b>8,524</b>	<b>28,300</b>
FFO 2 net interest expenses	(241,773)	(359,943)	(62,809)	(81,156)
Other net financial costs	(116,696)	2,030,728	(25,334)	(56,781)
Depreciation and amortisation	(24,258)	(20,419)	(15,245)	872
Other income/(expenses)	(126,595)	(458,208)	24,805	(322,623)
Change in valuation	(92,449)	(483,177)	(30,064)	(239,217)
Net income from at-equity valued investments	(47)	(1)	(46)	979
<b>EBT</b>	<b>(608,272)</b>	<b>789,970</b>	<b>(100,169)</b>	<b>(669,626)</b>

## FFO

### FFO 1 (from rental activities)

In EUR thousand	For the year ended		For the three months ended	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Adj. EBITDA from rental activities	72,410	112,131	14,639	26,361
FFO 1 net interest expenses	(141,283)	(210,425)	(38,880)	(49,031)
Current income taxes	843	(7,234)	1,740	76
Interest of minority shareholders	-	(6,821)	-	(1,765)
<b>FFO 1 (from rental activities)</b>	<b>(68,029)</b>	<b>(112,349)</b>	<b>(22,501)</b>	<b>(24,360)</b>
No. of shares	151,626	151,626	151,626	151,626
<b>FFO 1 per share</b>	<b>(0.45)</b>	<b>(0.74)</b>	<b>(0.15)</b>	<b>(0.16)</b>

### FFO 2 (incl. disposal results and development activities)

In EUR thousand	For the year ended		For the three months ended	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Adj. EBITDA Total	(6,454)	80,990	8,524	28,300
FFO 2 net interest expenses	(241,773)	(359,943)	(62,809)	(81,156)
Current income taxes	(4,372)	(25,187)	(14,398)	(9,109)
Interest of minority shareholders	-	(6,821)	-	(1,765)
<b>FFO 2</b>	<b>(252,599)</b>	<b>(310,961)</b>	<b>(68,683)</b>	<b>(63,730)</b>
No. of shares	151,626	151,626	151,626	151,626
<b>FFO 2 per share</b>	<b>(1.67)</b>	<b>(2.05)</b>	<b>(0.45)</b>	<b>(0.42)</b>

## Financial and asset position

**Investment properties** decreased mainly due to the transfer of certain assets from investment properties to assets classified as held-for-sale and the negative fair value adjustments following the revaluation of development projects in H2 2025. **Other non-current assets** include other financial assets of EUR 97 million (mainly comprising loans against non-controlling shareholders of subsidiaries), property and equipment of EUR 13 million, restricted bank deposits of EUR 10 million and investments in financial instruments of EUR 6 million. **Inventories** primarily include upfront sale projects and the land value of forward sale projects. **Other current assets** include other receivables (EUR 80 million), trade receivables (EUR 50 million) and restricted bank deposits (EUR 30 million). **Non-current assets and liabilities held for sale** reduced significantly following the completed disposals of BCP and the NRW-based "Cosmopolitan portfolio".

**Interest-bearing debts** include bonds, bank debt and the refinanced facilities as part of the recapitalisation completed in September 2024. **Other liabilities** include provisions (EUR 61 million), other current payables (EUR 115 million) including income tax payables of EUR 52 million, and trade payables (EUR 42 million). **Non-controlling interests** decreased significantly primarily as a result of the deconsolidation of BCP in early January 2025.

As at 31 December 2025, the **total interest-bearing nominal debts** amounted to around EUR 3,442 million. The average interest rate on all outstanding debt was 7.0%, with a weighted average maturity of 3.4 years.

## Financial position

In EUR thousand	31 Dec 2025	31 Dec 2024
Investment properties and advances related to investment properties	3,640,360	3,963,832
Other non-current assets	140,978	177,646
<b>Non-current assets</b>	<b>3,781,338</b>	<b>4,141,478</b>
Cash and cash deposits	213,737	246,990
Inventories	217,430	410,886
Other current assets	186,662	199,486
<b>Current assets</b>	<b>617,829</b>	<b>857,362</b>
<b>Non-current assets held-for-sale</b>	<b>307,932</b>	<b>1,888,313</b>
<b>Total assets</b>	<b>4,707,099</b>	<b>6,887,153</b>
Interest-bearing debts	3,442,173	3,535,020
Other liabilities	235,110	587,995
Deferred tax liabilities	170,302	261,726
<b>Liabilities classified as available for sale</b>	<b>-</b>	<b>937,234</b>
<b>Total liabilities</b>	<b>3,847,585</b>	<b>5,321,975</b>
<b>Total equity attributable to owner of the Company</b>	<b>841,313</b>	<b>1,326,734</b>
Non-controlling interests	18,201	238,444
<b>Total equity</b>	<b>859,514</b>	<b>1,565,178</b>
<b>Total equity and liabilities</b>	<b>4,707,099</b>	<b>6,887,153</b>

**Loan-to-value**

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

31 Dec 2025

In EUR thousand	Group loan-to-value	Non-controlling interests	Total
Borrowings from financial institutions	3,119,155		3,119,155
Commercial paper			
Bond loans	323,018		323,018
Foreign currency derivatives			
Net payables	24,718		24,718
Owner-occupied property (debt)			
Current accounts (equity characteristics)			
Cash and cash equivalents	(213,737)		(213,737)
<b>Net financial liabilities</b>	<b>3,253,154</b>		<b>3,253,154</b>
Owner-occupied property			
Investment properties at fair value	3,640,360		3,640,360
Properties held for sale <sup>(*)</sup>	525,362		525,362
Properties under development			
Intangibles			
Net receivables			
Financial assets	96,740		96,740
<b>Total property value</b>	<b>4,262,462</b>		<b>4,262,462</b>
<b>Loan-to-value</b>	<b>76.3%</b>		<b>76.3%</b>

(\*) Considers inventories as well as non-current assets held for sale.

31 Dec 2024

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

(\*) Considers inventories as well as non-current assets held for sale.

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

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

### Net payables

In EUR thousand	31 Dec 2025	31 Dec 2024
Investments in financial instruments	7,525	7,406
Restricted bank deposits	40,247	45,130
Contract assets	13,128	23,141
Trade receivables	50,059	46,498
Other receivables and financial assets	79,780	91,069
Advances paid on inventories	13,398	7,710
Deduct:		
Other financial liabilities	(9,094)	(9,092)
Pension provisions	(604)	(643)
Other payables	(114,770)	(148,901)
Contract liabilities	0	0
Trade payables	(41,844)	(63,193)
Provisions	(61,090)	(332,406)
Prepayments received	(1,453)	(6,386)
Non-current liabilities held for sale	0	(937,239)
<b>Net payables</b>	<b>(24,718)</b>	<b>(1,276,906)</b>



# Material Events

## In the reporting period

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

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

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

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

**3.** On 28 January 2025 and 18 February 2025, the 1L and 1.5L Facilities were effectively refinanced. The outstanding loan amounts were increased, and the fixed interest

rates were reduced. After the refinancing, the outstanding amount of the 1L Facility amounted to EUR 1,178 million, with an interest rate of 8.25% (compared to EUR 1,158 million outstanding amount and 12.5% interest rate before refinancing). After refinancing, the outstanding 1.5L Facility amounted to EUR 717 million, with an interest rate of 10% (compared to EUR 707.3 million outstanding amount and 14% interest rate before refinancing).

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

**4.** In January 2025, Berlin-based property companies of Adler Group entered into an agreement with a German bank, according to which the latter extended a secured loan of approximately EUR 341 million by more than three years until October 2028. Also in January 2025, four further loans with a combined nominal amount of EUR 51 million were refinanced, and their maturities were extended to 31 October 2028.

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

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

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

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

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

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

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

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

**11.** Following the settlement of Adler RE's cash tender offer to repurchase its outstanding EUR 300 million secured notes on 27 June 2025, the Company's 1L notes increased

by EUR 281 million to approximately EUR 1.3 billion as per June 2025, up from EUR 1.2 billion as per December 2024. In this context, S&P revised its ratings on the Adler Group and Adler RE debt instruments. On 30 June 2025, S&P downgraded the issue rating on the Adler Group's 8.25% 1L New Money Facilities due 12 December 2028 from 'B+' to 'B'. The ratings of Adler Group's 10.0% 1.5L senior secured notes due 12 December 2029 and Adler RE's remaining 3.0% senior unsecured notes due 27 April 2026 were also downgraded to 'CCC' from 'CCC+'. The rating on Adler Group's 6.25% Reinstated 2L Notes due 14 January 2030 remained unchanged at 'CCC'. The issuer credit rating of Adler Group also remains unchanged at 'B-' (stable outlook).

**12.** On 8 July 2025, it was announced that Adler Group sold its Consus-owned development project Cologneo III. The transaction closed in August 2025.

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

**14.** On 16 September 2025, Adler Group completed the sale of the development project "The Wilhelm" in Berlin.

**15.** Adler Group requested S&P to withdraw the rating of the remaining Adler RE 2026 notes with effect of 30 October 2025.

**16.** On 31 October 2025, Adler Group announced the sale of the Hamburg development project "Holsten Quartier." The project is centrally located in the Altona district, covering an area of around 87,000 square metres. It was sold to a Hamburg consortium consisting of Quantum and HanseMerkur Grundvermögen in cooperation with SAGA. The transaction is expected to be completed in the first quarter of 2026.

**17.** On 11 November 2025, Adler Group announced the sale of the Kaiserlei development project to the Frankfurt

housing association ABG. It is located on the city limits between Offenbach and Frankfurt. According to the letter of intent signed between the city of Offenbach and ABG, the project will have a gross floor area of around 122,000 square metres.

**18.** In 2025, the Company repaid the 1L Facility in the aggregate amount of EUR 348 million (excluding accrued interest).

## Subsequent events

The Group has evaluated transactions or other events for consideration as subsequent events since the reporting date 31 December 2025 in the annual financial statements through 31 March 2026, the date of finalisation of the financial statements.

**1.** On 13 January 2026, Adler Group completed the sale of the development project "Kaiserlei" in Offenbach.

**2.** On 16 March 2026, Adler Real Estate GmbH, a subsidiary of Adler Group, fully repaid the remaining outstanding amount of EUR 14.8 million of its notes maturing in April 2026.

**3.** On 19 March 2026, Adler Group completed the sale of the development project "Benrather Gärten" in Düsseldorf.

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

# Forecast Report

## Comparison of the forecast with the actuals of 2025

In the financial year 2025, the Group generated net rental income of EUR 132 million. This result was achieved within the previously communicated guidance of range of EUR 127-135 million.

## Forecast for 2026

Following certain disposals made from the yielding asset portfolio, Adler Group expects to generate net rental income for 2026 in the range of EUR 124-129 million.

In accordance with the Restructuring Plan, the Group continues to focus on liquidity management and deleveraging through planned asset and portfolio disposals.

# Opportunities and Risk Report

Opportunities and risks are influencing the business success of Adler Group S.A. (thereafter as “the Company”) and of its affiliates (together referred to as “Adler Group” or “the Group”). They are defined as follows:

- Risks are possible events or developments that could have a negative impact on the Company’s expected economic development and thus lead to a negative deviation from its two-year planning.
- By contrast, opportunities are possible events or developments that could have a positive impact on the expected economic development and thus lead to a positive deviation from its two-year planning. Opportunities are not quantified for internal management purposes.

In the following report the descriptions and impacts of risks and opportunities are considered separately. Impacts are not offset against each other.

## Risk report

In order to responsibly manage the risks of business activities, there is a need for adequate and effective internal control and risk management systems. The adequacy and effectiveness of the internal control and the risk management system (“Risk Management System”) requires their internal monitoring. Adler Group continually monitors and controls risk positions in the Group in order to avoid developments which might threaten the existence of the Group and, at the same time, to exploit any opportunities that occur. As the market environment and legal as well as regulatory framework conditions are constantly changing, Adler Group adapts to this by continuously developing its

strategy. The Group’s risk management is based on a risk strategy, which is anchored in the Company strategy as well as, in conjunction with this, its business activities and is laid down in the risk management handbook. The Risk Management System enables the Board of Directors and the Senior Management of the Company to continuously identify and assess material risks within the Group and in the (macro)economic environment.

### Risk management system

The Group’s risk management governs all organisational regulations and measures and uses a Risk Management System to monitor and identify business risks to address them with suitable countermeasures. The existing Risk Management System is guided by the five principles of the COSO risk management model and records and regularly assesses all identified risks. Using the Risk Management System, the Group decides on the measures to be taken to address the respective risks. This Risk Management System is an appropriate and effective early warning and control instrument aligned with the corporate strategy and the portfolio structure. The Board of Directors ensures compliance with the statutory provisions and internal guidelines and works towards their observance within the Company (compliance). The internal control system and the Risk Management System also include the major compliance risks. The Board of Directors reviews the Risk Management System on a regular basis, at least once a year, to ensure it is aligned with the current risk environment and any relevant changes to the Group’s business. Due to sales of upfront sale projects and corresponding changes in liquidity and equity, risk catalogue and weightings, risk correlations as

well as the EUR ranges for risk quantification have been reviewed and adjusted if needed. Changes to the Risk Management System resulting from the review are reflected in the update of the risk management handbook, as occurred for year-end 2025.

The Risk Management System is documented in the Group-wide risk management handbook, which defines all the main six risk categories, corresponding processes, responsibilities and reporting obligations, all as further described in detail below.

In order to assess and address the level of risk that is appropriate for an organisation the size of the Group, a scoring model is used to assign a qualitative risk value (score) to individually identified risks or risk sub-categories. The qualitative assessment, as further described below, is based on the expected loss and probability of each risk occurring. Additionally, a combination of direct and indirect (top-down) quantification scoring model differentiates the impact of a specific risk on the liquidity and on total assets, as further detailed in the “Risk quantification” section below.

### Risk organisation and responsibilities

The Senior Management bears overall responsibility for risk management and decides on the structural and procedural organisation of risk management and on the necessary resources. It defines the risk strategy and risk policies of the Group as well as the risk management procedures. The risk strategy contains the guidelines for operational risk management. These guidelines specify, for instance, maximum loss limits above which risk mitigation measures must be taken. The guidelines also specify tolerance limits up to which a risk is considered acceptable without any further measures for reduction of the risk. These tolerance limits are defined with a qualitative risk score of 3.0.

The Audit Committee regularly meets to discuss opportunities and risks as well as to review how effective the current risk management system and internal control procedures

are. It gives recommendations to the Board of Directors which formally approves any changes to the system.

The risk owners, usually division manager or head of a department, assume the responsibility for identifying, assessing, documenting, managing and communicating all material risks in their area of responsibility. They are responsible for reporting risks to Central Risk Management (as defined below).

### Risk management processes

The central risk management department (“**Central Risk Management**”) coordinates the risk management processes, checks plausibility and consolidates the results of risk identification and assessment submitted by the risk owners and prepares regular reports to the Senior Management and the Board of Directors. At the same time, an early warning system with various early warning indicators has been established including immediate internal reporting to the management. This enables the Company’s management to take appropriate measures to avoid risks in good time.

### Risk identification and assessment

The purpose of the scoring models is to provide the means by which the Group can identify, assess, and numerically rank its risks. The scoring models are also used to assess the relevance of the measured risks in order to identify significant risks. The risk scoring also enables the Group to continuously review and monitor risks.

#### Categories

The risks are divided into six categories with the following weighting at the first level:

- |   |     |
|---|-----|
| 1. Macroeconomic, industry-related and political conditions         | 10% |
| 2. Sustainability risks   | 10% |
| 3. Financial and financing risks                                    | 40% |
| 4. Operating risks from management of property holdings (portfolio) | 10% |

- 5. Operating risks from development activities 15%
- 6. Company-specific risks (such as reputation, etc.) 15%

The six risk categories contain 32 (YE 2024: 32) risks and risk sub-categories on second level with a total of 95 (YE 2024: 95) individual risks. The individual risks within each subcategory are weighted amounting to 100%, the same applies to the subcategories in the six categories.

**Qualitative assessment**

A scoring model is used to assign a qualitative risk value (score) to the individual risks or risk sub-categories. It is based on the expected loss and the probability of occurrence, each of which is in turn divided into the following six classes:

**Expected loss**

Threatening the Company / portfolio / project (6)	3.5	4	4.5	5	5.5	6
Severe (5)	>3	3.5	4	4.5	5	5.5
Serious (4)	2.5	>3	3.5	4	4.5	5
Significant (3)	2	2.5	>3	3.5	4	4.5
Medium (2)	1.5	2	2.5	>3	3.5	4
Low (1)	1	1.5	2	2.5	>3	3.5
	Unlikely (1)	Remote (2)	Seldom (3)	Conceivable (4)	Likely (5)	Probable (6)

Probability of occurrence

Measures already taken to reduce or avert a risk are taken into account for both the expected loss and the probability of occurrence. The risk score is calculated as the average of the expected loss and the probability of occurrence.

An individual risk or a risk sub-category is considered relevant if the risk score is higher than 3.0 (yellow area), and it is considered highly relevant if the risk score exceeds 4.5 (light red area). Risks and risk sub-categories with a risk score of 5 or higher (red area) are considered to be a threat to the existence of the Company.

Furthermore, a risk or risk sub-category is defined as “material” if the weighting in the overall risk assessment exceeds 5%, which is calculated as the weight of the risk category multiplied by the weight of the risk or risk sub-category within the risk category. As in the 2024 report, this risk report only describes such risks that are considered material and at the same time have a risk score of more than 4.5. As at 31 December 2025, none of the risk assessments exceeded the threshold.

### Risk quantification

As general rule, material risks must be quantified directly if possible. Quantification using qualitative scores and EUR ranges is only used as an alternative for non-material and those risks where direct quantification is not possible. The indirect (top-down) quantification scoring model differentiates between the impact of a specific risk on the

liquidity and on total assets. The EUR ranges were also adjusted to the new capital structure and planning of Adler Group as part of this process.

The risks are categorised in a risk matrix (i.e., heat map). The matrix differentiates between the expected loss from a certain risk (in EUR million) affecting either the liquidity or the total assets (or both) and the probability of its occurrence (in percent). Both criteria are divided into the same six risk classes (as in the qualitative assessment).

Measures already taken to reduce or avert a risk are taken into account for both the expected loss and the probability of occurrence. The top-down quantification is carried out at the level of the sub-categories depending on their weighted contribution to the risk score of the entire Group.

Based on the implementation of the recapitalisation and an updated plan on sales of real estate and developments projects, the expected amount of damage on liquidity and total assets has been reviewed as at year end 2025. The review resulted in a reduction of the EUR amounts regarding liquidity and total assets based on a 18-month-period (YE 2024: 24-month-period) for the direct and indirect risk quantification due to successful sale of development projects mainly in second half of 2025. There is no change in the classes for probability of occurrence.

The following classes of expected loss and probability of occurrence have been defined:

### Expected loss

Risk class	Liquidity (2025) <sup>(*)</sup> (in EUR million)	Liquidity (2024) <sup>(*)</sup> (in EUR million)	Total assets (2025) <sup>(*)</sup> (in EUR million)	Total assets (2024) <sup>(*)</sup> (in EUR million)
<b>Threatening (6)</b>	>= 90	>= 75	>= 180	>= 332.5
<b>Severe (5)</b>	45 - < 90	37.5 - < 75	90 - < 180	166.25 - < 332.5
<b>Serious (4)</b>	13.5 - < 45	11.25 - < 37.5	27 - < 90	49.88 - < 166.25
<b>Significant (3)</b>	4.5 - < 13.5	3.75 - < 11.25	9 - < 27	16.63 - < 49.88
<b>Medium (2)</b>	1.8 - < 4.5	1.5 - < 3.75	3.6 - < 9	6.65 - < 16.63
<b>Low (1)</b>	< 1.8	< 1.5	< 3.6	< 6.65

(\*) Expected amount of damage over two years.

(\*\*) Expected amount of damage over 18-month period.

## Probability of occurrence

Risk class	(Percent 2025)	(Percent 2024)
Probable (6)	> 90	> 90
Likely (5)	> 75 - 90	> 75 - 90
Conceivable (4)	> 50 - 75	> 50 - 75
Seldom (3)	> 25 - 50	> 25 - 50
Remote (2)	> 10 - 25	> 10 - 25
Unlikely (1)	0 -10	0 -10

## Monitoring and reporting

The Risk Management System is continuously monitored to determine whether the risk management measures taken have had the intended effect.

Starting with the year 2025, Central Risk Management prepares a risk report to inform the Senior Management and the Board of Directors about relevant risks, current status and any further developments on a half year basis (until 2024: on a quarterly basis). In addition, the Senior Management and the Board of Directors are immediately notified if new risks with potentially significant effects arise, or if existing risks become more relevant.

## Internal control system

The internal control system (ICS) is a key component of overall corporate governance alongside risk management, compliance management and internal auditing, which are all interlinked.

The Adler Group's ICS is actively practised and is documented in the written ICS guidelines.

It covers operational risks, risks in connection with financial reporting and compliance risks and encompasses all business processes that have been classified as material. A key aspect is the deliberate separation of administrative, execution, accounting and authorisation functions by assigning separate responsibilities for each function. The regulations of the ICS guideline are mandatory. All employees are

required to regularly review the adequacy and effectiveness of the controls documented in the risk control matrix as part of a control self-assessment. The Company management is responsible for setting up, monitoring, reviewing the effectiveness and further enhancement of the ICS.

The accounting-related ICS aims to ensure the reliability of internal and external accounting and compliance with the relevant regulations, in particular the conformity of the annual and consolidated financial statements and (consolidated) financial reports with the relevant accounting standards.

The Adler Group's Finance and Accounting department is responsible for the accounting-related ICS with the aim of standardising the application of accounting standards in accordance with the International Financial Reporting Standards (IFRSs) and local GAAP. The Audit Committee is continuously involved in the further development of the accounting-related ICS. The Audit Committee receives direct and regular reports from the governance systems (risk management, compliance, internal audit, ICS) so that the Audit Committee can determine their focus and scope and thus utilise their potential.

In coordination with the Board of Directors and the Audit Committee, Internal Audit draws up a comprehensive risk-oriented audit plan and examines whether the legal framework and corporate governance guidelines are complied with, thus ensuring their functionality and effectiveness. The internal audit reports are addressed to the Senior Management and the Board of Directors.

Once they have been prepared and audited by the auditors, the annual and consolidated financial statements and the summarised (Group) management report are submitted to the Audit Committee.

## Risk environment

Following a transformative period in 2024, Adler Group has seen a year of further stabilization and successful business in 2025.

Transaction markets continued to stabilize in 2025 but remained well below the levels of the last decade. Industry trackers reported total investment volumes of approximately EUR 34 billion for the full year 2025, slightly below the prior year, with residential/multifamily again the strongest asset class. Investor demand continued to focus on smaller lot sizes, while large-cap transactions remained scarce amid cautious market sentiment.

## Economic, political and financial factors

In 2025, the German economy showed only a very modest and uneven improvement after two weak years. GDP rose by 0.2%. Factors impeding a stronger recovery remained broadly similar: energy prices eased but volatility persisted, global conflicts continued to weigh on sentiment, and trade policy uncertainty (including US tariff arrangements) dampened investment. Private consumption benefited from real wage gains, but investment was restrained by weak order books in construction and manufacturing.

Labour market indicators reflected the weakness. As per December, the registered unemployment rate (Bundesagentur für Arbeit) stood at 6.2% with total registered unemployed near 2.9 million; employment growth was largely stagnant, while short time work persisted in pockets of industry.

Inflation remained near the ECB's target. On average, prices in Germany rose by 2.2% in 2025 according to the cost-of-living-index, as published by the German Federal Statistical Office.

Net rental income is the main source of Adler Group's operational income. As such, the potential for future increases in rents determines income expectations which again depends to a large degree on market developments.

Rents for existing apartments continued to increase in 2025, though the national averages conceal pronounced regional and contract type differences; market activity in Berlin remained governed by the "Berliner Mietspiegel" framework for determining allowable rent adjustments by quality characteristics, size, and location. As the number of new apartments being built has not only fallen short of the numbers of the previous year but even more so to the numbers needed to close the gap between supply and demand, the existing imbalance is expected to persist – which again supports the expectation that rents will continue to rise in the years to come.

## Progress on asset sales

Outside Berlin, Adler Group has disposed its yielding assets during 2025. Namely the remaining share capital in BCP and the North Rhine-Westphalia based "Cosmopolitan portfolio". Furthermore, Adler Group holds significantly less development projects on its balance sheet, many of those remaining as per 31 December 2025 already signed. As of end of March 2026, the following development projects and non-strategic yielding assets were signed and closed or are expected to be closed in the near future: The Holsten Quartier in Hamburg, Benrather Gärten and Upper North Tower in Düsseldorf, the Wilhelm, Hedemannstrasse and Kornversuchsspeicher in Berlin, Cologneo III and Stolkgasse in Cologne, and Kaiserlei in Offenbach. All of these projects are already under development by new owners and will help local communities to improve the attractiveness of their cities. Some of the remaining development projects are in exclusive sales processes so that Adler Group is confident of finding equally attractive solutions for all projects in 2026. Finally, the Company is on a good track to complete construction of our projects Quartier Hoym in Dresden, Ostforum in Leipzig and Grand Ouest in Frankfurt. At Ostforum Adler Group has signed up Deloitte as an anchor tenant with 8,000 sqm of office space, the biggest lease of the year in Leipzig overall.

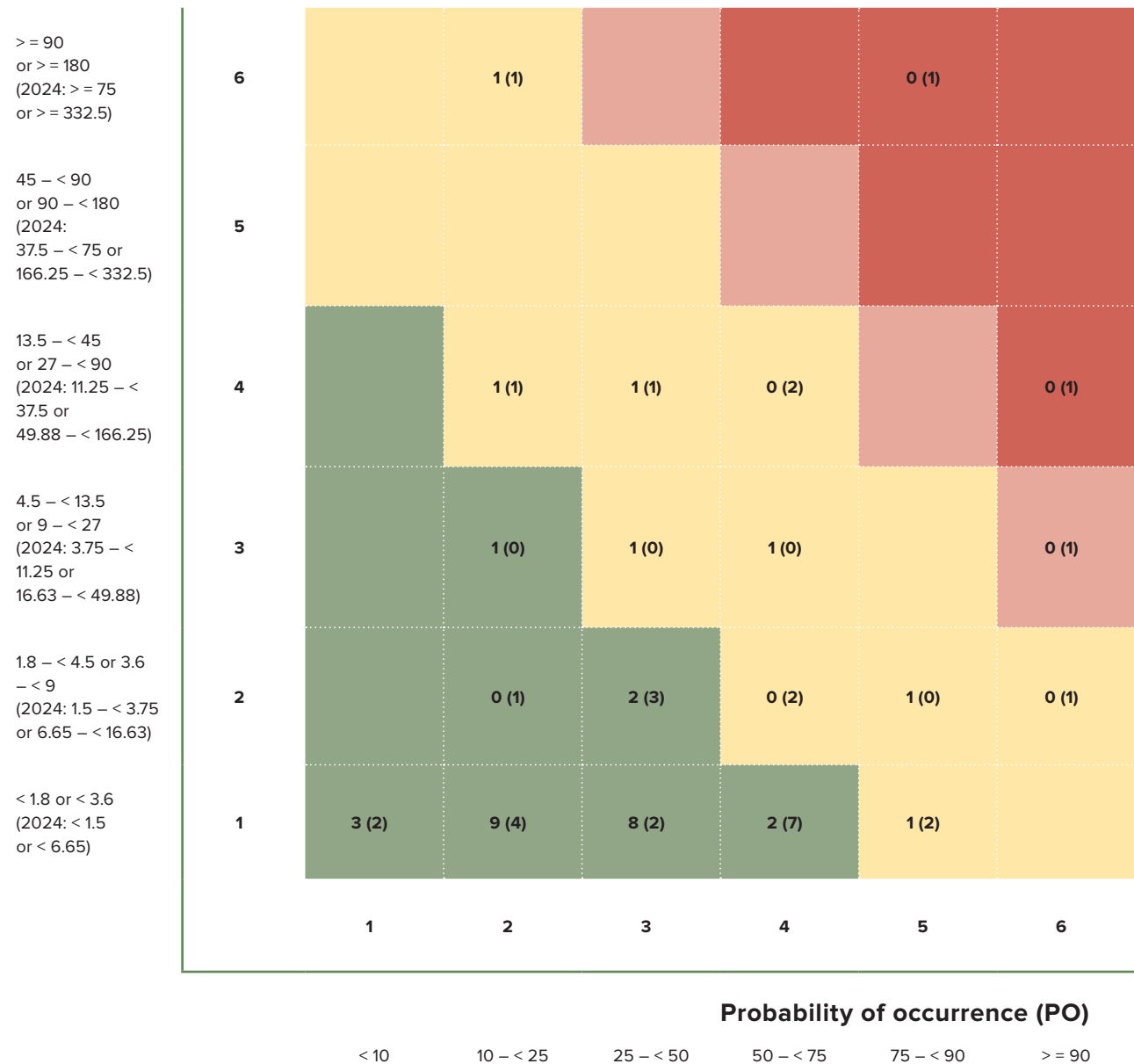
## Risk assessment as at 31 December 2025

The risk assessment as at 31 December 2025 was performed in compliance and accordance with the Group’s Risk Management System described above.

### Quantification scoring model

The risk status identified by the Group under its combined quantification scoring model as at 31 December 2025 is illustrated in the following heat map, showing the number of risks in the individual expected loss and probability of occurrence clusters:

### Expected loss (EL) (in EUR million) impact on liquidity or impact on total assets



(x): Number of risks as at 31 December 2024, based on higher expected losses for equity.

### Changes from 2024 to 2025

The three risks in the red area as at December 31, 2024 (risks from recapitalisation and other non-financial covenant breaches (EL 6/PO 5) and risks from upfront sales (EL 4/PO 6) (both assessed as threatening the existence of Adler Group) as well as risks from forward sales (EL 3/PO 6)) have been downgraded to the yellow area.

- Based on the development in 2025, the implementation of the comprehensive recapitalisation in September 2024 is expected to be on track for project upfront sales as well as capex and administration budgets for the respective risk period. In view of the successfully conducted project sales on the market, there is a decreased risk that further planned sales can take place at the appropriate times or at the planned price based on the market recovery expected for 2026.
- There is still a risk - but decreasing over time with ongoing construction progress and due to conducted or short-term planned sales of projects - that the

capex budget set out in the updated recapitalisation cannot be met to complete the forward sales to fulfil contractual obligations or to maintain the projects intended for sale in a readily saleable status.

In total, 7 (YE 2024:10) risk sub-categories are located in the yellow area, 25 (YE 2024: 19) in the green area of the heatmap.

### Qualitative assessment

The table overleaf provides an overview of the risk sub-categories that were given a risk score of more than 4.5 according to the Group's qualitative assessment and were therefore classified as highly relevant as at 31 December 2024 and the change as at 31 December 2025 where none of them exceeded the threshold of 4.5. The relevance based in this level of risk score requires immediate internal reporting of the risk owner. Risk sub-categories that are considered material (i.e., weighting in the overall risk assessment exceeds 5%) are also noted below.

Risk category	Risk sub-category	Risk score	Materiality
<b>Macroeconomic, industry-related and political conditions</b>	n.a.		
<b>Sustainability risks</b>	Environmental risks	4.3 (4.8)	
<b>Financial and financing risks</b>	Risks from recapitalisation and other non-financial covenants	3.7 (5.4)	Material
	Liquidity risks	2.7 (4.6)	Material
<b>Operating risks from management of property holdings</b>	n.a.		
<b>Operating risks from development activities</b>	Risks from upfront sale projects	3.7 (5.4)	Material
	Risks from forward sale projects	3.8 (5.3)	
<b>Company-specific risks</b>	n.a.		

## Highly relevant and material risks

The Group has identified no risks or risk sub-categories as highly relevant (i.e. with a risk score of more than 4.5 in the qualitative assessment) and material (i.e. weighting in the overall risk assessment exceeds 5%). There are no risks classified as risks that are threatening the existence of the Company according to the quantitative risk assessment.

## Sustainability risks

Sustainability has become a growing imperative in recent years, these risks are highlighted separately here. Capital markets and the general public increasingly evaluate companies based on the effects their activities have on the environment and the measures they take to reduce or stop such impact. Likewise, compliance with human rights, demands of diversity and all aspects of good corporate governance is mandatory for any company as long as it wishes to receive good ratings by the established rating agencies, maintain a solid reputation among the general public and be conceived as an outstanding employer by actual or potential employees. Non-compliance with these aspects poses not only financial risks but also risks to the reputation of a company.

In this risk category, a total of 10 (2024: 10) risks were identified in three risk sub-categories. Of these, none was classified as highly relevant as at 31 December 2025, while the risk category “environmental risks” was classified as at 31 December 2024.

The EU has worked out an elaborate taxonomy in view of different environmental goals obliging companies to a high degree of transparency on these matters. Taxonomy has been established with the clear goal to allow investors to shift their investments to more environmentally friendly corporates and thus speed up the transformation process of decarbonisation. The Adler Group has set itself the objective to halve the CO<sub>2</sub> emissions of its property portfolio by the year 2030 (compared to the emissions in 2020). Failure to achieve this goal, depending on the long-term remaining portfolio after the restructuring pro-

cess, is fraught with certain risk, although neither legal, nor financial or reputational consequences are clear by now.

With its Green Deal, the European Union (EU) has formulated important sustainability goals and the renovation and energy-efficient refurbishment of buildings contribute to their achievement. According to the German climate protection programme, the CO<sub>2</sub> levy on CO<sub>2</sub> emissions for heating residential buildings is borne by both the tenants and landlords depending on the energy efficiency of the building. As governments have subscribed to the climate goals, further increase in the levy is expected. In order to avoid the risk of increasing levies, landlords have to take measures to increase energy efficiency which may be costly and may only be partly transferable to tenants.

## Financial and financing risks

In this risk category, a total of 23 (2024: 23) risks were identified in seven risk sub-categories. None of risk sub-categories was classified as highly relevant or classified as highly relevant and material as at 31 December 2025, but the “risks from recapitalisation and from other non-financial covenants” as well as “liquidity risks” at 31 December 2024.

- In September 2024, Adler Group S.A. implemented the comprehensive recapitalisation through the conversion of certain of the existing 2L notes (EUR 2.3 billion) into subordinated perpetual notes which are classified as equity under IFRS. In connection therewith, certain of the Group’s existing debt maturities were extended to December 2028, December 2029, and January 2030 as well as additional liquidity provided on through an increase of the existing 1L new money facility and also the ability to hold back disposal proceeds of up to EUR 250 million realised from April 2024. With the implementation of the recapitalisation in September 2024, the requirements for project sales, capex and administration budgets were more challenging as at 31 December 2024 with an increased risk that the planned sales would not take place at appropriate time or planned price.

- In September 2024, Adler Group managed to finalise a comprehensive recapitalisation which was based on an adjusted business plan and sales timeline, i.e., to dispose of development assets at adjusted prices until 2026, and to largely dispose of the yielding portfolio in 2027/2028 when the market is expected to have recovered. In addition to the cash-in from asset sales, liquidity is influenced by capital expenditures to finalise projects under forward sales contracts as well as by notified cost saving in administration.

In the context of the comprehensive recapitalisation, two baskets on Consus subgroup level were implemented. The first basket (EUR 265m-basket for intercompany loans, currently increased to EUR 330 million until end of March 2027 by the 3rd amendment) sets a limit for liquidity provided to the Consus subgroup. The second EUR 240m-overall basket for capex spent sets a limit to the capex which can be spent by the members of the Consus subgroup.

### Operating risks from development activities

In this risk category, a total of 11 (2024: 11) risks were identified in three risk sub-categories, none of which was classified as highly relevant or classified as highly relevant and material as at 31 December 2025, but one each as at 31 December 2024: “risk from upfront sales projects” and “risks from forward sale projects”.

- As all projects, which will not be completed as forward sale or condominium projects, were classified as upfront sales. Appropriate sale prices have to be achieved to fulfil the requirements of the comprehensive recapitalisation and future compliance with financial covenants. Sale prices below the book value may lead to impairment losses that can have a negative effect on the balance sheet structure, especially on equity.
- Adler Group sold real estate developments to institutional and private clients by entering into forward sale agreements. The ability of the Adler Group to successfully complete those development projects depends on a variety of factors which can lead to unforeseen

cost overruns or significant delays in development projects, including lack of availability and increases in the cost of construction materials as well as adverse events at contractors and/or subcontractors.

## Opportunities report

As part of the Company’s opportunity approach, the responsible persons regularly assess the relevant business opportunities of the Group as a whole.

### Opportunities from the macroeconomic, industry-related and political conditions

After an enormous increase in 2022 due to the Ukraine war, energy prices and inflation declined again in 2023 and continue to do so on a lower level in 2024 as well as in 2025. Yet, both remain on a high level which strain the people’s available budget. The decrease in interest rates have also had a positive impact on demand in the real estate markets. However, in the Group’s current portfolio, index-linked tenancy agreements help to increase the rental income as long as inflation rates remain high. Additionally, if prices for construction materials and real estate services do not rise as sharply as in recent years, it may have a positive effect on the Group’s earnings position.

### Opportunities related to sustainability

The steadily increasing interest of investors, business partners, tenants and employees in sustainable business practices creates considerable opportunities for a company that acts sustainably. This plays a particularly important role in the strategic energy refurbishment of existing properties in line with the goal to halve greenhouse gas emissions by 2030. Thus, the Group can improve the competitiveness of its property portfolio on the rental markets, as energy-efficient refurbished flats are associated with lower ancillary costs for heating and electricity, while offering significantly more quality and comfort.

## Financial and refinancing opportunities

As the proposal on adjustment of the restructuring plan and sales timeline of development assets required an adjustment of the Group's capital structure and liquidity, Adler Group completed a comprehensive recapitalisation in September 2024. These changes provided the Group with improved operational flexibility and the ability to address its near-term maturities across its financing arrangements, affording it a period of limited financial pressure.

With the disposal progress in a challenging real estate market 2025, Adler Group successfully accumulated a sizeable cash position to continue with the Company's plan in the remaining period of the year 2026.

## Opportunities from the operating business

The residential property market continues to be characterised by high demand for, and a general shortage of, good and affordable housing. In recent financial years, the Group has been able to increase the average basic rent per month and square metre, largely driven by the overall quality improvement of the portfolio following the disposal of the NRW portfolio, and has at the same time reduced its vacancy rate. These opportunities are still there. However, the absolute level of net rental income has declined due to the sale of sub-portfolios and will continue to decline if additional properties are sold. At the same time, rent increases are limited by regulatory and statutory controls. They are also usually dependent on strategic investments in the modernisation, refurbishment or repositioning of the properties.

With the decision to sell and successful selling most of the development projects upfront in 2025, Adler Group is able to concentrate on its core business and focus on active management of the portfolio to grow earnings and improve EBITDA margins.

## Company-specific opportunities

The further upfront sale of development projects and the ongoing streamlining of the Group's tax structure offer opportunities to increase efficiency and reduce costs.

## Overall management assessment of risks and opportunities

Based on a year of further stabilization and successful business in 2025, the Senior Management of Adler Group has identified no risks threatening the Company's continued existence as of 31 December 2025. From today's perspective, the Senior Management does not see any financial and financing risks or risks from the operating business that could jeopardise the mid-term continuation of Adler Group as a going concern in terms of its results of operations and/or net assets.

Nevertheless, despite proactive measures, the going concern assessment is inherently subject to certain risks and uncertainties.

## Concluding remark

This Opportunities and Risk Report contains forward-looking statements and information. These forward-looking statements may be identified by words such as "expects", "intends", "will" or words of similar meaning. Such statements are based on our expectations, assessments and assumptions about future developments and events, e.g. the final decision on the recapitalisation, and, therefore, are naturally subject to uncertainties and risks. Actual developments and events may turn out to be considerably more positive or negative than the forward-looking statements, so that the expected, anticipated, intended, believed or estimated developments and events may subsequently prove to be inaccurate.

# Responsibility Statement

*We confirm, to the best of our knowledge, that the Consolidated Financial Statements of Adler Group S.A. presented in this Annual Financial Report for 2025, 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 Management Report includes a fair review of the development of the business and describes the main opportunities, risks, and uncertainties associated with the Company.*

31 March 2026



**Dr. Karl Reinitzhuber**  
CEO



**Thorsten Arsan**  
CFO

# Consolidated Financial Statements

### **3 Consolidated Financial Statements**

72	Report of the Réviseur d'Entreprises agréé
80	Consolidated Statement of Financial Position
82	Consolidated Statement of Profit or Loss
83	Consolidated Statement of Comprehensive Income
84	Consolidated Statement of Cash Flows
86	Consolidated Statement of Changes in Equity
88	Notes to the Consolidated Financial Statements

## To the Shareholders of

Adler Group S.A. | 55 Allée Scheffer | 2520 Luxembourg | Grand Duchy of Luxembourg

# Report of the Réviseur d'Entreprises agréé

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Adler Group S.A. and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

### Basis for our opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (“Law of 23 July 2016”) and with International Standards on Auditing (“ISAs”) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (“CSSF”). Our responsibilities under the EU regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of “réviseur d’entreprises agréé” for the Audit of the Consolidated Financial Statements” section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we

have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

### I. Valuation of investment properties

a) Why the matter was considered to be one of most significance in our audit of the consolidated financial statements:

Reference is made to the disclosures contained in Note 4 A., in Note 6 and in Note 16 of the consolidated financial statements of the Group as at 31 December 2025 and for the year then ended.

Investment properties including those as held for sale represent 83,9% of the Group's total assets and significant judgement is required in determining their fair value.

The investment properties comprise rental income generating residential investment properties and non-income generating investment properties under construction - project developments. Both are stated at their fair values based on reports by independent external valuers (the "Valuers"). The Valuers were engaged by the Directors and performed their work in accordance with the Royal Institute of Chartered Surveyors ("RICS") Valuation – Professional Standards. The Valuers used by the Group have considerable experience of the markets in which the Group operates.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. In determining the property's valuation, the Valuers take into account property specific characteristics and information.

The rental income generating residential investment properties are measured on the basis of the discounted cash flow

method. The Valuers apply assumptions regarding market rent, growth in market rent, vacancies, maintenance costs and capitalisation rates and discount rates, which are influenced by prevailing market conditions and comparable market transactions, to arrive at the final valuation.

The non-income generating investment properties are measured according to the residual value method including assumptions on the remaining construction costs, finance costs and risk premium, estimates on the future rental income as well as on the capitalisation and discount rates.

The significance of the estimates and judgements involved, coupled with the fact that only a small percentage of difference in individual property valuations, when aggregated, could result in a material misstatement on the income statement and balance sheet, warrants specific audit focus.

**b)** How our audit addressed the key audit matter:

Our procedures over the valuation in respect of investment properties included, but were not limited to:

- Evaluate the qualifications and competence of the Valuers and read the terms of engagement of the Valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work;
- Evaluate the valuation methodologies used and testing the integrity of inputs of the projected cash flows used in the valuation to support leases and other documents on a selection;
- Evaluate the material input parameters (i.a. capitalisation and discount rates, rental income, construction and financing cost) used in the valuation by comparing them with historical rates and available industry data, taking

into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the Group and/or its external advisor;

- For a selection of the development portfolio, re-perform the valuation by using appropriate data as per own assessment;
- For a selection of properties, inquire the construction management on the status of investment property under development.

## II. Impairment of inventories

**a)** Why the matter was considered to be one of most significance in our audit of the consolidated financial statements:

Reference is made to the disclosures contained in Note 4 D. and in Note 13 of the consolidated financial statements of the Group as at 31 December 2025 and for the year then ended.

Inventories consist of real estate trading properties mainly under development (including condominiums) and represent 4,6% of the Group's total assets. Significant judgement is required in determining their net realisable value. The net realisable value is determined by independent external valuers (the "Valuers").

Inventories are measured at the lower of cost and net realisable value. The latter is determined by estimating the selling price in the ordinary course of business less the estimated costs of completion and sale.

The valuation process involves significant judgement in determining whether there is any indicator that the net realizable value of inventories to sell will be below their cost. In determining the estimated total sales price of the unsold inventories, it is necessary to consider the prices for similar projects which have been sold and/or other rel-

evant market data. The remaining cost of completion as well as the future selling prices are key inputs when determining the net realisable value. Although these assumptions are made to reflect the conditions present as of the valuation date as accurately as possible by using the most up-to date and relevant market data available, they are still subject to

uncertainties and therefore warrants specific audit focus in this area.

**b) How our audit addressed the key audit matter:**

Our work regarding the impairment of inventory consisted in performing amongst others the following procedures:

- Evaluate the qualifications and competence of the Valuers and read the terms of engagement of the Valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work;
- Evaluate the valuation methodologies used for measurement, challenge the assumptions and input data used;
- Drive-by-site-visits for a selection of properties and inquire the construction management on the status of these projects;
- Evaluate the floor space details for the individual types of use, challenge the planned rental income / gross profit factors, assess the building status, challenge the actual construction/production costs, evaluate the costs still to be incurred for rendering the inventories/apartments in a suitable condition to potential/actual buyers.

**III. Appropriateness of revenue recognition**

**a) Why the matter was considered to be one of most significance in our audit of the consolidated financial statements:**

Reference is made to the disclosures contained in Note 4 J. and in Note 24 of the consolidated financial statements

of the Group as at 31 December 2025 and for the year then ended.

Revenue for the Group consists primarily of rental income and of income from real estate inventories disposed of. Rental income is based on tenancy agreements where there is a standard process in place for recording revenue, which is system generated. Income from real estate inventories disposed of include transactions which warrant additional audit focus and have an increased inherent risk of error due to their non-standard nature. Both income from real estate inventories disposed of as well as income from property development underlie significant estimate and management judgment.

**b) How our audit addressed the key audit matter:**

Our work regarding revenue recognition consisted in performing amongst others the following procedures:

- Analysis of the composition of revenue;
- Based on a selection assess real estate purchase agreements and material sales;
- Evaluate the adequacy of calculated partial profit realization in connection with forward sales according to IFRS 15.

**Other information**

The Board of Directors is responsible for the other information. The other information comprises the information stated in the combined management report and the Corporate Governance Statement but does not include the consolidated financial statements and our report of the “réviseur d’entreprises agréé” thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

### **Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union relating to the preparation and presentation of the consolidated financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for presenting the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Responsibilities of the "réviseur d'entreprises agréé" for the audit of the Consolidated Financial Statements**

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs adopted for Luxembourg by the CSSF, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information on the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

## Report on Other Legal and Regulatory Requirements

We have been appointed as réviseur d'entreprises agréé by the Annual General Meeting of the Shareholders on 25 June 2025 and the duration of our uninterrupted engagement including previous renewals and appointments is three years.

The combined management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The accompanying Corporate Governance Report is presented on pages 12 to 28. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2025 and for the year then ended with relevant statutory requirements set out in the ESEF Regulation that are applicable to the consolidated financial statements.

For the Company it relates to:

- Consolidated financial statements prepared in a valid xHTML format; and
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2025 and for the year then ended, identified as “391200OYYFJ3DWAMEC69-2025-12-31-1-en”, have been prepared in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our report only refers to the consolidated financial statements of the Group as at 31 December 2025 and for the year then ended, identified as “391200OYY-FJ3DWAMEC69-2025-12-31-1-en”, prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version.

Avega Revision S.à r.l.  
Cabinet de Révision Agréé

Represented by

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Frank Thihatmar  
Réviseur d'entreprises agréé

Luxembourg, 31 March 2026

# Consolidated Statement of Financial Position

In EUR thousand	Note	31 Dec 2025	31 Dec 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	6	3,640,360	3,963,832
Investments in financial instruments	7	7,525	7,406
Investments accounted under the equity method	8	-	502
Property, plant and equipment	9	12,870	13,994
Other financial assets	10	96,740	106,712
Derivatives	20	7,905	7,347
Restricted bank deposits	11	9,974	11,402
Right-of-use assets	30	5,934	27,376
Other intangible assets		30	40
Contract assets	12	-	2,813
Deferred tax assets	23	-	54
<b>Total non-current assets</b>		<b>3,781,338</b>	<b>4,141,478</b>
<b>Current assets</b>			
Inventories	13	217,430	410,886
Restricted bank deposits	11	30,273	33,728
Trade receivables	14	50,059	46,498
Other receivables and financial assets	15	79,780	91,064
Contract assets	12	13,128	20,328
Derivatives	20	24	158
Cash and cash equivalents		213,737	246,990
Advances paid on inventories		13,398	7,710
<b>Total current assets</b>		<b>617,829</b>	<b>857,362</b>
Non-current assets held-for-sale	16	307,932	1,888,313
<b>Total assets</b>		<b>4,707,099</b>	<b>6,887,153</b>

The accompanying notes are an integral part of these consolidated financial statements.

In EUR thousand	Note	31 Dec 2025	31 Dec 2024
<b>Shareholders' equity</b>			
Share capital		188	188
Share premium		1,775,304	1,775,304
Equity of Group's hybrid investors	17	716,707	716,707
Reserves	17	206,288	186,601
Retained earnings		(1,857,174)	(1,352,066)
<b>Total equity attributable to owners of the Company</b>		<b>841,313</b>	<b>1,326,734</b>
<b>Non-controlling interests</b>	<b>17</b>	<b>18,201</b>	<b>238,444</b>
<b>Total equity</b>	<b>17</b>	<b>859,514</b>	<b>1,565,178</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Corporate bonds	18	308,218	525,690
Other loans and borrowings	19	3,077,879	2,647,101
Other financial liabilities		9,094	9,092
Derivatives	20	-	3
Pension provisions		604	643
Lease liabilities	30	3,321	22,837
Other payables	21	-	23
Deferred tax liabilities	23	170,302	261,726
<b>Total non-current liabilities</b>		<b>3,569,418</b>	<b>3,467,115</b>
<b>Current liabilities</b>			
Corporate bonds	18	14,800	2,722
Other loans and borrowings	19	41,276	359,507
Trade payables		41,844	63,193
Other payables	21	114,767	148,878
Provisions	21	61,090	332,406
Lease liabilities	30	2,937	4,534
Prepayments received	22	1,453	6,386
<b>Total current liabilities</b>		<b>278,167</b>	<b>917,626</b>
Non-current liabilities held-for-sale	16	-	937,234
<b>Total shareholders' equity and liabilities</b>		<b>4,707,099</b>	<b>6,887,153</b>



**Dr. Karl Reinitzhuber**  
CEO



**Thorsten Arsan**  
CFO

Date of approval: 31 March 2026

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Profit or Loss

In EUR thousand	Note	2025	2024
Revenue	24	302,219	392,191
Cost of operations	25	(415,831)	(322,903)
<b>Gross profit</b>		<b>(113,612)</b>	<b>69,288</b>
General and administrative expenses	26	(117,579)	(155,088)
Other expenses	27	(64,356)	(354,947)
Other income	28	138,241	43,112
Changes in fair value of investment properties	6	(92,449)	(483,177)
<b>Results from operating activities</b>		<b>(249,755)</b>	<b>(880,812)</b>
Finance income	29	30,554	2,121,826
Finance costs	29	(389,023)	(451,042)
<b>Net finance income / (costs)</b>		<b>(358,469)</b>	<b>1,670,784</b>
Net income / (losses) from investments in associated companies	8	(47)	(1)
<b>Profit / (loss) before tax</b>		<b>(608,271)</b>	<b>789,971</b>
Income tax income / (expense)	23	81,916	2,749
<b>Profit / (loss) for the year</b>		<b>(526,355)</b>	<b>792,720</b>
Profit attributable to:			
Owners of the Company		(486,620)	873,604
Non-controlling interests		(39,735)	(80,884)
<b>Profit / (loss) for the year</b>		<b>(526,355)</b>	<b>792,720</b>
Earnings per share in EUR (undiluted)	35	-	-
Earnings per share in EUR (diluted)	35	-	-

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Comprehensive Income

In EUR thousand	2025	2024
<b>Profit / (loss) for the year</b>	<b>(526,355)</b>	<b>792,720</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Currency translation reserve	(6,435)	12,150
Reserve from financial assets measured at fair value through other comprehensive income	26,160	(488)
<b>Total other comprehensive income / (loss)</b>	<b>19,725</b>	<b>11,662</b>
<b>Total comprehensive income / (loss) for the year</b>	<b>(506,630)</b>	<b>804,382</b>
<b>attributable to:</b>		
Owners of the Company	(466,933)	884,760
Non-controlling interests	(39,697)	(80,378)
<b>Total comprehensive income / (loss) for the year</b>	<b>(506,630)</b>	<b>804,382</b>

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Cash Flows

In EUR thousand	Note	2025	2024
<b>Cash flows from operating activities</b>			
Profit / (loss ) for the year		(526,355)	792,720
<b>Adjustments for:</b>			
Depreciation		9,441	8,547
Change in fair value of investment properties	6	92,449	483,177
Profit from selling portfolio		-	(449)
Non-cash other income and expense	13/21	121,175	198,900
Non-cash income from at-equity valued investment associates	8	47	-
Net finance costs / (income)	29	358,469	(1,670,785)
Income tax expense / (income)	23	(81,916)	(2,749)
Changes in net working capital		(11,416)	118,737
Income tax paid		(26,081)	(96,612)
<b>Net cash from operating activities</b>		<b>(64,187)</b>	<b>(168,514)</b>
<b>Cash flows from investing activities</b>			
Purchase of and CapEx on investment properties	6	(29,965)	(44,630)
Proceeds from investment property disposal	6/16	99,927	41,561
Purchase of and CapEx on property, plant and equipment		(5,218)	(1,988)
Interest received		1,957	9,827
Proceeds from sale of financial instruments	5	56,548	-
Proceeds from sale of fixed assets		1,599	305
Disposal of subsidiaries, net of cash disposed	5	280,699	13,494
Change in short-term restricted bank deposits, net		1,428	15,639
<b>Net cash from (used in) investing activities</b>		<b>406,975</b>	<b>34,208</b>
<b>Cash flows from financing activities</b>			

The accompanying notes are an integral part of these consolidated financial statements.

In EUR thousand	Note	2025	2024
Acquisition of non-controlling interests		-	(532)
Repayment of bonds	18/31F	(280,922)	(620,215)
Long-term loans received	19/31F	294,512	776,778
Repayment of long-term loans	19/31F	(362,854)	(12,530)
Proceeds from issuance of corporate bonds, net	18/31F	-	130,745
Repayment of short-term loans	19/31F	(19,887)	(24,455)
Interest paid	30/31F	(57,328)	(146,711)
Payment of lease liabilities		(4,195)	(4,397)
Transaction costs	31F	(18,910)	(64,718)
Payment from settlement of derivatives		-	(3,869)
<b>Net cash from (used in) financing activities</b>		<b>(449,584)</b>	<b>30,096</b>
<b>Change in cash and cash equivalents during the year</b>		<b>(106,796)</b>	<b>(104,210)</b>
Changes in the carrying amount of cash and cash equivalents that are presented among assets held-for-sale as part of a disposal group	5/16	73,543	(26,219)
<b>Cash and cash equivalents at the beginning of the year</b>		<b>246,990</b>	<b>377,419</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>213,737</b>	<b>246,990</b>

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Changes in Equity

In EUR thousand	Share capital	Share premium	Equity of Group's hybrid investors	Hedging reserve	Currency translation reserve	Other capital reserves	Reserve financial assets measured at FVTOCI	Retained earnings	Total	Non-controlling interests	Total equity
<b>Balance as at 1 January 2025</b>	<b>188</b>	<b>1,775,304</b>	<b>716,707</b>	<b>145</b>	<b>16,949</b>	<b>315,746</b>	<b>(146,239)</b>	<b>(1,352,066)</b>	<b>1,326,734</b>	<b>238,444</b>	<b>1,565,178</b>
Profit / (loss) for the year	-	-	-	-	-	-	-	(486,620)	(486,620)	(39,735)	(526,355)
Other comprehensive income / (loss), net of tax	-	-	-	-	(6,473)	-	26,160	-	19,687	38	19,725
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,473)</b>	<b>-</b>	<b>26,160</b>	<b>(486,620)</b>	<b>(466,933)</b>	<b>(39,697)</b>	<b>(506,630)</b>
<b>Transactions with owners, recognised directly in equity</b>											
Transactions with non-controlling interests without a change in control (Note 5D)	-	-	-	-	-	-	-	(18,675)	(18,675)	18,675	-
Change in consolidation scope related to sale (Note 5A)	-	-	-	-	-	-	-	187	187	(198,658)	(198,471)
Other changes	-	-	-	-	-	-	-	-	-	(563)	(563)
<b>Balance as at 31 December 2025</b>	<b>188</b>	<b>1,775,304</b>	<b>716,707</b>	<b>145</b>	<b>10,476</b>	<b>315,746</b>	<b>(120,079)</b>	<b>(1,857,174)</b>	<b>841,313</b>	<b>18,201</b>	<b>859,514</b>

The accompanying notes are an integral part of these consolidated financial statements.

In EUR thousand	Share capital	Share premium	Equity of Group's hybrid investors	Hedging reserve	Currency translation reserve	Other capital reserves	Reserve financial assets measured at FVTOCI	Retained earnings	Total	Non-controlling interests	Total equity
<b>Balance as at 1 January 2024</b>	<b>188</b>	<b>1,873,598</b>	-	<b>145</b>	<b>5,305</b>	<b>315,746</b>	<b>(145,751)</b>	<b>(2,278,087)</b>	<b>(228,856)</b>	<b>271,260</b>	<b>42,404</b>
Profit / (loss) for the year	-	-	-	-	-	-	-	873,604	873,604	(80,884)	792,720
Other comprehensive income / (loss), net of tax	-	-	-	-	11,644	-	(488)	-	11,156	506	11,662
<b>Total comprehensive / (loss) for the year</b>	-	-	-	-	<b>11,644</b>	-	<b>(488)</b>	<b>873,604</b>	<b>884,760</b>	<b>(80,378)</b>	<b>804,382</b>
<b>Transactions with owners, recognised directly in equity</b>											
Transactions with non-controlling interest without a change in control (Note 5C)	-	(98,294)	-	-	-	-	-	50,875	(47,419)	47,668	249
Share-based payments	-	-	-	-	-	-	-	1,000	1,000	-	1,000
Other changes (Note 17)	-	-	716,707	-	-	-	-	542	717,249	(106)	717,143
<b>Balance as at 31 December 2024</b>	<b>188</b>	<b>1,775,304</b>	<b>716,707</b>	<b>145</b>	<b>16,949</b>	<b>315,746</b>	<b>(146,239)</b>	<b>(1,352,066)</b>	<b>1,326,734</b>	<b>238,444</b>	<b>1,565,178</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Note 1 – Adler Group S.A.

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

The Company specialises in the management and development of income-producing, multi-family residential real estate, largely concentrated in Berlin. The majority of the properties fall into the affordable housing segment. Besides the residential rental portfolio, the Group holds development projects across major German cities, which it does not intend to retain long-term but instead seeks to generate cash flow and earnings through either forward sales or upfront sales. Information on the Group’s segments are provided in Note 34.

The consolidated financial statements of the Company as at 31 December 2025 and for the year then ended comprise the Company and its subsidiaries as illustrated in the List of shareholdings (together referred to as “the Group”).

## Note 2 – Basis of preparation

### A. Statement of compliance

The consolidated financial statements as at and for the year ended 31 December 2025, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and as adopted by the European Union (“EU”).

The consolidated financial statements were authorised for issue by the Board of Directors on 31 March 2026.

### B. Functional and presentation currency

These consolidated financial statements are presented in euro, which is the Group’s functional currency. All fi-

ancial information presented in euro (“EUR”) has been rounded to the nearest thousand, unless otherwise indicated. Due to rounding, the figures reported in tables and cross-references may differ from their exact values as calculated.

### C. Basis of measurement

The consolidated financial statements are prepared on a historical cost basis, except for investment property, investments in financial instruments and derivative financial instruments, which are measured at fair value.

### D. Operating cycle

The Group has the following operating cycles:

- holding and operating residential and commercial units: the operating cycle is one year;
- sale of units as a separate condominium: the operating cycle is normally up to three years;
- sales from development projects: the operating cycle is normally up to three years.

As a result, current assets and current liabilities also include items expected to be realised within the operating cycle of these operations of up to three years.

### E. Geopolitical risks and uncertainties

Ongoing geopolitical tensions, in particular the continued war in Ukraine, conflicts in the Middle East and increasing trade and tariff uncertainties, continue to create a high level of macroeconomic uncertainty. These developments reinforced inflationary pressures, led to volatility in energy prices and contributed to disruptions in global supply chains and tighter financing conditions. The extent and duration of these effects remain uncertain as of the reporting date.

The Group’s investment properties are located exclusively in Germany and the Group has no direct exposure to the affected regions. Nevertheless, geopolitical developments may indirectly affect the Group, in particular

through higher construction and financing costs and potential delays in development projects.

Increases in energy and ancillary costs are generally rechargeable to tenants in accordance with contractual and legal provisions. Potential credit risks related to tenants' receivables are monitored on an ongoing basis and reflected, where necessary, in valuation allowances on receivables.

In preparing the consolidated financial statements, Management has considered the current geopolitical environment in applying significant judgments and estimates relevant to the Group's financial reporting. This includes the assessment of the carrying amounts of assets (particularly investment properties), taking into account available market information, as well as expected credit losses and liquidity and financing risks. The carrying amounts of assets and liabilities on the balance sheet date reflect the economic conditions and information available at that date. Actual outcomes may differ as geopolitical developments evolve.

## F. Use of estimates, judgments and fair value measurement

In preparing these consolidated financial statements, management makes judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

### Judgments and use of estimates

Information about judgments, assumptions and estimation uncertainties made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- **Note 5 – Acquisitions of companies holding real estate assets (judgment)**

When buying a company holding real estate assets ("Property Company"), the Group exercises judgment to determine whether it is the acquisition of a business or merely of a group of assets and liabilities, for the purpose of determining the accounting treatment of the transaction. In determining whether a Property Company is a business, the Group examines, inter alia, the nature of existing processes in the Property Company, including the extent and nature of management, security, cleaning and maintenance services provided to tenants.

- **Note 6 – Fair value measurement of investment properties (estimations)**

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

Yielding investment properties are measured on the basis of the discounted cash flow (DCF) method. The valuation includes assumptions regarding market rent, growth in market rent, vacancies, maintenance costs, discount rate and capitalisation rate for the terminal value. The investment properties under development are measured according to the residual method on the basis of an exit scenario including assumptions on the remaining construction costs, construction period, estimates on the market rent and sale proceeds as well as project-specific financing costs. Although these assumptions are made to reflect the conditions present as of the valuation date as accurately as possible by using up-to-date and the most relevant market data available, they are still subject to uncertainties. Market data, which the assumptions are based on, may change and lead to either

positive or negative value adjustments in the future, impacting the profit or loss from changes in fair value of investment properties in the period that such a change in estimations occurs. In addition, the investment properties under development are inherently subject to uncertainties since they are unique in terms of size, location, regulation and different type of use. Therefore, there are no comparable transaction prices and more reliance is placed on the assumptions specifically made for the property under development when applying the residual value approach.

- **Note 8/3 – Control analysis**

The Group exercises judgment in examining control over investees. For the purpose of this assessment, the Group examines the structure and characteristics of the investee companies, the relevant activities and shareholder agreements in these companies, as well as potential voting rights. In accordance with this examination, the Group exercises discretion as to whether it has the current ability to direct relevant activities in the investees, whether its rights in these companies are substantial and provide power over the investee, and whether it has the ability to use its power to affect the returns from its investment. Determining the existence of control may affect the consolidation of the assets, liabilities and results of operations of the investee companies.

- **Note 17/18/19 – Equity and debt classification of the financial instruments and measurement (estimation)**

The Company classifies a financial instrument, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument (IAS 32.15). According to IAS 32, the main feature that distinguishes an equity instrument from a financial liability is whether the issuer has the unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation. In the specific case of Company's perpetual debt ("subordinated notes 2024"), the interest due on the perpetual debt accumulates into the indefinite future. Both the deferred interest and

the principal are payable to the bondholders only at the discretion of the issuer. However, there is still an obligation to pay to the note holders if the Company declares or pays any distribution to the shareholders which, when aggregated with all other distributions since the subordinated notes issue date, is greater than one thirty-ninth (1/39) of all cash payments made in respect of the subordinated notes. In this case, the subordinated notes (and deferred interests) shall become immediately due and payable from that date. Based on Management's assessment, this redemption scenario does not trigger liability classification as the decision to distribute (or not distribute) dividends to ordinary shareholders rests with the Company. In addition, the collateralisation affects the claims' priority in the event of liquidation, but does not create a contractual obligation for the issuer to deliver cash or another financial asset. Since reclassification to a liability may be necessary when facts and circumstances change, the matter is closely monitored by the Management on an ongoing basis.

When equity instruments issued to a creditor to extinguish all or part of a financial liability are recognised initially, the Company measures them at the fair value of the equity instruments issued, unless that fair value cannot be reliably measured. In the specific case of Company's perpetual debt issued in 2024, the fair value could not be reliably measured directly. The Company estimated the fair value by reference to the quoted prices of the financial liabilities extinguished (IFRIC 19).

An exchange of debt instruments between an existing borrower and lender with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability, or a portion thereof, is treated as an extinguishment of the original liability and the recognition of a new liability. When determining the fair value of the new financial liability, the entity prioritises observable quoted prices or recent transaction prices of the new instrument. If such data is not available, the fair value

is estimated by reference to quoted prices of instruments with similar terms and seniority in creditor claims. The difference between the carrying amount of the financial liability extinguished, and the estimated fair value of the debt instrument issued, is recognised in profit or loss.

- **Note 18/19/20 – identification and measurement of (embedded) derivatives at fair value (estimation)**

Stand-alone derivatives, which mainly consist of interest hedging instruments in few cases, are calculated by the financing bank and reviewed by Management. The risk that derivatives may not be appropriately valued exists, since the Group needs to make judgments about the estimation of the credit risk used by the lending bank and about whether the bank used the appropriate market observation for the other variables. New information may become available that causes the Group to change its estimation, impacting the profit or loss from changes in fair value of derivatives in the period that such a change in estimations occurs.

In some cases, loans issued by the Group may contain contractual elements (such as prepayment, extension or termination options). Judgment is required for the separation of such contractual elements from host contract (“embedded derivatives”). Embedded derivatives are measured at fair value through profit or loss separately from their host contract. The main input factors in the option price model used are expected volatility, risk-free interest rate and risk-adjusted market rates, which mainly represent unobservable inputs.

- **Note 23 – Uncertain tax positions (judgments)**

The extent of the certainty that the Group’s tax positions will be accepted (uncertain tax positions) and the risk of it incurring any additional tax and interest expenses. This is based on an analysis of a number of matters including interpretations of tax laws and the Group’s past experience. Liabilities for uncertain tax positions are recognised in the amount of the most likely outcome or the expected value, depending on which method provides the better prediction of the resolution of the uncertainty. New information may become available that causes the Group to change its judgment, resulting in recognition of addi-

tional income tax expense in the period that such a change in judgment occurs. Actual outcomes may differ from the amount recognised.

- **Note 23 – Utilisation of losses carried forward (estimations)**

Deferred tax assets are recognised in respect of tax losses carried forward when there is a high probability that there will be taxable profits against which losses carried forward can be utilised in the future. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may cause the Group to revise its estimates regarding the recoverability of existing deferred tax assets; any such adjustments impact tax income or expense in the period in which the change in estimate occurs.

- **Note 24 – Revenue recognition**

Both income from real estate inventories disposed of as well as income from property development involve significant estimates and management judgments.

Income from property development results from forward sales and strongly relies on the project calculation in order to measure project progress as well as projected revenues. The project calculation represents a key estimate and is subject to management assumptions. The Group uses the cost-to-cost method to determine the progress of each project at each balance sheet date. Therefore, the incurred costs are compared with the overall expected project costs according to the current business plan. The margin of each project is calculated also on a project-by-project basis taking into account the price agreed in the forward sale agreement for each real estate inventory. The price agreed in the forward sale agreement is generally subject to future uncertainties, such as guaranteed letting rates or price adjustment mechanisms, and is taken into account with the most probable outcome. Since the price adjustment mechanisms mainly take into account letting targets, the achievement of which appears largely certain in the current market environment, future reductions in sales revenues are highly unlikely.

Similarly, income from real estate inventory disposed of involves management estimates and assumptions.

Revenue is measured at the transaction price agreed under the contract and might involve management estimates, e.g., amount and timing of contingent consideration and variable components. Management assesses the respective probabilities of the possible scenarios at each balance sheet date. In addition, judgments may be required in case of disposals via share deals to determine when the transfer of control has occurred using the respective standards (e.g., IFRS 15/IFRS 10).

- **Note 24 – Revenue: Principal versus agent considerations (judgment)**

The Group provides ancillary services to tenants, mainly utilities, which it recharges. The Group exercises judgment in assessing whether it acts as principal or agent under IFRS 15. Based on indicators in IFRS 15, in particular the presence of primary responsibility, inventory risk, and non-performance risk, the Group has concluded that it is the principal for these services and therefore recognises revenue at the gross amount of consideration.

#### Determination of fair values and net realisable value

Preparation of the financial statements requires the Group to determine the fair value of certain assets and liabilities. Further information about the assumptions that were used to determine fair value is included in the following notes:

- Note 6 Investment properties;
- Note 16 Non-current assets and liabilities held-for-sale; and
- Note 31 Financial instruments

Inventories are measured at the lower of cost and net realisable value. The latter is determined by estimating the selling price in the ordinary course of business less the estimated costs of completion and sale (residual approach). The remaining construction expenses as well as the future selling prices are key inputs when determining the net realisable value. Although these assumptions are made to reflect the conditions present as of the valuation date as accurately as possible by using the most up-to-

date and relevant market data available, they remain subject to uncertainties. Market data underlying these assumptions may change, which can result in write-downs affecting profit or loss in the period in which such changes in estimates arise. In addition, inventories are mostly unique in terms of size, location, regulation and potential use. Therefore, no directly comparable market transactions exist, and greater reliance must be placed on project-specific assumptions when determining net realisable value.

When assessing the recoverability in regard to outstanding balances from the property asset disposals, for which collaterals are in place, the determination of the fair value of the collateral underlies management judgments and estimations as outlined above.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## G. Initial application of new standards, amendments to standards and interpretations

The following amendment became mandatory for the first time in 2025.

Standard/Interpretation	Title	issued by IASB on	Effective date of initial application in the EU <sup>1)</sup>
Amend. IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	15 Aug 2023	1 Jan 2025

1) For financial years beginning on or after that date.

The application of the amendment above did not have any impact on the Group's consolidated financial statements in the current and prior reporting periods.

## H. New standards and interpretations not yet applied

Application of the following standards, interpretations and amendments was not mandatory for the financial year and the Group did not choose to apply them in advance. The Group intends to apply these standards, interpretations and amendments from their respective effective dates:

Relevant new standards, interpretations and amendments to existing standards and interpretations		Endorsement status in the EU	Effective date for Group
<b>New accounting standards</b>	<b>Title</b>		
IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024)	IFRS 18 <i>Presentation and Disclosures</i>	pending	1 Jan 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)	IFRS 19 <i>Subsidiaries without Public Accountability</i>	pending	pending
<b>Amendments to standards</b>			
Annual Improvements Volume 11 (issued on 18 July 2024)	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	endorsed	1 Jan 2026
Contracts Referencing Nature-dependent Electricity (issued on 18 December 2024)	Amendments to IFRS 9 and IFRS 7	endorsed	1 Jan 2026
Amendments to the Classification and Measurement of Financial Instruments (issued on 30 May 2024)	Amendments to IFRS 9 and IFRS 7	endorsed	1 Jan 2026

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1. The new standard introduces significant changes to the structure of the statement of profit or loss, specifically the introduction of defined categories (operating, investing, and financing) and new mandatory subtotals. It also sets out requirements for the disclosure of management-defined performance measures and improves the aggregation and disaggregation of information.

The Group is currently assessing the potential impact of the first-time application of IFRS 18 on its consolidated financial statements. A detailed analysis of the expected impact is not yet available at this stage.

IFRS 19 is not applicable to the Group. The application of the further amended standards and interpretations listed above are not expected to have a material impact on the Group's consolidated financial statements.

### **I. Uncertainties on the continuation as a going concern**

The going concern assessment is inherently subject to certain risks and uncertainties. The consolidated financial statements of the Company, presuppose the entity's ability to continue as a going concern.

Following the comprehensive recapitalisation completed in September 2024, the Group has further improved its

debt profile. During 2025, the Group successfully refinanced its 1L and 1.5L Facilities, securing a reduction in the marginal cost of debt. While the Group's cost of capital remains elevated, these refinancings, combined with the successful extension of various secured bank facilities to 2028, have provided the basis for the Group's going concern assessment.

The Group remains committed to a structured deleveraging of the balance sheet, primarily through the allocation of net proceeds from targeted asset divestments to the amortisation of debt. Throughout the 2025 financial year, the Group utilised proceeds from divestments to further reduce debt levels and mitigate the associated interest burden.

The successful execution of the 2024/2025 refinancing measures, coupled with continued stabilisation in the real estate market, bolsters the Group's assertion of its going concern status, underpinning its capability to fulfil financial commitments.

The continuation of business operations, the realisation of asset sales, and the settlement of liabilities in the ordinary course of business for at least 12 months from the date of authorisation of these financial statements form the basis for the going concern assessment.

## Note 3 – Basis of consolidation

### Consolidation methods

The consolidated financial statements comprise the Company and the subsidiaries it controls. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In addition to the Company, 321 subsidiaries (2024: 421) have been included in these consolidated financial statements (see Note 37).

When buying a company holding real estate assets (“Property Company”), the Group exercises judgment to determine whether it is the purchase of a business or a group of assets and liabilities, for the purpose of determining the accounting treatment of the transaction. In determining whether a Property Company is a business, the Group examines, inter alia, the nature of existing processes in the Property Company, including the extent and nature of management, security, cleaning and maintenance services provided to tenants. In transactions in which the acquired company is a business, the transaction is accounted for as a business combination according to IFRS 3.

However, in transactions in which the acquired Property Company is not a business, the acquisition cost, including transaction costs, is allocated in proportion to the identified assets and liabilities acquired, based on their relative fair values at the acquisition date. In this case, neither goodwill nor deferred taxes on the temporary difference existing at the date of acquisition are recognised.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests comprise the equity of a subsidiary that cannot be attributed, directly or indirectly, to the Company. Profit or loss and any part of other comprehensive income are allocated to the owners of the Company and the non-controlling interests.

For changes in the consolidation scope without loss of control (such as increase/decrease in the percentage held in the investee), the Group adjusts the carrying amounts of the controlling and non-controlling interests to reflect the changes in the relative interests in the subsidiaries according to IFRS 10.B96. The resulting gains or losses are presented within owner’s equity.

## Note 4 – Significant accounting policies

### A. Investment properties

Investment property is property held to earn rental income or for capital appreciation or both and is not owner-occupied or held-for-sale in the ordinary course of business.

Investment property is initially measured at cost, including transaction costs. In subsequent periods, investment property is measured at fair value, and changes in fair value are recognised in the statement of profit and loss.

Gains and losses on the disposal of investment property are determined by comparing the net proceeds from the disposal with the asset's carrying amount (the fair value of the investment property as at the disposal date). The gains and losses on the disposal of investment properties are recognised in other income and expense when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group has no further substantial acts to complete under the contract.

Projects to develop real estate with a view to be used as part of the Group's yielding portfolio (build-to-hold) are classified as investment property. Projects to develop real estate with a view to sale (build-to-sell) are classified as inventories. Such classification is made at the commencement of project development or the date when a real estate development project is acquired from third parties.

In certain circumstances, the Group changes its asset management strategy for real estate development projects from "build-to-hold" to "build-to-sell". A change in management's intentions for the use of a property in itself, however, does not provide sufficient evidence for a transfer of a project from investment property to inventories. Reclassification is made only when the Group actually ceases to develop a project as build-to-hold and commences development of a distinct project as build-to-sell. That is why the presentation of investment properties in the consolidated financial statements may differ from the assets management strategy laid out in other means of investor communication.

The Group presents advances in respect of investment properties as non-current assets and does not include them as part of the investment properties. In subsequent periods, when the transactions are completed, the advances are reclassified to investment properties.

### B. Investments accounted for under the equity method

In general, investments over which the Group exerts significant influence – basically as a result of shareholdings between 20% and 50% – are measured using the at-equity method. For investments requiring measurement using the equity method, the acquisition cost is increased or decreased each year by the changes in equity attributable to the Group.

Gains and losses from transactions between Group companies and associates are eliminated based on the Group's share in the associates. Gains and losses from transactions between associates are not eliminated.

## C. Lease accounting (IFRS 16)

### Leases in which the Group is the lessee

The Group has lease agreements with respect to the following items:

1. Leasehold contracts for land (leaseholds);
2. Leases for office space, garages and storage space (property);
3. Leases for cars and commercial vehicles (vehicles);
4. Leases for hardware and heating equipment (hardware and contracting).

### Information regarding material lease agreements

- Leasehold contracts have terms of up to 200 years. The lessee has no renewal or purchase options. Some of the leasehold payments are index-linked. The right-of-use assets arising from leasehold contracts meet the definition of the investment properties and are accounted for using IAS 40.
- The Group leases office space, garages and storage space. The leases for office space typically have an initial fixed term of up to 10 years with extension options in some cases. In assessing the extension options, the Group assumed that this option will not be used. Some leases provide for additional lease payments based on changes in local price indexes.
- The Group enters into lease agreements for cars and commercial vehicles which typically have a term of three to four years. Typically there are no renewal or purchase options, or such options are not exercised.
- The Group leases hardware and heating equipment (contracting). The terms for leases for hardware are typically between four and five years. Normally there are no renewal or purchase options, or such options are not exercised. In the context of contracting agreements, the leases for heating equipment will gradually expire by 2031 at the latest and will not be renewed.

On the inception date of the lease, the Group determines whether the arrangement is a lease or contains a lease, while examining if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In its assessment of whether an arrangement conveys the right to control the use of an identified asset, the Group assesses whether it has the following two rights throughout the lease term:

- (1) The right to obtain substantially all the economic benefits from use of the identified asset; and
- (2) The right to direct the identified asset's use.

The Group has chosen to apply the following expedients:

- Apply the practical expedient regarding the recognition and measurement of leases where the underlying asset has a low value. These leases continue to be recognised in profit or loss over the term using the straight-line method;
- Apply the practical expedient regarding the recognition and measurement of short-term leases that end within 12 months from the date of commencement.

The leases with low value underlying assets typically relate to office equipment, emergency call devices in lifts, smoke alarms, heating and water meters.

For all lease contracts that meet the definition of leases according to IFRS 16, the Company recognises lease liabilities equal to the present value of the future lease payments, discounted using the term-specific incremental borrowing rate. Correspondingly, right-of-use assets are recognised in the amount of the lease liabilities, plus any advance payments or any initial direct costs.

Periods resulting from extension or termination options granted on a unilateral basis are assessed on a case-by-case basis and are only taken into account if their use is sufficiently probable - for example, due to financial incentives.

The Group reports right-of-use assets that do not meet the definition of investment property in its statement of financial position separately. Accordingly, the current and non-current portion of lease liabilities are presented separately in the statement of financial position. Right-of-use assets related to investment property (leaseholds) measured at fair value in accordance with IAS 40 are likewise measured at fair value and reported under investment properties.

#### Leases in which the Group is the lessor

The Group leases investment properties and leaseholds to tenants. The Group classifies these leases as operating leases as the lessee does not receive substantially all of the risks and rewards incidental to ownership. For the residential properties, leases are generally subject to the three-month statutory term of notice.

The Group recognises operating lease payments as revenue on a straight-line basis over the lease term. The Group charges the tenants for land tax and building insurance incurred. Land tax and building insurance do not transfer goods and services to tenants and fall within the scope of IFRS 16 (see Note 30).

#### D. Inventories including acquired land and buildings

Inventories are measured at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and sale. The cost of inventories includes expenses incurred in acquiring the inventories (i.e., land and buildings) and related purchase costs. The cost of inventories also includes a reasonable share of the indirect overheads based on normal production capacity as well as attributable borrowing costs.

#### E. Restricted bank deposits

Restricted bank deposits consist of deposits in banks that the Group has pledged to secure banking facilities, deposits received from tenants, and restricted proceeds from

condominium sales. The Group may not use these deposits freely for operations. The basis of measurement of the restricted bank deposits is amortised cost.

#### F. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits in banks and short-term investments with an original term of up to three months. The basis of measurement of the cash and cash equivalents is amortised cost.

#### G. Financial instruments

##### (1) Non-derivative financial assets

The Group initially recognises trade receivables and debt instruments issued on the date that they are created. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. Except for items measured at fair value through profit or loss, a financial asset is initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of the financial asset. A trade receivable without a significant financing component is initially measured at the transaction price. Receivables originating from contract assets are initially measured at the carrying amount of the contract assets on the date classification was changed from contract asset to receivables.

##### Derecognition of financial assets

Financial assets are derecognised when the contractual rights of the Group to the cash flows from the asset expire, or the Group transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. When the Group retains substantially all of the risks and rewards of ownership of the financial asset, it continues to recognise the financial asset.

### Classification of financial assets into categories and the accounting treatment of each category

Financial assets are classified at initial recognition to one of the following measurement categories: amortised cost, fair value through profit or loss or fair value through other comprehensive income.

Financial assets are not reclassified in subsequent periods unless, and only if, the Group changes its business model for the management of financial debt assets, in which case the affected financial debt assets are reclassified at the beginning of the period following the change in the business model.

A financial asset is measured at amortised cost (aac) if it meets both of the following conditions and is not designated at fair value through profit or loss:

- it is held within a business model, the objective of which is to hold assets so as to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows representing solely payments of principal and interest on the principal amount outstanding on specified dates.

All financial assets not classified as measured at amortised cost as described above, as well as financial assets designated at fair value through profit or loss, are measured at fair value through profit or loss (afvtpL).

The Group has balances of trade and other receivables, financial assets and deposits that are held within a business model, the objective of which is to collect contractual cash flows. The contractual cash flows of these financial assets represent solely payments of principal and interest, which reflects consideration for the time value of money and the credit risk. Accordingly, these financial assets are measured at amortised cost.

### Assessment whether cash flows are solely payments of principal and interest

For the purpose of assessing whether the cash flows are solely payments of principal and interest, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the timing or amount of the cash flows;
- terms that may change the stated interest rate, including variable interest; and
- terms that limit the Group’s claim to cash flows from specified assets (for example a non-recourse financial asset).

### Subsequent measurement and gains and losses

#### *Financial assets at fair value through profit or loss (aafvPL)*

If the contractual cash flows of the financial assets do not solely represent payments of principal and interest, they are measured at fair value through profit or loss. Net gains and losses, including any interest income or dividend income, are recognised in profit or loss (other than certain derivatives designated as hedging instruments).

#### *Financial assets at amortised cost (aac)*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised

cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

*Financial assets at fair value through other comprehensive income (afvOCI)*

These assets are subsequently measured at fair value. Net gains and losses, including any interest income or dividend income, are recognised in other comprehensive income.

**(2) Non-derivative financial liabilities**

Non-derivative financial liabilities include bonds, loans and borrowings from banks and others, trade and other payables.

The Group initially recognises financial liabilities on the trade date when the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method (flac).

An exchange of debt instruments having substantially different terms between an existing borrower and lender is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability at fair value. In such cases, the entire difference between the amortised cost of the original financial liability and the fair value of the new financial liability is recognised in profit or loss as financing income or expense.

The terms are substantially different if the discounted present value of the cash flows according to the new terms (including any commissions paid, less any commissions received and discounted using the original effective interest rate) is different by at least ten percent from the discounted present value of the remaining cash

flows of the original financial liability. In addition to the aforesaid quantitative criterion, the Group also examines qualitative factors, inter alia, whether there have also been changes in various economic parameters inherent in the exchanged debt instruments.

**(3) Share capital – ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Incremental costs directly attributable to an expected issuance of an instrument that will be classified as an equity instrument are recognised as an asset in deferred expenses in the statement of financial position. The costs are deducted from the equity upon the initial recognition of the equity instruments, or recognised in profit or loss as finance expenses if the issuance is no longer expected to take place.

**(4) Derivative financial instruments, including hedge accounting**

The Group enters into contracts for derivative financial instruments such as interest rate swaps to hedge risks associated with variable interest rate bank loans. The Group holds the derivatives as an economic hedge without designating them for a hedge accounting relationship. The stand-alone derivatives are measured at fair value through profit and loss (lafv).

**(5) Hybrid financial instruments**

*Hybrid financial instruments with no conversion*

The Company classifies a hybrid financial instrument, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument (IAS 32.15). In the specific case of a perpetual debt, these instruments normally provide the holder with the contractual right to receive pay-

ments of interest at fixed dates extending into the indefinite future. The holder has no right to receive a return of principal or a right to a return of principal under terms that make it very unlikely or very far in the future. The critical feature that distinguishes an equity instrument from a financial liability to be settled in cash is whether the issuer has an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation (IAS 32.16). In this case, the perpetual bond is recognised as equity and presented separately within equity. It is initially measured at fair value less transaction costs.

*Separable embedded derivatives that do not serve hedging purposes*

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset. Embedded derivatives are separated from the host contract and accounted for separately if:

- (a) the economic characteristics and risks of the host contract and the embedded derivative are not closely related;
- (b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- (c) the combined instrument is not measured at fair value through profit or loss.

Changes in the fair value of separable embedded derivatives are recognised in profit or loss, as financing income or expense.

## H. Impairment

### (1) Non-derivative financial assets

*Financial assets*

The Group recognises allowances for expected credit losses in respect of financial assets at amortised cost.

Under the general approach, the deterioration or improvement of the credit quality of a financial asset is re-

flected in three different measurement stages.

**Stage 1** (12-month expected credit loss): to be applied to all items from their date of initial recognition unless there has been a significant deterioration in credit quality;

**Stage 2** (lifetime expected credit loss - not credit impaired): to be applied where the credit risk of a financial asset or a group of financial instruments has increased significantly;

**Stage 3** (lifetime expected credit loss - credit impaired): to be applied where there is objective evidence of impairment.

The Group has elected to measure the provision for expected credit losses in respect of trade receivables and contract assets, which comprise a very large number of small balances, at an amount equal to the full lifetime credit losses of the instrument (simplified approach). The Group uses a credit loss matrix when calculating expected credit losses in respect of trade receivables from tenants and contract assets. The matrix is based on historical default rates and takes into account future expectations.

For other receivables, the expected credit losses are individually estimated taking into account the credit quality and credit enhancements in place.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available with no undue cost or effort. Such information includes quantitative and qualitative information, and an analysis based on the Group's past experience and informed credit assessment, and it includes forward-looking information.

The Group assumes that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are past due for more than 30 days unless there is reasonable and supportable information available to demonstrate that the credit risk has not increased significantly since initial recognition.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full; or
- the contractual payments of the financial asset are past due for more than 180 days.

Lifetime expected credit losses are expected credit losses that result from all possible default events over the expected life of the financial asset. The maximum period considered when assessing expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

#### *Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the nominal value of the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

#### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes a breach of contract such as a default or payments being past due.

#### *Presentation of provision for expected credit losses in the statement of financial position*

Provisions for expected credit losses of financial assets measured at amortised cost are deducted from the gross carrying amount of the financial assets.

#### *Write-off*

The gross carrying amount of a financial asset is written off when the Group does not have reasonable expectations of

recovering a financial asset in its entirety or a portion thereof. This is usually the case when the Group determines that the debtor does not have assets or sources of income that may generate sufficient cash flows for paying the amounts being written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. Write-off constitutes a derecognition event.

## **(2) Non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment properties, trading properties and deferred tax assets) to determine whether there is any indication of impairment. The next step involves estimating the recoverable amount of the group of cash-generating units (CGU). This corresponds to either the fair value less costs of sale or the value in use, whichever is higher. Determining the value in use includes adjustments and estimates regarding the forecast and discounting of the future cash flows. Although the management believes that the assumptions used to determine the recoverable amount are appropriate, any unforeseeable changes in these assumptions could result in impairment losses. If any such indication exists, then the asset's recoverable amount is estimated.

## **I. Provisions**

Provisions are recognised when the Group has a present, legal or constructive obligation as a result of a past event that can be estimated reliably and it is probable that it will require an outflow of resources embodying economic benefits to settle the obligation.

The Group recognises indemnification as an asset if, and only if, it is virtually certain that the indemnification will be received if the Group will settle the obligation. The amount recognised for the indemnification does not exceed the amount of the provision. Provisions are measured on the basis of discounted expected future cash flows.

## J. Revenue recognition

### Revenue from contracts with customers

In addition to rental income which represents a major source of income within scope of IFRS 16, the Group also generates revenue from a number of contracts with customers which fall in the scope of IFRS 15 *Revenue from Contracts with Customers*. The Group recognises revenue when the customer obtains control over the promised goods or services. The revenue is measured according to the amount of the consideration to which the Group expects to be entitled in exchange for the goods or services promised to the customer, other than amounts collected for third parties.

The Group's key sources of revenue under IFRS 15 include:

- revenue from charged costs of utilities and facility services;
- revenue from sale of trading properties (condominiums);
- revenue from property development;
- revenue from real estate inventories disposed of.

### Revenue from charged costs of utilities and facility services

The Group provides ancillary services to tenants, mainly utilities such as heating, cold water, draining, street cleaning, gardening, which it recharges to the tenants. Each promised service is accounted for as a single performance obligation. The performance obligation is satisfied over time in accordance with IFRS 15.3, because the tenant simultaneously receives and consumes the benefits while they are rendered by the Group and the Group's performance does not create an asset with alternative use whereby the Group has an enforceable right to payment for performance completed to date. Revenue from the rendering of these services is recognised by reference to the stage of completion at the end of the reporting period. Under this method, revenues are recognised in the accounting periods in which the services are rendered. The tenants perform advance payments in relation

to ancillary services which are due monthly and are payable immediately. The liabilities from advance payments of ancillary services are reported net with contract assets from the services completed to date. Depending on the balance, the net amount is presented either as accrued receivables under trade receivables or as contract liabilities under trade payables.

### Revenue from sale of trading properties (condominiums)

The Group enters into contracts with customers to sell trading properties. The promised goods and services identified in the contract mainly include condominiums. The promised transfer of ownership of the trading properties is accounted for as a single performance obligation which is satisfied at the point in time when the control is transferred to the customer, which is generally expected to be when legal title is transferred. The customer contract specifies a fixed or a determinable amount as consideration and an immediate payment term whereby the transfer of control and payment occur simultaneously. Revenue from the sale of trading properties is measured at the fair value of the consideration.

### Revenue from property development

The Group enters into forward sale contracts, i.e., the sale of properties before their completion with institutional or individual customers. The Group differentiates between two different types of development projects for which revenue is recognised over time: forward sales of development projects to institutional investors and the forward sale of apartments primarily to individuals.

Forward sales of development projects to institutional investors are separated into two material performance obligations, one involving the sale of land and the other representing the development work performed. Whereas the development work is accounted for over time on a percentage of completion basis, revenue for the sale of the land is recognised at the point in time when the customer obtains control over the land, typically at the end of the forward sale. For the accounting of forward sales of apartments to individuals only one performance obligation is assumed. The agreed total revenue from the con-

tract is allocated to the performance obligations for land and development in accordance with the relative stand-alone selling prices. The relative stand-alone selling prices are estimated by using the standard land values for the land performance obligation, taking into account the gross floor area plus capitalised interest up to the date of conclusion of the forward sales contract, and for the development performance obligation the remaining costs of the project plan thereafter plus the margin or a minimum margin planned. Revenue for the land performance obligation is recognised at the point in time when the title passes and revenue for the performance obligation development project is recognised over time.

For the accounting of forward sales of apartments to individuals only one performance obligation is assumed, namely the development of the respective apartment. Similarly, the development work is accounted for over time on a percentage of completion basis.

Upon conclusion of a forward sales contract, the Group begins to recognise revenue from property development over a certain period of time, provided that planning permission had already been granted at the time the contract was concluded. If planning permission is granted after the contract has been signed, the period-related revenue recognition does not commence until the building permit (“Baugenehmigung”) is granted, as the forward sales customer usually has the right to withdraw from the contract before the building permit is granted.

Revenue recognised over time is calculated using the “Percentage of Completion” method, which determines the stage of completion of the development project on the basis of the costs incurred in relation to the expected total costs. Revenue over the period is determined according to the stage of completion of the development project, which is calculated on the basis of the costs incurred in relation to the expected total costs. In the Group’s opinion, this method is the most reliable way of estimating the stage of completion of a project because potential cost overruns are immediately identified and taken into account. If the contract revenue cannot be reliably estimated, it is recognised without a margin in the amount of the contract costs incurred. If contract losses are expected, appropriate provisions are recognised

in the statement of profit or loss, so that the contract loss is fully recognised before the completion of the contract.

The timing of revenue recognition, invoicing and cash collections results in billed accounts receivables, unbilled receivables (contract assets) and customer advances (contract liabilities) in the Statement of Financial Position. In the Group’s development activities, amounts are billed as work progresses in accordance with agreed-upon contractual term, either at periodic intervals or upon achievement of sub-works (“baurechtliche Gewerke”). The completion of these sub-works is usually confirmed by external experts or the customers itself. Generally, billing occurs subsequent to revenue recognition resulting in contract assets. However, the Group sometimes receives advances from its customers before revenue is recognised, resulting in contract liabilities. These assets and liabilities are reported in the Consolidated Statement of Financial Position on a contract-by-contract basis at the end of each reporting period. Based on the expected date of advance payment by the customer, which is presented net after offset with relating gross contract amount on contract basis, the Group considers contract assets which are realised within a period of one year from the reporting date as current, whereas contract assets which are realised after more than one year are classified as non-current.

The outstanding performance obligations from the customer contracts relate to the completion of the construction of the buildings and usually do not include any obligations of the Group concerning returns or similar obligations and only includes the statutory warranties.

#### **Revenue from real estate inventories disposed of**

Occasionally, the Group enters into contracts with customers to sell development projects in current state (up-front sales). Revenue from the sale is recognised when the control has been transferred to the customer; this is usually the case when transferring ownership rights, benefits and obligations arising from properties. It is required that there are contractual arrangements with enforceable rights and obligations and that it is likely that the consideration specified will be received. The contracts in question include the transfer of one or multiple development pro-

jects in current state as performance obligation with a fixed or determinable consideration and a specific point-in-time where the transfer of control takes place. This is generally when the legal title to the property is transferred. The consideration is usually deposited on notary accounts and paid to the Group when the control has been transferred.

The Group has elected to make use of the following practical expedients:

- the Group applies the practical expedient regarding the consideration of material financing components, according to which the consideration does not have to be adjusted for the effects of financing if it is expected at the time of conclusion of the contract that the period between the receipt of the consideration and the time of realisation of the sale will not exceed one year, IFRS 15.63;
- the Group applies the practical expedient to recognise the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised is one year or less, IFRS 15.94;
- as a practical expedient, the Group does not disclose the information about its remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less, IFRS 15.121;
- the Group applies the practical expedient in IFRS 15.121 and does not disclose information about the remaining performance obligations for contracts in which the Group has a right to consideration from tenants in an amount that corresponds directly with the value to the tenant of the Group's performance completed to date.

## K. Finance income and costs

Finance income comprises interest income on funds invested including changes in the fair value of financial assets or liabilities at fair value through profit or loss and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, changes in the fair value of financial assets or liabilities at fair value through profit or loss, impairment losses recognised on financial assets, losses from refinance and losses on hedging instruments that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

In the statements of cash flows, interest received is presented as part of cash flows from investing activities. Interest paid and dividends paid are presented as part of cash flows from financing activities.

## L. Taxation

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable (or receivable) on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Current taxes also include taxes in respect of prior years and any tax arising from dividends.

To the extent applicable, uncertainties of tax treatments are adequately reflected as provisions and presented as income tax liabilities.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognised for the following taxable temporary differences:

- the initial recognition of goodwill;
- the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- differences relating to investments in subsidiaries, to the extent that the Group is able to control the timing of the reversal of the temporary difference

and it is probable that they will not reverse in the foreseeable future, either by way of selling the investment or by way of distributing dividends in respect of the investment.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, there is a rebuttable presumption that the carrying amount of the investment property will be recovered through sale. Deferred tax is measured at the tax rates that are expected to be applied in the period based in which an asset is realised or a liability is settled provided that these are substantially enacted as of the reporting date.

A deferred tax asset is recognised for unused tax losses, tax benefits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset only on entity level or within tax groups.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is recognised in other comprehensive income or equity, respectively.

### **M. Earnings per share**

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purpose of computing earnings per share (EPS), profit and loss of the reporting period is allocated to the holders of the subordinated perpetual notes. This allocation is determined based on their cumulative potential dividend claims up to the nominal amount of the perpetual notes, inclusive of payment-in-kind (PIK) interest.

## N. Non-current assets (liabilities) and disposal groups held-for-sale

Non-current assets (or groups of assets and liabilities for disposal) are classified as held-for-sale or distribution if it is highly probable that they will be recovered primarily through a sale transaction or a distribution to the owners and not through continuing use. This applies also when the Company is obligated to a sale plan that involves losing control over a subsidiary, whether or not the Company will retain any post-sale non-controlling interests in the subsidiary.

Immediately before classification as held-for-sale or distribution, the assets (or components of a disposal group) are re-measured in accordance with the Group's accounting policies. Thereafter, the assets (or components of a disposal group) are measured at the lower of their carrying amount and fair value less cost to sell.

Any impairment losses recognised, on initial measurement as held-for-sale, or any impairment loss or gain recognised on subsequent measurement, are allocated to the carrying amounts of non-current assets in the disposal group that are not scoped out from the measurement requirements of IFRS 5 (IFRS 5.19). The assets used in the Company's business activities (investments properties measured at fair value model, inventories and financial assets) typically fall outside the measurement scope of IFRS 5. That is why any potential im-

pairment identified for a disposal group amount will typically exceed the carrying amount of the assets available for the allocation of impairment losses according to IFRS 5.19. Adler is of the opinion that there is an accounting policy choice in applying such excess amount on assets not within the scope of IFRS 5 and decided not to do so. When a binding sales agreement has been signed, and the purchase price agreed upon falls below the net asset value of the disposal group the Company analyses whether such a contract is onerous and recognises a provision for onerous contracts where applicable.

In subsequent periods, depreciable assets classified as held-for-sale or distribution are not periodically depreciated, and investments in associates classified as held-for-sale are not accounted for by the equity method.

In accordance with Group policy and IFRS 5, investment properties are classified as non-current assets held-for-sale when a notarised purchase contract without transfer of the title or a bilateral declaration of intent is signed, demonstrating that the sale is highly probable. These investment properties are measured at fair value in accordance with IAS 40. The agreed selling price in the notarised contract or declaration of intent is utilised as the primary basis for determining the fair value at the reporting date, as it represents the best evidence of the asset's exit price.

## Note 5 – Acquisitions and other changes in the consolidation scope

In 2025, 86 companies (2024: one company) were deconsolidated, nine companies (2024: 30 companies) were merged with others, eight companies (2024: 18 companies) were dissolved or liquidated.

### A. Deconsolidation of subsidiaries

Effective 2 January 2025, Adler Real Estate GmbH, a wholly owned subsidiary of the Group, concluded the first tranche of the two stage closing mechanism by transferring its controlling share of 52.68% in its subsidiary Brack Capital Properties N.V. (BCP) to LEG Immobilien SE for a cash consideration of EUR 184,319 thousand. As a result BCP — comprising 83 fully consolidated subsidiaries — has been deconsolidated. It was previously classified as held-for-sale and presented within the disposal group in accordance with IFRS 5. The deconsolidation of the disposal group resulted in a net loss of EUR 99,784 thousand. This loss was fully offset by the release of an equal provision for an onerous contract that had been recognised on 31 December 2024 (refer to Note 21). The assets and liabilities in the subsidiaries over which the control is lost, are summarised by each major category in the following table.

In EUR thousand	2 Jan 2025
Purchase price	219,284
Investment properties	1,035,490
Financial assets	46,336
Other assets	21,051
Non-current assets held-for-sale	6,500
Cash and cash equivalents	62,445
<b>Assets total</b>	<b>1,171,822</b>
Deferred tax liabilities	89,860
Financial liabilities due to banks	339,635
Corporate bonds	219,739
Other liabilities	31,154
Liabilities held-for-sale	8,800
<b>Liabilities total</b>	<b>689,188</b>
Non-controlling interests	163,566
Result from deconsolidation	(99,784)

Upon deconsolidation, the retained 10.10% interest in the share capital of BCP was measured at its fair value of EUR 34,965 thousand. The second tranche of the two stage closing mechanism was completed by transferring the 10.10% remaining shares to LEG in a tender offer.

Effective 28 February 2025, Adler Group completed the sale of its controlling share in the North Rhine-Westphalia-based “Cosmopolitan portfolio” to Orange Capital Partners and One Investment Management for a cash consideration of EUR 169,953 thousand. The transaction was structured as a two stage share deal. In the first stage, it involved the disposal of the controlling shares (ranging from 77.25% to 84.70%) in the following six subsidiaries, which were directly held by holding companies of Adler Real Estate GmbH: WBR Wohnungsbau Rheinhausen GmbH, Berlin; MBG Schwelm GmbH, Berlin; ESTAVIS 6. Wohnen GmbH, Berlin; ESTAVIS 7. Wohnen GmbH, Berlin; Resident West GmbH, Berlin; AFP III Germany GmbH, Berlin. The second stage involved the sale of the remaining shares, which were measured at the fair value of EUR 21,583 thousand at the date when control was lost.

The deconsolidation of the disposal group resulted in a net loss of EUR 87,798 thousand. This loss was fully offset by the release of an equal provision for an onerous contract that had been recognised on 31 December 2024 (refer to Note 21). The assets and liabilities in the subsidiaries over which the control is lost, are summarised by each major category in the following table.

In EUR thousand	28 Feb 2025
Purchase price	191,536
Investment properties	557,153
Financial assets	2,840
Other assets	277
Cash and cash equivalents	11,097
<b>Assets total</b>	<b>571,367</b>
Deferred tax liabilities	44,341
Financial liabilities due to banks	166,793
Other liabilities	43,142
<b>Liabilities total</b>	<b>254,276</b>
Non-controlling interests	37,757
Result from deconsolidation	(87,798)

In 2025, ADO Group Ltd., Tel Aviv, Israel, a wholly-owned subsidiary of ADLER Real Estate GmbH, was deconsolidated following the distribution of net assets to its shareholder as part of the liquidation process. Upon deconsolidation, the cumulative currency translation differences of EUR 6,385 thousand previously recognised in equity were recycled to the income statement and reported within other income.

In addition, a number of further entities without significant operations entered the liquidation process in 2025 with no material impact on the Group's financial position or results of operations (refer to Note 37).

During the prior year, the consolidation scope had been impacted by the following event:

Effective on 3 May 2024, CONSUS Swiss Services AG sold its shares in the subsidiary Knecht Ludwigsburg Planungs- und Bauleitungsgesellschaft mbH, Ludwigsburg, for a cash consideration of EUR 400 thousand. The subsidiary was deconsolidated. This resulted in a net loss of EUR 924 thousand which was presented in other expenses.

The assets and liabilities in the subsidiaries over which the control is lost, are summarised by each major category in the following table.

In EUR thousand	31 Dec 2024
Preliminary purchase price	400
Property, plant and equipment	134
Other non-current assets	9
Trade receivables	667
Income tax receivables	95
Other current assets	11
Cash and cash equivalents	538
<b>Assets total</b>	<b>1,454</b>
Other non-current liabilities	31
Trade payables	2
Other current liabilities	97
<b>Liabilities total</b>	<b>130</b>
Result from deconsolidation	(924)

## B. Additions to the scope of consolidated entities

In 2025 and in 2024 no companies were added to the scope of consolidation entities.

## C. Changes in the consolidation scope without loss of control

The following transactions did not result in a loss of control. The Group adjusted the carrying amounts of the controlling and non-controlling interests to reflect the changes in the relative interests in the subsidiaries.

On 23 December 2025, Consus RE GmbH, Berlin, acquired 6% minority interest in the fully consolidated company LEA Grundstücksverwaltungs GmbH, Berlin, for a consideration of EUR 1. As the carrying amount of the non-controlling interest was negative at the date of acquisition, the transaction resulted in an increase of non-controlling interests by EUR 16,049 thousand. This adjustment was recognised as a corresponding decrease in retained earnings.

During the reporting period, Consus Projekt Development GmbH, Berlin, acquired the remaining 6% minority interest in each of three project companies for a total consideration of EUR 2 thousand. The transaction resulted in a reduction of non-controlling interests by EUR 11 thousand.

During the prior year, the consolidation scope had been impacted by the following transactions without loss of control:

In October 2024, Adler Group announced the completion of the squeeze-out of the minority shareholders of Consus Real Estate AG. The Extraordinary General Meeting of Consus Real Estate AG on 11 June 2024 resolved to transfer the no-par value registered shares of the minority shareholders to Adler Group S.A. as the majority shareholder. In accordance with the transfer resolution, the minority shareholders of Consus Real Estate AG received a cash payment of EUR 0.01 per transferred no-par value registered share totalling to EUR 50 thousand. As a result the negative balance of direct minority interests in Consus Real Estate AG amounting to EUR 98,243 thousand was derecognised and the resulting difference in the amount of EUR 98,294 thousand was deducted from share premium.

In October 2024, Consus sold approximately 10% in a number of fully consolidated subsidiaries to a non-controlling interest holder for a consideration of 1 EUR. As a result the balance of minority interests of EUR 50,875 thousand was reduced and the resulting difference in the amount of EUR 50,875 thousand was presented in the retained earnings.

## D. Other changes

Following the uncompensated departure of its limited partners, Consus Mannheim Glücksteinquartier GmbH Co. KG, Düsseldorf, was merged into Consus Mannheim Glücksteinquartier Verwaltungs GmbH, Düsseldorf. As a result, the minority interest of a limited partner amounting to EUR 2,613 thousand was transferred to the retained earnings.

As per 1 January 2025 following entities were merged with Münchener Baugesellschaft mbH, Berlin:

- Westconcept GmbH, Berlin
- Westgrund Immobilien Beteiligung GmbH, Berlin
- Westgrund Immobilien Beteiligung II. GmbH, Berlin
- WAB Hausverwaltungsgesellschaft mbH, Berlin

- Westgrund Halle Immobilienverwaltung GmbH, Berlin
- RESSAP - Real Estate Service Solution Applications -GmbH, Berlin
- Xammit GmbH, Berlin
- Wasserstadt Co-Living GmbH, Berlin

Artists Living Köln StG GmbH & Co. KG, Düsseldorf, was dissolved without liquidation following the withdrawal of its limited partners. By way of accretion, the entity was transferred to the general partner Artists Living Verwaltungs GmbH, Berlin.

In 2025, the following companies were dissolved without liquidation, and their assets and liabilities accreted to Consus Verwaltungs GmbH, Berlin, following the exit of limited partners without compensation (“accretion under German law”). This transaction resulted in the derecognition of a deficit non-controlling interest balance in the amount of EUR 2,676 thousand within equity.

- Consus Siebte SHELF GmbH & Co. KG, Berlin
- Consus Graphisches Viertel GmbH & Co. KG, Leipzig
- Consus Estate & Hostel GmbH & Co. KG, Berlin
- Consus Erste Delitzscher Straße GmbH & Co. KG, Berlin
- Consus Zweite Delitzscher Straße GmbH & Co. KG, Berlin
- Consus Sechste Delitzscher Straße GmbH & Co. KG, Berlin

The following intra-group mergers occurred in the preceding year with no material impact on the consolidated financial statements of the Group.

As per 23 September 2024 the shares in the four subsidiaries Joysun Tauroggener Straße Grundstücks GmbH, Berlin, Joysun Cotheniusstraße Grundstücks GmbH, Berlin, Joysun Kiehlufer Grundstücks GmbH, Berlin, and Joysun Florapromenade Grundstücks GmbH, Berlin, were transferred to the subsidiary Ziporim Investment GmbH, Berlin. Following the transfer, the four subsidiaries were merged with Ziporim Investment GmbH, Berlin (“up-stream merger”). The merger became effective as of 1 October 2024. Furthermore, following the departure of the respective limited partners, the two subsidiaries Yona Investment GmbH & Co. KG, Berlin, and Yanshuf Investment GmbH & Co. KG, Berlin, were accreted to the general partner Ziporim Investment GmbH, Berlin, (“accretion to general partner”) as of 17 December 2024.

On 13 June 2024, the following entities ceased to exist due to the intra-group merger with Westgrund I. Halle S.à r.l., Luxembourg:

- Aramis Properties Luna S.à r.l., Luxembourg
- ESTAVIS 8. Wohnen S.à r.l., Luxembourg
- RELDA 39. Wohnen S.à r.l., Luxembourg
- Resident Sachsen P&K S.à r.l., Luxembourg

- Roslyn Properties Luna S.à r.l., Luxembourg
- Spree Zweite Beteiligung Ost S.à r.l., Luxembourg
- Wallace Properties Luna S.à r.l., Luxembourg
- WER 1. Wohnungsgesellschaft Erfurt Rieth S.à r.l., Luxembourg
- WER 2. Wohnungsgesellschaft Erfurt Rieth S.à r.l., Luxembourg
- Westgrund Immobilien V. S.à r.l., Luxembourg
- Cato Immobilienbesitz und -verwaltungs S.à r.l., Luxembourg

Furthermore, on 9 July 2024 the following entities ceased to exist due to the intra-group merger with Westgrund VII S.à r.l., Luxembourg:

- TGA Immobilien Erwerb 3 S.à r.l., Luxembourg
- ESTAVIS 9. Wohnen S.à r.l., Luxembourg
- MBG Sachsen S.à r.l., Luxembourg
- RELDA Bernau Wohnen Verwaltungs S.à r.l., Luxembourg
- Rostock Verwaltungs S.à r.l., Luxembourg
- Westgrund Brandenburg S.à r.l., Luxembourg
- Westgrund Immobilien VI. S.à r.l., Luxembourg

As per 1 January 2024, RIV Total MI 2 GmbH, Berlin, was merged with RIV Kornspeicher GmbH, Berlin.

In 2024 CONSUS Swiss Services AG, Zug, Switzerland, and CONSUS Swiss Projektholding AG, Zug, Switzerland, were merged with Consus Swiss Finance AG, Zug, Switzerland. CONSUS (Schweiz) AG, Zug, Switzerland, was merged with CONSUS Swiss Services AG, Zug, Switzerland. Furthermore, SSN Real GmbH, Düsseldorf, was merged with Consus Deutschland GmbH, Düsseldorf, and Consus München Schwabing Verwaltungs GmbH, Düsseldorf, was merged with Consus Projekt Development GmbH, Düsseldorf. These intra-group mergers did not have material impact on the consolidated financial statements of the Group.

## Note 6 – Investment properties

### A. Investment properties – residential

The carrying amount of the Group's residential investment properties developed as follows:

In EUR thousand	2025	2024
<b>Balance as at 1 January</b>	<b>3,486,802</b>	<b>4,195,998</b>
Other capital expenditure	27,426	32,602
Transfer from investment properties to assets or disposal groups classified as held-for-sale (Note 16)	(67,147)	(590,420)
Disposal of investment properties	(1,243)	(2,878)
Fair value adjustments	13,121	(227,256)
Changes of investment properties presented as part of a disposal group among non-current assets held-for-sale	-	78,756
<b>Balance as at 31 December</b>	<b>3,458,959</b>	<b>3,486,802</b>

As in the prior year, the Group did not capitalise any interest in residential investment properties.

#### Valuation technique and significant unobservable inputs

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

The fair value of the residential investment properties was mainly determined by CBRE, an independent industry specialist that has appropriate, recognised professional qualification and up-to-date experience regarding the location and category of the respective properties.

The Group's residential investment properties are valued using the discounted cash flow (DCF) method. Under the DCF method, the net rental income (here: expected future rental income and costs of the residential assets) is forecasted for a period of 10 years (the cashflow period) and discounted to the date of valuation. For the determination of the net rental income after the cashflow period, a capitalisation rate is used. Rental income mainly comprises expected rental income (current in-place rent, market rents as well as their development) taking vacancy losses into account. The fair value measurement for all investment properties has been categorised as Level 3 fair value due to prevailing use of unobservable inputs to the adopted valuation method.

The following tables give an overview of the most significant valuation parameters and the respective valuation results for each regional cluster for the current and the prior year:

Balance as at 31 Dec 2025	Location		
	Berlin	Other	Total
Value (EUR/m <sup>2</sup> )	3,053	2,056	3,047
Average residential in-place rent	8.69	7.54	8.68
CBRE market rent (EUR/m <sup>2</sup> )	9.88	10.30	9.88
Multiplier (current rent)	29.09	22.44	29.05
Multiplier (CBRE market rent)	23.82	16.07	23.78
Discount rate (%)	4.87	5.16	4.87
Capitalisation interest rate (%)	2.94	3.77	2.94
Market rental growth (%)	2.42	1.61	2.41
Vacancy rate (%)	0.04	2.30	0.05
Fair value (EUR thousand)	3,440,086	18,872	3,458,959

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

The **Rental in-place rent** and the **Vacancy rate** are derived from the Group's own rental statistics. **CBRE market rent** is derived from the internal rental database of CBRE, the internet data base empirica-systeme Marktdatenbank by Value AG (asking rents) and the local rental tables (Mietspiegel) for residential rents, if available. **Discount rates**, which explicitly reflect market rental growth in the cash flows, are derived from the capitalisation interest rate plus average rental growth. The **Capitalisation interest rates** are derived from the average net initial yield achieved in comparable transactions as observed by CBRE. They are adjusted in accordance with e.g. the quality of the location, demand and levels of value in the relevant local real estate market, the current letting situation of the concrete respective property and the nature of the property, its age, size and condition. The Market rental growth reflects e.g. the household trend in the last 12 years (source: official statistics), household forecast 2026 (source: official statistics), purchasing power index (source: gfk, Nürnberg), GDP per capita, Prognos sustainability rating, vacancy index (source: CBRE-empirica), residential rental forecast (source: BulwienGesa AG) and CBRE rental database.

The main value drivers influenced by the market are the market rents and their development, current rent increases, the vacancy rate and interest rates. The effect of possible fluctuations in these parameters is shown separately for each parameter and group in the following tables, assuming all other variables remain constant. A negative change in the parameters at the same percentage would have a similar impact on the value in the opposite direction. Interactions between the parameters are possible but cannot be quantified due to the complexity of the interrelationships:

<b>Valuation parameters current year</b>	<b>Change in parameters</b>	<b>In EUR thousand</b>	<b>Change in values %</b>
Average new letting rent (EUR/m <sup>2</sup> )	10%	221,335	6.40
Vacancy rate (%)	1%	(47,831)	(1.38)
Discount and capitalisation rate (%)	25bps	(284,563)	(8.23)

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

With some insignificant exceptions all of Adler Group's investment properties are encumbered.

## B. Investment properties under construction – project developments

The carrying amount of the Group's investment properties under construction developed as follows:

<b>In EUR thousand</b>	<b>2025</b>	<b>2024</b>
<b>Balance as at 1 January</b>	<b>477,030</b>	<b>714,927</b>
Other capital expenditure	1,281	11,948
Transfer from investment properties to assets or disposal groups classified as held-for-sale	(191,340)	6,076
Fair value adjustments	(105,570)	(255,921)
<b>Balance as at 31 December</b>	<b>181,401</b>	<b>477,030</b>

As in the prior year, the Group did not capitalise any interest in project development investment properties.

### Valuation technique and significant unobservable inputs

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

The fair value of the investment properties under construction (project developments) was determined by the valuation expert NAI Apollo, an independent industry specialist with appropriate, recognised professional qualifications and up-to-date experience regarding the location and category of the respective properties.

For investment properties under construction, which will be held in the long term to generate rental income and capital appreciation after completion, the residual value method is applied. This approach is common to calculate the value of real estate developments in the planning stage or still under construction. It is a deductive method to derive the market value of an undeveloped project according to its development progress and represents the amount a market participant would be willing to pay for the property. The approach is based on the assumption that the market value of an ongoing project can be derived from an indicative market value less the anticipated costs for the realisation of the project. These deductions include outstanding construction costs, marketing expenses, interim financing costs, and an appropriate margin for developer's risk and profit. Additionally, the calculation accounts for ancillary acquisition costs (e.g., real estate transfer tax) that a market participant would incur to reflect the residual value as the fair value. Financing costs are considered for the interim financing for both the land and construction, using a project-specific market interest rate applicable throughout the development period until completion.

Valuation parameters for investment properties under construction	31 Dec 2025	31 Dec 2024
Market rent, weighted average (EUR)	14.12	15.14
Project development costs (EUR/m <sup>2</sup> )	4,042	4,133
Cost of financing, weighted average (in %)	4.17	4.19

Valuation is made on a project by project basis. Project development costs are derived from the project plans and budgets prepared by the Group. To estimate financing costs, NAI Apollo applies the interest rates reflecting current market conditions for construction financing. Construction costs are determined using cost indices provided by specialised external providers.

The following tables give an overview over the sensitivity of the valuation results towards a change of the respective valuation assumption, assuming all other variables remain constant.

Sensitivity current year	Market rent		Cost of financing		Construction costs	
Change in parameters	(10%)	10%	(0.25%)	0.25%	(10%)	10%
Change of fair value (EUR thousand)	(97,200)	97,200	63,700	(56,200)	115,800	(115,900)

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

With some insignificant exceptions all of Adler Group's investment properties were encumbered.

### C. Amounts that were recognised in the consolidated statement of profit or loss

In EUR thousand	2025	2024
Rental income from investment property	131,565	207,562
Operating expenses for residential assets that generated rental income	(1,455)	(5,208)
Operating expenses for residential investment properties that did not generate rental income	(26)	(22)
Operating expenses for project investment properties that did not generate rental income	-	37

## Note 7 – Investments in financial instruments

Investments in financial instruments principally relate to non-controlling interests in property companies disposed of in prior periods (in each case 10.1%) following the disposal of the shares. The instruments (31 December 2025: EUR 7,185 thousand, 31 December 2024: EUR 7,337 thousand) are measured at fair value through profit or loss. The remainder includes Adler Real Estate's share in ACCENTRO (please refer to Note 8).

## Note 8 – Investments accounted under the equity method

The investments accounted under the equity method include two (31 December 2024: three) associates and no (31 December 2024: two) joint venture.

Investments accounted under the equity method developed as follows:

In EUR thousand	2025	2024
<b>Balance as at 1 January</b>	<b>502</b>	<b>1,534</b>
Share in profit and loss	(47)	(1)
Impairment	(353)	(1,035)
Changes of assets presented as part of a disposal group	-	4
Removals from the scope of consolidated entities	(102)	-
<b>Balance as at 31 December</b>	<b>-</b>	<b>502</b>

### Investments in associates

The investments in associates relate to AB Immobilien B.V. (AB Immobilien) and Caesar JV Immobilienbesitz und Verwaltung GmbH (Caesar). In the previous year investments also included ACCENTRO Real Estate AG (ACCENTRO).

ACCENTRO is a listed corporation and engages in the trading (purchase and sale) of residential properties and individual flats as well as the brokerage business in the context of residential property privatisation. On 13 November 2025,

ACCENTRO announced that all measures stipulated in its restructuring plan have been executed. The plan's execution included, inter alia: i) a capital reduction by means of a share consolidation at a ratio of 3,243:1, resulting in a total outstanding share capital of 10,000 ACCENTRO shares ii) a subsequent cash capital increase excluding the subscription rights of all shareholders except ADLER, through the issuance of 274,299 new shares. In this context, ADLER subscribed to 23,238 new ACCENTRO shares for a cash consideration of EUR 23,238. As a result of these capital measures, the Company's ownership percentage in ACCENTRO increased from 4.8% to approximately 10.10%. Following the closing of the restructuring, ADLER no longer holds representation on ACCENTRO's Supervisory Board. Consequently, the Company determined that it no longer exercises significant influence over ACCENTRO. Therefore, the investment has been reclassified as an equity instrument measured at Fair Value through Profit or Loss (FVtPL). As of 31 December 2025, the carrying amount of the investment amounts to EUR 230 thousand and has been presented in investments in financial instruments (please see Note 7).

In 2023, ADLER fully impaired the investment in Caesar due to unfavourable business prospects. After a provisional insolvency administrator was appointed for Caesar on 30 July 2024, the main insolvency proceedings for Caesar's assets were opened in 1 October 2024.

Adler has receivables against AB Immobilien at a gross amount (including unpaid interest) of EUR 14,928 thousand (31 December 2024: EUR 14,928 thousand) and against Caesar at a gross amount (including unpaid interest) of EUR 37,340 thousand (31 December 2024: EUR 34,660 thousand). Further information on these receivables is provided in Note 31A.

### **Investments in joint ventures**

In the prior year the investments in joint ventures relate to Adler Real Estate Assekuranzmakler GmbH & Co. KG (Adler Assekuranz).

As per 31 December 2025, the contribution of ADLER Real Estate Assekuranzmakler GmbH & Co. KG to the financial position, comprehensive income and cashflow is not material to the consolidated financial statements of the Group.

## Note 9 – Property, plant and equipment

Property, plant and equipment (principally fixtures and fittings) developed as follows:

In EUR thousand	2025	2024
<b>Carrying amount as of 1 January</b>	<b>13,994</b>	<b>14,258</b>
Acquisitions	5,218	1,426
Capitalisation of other expenses	-	1,146
Disposals	(1,681)	(454)
Changes of investment properties presented as part of a disposal group among non-current assets held-for-sale	-	370
Depreciation	(4,661)	(2,685)
Removals from the scope of consolidated entities	-	(67)
<b>Balance at 31 December</b>	<b>12,870</b>	<b>13,994</b>

## Note 10 – Other financial assets

In EUR thousand	31 Dec 2025	31 Dec 2024
Loans to holders of non-controlling interest in subsidiaries	93,545	105,676
Miscellaneous other financial assets	3,195	1,036
<b>Other financial assets</b>	<b>96,740</b>	<b>106,712</b>

The loans to holders of non-controlling interest in subsidiaries are secured by share liens. In 2025, the Group recognised impairment loss in an amount of EUR 15,799 thousand based on the fair value of share liens (2024: EUR 0 thousand).

## Note 11 – Restricted bank deposits

Restricted bank deposits are denominated in euro and do not carry any interest. The total balance (current and non-current) as at 31 December 2025 includes EUR 21,617 thousand of pledged bank deposits received from tenants (31 December 2024: EUR 24,293 thousand), EUR 8,693 thousand pledged to secure banking facilities (31 December 2024: EUR 10,466 thousand) and EUR 9,937 thousand of restricted proceeds from project developments (31 December 2024: EUR 10,371 thousand).

## Note 12 – Contract assets from development

Contract assets and liabilities mainly result from development contracts with customers. The timing of revenue recognition, invoicing and cash collections results in billed accounts receivables, unbilled receivables (contract assets) and customer advances (contract liabilities). In the Group's development activities, amounts are billed as work in progress in accordance with agreed-upon contractual terms, either at periodic intervals or upon achievement of contractual milestones.

Generally, billing occurs subsequent to revenue recognition resulting in contract assets. However, the Group sometimes receives advances from its customers before revenue is recognised, resulting in contract liabilities. These assets and liabilities are reported on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances during the reporting period were not materially impacted by other factors besides as laid out below.

In EUR thousand	31 Dec 2025	31 Dec 2024
Gross contract assets - non-current	-	70,795
Prepayments received on non-current contract balances	-	(67,982)
<b>Net contract assets - non-current</b>	<b>-</b>	<b>2,813</b>
Gross contract assets - current	179,684	139,611
Prepayments received on current contract balances	(166,556)	(119,283)
<b>Net contract asset - current</b>	<b>13,128</b>	<b>20,328</b>
<b>Net contract liabilities - current</b>	<b>-</b>	<b>-</b>

Contract assets have not been impaired for credit risks in accordance with IFRS 9. This is due to the fact that the credit default risk of the contractual partners is relatively low. Furthermore, the value at-risk can be regarded as relatively low due to collaterals.

The net contract assets related to development projects developed as follows:

In EUR thousand	2025	2024
<b>Contract assets balance as at 1 January</b>	<b>23,141</b>	<b>66,294</b>
Additions due to performance obligations satisfied in the reporting period	5,384	40,905
Reclassification to receivables / payments received	(10,973)	(79,375)
Impairment	(4,424)	(4,683)
<b>Balance as at 31 December</b>	<b>13,128</b>	<b>23,141</b>

The net contract liabilities related to development projects developed as follows:

In EUR thousand	2025	2024
<b>Contract liabilities balance as at 1 January</b>	<b>-</b>	<b>14,472</b>
Received prepayments (incl. billed invoices) relating to performance obligations not satisfied yet	-	(79,786)
Derecognition when performance obligations satisfied	-	65,314
<b>Balance as at 31 December</b>	<b>-</b>	<b>-</b>

## Note 13 – Inventories

Inventories, which also include land from forward sales, are broken down as follows:

In EUR thousand	31 Dec 2025	31 Dec 2024
Real Estate "Trading properties (including condominiums)"	217,429	410,599
Other inventories: not development	1	287
<b>Total balance</b>	<b>217,430</b>	<b>410,886</b>

The following factors had an impact on the amount of inventories:

In EUR thousand	2025	2024
<b>Carrying amount as of 1 January</b>	<b>410,886</b>	<b>515,467</b>
Construction work	69,032	-
Impairment	(196,178)	(76,156)
Reversal of impairment	-	8,500
Expenses from the sale	(66,310)	(36,924)
<b>Balance at 31 December</b>	<b>217,430</b>	<b>410,886</b>

The Group did not capitalise any interest in the inventories in 2025 or the prior year.

Impairments are made when the net realisable value of inventories is falling below the carrying amount at the date when such assessment is made. Impairments are presented among Cost of operations. Net realisable values are derived from actuarial appraisals provided by NAI Apollo, an independent valuation expert with appropriate, recognised professional qualifications and up-to-date experience regarding the location and category of the properties.

The carrying amount of the inventories provided as collateral for loan agreements is EUR 217,430 thousand (31 December 2024: EUR 410,886 thousand).

## Note 14 – Trade receivables

As at the reporting date, trade receivables mainly consist of rental receivables in the amount of EUR 15,229 thousand (31 December 2024: EUR 12,907 thousand), receivables from the sale of real estate inventories in the amount of EUR 4,025 thousand (31 December 2024: EUR 4,637 thousand) and receivables from property development in the amount of EUR 16,010 thousand (31 December 2024: EUR 18,007 thousand). The balances represent gross amounts less allowances for expected credit losses.

## Note 15 – Other receivables and financial assets

Other current receivables and financial assets consist of the following:

In EUR thousand	31 Dec 2025	31 Dec 2024
Receivables from income tax	23,471	14,874
Receivables from other taxes	11,372	6,059
Advances to suppliers	3,974	4,584
Prepaid expenses	1,931	2,588
Miscellaneous other receivables (non-financial)	3,419	9,512
<b>Total other receivables (non-financial)</b>	<b>44,167</b>	<b>37,617</b>
Receivables against non-controlling shareholders of subsidiaries	25,593	35,001
Loans	4,054	10,836
Deposits	3,470	4,013
Miscellaneous other receivables (financial)	2,496	3,597
<b>Other receivables (financial)</b>	<b>35,613</b>	<b>53,447</b>
<b>Total other receivables and financial assets</b>	<b>79,780</b>	<b>91,064</b>

Receivables from other taxes principally relate to value added tax.

## Note 16 – Non-current assets and liabilities held-for-sale

The non-current assets and liabilities include project investment properties in the amount of EUR 239,650 thousand (prior year: EUR 117,924 thousand).

The remainder of non-current assets and liabilities held-for-sale principally relate to the sale of residential properties, for which notarised purchase agreements are in place without transfer of control on the balance sheet date.

In 2025, the Group disposed of non-current assets held-for-sale totaling EUR 99,927 thousand. This comprised EUR 45,057 thousand from residential properties and EUR 54,870 thousand from development projects.

In the prior year, non-current assets and liabilities held-for-sale were impacted by the following events which had been closed in the reporting period (refer to Note 5), leading to a decrease of non-current assets and liabilities held-for-sale:

On 4 November 2024, ADLER and LEG agreed on the sale of approximately 52.86% of the issued and outstanding share capital of BCP at a price of EUR 45 per share with closing conditions being fulfilled as per 2 January 2025.

The price agreed between ADLER and LEG for the sale of the shares in BCP fell below the carrying amount of the net assets of BCP as per the balance sheet date. In consistency with prior accounting practice, the Group did not recognise an impairment loss on the assets included in the disposal group (also see Note 4.N). Instead, a provision for onerous contracts had been recognised as of 31 December 2024 (see Note 21).

Major classes of assets and associated liabilities relating to the disposal group BCP comprised the following as of 31 December 2024:

In EUR thousand	31 Dec 2024
Investment properties	1,035,490
Financial assets	46,336
Other assets	20,665
Cash and cash equivalents	62,445
Non-current assets held-for-sale	6,500
<b>Assets total</b>	<b>1,171,436</b>
Deferred tax liabilities	87,800
Financial liabilities due to bank	339,635
Corporate bonds	221,798
Other liabilities	31,156
Liabilities held-for-sale	8,800
<b>Liabilities total</b>	<b>689,189</b>

The fair value of the investment properties relating to the disposal group above was determined by independent external appraisers with appropriate, recognised professional qualification and up-to-date experience regarding the location and category of the properties valued. Significant assumptions (based on weighted averages) that were used in valuation estimates are as follows:

Income-generating residential real estate	31 Dec 2024
Discount rate (%)	5.41
Capitalisation interest rate (%)	3.91
Vacancy rate (%)	2.01
Representative monthly rent (EUR/m <sup>2</sup> )	8.40
<b>Income-generating commercial real estate</b>	
Discount rate (%)	8.48
Capitalisation interest rate (%)	7.42
<b>Development projects</b>	
Expected sales price (EUR/m <sup>2</sup> )	4,710
Expected construction costs (EUR/m <sup>2</sup> )	3,878

The effect of a possible increase (decrease) in the discount rate by 0.25 basis points would have led to a change in the fair value of the investment properties included in the disposal group by approximately EUR - 54,861 thousand and EUR + 54,861 thousand respectively.

On 23 December 2024, several subsidiaries of ADLER agreed to sell 89,9% of their respective shareholdings in WBR Wohnungsbau Rheinhausen GmbH, Berlin, MBG Schwelm GmbH, Berlin, ESTAVIS 6. Wohnen GmbH, Berlin, ESTAVIS 7. Wohnen GmbH, Berlin, Resident West GmbH, Berlin, and AFP III Germany GmbH, Berlin, (the Cosmopolitan portfolio) to Orange Capital Partners and One Investment Management Ltd for a preliminary purchase price of EUR 167,450 thousand. In 2025, that transaction has been executed (please see Note 5). As per December 31 2024, the Group presented the assets and liabilities of the entities in assets and liabilities held-for-sale.

The price agreed between ADLER and purchasers for the sale of the shares fell below the carrying amount of the net assets of the target entities as per the balance sheet date. In consistency with prior accounting practice, the Group did not recognise an impairment loss on the assets included in the disposal group (also see Note 4.N). Instead, a provision for onerous contracts has been recognised as of 31 December 2024 (see Note 21).

Major classes of assets and associated liabilities relating to the Cosmopolitan disposal group comprised the following:

In EUR thousand	31 Dec 2024
Investment properties	556,658
Financial assets	5,716
Other assets	1,217
Cash and cash equivalents	6,302
<b>Assets total</b>	<b>569,893</b>
Deferred tax liabilities	41,943
Financial liabilities due to bank	197,889
Other liabilities	8,213
<b>Liabilities total</b>	<b>248,045</b>

The investment properties of the disposal group comprised income-generating residential real estate. The fair value of these assets was determined by independent external appraisers with appropriate, recognised professional qualification and up-to-date experience regarding the location and category of the properties valued. Significant assumptions (based on weighted averages) that were used in valuation estimates are as follows:

Income-generating residential real estate	31 Dec 2024
Discount rate (%)	5.60
Capitalisation interest rate (%)	4.12
Vacancy rate (%)	1.82
Representative monthly rent (EUR/m <sup>2</sup> )	6.58

A potential decrease (increase) of 0.25 basis points in the discount rate would result in an approximate increase of EUR 37,272 thousand (or a decrease of EUR 33,143 thousand) in the fair value of the investment properties included in the disposal group.

## Note 17 – Equity

### 1. Share capital and share premium

Ordinary shares (in thousands of shares)	2025	2024
In issue as at 1 January	151,626	151,626
Increase from issuance of ordinary shares, net	-	-
<b>In issue as at 31 December</b>	<b>151,626</b>	<b>151,626</b>

The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at the General Meetings of the Company. Ordinary shares are subordinated to equity of hybrid investors (Note 17.2). The par value per share is EUR 0.0012.

Share premium development is as follows:

Share premium (in EUR thousand)	2025	2024
In issue as at 1 January <sup>(4)</sup>	1,775,304	1,873,598
Transactions with non-controlling interests without a change in control	-	(98,294)
<b>In issue as at 31 December<sup>(4)</sup></b>	<b>1,775,304</b>	<b>1,775,304</b>

<sup>(4)</sup> Prior year figures adjusted.

For further details, we refer to Note 19 and to the consolidated statement of changes in equity.

### 2. Equity of Group's hybrid investors

In the course of the comprehensive recapitalisation completed in September 2024 (Recapitalisation 09/2024), the former holders of the 2L Notes received new Voting Securities (parts bénéficiaires avec le droit de vote; ISIN LU2900363131) on a pro rata basis. The Voting Securities do not fulfil the definition of an asset or a liability according to the IFRS Conceptual Framework, as they do not produce economic benefits. As a result, they also do not fulfil the definition of intangible assets in accordance with IAS 38 and financial instruments according to IAS 32 for Adler Group S.A. Therefore, they are not recognised in the balance sheet of Adler Group S.A. The bondholders (i.e. holders of the Voting Securities) are generally entitled to vote at general meetings. Decisions regarding dividend payouts and other distributions are explicitly excluded from this right. In addition, the bondholders do not coordinate their decisions regarding voting matters. Therefore, the bondholders (individually or as a group) do not have power or significant influence over Adler Group S.A. according to IFRS 10 and IAS 28. The assessment of power and significant influence over Adler Group S.A. may change due to the changes in the Articles of Association of Adler Group S.A., or the sale or transfer of the Voting Securities amongst the bondholders. This matter and the resulting implications are closely monitored by the management of Adler Group S.A. on an ongoing basis. The Voting Securities are issued for nil consideration and do not convey a portion of the nominal capital in the Adler Group S.A. The Voting Securities have the same voting rights as the existing common shares but no economic rights and are not attached to the subordinated 3 lien perpetual notes. The total number of Voting Securities issued amounts to circa 454.9 million and corresponds to approximately 75% of the total voting rights. Any outstanding bonds (classified as debt and/or equity) rank senior to ordinary shares. Therefore, bond-

holders (incl. holders of 3L Subordinated Notes) receive their claims including accrued interest prior to the holders of the ordinary shares in the event of liquidation or restructuring.

As part of the comprehensive recapitalisation in 2024 (Recapitalisation 09/2024), AGPS BondCo Plc. issued EUR 2,341,900,000 of 6.25% subordinated perpetual notes ("subordinated notes") and EUR 700,000,000 6.25% 2L reinstated notes on 19 September 2024. These notes were created in bearer form, with a denomination of EUR 100 each and are represented by permanent Global Notes. They replaced five bonds previously issued by AGPS BondCo Plc., specifically AGPS Bond 2020/2025, AGPS Bond 2021/2026, AGPS Bond 2021/2029, AGPS Bond 2021/2027, and AGPS Bond 2020/2026 (including PIK interest). Both bonds are secured by collaterals, such as pledges over shares in certain fully consolidated entities and land charges over certain plots of lands and buildings.

The EUR 2,341,900,000 subordinated perpetual notes were classified as equity as of per 31 December 2024 because the Company can control the payments, and a repayment obligation regarding the principal and accumulated interest. Payment only arises in the event of the liquidation of the Company. Based on the initial fair value of the perpetual note in the amount of EUR 739,029 thousand, fair value of the reinstated bond in the amount of EUR 220,850 thousand and the carrying amount of the converted bonds including accrued interests totalling to EUR 3,080,100 thousand as of the effective restructuring date on 19 September 2024, a derecognition gain of EUR 2,120,221 thousand was recognised in the finance income as of 31 December 2024. The perpetual notes were measured at fair value of EUR 739,029 thousand less transaction costs of EUR 22,322 thousand totalling to EUR 716,707 thousand. As a result of the debt-to-equity-conversion including the reinstatement, the equity increased in total by EUR 2,836,928 thousand (thereof EUR 2,120,221 thousand via profit and loss and EUR 716,707 thousand via equity increase) as of 31 December 2024.

Under the subordinated notes, there is an obligation to pay to the noteholders if the Company declares or pays any distribution to the shareholders which, when aggregated with all other distributions since the Subordinated Notes issue date, is greater than one thirty-ninth (1/39) of all cash payments made in respect of the subordinated notes. In this case, the subordinated notes (including PIK) shall become immediately due and payable. Since the issue date of the subordinated notes, the Company has declared no dividends and made no payments in respects of the subordinated notes.

Both, the subordinated notes as well as the reinstated notes include several obligations and information covenants referring to the maintenance of the centre of commercial interest in the Duchy of Luxembourg, the notification of any event of default and financial information on the transaction collateral. Furthermore, the terms and conditions contain among others limitations on mergers, limitations of contributions to the Consus sub-group of EUR 330 million until 31 March 2027 (and EUR 265 million thereafter), limitations of share buy-backs and payments of dividends. With regard to the reinstated notes a maintenance loan-to-value ratio of 90% applies.

The nominal amount of the subordinated notes including PIK stood at EUR 2,531,805 thousand as of 31 December 2025 (31 December 2024: EUR 2,382,875 thousand). For the nominal amount of the reinstated bond (AGPS Bond Reinstated 2L 2024/2030) refer to Note 18.

### 3. Reserves

The reserves include a hedging reserve, other capital reserves, a currency translation reserve and a reserve from financial assets measured at fair value through other comprehensive income.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments, net of the related deferred tax.

The other capital reserves comprise the cumulative equity impact from transactions with previous controlling shareholder (ADO Group) in the past. The legal reserve according to Luxembourg law amounts to EUR 14.6 thousand.

The reserve from financial assets measured at fair value through other comprehensive income (OCI) comprises accumulated losses on equity instruments in the amount of EUR 120,079 thousand (31 December 2024: EUR 120,079 thousand). These losses relate to equity instruments that were disposed of in prior periods and for which the Group had elected to present fair value changes in other comprehensive income (OCI). They have not been reclassified within equity yet. Additionally, the reserve includes accumulated losses from debt instruments for which the Group is required to present fair value changes in other comprehensive income (OCI), which amounted to EUR 0 as of the balance sheet date (31 December 2024: EUR 26,160 thousand). During the reporting period, the accumulated losses of EUR 26,160 thousand were reclassified from other comprehensive income (OCI) to the income statement as an impairment expense following a default event. This reclassification has no impact on equity, as it represents a transfer between components within equity.

The currency translation reserve stood at EUR 10.476 thousand as of the balance sheet date (31 December 2024: EUR 16,949 thousand). A decrease of EUR 6,385 thousand resulted from the liquidation of ADO Group Ltd. (Tel Aviv, Israel), a wholly-owned subsidiary of ADLER Real Estate GmbH, in 2025.

### 4. Non-controlling interests

Non-controlling interests comprise the share of the non-controlling shareholders in equity and annual earnings of consolidated subsidiaries. The consolidated net income attributable to shareholders in the parent company corresponds to the difference between the consolidated net income before non-controlling interests and the non-controlling interests reported in the income statement.

The development of non-controlling interests is presented separately in the statement of changes in equity.

The non-controlling interests were impacted by a number of changes in the consolidation scope. Further information of these transactions is provided in Note 5.

Following the squeeze-out of Adler RE and Consus Real Estate GmbH in 2023 and 2024, respectively, the Group no longer discloses a breakdown of non-controlling interests nor the key financial information of subsidiaries with non-controlling interests. The remaining balance reported as non-controlling interests relates to shares held across a large number of subsidiaries.

## Note 18 – Corporate bonds

The liabilities were structured as follows as at the balance sheet date:

In EUR thousand	31 Dec 2025	31 Dec 2024
Adler Bond 2018/2026	14,800	296,169
AGPS Bond Reinstated 2L 2024/2030	308,218	232,243
<b>Total balance</b>	<b>323,018</b>	<b>528,412</b>

A senior unsecured bond with a nominal amount of EUR 400 million was outstanding at the beginning of 2024. The bond originally bore a fixed-rate coupon of 1.50% p.a. and had a contractual maturity of 31 July 2025 (Adler Group Bond 2017/2024); following the 2023 restructuring, a temporarily increased fixed-rate coupon applied until 31 July 2025. During 2024, the bond was fully repaid in the context of the Group's Recapitalisation in September 2024, resulting in a gain of EUR 7.4 million recognised in finance income as of 31 December 2024. The repayment was refinanced by the issuance of new 1.5 lien loan notes (Facility 1.5L - see Note 19).

A senior unsecured bond with a nominal amount of EUR 400 million was outstanding at the beginning of 2024. The bond originally bore a fixed-rate coupon of 3.25% p.a. and had a contractual maturity of 5 August 2025 (Adler Group Bond 2020/2025); following the 2023 restructuring, a temporarily increased fixed-rate coupon applied until 31 July 2025. During 2024, the bond was derecognised as part of the Group's Recapitalisation in September 2024 (see Note 17 - Equity).

A senior unsecured bond with a nominal amount of EUR 400 million was outstanding at the beginning of 2024. The bond originally bore a fixed-rate coupon of 2.75% p.a. and had a contractual maturity of 13 November 2026 (Adler Group Bond 2020/2026); following the 2023 restructuring, a temporarily increased fixed-rate coupon applied until 31 July 2025. During 2024, the bond was derecognised in the context of the Group's Recapitalisation in September 2024 (see Note 17 - Equity).

Senior unsecured bonds with an aggregate nominal amount of EUR 1,500 million were outstanding at the beginning of 2024. The bonds comprised a EUR 700 million tranche maturing on 8 January 2026, originally bearing a fixed-rate coupon of 1.875% p.a., and a EUR 800 million tranche maturing on 8 January 2029, originally bearing a fixed-rate coupon of 2.25% p.a. (Adler Group Bond 2021/2026 and Adler Group Bond 2021/2029); following the 2023 restructuring, temporarily increased fixed-rate coupons applied until 31 July 2025 to both tranches. During 2024, both tranches were derecognised as part of the Group's Recapitalisation in September 2024 (see Note 17 - Equity).

A senior unsecured bond with a nominal amount of EUR 500 million was outstanding at the beginning of 2024. The bond originally bore a fixed-rate coupon of 2.25% p.a. and had a contractual maturity of 21 April 2027 (Adler Group Bond 2021/2027); following the 2023 restructuring, a temporarily increased fixed-rate coupon applied until 31 July 2025. During 2024, the bond was derecognised in the context of the Group's Recapitalisation in September 2024 (see Note 17 - Equity).

In exchange of the bonds derecognised, AGPS BondCo issued perpetual notes with a nominal amount of EUR 2,342 million and reinstated notes at an amount of EUR 700 million with a maturity date of 14 January 2030 (AGPS Bond Reinstated 2L 2024/2030). Both notes are secured by collaterals, such as pledges over shares in certain fully consolidated entities and land charges over certain plots of lands and buildings. They bear an interest of 6.25% p.a.

AGPS Bond Reinstated 2L 2024/2030 was initially measured at a fair value of EUR 220.9 million (excluding transaction costs). Perpetual notes were classified as equity at a fair value of EUR 739.0 million less transaction costs of EUR 22.3 million totalling to EUR 716.7 million as of 31 December 2024. The derecognition of the bonds in exchange of subordinated perpetual notes and reinstated notes led to a gain of EUR 2,120 million as of 31 December 2024. As of 31 December 2025, the nominal amount of the reinstated bond, including capitalised PIK interest (AGPS Bond Reinstated 2L 2024/2030), stood at EUR 756.8 million (as of 31 December 2024: EUR 712.2 million).

A senior unsecured bond tranche with a nominal amount of EUR 300 million was outstanding. The bond bore a fixed-rate coupon of 2.13% p.a. and had a contractual maturity in February 2024 (Adler Bond 2017/2024). During 2024, the remaining nominal amount was repaid at contractual maturity.

In April 2018, Adler successfully placed corporate bonds of EUR 800 million in two tranches again with institutional investors in Europe. The first tranche (Adler Bond 2018/2023) had a volume of EUR 500 million, a coupon of 1.88% and a term until April 2023; the second tranche (Adler Bond 2018/2026) had a volume of EUR 300 million, a coupon of 3.0% and a term until April 2026. On 26 April 2023, the maturity date of the first tranche, Adler Real Estate AG repaid its bond (Adler Bond 2018/2023) in the full amount of EUR 500 million. In June 2025, the Group repurchased EUR 285 million (representing approx. 95% of the nominal amount outstanding) under a tender offer for a purchase price of EUR 98.50 per EUR 100.00 principal amount plus accrued interest.

As at the beginning of 2024, the Group had inflation-linked bond series assumed in connection with the acquisition of BCP outstanding. These comprised BCP Bond Series B, with a contractual maturity in December 2024 and an inflation-linked interest rate increased to 4.04% p.a. following the 2022 downgrade (BCP Bond 2013/2024), as well as BCP Bond Series D, newly issued in 2024 and bearing an inflation-linked interest rate of 5.05% p.a. During 2024, Series B amortised through scheduled principal repayments and was fully settled at contractual maturity, while Series D was issued and subsequently expanded during the year. In connection with the deconsolidation of BCP, the outstanding bond series were derecognised (see Note 5).

A senior secured bond with a nominal amount of EUR 191 million was outstanding at the beginning of 2024. The bond had a contractual maturity of 31 July 2025 and bore an annual PIK-coupon of 21% (Adler Group Bond 2023/2025); it was issued at par and ranked as 1.5-lien secured under the Group's intercreditor arrangements. The bond was fully repaid on 9 September 2024 in the context of the Group's Recapitalisation. The repayment was refinanced through the issuance of new 1.5-lien loans to a group of investors (Facility 1.5L - see Note 19).

### **Conversion of bonds into subordinated perpetual notes (subordinated notes) and reinstated notes**

Following the completion of the Issuer Substitution transaction in January 2023 and the subsequent Restructuring Plan in April 2023, AGPS BondCo plc had a number of bond liabilities in issue to external bondholders (Notes), which were listed on the Luxembourg Euro MTF Stock Exchange. Certain tranches of the Notes issued by AGPS BondCo plc were due for repayment in 2025. As a result, the Group developed a restructuring plan (Restructuring 09/2024) with its bondholders, which resulted in a set of steps involving the repayment of part of the existing AGPS BondCo plc debt and refinancing the remaining part into a combination of reinstated notes and new "subordinated notes", along with associated steps intended to achieve the overall commercial objectives of the restructuring. Among other things, the transaction involved the following:

- The extension of the maturity date of certain of the bonds issued by AGPS BondCo plc to end-2028/end-2029, along with amendments to some of the bond covenants.
- Additional New Money funding being obtained at the Adler Group S.A. level (see Note 19).
- The modification of EUR 2.341 billion of the bonds issued by AGPS BondCo plc to qualify as subordinated notes (perpetual notes, see Note 17).
- The invitation of Bondholders to subscribe for a certain number of Voting Securities (see Note 17).

With effect from 19 September 2024, AGPS BondCo issued two series of notes to Titanium 2L BondCo S.à r.l., comprising EUR 700,000,000 6.250% PIK 2L reinstated notes (ISIN: DE000A3L3AH7) and EUR 2,341,900,000 6.250% PIK 3L subordinated notes (ISIN: DE000A3L3AJ3) in exchange for the bonds derecognised in the course of restructuring. The reinstated notes in the nominal amount of EUR 700 million have a maturity date of 14 January 2030 and bear an interest of 6.25 % p.a. They were recognised as non-current corporate bond and measured at fair value of EUR 221 million. The subordinated notes have an indefinite duration with a PIK interest of 6.25% p.a. According to IAS 32, the main feature that distinguishes an equity from a financial liability is whether the issuer has an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation. With respect to the subordinated notes, Adler Group S.A. can avoid any payment, because the contingent events triggering an obligation to redeem the notes fully remain under the control of the issuer. Therefore, as the issuer has an unconditional right to avoid payment of the principal amount and the interest due, the subordinated perpetual notes are classified as equity instruments on initial recognition (see Note 17 - Equity).

Based on the fair value of the subordinated notes in the amount of EUR 739 million, the fair value of the reinstated note in the amount of EUR 221 million and the carrying amount of the bonds including the PIK in the amount of EUR 3,080 million as per the effective restructuring date on 19 September 2024, a derecognition gain of EUR 2,120 million was recognised in the finance income as of 31 December 2024 (see Note 29 - Net finance costs).

### **Bond Covenants**

As part of the wider refinancing in 2024 the previous set of financial covenants was replaced by a new financial covenant in the 2L reinstated notes.

Both the subordinated notes as well as the reinstated notes include several obligations and information covenants referring to the maintenance of the centre of commercial interest in the Grand Duchy of Luxembourg, the notification of any event of default and financial information on the transaction collateral. Furthermore, the terms and conditions contain among others limitations on mergers, limitations on contributions to the Consus Sub-group of EUR 330 million until 31 March 2027 (and EUR 265 million thereafter), limitations on share buy-backs and payments of dividends. With regard to the reinstated notes a maintenance loan-to-value ratio of 90% applies.

As at 31 December 2025, the Group is compliant with the covenants stipulated in the bond agreements.

### Credit Ratings Developments

On 10 February 2025, S&P revised their outlook on Adler Group and Adler RE to stable from negative and affirmed. Following the settlement of Adler RE's cash tender offer to repurchase its outstanding EUR 300 million secured notes on 27 June 2025, the Company's Facility 1L increased by EUR 281 million to approximately EUR 1.3 billion as per June 2025, up from EUR 1.2 billion as per December 2024.

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

Adler Group requested S&P to withdraw the rating of the remaining Adler RE 2026 notes with effect of 30 October 2025.

## Note 19 – Other loans and borrowings

The Group's other loans and borrowings are comprised as follows:

In EUR thousand	31 Dec 2025		31 Dec 2024	
	Non-current	Current	Non-current	Current
Facility 1L	1,280,041	-	1,225,739	-
Facility 1.5L	771,802	-	679,178	-
Bank loans	1,003,901	41,276	720,194	359,507
Debenture and other loans	22,135	-	21,990	-
<b>Total</b>	<b>3,077,879</b>	<b>41,276</b>	<b>2,647,101</b>	<b>359,507</b>

As at 31 December 2025, other loans and borrowings of Adler Group carry an average effective interest rate (i.e., considering the swap interest hedging effect from variable to fixed interest) of 7.2 percent per annum including the new money facility (as at 31 December 2024: 8.4 percent) excluding IFRS 5. The average maturity of other loans and borrowings including the Facilities 1L and 1.5L is 3.2 years (as at 31 December 2024: 3.7 years).

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

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

### Facility 1L

As at the beginning of 2024, the Group had senior secured New Money loan facilities (“New Money Facility 04/2023”) outstanding, which had been provided by a special purpose financing vehicle (“LendingCo”) and bore a fixed interest rate of 12.5% p.a. (PIK) with a contractual maturity of 30 June 2025.

LendingCo was established by the New Money investors solely for the purpose of the restructuring and acts as a financing vehicle representing a diversified group of individual investors. Based on the dispersion of voting rights and the information available, LendingCo and the New Money investors are not considered related parties of the Group in accordance with IAS 24.

In the context of the Group’s Recapitalisation in September 2024, the existing New Money Facility 04/2023 was significantly amended, including an upsizing by EUR 93.3 million and an extension of the contractual maturity to 31 December 2028, while the interest rate of 12.5% p.a. remained unchanged. Due to the significance of the changes, the existing facility was derecognised and a new Facility 1L was initially recognised at fair value less costs. The transaction resulted in a derecognition loss of EUR 40.4 million, recognised in the finance result as of 31 December 2024.

On 28 January 2025, the Company refinanced Facility 1L. As part of the refinancing, the outstanding amount was increased, and the fixed interest rate was reduced. Subsequent to the refinancing, the outstanding amount was EUR 1,178 million, bearing an interest rate of 8.25% p.a. plus a 1.0% original issue discount (compared to EUR 1,158 million outstanding, including PIK, and an interest rate of 12.5% p.a. prior to refinancing). The maturity date remained unchanged at 31 December 2028. The revised terms were assessed under IFRS 9 and determined to be substantially different from the previous terms. As a result, the original 1L Facility was derecognised, and a new 1L Facility was recognised at fair value. The derecognition resulted in a loss of EUR 14.0 million, which has been presented in finance expenses.

During the reporting period, the Group repaid EUR 348 million, using the proceeds from asset disposals. On 26 June 2025, the Facility 1L was increased by an amount of EUR 281 million to fund the repayment of the Adler Bond 2018/2026 (see Note 18).

### Facility 1.5L

For the purposes of the repayment of the Adler Group Bond 2023/2025 and AGPS Bond 2017/2024, New Money investors provided the Company with 1.5 lien facilities under the New Money Facility (Facility 1.5L) with a nominal amount of EUR 672,311 thousand and a maturity date of 31 December 2029, comprising two facilities. The Facility 1.5L 4.25% had a nominal amount of EUR 116,700 thousand with an interest rate of 4.25% until 31 July 2025 and thereafter 14.5% p.a. The Facility 1.5L 14.0% had a nominal amount of EUR 555,611 thousand and an interest rate of 14%. Both facilities were initially measured at fair value amounting to EUR 672,311 thousand.

On 18 February 2025, Adler Group refinanced Facility 1.5L. Under the amended terms, the now combined Facility 1.5L accrues payment-in-kind (PIK) interest at a rate of 10.00% p.a. plus a 0.75% original issue discount (OID). The facility is subject to non-call protection for the first year and a 1% call premium in the second year, after which it is callable at par. Following the refinancing, the outstanding amount under Facility 1.5L was EUR 717 million, at an interest rate of 10% p.a. (compared to EUR 707.3 million, including PIK, and an interest rate of 14% p.a. prior to refinancing). The maturity date

remained unchanged at 31 December 2029. The revised terms were assessed under IFRS 9 and deemed substantially different from the previous terms. As a result, the original Facility 1.5L was derecognised, and a new Facility 1.5L was recognised at fair value. The derecognition resulted in a loss of EUR 10.6 million, which has been presented in finance expenses.

#### **Financial covenants related to bank loans and other loans and borrowings**

Most of the loan agreements have also imposed requirements in the form of financial covenants. Loans secured by properties which constitute the bulk of a loan agreement usually include financial covenants at the level of the subsidiaries. Covenant levels vary by property. Most secured loans contain minimum/maximum debt service coverage ratios (DSCR), interest coverage ratios (ICR), loan-to-value (LTV) ratios and/or loan-to-mortgage-lending-value (LTMLV) ratios. Individual credit agreements require a minimum amount of maintenance work or rental income. Should the maintenance measures agreed in the loan agreement not be carried out, the Company must maintain a cash reserve of the same amount on restricted accounts. Failure to comply with such covenants entitles the lenders to impose various sanctions, which may also include terminating the respective facility.

As at 31 December 2025, the Group is compliant with the covenants stipulated in the loan agreements.

Almost all loans are secured with the assets (investment properties and inventory properties, financial assets, trade and other receivables, cash and cash equivalents).

## **Note 20 – Derivatives**

Derivative assets mainly include an option to repurchase shares of non-controlling interests in the Group's property companies amounting to EUR 7,905 thousand (31 December 2024: EUR 6,822 thousand).

## Note 21 – Other payables, provisions and contingent liabilities

Provisions and other payables are composed of the following:

In EUR thousand	31 Dec 2025	31 Dec 2024
Provisions for litigations	12,982	24,809
Onerous contracts	13,509	281,999
Other provisions	34,599	25,598
<b>Provisions</b>	<b>61,090</b>	<b>332,406</b>
Income tax payables	52,870	70,705
Accrued expenses	3,256	9,304
Deferred income	6,170	2,116
Value added tax	6,611	(146)
Miscellaneous other payables (non-financial)	1,534	15,046
<b>Total other payables (non-financial)</b>	<b>70,441</b>	<b>97,025</b>
Accrued interest	593	6,056
Tenants' deposits	20,380	20,008
Liability to holders of non-controlling interest in subsidiaries	3,254	3,097
Purchase price liabilities	8,453	1,807
Prepayments received	1,384	7,275
Security retentions	4,907	3,038
Miscellaneous other payables (financial)	5,355	10,595
<b>Total other payables (financial)</b>	<b>44,326</b>	<b>51,876</b>
<b>Total other payables</b>	<b>175,857</b>	<b>481,307</b>

### Provisions

Provisions for litigations principally relate to legal claims resulting from contractual penalties and from compensation for other damages. The increase mainly relates to the additions during the reporting period.

As at 31 December 2024, provisions for onerous contracts included an amount of EUR 244,878 thousand relating to expected losses from the deconsolidation of BCP and the Cosmopolitan portfolio. The remainder of the provisions for onerous contracts (31 December 2024: EUR 38,179 thousand) relate to project developments with potential adverse margin expectations and rent guarantees given. The measurement is based on management's expectations on sales, revenues for those projects, the completion stage for individual projects and rental status. The balance of the provision for contingent losses from development contracts is short-term and hence does not include an interest method.

Other provisions primarily relate to miscellaneous other risks from project developments (e.g. rental guarantees, remediation of deficiencies and withdrawals from purchase agreements).

The balance of the provisions developed as follows:

In EUR thousand	Provisions for litiga- tions	Onerous contracts	Other provisions	Total provisions
<b>Balance as at 1 January 2025</b>	<b>24,809</b>	<b>281,999</b>	<b>25,598</b>	<b>332,406</b>
Additions	3,175	2,307	31,433	36,915
Reversals	(7,219)	(57,296)	(19,613)	(84,128)
Consumption	(7,783)	(213,501)	(2,819)	(224,103)
<b>Balance as at 31 December 2025</b>	<b>12,982</b>	<b>13,509</b>	<b>34,599</b>	<b>61,090</b>

In 2025, the final deconsolidation of BCP and the Cosmopolitan portfolio was completed and a loss on deconsolidation of EUR 187,582 thousand was utilised against the provision for onerous contracts. The remainder in the amount of EUR 57,296 thousand was reversed, with the corresponding income recognised in other operating income.

### Contingent Liabilities

In the second half of 2025, a legal action was initiated against a subsidiary of the Group regarding the effectiveness of its termination of a lease agreement. As of 31 December 2025, the competent court has preliminarily assessed the amount in dispute at EUR 18 million. While the Group considers its position to be well-founded, the final outcome of the proceedings remains uncertain as it depends on legal interpretations and the presentation of evidence. Management currently assesses the probability of an outflow of resources as possible but not probable. Consequently, no provision has been recognized in the consolidated financial statements.

The Group is involved in a number of legal disputes resulting from normal business activities. In particular, these involve tenancy, construction and sales law disputes. None of the legal disputes, taken in isolation, are expected to have any material effects on the consolidated financial statements of the Group.

## Note 22 – Prepayments received

Whereas payments received for development projects accounted for according to IFRS are presented under contract assets and liabilities, the prepayments received for inventories is presented separately in the consolidated statement of financial position.

## Note 23 – Taxes

### A. The main tax laws imposed on the Group companies in their countries of residence

For the countries in which the Group operates, the applicable income tax rates vary within a considerable range.

In Germany, the combined corporation and trade tax result in an effective tax burden of approximately 30.18% for management companies, while the majority of property holding companies are subject to 15.825% as they qualify for the extended trade tax reduction. Beginning in 2028, the German corporate income tax rate will be reduced by 1% per annum through 2032, resulting in a cumulative reduction of 5% to a final corporate income tax rate of 10% as of 2032.

A Luxembourg Company is liable for Luxembourg corporation taxes. The aggregate maximum applicable rate including corporation tax, municipal business tax and further surcharges, is 23.87% for the financial year ending 2025.

Apart from income taxes in Luxembourg, the Company is fully subject to the annual Luxembourg net wealth tax charge which amounts to 0.5% of the net asset value of the Company. Certain assets might be excluded from the net asset value for the purpose of the net wealth tax computation such as shareholdings, provided that the provisions of the participation exemption regime are met.

Lastly, a 15% withholding tax is due in Luxembourg on dividends paid by the Company to its shareholders, unless the domestic withholding tax exemption or a withholding tax reduction or exemption under a double tax treaty concluded by Luxembourg applies. Normal interest payments (i.e., not profit-linked interest) and liquidation proceeds are generally not subject to withholding tax. Should any withholding taxes be payable on amounts paid by the Company, the Company assumes the responsibility for withholding Luxembourg taxes at source.

Ireland's corporation tax is levied at either 12.5% or 25%, dependent on the activity the company undertakes and can amount to 33% in respect of capital gains. The main corporation tax rate in the United Kingdom is 25% (a lower rate can be applicable based on certain conditions). Malta has a standard corporation tax rate of 35%, but this can be significantly reduced through provisions like the Notional Interest Deduction.

#### **Pillar Two**

- It is uncertain to whether the Group is within the scope of the OECD/EU Pillar Two rules. Based on pure top line revenue as reported in the IFRS Group financial statements, the Group would not fulfill the criteria for inclusion within the scope. However the Group considers that there is a risk that additional P&L line items might be recognised for the criteria of revenue exceeding EUR 750m. On this basis, the Group considers that it may fall within scope of OECD/EU Pillar Two rules. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. The Ultimate Parent Entity is located in Luxembourg and, therefore, applies the Income Inclusion Rule ("IIR") for all jurisdictions where Pillar Two rules were not (fully) enacted. The legislation came into effect for the Group's financial year beginning on 1 January 2024.
- Under the legislation, the Group is liable to pay a top-up tax for the difference between its Pillar Two effective tax rate per jurisdiction and the 15% minimum tax rate.
- The Group performed an impact analysis of the OECD transitional safe harbour rules for FY 2024 (as transposed into national legislation). Based on the indicated / high-level overview of FY 2024, the Group concluded that the majority of jurisdictions will not be subject to top-up tax due to the application of one of the transitional safe harbour rules.
- The Group initiated the process to update the CBCR high-level analysis for FY 2025. Even though there is no result foreseeable at the moment, the Company expects that there should be no material change to the position and expects that the CBCR transitional safe harbour rules are also applicable for FY 2025. Thus, the Group did not recognise any Pillar Two current tax for the year.

- The Group applies the exception under IAS 12 from recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

#### Disclosure of carried-forward tax losses

- The management of Adler Group SA recognises, based on the last filed tax return, that the Company has EUR 2,803,700 thousand of carried forward tax losses available as at 31 December 2023 and estimates a balance of tax loss carryforwards up to 31 December 2025 of approximately EUR 3,937,867 thousand which could lead to a potential deferred tax asset of EUR 939,968 thousand at a tax rate of 23.87%.
- The aforementioned losses have been generated as from tax year 2019 and can be carried forward for the seventeen years following the tax year in which the losses arose.
- The utilisation of the aforementioned losses is subject to review by the Luxembourg tax authorities under the usual statute of limitation rules that is 5 years for corporate income tax as from 1 January following the end of the financial year. The general statute of limitation may be extended to 10 years in case of (i) incorrect or incomplete tax return or (ii) failure to file a tax return. The existence of the tax loss carryforwards remains therefore uncertain (at least) until the end of the fifth financial year after the financial year in which they are used.

## B. Income taxes

In EUR thousand	2025	2024
Current year	(11,887)	(23,841)
Adjustments for prior years	4,825	(1,754)
Deferred tax income / (expense)	88,978	28,344
<b>Total</b>	<b>81,916</b>	<b>2,749</b>

Current tax expense for the year ended 31 December 2025 includes EUR 21,704 thousand related to uncertain tax positions (31 December 2024: EUR 0 thousand). This reflects a reassessment of tax positions following developments in tax law and its interpretation.

### C. Recognised deferred tax assets and liabilities

Deferred taxes were recognised for all temporary differences that arise from the following:

	31 Dec 2025	31 Dec 2024 <sup>(4)</sup>
<b>Deductible temporary differences and carryforwards</b>		
Tax loss and interest carryforward	182,726	158,247
Inventories	7,880	10,649
Other financial liabilities	1,057	1,529
Other liabilities	838	363
Other provisions	2,584	5,448
Other loans and borrowings	-	7,617
Other deductible temporary differences	830	170
<b>Total deductible temporary differences - deferred tax assets</b>	<b>195,915</b>	<b>184,023</b>
<b>Taxable temporary differences</b>		
Investment properties	187,126	289,890
Trading properties	8,388	11,840
Contract assets	3,824	6,994
Prepayments received	6,000	5,179
Financial assets	27	-
Non-financial receivables	1,313	1,136
Corporate bonds	157,966	128,349
Derivatives	4	4
Other financial liabilities	-	909
Right-of-use assets	1,334	1,246
Other taxable temporary differences	235	148
<b>Total taxable temporary differences - deferred tax liabilities</b>	<b>366,217</b>	<b>445,695</b>
Offsetting (-)	(195,915)	(183,969)
<b>Deferred tax assets (net)</b>	<b>0</b>	<b>54</b>
<b>Deferred tax liabilities (net)</b>	<b>170,302</b>	<b>261,726</b>

<sup>(4)</sup>Prior year's presentation amended.

In EUR thousand	2025	2024
<b>Deferred tax liabilities as of 1 January</b>	<b>(261,672)</b>	<b>(346,850)</b>
Deferred tax recognised in profit and loss	88,978	28,344
Transfer to / (from) a disposal group held-for-sale	255	19,908
Changes of deferred tax included in disposal groups	2,144	40,414
Effects resulting from currency translation	-	(607)
Other effects	(7)	(2,881)
<b>Reported deferred tax liabilities (deferred tax assets offset) as at 31 December</b>	<b>(170,302)</b>	<b>(261,672)</b>

### Losses for tax purposes carried forward to future years, based on the Group's estimation

Unused corporate income tax losses carried forward amounted to EUR 7,478,720 thousand at 31 December 2025 (31 December 2024: EUR 8,865,425 thousand) derived in Luxembourg EUR 5,388,443 thousand (31 December 2024: EUR 6,436,309 thousand) followed by Germany EUR 1,764,455 thousand (31 December 2024: EUR 1,387,798 thousand). The rest was sourced in Switzerland, the Netherlands and Denmark in the amount of EUR 325,823 thousand (31 December 2024: EUR 1,041,317 thousand).

Unused trade tax losses carried forward amounted to EUR 7,171,020 thousand at 31 December 2025 (31 December 2024: EUR 8,210,144 thousand) derived from Luxembourg EUR 5,388,652 thousand (31 December 2024: EUR 6,436,309 thousand), Germany EUR 1,776,637 thousand (31 December 2024: EUR 1,773,835 thousand) and the Netherlands in the amount of EUR 147 thousand (31 December 2024: EUR 0 thousand).

Tax losses can be carried forward indefinitely. Deferred tax assets for tax losses carried forward are recognised to the extent that they can be offset against deferred tax liabilities from taxable temporary differences. The Group did not recognise deferred tax assets in respect of corporate income tax losses carried forward amounting to EUR 6,680,185 thousand as at 31 December 2025 (31 December 2024: EUR 8,778,513 thousand). The Group did not recognise deferred tax assets in respect of trade tax losses carried forward amounting to EUR 6,502,200 thousand as at 31 December 2025 (31 December 2024: EUR 8,123,232 thousand).

Deferred tax assets and liabilities from leases are offset in the amount of EUR 1,480 thousand (2024: EUR 6,826 thousand).

The Group is of the opinion that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

The development of the tax rate is attributable to the following factors:

	31 Dec 2025	31 Dec 2024
Profit (loss) before taxes	(608,271)	789,971
Group tax rate	24.94%	24.94%
<b>Tax at group tax rate</b>	<b>151,703</b>	<b>(197,019)</b>
Effects of tax rate changes	78,974	-
Tax difference due to foreign tax rates	33,821	127,737
Effects from German trade tax	824	(25,957)
Non-deductible expenses	(38,454)	(179,153)
Effects from co-entrepreneurship	(9,061)	(15,627)
Change in valuation allowances on active deferred tax assets	(19,342)	(31,918)
Change in tax effects from tax loss carryforwards	(89,043)	(189,527)
Adjustments for current tax of prior periods	(27,785)	-
Adjustments for deferred tax of prior periods	(9,089)	-
Effects from deconsolidation	17,425	-
Effects from permanent differences	-	502,758
Adjustments for tax of prior periods	-	11,376
Other	(8,058)	78
<b>Income tax income / (expense)</b>	<b>81,916</b>	<b>2,749</b>
<b>Taxation rate</b>	<b>13.47%</b>	<b>0.35%</b>

The effect from permanent differences in the previous year mainly results from a one-off effect from refinancing and restructuring of bonds.

## Note 24 – Revenue

In EUR thousand	2025	2024
Net rental income	131,565	207,562
Revenue from charged cost of utilities	65,929	102,617
Revenue from property development	(9,631)	23,082
Revenue from the sale of trading properties	840	1,198
Revenue from real estate inventories disposed of	11,250	43,140
Miscellaneous other revenue	2,266	14,592
<b>Total</b>	<b>302,219</b>	<b>392,191</b>

Revenue from real estate inventories disposed of includes the sale of properties, buildings and projects.

In 2025 and 2024 no new forward sales contracts were signed. Revenue from property development is negative due to write-off of disputed receivables.

### Disaggregation of revenue

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

	Segments					2025
	Residential Property manage- ment	Privatisa- tion	Adler RE	Consus	Consoli- dation	Total <sup>(4)</sup>
Revenue from charged costs of utilities	65,299	-	31,853	-	(31,223)	65,929
Revenue from sale of trading properties	-	840	-	-	-	840
Revenue from property development contracts	-	-	-	(9,631)	-	(9,631)
Revenue from real estate inventories disposed of	-	-	-	111,250	-	111,250
Miscellaneous other revenue	9,517	-	-	(4,784)	(2,467)	2,266
<b>Revenue from contracts with customers (IFRS 15)</b>	<b>74,816</b>	<b>840</b>	<b>31,853</b>	<b>96,835</b>	<b>(33,690)</b>	<b>170,654</b>
thereof: products and services transferred at a point in time	-	840	-	111,250	-	112,090
thereof: products and services transferred over time	74,816	-	31,853	(14,415)	(33,690)	58,564
Rental income (IFRS 16)	103,027	-	25,486	3,052	-	131,565
Revenue from ancillary costs (IFRS 16) <sup>(4)</sup>	-	-	-	-	-	-
<b>Rental income (IFRS 16)</b>	<b>103,027</b>	<b>-</b>	<b>25,486</b>	<b>3,052</b>	<b>-</b>	<b>131,565</b>
<b>Revenues (IFRS 15 / IFRS 16)</b>	<b>177,843</b>	<b>840</b>	<b>57,339</b>	<b>99,887</b>	<b>(33,690)</b>	<b>302,219</b>

<sup>(4)</sup> Includes land tax and building insurance.

Revenues from charged costs of utilities and facility services subject to consolidation principally relate to energy and heat supply services distributed by Adler Energie Service GmbH. Other revenues subject to consolidation between segments comprise management fees charged between the management entities of the Group.

	Segments					2024
	Residential Property manage- ment	Privatisa- tion	Adler RE	Consus	Consoli- dation	Total <sup>(4)</sup>
Revenue from charged costs of utilities	65,462	-	61,474	-	(24,319)	102,617
Revenue from sale of trading properties	-	1,198	-	-	-	1,198
Revenue from property development contracts	-	-	-	23,082	-	23,082
Revenue from real estate inventories disposed of	1,140	-	-	42,000	-	43,140
Miscellaneous other revenue	13,744	-	-	39,023	(38,175)	14,592
<b>Revenue from contracts with customers (IFRS 15)</b>	<b>80,346</b>	<b>1,198</b>	<b>61,474</b>	<b>104,105</b>	<b>(62,494)</b>	<b>184,629</b>
thereof: products and services transferred at a point in time	1,140	1,198	-	42,000	-	44,338
thereof: products and services transferred over time	79,206	-	61,474	62,105	(62,494)	140,291
Rental income (IFRS 16)	102,230	-	101,473	3,875	(16)	207,562
Revenue from ancillary costs (IFRS 16) <sup>(4)</sup>	-	-	-	-	-	-
<b>Rental income (IFRS 16)</b>	<b>102,230</b>	<b>-</b>	<b>101,473</b>	<b>3,875</b>	<b>(16)</b>	<b>207,562</b>
<b>Revenues (IFRS 15 / IFRS 16)</b>	<b>182,576</b>	<b>1,198</b>	<b>162,947</b>	<b>107,980</b>	<b>(62,510)</b>	<b>392,191</b>

<sup>(4)</sup> Includes land tax and building insurance.

## Contract balances

The following table summarises the contract balances from revenue with customers under IFRS 15:

Contract balances	31 Dec 2025	31 Dec 2024
Contract assets arising from recharge of utilities (presented in "trade receivables")	8,438	9,712
Receivables from sale of real estate properties (presented in "trade receivables")	2,400	4,066
Receivables from other sales including forward sales (presented in "trade receivables")	16,939	18,060
Contract assets from developments (presented net in "contract assets")	13,128	23,141
<b>Total contract assets</b>	<b>40,905</b>	<b>54,979</b>
Contract liabilities arising from recharge of utilities (presented net in "trade payables")	-	1,793
<b>Total contract liabilities</b>	<b>-</b>	<b>1,793</b>

## Note 25 – Cost of operations

In EUR thousand	2025	2024
Salaries and other expenses	(14,701)	(21,638)
Costs of utilities recharged, net	(58,235)	(99,762)
Costs of property development	(197,450)	(85,722)
Cost of real estate inventories disposed of	(116,207)	(37,836)
Costs of sale of trading properties (condominiums)	(1,006)	(1,551)
Property operations and maintenance	(20,829)	(21,769)
Other costs of operations	(7,403)	(54,625)
<b>Total</b>	<b>(415,831)</b>	<b>(322,903)</b>

Cost of operations include write-down of inventories in an amount of EUR 196,178 thousand (prior year: EUR 76,156 thousand). Please refer to Note 13.

## Note 26 – General and administrative expenses

In EUR thousand	2025	2024
Salaries and related expenses	(24,410)	(37,943)
Share-based payments	-	(1,000)
Directors fee	(970)	(1,349)
Rent	(1,696)	(3,502)
Professional services	(38,507)	(50,942)
Traveling	(616)	(1,199)
Office, communication and IT expenses	(10,449)	(13,335)
Advertising and marketing	(269)	(863)
Impairment loss on trade receivables	(18,795)	(21,766)
Depreciation	(2,752)	(2,328)
Depreciation of right-of-use assets	(4,378)	(5,534)
Other	(14,737)	(15,327)
<b>Total</b>	<b>(117,579)</b>	<b>(155,088)</b>

Expenses for professional services include expenses for legal, accounting, audit and consulting fees.

Other general and administrative expenses principally include expenses for local taxes, car and related costs, insurance expenses and representation cost.

As at 31 December 2025, the Group had 320 full-time employees (31 December 2024: 478). On an annual average 400 employees (2024: 511) were employed.

## Note 27 – Other expenses

	2025	2024
Expenses from prior periods	-	-
Impairments of other non-financial assets	(4,678)	(580)
Loss on losing control over subsidiaries	-	(244,878)
One-off legal and consulting fees	(40,931)	(82,176)
Penalties from contractual obligations	(9,827)	(15,048)
Book value of investment properties sold (loss)	(1,243)	(2,878)
Proceeds from the sale of investment properties (loss)	1,243	1,415
Miscellaneous other expenses	(8,920)	(10,802)
<b>Total other expenses</b>	<b>(64,356)</b>	<b>(354,947)</b>

Loss on losing control over subsidiaries relates to the onerous contracts (please refer to Note 21).

## Note 28 – Other income

In EUR thousand	2025	2024
Reversal of provisions	89,121	15,730
Derecognition of liabilities	26,395	12,587
Gains on losing control over subsidiaries	7,090	280
Income from prior periods	-	5,411
Income from insurances (compensation)	649	3,812
Income from the sale of property, plant and equipment	241	12
Miscellaneous other income	14,745	5,280
<b>Total other income</b>	<b>138,241</b>	<b>43,112</b>

## Note 29 – Net finance costs

In EUR thousand	2025	2024
Interest received	26,433	32,366
Change in fair value of other derivatives	1,083	429
Gain from derecognition of derivatives	-	2,005
Gain from derecognition or modification of financial instruments	-	2,076,388
Net foreign exchange gain	-	9,282
Other finance income	3,038	1,356
<b>Total finance income</b>	<b>30,554</b>	<b>2,121,826</b>
Interest on bonds	(82,316)	(147,763)
Change in fair value of other derivatives	(260)	-
Impairment of financial instruments	(51,444)	(13,640)
Interest on other loans and borrowings	(221,763)	(233,479)
One-off refinance costs	(4,496)	(19,506)
Loss from derecognition or modification of financial instruments	(24,617)	-
Other finance expenses	(4,127)	(36,654)
<b>Total finance costs</b>	<b>(389,023)</b>	<b>(451,042)</b>
<b>Total net finance costs</b>	<b>(358,469)</b>	<b>1,670,784</b>

Interest on bonds includes effective interest of EUR 75,975 thousand (prior year: EUR 18,065 thousand) relating to the the reinstated bond (AGPS Bond Reinstated 2L 2024/2030).

The net foreign exchange gain relates to revaluation effects of bonds and convertible bonds denoted in NIS.

The Company does not capitalise interest costs in investment properties and inventories under construction.

The gain from derecognition of modification of financial instruments recorded in the prior year primarily resulted from the modification of the bonds and New Money in the course of the restructuring (refer to Notes 17, 18, 19).

## Note 30 – Leases

### A. Leases in which the Group is the lessee

Lease obligations not resulting from leaseholds are discounted using the incremental borrowing rate. Discount rates of between 1.94% and 9.07% were applied in the reporting year and between 1.92% and 6.70% in the prior year.

The following table shows the right-of-use assets that do not meet the definition of investment property.

In EUR thousand	Property	Vehicles	Total
<b>Balance as at 1 January 2025</b>	<b>26,858</b>	<b>518</b>	<b>27,376</b>
Additions to right-of-use assets (+)	2,410	271	2,681
Removals from right-of-use assets (-)	(19,682)	-	(19,682)
Depreciation charge for the year (-)	(3,915)	(526)	(4,441)
<b>Balance as at 31 December 2025</b>	<b>5,671</b>	<b>263</b>	<b>5,934</b>

In EUR thousand	Property	Vehicles	Total
<b>Balance as at 1 January 2024</b>	<b>31,410</b>	<b>883</b>	<b>32,293</b>
Removals from the scope of consolidated entities (-)	-	(72)	(72)
Additions to right-of-use assets (+)	159	343	502
Depreciation charge for the year (-)	(4,711)	(629)	(5,340)
Impairment (-)	-	(7)	(7)
<b>Balance as at 31 December 2024</b>	<b>26,858</b>	<b>518</b>	<b>27,376</b>

The following table shows the amounts recognised in interest expenses and general and administrative expenses in connection with leases (including leaseholds):

In EUR thousand	2025	2024
Interest expenses for lease liabilities	(945)	(1,823)

The lease payments over the lease term (including leaseholds) break down as follows by maturity:

In EUR thousand	31 Dec 2025	31 Dec 2024
Up to 1 year	2,613	5,072
1 to 5 years	1,698	19,538
More than 5 years	58	23,709

## B. Leases in which the Group is the lessor

Adler leases its investment property. A lessor classifies these leases as operating leases as the lessee does not receive substantially all of the risks and rewards incidental to ownership.

The claims to lease payments from long-term operating leases generally result from the letting of commercial properties. For the residential properties, leases are generally subject to the three-month statutory term of notice. There are no further claims to lease payments. The lease payments shown in the following tables include the net rental income only.

At the end of the reporting period, the future minimum lease payments under non-cancellable operating leases are as follows:

In EUR thousand	31 Dec 2025	31 Dec 2024
Up to 1 year <sup>(4)</sup>	37,431	52,955
1 to 5 years <sup>(4)</sup>	28,171	20,578
More than 5 years <sup>(4)</sup>	4,326	2,844

<sup>(4)</sup> Prior year's presentation amended.

## Note 31 – Financial instruments

The Group has exposure to the following risks arising from its use of financial instruments:

- **Credit risk**
- **Market risk**
- **Liquidity risk**

### A. Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from financial assets, trade and other receivables.

#### Exposure to credit risk

The carrying amounts of financial assets and contract assets represent the maximum exposure to credit risk. The following table presents the carrying amounts for each class of financial instruments as at the balance sheet date.

In EUR thousand	Category in accordance with IFRS 9	31 Dec 2025	31 Dec 2024
Investments in financial instruments	aafvPL	7,525	7,406
Other financial assets - loans and borrowings	aac	96,740	106,712
Other receivables - miscellaneous other receivables (Note 15)	aac	35,613	53,447
Trade receivables - receivables against tenants (Note 14)	aac	15,229	12,907
Trade receivables - other trade receivables	aac	34,830	33,591
Restricted bank deposits	aac	40,247	45,130
Cash and cash equivalents	aac	213,737	246,990
<b>Total financial assets</b>		<b>443,921</b>	<b>506,183</b>

#### Restricted bank deposits, cash and cash equivalents

Deposits with banks and other financial institutions are made exclusively at well-known financial institutions with very high credit ratings. The ratings are monitored and assessed by the Group on a regular basis. In the event of substantial deterioration in the credit rating, the Group takes efforts to ensure that its exposures are no longer entered into with the respective counterparty. The credit risk resulting from restricted bank deposits, cash and cash equivalents is not material to the Group. The Group did not recognise any material credit loss with regard to deposits with banks and other financial institutions on those financial instruments.

### Debt securities

The Group limits its exposure to credit risk by investing only in liquid products and only with counterparties with an appropriate credit rating. The Group monitors changes in credit risk by tracking published external credit ratings and other information available with regard to the credit worthiness of a counterparty. The credit risk resulting from debt securities is not material to the Group. Credit losses are recorded at the amount of the 12-month expected credit loss.

### Loans and borrowings, other receivables and other trade receivables

The credit risk from loans and borrowings, other receivables and other trade receivables is managed before and throughout the contract term and monitored closely at Group level. There are trading rules to ensure that transactions are only made with business partners if they have shown adequate payment behaviour in the past. Care is taken to ensure that all counterparties with relevance for the Group have at least a satisfactory credit rating. Credit risk is reduced by requiring the borrowers to provide securities, bank guarantees or other similar credit enhancements.

The following table presents a breakdown of loans and borrowings, other receivables and other trade receivables by category as at the balance sheet date. It indicates whether those assets were subject to a 12-month expected credit loss or lifetime expected credit loss allowance and, in the latter case, whether they were credit-impaired.

In EUR thousand	31 Dec 2025		
	Expected 12-month credit loss (Stage 1)	Lifetime expected credit loss - not credit-impaired (Stage 2)	Lifetime expected credit loss - credit-impaired (Stage 3)
<b>Loans and borrowings</b>			
Loans to holder of non-controlling interest in subsidiaries	-	141,828	-
Miscellaneous other borrowings	999	2,196	-
<b>Other receivables</b>			
Receivables from portfolio sales to associates	-	-	52,268
Receivables from portfolio sales to third parties	-	-	79,123
Receivables against holders of non-controlling interest in subsidiaries	19,395	24,277	-
Miscellaneous other receivables	254	62,357	-
<b>Trade receivables</b>			
Receivables against tenants	10,801	16,091	-
Other trade receivables	13,436	-	282,251
<b>Gross carrying amount</b>	<b>44,885</b>	<b>246,749</b>	<b>413,642</b>
Accumulated impairment losses	(4,490)	(126,126)	(393,097)
<b>Net carrying amount</b>	<b>40,395</b>	<b>120,623</b>	<b>20,545</b>

31 Dec 2024

In EUR thousand	Expected 12-month credit loss (Stage 1)	Lifetime expected credit loss - not credit-impaired (Stage 2)	Lifetime expected credit loss - credit-impaired (Stage 3)
<b>Loans and borrowings</b>			
Loans to holder of non-controlling interest in subsidiaries	-	125,155	-
Miscellaneous other borrowings	1,036	-	-
<b>Other receivables</b>			
Receivables from portfolio sales to associates	-	-	49,588
Receivables from portfolio sales to third parties	-	-	73,115
Receivables against holders of non-controlling interest in subsidiaries	29,753	25,899	-
Miscellaneous other receivables	18,569	-	-
<b>Trade receivables</b>			
Receivables against tenants	12,140	12,449	-
Other trade receivables	8,632	-	277,160
<b>Gross carrying amount</b>	<b>70,130</b>	<b>163,503</b>	<b>399,863</b>
Accumulated impairment losses	(4,720)	(47,092)	(375,027)
<b>Net carrying amount</b>	<b>65,410</b>	<b>116,411</b>	<b>24,836</b>

Expected credit losses regarding loans to non-controlling shareholders of subsidiaries are considered as relatively low as those are generally secured by liens on the shares held by these shareholders. However, the Group had to record allowances against some of these receivables as the carrying amount was no longer covered by the fair value of the underlying shares.

#### Other receivables

The credit risk from portfolio-sales is managed before and throughout the contract term and monitored closely at Group level. Care is taken to ensure that all counterparties with relevance for the Group have at least a satisfactory credit rating. Receivables from portfolio sales are typically collateralised by share liens and exploitation rights. The credit risk management process for receivables from portfolio sales to associates does not differ from the process applied to third parties.

**Receivables from portfolio sales to associates** include receivables before impairment against AB Immobilien B.V. at an amount of EUR 14,928 thousand (31 December 2024: EUR 14,928 thousand) and against Caesar JV Immobilienmanagement und Verwaltungs GmbH at an amount of EUR 37,340 thousand (31 December 2024: EUR 34,660 thousand). Both receivables have been fully impaired.

**Receivables from portfolio sales to third parties** include receivables from the sale of the majority shareholding in ACCENTRO Real Estate AG in 2017. The outstanding amount against the acquirer of the shares (including interest and default interest) is EUR 79.123 thousand (31 December 2024: EUR 73,115 thousand). In 2025 the Group earned interest income at an amount of EUR 6,008 thousand (2024: EUR 6,992 thousand). Due to a significant deterioration of the

creditworthiness of the debtor, the Group revised its assessment of the credit risk inherent in those receivables and recorded an impairment loss of EUR 6,008 thousand (2024: EUR 6,992 thousand).

The Group had to record allowances on some receivables against the holders of non-controlling interest in subsidiaries as the carrying amount was no longer covered by the fair value of the underlying shares. The respective receivables have been fully impaired.

### **Trade receivables**

**Other trade receivables** include receivables from the sale of real estate held for trading, forward sales and project related services. The credit risk inherent in these receivables is closely monitored by the Group's Senior Management. Care is taken to ensure that all counterparties with relevance for the Group have at least a satisfactory credit rating. Receivables are typically collateralised and subject to legal actions in cases of non-performance by the debtor.

The credit risk from **trade receivables against tenants** is managed and reduced through credit checks prior and throughout the lease term as well as through risk mitigating contractual terms such as security deposits, direct debit authorisations and advance payments. Due to the Group's heterogeneous tenant base the concentration of risk is limited.

The Group uses the simplified approach to estimate the lifetime expected credit loss of **trade receivables against tenants**. The approach relies on a provision matrix that is based on the ageing of the underlying receivables.

The table below shows the gross amount, the provisions for expected credit losses and the net carrying amount for each aging bucket. The Group considers trade receivables against tenants that are more than 30 days overdue as credit impaired.

	31 Dec 2025		
In EUR thousand	Gross carrying amount	Provision for impairment	Net carrying amount
Not past due	14,070	-	14,070
0-30 days past due	481	(308)	173
31-180 days past due	2,457	(1,864)	593
More than 180 days past due	9,884	(9,491)	393
<b>Total</b>	<b>26,892</b>	<b>(11,663)</b>	<b>15,229</b>

	31 Dec 2024		
In EUR thousand	Gross carrying amount	Provision for impairment	Net carrying amount
Not past due	10,524	-	10,524
0-30 days past due	308	(148)	160
31-180 days past due	3,926	(2,146)	1,780
More than 180 days past due	9,831	(9,388)	443
<b>Total</b>	<b>24,589</b>	<b>(11,682)</b>	<b>12,907</b>

Impairment losses on receivables from tenants have changed as follows:

In EUR thousand	2025	2024
<b>Balance as at 1 January</b>	<b>(11,682)</b>	<b>(25,473)</b>
Additions	(7,392)	(8,735)
Reversals	7,411	9,969
Write-offs	-	8,227
Reclassification to IFRS 5	-	4,330
<b>Balance as at 31 December</b>	<b>(11,663)</b>	<b>(11,682)</b>

The following impairment losses have been recognised for each class of financial instruments in the reporting period:

In EUR thousand	2025	2024
<b>Impairment loss of current period for:</b>		
<b>Loans and borrowings</b>		
Loans to holders of non-controlling interest in subsidiaries	15,799	-
<b>Other receivables</b>		
Receivables from portfolio sales to associates	5,799	3,198
Receivables from portfolio sales to third parties	6,008	9,813
Receivables against holders of non-controlling interest in subsidiaries	545	(1,467)
Miscellaneous other receivables	16,741	-
<b>Trade receivables</b>		
Receivables against tenants	(18)	4,678
Other trade receivables	-	1,663
<b>Total</b>	<b>44,874</b>	<b>17,885</b>

## B. Market risk

The Group is exposed to the risk of changes in market interest rates as a result of floating rate debt. Loans obtained at variable interest rates expose the Group to cash flow interest rate risk, which could have adverse effects on the Group's profit or loss or financial position. With respect to fixed rate loans, a change in market interest rates does not have impact on Group's profit or loss or financial position as they are mainly measured at amortised cost. However, a change in market interest rates may cause variations in fair value of the respective loans.

As of 31 December 2025 the nominal amount of variable interest-bearing liabilities which are exposed to interest rate risk amount to EUR 30 million (prior year: EUR 244 million).

On the basis of the valuation as at 31 December 2025, the Group performed a sensitivity analysis to determine the change in interest income and expenses given a parallel shift in the EUR yield curve by +/- 50 basis points:

Variable rate instruments	2025	2024
Change in interest basis points	-/+50	-/+50
Effect on the profit before tax (in EUR thousand)	(150)	(1,416)

In preparation of the analysis, the Group identified all financial instruments with variable interest rates (principally loan agreements). Where applicable, interest rate floors embedded in those financial instruments have been taken into account. All other variables have been held constant. A negative change in the interest rate at the same amount would have a similar impact on the profit and loss, but in the opposite direction.

### C. Liquidity risk

The Group continues to closely monitor its liquidity position. While operational earnings are generally sufficient to cover ongoing expenses, including cash interest payments, refinancing and deleveraging obligations require proactive financial management.

Following the successful completion of the 2023–2024 restructuring measures, including the comprehensive recapitalisation in September 2024 and the extension of several secured bank loans, the Group has secured sufficient liquidity to meet near-term obligations. Management is actively engaged with lenders and stakeholders and continues to evaluate all available options in the capital and banking markets to ensure ongoing financial flexibility.

Liquidity planning remains a key focus of the Group's financial management and is continuously assessed in the context of ongoing asset disposals, developments in capital markets, and broader macroeconomic conditions affecting the real estate sector. In the context of the comprehensive recapitalisation completed in September 2024, two baskets on Consus sub-group level were implemented. Firstly, a EUR 265 million basket for intercompany loans to members of the Consus sub-group provided by Adler Group and/or any of its subsidiaries which is not a member of the Consus sub-group. This basket has been increased to EUR 330 million until March 2027. Secondly, a EUR 240 million overall basket for CapEx spent by members of the Consus sub-group after 1 April 2024. The first basket sets a limit for liquidity provided to the Consus sub-group. The second sets a limit to the CapEx which can be spent by the members of the Consus sub-group. In addition, Consus may incur up to EUR 100 million additional secured debt (provided that such debt may not benefit from any guarantees or collateral provided by an entity which is not a member of the Consus sub-group). The proceeds of such additional debt may (also) be used to finance CapEx in addition to the EUR 240 million basket. The Group also remains subject to financial covenants under its loan and bond agreements. These are regularly reported to the respective lending banks or facility agents and complied with (refer to Notes 18, 19).

The following table shows the forecast for undiscounted cash flows of non-derivative financial liabilities and derivative financial instruments prevalent as per 31 December 2025:

31 Dec 2025

In EUR thousand	Carrying amount	Contractual cash flows	2026	2027	2028	Due after 3 years
Corporate bonds	323,018	981,962	15,244	-	-	966,718
Other loans and borrowings	3,119,155	3,836,239	45,836	428,584	2,014,307	1,347,512
Other financial liabilities	9,094	9,094	9,094	-	-	-
Trade payables	41,844	41,844	41,844	-	-	-
Tenants' deposits (Note 21)	20,380	20,380	20,380	-	-	-
Other payables (Note 21)	23,946	23,946	23,946	-	-	-
<b>Total</b>	<b>3,537,437</b>	<b>4,913,465</b>	<b>156,344</b>	<b>428,584</b>	<b>2,014,307</b>	<b>2,314,230</b>

31 Dec 2024

In EUR thousand	Carrying amount	Contractual cash flows	2025	2026	2027	Due after 3 years
Corporate bonds	528,412	1,284,718	9,000	309,000	-	966,718
Other loans and borrowings*	3,006,608	4,355,536	366,147	111,049	741,377	3,136,963
Other financial liabilities	9,092	9,092	9,092	-	-	-
Trade payables	63,193	63,193	63,193	-	-	-
Tenants' deposits	20,008	20,008	20,008	-	-	-
Other payables	31,868	31,868	31,868	-	-	-
Derivatives (stand-alone)	3	3	-	3	-	-
<b>Total</b>	<b>3,659,184</b>	<b>5,764,418</b>	<b>499,308</b>	<b>420,052</b>	<b>741,377</b>	<b>4,103,681</b>

\* disclosure of contractual cashflows adjusted

The undiscounted cash flows expected from lease liabilities are outlined in the Note 30 Leases.

## D. Fair value

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

31 Dec 2025

In EUR thousand	Category	Carrying amount	Amortised cost	Fair value through PL	Carrying amounts acc. to IFRS 16 / IAS 28	Fair Value	Fair value hierarchy level
<b>Assets</b>							
Investments in financial instruments							
Other investments in financial instruments	aafvPL	7,525	-	7,502	-	7,502	Level 3
Other financial assets							
Loans to holders of non-controlling interest in subsidiaries	aac	93,545	93,545	-	-	93,545	1)
Miscellaneous other financial assets	aafvPL	1,441	-	1,441	-	1,441	1)
Miscellaneous other financial assets	aac	1,754	1,754	-	-	1,754	Level 1
Derivatives	aafvPL	7,929	-	7,929	-	7,929	Level 3
Restricted bank deposits (non-current)	aac	9,974	9,974	-	-	9,974	1)
Restricted bank deposits (current)	aac	30,273	30,273	-	-	30,273	1)
Trade receivables	aac	50,059	50,059	-	-	50,059	1)
Other receivables (financial)							
Receivables against holders of non-controlling interest in subsidiaries	aac	25,593	25,593	-	-	25,593	1)
Loans	aac	4,054	4,054	-	-	4,054	Level 3
Deposits	aac	3,470	3,470	-	-	3,470	Level 3
Miscellaneous other receivables (financial)	aac	2,496	2,496	-	-	2,496	Level 3
Cash and cash equivalents	aac	213,737	213,737	-	-	213,737	1)
<b>Total financial assets</b>		<b>451,850</b>	<b>434,955</b>	<b>16,872</b>	<b>-</b>	<b>451,827</b>	

In EUR thousand	Category	Carrying amount	Amortised cost	Fair value through PL	Carrying amounts acc. to IFRS 16 / IAS 28	Fair Value	Fair value hierarchy level
<b>Liabilities</b>							
Corporate bonds	flac	323,018	323,018	-	-	334,686	Level 3
Other loans and borrowings	flac	3,119,155	3,119,155	-	-	3,123,498	Level 3
Other financial liabilities	flac	9,094	9,094	-	-	9,094	1)
Trade payables	flac	41,844	41,844	-	-	41,844	1)
Lease liabilities	n/a	6,258	-	-	6,258	-	n/a
Other payables (financial)	flac	44,326	44,326	-	-	44,326	Level 3
<b>Total financial liabilities</b>		<b>3,543,695</b>	<b>3,537,437</b>	-	<b>6,258</b>	<b>3,553,448</b>	

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

Further information on the financial assets and liabilities measured at fair value through profit or loss are included in the respective notes: Note 20 Derivatives, Note 15 Other receivables, and Note 10 Other financial assets.

31 Dec 2024

In EUR thousand	Category	Carrying amount	Amortised cost	Fair value through PL	Carrying amounts acc. to IFRS 16 / IAS 28	Fair Value	Fair value hierarchy level
<b>Assets</b>							
Investments in financial instruments							
Other investments in financial instruments	aafvPL	7,406	-	7,406	-	7,406	Level 3
Investments accounted under the equity method	n/a	502	-	-	502	-	n/a
Other financial assets							
Loans to holders of non-controlling interest in subsidiaries	aac	105,676	105,676	-	-	104,029	1)
Miscellaneous other financial assets	aafvPL	1,036	-	1,036	-	1,036	1)
Derivatives	aafvPL	7,505	-	7,505	-	7,505	Level 3
Restricted bank deposits (non-current)	aac	11,402	11,402	-	-	11,402	1)
Restricted bank deposits (current)	aac	33,728	33,728	-	-	33,728	
Trade receivables	aac	46,498	46,498	-	-	46,498	1)
Other receivables (financial)							
Receivables against holders of non-controlling interest in subsidiaries	aac	35,001	35,001	-	-	35,001	Level 3
Loans	aac	10,836	10,836	-	-	10,836	Level 3
Deposits	aac	4,013	4,013	-	-	4,013	Level 3
Miscellaneous other receivables (financial)	aac	3,597	3,299	-	-	3,299	Level 3
Cash and cash equivalents	aac	246,990	246,990	-	-	246,990	1)
<b>Total financial assets</b>		<b>514,190</b>	<b>497,443</b>	<b>15,947</b>	<b>502</b>	<b>511,743</b>	
<b>Liabilities</b>							
Corporate bonds	flac	528,412	528,412	-	-	523,285	Level 3
Other loans and borrowings	flac	3,006,608	3,006,608	-	-	3,405,016	Level 3
Other financial liabilities	flac	9,092	9,092	-	-	9,092	1)
Derivatives	lafv	3	-	3	-	3	Level 3
Trade payables	flac	63,193	63,193	-	-	63,193	1)
Lease liabilities	n/a	27,371	-	-	27,371	-	n/a
Other payables (financial)	flac	51,876	51,876	-	-	70,355	Level 3
<b>Total financial liabilities</b>		<b>3,686,555</b>	<b>3,659,181</b>	<b>3</b>	<b>27,371</b>	<b>4,070,944</b>	

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

Fair value for liabilities is estimated by discounting future cash flows by the market interest rate of the similar instruments on the date of measurement. In respect of the liability component of convertible bonds, the market rate of interest is determined by bid and ask quotes in the market. The fair value of the bonds is derived from quoted prices in active markets.

## E. Capital management

The Group's capital strategy is aligned with the terms and conditions of the current restructuring and financing terms.

## F. Movement in liabilities deriving from financing activities

In EUR thousand	Corporate bonds	Other loans and borrowings	Other financial liabilities	Total
<b>Balance as at 1 Jan 2025</b>	<b>528,412</b>	<b>3,006,608</b>	<b>9,092</b>	<b>3,544,112</b>
<b>Changes from financing cash flows</b>				
Cash inflow from raising debt	-	294,512	-	294,512
Cash outflow from repayment of debt	(280,922)	(382,740)	-	(663,662)
Cash outflow from payment of transaction cost	-	(18,910)	-	(18,910)
Cash outflow from payment of interest	(10,430)	(45,953)	-	(56,383)
<b>Total changes from financing cash flows</b>	<b>(291,352)</b>	<b>(153,091)</b>	<b>-</b>	<b>(444,443)</b>
Interest expense	82,316	221,763	-	304,079
Gains or losses from disposal	(1,962)	-	-	(1,962)
Gains or losses from the modification of debt	-	24,617	-	24,617
Elimination of transaction costs at modification included above	-	18,910	-	18,910
Other changes	5,604	348	2	5,954
<b>Balance as at 31 Dec 2025</b>	<b>323,018</b>	<b>3,119,155</b>	<b>9,094</b>	<b>3,451,267</b>

In EUR thousand	Corporate bonds	Other loans and borrowings	Other financial liabilities	Total
<b>Balance as at 1 Jan 2024</b>	<b>3,791,353</b>	<b>2,259,273</b>	<b>165,882</b>	<b>6,216,508</b>
<b>Changes from financing cash flows</b>				
Cash inflow from raising debt	130,745	776,778	-	907,523
Cash outflow from repayment of debt	(620,215)	(36,985)	-	(657,200)
Cash outflow from payment of transaction cost	-	(64,718)	-	(64,718)
Cash outflow from payment of interest	(84,902)	(61,809)	(3,869)	(150,580)
<b>Total changes from financing cash flows</b>	<b>(574,372)</b>	<b>613,266</b>	<b>(3,869)</b>	<b>35,025</b>
Interest expense	59,295	293,885	90,790	443,970
Gains or losses from disposal	(1,874,852)	40,365	(241,900)	(2,076,387)
Conversion to equity (gross, before transaction costs)	(739,029)	-	-	(739,029)
Transfer of debt to liabilities held-for-sale as part of a disposal group	-	(199,060)	-	(199,060)
Changes of debt included in a disposal group of assets and liabilities held-for-sale	(96,335)	20,771	4,573	(70,991)
Other changes	(37,648)	(21,892)	(6,384)	(65,924)
<b>Balance as at 31 Dec 2024</b>	<b>528,412</b>	<b>3,006,608</b>	<b>9,092</b>	<b>3,544,112</b>

Other changes principally relate to deferred interest and amortisation of transaction costs.

## G. Net result from financial instruments by the measurement classifications in IFRS 9

The net result from financial instruments broken down into individual measurement categories is presented in the table below. Interest income and interest expenses from financial instruments represent a component of the net result. The gains and losses are due to impairments and reversals from the fair value measurement.

		Net result 2025			
In EUR thousand	IFRS 9 category	Interest	Gains / Losses	OCI	Total
Financial assets measured at amortised cost	aac	26,433	(25,284)	-	1,149
Financial assets measured at fair value through profit or loss	aafv	-	823	-	823
Financial assets measured at fair value through other comprehensive income	aafvOCI	-	(26,160)	26,160	-
Financial liabilities measured at amortised cost	flac	(381,242)	-	-	(381,242)
<b>Total</b>		<b>(354,809)</b>	<b>(50,621)</b>	<b>26,160</b>	<b>(379,270)</b>

		Net result 2024			
In EUR thousand	IFRS 9 category	Interest	Gains / Losses	OCI	Total
Financial assets measured at amortised cost	aac	32,366	(13,640)	-	18,726
Financial assets measured at fair value through profit or loss	aafv	-	429	-	429
Financial assets measured at fair value through other comprehensive income	aafvOCI	-	-	(488)	(488)
Financial liabilities measured at amortised cost	flac	(303,357)	2,076,388	-	1,773,031
<b>Total</b>		<b>(270,991)</b>	<b>2,063,177</b>	<b>(488)</b>	<b>1,791,698</b>

## Note 32 – Related parties

### A. Related companies

Transactions took place with companies that were included in the consolidated financial statements as associated companies or joint ventures, as well as with companies that are not significant enough to be fully included in the consolidated financial statements (see Note 37).

The following amounts with related parties are included in the consolidated statement of financial position:

In EUR thousand	31 Dec 2025				
	Other receivables and financial assets	Other financial assets	Trade payables	Other payables	Other loans and borrowings
Associated companies	52,268	-	-	-	-
Joint ventures	-	-	-	-	-
Other related parties	719	-	-	-	-
<b>Total nominal value</b>	<b>52,987</b>	-	-	-	-
Accumulated impairment losses	(52,268)	-	-	-	-
<b>Carrying amount</b>	<b>719</b>	-	-	-	-

In EUR thousand	31 Dec 2024				
	Other receivables and financial assets	Other financial assets	Trade payables	Other payables	Other loans and borrowings
Associated companies	49,588	-	-	-	-
Joint ventures	-	-	-	-	-
Other related parties	-	66	702	103	1
<b>Total nominal value</b>	<b>49,588</b>	<b>66</b>	<b>702</b>	<b>103</b>	<b>1</b>
Accumulated impairment losses	(49,588)	-	-	-	-
<b>Carrying amount</b>	<b>-</b>	<b>66</b>	<b>702</b>	<b>103</b>	<b>1</b>

The following amounts with related parties are included in the consolidated statement of profit or loss:

In EUR thousand	2025		
	Interest income	Impairment	Other income/ (expense)
Associated companies	2,679	(2,679)	-
Joint ventures	-	-	-
Other related parties	-	-	162
<b>Total</b>	<b>2,679</b>	<b>(2,679)</b>	<b>162</b>

In EUR thousand	2024		
	Interest income	Impairment	Other income/ (expense)
Associated companies	1,507	(1,507)	-
Joint ventures	-	-	-
Other related parties	-	-	-
<b>Total</b>	<b>1,507</b>	<b>(1,507)</b>	<b>-</b>

## B. Transactions with key management personnel

Within the Group, the individuals in key positions pursuant to IAS 24 include the Senior Management and the Board of Directors of Adler Group S.A.

Compensation and benefits to key management personnel employed by the Group are broken down as follows:

In EUR thousand	2025	2024
Short-term employee benefits	3,333	3,501
Termination benefits	3,068	4,312
<b>Total</b>	<b>6,401</b>	<b>7,813</b>

The Board of Directors and members of their immediate families do not personally have any business relationship with the Group other than in their capacity as members of the Board of Directors.

### C. Emoluments granted to the members of the management and supervisory bodies

The emoluments granted to the members of the supervisory bodies in that capacity for the financial year are broken down as follows:

In EUR thousand	2025	2024
Directors fee granted to the members of the Board of Directors	970	856
<b>Total</b>	<b>970</b>	<b>856</b>

During the financial year an aggregated amount of EUR 6,000 thousand was also granted to the members of the Board as additional remuneration.

The emoluments granted to the members of the Senior Management (CEO, CFO, CLO, CRO, COO) are broken down as follows:

In EUR thousand	2025	2024
Fixed salary	2,367	745
Short-term cash incentive	540	2,367
Consulting fees	250	250
Other benefits	176	139
Termination fees	3,068	4,312
<b>Total</b>	<b>6,401</b>	<b>7,813</b>

## Note 33 – Auditors’ fees

Fees expensed by the Company and its subsidiaries for services provided by AVEGA Revision S.à r.l., Morison Köln AG and Domus Steuerberatungs-AG Wirtschaftsprüfungsgesellschaft solely relate to audit services.

In EUR thousand	2025	2024
Expense for audit fees	2,010	2,440

## Note 34 – Segments reporting

The segment report reflects the operating segments reported to the Group's chief operating decision maker (CODM).

The following summary describes the operations in each of the Group's operating segments:

- Residential property management – the Group's core business activity is renting and managing residential properties, which includes the modernisation and maintenance of the properties, the management of tenancy agreements and marketing of residential units. The focus of property management is on the optimisation of rental income.
- Privatisation – this segment includes all aspects of preparing and executing the sale of units. In addition, this segment is also subject to modernisation, maintenance and management, and generates rental income from non-vacant units.
- Adler RE – this segment comprises the sub-group Adler RE. Adler RE's activities have the objective of investing in residential properties that offer sustainable potential for value appreciation and whose current income contributes to the Group's success. The Company's operating strategy also includes active value creation, i.e., improving its existing residential property portfolios by means of expansion, conversion or modernisation measures.
- Consus – this segment comprises the sub-group Consus Real Estate GmbH. Consus' core business is the development of urban middle-income housing in Germany's nine largest cities. The focus is on the development of large-volume projects with a growing share of large urban neighbourhoods.

Adler RE and Consus are presented as an independent segment in accordance with current internal reporting to the chief operating decision maker.

The CODM does not review assets and liabilities separately by segment.

Performance is measured based on segment gross profit before revaluation of investment properties. Segment results reported to the CODM include items directly attributable to a segment on a reasonable basis.

### Information about reportable segments

Information regarding the results of each reportable segment is included below. For a detailed breakdown of revenues including revenues realised at a point in time and over time please refer to Note 24.

2025

In EUR thousand	Residential property manage- ment	Privatisation	Adler RE	Consus	Consoli- dation	Total conso- lidated
Revenue from residential property management	168,326	-	57,339	3,052	(31,223)	197,494
Revenue from sale of trading properties (condominiums)	-	840	-	-	-	840
Revenue from selling of other real estate inventories	-	-	-	111,250	-	111,250
Revenue from property development	-	-	-	(9,631)	-	(9,631)
Miscellaneous other revenue	9,517	-	-	(4,784)	(2,467)	2,266
<b>Consolidated revenue</b>	<b>177,843</b>	<b>840</b>	<b>57,339</b>	<b>99,887</b>	<b>(33,690)</b>	<b>302,219</b>
Cost of operations	(133,194)	(1,006)	(42,323)	(253,487)	14,179	(415,831)
<b>Reportable segment gross profit</b>	<b>44,649</b>	<b>(166)</b>	<b>15,016</b>	<b>(153,600)</b>	<b>(19,511)</b>	<b>(113,612)</b>
General and administrative expenses						(117,579)
Changes in fair value of investment properties						(92,449)
Other expenses						(64,356)
Other income						138,241
Finance income						30,554
Finance costs						(389,023)
Net income from at-equity valued investments						(47)
<b>Consolidated profit / (loss) before tax</b>						<b>(608,271)</b>
Income tax						81,916
<b>Consolidated profit / (loss) after tax</b>						<b>(526,355)</b>

2024

In EUR thousand	Residential property manage- ment	Privatisation	Adler RE <sup>(*)</sup>	Consus <sup>(*)</sup>	Consoli- dation	Total conso- lidated
Revenue from residential property management <sup>(*)</sup>	168,832	-	162,947	3,875	(24,335)	311,319
Revenue from sale of trading properties (condominiums)	-	1,198	-	-	-	1,198
Revenue from selling of other real estate inventories	-	-	-	42,000	-	42,000
Revenue from property development	-	-	-	23,082	-	23,082
Miscellaneous other revenue	13,744	-	-	39,023	(38,175)	14,592
<b>Consolidated revenue<sup>(*)</sup></b>	<b>182,576</b>	<b>1,198</b>	<b>162,947</b>	<b>107,980</b>	<b>(62,510)</b>	<b>392,191</b>
Cost of operations <sup>(*)</sup>	(79,767)	(1,551)	(83,956)	(202,363)	44,734	(322,903)
<b>Reportable segment gross profit</b>	<b>102,809</b>	<b>(353)</b>	<b>78,991</b>	<b>(94,383)</b>	<b>(17,776)</b>	<b>69,288</b>
General and administrative expenses						(155,088)
Changes in fair value of investment properties						(483,177)
Other expenses						(354,947)
Other income						43,112
Finance income						2,121,826
Finance costs						(451,042)
Net income from at-equity valued investments						(1)
<b>Consolidated profit / (loss) before tax</b>						<b>789,971</b>
Income tax						2,749
<b>Consolidated profit / (loss) after tax</b>						<b>792,720</b>

<sup>(\*)</sup> Prior year's presentation adjusted.

## Note 35 – Earnings per share

### Basic and diluted earnings per share

The calculation of basic earnings per share as at 31 December 2025 was based on the profit attributable to the Company's ordinary shareholders divided by a weighted average number of ordinary shares outstanding, calculated as follows:

#### (1) The diluted and undiluted earnings amount to:

In EUR thousand	2025	2024
Profit/ (loss) attributable to the owners of the Company	(486,620)	873,604
Correction: Profit / (loss) attributable to Adler Group S.A. hybrid capital investors	486,620	(873,604)
Adjusted profit / (loss) attributable to the owners of the Company	-	-

#### (2) Weighted average number of ordinary shares

(in thousands of shares)	2025	2024
Weighted average as at 1 January	151,626	151,626
Effect of issuance of regular shares	-	-
Weighted average as at 31 December	151,626	151,626

In EUR	2025	2024
Basic earnings per share	-	-
Diluted earnings per share	-	-

For the purposes of calculating earnings per share, an amount of minus EUR 486,620 thousand (2024: EUR 873,604 thousand) has been allocated to the holders of subordinated perpetual notes, based on a potential allocation of dividend claims and on a cumulative basis up to the nominal amount of the perpetual notes, including PIK.

## Note 36 – Material events in the Reporting Period and Subsequent events

### In the Reporting Period

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

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

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

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

**3.** On 28 January 2025 and 18 February 2025, the 1L and 1.5L Facilities were effectively refinanced. The outstanding loan amounts were increased, and the fixed interest rates were reduced. After the refinancing, the outstanding amount of the 1L Facility amounted to EUR 1,178 mil-

lion, with an interest rate of 8.25% (compared to EUR 1,158 million outstanding amount and 12.5% interest rate before refinancing). After refinancing, the outstanding 1.5L Facility amounted to EUR 717 million, with an interest rate of 10% (compared to EUR 707.3 million outstanding amount and 14% interest rate before refinancing).

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

**4.** In January 2025, Berlin-based property companies of Adler Group entered into an agreement with a German bank, according to which the latter extended a secured loan of approximately EUR 341 million by more than three years until October 2028. Also in January 2025, four further loans with a combined nominal amount of EUR 51 million were refinanced, and their maturities were extended to 31 October 2028.

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

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

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

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

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

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

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

**11.** Following the settlement of Adler RE’s cash tender offer to repurchase its outstanding EUR 300 million secured notes on 27 June 2025, the Company’s 1L notes increased by EUR 281 million to approximately EUR 1.3 billion as per June 2025, up from EUR 1.2 billion as per December 2024. In this context, S&P revised its ratings on the Adler Group and Adler RE debt instruments. On 30 June 2025, S&P downgraded the issue rating on the Adler Group’s 8.25%

1L New Money Facilities due 12 December 2028 from ‘B+’ to ‘B’. The ratings of Adler Group’s 10.0% 1.5L senior secured notes due 12 December 2029 and Adler RE’s remaining 3.0% senior unsecured notes due 27 April 2026 were also downgraded to ‘CCC’ from ‘CCC+’. The rating on Adler Group’s 6.25% Reinstated 2L Notes due 14 January 2030 remained unchanged at ‘CCC’. The issuer credit rating of Adler Group also remains unchanged at ‘B-’ (stable outlook).

**12.** On 8 July 2025, it was announced that Adler Group sold its Consus-owned development project Cologneo III. The transaction closed in August 2025.

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

**14.** On 16 September 2025, Adler Group completed the sale of the development project “The Wilhelm” in Berlin.

**15.** Adler Group requested S&P to withdraw the rating of the remaining Adler RE 2026 notes with effect of 30 October 2025.

**16.** On 31 October 2025, Adler Group announced the sale of the Hamburg development project “Holsten Quartier.” The project is centrally located in the Altona district, covering an area of around 87,000 square metres. It was sold to a Hamburg consortium consisting of Quantum and HanseMerkur Grundvermögen in cooperation with SAGA. The transaction is expected to be completed in the first quarter of 2026.

**17.** On 11 November 2025, Adler Group announced the sale of the Kaiserlei development project to the Frankfurt housing association ABG. It is located on the city limits

between Offenbach and Frankfurt. According to the letter of intent signed between the city of Offenbach and ABG, the project will have a gross floor area of around 122,000 square metres.

**18.** In 2025, the Company repaid the 1L Facility in the aggregate amount of EUR 348 million (excluding accrued interest).

## Subsequent events

The Group has evaluated transactions or other events for consideration as subsequent events since the reporting date 31 December 2025 in the annual financial statements through 31 March 2026, the date of finalisation of the financial statements.

**1.** On 13 January 2026, Adler Group completed the sale of the development project "Kaiserlei" in Offenbach.

**2.** On 16 March 2026, Adler Real Estate GmbH, a subsidiary of Adler Group, fully repaid the remaining outstanding amount of EUR 14.8 million of its notes maturing in April 2026.

**3.** On 19 March 2026, Adler Group completed the sale of the development project "Benrather Gärten" in Düsseldorf.

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

## Note 37 - List of the Company's shareholdings

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
1	Adest Grundstücks GmbH	Germany	99.90	99.90
2	Adoa Grundstücks GmbH	Germany	99.90	99.90
3	Adom Grundstücks GmbH	Germany	99.90	99.90
4	Adon Grundstücks GmbH	Germany	99.90	99.90
5	Ahava Grundstücks GmbH	Germany	89.90	89.90
6	Anafa 1 Grundstücks GmbH	Germany	99.90	99.90
7	Anafa 2 Grundstücks GmbH	Germany	99.90	99.90
8	Gamazi Grundstücks GmbH	Germany	99.90	99.90
9	Anafa Grundstücks GmbH	Germany	89.90	89.90
10	Badolina Grundstücks GmbH	Germany	89.90	89.90
11	Berale Grundstücks GmbH	Germany	99.90	99.90
12	Bamba Grundstücks GmbH	Germany	99.90	99.90
13	Zman Grundstücks GmbH	Germany	99.90	99.90
14	Adler Immobilien Management GmbH	2) Germany	100.00	100.00
15	CCM City Construction Management GmbH	2) Germany	100.00	100.00
16	Drontheimer Straße 4 Grundstücks GmbH	Germany	99.90	99.90
17	Eldalote Grundstücks GmbH	Germany	99.90	99.90
18	Nuni Grundstücks GmbH	Germany	99.90	99.90
19	Krembo Grundstücks GmbH	Germany	99.90	99.90
20	Tussik Grundstücks GmbH	Germany	99.90	99.90
21	Geut Grundstücks GmbH	Germany	99.90	99.90
22	Gozal Grundstücks GmbH	Germany	99.90	99.90
23	Gamad Grundstücks GmbH	Germany	99.90	99.90
24	Geshem Grundstücks GmbH	Germany	99.90	99.90
25	Lavlav 1 Grundstücks GmbH	Germany	99.90	99.90
26	Lavlav 2 Grundstücks GmbH	Germany	99.90	99.90
27	Lavlav 3 Grundstücks GmbH	Germany	99.90	99.90
28	Lavlav Grundstücks GmbH	Germany	99.90	99.90
29	Mastik Grundstücks GmbH	Germany	99.90	99.90
30	Maya Grundstücks GmbH	Germany	89.90	89.90
31	Mezi Grundstücks GmbH	Germany	99.90	99.90
32	Muse Grundstücks GmbH	Germany	99.90	99.90
33	Papun Grundstücks GmbH	Germany	99.90	99.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
34	Nehederet Grundstücks GmbH	Germany	99.90	99.90
35	Neshama Grundstücks GmbH	Germany	99.90	99.90
36	Osher Grundstücks GmbH	Germany	100.00	100.00
37	Pola Grundstücks GmbH	Germany	99.90	99.90
38	Adler Properties GmbH	2) Germany	100.00	100.00
39	Reshet Grundstücks GmbH	Germany	99.90	99.90
40	Sababa 18 Grundstücks GmbH	Germany	99.90	99.90
41	Sababa 19 Grundstücks GmbH	Germany	99.90	99.90
42	Sababa 20 Grundstücks GmbH	Germany	99.90	99.90
43	Sababa 21 Grundstücks GmbH	Germany	99.90	99.90
44	Sababa 22 Grundstücks GmbH	Germany	99.90	99.90
45	Sababa 23 Grundstücks GmbH	Germany	99.90	99.90
46	Sababa 24 Grundstücks GmbH	Germany	99.90	99.90
47	Sababa 25 Grundstücks GmbH	Germany	99.90	99.90
48	Sababa 26 Grundstücks GmbH	Germany	99.90	99.90
49	Sababa 27 Grundstücks GmbH	Germany	99.90	99.90
50	Sababa 28 Grundstücks GmbH	Germany	99.90	99.90
51	Sababa 29 Grundstücks GmbH	Germany	99.90	99.90
52	Sababa 30 Grundstücks GmbH	Germany	99.90	99.90
53	Sababa 31 Grundstücks GmbH	Germany	99.90	99.90
54	Sababa 32 Grundstücks GmbH	Germany	99.90	99.90
55	Stav Grundstücks GmbH	Germany	99.90	99.90
56	Tamuril Grundstücks GmbH	Germany	99.90	99.90
57	Tara Grundstücks GmbH	Germany	99.90	99.90
58	Tehila 1 Grundstücks GmbH	Germany	99.90	99.90
59	Tehila 2 Grundstücks GmbH	Germany	99.90	99.90
60	Tehila Grundstücks GmbH	Germany	99.90	99.90
61	Trusk Grundstücks GmbH	Germany	99.90	99.90
62	Wernerwerkdamm 25 Berlin Grundstücks GmbH	Germany	89.90	89.90
63	Yarok Grundstücks GmbH	Germany	99.90	99.90
64	Yahel Grundstücks GmbH	Germany	99.90	99.90
65	Yussifun Grundstücks GmbH	Germany	99.90	99.90
66	Bombila Grundstücks GmbH	Germany	99.90	99.90

		Shareholding and control at 31 December in %			
Company	Country	2025	2024		
<b>Subsidiaries fully consolidated</b>					
67	ADO SBI Holdings S.A. & Co. KG	1)	Germany	94.00	94.00
68	Central Facility Management GmbH	2)	Germany	100.00	100.00
69	Sheket Grundstücks GmbH		Germany	99.90	99.90
70	Seret Grundstücks GmbH		Germany	99.90	99.90
71	Melet Grundstücks GmbH		Germany	89.90	89.90
72	Yabeshet Grundstücks GmbH		Germany	99.90	99.90
73	Yadit Grundstücks GmbH		Germany	99.90	99.90
74	Zamir Grundstücks GmbH		Germany	99.90	99.90
75	Arafel Grundstücks GmbH		Germany	99.90	99.90
76	Sharav Grundstücks GmbH		Germany	89.90	89.90
77	Sipur Grundstücks GmbH		Germany	99.90	99.90
78	Matok Grundstücks GmbH		Germany	100.00	100.00
79	Barbur Grundstücks GmbH		Germany	94.80	94.80
80	Parpar Grundstücks GmbH		Germany	100.00	100.00
81	Jessica Properties B.V.		Netherlands	94.41	94.41
82	Alexandra Properties B.V.		Netherlands	94.34	94.34
83	Marbien B.V.		Netherlands	94.78	94.78
84	Meghan Properties B.V.		Netherlands	94.34	94.34
85	Matok Löwenberger Straße Grundstücks GmbH		Germany	99.90	99.90
86	Songbird 1 ApS		Denmark	100.00	100.00
87	Songbird 2 ApS		Denmark	100.00	100.00
88	Joysun 1 B.V.		Netherlands	100.00	100.00
89	Joysun 2 B.V.		Netherlands	100.00	100.00
90	Ziporim Investment GmbH		Germany	100.00	100.00
91	Hanpaka Holding GmbH		Germany	100.00	100.00
92	Hanpaka Immobilien GmbH		Germany	89.90	89.90
93	Dvash 1 Holding GmbH		Germany	100.00	100.00
94	Dvash 2 Holding GmbH		Germany	100.00	100.00
95	Dvash 3 B.V.		Netherlands	100.00	100.00
96	Rimon Holding GmbH		Germany	100.00	100.00
97	Bosem Grundstücks GmbH		Germany	100.00	100.00
98	Rimon Grundstücks GmbH		Germany	89.90	89.90
99	Dvash 21 Grundstücks GmbH		Germany	89.90	89.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
100	Dvash 22 Grundstücks GmbH	Germany	89.90	89.90
101	Dvash 23 Grundstücks GmbH	Germany	89.90	89.90
102	Dvash 24 Grundstücks GmbH	Germany	89.90	89.90
103	Dvash 11 Grundstücks GmbH	Germany	89.90	89.90
104	Dvash 12 Grundstücks GmbH	Germany	89.90	89.90
105	Dvash 13 Grundstücks GmbH	Germany	89.90	89.90
106	Dvash 14 Grundstücks GmbH	Germany	89.90	89.90
107	ADO FC Management Unlimited Company i.L.	3) Ireland	100.00	100.00
108	5. Ostdeutschland Invest GmbH	Germany	89.90	89.90
109	8. Ostdeutschland Invest GmbH	Germany	89.90	89.90
110	Horef Holding GmbH	Germany	100.00	100.00
111	ADO 9110 Holding GmbH	Germany	100.00	100.00
112	Silan Grundstücks GmbH	Germany	99.90	99.90
113	ADO Sonnensiedlung S.à r.l.	5) Luxembourg	89.90	89.90
114	HOREF Grundstücks GmbH	Germany	89.90	89.90
115	Sprengelstraße 39 GmbH	Germany	89.90	89.90
116	Scharnweberstraße 112 Verwaltungsgesellschaft mbH	Germany	89.90	89.90
117	Kantstraße 62 Grundstücks GmbH	Germany	99.90	99.90
118	Adler Treasury GmbH	2) Germany	100.00	100.00
119	ADO 9160 Grundstücks GmbH	Germany	89.90	89.90
120	ADO 9200 Grundstücks GmbH	Germany	89.90	89.90
121	ADO 9210 Grundstücks GmbH	Germany	89.90	89.90
122	ADO 9220 Grundstücks GmbH	Germany	89.90	89.90
123	ADO 9230 Grundstücks GmbH	Germany	89.90	89.90
124	ADO 9240 Grundstücks GmbH	Germany	89.90	89.90
125	ADO 9250 Grundstücks GmbH	Germany	89.90	89.90
126	ADO 9260 Grundstücks GmbH	Germany	89.90	89.90
127	ADO 9270 Grundstücks GmbH	Germany	89.90	89.90
128	ADO 9280 Grundstücks GmbH	Germany	89.90	89.90
129	ADO 9290 Grundstücks GmbH	Germany	89.90	89.90
130	ADO 9300 Grundstücks GmbH	Germany	89.90	89.90
131	ADO 9310 Grundstücks GmbH	Germany	89.90	89.90
132	ADO 9320 Grundstücks GmbH	Germany	89.90	89.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
133	ADO 9330 Grundstücks GmbH	Germany	89.90	89.90
134	ADO 9340 Grundstücks GmbH	Germany	89.90	89.90
135	ADO 9350 Grundstücks GmbH	Germany	89.90	89.90
136	ADO 9360 Holding GmbH	Germany	100.00	100.00
137	ADO 9370 Grundstücks GmbH	Germany	89.90	89.90
138	ADO 9380 Grundstücks GmbH	Germany	89.90	89.90
139	ADO 9390 Grundstücks GmbH	Germany	89.90	89.90
140	ADO 9400 Grundstücks GmbH	Germany	89.90	89.90
141	ADO 9410 Grundstücks GmbH	Germany	89.90	89.90
142	ADO 9420 Grundstücks GmbH	Germany	89.90	89.90
143	ADO 9430 Grundstücks GmbH	Germany	89.90	89.90
144	ADO 9440 Grundstücks GmbH	Germany	89.90	89.90
145	ADO 9450 Grundstücks GmbH	Germany	89.90	89.90
146	ADO 9460 Grundstücks GmbH	Germany	89.90	89.90
147	ADO 9470 Grundstücks GmbH	Germany	89.90	89.90
148	ADO 9480 Grundstücks GmbH	Germany	89.90	89.90
149	ADO 9490 Grundstücks GmbH	Germany	89.90	89.90
150	ADO 9500 Grundstücks GmbH	Germany	89.90	89.90
151	ADO 9510 Grundstücks GmbH	Germany	89.90	89.90
152	ADO 9520 Grundstücks GmbH	Germany	89.90	89.90
153	ADO 9530 Grundstücks GmbH	Germany	89.90	89.90
154	ADO 9540 Holding GmbH	Germany	100.00	100.00
155	ADO Lux Finance S.à r.l.	Luxembourg	100.00	100.00
156	ADO 9550 Grundstücks GmbH	Germany	89.90	89.90
157	ADO 9560 Grundstücks GmbH	Germany	89.90	89.90
158	ADO 9570 Grundstücks GmbH	Germany	89.90	89.90
159	ADO 9580 Holding GmbH	Germany	100.00	100.00
160	ADO 9590 Angerburgerallee B.V.	Netherlands	89.90	89.90
161	ADO 9600 Grundstücks GmbH	Germany	89.90	89.90
162	ADO 9610 Grundstücks GmbH	Germany	89.90	89.90
163	ADO 9620 Grundstücks GmbH	Germany	89.90	89.90
164	ADO 9630 Grundstücks GmbH	Germany	89.90	89.90
165	Adler Living GmbH	Germany	100.00	100.00

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
166	ADO 9640 Grundstücks GmbH	Germany	89.90	89.90
167	ADO Lux-EEME S.à r.l.	Luxembourg	100.00	100.00
168	ADO Malta Limited	Malta	100.00	100.00
169	ADLER Real Estate GmbH (former ADLER Real Estate AG)	2) Germany	100.00	100.00
170	Consus Real Estate GmbH (former Consus Real Estate AG)	Germany	100.00	100.00
171	AGPS BondCo PLC	UK	100.00	100.00
172	ADLER Real Estate Service GmbH	2) Germany	100.00	100.00
173	Verwaltungsgesellschaft ADLER Real Estate mbH	Germany	100.00	100.00
174	Münchener Baugesellschaft mbH	Germany	100.00	100.00
175	ADLER Wohnen Service GmbH	2) Germany	100.00	100.00
176	MBG Trachau GmbH & Co. KG	1) Germany	99.90	99.90
177	MBG Erste Vermögensverwaltungs GmbH	Germany	100.00	100.00
178	Magnus zweite Immobilienbesitz und Verwaltungs GmbH	Germany	100.00	100.00
179	Magnus Dritte Immobilienbesitz und Verwaltungs GmbH	Germany	100.00	100.00
180	ESTAVIS 6. Wohnen GmbH	Germany	-	94.80
181	ESTAVIS 7. Wohnen GmbH	Germany	-	94.80
182	Magnus-Reida Holding Vier GmbH	Germany	97.99	97.99
183	Magnus Immobilienbesitz und Verwaltungs GmbH	Germany	100.00	100.00
184	WBR Wohnungsbau Rheinhausen GmbH	Germany	-	87.35
185	S.I.G. RE GmbH	Germany	100.00	100.00
186	Resident West GmbH	Germany	-	89.90
187	MBG Schwelm GmbH	Germany	-	89.90
188	Alana Properties GmbH	Germany	89.90	89.90
189	REO-Real Estate Opportunities S.à r.l. (prev. GmbH)	Luxembourg	100.00	100.00
190	SEPAT PROPERTIES GmbH	Germany	89.90	89.90
191	ADLER ImmoProjekt Erste GmbH	Germany	89.90	89.90
192	ADLER Energie Service GmbH	2) Germany	100.00	100.00
193	Magnus Neunte Immobilienbesitz und Verwaltungs GmbH	Germany	89.90	89.90
194	ADLER Gebäude Service GmbH	2) Germany	100.00	100.00
195	Westgrund Immobilien II. GmbH	Germany	89.90	89.90
196	Westconcept GmbH	Germany	-	100.00
197	IMMOLETO Gesellschaft mit beschränkter Haftung	Germany	100.00	100.00
198	ICR Idee Concept und Realisation von Immobilienvorhaben GmbH	Germany	89.90	89.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
199	Westgrund Immobilien Beteiligung GmbH	Germany	-	100.00
200	Westgrund Immobilien Beteiligung II. GmbH	Germany	-	100.00
201	Westgrund Immobilien Beteiligung III. GmbH	Germany	89.90	89.90
202	WESTGRUND Immobilien IV. GmbH	Germany	89.90	89.90
203	WAB Hausverwaltungsgesellschaft mbH	Germany	-	100.00
204	WESTGRUND VII. S.à r.l. (prev. WESTGRUND Immobilien VII. GmbH)	Luxembourg	100.00	100.00
205	Westgrund Halle Immobilienverwaltung GmbH	Germany	-	100.00
206	RESSAP - Real Estate Service Solution Applications -GmbH	Germany	-	100.00
207	Xammit GmbH	Germany	-	100.00
208	Magnus Zehnte Immobilienbesitz und Verwaltungs GmbH	Germany	100.00	100.00
209	Magnus Elfte Immobilienbesitz und Verwaltungs GmbH	Germany	100.00	100.00
210	Zweite CM Real Estate GmbH	Germany	89.90	89.90
211	Dritte CM Real Estate GmbH	Germany	89.90	89.90
212	Vierte CM Real Estate GmbH	Germany	89.90	89.90
213	AFP III Germany GmbH	Germany	-	89.90
214	RIV Kornspeicher GmbH	2) Germany	89.90	89.90
215	Magnus Dreizehnte Immobilienbesitz und Verwaltungs GmbH	Germany	89.90	89.90
216	Brack Capital Properties N.V. (BCP)	Netherlands	-	62.78
217	Magnus Fünfzehnte Immobilienbesitz und Verwaltungs GmbH	Germany	89.90	89.90
218	Magnus Sechzehnte Immobilienbesitz und Verwaltungs GmbH	Germany	89.90	89.90
219	Brack German Properties B.V.	Netherlands	-	100.00
220	Brack Capital (Düsseldorf-Rossstrasse) B.V.	Netherlands	-	99.90
221	Brack Capital (Düsseldorf-Schanzenstraße) B.V.	Netherlands	-	100.00
222	Brack Capital (Bad Kreuznach) B.V.	Netherlands	-	99.90
223	Brack Capital (Gelsenkirchen) B.V.	Netherlands	-	100.00
224	Brack Capital (Neubrandenburg) B.V.	Netherlands	-	99.90
225	Brack Capital (Ludwigsfelde) B.V.	Netherlands	-	99.90
226	Brack Capital (Remscheid) B.V.	Netherlands	-	99.90
227	Brack Capital Theta B.V.	Netherlands	-	100.00
228	Graniak Leipzig Real Estate GmbH & Co KG	Germany	-	99.90
229	Brack Capital Epsilon B.V.	Netherlands	-	100.00
230	Brack Capital (Hamburg) B.V.	Netherlands	-	100.00
231	BCP Leipzig B.V.	Netherlands	-	100.00

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
232	Brack Capital Germany (Netherlands) XXII B. V.	Netherlands	-	100.00
233	BCRE Essen Wohnen B.V.	Netherlands	-	99.90
234	BCRE Duisburg Wohnen B.V.	Netherlands	-	99.90
235	BCRE Dortmund Wohnen B.V.	Netherlands	-	99.90
236	Brack Capital Germany (Netherlands) XVII B.V.	Netherlands	-	100.00
237	Brack Capital Germany (Netherlands) XLV B.V.	Netherlands	-	100.00
238	S.I.B. Capital Future Markets Ltd.	Israel	-	100.00
239	Brack Capital Labda B.V.	Netherlands	-	100.00
240	Brack Capital Germany (Netherlands) XLVII B.V.	Netherlands	-	99.90
241	Brack Capital Germany (Netherlands) LI B.V.	Netherlands	-	99.90
242	Brack Capital Germany (Netherlands) LIII B.V.	Netherlands	-	99.90
243	Brack Capital Germany (Netherlands) XLVIII B.V.	Netherlands	-	100.00
244	Brack Capital Beta B.V.	Netherlands	-	89.90
245	Grafental Mitte B.V.	Netherlands	-	99.90
246	Grafental Mitte B.V. Zweigniederlassung Düsseldorf	Germany	-	100.00
247	Brack Capital Germany (Netherlands) XXVI B.V.	Netherlands	-	99.90
248	Grafental GmbH & Co. KG	Germany	-	100.00
249	Brack Capital Germany (Netherlands) XLIX B.V.	Netherlands	-	99.90
250	Brack Capital Germany (Netherlands) XLVI B.V.	Netherlands	-	100.00
251	Brack Capital Witten GmbH	Germany	-	100.00
252	Brack Capital (Witten) GmbH & Co. Immobilien KG	Germany	-	100.00
253	Brack Capital Germany (Netherlands) XII B.V.	Netherlands	-	100.00
254	Brack Capital Germany (Netherlands) XIX B.V.	Netherlands	-	99.90
255	Brack Capital Germany (Netherlands) XXI B.V.	Netherlands	-	99.90
256	Brack Capital Germany (Netherlands) XLI B.V.	Netherlands	-	99.90
257	Brack Capital Germany (Netherlands) XXIII B.V.	Netherlands	-	100.00
258	Brack Capital Germany (Netherlands) XLII B.V.	Netherlands	-	99.90
259	Brack Capital Germany (Netherlands) XLIII B.V.	Netherlands	-	100.00
260	Brack Capital Germany (Netherlands) XLIV B.V.	Netherlands	-	99.90
261	Brack Capital Germany (Netherlands) XXX B.V.	Netherlands	-	99.90
262	Brack Capital Germany (Netherlands) XXXI B.V.	Netherlands	-	99.90
263	Brack Capital Germany (Netherlands) XXXV B.V.	Netherlands	-	99.90
264	Brack Capital Germany (Netherlands) XXXVII B.V.	Netherlands	-	99.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
265	Brack Capital Germany (Netherlands) XXXVIII B.V.	Netherlands	-	99.90
266	Brack Capital Germany (Netherlands) XXXIX B.V.	Netherlands	-	99.90
267	Brack Capital Germany (Netherlands) XXV B.V.	Netherlands	-	100.00
268	Brack Capital Wuppertal (Netherlands) B.V.	Netherlands	-	100.00
269	Brack Capital (Wuppertal) GmbH	Germany	-	100.00
270	Invest Partner GmbH	Germany	-	93.90
271	Brack Capital Gelsenkirchen GmbH & Co. Immobilien KG	Germany	-	99.90
272	Brack Capital Eta B.V.	Netherlands	-	100.00
273	Brack Capital Germany (Netherlands) XL B.V.	Netherlands	-	100.00
274	Parkblick GmbH & Co. KG	Germany	-	99.90
275	Brack Capital Germany (Netherlands) LII B.V. "Holdco BV"	Netherlands	-	100.00
276	Brack Capital Patros GmbH "Holdco GmbH"	Germany	-	100.00
277	Brack Capital Magdeburg I GmbH	Germany	-	94.80
278	Brack Capital Magdeburg II GmbH	Germany	-	94.80
279	Brack Capital Magdeburg III GmbH	Germany	-	94.80
280	Brack Capital Magdeburg IV GmbH	Germany	-	94.80
281	Brack Capital Magdeburg V GmbH	Germany	-	94.80
282	Brack Capital Magdeburg VI GmbH	Germany	-	94.80
283	Brack Capital Halle I GmbH	Germany	-	94.80
284	Brack Capital Halle II GmbH	Germany	-	94.80
285	Brack Capital Halle III GmbH	Germany	-	94.80
286	Brack Capital Halle IV GmbH	Germany	-	94.80
287	Brack Capital Halle V GmbH	Germany	-	94.80
288	Brack Capital Leipzig I GmbH	Germany	-	94.80
289	Brack Capital Leipzig II GmbH	Germany	-	94.80
290	Brack Capital Leipzig III GmbH	Germany	-	94.80
291	Brack Capital Leipzig IV GmbH	Germany	-	94.80
292	Brack Capital Leipzig V GmbH	Germany	-	94.80
293	Brack Capital Leipzig VI GmbH	Germany	-	94.80
294	RT Facility Management GmbH & Co. KG	Germany	-	100.00
295	Brack Objekt Kassel Hafenstrasse GmbH	Germany	-	94.90
296	Brack Capital (Kassel) GmbH & Co. Immobilien KG	Germany	-	100.00
297	Magnus Siebzehnte Immobilienbesitz- und Verwaltungs GmbH	Germany	99.90	99.90

		Shareholding and control at 31 December in %		
Company		Country	2025	2024
<b>Subsidiaries fully consolidated</b>				
298	Wasserstadt Co-Living GmbH	Germany	-	100.00
299	Spree Röbellweg 2-10 Verwaltungs GmbH	Germany	89.90	89.90
300	Westgrund I. Halle S.à r.l.	Luxembourg	100.00	100.00
301	ADO GROUP LTD. i.L.	3) Israel	100.00	100.00
302	Eurohaus Frankfurt GmbH	Germany	89.99	89.99
303	Glasmacherviertel GmbH & Co. KG	Germany	-	100.00
304	Consus Holding GmbH	Germany	100.00	100.00
305	CCP Objektholding GmbH	Germany	100.00	100.00
306	Consus CCP 6 GmbH i.L.	3) Germany	100.00	100.00
307	DIPLAN Gesellschaft für Digitales Planen und Bauen GmbH	Germany	74.90	74.90
308	Consus Swiss Finance S.à r.l. (former: CONSUS Swiss Finance AG)	Luxembourg	93.40	93.40
309	CSW "clean and safe water" GmbH & Co. KG	Germany	100.00	100.00
310	CSW clean and safe Water Verwaltungs GmbH	Germany	100.00	100.00
311	Consus Projektmanagement Verwaltungs GmbH	Germany	100.00	100.00
312	SSN Facility Services GmbH i.L.	3) Germany	100.00	100.00
313	CSW Beteiligungs GmbH	Germany	100.00	100.00
314	Consus Projektmanagement GmbH & Co. KG	Germany	100.00	100.00
315	SSN Alboingärten Berlin GmbH i.L.	3) Germany	100.00	100.00
316	Franklinstrasse 26a Verwaltungs GmbH	Germany	94.00	94.00
317	Consus Wilhelmstraße Berlin GmbH	Germany	100.00	100.00
318	Wilhelmstr. 56-59 Immobilienentwicklungs GmbH	Germany	100.00	100.00
319	Consus Franklinstraße Berlin GmbH	Germany	100.00	100.00
320	Consus Projekt Holding Deutschland GmbH	Germany	100.00	100.00
321	Consus Deutschland GmbH	Germany	89.90	89.90
322	Consus Development Verwaltungs GmbH	Germany	100.00	100.00
323	Consus Development GmbH & Co. KG	Germany	100.00	100.00
324	PARKEN & IMMOBILIEN Invest GmbH Hamburg	4) Germany	-	100.00
325	PARKEN & IMMOBILIEN Betriebs GmbH Hamburg i.L.	3) Germany	100.00	100.00
326	Consus Investment Bundesallee Berlin GmbH	Germany	100.00	100.00
327	Consus Projekt Development GmbH	Germany	89.90	89.90
328	Wilhelmstraße I GmbH	Germany	79.80	79.80
329	SG Stuttgart-Vaihingen IBM-Campus 4 UG (haftungsbeschränkt)	Germany	100.00	100.00
330	SG Stuttgart-Vaihingen IBM-Campus 5 UG (haftungsbeschränkt)	Germany	100.00	100.00

			Shareholding and control at 31 December in %	
Company		Country	2025	2024
<b>Subsidiaries fully consolidated</b>				
331	SG Stuttgart-Vaihingen IBM-Campus 6 UG (haftungsbeschränkt)	Germany	100.00	100.00
332	SG Stuttgart-Vaihingen IBM-Campus 7 UG (haftungsbeschränkt)	Germany	100.00	100.00
333	SG Stuttgart-Vaihingen IBM-Campus 8 UG (haftungsbeschränkt)	Germany	100.00	100.00
334	SG Stuttgart-Vaihingen IBM-Campus 9 UG (haftungsbeschränkt)	Germany	100.00	100.00
335	SG Stuttgart-Vaihingen IBM-Campus 10 UG (haftungsbeschränkt)	Germany	100.00	100.00
336	SG Stuttgart-Vaihingen IBM-Campus 11 UG (haftungsbeschränkt)	Germany	100.00	100.00
337	SG Stuttgart-Vaihingen IBM-Campus 12 UG (haftungsbeschränkt)	Germany	100.00	100.00
338	SG Stuttgart-Vaihingen IBM-Campus 13 UG (haftungsbeschränkt)	Germany	100.00	100.00
339	SG Stuttgart-Vaihingen IBM-Campus 14 UG (haftungsbeschränkt)	Germany	100.00	100.00
340	SG Stuttgart-Vaihingen IBM-Campus 15 UG (haftungsbeschränkt)	Germany	100.00	100.00
341	SG Stuttgart-Vaihingen IBM-Campus 16 UG (haftungsbeschränkt)	Germany	100.00	100.00
342	SG Stuttgart-Vaihingen IBM-Campus 17 UG (haftungsbeschränkt)	Germany	100.00	100.00
343	Consus Einkaufs-GbR Garden Campus Vaihingen	Germany	100.00	100.00
344	Consus Stuttgart Wohnen an der Villa Berg UG (haftungsbeschränkt)	Germany	100.00	100.00
345	Consus Stuttgart Park an der Villa Berg UG (haftungsbeschränkt) i.L. 3)	Germany	100.00	94.00
346	Consus Stuttgart Villa Berg Parkhaus UG (haftungsbeschränkt) i.L. 3)	Germany	100.00	94.00
347	Consus Stuttgart Villa Berg historisch UG (haftungsbeschränkt)	Germany	100.00	94.00
348	Consus Frankfurt Mainzer Landstraße Investitions UG (haftungsbeschränkt)	Germany	100.00	100.00
349	SG Frankfurt Mainzer Landstrasse GmbH	Germany	94.00	94.00
350	Consus München Schwabing Investitionsgesellschaft UG (haftungsbeschränkt)	Germany	100.00	100.00
351	Consus Mannheim Glücksteinquartier Investitions UG (haftungsbeschränkt) i.L. 3)	Germany	100.00	100.00
352	Consus Mannheim Glücksteinquartier Verwaltungs GmbH i.L. 3)	Germany	100.00	100.00
353	SG Hamburg Holsten Quartiere 14 UG	Germany	100.00	100.00
354	SG Hamburg Holsten Quartiere 20 UG	Germany	100.00	100.00
355	Consus Einkaufs-GbR Holsten-Quartiere Hamburg	Germany	100.00	100.00
356	SG Stuttgart-Vaihingen IBM-Campus 1 UG (haftungsbeschränkt)	Germany	100.00	100.00
357	SG Stuttgart-Vaihingen IBM-Campus 2 UG (haftungsbeschränkt)	Germany	100.00	100.00
358	SG Stuttgart-Vaihingen IBM-Campus 3 UG (haftungsbeschränkt)	Germany	100.00	100.00
359	Consus Stuttgart Vaihingen IBM Campus Holding GmbH	Germany	100.00	100.00
360	Consus RE GmbH	Germany	100.00	100.00
361	Artists Living Berlin - ST GmbH & Co. KG	Germany	89.90	89.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Subsidiaries fully consolidated</b>				
362	Steglitzer Kreisel Sockel GmbH	Germany	100.00	100.00
363	Steglitzer Kreisel Turm GmbH	Germany	100.00	100.00
364	Steglitzer Kreisel Parkhaus GmbH	Germany	100.00	100.00
365	Artists Commercial Berlin - ST GmbH & Co. KG	Germany	89.90	89.90
366	Artists Parking Berlin - ST GmbH & Co. KG	Germany	89.90	89.90
367	Ostplatz Leipzig Work & Life GmbH & Co. KG	Germany	89.90	89.90
368	Ostplatz Leipzig Mensa GmbH i.L.	3) Germany	88.26	88.26
369	Artists Living Dresden PP GmbH & Co. KG	Germany	99.90	99.90
370	Artists Living Frankfurt SSc GmbH & Co. KG	Germany	89.90	89.90
371	Artists Living Frankfurt Dev GmbH	Germany	89.90	89.90
372	Artists Living Frankfurt Com GmbH & Co. KG	Germany	94.00	94.00
373	UpperNord Tower GmbH & Co. KG	Germany	89.90	89.90
374	UpperNord Hotel GmbH & Co. KG	Germany	100.00	100.00
375	UpperNord Quarter GmbH i.L.	3) Germany	100.00	100.00
376	Artists Living Köln StG GmbH & Co. KG	Germany	-	89.90
377	Holz ART Consus-Innovationen GmbH i.L.	3) Germany	100.00	100.00
378	Consus ST(R)AHLKRAFT GmbH i.L.	3) Germany	100.00	100.00
379	Böblinger CityQuartier GmbH	Germany	94.90	94.90
380	Innenstadt Residenz Dresden GmbH & Co. KG	Germany	89.90	89.90
381	LEA Grundstücksverwaltung GmbH	Germany	89.90	83.90
382	Cologneo I GmbH & Co. KG	Germany	99.90	99.90
383	Cologneo III GmbH	Germany	94.00	94.00
384	Consus Deutsche Wohnen GmbH i.L.	3) Germany	93.90	93.90
385	Consus Bauprojekte GmbH	Germany	100.00	100.00
386	Günther Fischer Gesellschaft für Projektentwicklung GmbH i.L.	3) Germany	80.00	80.00
387	Consus Immobilien GmbH i.L.	3) Germany	100.00	100.00
388	RVG Real Estate Vertriebs GmbH i.L.	3) Germany	100.00	51.00
389	Consus IT-Service GmbH	Germany	90.00	90.00
390	APARTes Gestalten GmbH i.L.	3) Germany	100.00	100.00
391	CREATIVES Bauen GmbH i.L.	3) Germany	100.00	100.00
392	Consus Denkmalimmobilien GmbH i.L.	3) Germany	93.90	93.90
393	Living Central Beteiligungs-GmbH	Germany	94.00	94.00
394	Living Central 1 GmbH	Germany	89.90	89.90

		Shareholding and control at 31 December in %		
Company		Country	2025	2024
<b>Subsidiaries fully consolidated</b>				
395	Living Central 2 GmbH	Germany	89.90	89.90
396	Living Central 3 GmbH	Germany	89.90	89.90
397	Living Central 4 GmbH	Germany	89.90	89.90
398	Living Central 5 GmbH	Germany	89.90	89.90
399	Living Central 6 GmbH	Germany	89.90	89.90
400	Living Central 7 GmbH	Germany	89.90	89.90
401	Living Central 8 GmbH	Germany	89.90	89.90
402	Living Central 9 GmbH	Germany	89.90	89.90
403	Living Central 11 GmbH	Germany	89.90	89.90
404	Benrather Gärten Wohnentwicklung GmbH & Co. KG	Germany	94.90	94.90
405	SLT 107 Schwabenland Tower GmbH	Germany	94.90	94.90
406	Benrather Gärten Gewerbeentwicklung GmbH & Co. KG	Germany	94.90	94.90
407	Benrather Gärten Projektentwicklung GmbH	Germany	100.00	100.00
408	Consus Construction GmbH	Germany	100.00	100.00
409	Consus TEC Services GmbH i.L.	3) Germany	100.00	100.00
410	Artists Living II Verwaltungs GmbH	Germany	100.00	100.00
411	Artists Living Verwaltungs GmbH	Germany	100.00	100.00
412	Adler Group Intermediate Holding S.à r.l.	Luxembourg	100.00	100.00
413	Adler Group Group Holding LuxCo 1 S.à r.l.	Luxembourg	100.00	100.00
414	Adler Group Group Holding LuxCo 2 S.à r.l.	Luxembourg	100.00	100.00
415	Adler Group Group Holding LuxCo 3 S.à r.l.	Luxembourg	100.00	100.00
416	AR Development GmbH	Germany	100.00	100.00
417	Consus Verwaltungs GmbH	6) Germany	6.00	6.00

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Associated Companies or Joint Ventures included in the consolidated financial statements</b>				
418	ACCENTRO REAL ESTATE AG	Germany	-	4.78
419	AB Immobilien B.V.	Netherlands	25.00	25.00
420	Caesar JV Immobilienbesitz und Verwaltungs GmbH i. In.	Germany	25.00	25.00
421	Brack Capital (Chemnitz) B.V.	Netherlands	-	59.90

		Shareholding and control at 31 December in %		
Company	Country	2025	2024	
<b>Companies not significant enough to be included fully consolidated in the consolidated financial statements</b>				
422	Brack Capital Germany (Netherlands) L B.V.	Netherlands	-	100.00
423	Brack Capital Germany (Netherlands) LIV B.V.	Netherlands	-	100.00
424	Brack Capital Germany (Netherlands) XVIII B.V.	Netherlands	-	100.00
425	Brack Capital Germany (Netherlands) LV B.V.	Netherlands	-	100.00
426	BCP Invest Rostock B.V.	Netherlands	-	89.90
427	BCP Invest Celle B.V.	Netherlands	-	89.90
428	BCP Invest Castrop B.V.	Netherlands	-	100.00
429	BCRE Leipzig Residenz am Zoo GmbH	Germany	-	94.90
430	Brack Capital Germany (Netherlands) Hedging B.V.	Netherlands	-	100.00
431	RealProb (Rodelheim) C.V.	Netherlands	-	100.00
432	Brack Capital Witten GmbH (GP)	Germany	-	100.00
433	Brack Capital (Darmstadt Goebelstrasse) GmbH	Germany	-	100.00
434	Brack Capital (Oberhausen) GmbH	Germany	-	100.00
435	Grafental Verwaltungs GmbH (pHG)	Germany	-	100.00
436	Grafental am Wald GmbH (PhG)	Germany	-	100.00
437	RT Facility Management (Germany) GmbH	Germany	-	100.00
438	Glasmacherviertel Verwaltungs GmbH (pHG)	Germany	-	100.00
439	Brack Capital (Duisburg 2) GmbH & Co. Immobilien KG	Germany	-	99.33
440	Ginkasso GmbH	Germany	100.00	100.00
441	SSN Advisory Services GmbH i.L.	3) Germany	100.00	100.00
442	SSN Cube GmbH i.L.	3) Germany	100.00	100.00
443	SSN Investment Bundesallee Berlin Zwei GmbH i.L.	3) Germany	100.00	100.00
444	Consus Netz-Werk GmbH	Germany	100.00	74.90

Company	Country	Shareholding and control at 31 December in %		
		2025	2024	
<b>Companies not significant enough to be included at equity in the consolidated financial statements</b>				
445	CONSUS Assekuranzmakler GmbH & Co. KG	Germany	50.00	50.00
446	ADLER Real Estate Assekuranzmakler GmbH & Co. KG	Germany	50.00	50.00

1) The Company intends to utilise the exemption option under § 264 b HGB.

2) The Company intends to utilise the exemption option under § 264 Art. 3 HGB.

3) In liquidation as of the reporting date.

4) Liquidation completed on the reporting date.

5) The Company intends to utilise the exemption option under article 70 (1) of Luxembourg law of 10 August 2002.

6) Fully consolidated in accordance with IFRS 10.



# Annual Accounts

## 4 Annual Accounts

192	Report of the Réviseur d'Entreprises agréé
198	Balance Sheet
200	Profit and Loss Account
201	Notes to the Annual Accounts

## To the Shareholders of

Adler Group S.A. | 55 Allée Scheffler | 2520 Luxembourg | Grand Duchy of Luxembourg

# Report of the Réviseur d'Entreprises agréé

## Report on the Audit of the Annual accounts

### Opinion

We have audited the annual accounts of Adler Group S.A. (the "Company"), which comprise the balance sheet as at 31 December 2025 and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2025 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

### Basis for our opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxem-

bourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of "réviseur d'entreprises agréé" for the Audit of the Annual accounts" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as

a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

### **Value adjustments in respect of financial assets**

a) Why the matter was considered to be one of most significance in our audit of the annual accounts:

Reference is made to the disclosures contained in Note 2.2.3 and in Note 4 of the annual accounts of the Company as at 31 December 2025 and for the year then ended.

Financial assets represent 82,7% of the Company's total assets and are subject to recoverability assessment at each reporting date. The conclusion on whether there is a durable diminution in value in the respect of financial assets is a significant judgement.

For the purpose of identifying a durable diminution of financial assets, the Company's management considers the net assets of each affiliated undertaking as at the balance sheet date, adjusted by the fair values from properties held by these undertakings if applicable. The respective properties held by the affiliated undertakings are

valued at their fair values by independent external valuers (the "Valuers").

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. In determining the property's valuation, the Valuers take into account property specific characteristics and information, including the rental income. The Valuers apply assumptions for estimated market rent, capitalisation rate and discount rate, which are influenced by prevailing market conditions and comparable market transactions, to arrive at the final valuation.

b) How our audit addressed the key audit matter:

Our procedures over the value adjustments in respect of financial assets included, but were not limited to:

- Comparison of the carrying amount of financial assets for each of the underlying affiliated undertaking with its net assets as per management accounts, considering also the fair value of investment properties of these underlying affiliated undertakings.

- Regarding the valuation of investment properties performing amongst others the following procedures:
- Evaluate the qualifications and competence of the Valuers and read the terms of engagement of the Valuers with the Company and/or its subsidiaries to determine whether there were any matters that might have affected their objectivity or limited the scope of their work;
- Evaluate the valuation methodologies used and testing the integrity of inputs of the projected cash flows used in the valuation to support leases and other documents on a selection;
- Evaluate the material input parameters (i.a. capitalisation and discount rates) used in the valuation by comparing them with historical rates and available industry data, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the Company and/or its external advisor.

## Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the combined management report and the Corporate Governance Report but does not include the annual accounts and our report of the “réviseur d’entreprises agréé” thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and Those Charged with Governance for the Annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for presenting the annual accounts in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Responsibilities of the "réviseur d'entreprises agréé" for the audit of the Annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs adopted for Luxembourg by the CSSF, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

We have been appointed as réviseur d'entreprises agréé by the Annual General Meeting of the Shareholders on 25 June 2025 and the duration of our uninterrupted engagement including previous renewals and reappointments is three years.

The combined management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The accompanying Corporate Governance Report is presented on pages 12 to 28. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

We have checked the compliance of the annual accounts of the Company as at 31 December 2025 and for the year then ended with relevant statutory requirements set out in the ESEF Regulation that are applicable to the annual accounts.

For the Company it relates to:

- Annual accounts prepared in a valid xHTML format.

In our opinion, the annual accounts of the Company as at 31 December 2025 and for the year then ended have been prepared in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our report only refers to the annual accounts of the Company as at 31 December 2025 and for the year then ended, identified as “391200OYYFJ3DWAMEC69-2025-12-31-1-en”, prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version.

Avega Revision S.à r.l.  
Cabinet de Révision Agréé

Represented by

-----  
Frank Thihatmar  
Réviseur d'entreprises agréé

Luxembourg, 31 March 2026

# Balance Sheet

In EUR	Note	31 Dec 2025	31 Dec 2024
<b>Assets</b>			
<b>Formation expenses</b>	<b>2.2.2, 3</b>	<b>96,508,014</b>	<b>99,926,871</b>
<b>Fixed assets</b>		<b>2,356,286,558</b>	<b>2,888,430,983</b>
Financial assets	2.2.3	2,356,286,558	2,888,430,983
Shares in affiliated undertakings	4.1	1,013,012,203	1,965,410,663
Loans to affiliated undertakings	4.2	1,291,619,876	868,183,301
Investments held as fixed assets	4.3	-	44,200
Other loans	4.4	51,654,479	54,792,819
<b>Current assets</b>		<b>393,884,297</b>	<b>354,566,294</b>
Debtors	2.2.4	286,191,834	327,848,731
Amounts owed by affiliated undertakings	5.1	268,344,005	309,060,566
Becoming due and payable within one year		268,344,005	309,060,566
Other debtors	5.2	17,847,829	18,788,164
Becoming due and payable within one year		17,847,829	18,788,164
Investments	2.2.5, 6	-	-
Other investments		-	-
Cash at bank and in hand	2.2.6	107,692,463	26,717,563
<b>Prepayments</b>	<b>2.2.8, 7</b>	<b>4,098,640</b>	<b>4,514,933</b>
<b>Total assets</b>		<b>2,850,777,508</b>	<b>3,347,439,081</b>

The accompanying notes form an integral part of the annual accounts.

In EUR	Note	31 Dec 2025	31 Dec 2024
<b>Capital, reserves and liabilities</b>			
<b>Capital and reserves</b>		<b>(2,601,886,782)</b>	<b>(1,912,369,690)</b>
Subscribed capital	8.1	188,016	188,016
Share premium account	8.2	2,242,906,370	2,242,906,370
Reserves		452,059	452,059
Legal reserve	8.3, 8.4	14,571	14,571
Other reserves, including the fair value reserve	8.4	437,488	437,488
Other available reserves		437,488	437,488
Profit or (loss) brought forward	8.4	(4,155,916,136)	(3,403,313,683)
Profit or (loss) for the financial year	8.4	(689,517,092)	(752,602,453)
<b>Provisions</b>	<b>2.2.9</b>	<b>392,003</b>	<b>8,321,942</b>
Provisions for taxation		9,630	4,815
Other provisions	9	382,373	8,317,127
<b>Creditors</b>	<b>2.2.10, 10</b>	<b>5,452,272,288</b>	<b>5,251,486,829</b>
Amounts owed to credit institutions	10.1	91,291,280	92,500,000
Becoming due and payable within one year		2,791,280	2,000,000
Becoming due and payable after more than one year		88,500,000	90,500,000
Trade creditors		4,027,750	2,750,551
Becoming due and payable within one year		4,027,750	2,750,551
Amounts owed to affiliated undertakings	10.2	3,329,889,355	3,303,076,973
Becoming due and payable within one year		41,320,999	117,953,815
Becoming due and payable after more than one year		3,288,568,356	3,185,123,159
Other creditors		2,027,063,904	1,853,159,305
Tax authorities	10.3	7,363,751	3,550,347
Social security authorities	10.3	-	14,519
Other creditors	10.4	2,019,700,153	1,849,594,439
Becoming due and payable within one year		1,939,607	3,009,370
Becoming due and payable after more than one year		2,017,760,545	1,846,585,068
<b>Total capital, reserves and liabilities</b>		<b>2,850,777,508</b>	<b>3,347,439,081</b>

The accompanying notes form an integral part of the annual accounts.

# Profit and Loss Account

In EUR	Note	2025	2024
<b>Profit and loss account</b>			
<b>Net turnover</b>	<b>2.2.11, 11</b>	<b>11,919,577</b>	<b>17,267,443</b>
<b>Other operating income</b>	<b>12</b>	<b>3,195,352</b>	<b>20,222</b>
<b>Raw materials and consumables and other external expenses</b>		<b>(25,556,660)</b>	<b>(58,579,485)</b>
Other external expenses	13	(25,556,660)	(58,579,485)
<b>Staff costs</b>		<b>(1,473,307)</b>	<b>(9,418,907)</b>
Wages and salaries	15, 16	(1,439,342)	(9,389,283)
Social security costs	15, 16	(33,966)	(29,624)
Relating to pensions		(23,214)	(20,386)
Other social security costs		(10,752)	(9,238)
<b>Value adjustments</b>	<b>2.2.12</b>	<b>(9,493,490)</b>	<b>(93,449,172)</b>
In respect of formation expenses and of tangible and intangible fixed assets	3	(30,436,228)	(43,496,372)
In respect of current assets	5.1	20,942,738	(49,952,800)
<b>Other operating expenses</b>	<b>16</b>	<b>(9,588,294)</b>	<b>(6,709,053)</b>
<b>Income from other investments and loans forming part of the fixed assets</b>	<b>2.2.14</b>	<b>150,695,328</b>	<b>184,200,829</b>
Derived from affiliated undertakings	5.1	144,863,553	171,486,282
Other income not from affiliated undertakings	4.3, 4.4, 5.2	5,831,775	12,714,547
<b>Other interest receivable and similar income</b>		<b>47,798,349</b>	<b>2,568,439</b>
Derived from affiliated undertakings	5.1	43,240,629	984,986
Other interest and similar income	2.2.14	4,557,720	1,583,453
<b>Value adjustments in respect of financial assets and of investments held as current assets</b>	<b>2.2.3, 2.2.5, 4</b>	<b>(421,718,000)</b>	<b>(409,977,131)</b>
<b>Interest payable and similar expenses</b>	<b>2.2.14</b>	<b>(435,291,132)</b>	<b>(378,520,823)</b>
Concerning affiliated undertakings	4.2, 10.2	(264,712,685)	(192,064,558)
Other interest and similar expenses	10.1, 10.4	(170,578,448)	(186,456,266)
Tax on profit or loss	17	-	-
<b>Profit or loss after taxation</b>		<b>(689,512,277)</b>	<b>(752,597,638)</b>
<b>Other taxes not shown above</b>		<b>(4,815)</b>	<b>(4,815)</b>
<b>Profit or loss for the financial year</b>	<b>8.4</b>	<b>(689,517,092)</b>	<b>(752,602,453)</b>

The accompanying notes form an integral part of the annual accounts.

## Note 1 – General information

Adler Group S.A. (hereafter the “Company”) previously known as ADO Properties S.A. was incorporated in Cyprus as Swallowbird Trading & Investments Limited on 13 November 2007 as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. Its registered office was situated in Larnaca, Cyprus. On 8 June 2015, the Company deleted its registration in Cyprus and moved its registered office and central administration to Luxembourg.

The Company adopted the form of a private limited liability company (*société à responsabilité limitée*) under Luxembourg law. The Company was then converted to a public limited liability company (*société anonyme*) for an unlimited duration under the Luxembourg law by decision of the General Meeting of Shareholders dated 16 June 2015 and changed its name to ADO Properties S.A.

The Company changed its name from ADO Properties S.A. to Adler Group S.A. by decision of the General Meeting of Shareholders dated 29 September 2020.

The Company is registered under the RCS number B197554 in Luxembourg.

On 23 July 2015, the Company completed an initial public offering (“IPO”) and its shares are traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange.

The Company has its registered office at 55 Allée Scheffer, L-2520 Luxembourg. The Company’s financial year starts 1 January and ends 31 December of each year.

The object of the Company is the acquisition and holding of interests in Luxembourg and/or in foreign undertakings, as well as the administration, development and management of such holdings. The Company may provide financial assistance to the undertakings forming part of the Group of the Company such as the providing of loans and granting of guarantees or securities in any kind or form.

The Company may also utilise its funds to invest in real estate and, provided such investment is ancillary to or related to the acquisition, holding, administration, development and management of the undertaking forming part of the Group of the Company, the Company may invest in intellectual property rights or any other movable or immovable assets in any kind or form.

The Company may borrow in any kind or form and may privately issue bonds, notes or similar debt instruments.

The annual accounts of the Company are prepared under the provision of the law applicable for commercial companies in Luxembourg.

The Company also prepares consolidated financial statements under International Financial Reporting Standards (IFRSs) as adopted by the European Union. The copies of the consolidated financial statements are available at the registered office of the Company or at <https://adler-group.com>

## Note 2 – Summary of significant accounting and valuation policies

### 2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, determined and applied by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that these annual accounts present the financial position and results fairly.

The books and records are maintained in EUR and the annual accounts have been prepared in accordance with the valuation rules and accounting policies described below.

The accounting policies applied to prepare these annual accounts are in conformity with the going concern principle.

### Geopolitical risks and uncertainties

Ongoing geopolitical tensions, in particular the continued war in Ukraine, conflicts in the Middle East and increasing trade and tariff uncertainties, continue to create a high level of macroeconomic uncertainty. These developments reinforced inflationary pressures, led to volatility in energy prices and contributed to disruptions in global supply chains and tighter financing conditions. The extent and duration of these effects remain uncertain as of the reporting date.

The Group's investment properties are located exclusively in Germany and the Group has no direct exposure to the affected regions. Nevertheless, geopolitical developments may indirectly affect the Group, in particular through higher construction and financing costs and potential delays in development projects.

Increases in energy and ancillary costs are generally rechargeable to tenants in accordance with contractual and legal provisions. Potential credit risks related to tenants' receivables are monitored on an ongoing basis and reflected, where necessary, in valuation allowances on receivables.

In preparing the consolidated financial statements, Management has considered the current geopolitical environment in applying significant judgments and estimates relevant to the Group's financial reporting. This includes the assessment of the carrying amounts of assets (particularly investment properties), taking into account available market information, as well as expected credit losses and liquidity and financing risks. The carrying amounts of assets and liabilities on the balance sheet date reflect the economic conditions and information available at that

date. Actual outcomes may differ as geopolitical developments evolve.

### Uncertainties on the continuation as a going concern

The going concern assessment is inherently subject to certain risks and uncertainties. The consolidated financial statements of the Company, presuppose the entity's ability to continue as a going concern.

Following the comprehensive recapitalisation completed in September 2024, the Group has further improved its debt profile. During 2025, the Group successfully refinanced its 1L and 1.5L Facilities, securing a reduction in the marginal cost of debt. While the Group's cost of capital remains elevated, these refinancings, combined with the successful extension of various secured bank facilities to 2028, have provided the basis for the Group's going concern assessment.

The Group remains committed to a structured deleveraging of the balance sheet, primarily through the allocation of net proceeds from targeted asset divestments to the amortisation of debt. Throughout the 2025 financial year, the Group utilised proceeds from divestments to further reduce debt levels and mitigate the associated interest burden.

The successful execution of the 2024/2025 refinancing measures, coupled with continued stabilisation in the real estate market, bolsters the Group's assertion of its going concern status, underpinning its capability to fulfil financial commitments.

The continuation of business operations, the realisation of asset sales, and the settlement of liabilities in the ordinary course of business for at least 12 months from the date of authorisation of these financial statements form the basis for the going concern assessment.

## 2.2 Significant accounting and valuation policies

The main accounting and valuation rules applied by the Company are the following:

### 2.2.1. Currency translation

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

Formation expenses and long-term assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are valued individually at the lower, respectively the higher, of their value at the historical exchange rate or their value determined at the exchange rates prevailing at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. Realised exchange gains and realised exchange losses are recorded in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above, the net unrealised losses are recorded in the profit and loss account, and the net unrealised exchange gains are not recognised.

### 2.2.2. Formation expenses

Formation expenses include expenses incurred for the IPO, capital increase, bond issuance, notes issuance, new

money facility costs and costs incurred on revolving credit facilities as well as issuance costs related to refinanced facilities and additional note issuances (including Facility 1L, Facility 1.5L, Loan Notes 2L and 3L). Formation expenses are written off based on a straight-line method over a period of five years or until the maturity date of the respective loan.

### 2.2.3. Financial assets

Shares in affiliated undertakings/participating interests/loans to these undertakings/investments held as fixed assets/other loans are valued at purchase price/nominal value (loans and claims), including their incidental expenses.

If, in the opinion of the Board of Directors, the value is permanently compromised, the values of the financial assets are adjusted and recognised at the lower value as at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

### 2.2.4. Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

### 2.2.5. Investments

Transferable securities are valued at the lower of purchase price, including expenses incidental thereto and calculated on the basis of weighted average prices method, or market value, expressed in the currency in which the annual accounts are prepared. A value adjustment is recorded where the market value is lower than the purchase price. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

The market value corresponds to:

- the latest available quote on the valuation date for transferable securities listed on a stock exchange or traded on another regulated market;
- the probable realisation value estimated with due care and in good faith by the Board of Directors for transferable securities not listed on a stock exchange or not traded on another regulated market and for transferable securities listed on a stock exchange or traded on another regulated market where the latest quote is not representative.

### 2.2.6. Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and deposits in banks. Cash is valued at its nominal value.

### 2.2.7. Derivative financial instruments

The Company may enter into derivative financial instruments such as options, swaps and futures. These derivative financial instruments are initially recorded at cost.

At each balance sheet date, unrealised losses are recognised in the profit and loss account whereas gains are accounted for when realised.

In the case of hedging of an asset or a liability that is not recognised at fair value, unrealised gains or losses are deferred until the recognition of the realised gains or losses on the hedged item.

### 2.2.8. Prepayments

Prepayments include expenditure incurred during the financial year but relating to a subsequent financial year.

### 2.2.9. Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the balance sheet date, are either likely to be incurred or certain to be

incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and, which at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which no final assessment notices have yet been received are recorded under the caption "Provisions for taxation". The advance payments are shown in the assets of the balance sheet under "Other debtors".

### 2.2.10. Creditors

Creditors are recorded at repayable amount.

### 2.2.11. Net turnover

The net turnover comprises the amounts of management fees, sales of services, recharge of fees and income on loan guarantee charged to affiliated companies.

### 2.2.12. Value adjustments

Value adjustments are deducted directly from the book value of the related asset and charged to the profit and loss.

### 2.2.13. Income from participating interests

Dividend income and gain on disposal of shares in affiliated undertakings are recognised on an accrual basis.

### 2.2.14. Interest income and expenses

Interest income and expenses are recognised on an accrual basis.

## Note 3 – Formation expenses

Formation expenses comprise incorporation expenses, expenses incurred for the capital increase, costs incurred for the IPO and costs incurred for bond or loan issuance (covering mainly underwriting, appraisal, legal and audit expenses). They also include issuance costs related to refinancing transactions and additional note issuances, such as those related to Facility 1L, Facility 1.5L, Loan Notes 2L and 3L.

In EUR	31 Dec 2025	31 Dec 2024
Gross book value - opening balance	265,471,817	198,505,301
Additions for the year	27,017,371	162,096,257
(Disposals for the year)	-	(95,129,741)
<b>Gross book value - closing balance</b>	<b>292,489,187</b>	<b>265,471,817</b>
(Accumulated value adjustments - opening balance)	(165,544,946)	(126,757,071)
(Additions for the year net)	(30,436,228)	(38,787,875)
<b>(Accumulated value adjustments - closing balance)</b>	<b>(195,981,174)</b>	<b>(165,544,946)</b>
<b>Net book value - closing balance</b>	<b>96,508,014</b>	<b>99,926,871</b>
<b>Net book value - opening balance</b>	<b>99,926,871</b>	<b>71,748,230</b>

During the year the addition of the formation expenses is composed of the following elements:

Nature and date of the formation expenses In EUR	2025	2024
Facility 1L Issuance Costs	17,725,883	113,728,293
Facility 1.5L Issuance Costs	9,291,487	19,373,842
Loan Note 2L (Reinstated) Issuance Cost	-	6,672,108
Loan Note 3L (Sub.) Issuance Costs	-	22,322,014
<b>Total</b>	<b>27,017,371</b>	<b>162,096,257</b>

## Note 4 – Financial assets

### 4.1 Shares in affiliated undertakings

The movements are as follows:

In EUR	31 Dec 2025	31 Dec 2024
Gross book value - opening balance	4,364,153,874	4,364,088,374
Additions for the year	650,000	83,500
(Disposals for the year)	(778,711,000)	(18,000)
<b>Gross book value - closing balance</b>	<b>3,586,092,874</b>	<b>4,364,153,874</b>
(Accumulated value adjustments - opening balance)	(2,398,743,211)	(2,212,330,826)
(Additions for the year)	(174,337,460)	(186,635,153)
Reversals for the year	-	222,768
<b>(Accumulated value adjustments - closing balance)</b>	<b>(2,573,080,671)</b>	<b>(2,398,743,211)</b>
<b>Net book value - closing balance</b>	<b>1,013,012,203</b>	<b>1,965,410,663</b>
<b>Net book value - opening balance</b>	<b>1,965,410,663</b>	<b>2,151,757,548</b>

#### Changes in ownership:

A cash capital contribution amounting to EUR 650,000 was made to ADO Lux-EEME S.à r.l. on 27 June 2025.

Pursuant to an Assignment Agreement dated 26 November 2025 and effective from 1 December 2025, the capital contribution in ADO Lux-EEME S.à r.l. was reduced by EUR 778,711,000 against a contribution in kind through the assignment, at fair market value, of a claim against ADO Lux Finance S.à r.l.

Value adjustments:

Throughout the reporting period, the Company recognised several value adjustments within profit and loss on participations in affiliated undertakings. The main movements are summarised below:

- ADO Lux EEME S.à r.l.: 2024: EUR (992,412,013) → 2025: EUR (1,157,225,524)  
Additional impairment: EUR (164,813,511)
- Adler Real Estate GmbH: 2024: EUR (73,133,010) → 2025: EUR (82,434,191)  
Additional impairment: EUR (9,301,181)
- Songbird 2 ApS: 2024: EUR (24,897,732) → 2025: EUR (25,120,500)  
Additional impairment: EUR (222,768)

These adjustments were made in accordance with the Group's accounting policies and reflect a prudent approach to asset valuation.

As of year-end, the Company held the following shares in affiliated undertakings:

Company	Registered country	Ownership 2025 %	Ownership 2024 %
Adler Group Intermediate Holding S.à r.l.	Luxembourg	100.00	100.00
Adest Grundstücks GmbH	Germany	10.10	10.10
ADLER Real Estate GmbH (formerly ADLER Real Estate AG)	Germany	13.20	13.20
ADO 9110 Holding GmbH	Germany	10.10	10.10
ADO 9360 Holding GmbH	Germany	10.10	10.10
ADO 9540 Holding GmbH	Germany	10.10	10.10
ADO 9580 Holding GmbH	Germany	10.10	10.10
Adler Living GmbH (formerly ADO Living GmbH)	Germany	100.00	100.00
ADO Lux-EEME S.à r.l.	Luxembourg	100.00	100.00
ADO SBI Holdings S.A. & Co. KG	Germany	94.00	94.00
ADO Sonnensiedlung S.à r.l.*	Luxembourg	10.10	10.10
Adoa Grundstücks GmbH	Germany	10.10	10.10
Adom Grundstücks GmbH	Germany	10.10	10.10
Adon Grundstücks GmbH	Germany	10.10	10.10
AGPS BondCo PLC	United Kingdom	100.00	100.00
Alexandra Properties B.V.	Netherlands	10.10	10.10
Anafa 1 Grundstücks GmbH	Germany	10.10	10.10
Anafa 2 Grundstücks GmbH	Germany	10.10	10.10
Arafel Grundstücks GmbH	Germany	10.10	10.10
Artists Living Frankfurt Com GmbH & Co. KG	Germany	10.10	10.10
Artists Living Frankfurt Dev GmbH	Germany	10.10	10.10
Artists Living Frankfurt SSc GmbH & Co. KG	Germany	10.10	10.10
Bamba Grundstücks GmbH	Germany	10.10	10.10
Barbur Grundstücks GmbH	Germany	10.10	10.10
Berale Grundstücks GmbH	Germany	10.10	10.10
Bombila Grundstücks GmbH	Germany	10.10	10.10
Bosem Grundstücks GmbH	Germany	10.10	10.10
Consus Real Estate GmbH (formerly Consus Real Estate AG)	Germany	13.22	13.22
Dronheimer Str. 4 Grundstücks GmbH	Germany	10.10	10.10
Dvash 1 Holding GmbH	Germany	10.10	10.10
Dvash 2 Holding GmbH	Germany	10.10	10.10
Dvash 3 B.V.	Netherlands	11.00	11.00
Eldalote Grundstücks GmbH	Germany	10.10	10.10
Gamad Grundstücks GmbH	Germany	10.10	10.10
GAMAZI Grundstücks GmbH	Germany	10.10	10.10

Company	Registered country	Ownership 2025 %	Ownership 2024 %
Geshem Grundstücks GmbH	Germany	10.10	10.10
Geut Grundstücks GmbH	Germany	10.10	10.10
Gozal Grundstücks GmbH	Germany	10.10	10.10
Hanpaka Holding GmbH	Germany	10.10	10.10
Horef Holding GmbH	Germany	10.10	10.10
Jessica Properties B.V.	Netherlands	10.10	10.10
Joysun 1 B.V.	Netherlands	100.00	100.00
Joysun 2 B.V.	Netherlands	100.00	100.00
KREMBO Grundstücks GmbH	Germany	10.10	10.10
Lavlav 1 Grundstücks GmbH	Germany	10.10	10.10
Lavlav 2 Grundstücks GmbH	Germany	10.10	10.10
Lavlav 3 Grundstücks GmbH	Germany	10.10	10.10
Lavlav Grundstücks GmbH	Germany	10.10	10.10
Marbien B.V.	Netherlands	10.10	10.10
Mastik Grundstücks GmbH	Germany	10.10	10.10
Matok Grundstücks GmbH	Germany	10.10	10.10
Meghan Properties B.V.	Netherlands	10.10	10.10
Mezi Grundstücks GmbH	Germany	10.10	10.10
Muse Grundstücks GmbH	Germany	10.10	10.10
Nehederet Grundstücks GmbH	Germany	10.10	10.10
Neshama Grundstücks GmbH	Germany	10.10	10.10
NUNI Grundstücks GmbH	Germany	10.10	10.10
Osher Grundstücks GmbH	Germany	10.10	10.10
Papun Grundstücks GmbH	Germany	10.10	10.10
Parpar Grundstücks GmbH	Germany	10.10	10.10
Pola Grundstücks GmbH	Germany	10.10	10.10
Artists Living II Verwaltungs GmbH (formerly RAFFA Verwaltungs GmbH)	Germany	100.00	100.00
Reshet Grundstücks GmbH	Germany	10.10	10.10
Rimon Holding GmbH	Germany	10.10	10.10
Sababa 18. Grundstücks GmbH	Germany	10.10	10.10
Sababa 19. Grundstücks GmbH	Germany	10.10	10.10
Sababa 20. Grundstücks GmbH	Germany	10.10	10.10
Sababa 21. Grundstücks GmbH	Germany	10.10	10.10
Sababa 22. Grundstücks GmbH	Germany	10.10	10.10
Sababa 23. Grundstücks GmbH	Germany	10.10	10.10
Sababa 24. Grundstücks GmbH	Germany	10.10	10.10

Company	Registered country	Ownership 2025 %	Ownership 2024 %
Sababa 25. Grundstücks GmbH	Germany	10.10	10.10
Sababa 26. Grundstücks GmbH	Germany	10.10	10.10
Sababa 27. Grundstücks GmbH	Germany	10.10	10.10
Sababa 28. Grundstücks GmbH	Germany	10.10	10.10
Sababa 29. Grundstücks GmbH	Germany	10.10	10.10
Sababa 30. Grundstücks GmbH	Germany	10.10	10.10
Sababa 31. Grundstücks GmbH	Germany	10.10	10.10
Sababa 32. Grundstücks GmbH	Germany	10.10	10.10
Seret Grundstücks GmbH	Germany	10.10	10.10
Sheket Grundstücks GmbH	Germany	10.10	10.10
Silan Grundstücks GmbH	Germany	10.10	10.10
Sipur Grundstücks GmbH	Germany	10.10	10.10
Songbird 1 ApS	Denmark	100.00	100.00
Songbird 2 ApS	Denmark	100.00	100.00
Stav Grundstücks GmbH	Germany	10.10	10.10
Tamuril Grundstücks GmbH	Germany	10.10	10.10
Tara Grundstücks GmbH	Germany	10.10	10.10
Tehila 1 Grundstücks GmbH	Germany	10.10	10.10
Tehila 2 Grundstücks GmbH	Germany	10.00	10.00
Tehila Grundstücks GmbH	Germany	10.10	10.10
Trusk Grundstücks GmbH	Germany	10.10	10.10
TUSSI Grundstücks GmbH	Germany	10.10	10.10
Yabeshet Grundstücks GmbH	Germany	10.10	10.10
Yadit Grundstücks GmbH	Germany	10.10	10.10
Yahel Grundstücks GmbH	Germany	10.10	10.10
Yarok Grundstücks GmbH	Germany	10.10	10.10
Yussifun Grundstücks GmbH	Germany	10.10	10.10
Zamir Grundstücks GmbH	Germany	10.10	10.10
Zman Grundstücks GmbH	Germany	10.10	10.10

\* ADO Sonnensiedlung S.à r.l. is exempted pursuant to Article 70 (1) of the Luxembourg Law of 10 August 2002 from the requirement to prepare, audit and publish its annual accounts for the financial year ending 31 December 2025.

In accordance with article 67(3)a), the information on the amount of capital and reserves and profits and losses of the subsidiaries have been omitted because these are included in the consolidated accounts of the Company.

## 4.2 Loans to affiliated undertakings

The movements are as follows:

In EUR	31 Dec 2025	31 Dec 2024
Gross book value - opening balance	2,349,196,530	2,320,140,208
Additions for the year	1,773,689,208	81,597,212
(Repayments during the year)	(1,112,980,541)	(52,540,890)
Transfers during the year	-	-
<b>Gross book value - closing balance</b>	<b>3,009,905,198</b>	<b>2,349,196,530</b>
(Accumulated value adjustments - opening balance)	(1,481,013,228)	(1,260,523,566)
(Additions for the year)	(877,768,311)	(220,489,663)
Reversals for the year	640,496,218	-
Transfers during the year	-	-
<b>(Accumulated value adjustments - closing balance)</b>	<b>(1,718,285,321)</b>	<b>(1,481,013,228)</b>
<b>Net book value - closing balance</b>	<b>1,291,619,877</b>	<b>868,183,302</b>
<b>Net book value - opening balance</b>	<b>868,183,302</b>	<b>1,059,616,643</b>

As of 31 December 2025, the loans to affiliated undertakings are as follows:

In the context of the transfer of receivables from Consus Swiss Finance S.à r.l. to the Company pursuant to an Assignment and Settlement Agreement dated 31 December 2024, with economic effect as of 1 January 2025, and in connection with an Assignment Agreement dated 30 June 2025, receivables totalling EUR 721,016,978 were transferred. The amount is allocated across several captions. As a result, the loan to Consus Swiss Finance S.à r.l. was reduced accordingly.

The existing agreements (the "CSF Agreements") entered into between Consus Swiss Finance S.à r.l. and several Group companies as borrowers were automatically terminated. The receivables between the Company and the borrowers are governed by the same terms and conditions as those set out in the respective CSF Agreements.

The main receivables transferred under the Assignment and Settlement Agreement include:

- Consus Real Estate GmbH: EUR 172,687,351
- Consus RE GmbH: EUR 99,994,213
- Consus Projekt Dev GmbH: EUR 72,110,891
- SG Hamburg Holsten Quartiere 14 UG: EUR 44,875,876
- Steglitzer Kreisel Turm GmbH: EUR 32,503,982
- Consus Projekt Holding Deutschland GmbH: EUR 31,267,544
- Benrather Gärten Projektentwicklung GmbH: EUR 25,106,917
- UpperNord Tower GmbH: EUR 24,509,834
- Artists Living Köln StG GmbH & Co. KG: EUR 22,758,719
- Consus München Schwabing Investitionsgesellschaft: EUR 20,217,864

- Artists Living Frankfurt SSc GmbH & Co. KG: EUR 15,885,554
- Artists Living Verwaltungs GmbH: EUR 14,723,691
- Wilhelmstr. 56-59 GmbH: EUR 12,940,111
- SLT 107 Schwabenland Tower GmbH: EUR 12,635,964
- LEA Grundstücksverwaltungs GmbH: EUR 12,605,266
- Consus Investment Bundesallee Berlin GmbH: EUR 11,691,352
- Consus Mannheim Glücksteinquartier Verwaltungs GmbH: EUR 11,315,588
- Consus Bauprojekte GmbH: EUR 10,398,786

The loan to Consus Swiss Finance S.à r.l. (formerly Consus Swiss Finance AG) amounts to EUR 112,478 (2024: EUR 640,496,218) after the execution of the Assignment and Settlement Agreement. The partial impairment in the value of the loan totals EUR 73,427 (2024: EUR 640,496,218). The impairment in the value of the loan, totalling EUR 640,496,218 in 2024, has mainly been removed from the books in 2025 in connection with the transfer of the receivables. In 2025, interest waiver agreements were signed to waive interest on the loan with Consus Swiss Finance S.à r.l. for the years 2022 to 2024, totalling EUR 47,609,165.

The loan to ADO Lux Finance S.à r.l. amounts to EUR 1,289,390,184 (2024: EUR 1,234,786,976). With effect from 1 December 2025, the Company became a party to an interest-free loan facility agreement with ADO Lux Finance S.à r.l., with a principal amount of EUR 2,161,750,791. The loan was recorded in the accounts net of historical value adjustments of EUR 1,383,039,791. The facility was originally concluded on 20 December 2017 between ADO FC Management Unlimited Company and ADO Lux Finance S.à r.l. and was assigned to the Company. The loan was subsequently converted into an interest-bearing loan with an interest rate of 5.0% per annum. As of the reporting date, loans granted to ADO Lux Finance S.à r.l. totalled EUR 3,451,140,975 (2024: EUR 1,234,786,976). The partial impairment in the value of the loans totals EUR 2,247,452,641 (2024: EUR 771,017,010).

The loans to Adler Real Estate GmbH (formerly Adler Real Estate AG) amount to EUR nil (2024: EUR 111,669,244 and EUR 292,744,091). These loans were interest-free and repaid during the year.

The loan to Consus Real Estate GmbH was increased by EUR 232,000,000 during the year. A further loan with Consus Real Estate GmbH amounting to EUR 172,687,351 was transferred to the Company as described above. The new loan was subsequently increased by EUR 6,722,182 during the year. As of the reporting date, loans granted to Consus Real Estate GmbH totalled EUR 480,909,532 (2024: EUR 69,500,000). The partial impairment in the value of the loans totals EUR 458,400,271 (2024: EUR 69,500,000).

On 17 July 2025, repayments relating to several loans transferred from Consus Swiss Finance S.à r.l. to the Company were recognised in connection with the disposal of a project, which was executed as a share deal (Stolkgassee transaction), and the corresponding integration of the sales proceeds into the Group's financing structure, amounting to a total of EUR 6,807,672.

On 12 August 2025, repayments relating to several loans transferred from Consus Swiss Finance S.à r.l. to the Company were recognised in connection with the disposal of a project, which was executed as a share deal (Cologneo III transaction), and the corresponding integration of the sales proceeds into the Group's financing structure, amounting to a total of EUR 1,399,070.

### 4.3 Investments held as fixed assets

The movements are as follows:

In EUR	31 Dec 2025	31 Dec 2024
Gross book value - opening balance	19,806,613	19,806,613
<b>Gross book value - closing balance</b>	<b>19,806,613</b>	<b>19,806,613</b>
(Accumulated value adjustments - opening balance)	(19,762,413)	(19,464,063)
(Additions for the year)	(44,200)	(298,350)
<b>(Accumulated value adjustments - closing balance)</b>	<b>(19,806,613)</b>	<b>(19,762,413)</b>
<b>Net book value - closing balance</b>	<b>-</b>	<b>44,200</b>
<b>Net book value - opening balance</b>	<b>44,200</b>	<b>342,550</b>

Investments held as fixed assets relate to the bond from Aggregate Holdings S.A., which had a carrying value of EUR nil at the end of the year (2024: EUR 44,200). In 2025, the Company recognised an additional impairment of EUR 44,200.

The total accumulated impairment on this bond amounts to EUR 19,806,613 as at year-end (2024: EUR 19,762,413).

The Company recorded EUR 1,824,083 in interest income from this investment during the year (2024: EUR 2,132,953).

This amount was fully value adjusted in the current and prior year.

The final maturity date was 9 November 2025.

### 4.4 Other loans

The movements are as follows:

In EUR	31 Dec 2025	31 Dec 2024
Gross book value - opening balance	60,565,109	60,565,109
Additions for the year	31,681	-
<b>Gross book value - closing balance</b>	<b>60,596,790</b>	<b>60,565,109</b>
(Accumulated value adjustments - opening balance)	(5,772,290)	(6,426,857)
(Additions for the year)	(3,170,021)	-
Reversals for the year	-	654,567
<b>(Accumulated value adjustments - closing balance)</b>	<b>(8,942,311)</b>	<b>(5,772,290)</b>
<b>Net book value - closing balance</b>	<b>51,654,479</b>	<b>54,792,819</b>
<b>Net book value - opening balance</b>	<b>54,792,819</b>	<b>54,138,252</b>

During 2020 and 2021 the Company entered into loan agreements with Taurecon Invest IX GmbH and had purchase price receivables from the sale of minority shares to Taurecon Invest XII GmbH (Taurecon). Effective 1 January 2022 all the previous loan agreements with Taurecon Invest IX GmbH were assigned to Taurecon Lux Invest III GmbH and the interest rate increased to 4.30% (previously 3.50%). The purchase price receivables were also transformed into the new loan agreement bearing an interest rate of 4.30%. The minority shares that the Taurecon companies hold in Adler subsidiaries are pledged as security measurement.

The impairment on Taurecon Lux Invest III GmbH at the end of the year amounts to EUR 8,028,913 (2024: EUR 4,891,347) and the impairment on Taurecon Invest XII GmbH amounts to EUR 880,943 (2024: EUR 880,943).

The receivables against Taurecon Invest V GmbH, Taurecon Invest VIII GmbH and Taurecon GmbH (formerly Taurecon Real Estate Consulting GmbH) were retrospectively classified as loans, and the amounts were split between nominal value and accrued interest. The amounts classified as nominal were transferred from "Other debtors" to this caption in the following amounts:

- Taurecon Invest V GmbH: EUR 8,109,000
- Taurecon Invest VIII GmbH: EUR 1,800,000
- Taurecon GmbH (formerly Taurecon Real Estate Consulting GmbH): EUR 620,000

In the context of the transfer of receivables from Consus Swiss Finance S.à r.l. to the Company described in Note 4.2, loans to Consus Netz-Werk GmbH, Ginkasso GmbH and SSN Advisory Services GmbH in a total amount of EUR 31,681 have also been transferred to the Company and are included in this caption. The value adjustments on these loans amount to EUR 31,013 in the current year (2024: EUR nil).

The interest income from other loans for the year amounted to EUR 4,005,728 (2024: EUR 2,608,594). The increase over the prior year is attributable to the retrospective classification of receivables due from Taurecon Invest V GmbH, Taurecon Invest VIII GmbH and Taurecon GmbH, including interest income attributable to prior periods.

## Note 5 - Debtors

### 5.1 Amounts owed by affiliated undertakings

In EUR	31 Dec 2025	31 Dec 2024
<b>Becoming due and payable within one year</b>		
Management fees due from affiliated companies	15,457,911	13,796,037
Other amounts owed by affiliated undertakings	252,886,094	295,264,529
<b>Total</b>	<b>268,344,005</b>	<b>309,060,566</b>

#### Management fees

Management fees receivable from affiliated companies represents fees for management services provided to Adler Real Estate GmbH, Consus Real Estate GmbH, Adler Properties GmbH and Consus Swiss Finance S.à r.l. As of 31 De-

December 2025, the recorded management fees amounted to EUR 15,457,911 (2024: EUR 13,796,037), are broken down as below:

- Adler Properties GmbH: Management fees receivable amount to EUR 11,469,969 (2024: EUR 9,899,136) – Accumulated value adjustment at year end amounts to EUR 1,779,482 (2024: EUR 9,899,136).
- Adler Real Estate GmbH: Management fees receivable amount to EUR 928,202 (2024: EUR 13,824,935) – No value adjustment.
- Consus Real Estate GmbH: Management fees receivable amount to EUR 30,666,876 (2024: EUR 26,227,147) – Accumulated value adjustment at year end amounts to EUR 26,256,044 (2024: EUR 26,256,044).
- Consus Swiss Finance S.à r.l.: Management fees receivable amount to EUR 402,725 (2024: EUR nil) – No value adjustment.

#### Other amounts owed by affiliated undertakings

Notable changes in other amounts owed by affiliated undertakings are highlighted below:

- Consus RE GmbH, a guarantee claim of EUR 182,341,795 related to the transfer of receivables from Consus Swiss Finance S.à r.l. to the Company described in Note 4.2 - Accumulated value adjustment at year end amounts to EUR 171,391,945 (2024: EUR nil).
- Wilhelmstr. 56-59 GmbH, reflecting EUR 89,523,753 (2024: 118,610,130). During the financial year, repayments of principal and accrued interest totalling EUR 47,481,331 were made. In addition, a loan with a carrying amount of EUR 12,940,111 was transferred to the Company in connection with the transfer of receivables from Consus Swiss Finance S.à r.l. - Accumulated value adjustment at year end amounts to EUR 76,517,597 (2024: EUR 52,032,465).
- ADO Lux Finance S. à r.l., accumulating interest of EUR 158,718,505 (2024: EUR 133,283,281).
- Consus Real Estate GmbH, accumulating interest of EUR 22,739,188 (2024: EUR 1,694,826).
- Consus Swiss Finance S.à r.l., accumulating interest of EUR 6,749 (2024: EUR 143,163,485). The reduction is due to the transfer of receivables from Consus Swiss Finance S.à r.l. to the Company described in Note 4.2 - Accumulated value adjustment at year end amounts to EUR nil (2024: EUR 65,253,646).

Accrued interest from bonds to affiliated undertakings amounts to EUR 31,116,847 (2024: EUR 23,143,847) for 2025:

- EUR 31,116,847 (2024: EUR 23,143,847) with an accumulated value adjustment balance at year end amounting to EUR 27,950,456 (2024: EUR 15,283,509) is a receivable from Consus RE GmbH, a subsidiary of Consus Real Estate GmbH. The amounts have been reclassified from 'Other debtors' to 'Amounts owed by affiliated undertakings' in 2025.

The interest income from loans to affiliated undertakings amounts to EUR 125,940,704 (2024: EUR 171,486,282) for 2025, and is broken down as below:

- ADO Lux Finance S.à r.l., interest of EUR 121,538,520 (2024: EUR 101,363,934);
- Consus Real Estate GmbH, interest of EUR 10,177,701 (2024: EUR 1,694,826);
- Wilhelmstr. 56-59 GmbH, interest of EUR 9,140,517 (2024: EUR 10,038,812);
- Consus Swiss Finance S.à r.l., a reversal of accrued interest of EUR 14,916,034 due to a retrospective interest rate change from 9% to 6% (2024: EUR 58,388,711).

Accrued interest on the loans transferred from Consus Swiss Finance S.à r.l. to the Company described in Note 4.2 amounts to EUR 43,240,629 as at year end. Accumulated value adjustment at year end amounts to EUR 9,706,094.

During the year, the Company made payments “on behalf of” certain affiliated entities due to their lack of a dedicated bank account or insufficient cash reserves to support their operational activities.

## 5.2 Other debtors

In EUR	31 Dec 2025	31 Dec 2024
<b>Becoming due and payable within one year</b>		
VAT receivable	8,690,199	5,349,615
Advance tax payments	35,981	31,166
Advance foreign tax payments	2,351,538	9,680
Other receivables	6,770,111	13,397,703
<b>Total</b>	<b>17,847,829</b>	<b>18,788,164</b>

The change in advance foreign tax payments compared to the prior year is mainly due to deductible income tax on re-tainer fees as well as reimbursements for Group entities based on tax audits for the years 2013 to 2019. As part of the tax audits, the tax authorities determined constructive dividend distributions at certain Group entities. In this context, capital gains withholding tax and solidarity surcharge were assessed and paid by the respective entities to the German tax authorities. Pursuant to Section 44 (1) of the German Income Tax Act (EStG), the shareholder – the Company – is the legal debtor of the assessed capital gains tax and solidarity surcharge. The entities have filed refund applications for the paid capital gains tax and solidarity surcharge with the German Federal Central Tax Office (Bundeszentralamt für Steuern). Upon completion of the review process, the refund will be granted to the Company, which is obliged to pass the refunded amounts on to the respective entities.

Other receivables are principally composed of a total amount of EUR 11,331,087 (2024: EUR 10,902,506) – Accumulated value adjustment at year end amounts to EUR 5,685,696 (2024: EUR 5,365,141), owed by a minority shareholder of affiliated undertakings.

The remaining portion of other debtors is composed of accrued interest receivable from bonds and loans given are detailed as below:

- EUR 6,387,203 (2024: EUR 4,563,120) completely impaired at year end. This receivable was from Aggregate Holdings SA; and
- EUR 9,619,511 (2024: EUR 7,702,089) and EUR 160,171 (2024: EUR 131,838) are interest receivables from third parties. These receivables are fully impaired at the end of the year.

## Note 6 – Other investments

Other investments primarily consist of investments in bonds. The amount of EUR 39,865,000 (2024: EUR 39,865,000) was fully impaired in the prior year, with no remaining balance as of 2024 and 2023 either. It refers to a bond held by Consus RE GmbH, a subsidiary of Consus Real Estate GmbH (formerly Consus Real Estate AG).

In 2025, interest income from other bond investments totalled EUR 7,973,000 (2024: EUR 7,973,000).

## Note 7 – Prepayments

Prepayments mainly consist of an insurance premium of EUR 3,864,401 (2024: EUR 4,334,208) related to multi-year coverage for Directors & Officers (D&O) insurance and other contractual insurance obligations.

## Note 8 – Capital

### 8.1 Subscribed capital

Subscribed capital amounts to EUR 188,016 (2024: EUR 188,016) and is divided into 151,626,107 dematerialised shares without nominal value, all of which are fully paid up.

Pursuant to the resolutions adopted on 12 April 2023, the Board of Directors decided to increase the share capital by an amount of EUR 42,304 through the issuance of 34,115,874 dematerialised shares without nominal value. The shares were subscribed on 24 April 2023.

There has been no movement in share capital during the year.

The authorised unissued capital of the Company remains at EUR 1,000,000 without nominal value.

The movements are as follows:

In EUR	2025	2024
Subscribed capital - opening balance	188,016	188,016
<b>Subscribed capital - closing balance</b>	<b>188,016</b>	<b>188,016</b>

### 8.2 Share premium

The movements are as follows:

In EUR	2025	2024
Share premium and similar premiums - opening balance	2,242,906,370	2,242,906,370
<b>Share premium and similar premiums - closing balance</b>	<b>2,242,906,370</b>	<b>2,242,906,370</b>

### 8.3 Legal reserve

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve after deduction of any losses brought forward, until this reserve equals 10% of the subscribed share capital. This reserve is non-distributable during the life of the Company. The appropriation to legal reserve is effected after approval at the General Meeting of shareholders.

## 8.4 Movements during the year on the reserves and profit and loss items

The movements during the year are as follows:

In EUR	Legal reserve	Other reserves	Profit or loss brought forward	Profit or loss for the financial year
<b>At the beginning of the year</b>	<b>14,571</b>	<b>437,488</b>	<b>(3,403,313,683)</b>	<b>(752,602,453)</b>
<b>Movements for the year</b>				
Allocation of prior year's result	-	-	(752,602,453)	752,602,453
Result of the year	-	-	-	(689,517,092)
<b>At the end of the year</b>	<b>14,571</b>	<b>437,488</b>	<b>(4,155,916,136)</b>	<b>(689,517,092)</b>

## Note 9 – Provisions

### Other provisions

Other provisions are mainly presented as follows:

In EUR	31 Dec 2025	31 Dec 2024
Provision for audit services	240,000	1,219,500
Provision for project "Titanium"*	142,373	6,957,020
Other provisions	-	26,969
Provision for operating costs (HR, legal, cover expenses)	-	113,638
<b>Total</b>	<b>382,373</b>	<b>8,317,127</b>

(\*) A portion of the other provisions recognised in 2024 relates to advisory and implementation costs linked to Project Titanium, the Group's financial restructuring plan executed during the year.

## Note 10 – Creditors

Amounts due and payable for the accounts shown under creditors are as follows:

In EUR	Within one year	After one year and within five years	After more than five years	2025 Total	2024 Total
10.1 Amounts owed to credit institutions	2,791,280	88,500,000	-	91,291,280	92,500,000
Trade creditors	4,027,750	-	-	4,027,750	2,750,551
10.2 Amounts owed to affiliated undertakings	41,320,999	756,763,158	2,531,805,198	3,329,889,355	3,303,076,973
10.3 Tax and social security debts	7,363,751	-	-	7,363,751	3,564,866
10.4 Other creditors	1,939,607	2,017,760,545	-	2,019,700,153	1,849,594,439
<b>Total</b>	<b>57,443,386</b>	<b>2,863,023,703</b>	<b>2,531,805,198</b>	<b>5,452,272,288</b>	<b>5,251,486,829</b>

## 10.1 Amounts owed to credit institutions

In March and April 2021, the Company raised a secured banking loan of EUR 100 million in total from Commerzbank Aktiengesellschaft, bearing a fixed interest rate of 1.25% p.a. and maturing on 30 June 2028.

The loan is secured by transactional security arrangements, including pledges over shares of group companies, bank accounts, and intercompany receivables.

In 2025, the Company incurred a total interest expense of EUR 1,162,743 (2024: EUR 1,197,847) on loans owed to credit institutions.

## 10.2 Amounts owed to affiliated undertakings

In EUR	31 Dec 2025	31 Dec 2024
Adler Real Estate GmbH (formerly: Adler Real Estate AG)	-	1,213,455
Adler Real Estate GmbH (formerly: Adler Real Estate AG)	-	182,613,890
Other affiliated undertakings	3,329,889,355	3,119,249,628
<b>Total</b>	<b>3,329,889,355</b>	<b>3,303,076,973</b>

The caption mainly consists of non-convertible debenture loans.

The Group's non-convertible debenture loans amounted to EUR 3,041,900,000 in principal (2024: EUR 3,041,900,000) and EUR 246,668,356 in accrued interest (2024: EUR 53,223,159).

In 2024, the Group implemented a significant financial restructuring through a transaction known as Project Titanium.

This process led to the cancellation, amendment, or transformation of several existing loan instruments, including non-convertible debenture loans. These changes affected both the principal amounts and accrued interest.

Due to the restructuring, the debenture loans including accrued interests for a total amount of EUR 3,095,123,159 were due to the group company AGPS BondCo PLC in 2024.

As part of the restructuring, the Group issued the following new instruments bearing PIK interest at 6.250% per annum, increasing to 8.250% in case of late payment:

- 2L Reinstated Loan Note, with a nominal value of EUR 700,000,000 (2024: EUR 700,000,000), maturing in January 2030;
- 3L Subordinated Loan Note, with a nominal value of EUR 2,341,900,000 (2024: EUR 2,341,900,000), with no fixed maturity.

These instruments bear payment-in-kind (PIK) interest and replaced legacy non-convertible loan instruments.

Both, the subordinated notes as well as the reinstated notes include several obligations and information covenants

referring to the maintenance of the centre of commercial interest in the Duchy of Luxembourg, the notification of any event of default and financial information on the transaction collateral. Furthermore, the terms and conditions contain among others limitations on mergers, limitations of contributions to the Consus sub-group of EUR 265,000,000, limitations of share buy-backs and payments of dividends. With regard to the reinstated notes a maintenance loan-to-value ratio of 90% applies.

#### Instruments impacted by the restructuring in 2024

A number of legacy instruments previously classified as non-convertible debenture loans were either repaid, reinstated under new terms, or converted into new debt facilities. The table below summarises these changes:

Former Instrument (interest & maturity)	Nominal Value (EUR)	2024 Treatment
Global Note (21%, due 2025)	191,000,000	Fully repaid
2024 Loan Note (1.5%)	400,000,000	Converted into Facility 1.5L (4.25%) – see Note 10.5 <sup>(*)</sup>
2025 Loan Note (3.25%)	400,000,000	Reinstated into 3L Subordinated Loan Note
2026 Loan Note (2.75%)	400,000,000	Reinstated into 3L Subordinated Loan Note
2026 Loan Note (1.875%)	700,000,000	Reinstated into 2L Reinstated Loan Note
2027 Loan Note (2.25%)	500,000,000	Reinstated into 3L Subordinated Loan Note
2029 Loan Note (2.25%)	800,000,000	Reinstated into 3L Subordinated Loan Note

(\*) Note: The 2024 Loan Note was not repaid but was converted into a new Facility 1.5L (4.25%). Due to its modified structure and contractual terms, it is no longer classified as a non-convertible debenture loan and is now disclosed under this note.

#### Accrued interest

As at 31 December 2025, the accrued interest on non-convertible debenture loans amounted to EUR 246,668,356 (2024: EUR 53,223,159).

Accrued interest capitalised into the instruments included:

- Accrued interest – 2L Reinstated Loan Note: EUR 56,763,158 (2024: EUR 12,247,678)
- Accrued interest – 3L Subordinated Loan Note: EUR 189,905,198 (2024: EUR 40,975,481)

#### Supporting documentation

All restructuring steps were formalised through signed contractual documents, including:

- Deed of Termination and Release
- 2L Reinstated Loan Note Instrument and Certificate
- 3L Subordinated Loan Note Instrument and Certificate
- Consideration Agreement

All documents were executed on 19 September 2024.

Throughout the reporting period, the Company engaged in several intra-group financing transactions, primarily with

Adler Real Estate GmbH (formerly Adler Real Estate AG), ADO Group Ltd, and other affiliated undertakings. For clarity, the most significant loan arrangements are presented below under the designations Loan A and Loan B.

Loan A - EUR 75 million loan from Adler Real Estate GmbH, repaid during the year

In July 2023, the Company received a loan of EUR 75 million from Adler Real Estate GmbH. The entire amount was drawn during the same year. On 31 December 2023, the loan together with accrued interest of EUR 4,389,726 was transferred to ADO Group Ltd, with no changes to the original contractual terms. Later, on 31 August 2024, the loan was reassigned to Adler Real Estate GmbH. As of 31 December 2024, the principal remained outstanding at EUR 75,000,000, and accrued interest amounted to EUR 14,166,438. The loan bore interest at 13% per annum and matured on 30 June 2025, with full repayment on 27 June 2025.

Loan B - EUR 110 million credit facility from Adler Real Estate GmbH, repaid during the year

On 25 July 2024, Adler Real Estate GmbH granted the Company a new intra-group loan facility of up to EUR 110 million. The facility bears interest at 11.76% per annum and has a contractual maturity date of 31 March 2026. During 2024, EUR 90 million were drawn. As of 31 December 2024, the outstanding principal amounted to EUR 90,000,000, with accumulated interest totalling EUR 3,347,452. The loan was fully repaid on 27 June 2025.

The Company has entered into loss absorption commitments (“Verlustübernahmen”) in favour of certain German subsidiaries of the Group, namely Adler Treasury GmbH, Adler Immobilien Management GmbH, Adler Properties GmbH and CCM City Construction Management GmbH. These commitments cover operating losses only and explicitly exclude extraordinary effects and impairments on intercompany receivables. These undertakings are based on shareholder resolutions dated 5 September 2024 and will become effective as from the financial year ending 31 December 2025.

As at 31 December 2025, the following amounts have been recognised:

- CCM City Construction Management GmbH: EUR 2,010,912
- Adler Properties GmbH: EUR 7,356,993
- Adler Immobilien Management GmbH: EUR 2,326,774

Other related parties mainly consist of the following balances:

- Bosem Grundstücks GmbH: EUR 6,502,045 (2024: EUR 6,502,045)
- Adler Treasury GmbH: EUR 8,415,954 (2024: EUR 8,223,165)
- ADO SBI Holdings S.A & Co. KG: EUR 2,868,827 (2024: EUR 2,212,756)
- Management fees payable to affiliated undertakings: EUR 6,308,158 (2024: EUR 3,552,297)

### 10.3 Tax and social security debts

In EUR	31 Dec 2025	31 Dec 2024
<b>Becoming due and payable within one year</b>		
Social security debts	-	14,519
VAT payable	7,012,854	2,726,460
Tax on salaries	292,880	765,868
Tax on director fees	58,018	58,018
<b>Total</b>	<b>7,363,751</b>	<b>3,564,866</b>

### 10.4 Other creditors

In EUR	31 Dec 2025	31 Dec 2024
<b>Becoming due and payable within one year</b>		
Amount payable to staff	1,938,680	3,008,443
Other creditors	927	927
<b>Becoming due and payable after more than one year</b>		
Loans and similar debts (Facility 1L & 1.5L)	2,017,760,545	1,846,585,068
<b>Total</b>	<b>2,019,700,153</b>	<b>1,849,594,439</b>

In the context of the Group's capital structure optimisation, significant changes occurred during the financial year 2024, notably following the implementation of the financial restructuring plan, which became effective on 19 September 2024. This plan led to the transformation and consolidation of existing financial liabilities, as reflected in the balance of EUR 1,846,585,068 reported under "Loans and similar debts" as at 31 December 2024.

This total includes two newly structured facilities: the 1st Lien Facility (1L) and the 1.5 Lien Facility (1.5L), which replaced legacy financing instruments.

The 1st Lien Facility (maturing in 2028, with an interest rate of 12.5%) results from the conversion of the former New Money Facility (NMF) and is composed of EUR 774,143,972 (2024: EUR 1,017,825,549) relating to the Company (SA) and Adler Real Estate (ARE), and EUR 101,410,985 (2024: EUR 93,263,800) relating to the N-Platform. Accrued interest amounts to EUR 60,672,667 (2024: EUR 36,283,700) and EUR 7,947,972 (2024: EUR 3,324,691), respectively.

On 26 June 2025, the 1st Lien Tap Note (maturing in 2028, with an interest rate of 8.5%) was issued in the amount of EUR 280,926,813 (2024: EUR nil). Accrued interest amounts to EUR 11,916,860 (2024: EUR nil).

The total outstanding amount under the 1L Facility therefore stands at EUR 1,237,019,270 as at year-end (2024: EUR 1,150,697,740).

The 1.5 Lien Facility (maturing in 2029) was created in the context of the restructuring of the EUR 400 million Loan Note originally bearing 1.5% interest and maturing in 2025. In 2024, the 1.5L Facility was split into two tranches: EUR

116,700,000 bearing 4.25% interest, and EUR 555,611,000 bearing 14% interest. Accrued interest on these components amounted to EUR 1,426,453 and EUR 22,149,875 respectively, resulting in a total of EUR 695,887,328 under the 1.5L Facility in 2024. In 2025, the two tranches were merged into a single tranche bearing interest at 10% and maturing in 2029, with a year-end principal amount of EUR 716,846,000. Accrued interest totaled EUR 63,895,275, resulting in a total of EUR 780,741,275 (2024: 695,887,328) under the 1.5L Facility.

In 2025, interest expenses on the 1L Facility amounted to EUR 94,056,445 (2024: EUR 39,608,391), and on the 1.5L Facility to EUR 75,313,293 (2024: 23,576,328). In 2024, the profit and loss caption also included interest expenses on the NMF Facility amounting to EUR 85,229,998.

## Note 11 – Net turnover

The Company's net turnover is mainly composed of management fee services in an amount of EUR 11,785,363 (2024: EUR 17,138,063). The total amount of the net turnover is coming from related parties.

## Note 12 – Other operating income

Other operating income is mainly composed of the reversal of prior year accruals.

## Note 13 – Other external expenses

Other external expenses are presented as follows:

In EUR	2025	2024
Consulting services - external	9,455,382	39,829,415
Accounting and audit fees	955,789	1,767,689
Legal fees	8,322,850	6,562,845
Capital market fees	(81,791)	653,807
Travel and entertainment costs - staff	71,784	127,876
Management fees - Adler Properties GmbH	1,730,173	2,071,394
Management fees - Adler subgroup	12,256	2,322,203
Management fees - Consus subgroup	-	1,034,760
Data processing	45,049	88,770
Real estate rental building and services	150,949	197,622
Commitments	-	108,824
Other fees	4,894,219	3,814,280
<b>Total</b>	<b>25,556,660</b>	<b>58,579,485</b>

Other external expenses further decreased in 2025 compared to the exceptional levels of 2024 and 2023, mainly due to a reduction in consulting fees during the year.

In 2023, the Company incurred significant advisory and legal costs in preparation for the restructuring. The implementation phase in 2024 continued to require extensive external support, particularly in legal, financial and compliance matters, but to a lesser extent than in the previous year. The decrease is visible across most categories, reflecting a gradual reduction in restructuring intensity while maintaining a high level of operational complexity.

## Note 14 – Auditor’s remuneration

The auditor’s remuneration disclosed below includes fees related to audit work only.

In EUR	2025	2024
Audit fees:		
Thereof: Domus* Steuerberatungs AG 2024 Consolidation	-	499,500
Thereof: AVEGA* Revision S.à r.l. 2024 Standalone	-	60,000
Thereof: AVEGA* Revision S.à r.l. 2024 Consolidation	-	660,000
Thereof: Domus* Steuerberatungs AG 2025 Consolidation	800,000	-
Thereof: AVEGA* Revision S.à r.l. 2025 Standalone	60,000	-
Thereof: AVEGA* Revision S.à r.l. 2025 Consolidation	660,000	-
<b>Total</b>	<b>1,520,000</b>	<b>1,219,500</b>

(\*) Both AVEGA Revision and Domus Steuerberatungs AG are members of the Russell Bedford International Network

The auditor’s remuneration solely relates to audit services.

## Note 15 – Staff

As of 31 December 2025, the Company has three full-time employees and one part-time employee (2024: three) with an annual average of four employees (2024: three) during the financial year.

## Note 16 – Emoluments granted to the members of the management and supervisory bodies

The Company has a one-tier board structure. Accordingly, any reference to the supervisory body below should be understood as a reference to the board of directors of the Company. Similarly, any reference below to the management body should be understood as a reference to the senior management of the Company.

The emoluments granted by the Company to the members of the supervisory bodies in that capacity for the financial year are broken down as follows:

In EUR	2025	2024
Directors fee granted to the members of the Board of Directors	7,230,000	856,014
<b>Total</b>	<b>7,230,000</b>	<b>856,014</b>

The emoluments granted by the Company to the members of the Senior Management (CEO, CFO, former CLO, former COO) are broken down as follows:

In EUR	2025	2024
Fixed salary	273,344	816,311
Short-term cash incentive	300,000	2,388,493
Other benefits	176,250	47,000
Consulting fees	-	250,000
Termination fee	2,128,499	6,637,980
<b>Total</b>	<b>2,878,093</b>	<b>10,139,783</b>

There are no commitments arising or entered into in respect of retirement pensions for former members of the management or supervisory bodies in that capacity of the Company.

There are no advances and loans to members of the management or supervisory body or commitment entered into on their behalf by way of guarantees of any kind.

## Note 17 – Tax on profit or loss

The Company is subject to all the taxes relevant to commercial companies in the Grand Duchy of Luxembourg.

### **Pillar Two Law**

Adler Group S.A. prepares consolidated financial statements under IFRS. The following section is reproduced verbatim from the Group's consolidated financial statements for information purposes in these standalone annual accounts:

- The Company's Group is within the scope of the OECD/EU Pillar Two rules. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Company's Group operates. The Ultimate Parent Entity is located in Luxembourg and, therefore, applies the Income Inclusion Rule ("IIR") for all jurisdictions where Pillar Two rules were not (fully) enacted. The legislation came into effect for the Group's financial year beginning on 1 January 2024.
- Under the legislation, the Company's Group is liable to pay a top-up tax for the difference between its Pillar Two effective tax rate per jurisdiction and the 15% minimum tax rate.
- The Company's Group performed an impact analysis of the OECD transitional safe harbour rules (as transposed into national legislation). The Company's Group concluded that the majority of jurisdictions will not be subject to top-up tax due to the application of one of the transitional safe harbour rules, with the exception of Israel where the impact is considered to be insignificant relative to the global operations of the Group.
- The Company's Group did not recognise any Pillar Two current tax for the year.
- The Company's Group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

### **Disclosure of carried-forward tax losses**

- The management of Adler Group SA recognises based on the last filed tax return that the Company has EUR 2,803,700,088.31 of carried forward tax losses available as at 31 December 2023 and estimates approximately EUR 1,134,167,193.50 of additional tax losses up to 31 December 2025, which could lead to a potential deferred tax asset of EUR 939,968,920.17 at a tax rate of 23.87%. No deferred taxes have been recorded in the annual accounts.

## Note 18 – Related party transactions

Other than those disclosed elsewhere in the annual accounts, the Company did not enter into any other material related party transactions with its related parties during the year.

## Note 19 – Off balance sheet commitments

Based on the agreements signed by the Company in connection with the issuance of the corporate bonds and the convertible bond, the Company is subject to a negative pledge clause.

The Company has issued “Letters of Comfort” to certain German subsidiaries to support them in avoiding illiquidity or over-indebtedness.

ADO Sonnensiedlung S.à r.l. is exempted pursuant to Article 70 (1) of the Luxembourg Law of 10 August 1915 on commercial companies, as amended, from the requirement to prepare, audit and publish its annual accounts for the financial year ending 31 December 2025. In accordance with this article, the Company has undertaken to irrevocably guarantee the liabilities of ADO Sonnensiedlung S.à r.l. and to provide the necessary financial support to meet its obligations as they fall due.

## Note 20 – Material events in the Reporting Period and Subsequent events

### In the Reporting Period

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

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

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

**2.** On 28 January 2025 and 18 February 2025, the 1L and 1.5L Facilities were effectively refinanced. The outstanding loan amounts were increased, and the fixed interest rates were reduced. After the refinancing, the outstanding amount of the 1L Facility amounted to EUR 1,079 million, with an interest rate of 8.25% (compared to EUR 1,059 million outstanding amount and 12.5% interest rate before refinancing). After refinancing, the outstanding 1.5L Facility amounted to EUR 717 million, with an interest rate of 10% (compared to EUR 707.3 million outstanding amount and 14% interest rate before refinancing).

The new terms after refinancing are substantially different from the previous terms in accordance with IFRS 9. As a result, this leads to a derecognition of the existing liabilities and the recognition of a new liability at fair value.

**3.** In January 2025, Berlin-based property companies of Adler Group entered into an agreement with a German bank, according to which the latter extended a secured loan of approximately EUR 341 million by more than three years until October 2028. Also in January 2025, four further loans with a combined nominal amount of EUR 51 million were refinanced, and their maturities were extended to 31 October 2028.

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

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

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

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

**7.** Following the settlement of Adler RE's cash tender offer to repurchase its outstanding EUR 300 million secured notes on 27 June 2025, the Company's 1L notes increased by EUR 281 million to approximately EUR 1.3 billion as per June 2025, up from EUR 1.2 billion as per December 2024. In this context, S&P revised its ratings on the Adler Group debt instruments. On 30 June 2025, S&P downgraded the issue rating on the Adler Group's 8.25% 1L New Money Facilities due 12 December 2028 from 'B+' to 'B'. The rating of Adler Group's 10.0% 1.5L senior secured notes due 12 December 2029 was also downgraded to 'CCC' from 'CCC+'. The rating on Adler Group's 6.25% Reinstated 2L Notes due 14 January 2030 remained unchanged at 'CCC'. The issuer credit rating of Adler Group also remains unchanged at 'B-' (stable outlook).

**8.** Adler Group requested S&P to withdraw the rating of the remaining Adler RE 2026 notes with effect of 30 October 2025.

**9.** In 2025, the Company repaid the 1L Facility in the aggregate amount of EUR 299 million (excluding accrued interest).

### Subsequent events

The Group has evaluated transactions or other events for consideration as subsequent events since the reporting date 31 December 2025 in the annual financial statements through 31 March 2026, the date of finalisation of the financial statements.

On 16 March 2026, Adler Real Estate GmbH, a subsidiary of Adler Group, fully repaid the remaining outstanding amount of EUR 14.8 million of its notes maturing in April 2026.

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





# Financial Calendar 2026

## Adler Group S.A.

28 May 2026	Publication Q1 2026 Results
24 June 2026	Annual General Meeting 2026
27 August 2026	Publication Q2 2026 Results
26 November 2026	Publication Q3 2026 Results

Online Financial  
Calendar

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