Branicks

What truly matters to us now

Annual Report 2024

Harnessing deep expertise to become profitable, ESG-focused real estate experts who create value

We are Germany's leading specialist for office and logistics properties as well as renewable assets, with more than 25 years of experience in the property market.

We are fully committed to making **sustainability** a cornerstone of our portfolio management, and have been awarded top scores in ESG ratings.

Our business model, with its diversified revenue sources, provides operational stability and a steady stream of income irrespective of market cycles. In the **Commercial Portfolio** segment, we generate sustainable income by managing our proprietary portfolio while also optimising its value through active management and sales.

In the **Institutional Business** segment, we benefit from current management income by providing a wide range of services for German and international institutional investors. The Group also generates investment income from structured investments.

Branicks Group AG at a glance

Key financial figures

in EUR million	2024	2023	Δ
Gross rental income	168.9	188.3	19.4
Net rental income	150.2	164.6	14.4
Real estate management fees	48.2	50.9	2.7
Proceeds from sales of property	543.4	558.6	15.2
Profits on property disposals	4.3	8.2	3.9
Share of the profit or loss of associates	5.9	6.4	0.5
Funds from Operations excluding non-controlling interest (FFO)	52.2	51.9	0.3
Funds from Operations II (excluding non-controlling interest, including profit on disposals)	56.5	59.4	2.9
EBITDA	147.2	164.5	17.3
EBIT	– 288.7	8.5	297.2
Result for the period	– 365.5	– 70.7	294.8
Cash flow from operating activities	54.8	97.1	42.3

Key earnings figures

per share in EUR[1]	2024	2023	Δ
FFO per share (excluding non-controlling interest)	0.63	0.62	0.01
FFO II per share (excluding non-controlling interest)	0.68	0.71	0.03
Earnings per share (excluding non-controlling interest)	– 3.36	– 0.79	2.57

[1] All per share figueres adjusted in accordance with IFRSs (average number of shares 12M 2024: 83,565,510; 12M 2023: 83,427,284).

Balance sheet figures

in EUR million	31.12.2024	31.12.2023
Investment property	2,663.6	3,398.6
Non-current assets held for sale (IFRS 5)	120.2	237.5
Equity	1,128.5	1,527.1
Financial liabilities (incl. IFRS 5)	2,307.7	2,974.2
Total assets	3,741.6	4,846.2
Loan-To-Value ratio (LTV)[2]	61.0 %	60.1 %
Adjusted LTV[2, 4]	57.5 %	57.6 %
NAV per share (in Euro)[1]	10.27	15.54
Adjusted NAV per share (in Euro)[4]	12.55	17.63

Key operating figures

	31.12.2024	31.12.2023
Number of properties	317	351
Assets under Management in EUR billion	11.6	13.2
Rental space in sqm	4,096,179	4,609,408
Letting result in sqm	387,700	446,600

Key operating figures (Commercial Portfolio)[3]

	31.12.2024	31.12.2023
Annualised rental income in EUR million	147.7	179.1
EPRA vacancy rate in %	7.4	5.3
WALT in years	4.6	4.9
Avg. rent per sqm in EUR	10.20	8.92
Gross rental yield in %	5.4	5.2

[1] All per share figueres adjusted in accordance with IFRSs (number of shares 31.12.2024: 83,565,510; 31.12.2023: 83,565,510).
[2] Adjusted for warehousing.
[3] Calculated for the Commercial Portfolio only, without repositioning and warehousing.
[4] Incl. full value of Institutional Business.

Contents

What we do and why it matters now

Dear Shareholders,

2024 saw Branicks take major steps forward, making it a positive year overall for Branicks. We started out in a difficult environment with what was a stressful situation for the Company. Although macroeconomic conditions and the real estate market remained challenging all year long, we made excellent progress, particularly when it came to our financial consolidation and activities in the transaction market. What's more, our operational stability never came into question at any point.

You may recall that, at the start of the year, we extended the bridging loan we had taken out to acquire a majority stake in VIB Vermögen AG. In March, we entered restructuring proceedings for the promissory note loans originally due in 2024 as a preventative measure under the German Act on the Stabilisation and Restructuring Framework for Businesses (StaRUG) at the Local Court of Frankfurt am Main. We then reached an agreement with the creditors during the course of the year and fully repaid the bridging loan ahead of schedule in October. We remain fully on track with our financial consolidation and intend to fulfil all outstanding obligations as planned.

These successes are founded on our operational strength and structured strategic approach. With sales volumes of EUR 558 million from our Commercial Portfolio and EUR 144 million from our Institutional Business in 2024, we were one of the most active players in what remained a rather subdued transaction market. We also have a clearly defined transaction pipeline for 2025, based on a stringent plan for the continued development of our portfolio: high-quality properties in terms of location, efficiency and flexibility, digital readiness and New Work concepts in

Sonja Wärntges
Chief Executive Officer

our office and logistics asset classes. Receiving prestigious DGNB, LEED or BREEAM sustainability certification for our buildings offers encouraging proof of our success, as does the fact that the Green Building ratio in our proprietary portfolio rose to 52.9% at the end of the year.

All of this demonstrates that we are fundamentally on the right track, as underscored by our operating figures for the past financial year:

- As of the 31 December 2024 reporting date, assets under management totalled around EUR 11.6 billion (31 December 2023: 13.2 billion).
- Like-for-like rental income across the overall portfolio was up by 1.8% year-on-year. Gross rental income in the Commercial Portfolio declined year-on-year due to sales to EUR 168.9 million (31 December 2023: EUR 188.3 million).
- Our real estate management fees reached EUR 48.2 million, while FFO I (funds from operations after minority interests, before tax) were slightly higher than the previous year at EUR 52.2 million.
- We were able to reduce our recurring operating costs by EUR 3.1 million to EUR 61.5 million. We continued to streamline the Group's structures by implementing initiatives such as merging BBI Bürgerliches Brauhaus Immobilien Aktiengesellschaft with VIB.

I would very much like to thank our entire team of employees across Branicks Group AG and VIB for the excellent progress we have made. It was an exceptional and exceptionally demanding year, but one in which we proved our capability, determination and decisiveness in tackling challenging issues and a complex environment.

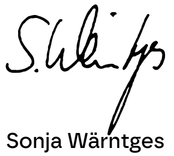
We are also confident about the current financial year, and that should also fill you, our shareholders, with confidence. We know that the situation requires you to have a little patience – not least because, as in 2024, reducing our debt will take priority over dividend payments. Nevertheless, I want to reassure you this Company is fundamentally robust. There has been a significant improvement in quality during the year under review, and we are working to strengthen this quality further.

What are our plans for 2025?

We expect real estate management fees to increase to EUR 50 – 60 million, gross rental income to fall to between EUR 125 – 135 million due to sales, and FFO I to come in at EUR 40 – 55 million. We are also aiming to continue reducing our debt to achieve a loan-to-value (LTV) ratio below 50% and lower our operating costs further.

With the help of sales totalling EUR 600 – 800 million, we will continue to consistently enhance the structure of our portfolio – as a successful player in the transaction market and as pioneering designers and developers of our Commercial Portfolio and Institutional Business for third parties. We will continue to place a clear emphasis on Green Buildings and ESG and work to expand our activities to include renewables. Financial consolidation, repaying our debt and strengthening our balance sheet is our top priority and will strengthen Branicks' foundations.

We know what matters now, both at Branicks and in an evolving real estate market, and are acting accordingly – with boldness and decisiveness, pioneering spirit and consistency, value and integrity.



Sonja Wärntges
Chief Executive Officer

From left to right: Christian Fritzsche, Johannes von Mutius, Sonja Wärntges, Torsten Doyen

Being courageous and decisive

Sonja Wärntges, Chief Executive Officer
"Our 360-degree expertise in commercial real estate ensures that we are the point of contact for all stakeholders in the property market, from investing to development and management. On our real estate platform, we manage our own properties and offer our service package to third parties."

Johannes von Mutius, Chief Investment Officer (CIO)
"Our broad network of investors, solid macroeconomic expertise and ability to accurately judge real estate market trends provide a foundation for dynamic and proactive portfolio and transaction management."

Christian Fritzsche, Chief Operations Officer (COO)
"Our ambitious team sets high standards in professional letting and asset management and partnership-based collaboration. This is the key to generating stable value, having satisfied tenants and investors and achieving above-average letting success."

Torsten Doyen, Chief Institutional Business Officer (CIBO)
"Building up assets, structuring them carefully and developing them in the long term is a daunting task. As a partner to asset managers, we set up financial vehicles and offer investment products that protect value, open up new opportunities and reduce complexity."

Always there

to meet needs and opportunities. Connecting market players, understanding their interests and balancing them effectively. Offering tangible benefits, innovating to inspire and delivering outstanding quality. Looking to the future, taking steps and decisions that focus on the bigger picture. Treating stakeholders with respect and following clear principles.

Local and connected

Our local presence gives us expertise and proximity to our customers. Both of these factors play a crucial role in enabling us to exploit market opportunities and provide a foundation on which we can develop and operate properties for our own portfolio and for third parties. Close links between our asset and fund managers, and our investment, finance and ESG teams reinforce our approach to real estate management. Sharing knowledge efficiently enriches our teams' work and gives us up-to-the-minute expertise.

Present and innovative

There is demand for first-class solutions offering quality, profitability and sustainability. At Branicks, our asset managers' industry expertise and confidence in navigating the range of options available creates value for both tenants and institutional investors, whether in our core office and logistics asset classes or specialist properties such as a retail shopping centre.

Harnessing creativity and expertise to focus on our customers

One example is the new lease of more than 5,000 sqm of space at Halle's Neustadt Centrum. Food retailer REWE was won over by a conversion plan that meets the latest environmental standards, transforming their new supermarket into a showcase for sustainability.

Neustadt Centrum, Halle

Deka Office Hub, Niederrad

Pioneering and consistent

We see sustainability as a key factor in enhancing the intrinsic value of our portfolio, with energy efficiency, decarbonisation and ESG criteria becoming increasingly important for everyone involved in the real estate market. We are leading the way in our sector with this approach and are pioneers of sustainable transformation.

Systematic sustainability

We use the strengths of our 360-degree, full-service expertise to the fullest by holistically managing and systematically enhancing all of our properties. We harness our consulting and implementation skills to create state-of-the-art utilisation plans that meet individual needs, and consistently invest in sustainability by developing individual properties and enhancing our portfolio through initiatives such as lowering energy consumption. Our systematic approach to data collection and analysis provides a foundation for developing and operating sustainable buildings. Our aim is for 60% of Branicks properties to be Green Buildings by 2027.

Top scores in ESG ratings

ESG ratings are progressively finding their way into the decision-making of capital market participants. During the year under review, Branicks once again earned top scores from ESG-related ratings such as Morningstar Sustainalytics, where we were named among the 50 best companies worldwide (as of January 2025: 20th place) and placed second out of 149 evaluated companies in the real estate management sector.

Green success

52.9 %
Green Buildings

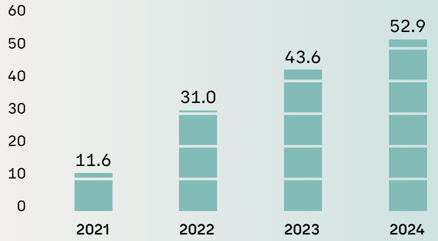
In a major success for Branicks, our Green Building ratio climbed to 52.9% as of 31 December 2024, up from just 11.2% four years ago. This remarkable progress is the result of our targeted certification and portfolio strategy. In doing so, we are contributing to the fight against climate change – and improving the value and sustainability of our properties.

Branicks receives top certification

Properties with a combined market value of around EUR 250 million were certified ‘very good’ by BREEAM, one of the world’s most renowned Green Building certification systems. The newly certified properties include the Neustadt Centrum shopping centre in Halle, the Gate 9 multi-tenant office building in Leinfelden-Echterdingen, and Central Park Offices in Düsseldorf. The certification considers aspects such as energy and water consumption as well as construction and materials while also taking into account the health and comfort of a building’s users and its environmental impact.

Green Buildings[1] in the Commercial Portfolio

in % of total market value



[1] As defined in our Green Bond Framework.

Value and integrity

We are focused on enhancing the intrinsic value of our property portfolio, taking a long-term approach to our real estate assets. At the same time, we remain alert and agile to ensure that we can anticipate and respond proactively to changes in the markets.

Minimising risk with a diversified portfolio

We minimise risks with the help of our diversified portfolio of properties in the office and logistics asset classes, and use transactions to maintain and continue developing it.

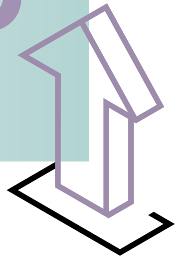
During 2024, we were able to sell 34 properties representing a total value of EUR 702 million while simultaneously improving the structure and intrinsic value of our portfolio. Our high-quality property portfolio generated like-for-like rental growth of 1.8%.

Smart, dynamic and communicative

Our employees contribute a unique array of expertise and put their extraordinary dedication to work across a broad range of projects.

Letting performance in sqm

387,700



Just as important as our performance is the fact that we communicate openly and transparently, both internally and externally, about every development, potential, risk and success.

Enhancing the sustainability of the IBC: continuous investments in building technology and facilities, switching to LED lighting, smart parking systems, electric charging stations, bicycle parking and being awarded LEED Platinum sustainability certification.

IBC, Frankfurt am Main

To our shareholders

Investor relations and capital markets

Equity markets in 2024: upturn and upheaval

Global equity markets continued their positive performance from the final quarter of 2023 as trading got off to a strong start in 2024. Factors such as expectations of interest rate cuts and a sustained tailwind from the USA driven by technological innovations and the AI boom created an optimistic prevailing mood that also boosted German stock exchanges.

However, this initial euphoria was dampened by various factors over the course of the year, especially the further escalation of the Middle East conflict and delays to the US Federal Reserve (Fed)'s plans to reduce interest rates, which created heightened uncertainty and a marked increase in volatility on the markets. After a strong May, the European elections caused further uncertainty in June. Economic data that was in part below expectations made investors increasingly nervous in the summer. In the third quarter, geopolitical tensions and a weaker Chinese economy weighed heavily on the markets, while strong quarterlyfigures from US tech companies sent positive signals in the stock markets. In the fourth quarter, the Fed's interest rate cut announcements and improved economic data in Europe triggered a recovery that allowed global markets to finish the year strongly.

Highlights in 2024

2023 Annual Report receives another **EPRA BPR Gold Award**

Another **EPRA sBPR Gold Award** for 2023 Sustainability Report

Intensive capital market communication with numerous investor meetings and conferences during the year

Branicks Group AG – shares

Basic data (as at March 2025)	
Number of shares	83,565,510 (registered shares)
Share capital in EUR	83,565,510
WKN/ISIN	A1X3XX / DE000A1X3XX4
Symbol	BRNK
Free float	51.66%
Exchanges	Xetra, all exchanges in Germany
Deutsche Börse segment	Prime Standard
Designated sponsors	ODDO BHF Corporates & Markets AG, Baader Bank AG
Paying agent	Joh. Berenberg, Gossler & Co. KG

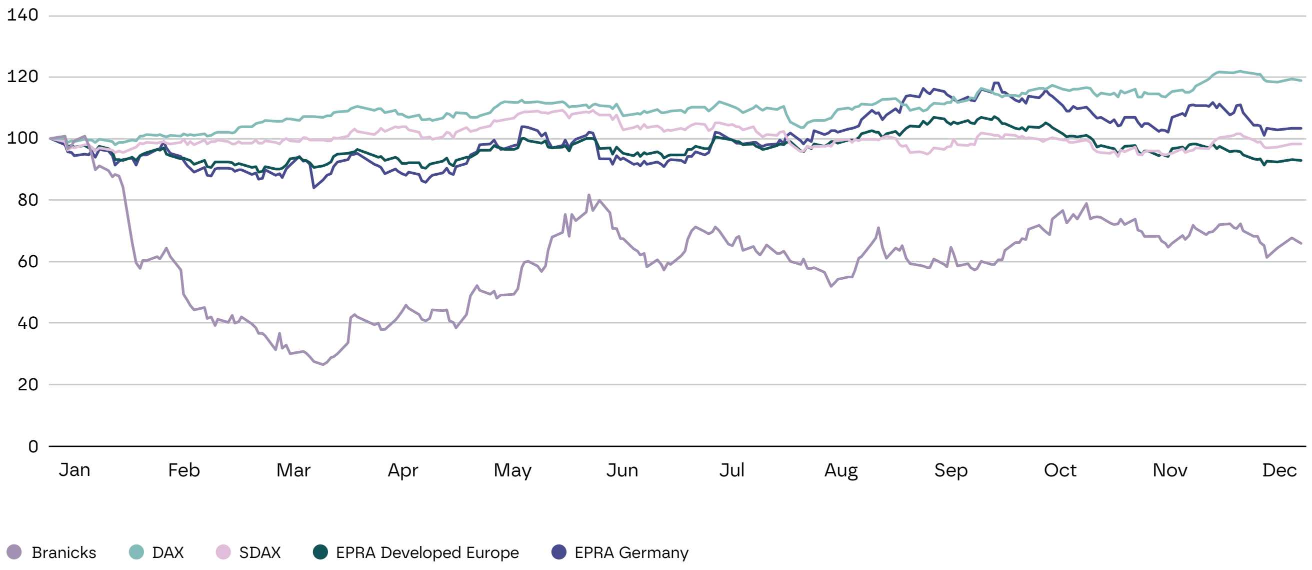
Key figures

		2024	2023
FFO per share	Euro	0.63	0.62
FFO yield	%	28.3	18.3
Dividend per share	Euro	0.00	0.00
Dividend yield	%	0.0	0,0
Year-end closing price [1]	Euro	2.23	3.38
52-week high [1]	Euro	3.41	9.73
52-week low [1]	Euro	0.90	2.97
Market capitalisation at year-end closing price	EUR million	186	282

[1] Xetra closing prices in each case.

Share performance 01.01.2024 – 31.12.2024

indexed (Xetra closing price on 31 December 2023 = 100%)



Branicks shares suffer losses in 2024 amid uncertain market environment

Shares in Branicks opened trading at EUR 3.395 on 2 January 2024 and ended the day at an annual high of EUR 3.41. The stock shed value in January when it was announced that the Company was in negotiations to extend its bridging loan and promissory note loans due to mature in 2024, dropping to its annual low of EUR 0.90 during this period (on 18 March 2024). The share price recovered somewhat once the loans were successfully reorganised and their maturities extended as part of preventative StaRUG proceedings, and received a further boost from the positive financial results for the first quarter of 2024 presented in May. At the start of June, shares in Branicks recorded losses caused by factors including the uncertainty surrounding the execution of sales expected by the end of the first half of the year. While the market welcomed the Company's first-half and nine-month figures and the full repayment of the bridging loan ahead of schedule, moving the stock permanently above the EUR 2 mark, Branicks shares did not experience a year-end rally, ending the year with a XETRA closing price of EUR 2.23 on 30 December 2024. This equates to a drop of 34% for the year compared to the 2023 closing price.

Germany's benchmark indices presented a mixed picture in 2024. While the DAX rose by around 19% to reach a new record high, the MDAX and SDAX lagged behind with gains of 7% and 5% respectively. There was a sense of guarded relief around real estate stocks compared to 2023 due to the prospect of falling interest rates and the slow recovery of the transaction market. The global real estate market showed signs of recovery, particularly in the second half of the year, which were primarily attributable to interest rate cuts made by major central banks. This stabilisation caused real estate stocks to rise, lifting the EPRA Developed Europe and EPRA Germany indices to annual highs at the start of October. However, this trend was reversed towards the end of the year due to persistently challenging financing conditions and monetary policy uncertainty that grew following the election of Donald Trump as the president of the USA. The collapse of the 'traffic light' coalition in Germany caused further uncertainty among market participants, particularly when it comes to regulatory issues such as government grants that could have a lasting impact on the sector. At the end of the year, the EPRA Germany index made gains of around 3% in 2024 while EPRA Developed Europe lost approximately 7%.

Branicks Group AG – bond

Basic data

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

Key figures

in %	2024	2023
Branicks Group AG 21/26 Green Bond		
Year-end closing price	60.12%	38.0%
Yield to maturity at year-end closing price	37.61%	46.99%

One bond currently outstanding at Branicks

Developments in the bond markets in 2024 remained heavily dependent on central bank policy expectations in the USA and Europe. The Fed and ECB continued to pursue a cautious approach by only moderately relaxing their monetary policy in the second half of the year, initially limiting any more significant rises in bond prices. After the adverse impact of interest rate increases and insolvencies in the real estate sector in 2023, the bond market stabilised and became more attractive in the first half of 2024. The market profited from the first few interest rate cuts in the second half of the year, resulting in increased demand for long-term government bonds and investment-grade corporate bonds in particular.

Branicks currently has one outstanding bond. With a volume of EUR 400 million, the 21/26 Green Bond on 30 December 2024 closed below par at 60.12% after an opening price for the year of 38.00%. This development reflects Branicks' improved financing situation over the course of the year. We plan to use the funds from this bond for Green Buildings in accordance with the United Nations' Sustainable Development Goals 9 and 11.

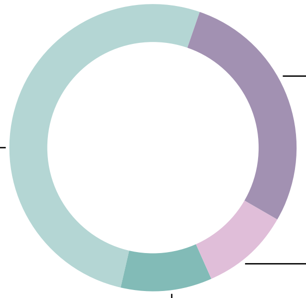
Virtual 2024 General Shareholders' Meeting

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

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

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

Shareholder structure



Source: latest available WpHG notifications, last updated 1 March 2025

Stable shareholder structure

Branicks's shareholder group has a fundamentally stable structure comprising national and international institutional investors. According to the latest available WpHG notifications, anchor shareholder Deutsche Immobilien Chancen Group at the 31 December 2024 reporting date held around 28.23% of the shares, of which 8.2% are attributed via TTL Real Estate GmbH. The RAG-Stiftung, a foundation, has been a major Branicks shareholder since 2014 and holds around 10.01% of the Company's shares. In February 2021, Yannick Patrick Heller exceeded the 10% threshold and currently holds around 10.10% of the Company's shares. A total of around 51.66% of shares are currently in free float. All voting rights announcements available to us are published on our website and in the notes starting on → page 170.

Consistent capital markets communication

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

In 2024, we held numerous discussions with lenders and bondholders as well as with institutional and private investors in our shares, both by telephone and videoconference and in face-to-face meetings. We also maintained a regular and spirited dialogue with the aforementioned stakeholder groups via email. At the start of the first half of the year, these discussions were primarily centred on the Company's financial position and the preventative StaRUG proceedings, and on the assumptions made as part of the established restructuring plan. Over the next few months, our conversations with stakeholders focused on the milestones reached in reducing the Company's debt and the successful property sales required to achieve this. The focus of discussions shifted back towards the Company's operational strengths during the second half of the year.

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

Ongoing exchange with analysts

Branicks Group AG was covered by a total of eight analysts as of the 31 December 2024 reporting date. There are currently three Buy recommendations, three Hold recommendations and two Sell recommendations. The target prices range from EUR 1.70 to EUR 7.00, with a median target price is EUR 3.18 per share.

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

Current analyst recommendations

Bank/Financial institute	Analyst	Current recommendation	Current price target in euros
Baader Bank	Andre Remke	Buy	2.35
Berenberg Bank	Kai Klose	Hold	4.00
HSBC	Thomas Martin	Hold	4.50
Kepler Cheuvreux	Thomas Neuholdl	Sell	1.70
Metzler	Jochen Schmitt	Sell	1.90
ODDO BHF	Manuel Martin	Hold	2.10
SRC Research	Stefan Scharff	Buy	7.00
Warburg Research	Philipp Kaiser	Buy	4.50
Price target (median)			**3.18**

As at: 31 December 2024

Dividend policy

In principle, we pursue a clearly defined dividend policy, based primarily on the operating profit achieved with our business model and largely derived from the FFO (funds from operations) key performance indicator. The forecasts regarding future market trends and the need for funding are additional factors. Given our liquidity position and results of operations, and taking into account the short- and medium-term maturities of existing funding instruments, the Management Board has decided to propose to the Supervisory Board not to provide for payment of a dividend for the 2024 financial year.

Our clear ambitions are to return to net profit by 2026, to allow our shareholders to participate in the Company's earnings and to position ourselves again as a reliable dividend payer in the medium term.

IR activities in 2024

First quarter		
Second quarter		
30.04.	Publication of the 2023 Annual Report [1]	
16.05.	Publication of the Q1 2024 Statement [1]	
29.05.	Publication of the 2023 Sustainability Report	
Third quarter		
22.08.	General Shareholders' Meeting	virtual
27.08.	Publication of the 2024 Half-yearly Report [1]	
23. – 26.09.	Baader Investment Conference 2024	Munich
23. – 25.09.	Berenberg and Goldman Sachs German Corporate Conference 2024	Munich
Fourth quarter		
07.11.	Publication of the Q3 2024 Statement [1]	
13.11. – 14.11.	Kepler Cheuvreux Pan European Real Estate Conference	London
25.11. – 27.11.	Deutsches Eigenkapitalforum 2024 (analyst event)	Frankfurt

[1] With conference call.

IR calendar 2025

Last updated: March 2025

First quarter
12.03. Publication of the 2024 Annual Report[1]

Second quarter
08.05. Publication of the Q1 2025 Statement[1]
14.05. Publication of the 2024 Sustainability Report

Third quarter
14.08. Publication of the 2025 Half-year Report[1]
20.08. General Shareholders' Meeting

Fourth quarter
06.11. Publication of the Q3 2025 Statement[1]

[1] With conference call.

Outstanding reporting earns double gold award

Both our financial and ESG reporting again received a Gold Award from EPRA in 2023 – the highest category possible. Like the annual reports of previous years, the 2023 Annual Report was again presented with the BPR (Best Practices Recommendations) Gold Award, while the 2023 Sustainability Report won Gold for the third time in the annual sBPR (Sustainability Best Practices Recommendations) rankings. By presenting Branicks with these awards, EPRA recognised the Group's clear communication of its sustainability targets and its best-in-class approach to ESG. For more information on ESG ratings, see also →page 66 in this report.

Involvement in associations

We are involved in particular in the most influential and largest associations, ZIA (Zentraler Immobilien Ausschuss) and EPRA (European Public Real Estate Association), in order to represent the common interests of the real estate sector and offer information services. Our CEO Sonja Wärntges contributes her expertise as a member of ZIA board of directors. We have also been a member of the European Association for Investors in Non-Listed Real Estate Vehicles (INREV) since January 2015.

Report of the Supervisory Board

Branicks is holding its own in a persistently challenging market environment, having faced operational and strategic challenges in 2024. The Supervisory Board would like to express its particular acknowledgement and sincere thanks to the Management Board and all of our employees for enabling Branicks to overcome these challenges.

In the 2024 financial year, the Supervisory Board responsibly performed the duties incumbent upon it in accordance with the German Stock Corporation Act (AktG), the Company's Articles of Association and the Supervisory Board Rules of Procedure, increasing the intensity of its efforts to reflect the Company's situation. The Supervisory Board continually monitored the Company's management and provided strong support for its strategic corporate development as well as its financial consolidation and significant individual actions.

The Management Board informed the Supervisory Board during the financial year promptly and fully through written and oral reports. The written reports by the Management Board and, where applicable, the written proposals for resolutions, were made available to the Supervisory Board well ahead of time to allow its member to prepare for the discussions and the decisions to be made.

The reports set out all relevant information on significant issues regarding strategy and corporate planning, the situation and development of the Company and the Group, the liquidity position, the risk position, risk management, the internal control system, compliance, and material transactions.

Business development was explained in detail by the Management Board and discussed by the Supervisory Board. The Supervisory Board requested and received additional information as required. The Supervisory Board was involved in all material decisions at an early stage and – to the extent necessary – gave its approval after examining and discussing them in depth.

The Management Board immediately informed the Supervisory Board of any urgent matters both in writing and as part of extraordinary meetings convened at short notice. The Chairman and (since 13 April 2024) Chairwoman of the Supervisory Board remained in regular contact with the Chief Executive Officer. They were also notified of material developments and decisions by the Management Board between meetings, and discussed key business development issues with the Management Board in separate talks.

Attendance at meetings by Supervisory Board members

The Supervisory Board met for four ordinary meetings during the 2024 financial year. One of these meetings was held in person, three meetings took place in a hybrid format. There were also 20 extraordinary meetings, 17 of which were held in virtual form as conference calls or video conferences, while two meetings were held in person and one in a hybrid format. The Supervisory Board also met regularly on selected topics without the Management Board. Resolutions were also adopted by written circular.

The Supervisory Board established an Audit Committee, which held two in-person meetings in the 2024 financial year.

The average attendance rate at the Supervisory Board meetings in the reporting year was 93%, while the average attendance rate at Audit Committee meetings was 100%.

The members of the Supervisory Board and the Audit Committee attended the meetings of the Supervisory Board and Audit Committee as follows:

Member of the Supervisory Board	Supervisory Board meetings	Meetings attended	Attendance rate
Dr. Angela Geerling (Chairwoman since 13 April 2024)	24	24	100%
Prof. Dr. Gerhard Schmidt (Chairman until 13 April 2024)	24	24	100%
Michael Zahn (Vice Chairman)	24	22	92%
Eberhard Vetter	24	22	92%
René Zahnd	24	18	75%
Jürgen Josef Overath (member since 22 August 2024)	5	5	100%
Average attendance rate			**93%**

Member of the Audit Committee	Audit Committee meetings	Meetings attended	Attendance rate
René Zahnd (Chairman)	2	2	100%
Prof. Dr. Gerhard Schmidt	2	2	100%
Dr. Angela Geerling	2	2	100%
Average attendance rate			**100%**

Key points of deliberation at the Supervisory Board meetings

The meetings regularly covered the financial and liquidity position, operational performance – specifically lettings, acquisitions and sales – and the strategic orientation of Branicks Group AG.

Individual meetings also focused on the following issues:

01|18

At this extraordinary meeting, the Management Board reported on potential transaction activities in the Commercial Portfolio and Institutional Business segments and the status of discussions with lenders of the bridging loan for the acquisition of a majority stake in VIB Vermögen AG carried out at that time.

The Management Board presented a plan for establishing the new renewables asset class in the Institutional Business segment. After detailed discussions, the Supervisory Board approved the launch of a fund and collaboration with Encavis Asset Management AG proposed by the Management Board.

01|23

At this extraordinary meeting, the Management Board provided a progress report on discussions with lenders of the bridging loan. The Management Board also set out potential next steps for the promissory note loan maturing in 2024, whose creditors were invited to enter negotiations to extend the term of the loan.

02|12
This extraordinary meeting primarily consisted of the Management Board's report on the status of negotiations with bridge banks, with whom they were able to agree a temporary suspension of certain credit conditions and payment obligations, and the status of negotiations with promissory note holders. The Management Board also set out additional actions to stabilise the Company's liquidity position currently being reviewed or prepared.

02|15
This extraordinary Supervisory Board meeting once again focused on potential action to strengthen the Company's liquidity, particularly the status of negotiations with promissory note holders and bridging loan creditors, followed by discussions among the Supervisory Board.

02|24
Once again, the primary focus of this extraordinary meeting was a progress report on negotiations with promissory note holders and bridging loan creditors. The business plan presented by the bridging loan creditors and promissory note holders was also discussed in detail.

03|02
At this extraordinary meeting, the Management Board outlined the current status of potential transactions involving logistics properties. The Management Board's progress report on negotiations with promissory note holders and bridging loan creditors was discussed in detail.

The Management Board also set out the content of the current draft of an Independent Business Review (IBR) of the approach pursued by Branicks, and the Supervisory Board discussed this in detail.

03|04
Once again, the purpose of this extraordinary meeting was to provide an update on negotiations with bridging loan creditors. The Management and Supervisory Boards discussed the current plan. Possible options for extending the promissory note loan maturing in 2024 by using preventative StaRUG proceedings that were presented by the Management Board and were still under review were also discussed in detail with the help of consultants.

03|05
At this extraordinary meeting, the Supervisory Board decided to approve a term sheet for adjusting the 2024 promissory note loan presented by the Management Board.

03|12
At this extraordinary meeting, the Management Board provided the Supervisory Board with a report on the current status of a potential logistics property transaction. The Management Board also provided the Supervisory Board with a progress report on negotiations with bridging loan creditors and the preventative StaRUG proceedings that had since been carried out, and explained how the rest of the proceedings would work.

03|14
At this extraordinary meeting, the Management Board reported on the current status of negotiations with bridging loan creditors. This was followed by an extensive discussion with the Management Board.

03|18
At this extraordinary Supervisory Board meeting, the Supervisory Board once again discussed ongoing negotiations with bridging loan creditors with the Management Board after the latter provided a progress report on this topic. The Supervisory Board was also notified about the status of negotiations as part of StaRUG proceedings, creditors' claims after the modification of the collateral plan and the impact on the restructuring plan filed with the Local Court.

The Supervisory Board also approved an update to the Declaration of Compliance following the delay to the publication of the Annual Report announced on 5 March 2024.

03|23
At this extraordinary Supervisory Board meeting, the Management Board presented the status of negotiations with promissory note holders and bridging loan creditors as well as the status of the restructuring plan drafted as part of the preventative StaRUG proceedings. The Management and Supervisory Boards then discussed the presented topics in detail. The Supervisory Board was also advised on potential financing alternatives to the bridging loan. In addition, the Supervisory Board approved the sale of a portfolio from the Commercial Portfolio.

03|25
At this extraordinary meeting, the Supervisory Board addressed the potential conditions for a potential extension of the bridging loan and approved this action.

04|13
The sole purpose of this extraordinary meeting was to appoint Frau Dr. Angela Geerling as the new Chairwoman of the Supervisory Board.

04|29
This ordinary meeting focused on the outcome of the Audit Committee meeting, which was explained in detail by the Chairman of the Audit Committee, Mr Zahnd, and then discussed at length. The operating results and plans for the 2024 financial year, particularly letting performance, were also discussed extensively. The annual and consolidated financial statements for financial year 2023 were approved. The dependent company report and the remuneration report were also reviewed, approved and adopted. The Supervisory Board also discussed the agenda and adopted the proposed resolutions for the General Shareholders' Meeting and decided to further update its Declaration of Compliance.

Progress reports were presented on various proposed sales and the impact of repaying the bridging loan was set out. The schedule and structure of the Branicks renewables fund was also outlined. After extensive discussions, the Supervisory Board also approved the extension of the term of a loan.

05|15
At this extraordinary meeting, the Management Board presented the results for the first quarter of 2024 and provided an update on the status of the Branicks renewables fund.

The Management Board also reported on the status of negotiations to sell a package of logistics properties and a retail portfolio as well as the possible sale of additional properties.

05|29
At this extraordinary meeting, the Management Board provided the Supervisory Board with a report on the current status of various ongoing sales negotiations. The Management and Supervisory Board also discussed possible alternatives.

06|19
At this ordinary meeting, the Management Board explained the current status of the sales planned and initiated for the 2024 financial year. The Management Board also informed the Supervisory Board that the Company's financial consolidation was proceeding as planned by repaying part of the bridging loan. Additional plans for repaying the outstanding bridging loan were also discussed. In addition, the Management Board reported on the status and marketing of the Branicks renewables fund.

The Supervisory Board approved the extension of directors' and officers' liability insurance policies for the Management and Supervisory Boards and approved the agenda and proposed resolutions contained therein for the General Shareholders' Meeting, which was to be held virtually once again.

The Management Board also outlined its forecast for the 2024 financial year and planning for the 2025 and 2026 financial years. This information was also discussed at length.

08|05
At this extraordinary meeting, the Supervisory Board approved the sale of a package from the Commercial Portfolio as part of a share deal. An updated qualification matrix for the Supervisory Board was also approved. In addition, the Management Board reported on the status of impairment testing and credit checks relating to loans granted.

08|26
At this extraordinary meeting, the Supervisory Board focused on the report for the first half of 2024. After an explanation of the report by the Management Board and an extensive discussion, the Supervisory Board noted and approved the half-yearly financial report.

The Management Board also presented the results of impairment testing and credit checks relating to loans granted and outlined further plans to repay the bridging loan as well as the first tranche of the promissory note loan.

09|19
At this ordinary meeting, the Management Board provided an overview of sales implemented during the 2024 financial year. The status of refinancing activities and the Company's liquidity status were also presented and discussed in detail. The Management Board notified the Supervisory Board of the full repayment of the bridging loan, outlined additional actions relating to the promissory note loan and presented its forecast for the rest of the financial year as well as potential alternative financing options.

09|30
This extraordinary meeting primarily focused on the Supervisory Board's approval of the sale of two office properties from the Commercial Portfolio as part of a share deal.

11|06
At this extraordinary meeting, the Management Board presented the results for the third quarter and its updated outlook for results for the 2024 financial year. The action for annulment of individual discharge resolutions from the General Shareholders' Meeting brought by a shareholder were also the subject of discussions, and the Supervisory Board decided to grant power of attorney for the lawsuit.

12|12
At this ordinary meeting, the Management Board provided a report on current business developments. Following appropriate explanations by the Management Board, the Supervisory Board approved the sale of share certificates in a special fund. The Management Board presented the earnings forecast for the full-year 2024 and discussed matters of operational planning, sales planning, repayment of maturing liabilities, liquidity planning and the current status of the risk inventory with the Supervisory Board for the 2025 financial year. The Supervisory Board also adopted the Declaration of Compliance for the 2024 financial year.

Audit Committee report

The Supervisory Board established an Audit Committee to ensure that work is allocated and performed efficiently. This committee met twice in person in 2024. The meetings were attended by all members of the Audit Committee (for more details see the "Attendance at meetings by Supervisory Board members" section).

The meeting held in April 2024 focused on resolutions concerning the financial reporting documents for the 2023 financial year. With representatives of the auditor in attendance, the meeting was devoted to a detailed analysis and discussion of the annual and consolidated financial statements for financial year 2023 along with the combined management and group management report and the dependent company report as well as the associated audit reports, taking into account in particular the areas of emphasis and key audit matters previously defined by the Audit Committee in coordination with the auditor for the consolidated financial statements (recoverability of the carrying amounts of properties, impairment test of the goodwill arising from the acquisition of GEG and RLI, and going concern) and for the single-entity financial statements (measurement of equity investments and loans, and going concern). Part of these discussions focused on assessing financing risks in the management report by taking into account the business and liquidity plans set out as part of the preventative StaRUG proceedings. Recommendations were approved for the Supervisory Board's resolutions concerning the financial reporting documents for financial year 2023, the remuneration report and the proposed choice of auditor for financial year 2024.

At the ordinary meeting held in December 2024, the Audit Committee analysed the earnings forecast for the full 2024 financial year. Representatives of the auditor explained the status of the audit work on the annual and consolidated financial statements for the 2024 financial year. The areas of emphasis for the audit for the 2024 financial year as required by auditors' rules of professional conduct and the Company's risk exposure were discussed. The Audit Committee discussed the pre-approval catalogue for permitted non-audit services provided by the auditor and obtained information from the auditor about services provided.

Corporate governance and Declaration of Compliance

Members of the Supervisory Board are responsible for completing the training and continuing professional development required for their roles – on subjects such as changes to the legal framework, for example – and are supported by the Company in doing so. New members of the Supervisory Board can meet members of the Management Board to discuss fundamental and current issues and thus gain an overview of topics that are relevant to the Company (known as "onboarding").

On 19 March 2024, 29 April 2024 and 18 July 2024, the Supervisory Board, together with the Management Board, updated the Declaration of Compliance with the recommendations of the German Corporate Governance Code as amended on 28 April 2022 it had issued on 19 December 2023, and on 12 December 2024 issued the annual Declaration of Compliance with the recommendations of the German Corporate Governance Code as amended on 28 April 2022 in accordance with Section 161 AktG. Both the updates and the annual Declaration of Compliance were published on the Company's website in the Corporate Governance section.

In the section entitled "Corporate governance statement" of this Annual Report, the Management Board and the Supervisory Board jointly report in detail on corporate governance for the Company and the Group.

No conflicts of interest

In compliance with the German Corporate Governance Code, each member of the Supervisory Board will disclose any conflict of interest that might arise.

Between the Company and law firm of Weil, Gotshal & Manges LLP, of which Prof. Dr. Gerhard Schmidt, Supervisory Board member in office in financial year 2024, is a partner, advisory mandates existed during the 2024 financial year with the approval of the Supervisory Board. Prof. Dr. Gerhard Schmidt did not take part in the corresponding discussion and resolution of the Supervisory Board.

No other conflicts of interest arose on the Supervisory Board in financial year 2024.

Annual and consolidated financial statements for 2024 examined and approved, annual financial statements for 2024 adopted

The Management Board prepared the annual financial statements for financial year 2024 in accordance with the German Commercial Code, the consolidated financial statements in accordance with IFRSs, as adopted by the EU, and with the commercial law regulations to be applied in addition pursuant to section 315e of the HGB, as well as the management report combined with the group management report. These items were audited by BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, appointed as auditors at the General Shareholders‘ Meeting on 22 August 2024, and an unqualified auditor’s report was issued for each of them. The remuneration report jointly prepared by the Management Board and the Supervisory Board in accordance with section 162 of the AktG for the 2024 financial year was also formally audited by the auditor. BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, has been the auditor for Branicks Group AG and the Branicks Group since financial year 2022. The co-signing auditor Tobias Härle signed the auditor’s report for the first time for financial year 2022, and the auditor responsible for the audit, Christoph Rücker, signed the auditor’s report for the first time for the year under review.

All of the documents mentioned were discussed at the meetings of the Audit Committee and the Supervisory Board on 11 March 2025 attended by representatives of the auditor. The auditor of the annual financial statements reported on the areas of emphasis and material findings of their audit and focused in particular on key audit matters and audit activities carried out. Key audit matters for auditing the consolidated financial statements were the recoverability of the carrying amount of the properties and the recoverability of the goodwill arising from the acquisition of GEG and RLI. The recoverability of the carrying amount of the investments and of the loans was defined as a key audit matter for auditing the annual financial statements of Branicks Group AG. No significant weaknesses in the internal control and risk management system relevant for the financial reporting process were reported. The auditors were available to the members of the Committee and the Supervisory Board for comprehensive discussion. There were no circumstances that could suggest any bias on the part of the auditor.

The Audit Committee, to which the Management Board’s documents and the auditor’s audit reports were submitted in good time for a preliminary audit, reported to the Supervisory Board on the essential content and findings of its preliminary audit, and issued recommendations for the Supervisory Board’s resolutions.

The Supervisory Board, which was also provided with the documents and audit reports in good time, examined the annual and consolidated financial statements for financial year 2024 and the management report combined with the group management report, taking into account the Audit Committee’s report. The Supervisory Board concurred with the findings of the auditor’s audit. On the basis of its own review, the Supervisory Board established that it had no cause for objections against the annual financial statements and consolidated financial statements or against the combined management report and group management report. The Supervisory Board approved the annual and consolidated financial statements prepared by the Management Board in line with the recommendation of the Audit Committee. The annual financial statements of Branicks Group AG were thereby adopted. The remuneration report was approved by the Supervisory Board.

Relations with affiliates reviewed

The Management Board prepared a report on relations with affiliates for the period from 1 January 2024 to 25 July 2024. The auditor has audited this report, reported on the findings in writing and issued the following unqualified auditor's report:

"In accordance with our dutifully performed audit and assessment, we confirm that

1. the factual statements in the report are correct,

2. the payments made by the Company in connection with the legal transactions referred to in the report were not unduly high."

The Management Board's report and the auditor's report were also made available to the individual members of the Supervisory Board in good time. These reports were discussed in depth in the meetings of the Audit Committee and the Supervisory Board. The representatives of the auditor who participated in the meetings reported on the material findings of their audit. The Supervisory Board approved the Management Board's report on the relations with affiliates following its own review and also concurred with the findings of the audit of the report by the auditor. As a result of its own review, the Supervisory Board established that it had no reason to object to the statement made by the Management Board on relations with affiliates at the end of the report.

Appointments to the Management Board and Supervisory Board

The following changes took place on the Supervisory Board during the 2024 financial year: The Supervisory Board elected Dr. Angela Geerling as its new Chairwoman on 13 April 2024. The previous Supervisory Board Chairman, Prof Dr Gerhard Schmidt, continues to be a member of the Supervisory Board. The Annual General Meeting held on 22 August 2024 elected Mr. Jürgen Josef Overath to the Supervisory Board after Prof. Dr. Ulrich Reuter resigned from his position as a member of the Supervisory Board with effect from 31 December 2023.

There were no changes to the composition of the Management Board.

Frankfurt am Main, 11 March 2025

The Supervisory Board

Dr. Angela Geerling
– Chairwoman of the Supervisory Board –

Combined management report

Fundamental information about the Group

Brief profile and business model

Branicks AG (“Branicks”, “we”) is one of Germany’s leading listed commercial real estate specialists, with over 25 years of experience in the real estate market and access to a broad network of investors.

The former DIC Asset AG rebranded with effect from 2 October 2023, since when the office and logistics property specialist has been operating in the market under the name Branicks Group AG (“Branicks”). Branicks is a play on words using the words ‘Brains’ – the unique expertise and dedication of our teams – and the term ‘Bricks’, in reference to the property value we create for our clients.

Our business model is based on a nationwide investment, transaction and management platform with nine offices in all of Germany’s key markets (including VIB Vermögen AG, or “VIB”). We provide on-site support for a total of 317 properties, which means we are always close to our properties and their tenants. As of 31 December 2024, the market value of our real estate assets under management totalled approximately EUR 11.6 billion.

We use our platform to manage properties within our proprietary portfolio and thus ensure a high and stable cash flow, while our assets under management also include the real estate investments of institutional investors. This enables us to act as a full-service system provider who covers all aspects of commercial real estate investments and pursue an active asset management approach that leverages appreciation potential and increases income across the Company. At the same time, this approach gives us a high degree of flexibility when structuring the investment products we issue and manage for our institutional clients. Our range of services includes the structuring of investment vehicles, acquisition and financing, day-to-day management of our real estate portfolio and the repositioning and sale of selected properties.

By taking a 360-degree approach that integrates all players and phases of property management, we optimise the use of resources like capital and know-how while effectively networking assets, occupiers and investors on our platform. This results in disruption-free value creation across all market cycles.

The steady growth of our platform’s range of deliverables and its profitability is driven by the know-how of our in-house management teams across the entire range of our business lines.

Segments and income structures

We generate sustainable and diversified cash flows across two segments, from rental income and management fees to sales proceeds and investment income: We differentiate between two segments in our income statement based on capital employed and income characteristics:

The **Commercial Portfolio (COP)** segment with assets under management of EUR 2.8 billion consists of our investments and revenue streams from properties shown as assets on the balance sheet. Investment properties that we manage as property owners contribute a steady, long-term stream of rental income. We also use active management to increase their value and realise profits by selling them. In this segment, we also generate income from equity investments.

In the **Institutional Business (IBU)** segment with assets under management of EUR 8.8 billion, we generate fees for a large number of real estate investment services for domestic and international institutional clients for whom we structure and manage funds, club deals and separate accounts.

Our range of services includes active management across all cycle phases: setup and transaction fees for structuring investments and transfers, fees for ongoing asset and property management, development fees for value enhancement measures and performance fees for achieving defined targets. We also generate investment income as co-investor from minority holdings in the investment products and projects that we manage.

There are strong synergies between both segments on our platform: Combining the financial and balance sheet structure of a portfolio holder with the management expertise of an active asset manager enables us to exploit market opportunities quickly and flexibly. At the same time, the income streams of the complementary segments offer a high degree of risk balance and resilience to market fluctuations.

Group structure

In addition to Branicks Group AG, the Group comprises a total of 192 subsidiaries. The majority of these are property holding companies through which the Group's operating activities are carried out. All equity investments are listed in appendices 1 and 2 to the notes to the consolidated financial statements.

As a central management holding company, Branicks Group AG brings together the functions of corporate governance: directing Group strategy (in particular investment management, portfolio management and sales strategy), corporate and real estate financing, risk management, compliance management as well as the control of property management. The management holding company is also responsible for capital market and corporate communications.

Four subsidiaries carry out important core operating tasks for our platform: Branicks Institutional GmbH and DIC Fund Balance GmbH are responsible for the Institutional Business segment, including fund and asset management of investment products structured for third parties, refining investment strategies and supporting institutional investors. The Group's own real estate management company Branicks Onsite GmbH provides on-site support for the entire property portfolio, including DIC's directly-held Commercial Portfolio as well as real estate in the Institutional Business throughout Germany. The fully consolidated subsidiary VIB, headquartered in Neuburg an der Donau, is a property holder within the Group, manages logistics and office funds and develops projects.

Regional structure and locations

Our profound regional expertise with nine locations throughout Germany enables us to exploit the different advantages and opportunities offered in regional markets to create attractive investment opportunities. Firmly embedded in the market, our teams provide both tenants and properties with on-site support. The majority of our employees involved in property management work in regional management teams with offices in Berlin, Cologne, Düsseldorf, Frankfurt am Main, Hamburg, Mannheim, Munich and Stuttgart. Since 2022, the employees of subsidiary VIB based at Neuburg an der Donau have also been part of our team.

The Management Board and company head office is located in Frankfurt am Main. Central strategic, management and administrative functions are performed here.

Market environment

Compared to other European countries, the German commercial property market is less centralised. The federal economic structure in Germany means there is a large number of strong regional economic centres. The so-called top seven cities (Berlin, Cologne, Düsseldorf, Frankfurt am Main, Hamburg, Munich and Stuttgart) are characterised by high volumes of office space, a very active level of transactions and high liquidity, strong competition and therefore a higher volatility of prices and rents. At the same time, there is a multitude of medium-sized cities, which form the centre of economically strong regions. Competition is less fierce and transaction activity is less pronounced in these regional centres. Prices and rents, however, are relatively stable. Whereas in the past demand for logistics space was focused on the metropolitan regions and their surrounding areas, the continuing excess demand means that secondary locations are becoming increasingly important.

In the investment market (acquisition and sale) for German commercial real estate, we compete with both domestic and international property owners/investors, some of whom are also listed. Our main competitors are providers who also focus on office and logistics properties. The competitive landscape generally includes a large number of market participants of different sizes. Due to its breadth and liquidity, the market has had a strong appeal to international investors for many years.

Corporate management

Our management system aims to increase enterprise value and to achieve long-term profitable growth without incurring disproportionate entrepreneurial risk.

Planning process

Our planning process is based on detailed planning in the Commercial Portfolio and Institutional Business at individual property and portfolio level (bottom-up planning).

Planning also concerns revenue and overhead costs as well as depreciation/amortisation and financing. Risks and specific opportunities are considered by way of risk management.

Corporate planning is finalised through targets and strategic elements (by way of top-down planning) before the individual sub-plans are finally consolidated at Group level. Group planning also includes strategic Group measures and the assessment of the general environment by the Management Board. It is carried out once a year and is amended during the year by subsequent forecasts in line with the expected market situation and any changes that arise in the meantime.

Planning consists of:

- Detailed business plans for properties, portfolios and investment vehicles comprising, among other things, estimated rental income, costs and capital expenditure as well as gross profit including management and investment income.
- Targets for operational real estate management including action planning, among others with regard to letting, sales, capital expenditure and project developments.
- Detailed planning of real estate management fees (recurring fees and one-off fees from planned transactions) and income from existing equity investments.
- Consideration of the necessary staffing levels
- Detailed planning of financing transactions (new borrowings, extension and/or repayment of debt or equity instruments) and liquidity

Company-specific leading indicators

To be able to seize opportunities rapidly and avoid possible undesirable developments, we consider leading macroeconomic and operating indicators when making business policy decisions.

The principal macroeconomic leading indicators include the development of gross domestic product, the Ifo index, inflation rates, unemployment trends and employment levels as well as forecasts of interest rate trends and lending. These leading indicators allow us to draw conclusions about the development of the property sector overall, the regional markets relevant to us and the future general environment and costs of our financing arrangements. The property market usually shows a somewhat delayed reaction to economic trends.

Significant operational leading indicators include lease signings as well as lease expiries and terminations. These are incorporated, among other things, into the monthly reporting on our letting activities. Our tenant-focused property management and the terms of our leases enable us to calculate the income base very precisely per month, initiate any necessary counter-measures and draw conclusions about our short- to medium-term income development. We supplement these revenue-based indicators with regional information and company data from our offices. This information allows us to fine-tune our letting activities in particular.

Key control variables

The internal control system and regular updates of corporate planning by way of forecasts serve as our main monitoring and management instruments.

In order to monitor the achievement of targets, we use key operating figures, which are part of regular reporting. The operating profit from real estate management (funds from operations, FFO, calculated after deducting minority interests) is the most significant figure from a Group perspective. Key figures to be taken into account in calculating FFO are net rental income, personnel and administrative expenses, real estate management fees, the share of the profit or loss of associates, and net interest result.

We report FFO separately for the Commercial Portfolio and Institutional Business segments. While FFO of the Commercial Portfolio segment is largely driven by net rental income, the Institutional Business segment predominantly generates income from real estate management fees. We also report FFO II (after minority interests) including profit on sales in order to ensure additional transparency and comparability.

Other key figures used for corporate management include:

- Loan to value (LTV)
- Adjusted LTV
- Net asset value (NAV)
- Adjusted NAV
- Letting performance
- EPRA vacancy rate
- Like-for-like rental income

In addition to controlling the target figures in absolute terms, the corresponding key figures per share are also included in the planning.

Objectives and strategies

We are one of the largest commercial real estate specialists with a focus on office and logistics properties and primarily operate in the German real estate market.

We also aim to expand our logistics investments outside Germany in neighbouring countries and to central logistics hubs.

Our corporate strategy focuses on generating a sustainable, steady stream of income via our in-house real estate management platform. We aim to grow rental income and enhance the market value of property in our directly held Commercial Portfolio.

In our business with institutional investors, we want to build on the recurring income from the ongoing asset and property management of managed investment vehicles while at the same time increasing income from property services in our transaction-based business.

Across all segments, one of the key success factors for our business model is applying our management expertise to the entire portfolio. We pursue a balanced optimisation strategy by optimising our portfolio in both operating segments by making targeted acquisitions and sales and generating cash inflows from the sales proceeds for the consolidation of our capital and financial structures. This means we can always act swiftly, flexibly and reliably on the market.

Our strategy is mainly based on the following approaches:

Optimising the investment platform by implementing a targeted acquisition and sales strategy

Our investment mix for the office asset class covers all of Germany with a focus on the regions near our offices. In Germany, these include the top seven cities as well as attractive cities in economically strong centres and their peripheries. By strategically expanding our logistics expertise and logistics investments we also aim to grow outside Germany in neighbouring countries.

We avoid long-term cluster risks by diversifying our platform on a regional, sectoral and tenant-related basis. Pursuing a targeted and efficient asset management approach also ensures an attractive yield profile and creates added value for us and our investors. This strategy is rooted in our regional expertise and our excellent access to markets. This allows us to identify and successfully develop properties with an adequate risk/yield ratio in Germany's key and regional real estate markets.

Creating value in asset management services for third parties

We offer national and international institutional investors our many years of investment expertise, transaction management skills and a broad range of real estate services in Germany's key and regional real estate markets and neighbouring logistics markets outside Germany. We design customised investment structures with attractive dividend yields by way of pool funds, club deals and individual mandates. Further opportunities arise from expanding our third-party business for institutional investors to include VIB.

We leverage our in-depth real estate knowledge to drive a growing third-party asset management business and achieve recurring and increasing management income by taking on asset and property management mandates. We are using specialist skills, expertise and low capital expenditure to steadily diversify our sources of income and stabilise our business's revenue streams.

Providing momentum with agile management

As an agile company with an active management approach, having an efficient organisation is very important to us. We are pushing ahead with digitalisation in order to mobilise our knowledge, create additional capabilities and further enhance the performance of our integrated management platform. Across every segment of our company, we are constantly reviewing and constructively developing new solutions in order to improve the speed, flexibility and transparency of our business.

Thanks to our expertise, we are able to leverage value add potential, especially through refurbishment work. We employ our own highly efficient teams for refurbishing properties both in our Commercial Portfolio and in the Institutional Business portfolio. These teams take care of measures aimed at repositioning properties to create value. By entering into new leases, achieving higher rents for new leases and reducing vacant space, we make an important contribution to increasing the value of our portfolio.

Sales are also an integral component of our activities. We use them to optimise our portfolio, realise profits at the right time and release funds that improve our financial structure and capital efficiency. In our Institutional Business we generate transaction and performance fees by selling properties at a profit.

Through our subsidiary VIB, we also develop new logistics properties for our proprietary portfolio and, going forward, will offer this service for third parties as well. The complete project pipeline comprises around 70,000 sqm and is being implemented according to Green Building standards.

Financial and capital structure

We aim for a stable financial and capital structure even in a difficult market environment. Our goal is to further optimise our financial foundation by increasing the share of long-term predictable cash flows generated from rental income and management income. We have a broad network of business partners in the banking and financial sector and on the capital markets.

Implementing ESG aspects

To ensure that the Company can remain commercially successful in the long term, Company management attaches material significance to sustainability in addition to economic factors. Sustainability therefore is an integral part of our corporate strategy, management approach and business activities.

When it comes to our Commercial Portfolio, the Branicks ESG strategy includes the following aspects:

- Developing our proprietary portfolio based on company-specific environmental and governance criteria (MATCH)
- Acquiring suitable properties and disposing of unsuitable ones (TRANSACT)
- Sustainable letting and management (OPERATE)
- Further developing the property portfolio under management by implementing structural, technical or innovative measures (DEVELOP)

360-degree value creation and ESG strategy

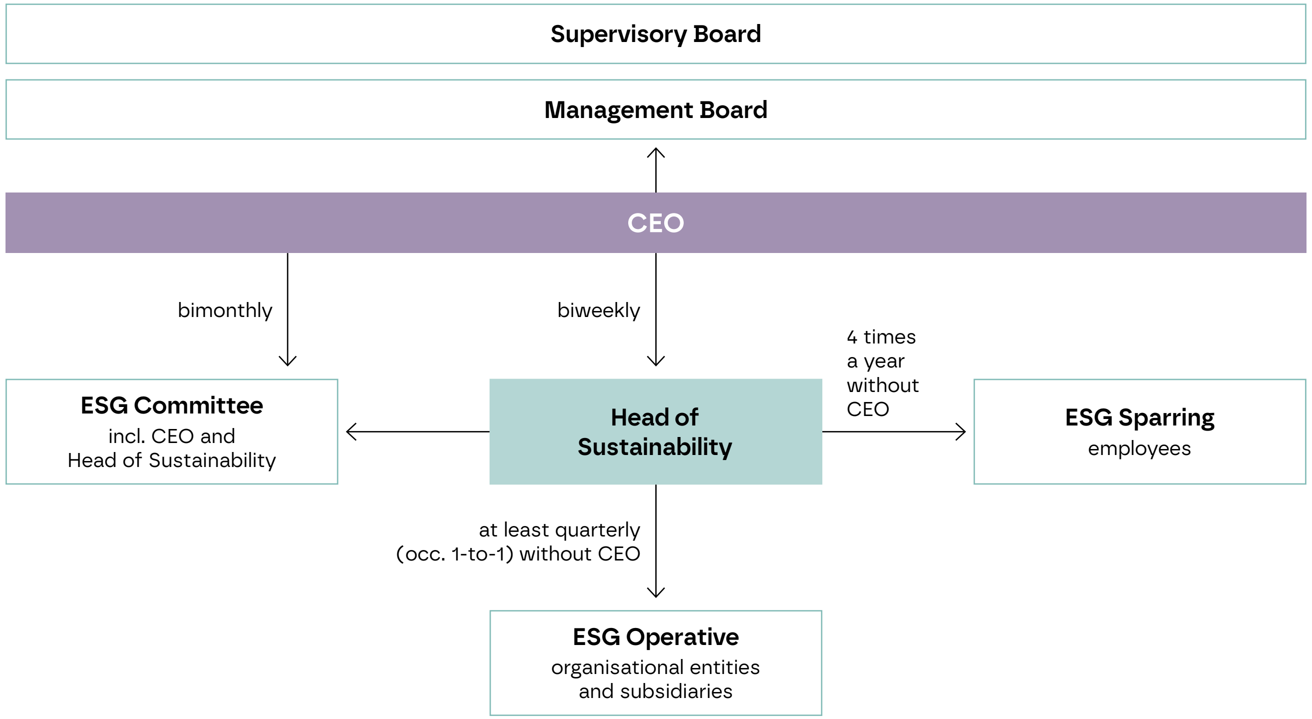
In our Institutional Business, we pursue the following strategy:

- Designing innovative products for institutional investors (MATCH)
- Acquiring suitable properties to sell them at the right time at a higher value (TRANSACT)
- Actively managing the respective (fund) products based on our investment strategy (OPERATE)
- Developing individual investments and properties with the approval of investors (DEVELOP)

Digitalisation is a fundamental building block of our ESG strategy. We make our management approach more efficient and agile, and increase the quality of service delivery by standardising and automating operational and administrative processes. This is why we are continuously working on ntegrating digitalisation into our ESG routines and work streams. We use digital tools to better network previously existing data structures. This will give us not only improved data oversight and increase our control options but also boost communication addressing all stakeholders.

For the ESG strategy to be successful, ESG issues need to be clearly embedded within our organisation, and the different units must work together to contribute their ESG expertise. The Head of Sustainability is responsible for developing the ESG strategy on an ongoing basis and working with Branicks' administrative and operating areas to step up their ESG activities. This includes identifying, setting targets and centrally managing strategic and economically viable ESG projects along the value chain, managing the implementation of governance issues, ESG reporting and sustainability communications. The Head of Sustainability reports directly to the CEO and is closely involved in the Company's ESG-related decision-making processes. At Branicks, overall responsibility for sustainability lies with the CEO, who regularly discusses this topic with the Supervisory Board in the context of the business strategy.

Branicks organisational structure (operational ESG)



We have set up an ESG Committee to make key decisions on the focus of ESG strategy and targets. This committee consists of the CEO, Head of Sustainability and executives from Human Resources, Investment, Portfolio Management, Development, Corporate Finance, and Accounting/Compliance. The ESG Committee's role is to set ESG priorities, launch ESG initiatives and manage ESG risks. This ensures that ESG strategy, targets and risk management are integrated and implemented across all business units.

More information on our ESG strategy is available in our →2023 Sustainability Report starting on page 15.

Report on economic position

Overall assessment of the course of business and the position of the Group

Our diversified real estate platform achieved good results overall in the past financial year, one characterised by the successful implementation of refinancing initiatives and the sustainable optimisation of our portfolio. Despite challenging market conditions, Branicks Group AG was once again able to demonstrate its operational stability and reinforce its position as a professional market player with a clear strategic orientation and high transaction volume.

As a result, Branicks Group AG achieved all of the targets for all of its key performance indicators. In particular, funds from operations (FFO I, after minority interests, before tax) at around EUR 52.2 million were within the upper third of the expected range of EUR 40 to 55 million. The 2024 financial year was dominated by Germany's weak economic performance in a challenging interest rate environment, persistently subdued sentiment in the real estate market and geopolitical uncertainty. The 2024 financial year was dominated by Germany's weak economic performance in a challenging interest rate environment, persistently subdued sentiment in the real estate market and geopolitical uncertainty.

The prevailing market conditions resulted in a marked reluctance to enter into transactions that eased somewhat over the course of the year. Despite these challenges, the Company recorded notarised sales volumes totalling EUR 702 million in a gradually improving environment, thus reaching its target range for the year of EUR 650 to 900 million. The portfolio's continued concentration on the Branicks Group AG's strategic asset focus areas (office and logistics) and the organisational streamlining of the Group all contribute towards the targets set out in the Performance 2024 programme and correspond to or exceed the core assumptions made in the restructuring plan agreed and independently reviewed in spring 2024 as part of preventative StaRUG proceedings. Assets under management contracted year-on-year to EUR 11.6 billion (2023: EUR 13.2 billion). This was mainly due to the high sales volume achieved in the financial year including the transfer of possession, benefits and associated risks. The measurement loss of 5.0% seen in the overall portfolio was in line with internal expectations. We also generated slightly lower management fees of EUR 48.2 million (previous year: EUR 50.9 million) in our third-party business in the year under review.

The development of our like-for-like rental income was highly encouraging, with year-on-year growth of 1.8% recorded in the overall portfolio to reflect what remains a highly stable and successful operating business. Here too, we achieved our communicated targets of posting gross rental income of EUR 160 to 175 million by generating gross rental income of EUR 168.9 million.

In addition, we significantly improved our debt situation by fully repaying the bridging loan for our majority stake in VIB Vermögen AG earlier than planned and made additional progress in further developing the Company and reinforcing our financial base as part of the Performance 2024 action plan.

ESG as a key element of our DNA

In 2024, Branicks made further progress in implementing its sustainability strategy and continued to record strong results in key ESG ratings.

Representing energy-efficient and sustainable assets in the real estate sector, our Green Building ratio in particular rose sharply once again from 43.6% to 52.9% and is considered a barometer of the "green" transformation of our Commercial Portfolio. The BREEAM certification of the properties Neustadt Centrum Halle, Gate 9 Leinfelden-Echterdingen and Central Park Offices Düsseldorf resulted in properties with an asset value of around EUR 250 million being awarded the "very good" label. These certifications have measurably increased the intrinsic value of our assets.

Branicks once again underlined its pioneering role in ESG issues within the real estate sector by occupying top spots in ESG-related rankings such as Morningstar Sustainalytics.

In May 2024, the Group also began taking steps to expand its business model to include the renewable energy asset class by establishing a partnership with Encavis Asset Management AG in the Institutional Business segment. Our first operational step was to launch the Branicks Renewable Energy Fund S.C.S. SICAV-RAIF, an Article 9 impact fund – classified as making an environmental, economic and social contribution to achieving European climate targets – with an average target return of 8% p.a. and a planned volume of EUR 300 million.

More ESG information can also be found in the section entitled "Non-financial key performance indicators" starting on → page 60.

Like-for-like rental income up 1.8%

We successfully extended tenancy agreements and secured new leases once again during 2024. Overall, our teams achieved a letting performance of around 387,700 sqm after 446,600 sqm in the previous year, including approximately 331,100 sqm of lease renewals (290,000 sqm in the previous year). The overall reduction in letting performance by area primarily resulted from successfully completed sales and the associated reduction in square footage of lettable space. Growth by area for lease renewals was primarily driven by letting performance in the logistics sector, which increased by 49% to 234,400 sqm (2023: 156,900 sqm) for lease extensions in the year under review, including the lease extension agreed in the logistics sector with a renowned retail company for a rental space of around 69,000 sqm.

The 1.8% rise in like-for-like rental income across the entire portfolio from EUR 547.6 million to EUR 557.4 million was particularly encouraging. The Company generated annualised rental income of approximately EUR 578.5 million in 2024, a reduction of 6% compared to the previous year (2023: EUR 617.1 million). This was due in particular to successfully realised sales and the associated reduction in square footage of lettable space. Overall, the office and logistics asset classes generated 82% of annualised rental income in the Company's proprietary portfolio. Our rental income continues to provide operational stability and predictable cash flows. The EPRA vacancy rate in the Commercial Portfolio (excluding repositionings, project developments and warehousing) was around 7.4% at the end of the year (2023: 5.3%), with a weighted average lease term (WALT) of 4.6 years (2023: 4.9 years).

Successfully realised sales during the year

On the transaction side, we were able to meet our targets despite a difficult market environment and persistent uncertainty: Cross-segment notarised sales volumes increased to EUR 702 million in financial year 2024, with this figure meeting the annual target range of EUR 650 to 900 million. Transaction volumes consisted exclusively of sales, of which approximately EUR 558 million was attributable to our proprietary portfolio and EUR 144 million to the third-party business. Despite the slightly brightening transaction market, our IBU investors were cautious about acquisitions, which caused us to update our acquisition target in the Institutional Business segment to zero in November.

Assets under management year-on-year

Overall, assets under management at the end of 2024 fell to EUR 2.8 billion for our proprietary portfolio (Commercial Portfolio) and approximately EUR 8.8 billion under third-party mandates (Institutional Business), down from EUR 3.6 billion and EUR 9.6 billion, respectively, in the previous year. Assets under management thus totalled EUR 11.6 billion at the reporting date.

2024 guidance fully met

In the 2024 financial year, Branicks Group AG achieved all of the targets for all of its key performance indicators, as shown in the table below:

	Guidance	31.12.2024	
Gross rental income	EUR 160 – 175 million	EUR 168.9 million	✓
Real estate management fees	EUR 40 – 50 million	EUR 48.2 million	✓
FFO I (after minority interests, before tax)	EUR 40 – 55 million	EUR 52.2 million	✓
Acquisitions	EUR 0 million (updated in November 2024; previously: EUR 150 – 300 million, of which: Commercial Portfolio: no acquisitions Institutional Business: approx. EUR 150 – 300 million)	EUR 0 million	✓
Sales	EUR 650 – 900 million, of which: Commercial Portfolio: EUR 500 – 600 million Institutional Business: EUR 150 – 300 million	Around EUR 702 million, of which: Commercial Portfolio: EUR 558 million Institutional Business: EUR 144 million	✓

Macroeconomic environment

Macroeconomic trends

German economy not emerging from recession

According to International Monetary Fund (IMF) estimates, global economic output rose by 3.2% year-on-year in 2024. Although this increase was below the long-term pre-pandemic growth trend (3.7%), the IMF still sees an unusually high level of resilience in the global economy given the disinflationary environment. The global economy was bolstered by the gradual easing of monetary policy by many central banks in response to the further decline in inflation rates, while numerous geopolitical crises continued to have an adverse impact.

The German economy once again failed to keep pace with the global economy's comparatively robust performance in 2024. According to the Federal Statistical Office's calculations, Germany's gross domestic product (GDP) fell by 0.2% year-on-year in 2024. After modest growth of 0.2% in the first quarter, recovery stalled again as economic output dropped by 0.3% in both the second and third quarters, before declining by a further 0.2% quarter-on-quarter in the fourth quarter of 2024. This meant that Germany's economic output for the full-year 2024 fell for the second successive year and is only slightly above the level reached in 2019 before the outbreak of the pandemic.

In addition to economic factors, the Federal Statistical Office attributes the German economy's weak performance by international standards to structural problems, with high energy costs, increasing competition in key export markets and persistently elevated interest rates all adversely impacting the German industrial sector's competitive positioning. Across the different sectors only the service industry recorded growth, as the manufacturing industry, especially the engineering and automotive sectors, suffered losses. Gross added value in the construction industry also fell during the year under review due to rising building costs and high interest rates, with these factors negatively affecting residential construction in particular. Private consumption provided hardly any positive stimulus, as uncertainty surrounding future economic development prompted private households to refrain from making purchases despite lower inflation and rising income.

Mood among companies continues to deteriorate

After an initial slight recovery in the first half of the year, the ifo Business Climate Index fell again during the rest of the year to reach its lowest level since May 2020 in December 2024 with 84.7 points. This score represented a decline of 2 percentage points compared to the end of 2023 (86.7 points) and was primarily attributable to companies' increasingly pessimistic assessment of their current situation (– 3.5 percentage points). Although expectations also deteriorated, this fall was comparatively modest (– 0.4 percentage points).

German economy stagnating

GDP 2024
– 0.2%
(year-on-year)

Sentiment remains gloomy

ifo Business Climate Index:
84.7 points
(December 2023: 86.7 points)

Low momentum on the labour market

Employed people
+ 72,000
(year-on-year)

Inflation rate down year-on-year

Inflation
+ 2.6%
(Dezember 2024)

By the end of 2024, the business climate was least favourable in the retail and wholesale industry, with pessimism prevailing in both parts of the sector. While the mood in the main construction trade and manufacturing industry was also highly negative, there were at least indications that the business climate in the construction industry stabilised during the course of the year, with the relevant index improving by 6.8 percentage points year-on-year to – 26.1. As in the previous year, the service sector exhibited the healthiest business climate in relative terms. However, the index for this industry fell year-on-year, which the ifo Institute primarily attributed to developments in the transport and logistics sector.

Labour market holds its ground in challenging environment

The subdued economic growth became increasingly apparent in the German labour market in 2024. Although the number of unemployed people grew by 178,000 year-on-year to 2.8 million on an annual average basis in 2024, unemployment remained relatively low compared to historical figures as the number of employed people also rose. According to Federal Statistical Office data, the annual average number of people employed in Germany was 46.1 million in 2024, equivalent to a year-on-year increase of 72,000. However, employment growth in Germany slowed in 2024, with the number of employed people rising by more than 300,000 in the previous year. The service sector, particularly the public sector, was the only industry to contribute to employment growth, while the manufacturing and construction sectors recorded job losses. The gloomy labour market environment was also reflected in greater use of short-time working, with the Federal Employment Agency estimating the average annual number of short-time workers at around 320,000, up from 241,000 in the previous year.

Decline in inflation stalls at the end of the year

The steady fall in the inflation rate initially continued in the first three quarters of 2024. After ending 2023 at 3.7%, inflation dropped to 1.6% by September 2024. This decline in inflation was primarily driven by falling prices for energy products, particularly for light heating oil, fuels and electricity. By contrast the core inflation rate, which excludes highly volatile food and energy prices, was still well above overall inflation and the European Central Bank (ECB)'s 2% target at 2.7% in September. Over the following months, the dampening effect of falling energy prices then weakened, causing the inflation rate to rise once more to 2.6% in December 2024, with the core inflation rate climbing as high as 3.3% by the year-end. Nevertheless, the rate of inflation on an annual basis declined to 2.2% (previous year: 5.9%) in 2024.

The main inflation drivers in 2024 were higher prices for services, which increased by 3.8% year-on-year on an annual basis in 2024, with insurance prices rising by a particularly noteworthy 13%. By contrast, goods prices recorded comparatively modest growth, rising by 1.0% on an annual basis.

ECB lowers interest rates by a full percentage point during 2024

Inflation in the eurozone also declined in 2024. The ECB anticipates an average inflation rate of 2.4% for the past year, another step closer to its 2% target. The ECB cut interest rates for the first time in June 2024 in response to falling inflation rates and a brighter inflation outlook, and continued to gradually ease its monetary policy over its next few Governing Council meetings given the ongoing disinflation process and lack of economic momentum. The ECB lowered the interest rate on its deposit facility, which it primarily uses to control the course of its monetary policy, from 4.00% to 3.00% over a total of four interest rate cuts during the year, while its main refinancing rate fell from 4.50% to 3.15% in 2024.

As part of its December 2024 meeting, the ECB announced that it expects inflation to level off consistently around the ECB Council's medium-term 2% target over the next few years. At the same time, the ECB emphasised that it does not want to commit to its future interest rate path in advance, but will instead decide from meeting to meeting based on the data.

The normalisation of the Eurosystem's balance sheet progressed in line with the ECB's plans in 2024. By discontinuing the reinvestment of principal payments from maturing securities in the Asset Purchase Programme (APP), the ECB is steadily running off its portfolio under this programme. The principal payments from maturing securities purchased under the Pandemic Emergency Purchase Programme (PEPP) were reinvested in full by the end of June 2024. Since July 2024, the principal payments from the PEPP were then only partially reinvested to reduce the PEPP portfolio by an average of EUR 7.5 billion per month. The ECB fully discontinued the reinvestment of principal payments from the PEPP at the end of 2024.

The yield on ten-year German government bonds was 2.4% at the end of December 2024, an increase of around 40 basis points from the end of 2023.

Office space take-up in top 7 cities

2.7 million sqm

+6% yoy

Completed space

1.6 million sqm

+24% yoy

Vacancy rate

6.8%

(previous year: 5.8%)

Prime rents

+5.7%

(year-on-year)

Sector trends – rental market in the 2024 financial year

Office asset class: take-up rises by 6%, mixed picture overall

According to analysis from real estate consultancy Jones Lang LaSalle (JLL), take-up in Germany's top 7 office locations totalled 2.7 million sqm in the past year, an increase of 6% compared to the same period last year (2.5 million sqm). Despite this rise, JLL considers this to be a sobering set of results for the year overall, particularly as the market environment worsened over the course of the year after an upturn at the start of 2024. JLL primarily attributes this trend to deteriorating conditions in the real economy. The increase in take-up should also be viewed in the context of the previous year's weak figures. This means take-up in 2024 was still around 30% below the average for the past ten years.

During the year under review, the majority of large-scale leases with more than 10,000 sqm of space were concluded by public authorities whose willingness to take out new leases is not usually dependent on economic trends. By contrast, companies often delayed their relocation decisions. In addition to the challenging macroeconomic environment, JLL believes that these delays in decision-making are primarily caused by a lack of planning certainty due to political instability, unclear regulation and rising wage costs. This weak demand is combined with a supply bottleneck, as only a few modern, well-equipped and sustainable spaces are available in the market. On the other hand, JLL views the robust state of the labour market and the fact that the debate around hybrid and remote working is largely over as positive developments.

Performance across Germany's top 7 office locations varied significantly in 2024. Munich recorded the biggest increase (+29%) and profited from several large-scale leases, propelling it back past Berlin (+12%) to the top spot in the German office letting market over the past year. While Stuttgart (+27%) and Cologne (+10%) also recorded significant growth, take-up declined in Hamburg (–6%), Frankfurt (–8%) and Düsseldorf (–16%).

Completion volumes up 24%, prime rents rise despite high vacancy rate

Around 1.6 million sqm of office space was completed overall in 2024, an increase of 24% compared to the previous year. Almost two thirds of this new space was already let at the time of completion which, according to JLL, means the number of potential relocation options for companies looking for well-equipped new offices in central locations remains limited. JLL still considers the situation for project developers to be challenging, with numerous projects delayed or abandoned in 2024 as high construction costs and difficult financing conditions had a particularly adverse impact.

Against a backdrop of rising new-build volumes and declining take-up by companies, vacancies at Germany's top 7 locations rose by 20% in 2024 to reach 6.7 million sqm at year-end, causing the average vacancy rate to increase to 6.8% (previous year: 5.8%). This figure ranged from 4.3% in Cologne to 10.6% in Düsseldorf. According to JLL's estimates, most vacancies are focused on older and unrenovated spaces, particularly those in B or C locations. The gap between top properties and those with poor facilities continues to widen, ramping up the pressure to invest in vacant properties.

The trend of rising rents continued in 2024 despite the high vacancy rate, with prime rents increasing by an average of 5.7% across the top 7 locations. With the exception of Cologne, JLL recorded rent increases in all of the top locations, ranging from 4% in Hamburg to 9% in Munich. Munich continued to register the highest prime rents, followed by Frankfurt. The rent incentives offered by landlords increased only marginally over the course of 2024.

Industrial and logistics asset class: stable market development

According to data from Colliers, the top 8 industrial and logistics real estate markets (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich, Stuttgart plus Leipzig) stabilised in 2024 after recording a slump in the previous year, with take-up almost returning to the previous year's level at around 2.1 million sqm (– 1%). Comparing this figure with the 5-year average (– 26%) shows that letting volumes remain low in absolute terms. The trend outside the top markets was less favourable. Experts from BNP Paribas Real Estate (BNPPRE) estimate that the decline in the overall market was – 16% and see the challenging economic environment as the primary driver of this trend. However, demand steadily recovered after an extremely subdued start to 2024, resulting in constant revenues over the following quarters.

Half of the top 8 markets recorded higher take-up over the past year, as strong growth in Cologne (+56%) and Munich (+30%) contrasted with declines in Stuttgart (– 40%) and Berlin (– 25%).

According to data from Colliers, prime rents in the top 8 markets increased by an average of 3% during the year under review, with average rents rising by 5%. Rent growth was less evident among existing properties; instead, most of this growth was generated by comparatively high asking rents for new-build developments. With the exception of Leipzig, prime rents across all top logistics regions exceeded EUR 7/sqm in 2024, and even topped EUR 9/sqm in Munich.

Sector trends – investment market in the 2024 financial year

Recovery after severe slump in previous year, absolute volumes still well below long-term average

The German commercial real estate investment market stabilised in 2024 and reached transaction volumes of EUR 25.9 billion. Although this represented an increase of 15% on the previous year's figure of EUR 22.6 billion, it is clear that absolute volumes remain relatively low after the severe slump in 2023, compared to a 10-year average of over EUR 50 billion.

However, BNPPRE is positive about the fact that transaction volumes and the number of transactions both rose during the year under review, which is regarded as an indication of broad renewed interest from buyers. This trend is also demonstrated by increasing interest from foreign investors, who saw their share of transaction volumes rise by 7.5 percentage points to 42.5%. BNPPRE sees tension in the market created by a persistently challenging economic environment on the one hand and noticeably brighter sentiment and growing investor confidence on the other.

Having suffered badly as a result of challenging price adjustment processes in the previous year, Germany's A-locations (Berlin, Düsseldorf, Frankfurt, Hamburg, Cologne, Munich, Stuttgart) increased investment volumes by around half in 2024 to record significantly higher growth than the overall market (+15%). With the exception of Stuttgart (– 25%), all other A-locations were able to increase transaction volumes. Berlin occupied the top spot based on 2024 transaction volumes (+41% year-on-year), followed by Munich (+101%) and Hamburg (+79%) in second and third place respectively.

Increase in revenues from retail and logistics properties, declining demand for office properties

The various asset classes presented a very mixed picture in 2024. As in the previous year, logistics properties made up the largest share of revenues with 27%. According to BNP-PRE, investor interest in large-volume properties in particular has increased. Retail properties recorded the largest growth in transaction volumes at 28%, lifting their share of total investment volume to 25% (previous year: 22%). By contrast, office properties recorded a decline of 13%, having dominated transaction activity in recent years. The office segment is still suffering due to a combination of the challenging macro-economic environment and uncertainty about the further development of office user markets, with this asset class's share of total investment volume falling to 20% as a result (previous year: 26%).

Prime yields largely stable

Having surged in 2022 and 2023, prime yields remained virtually unchanged across all asset classes during the 2024 financial year. According to BNPPRE's estimates, central bank decisions to lower key interest rates slightly are not yet directly reflected in purchase prices, as expected. The average prime yield for office properties in A-locations remained unchanged at 4.36%, while yields for logistics properties also remained stable year-on-year at 4.25%. While yields were highest overall for retail properties at the end of 2023, these yields have remained largely unchanged. BNPPRE estimates a yield of 5.60% for shopping centres, 4.65% for retail warehouse parks and 4.90% in the discounter/supermarket segment.

Commercial real estate transaction volume
EUR 25.9 billion
Previous year: EUR 22.6 billion

Office properties volume
EUR 5.2 billion
Previous year: EUR 6.0 billion

Logistics properties volume
EUR 6.9 billion
Previous year: EUR 6.1 billion

Office prime yield
4.36%
(previous year: 4.36%)

Logistics prime yield
4.25%
(previous year: 4.25%)

Course of business

Platform

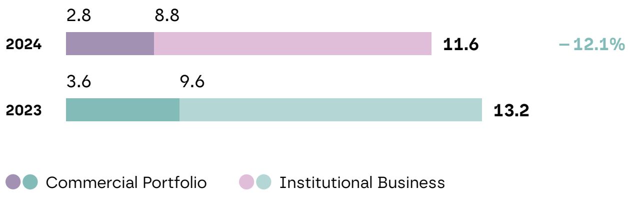
Assets under management at EUR 11.6 billion after successful sales

Assets under management (AuM) on the Branicks platform totalled EUR 11.6 billion as of the 31 December 2024 reporting date, a decline of 12.1% compared to the previous year’s figure (2023: EUR 13.2 billion). Around EUR 2.8 billion (2023: EUR 3.6 billion) of total AuM was attributable to the proprietary portfolio (Commercial Portfolio), while approximately EUR 8.8 billion (2023: EUR 9.6 billion) was attributable to the third-party business for institutional investors (Institutional Business).

The EUR 0.8 billion year-on-year fall in assets under management in the Commercial Portfolio was primarily due to sales and disposals as well as negative effects arising from net measurement losses.

Assets under Management

in EUR billion

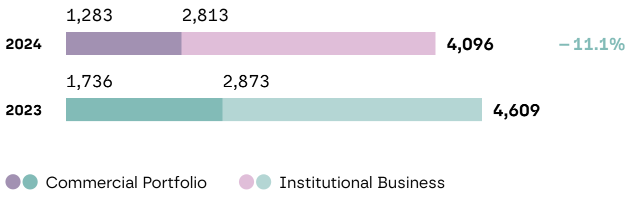


Assets under management in the Institutional Business decreased by EUR 0.8 billion year-on-year. The decline in assets under management resulted from the termination of the Global Tower mandate, sales and the net measurement loss.

Further details on the development of assets under management in both segments during the year under review can be found in the following sections on → page 33 et seq.

Rental space

in thousand sqm

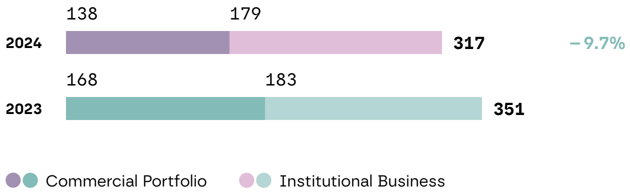


Regional portfolio structure stable

There was little change in the regional portfolio structure on the platform as of the 31 December 2024 reporting date compared to the end of the 2023 financial year. The Central region continued to make up the largest share of the overall portfolio, followed by the South and West regions. A detailed overview of locations by region, including market value, annualised rent and lease terms, can be found on → page 189 of the Annual Report.

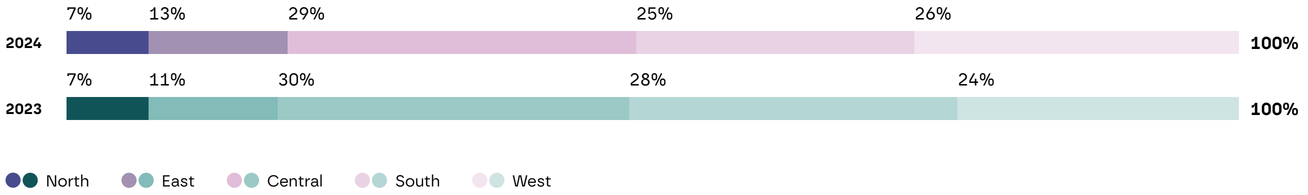
Properties

number



Regional structure of overall portfolio 2024

Basis: Market value of assets under management

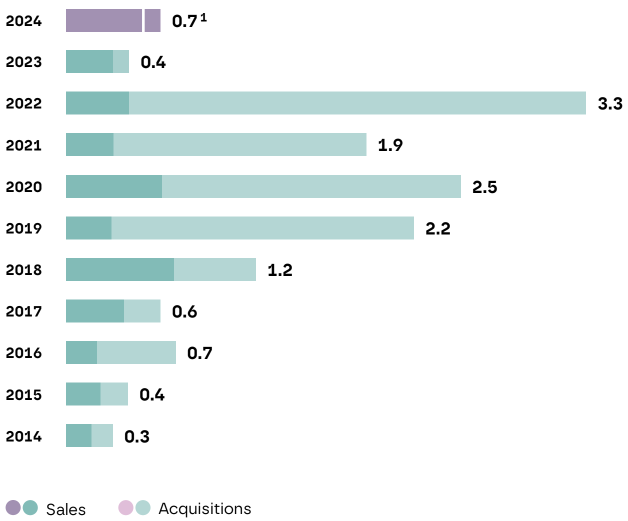


Sales push up transaction volume

Despite the challenging market environment, Branicks achieved an impressive transaction performance with notarised sales worth EUR 702 million, underscoring its robust market position combined with the implementation of effective sales strategies. There were no notarised purchases in 2024; the only activity in this area was the purchase notarised back in 2022, for which the transfer of possession, benefits and associated risks took place in Q1 2024.

Transaction volume

in EUR billion



[1] Sales: Commercial Portfolio: EUR 0.6 billion; Institutional Business: EUR 0.1 billion; Acquisitions: none

Overview of transactions in 2024

Acquisitions (excl. VIB)

in EUR million (number of properties)	Notarisations 2024	thereof: Notarisations 2024 with Transfer until 31.12.2024	Prior-year Notarisations with Transfer until 31.12.2024
Commercial Portfolio	0 (0)	0 (0)	53 (1)
Institutional Business	0 (0)	0 (0)	(0)
Total	**0 (0)**	**0 (0)**	**53 (1)**

Sales

in EUR million (number of properties)	Notarisations 2024	thereof: Notarisations 2024 with Transfer until 31.12.2024	Prior-year Notarisations with Transfer until 31.12.2024
Commercial Portfolio	558 (23)	558 (23)	13 (8)
Institutional Business	144 (34)	129 (33)	50 (1)
Total	**702 (57)**	**687 (56)**	**63 (9)**

Sales from the Commercial Portfolio of EUR 558 million

Branicks continued its strategic focus on reducing its liabilities and optimising its portfolio from the 2023 financial year in the 2024 financial year. In line with these plans, no Commercial Portfolio acquisitions were notarised during the year under review. One property acquired in Hamburg that was notarised in the 2022 financial year was transferred in March 2024.

Notarised sales from the Commercial Portfolio totalled EUR 558 million during the year under review (2023: EUR 224 million). Despite a challenging environment, Branicks was successful in making sales in the 2024 financial year, with the transaction-related inflow of liquidity bringing down debt, as Branicks completely repaid its bridging loan ahead of schedule in October.

One key transaction during the year under review was the sale of a package of 12 logistics properties to the international logistics real estate developer P3 Logistic Parks. This sale was notarised in June 2024, with the transfer of possession, benefits and associated risks taking place in July 2024.

We also sold four retail warehouse parks and the Cologne business park in the form of an asset deal during the year under review, while the sale of a package of four logistics properties to global real estate investment manager EQT Exeter was also executed. Finally, the sale of the former Kaufhof building in Bremen was notarised in November 2024, with the transfer of possession, benefits and associated risks taking place in late December 2024.

More subdued transaction activity in the Institutional Business as expected

Transaction volumes in the Institutional Business were lower in the 2024 financial year than in the previous year as planned, with no acquisitions in this business during the year under review.

On the sales side in the Institutional Business, volumes totalled EUR 144 million in 2024, with deals including the sale of a logistics centre in Hochheim, which was notarised at the end of November. As part of this deal, the buyer – a joint venture between Pictet Alternative Advisors and Scantum DW – took over the property from the RLI Logistics Fund Germany I, managed as part of Branicks' Institutional Business. Completion is scheduled for the first quarter of 2025.

In addition, the shares in VIB Retail Balance I fund were sold as part of a sale of share certificates in December 2024. While asset and property management was carried out by Branicks until mid-February 2025, the Branicks Group has not provided fund management services since the sale. As a result, the 31 properties in the former VIB Retail Balance I fund were reclassified from pool funds to third-party mandates in our reporting as of the 31 December 2024 reporting date.

In addition, the property notarised in 2023 was transferred from the DIC Office Balance II fund at the end of February 2024.

Logistics asset class positively impacts letting performance

The Branicks platform's letting performance by area decreased by around 13.2% to 387,700 sqm in the 2024 financial year (2023: 446,600 sqm), primarily due to successfully completed transactions and the reduction in lettable space triggered by this, and a lower number of new leases compared to the previous year. The largely stable letting performance of the logistics asset class is driven by a strong development in lease renewals, with leases covering 234,400 sqm being renewed (previous year: 156,900 sqm). Lease renewals overall increased from 290,000 sqm in the previous year to 331,100 sqm. This performance was primarily driven by large-scale leases such as the lease renewal for around 69,000 sqm of space to a renowned fashion company, a logistics and production facility in Neuburg with around 33,200 sqm of space, and 30,100 sqm of rental space in Neuburg leased to an internationally active German clothing manufacturer. These results underline Branicks' strategic focus and operating strength in the logistics asset class.

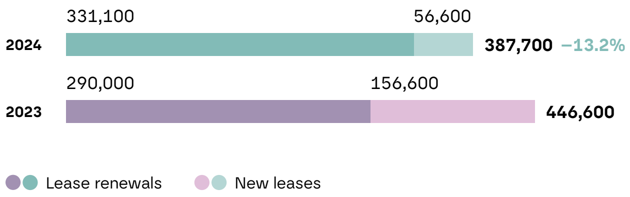
A total of 108,400 sqm of office space was let, of which 36,900 sqm are attributable to new leases and 71,500 sqm to lease renewals. Examples of new leases include an office property with 3,000 sqm of space in Dortmund and another office property in Heidelberg with around 2,300 sqm of space.

Letting performance by type of use

	in sqm		annualised in EUR million	
	2024	2023	2024	2023
Office	108,400	148,800	26.2	31.2
Retail	25,500	40,400	3.3	4.0
Warehouse/logistics	238,300	238,000	12.3	15.7
Further commercial	14,900	18,900	2.7	4.0
Residential	600	500	0.1	0.1
Total	**387,700**	**446,600**	**44.6**	**55.0**
Parking (units)	1,181	2,177	1.5	1.8

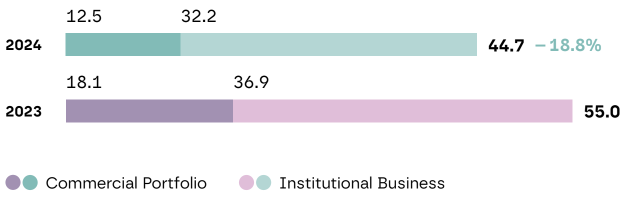
Letting volume by type of lease

in sqm



Letting volume by segments

in EUR million



We achieved a result of around 25,500 sqm in the retail segment (previous year: around 40,400 sqm), with successfully completed sales once again playing a major role in the decline in letting performance by area.

Lease renewals predominate

In the reporting period, many users sought to extend expiring leases in the year under review, as they did in the previous year. As a result, lease renewals once again made up a large majority of overall letting performance at 85% or 331,100 sqm (previous year: 65% and 290,000 sqm). This confirms the trend observed in previous crisis situations that tenants have an increased need for security and are less willing to move premises in economically challenging times. In 2024, the share of new leases comprised approximately 15% of total contractually agreed space at around 56,600 sqm (previous year: 156,600 sqm, approx. 35%).

Annualised letting performance affected by transactions

At around EUR 44.7 million, annualised letting performance was down almost 19% on the previous year's figure of EUR 55.0 million, primarily as a result of the decrease in lettable space. Of the rental income contracted in the reporting year, around EUR 12.5 million relates to the Commercial Portfolio and around EUR 32.2 million to the Institutional Business (previous year: EUR 18.1 million and EUR 36.9 million, respectively).

Decline in new lease volumes

The contract volume attributable to new leases during the reporting period was EUR 8.8 million (around 20% of total annualised letting performance). With a significantly lower proportion of new leases now attributable to logistics properties, which charge lower rents compared to office properties, rent levels for new leases rose by around 43% to EUR 12.93/sqm across all asset classes in 2024 (2023: EUR 9.07/sqm).

Top 5 new lettings

			in sqm
REWE Markt GmbH	Commercial Portfolio	Halle (Saale)	5,400
Smyths Toys Deutschland SE & Co. KG	Commercial Portfolio	Halle (Saale)	3,200
Pharmaceutical company	Commercial Portfolio	Wiesbaden	3,100
Transport and logistics company	Institutional Business	Dortmund	3,000
Technology company	Institutional Business	Heidelberg	2,800

Top 5 renewals

			in sqm
Fashion company	Institutional Business	Mönchengladbach	69,000
Industrial company	Commercial Portfolio	Neuburg	33,200
Adidas AG	Commercial Portfolio	Uffenheim	30,100
Financial institution	Institutional Business	Frankfurt am Main	28,500
Logistics and trading company	Institutional Business	Mönchengladbach	24,000

The average monthly rent for new agreements for retail properties more than doubled to EUR 9.97/sqm (previous year: EUR 4.69/sqm) while it decreased slightly by 1% to EUR 14.92/sqm for office properties (previous year: EUR 15.10/sqm) and remained virtually unchanged year-on-year for logistics properties at EUR 6.14/sqm (previous year: EUR 6.13/sqm).

Three of the five largest new leases during the year under review were agreed for office properties, underlining the continued significance of this asset class for Branicks. One of the most important new leases was the Neustadt Centrum retail property in Halle, which gained toy retailer Smyths Toys as its new tenant. After successfully concluding a new lease with anchor tenant REWE in autumn 2024, this latest transaction means we have now fully let the former Real Markt in Neustadt Centrum to an attractive mix of tenants. Another new lease during the 2024 financial year was the conclusion of a lease for a total of 2,800 sqm of space in the Stadttor Heidelberg office building, where Branicks, in its role as asset manager, has created a state-of-the-art, energy-efficient office location with attractive New Work space for flexible, needs-based work after restoring the property.

Annualised lease renewals fall slightly due to asset class mix

Branicks generated rents of EUR 35.9 million from lease renewals in the 2024 financial year (previous year: EUR 37.9 million), The 5% decline from the previous year resulted from a shift in lease renewals away from the office segment, which has the highest average rents per sqm, to logistics, where this figure is lower. The surge in lease renewals by area in the logistics asset class was not enough to offset this effect. The largest contracts agreed were the early renewals of a lease for around 69,000 sqm of space with a renowned fashion company and the letting of a logistics property in Neuburg with approximately 33,200 sqm of space.

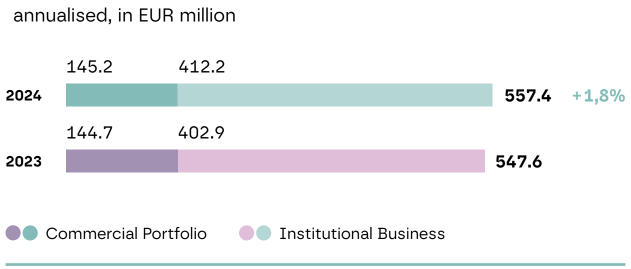
Like-for-like rental income up 1.8%

Like-for-like rental income (excluding acquisitions and sales in the 12 months to 31 December 2024) in the overall portfolio rose by 1.8% to EUR 557.4 million (2023: EUR 547.6 million). This growth was due to both the effects of concluding new leases and index-based rent increases in many existing agreements as a result of high inflation.

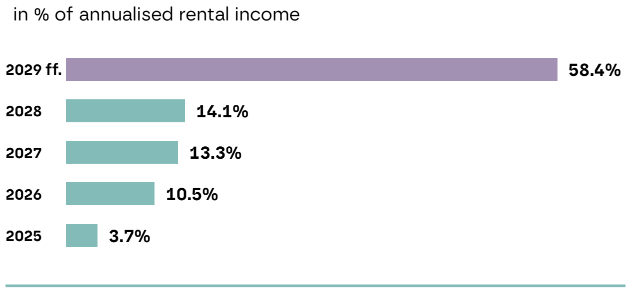
Like-for-like rental income in the Commercial Portfolio climbed by 0.3% to EUR 145.2 million (2023: EUR 144.7 million), while like-for-like rental income in the Institutional Business rose by 2.3% to EUR 412.2 million (2023: EUR 402.9 million).

Based on annualised rental income, 3.7% of leases will expire in 2025 and 10.5% in the following year. This means that the remaining term yield curve was largely unchanged year-on-year. On the previous year's reporting date, 3.7% of fixed-term leases had a remaining term of less than one year, while 11.4% had a remaining term of less than two years. Branicks regularly and proactively seeks discussions with users, particularly with regard to larger expiring leases. As of the 31 December 2024 reporting date, around 58% of leases were scheduled to expire from 2029 onwards.

Like-for-like rental income



Lease terms of overall portfolio



Commercial Portfolio

Market value of proprietary portfolio impacted mostly by sales

The market value of the Commercial Portfolio, which represents the proprietary real estate portfolio of Branicks Group AG Group, totalled EUR 2,792.6 million at the end of 2024 (2023: EUR 3,641.6 million). This 23.3% decline was primarily attributable to the disposals and sales made during the year (all with the transfer of possession, benefits and associated risks in the 2024 financial year), which reduced the market value by EUR 718.7 million overall. Net measurement losses of EUR 178.2 million at the end of 2024 also had a negative impact of around 6.0% on the market value of the portfolio. This was only offset by the acquisition of a property for EUR 47.9 million that had already been notarised in 2022.

External experts regularly calculate the respective market value of our proprietary portfolio and the properties we manage. This value include property-related factors such as the occupancy rate, the amount of rental income, the terms of the leases, and the age and quality of the property. Added to this are external factors such as the development of the local environment, the market in general and the financial climate. The change in value during the year under review thus reflects the significant increase in letting performance in asset, property and development management on the one hand, and the challenging environment for commercial real estate and increased interest rates on the other. The comparatively low reduction in value in the current market environment is testament to the quality of our existing portfolio.

Strategic focus on the office and logistics asset classes

As part of the ongoing optimisation of its portfolio, Branicks increasingly focused on the office and logistics asset classes during the year under review, with a particular emphasis on younger, energy and climate-efficient properties. After the disposal of several properties that no longer aligned with the Group's strategy, office properties were the largest asset class as of 31 December 2024, representing 49% of market value at the reporting date (2023: 39%) and contributing around 51% of rental income at EUR 75.9 million (2023: EUR 73.8 million or 41%). The logistics asset class followed in second place, representing a share of 34% of the portfolio's market value or 31% of rents (2023: 40% and 40% respectively). Together, office and logistics properties accounted for around 83% of the portfolio's market value (2023: 79%).

Change in market value of the Commercial Portfolio

in EUR million	
Market value as at 31 December 2023	**3,641.6**
Acquisitions	47.9
Sales	– 718.7
Measurement loss (– 6.0%)	– 178.2
Market value as at 31 December 2024	**2,792.6**

The calculated market value is the estimated transaction price between the buyer and the seller under normal conditions on the date of the property's valuation. We carry our assets at amortised cost, which is why a change in their market value does not have a direct impact on the accounting. Further information on accounting for properties is provided in the section entitled "Net assets". Information on how the market value is determined is presented in the notes starting on → page 130.

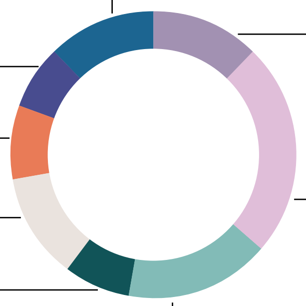
Types of use Commercial Portfolio[1]

Type of use	No. of properties	Market value in EUR m	Market value % of total	Rental income EUR m	Rental income % of total	EPRA vacancy rate % of total	WALT
Office	58	1,363.8	49 %	75.9	51 %	9.6 %	4.8
Logistics	48	959.6	34 %	45.7	31 %	2.0 %	4.7
Mixed Use	12	221.8	8 %	11.9	8 %	11.4 %	4.5
Retail	7	184.9	7 %	12.7	9 %	13.8 %	2.7
Other	10	28.7	1 %	1.5	1 %	10.7 %	4.6
Project Developments	3	33.8	1 %	n.a.	n.a.	n.a.	n.a.

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

Rental income by sectors in Commercial Portfolio

Basis: annualised rental income



The proportion of Green Buildings within the Commercial Portfolio's market value (Green Building ratio) rose sharply to 52.9% at the end of December 2024 (31 December 2023: 43.6%).

Due to portfolio optimisation, the number of properties held in the Commercial Portfolio decreased from 168 in the previous year to 138, with rental space falling from 1,735,900 sqm to 1,283,100 sqm. Despite rent increases introduced in some cases during the year under review, annualised rent was 17.5% down on the previous year's figure at EUR 147.7 million (2023: EUR 179.1 million). Based on annualised rental income, the gross rental yield (excluding project developments and repositioning properties) improved to 5.4% (2023: 5.2%).

As of 31 December 2024, the average monthly rent per sqm was EUR 10.20, an increase of around 14.3% compared to the previous year (EUR 8.92). The average monthly rent per sqm for office properties rose from EUR 13.39 in the previous year to EUR 15.00 at the end of 2024, while the average monthly rent per sqm for logistics properties was down slightly to EUR 6.13 (previous year: EUR 6.31).

At 4.6 years, the weighted average lease term (WALT) was down slightly on the previous year (4.9 years), but remained at a high level, while the EPRA vacancy rate increased to 7.4% (31 December 2023: 5.3%).

Diversified tenant structure

As of 31 December 2024, the ten largest tenants in the Commercial Portfolio collectively accounted for 33.0% of annualised rent. The focus of these top tenants is also predominantly on office use, followed by logistics and mixed use. Logistics is the most important type of use for top tenant Volkswagen AG. The solid diversification of our tenant structure and the acquisition of blue-chip tenants play a key role in Branicks' transaction and letting activities.

Commercial Portfolio development[1]

	2024	2023
Number of properties	138	168
Market value in EUR million	2,792.6	3,641.6
Rental space in sqm	1,283,100	1,735,900
Annualised rental income in EUR million	147.7	179.1
Average rent in EUR per sqm	10.20	8.92
WALT in years	4.6	4.9
EPRA vacancy rate in %	7.4	5.3
Gross rental yield in %	5.4	5.2

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

EPRA vacancy rate

as at 31 December[1]

[1] Excluding project developments and repositioning properties.

Top 10 tenants in the Commercial Portfolio

Tenants	Asset class	Share of rental income
Volkswagen AG	Logistics	4.96%
Deutsche Börse AG	Office	4.48%
FHH	Office	3.81%
Mercedes Benz AG	Mixed Use	3.80%
DKB Service GmbH	Office	3.50%
NH Hotels Deutschland GmbH	Hotel	3.16%
Staatl. Vermögens- und Hochbauamt	Office	2.85%
SAP Deutschland SE & Co. KG	Office	2.14%
AXA Konzern AG	Office	2.14%
City of Offenbach	Office	2.06%
Total Top 10 tenants		**33.0%**

Institutional Business

Assets under management in Institutional Business total EUR 8.8 billion

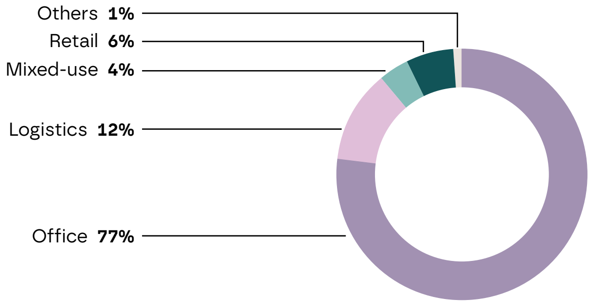
Assets under management (AuM) for institutional investors fell by 8.2% to EUR 8,795.4 million as of 31 December 2024 (2023: EUR 9,582.1 million). The decline reflects the disposal of one property with a volume of EUR 47.1 million and a further property in the amount of around EUR 65.3 million. The termination of the Global Power mandate added another EUR 340.0 million to this trend. Net measurement losses of EUR 674.3 million at the end of 2024 also had a negative impact of around 7.1% on the market value of the real estate assets managed for third parties. Due to the lack of attractive acquisition targets in the Institutional Business, no acquisitions were made in the 2024 financial year.

Assets under management comprised 179 properties at the end of the year (2023: 183). The lower number of properties is due to the sale of three properties and the termination of a third-party mandate. As of the end of 2024, Branicks managed 29 vehicles (16 pool funds totalling EUR 5.4 billion, 8 club deals totalling EUR 1.6 billion and 5 separate accounts totalling EUR 1.8 billion) for a total of 171 institutional investors. As of 31 December 2024, 34% of the equity invested came from superannuation schemes, pension funds and government funds, 27% from savings banks and other banks, 25% from insurance companies and 14% from foundations and family offices. Around 60% of equity is attributable to investors who have invested in more than one Branicks investment product.

Change in market value of the Institutional Business

in EUR million	
Market value as at 31 December 2023	**9,582.1**
Acquisitions	0.0
Sales	– 112.4
Measurement loss (– 7.1%)	– 674.3
Market value as at 31 December 2024	**8,795.4**

Asset-Klassen



Basis: assets under management in EUR million.

Assets under Management

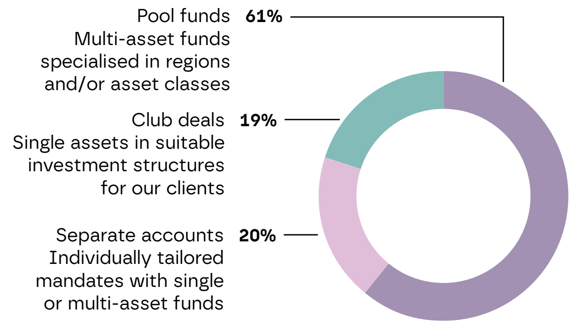
in EUR billion

Fundraising for shares yet to be placed is continuing – with the aim of placing all of the shares with institutional investors in 2025. These shares are recognised in the consolidated balance sheet as "non-current assets held for sale" as at 31 December 2024.

Project developments: completion of Global Tower

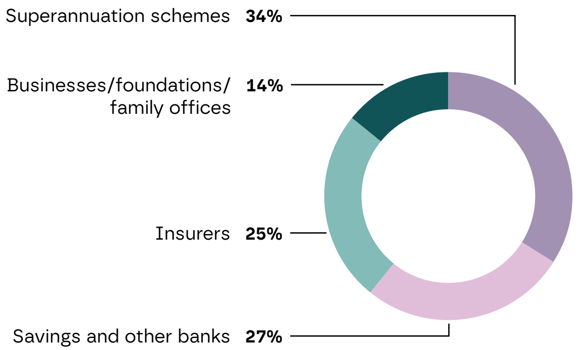
In the Institutional Business, we successfully finished coordinating the full renovation of the Global Tower in Frankfurt's banking district and fully transferred ownership of the landmark property to a fund managed by joint venture partners HANSAINVEST Real Assets and PATRIZIA in the 2024 financial year. Boasting 27 floors and over 33,000 sqm of rental space, the Global Tower meets the highest energy standards and has been certified Platinum by the German Sustainable Building Council (DGNB). The Global Tower was also one of the first skyscrapers in Frankfurt's banking district to be certified Platinum by WiredScore. The building was fully let by May 2023 in an exceptionally demanding and competitive market environment. The core refurbishment and transaction were completed on 31 July 2024, with the full recognition of development/performance fees taking place at the same time.

Deal structures[1]



[1] Percentages in relation to assets under management of EUR 8.8 billion as at 31 December 2024.

Investment partners[1]



[1] Percentages in relation to subscribed equity as at 31 December 2024.

Financial information

Revenue and results of operations

- Gross rental income down by around 10% to EUR 168.9 million as a result of sales
- FFO of EUR 52.2 million up year-on-year despite challenging market environment
- Real estate management fees of EUR 48.2 million due to challenging transaction environment
- Loss for the period of EUR 365.5 million driven up by write-downs

In the 2024 financial year, gross rental income fell to EUR 168.9 million (previous year: EUR 188.3 million) due to the considerable sales volume seen in the Commercial Portfolio, a decline of 10.3% compared to the previous year. Net rental income decreased by 8.7% to EUR 150.2 million (previous year: EUR 164.6 million). By contrast, FFO after minority interests rose to EUR 52.2 million (previous year: EUR 51.9 million).

FFO of EUR 52.2 million impacted by higher interest expense

Despite the challenges caused by the tense global political situation and persistently subdued conditions in the real estate investment market during the financial year, we managed to increase FFO after minority interests by EUR 0.3 million to EUR 52.2 million (previous year: EUR 51.9 million).

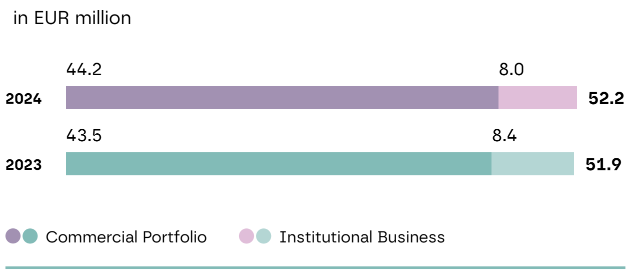
FFO in the 2024 financial year was mainly influenced by lower net rental income of EUR 150.2 million (previous year: EUR 164.6 million) due to sales and slightly lower real estate management fees of EUR 48.2 million (previous year: EUR 50.9 million). Operating expenses had a positive effect. Operating expenses remained largely stable at EUR 66.9 million (previous year: EUR 67.3 million), with slightly higher recurring administrative expenses of EUR 25.9 million (previous year: EUR 24.8 million) partially offsetting the decline in personnel costs to EUR 35.6 million (previous year: EUR 40.1 million). Non-recurring effects due to high legal and consulting costs led to further one-off administrative expenses of EUR 5.4 million (previous year: EUR 1.5 million). The net interest result, which is relevant for FFO and improved by EUR 8.6 million year-on-year, had an additional positive influence.

In 2024, FFO per share amounted to EUR 0.63 after EUR 0.62 in the previous year, with an increase of 138,226 in the average number of shares.

In the past financial year, FFO II (which takes the effects of sales into consideration) amounted to EUR 56.5 million (previous year: EUR 59.4 million), or EUR 0.68 per share (EUR 0.71 per share). This decrease reflects the decline in the profit on sales.

FFO

FFO contribution by segment



Profit for the period

Transition FFO

	Total			Commercial Portfolio			Institutional Business		
in EUR million	2024	2023	Δ	2024	2023	Δ	2024	2023	Δ
Net rental income	150.2	164.6	9 %	150.2	164.6	9 %			
Profit on disposals	4.3	8.2	48 %	4.3	8.2	48 %			
Administrative expenses	– 31.3	– 27.2	15 %	– 14.0	– 9.9	41 %	– 17.3	– 17.3	0 %
Personnel expenses	– 35.6	– 40.1	11 %	– 12.3	– 14.0	12 %	– 23.3	– 26.1	11 %
Other operating income/expenses	5.5	1.7	>100 %	5.2	1.8	>100 %	0.3	– 0.1	>100 %
Real estate management fees	48.2	50.9	5 %				48.2	50.9	5 %
Share of the profit or loss of associates without project developments and sales	5.9	6.4	8 %	2.8	3.2	13 %	3.1	3.2	3 %
Net interest income	– 104.5	– 92.8	13 %	– 103.5	– 91.9	13 %	– 1.0	– 0.9	11 %
Other adjustments [1]	32.6	8.2	>100 %	32.2	7.0	>100 %	0.4	1.2	67 %
Funds from Operations	71.0	71.7	1 %	60.6	60.8	0 %	10.4	10.9	5 %
Non-controlling interest	– 18.8	– 19.8	5 %	– 16.4	– 17.3	5 %	– 2.4	– 2.5	4 %
Funds from Operations (excluding non-controlling interest)	52.2	51.9	1 %	44.2	43.5	2 %	8.0	8.4	5 %
Funds from Operations II (including profit on disposals)	75.3	79.9	6 %	64.9	69.0	6 %	10.4	10.9	5 %
Funds from Operations II (including profit on disposals, excluding non-controlling)	56.5	59.4	5 %	48.5	51.0	5 %	8.0	8.4	5 %

[1] The other adjustments include:
– Transaction, legal and consulting costs of EUR 6,086 thousand (previous year: EUR 1,899 thousand).
– One-off refinancing costs of EUR 26,624 thousand (previous year: EUR 6,261 thousand).

Loss for the period affected by interest expense

At EUR 365.5 million, the net loss for the period was around EUR 294.8 million higher than in the previous year (previous year: EUR 70.7 million loss for the period), primarily due to impairment losses on investment property totalling EUR 237.1 million in the 2024 financial year as well as interest expense that increased by EUR 12.3 million and net rental income that fell by EUR 14.4 million. In 2024, the loss for the period per share amounted to EUR 4.37 (previous year: EUR 0.85), with an increase of 138,226 in the average number of shares. Of this figure, a loss per share of EUR 3.36 is attributable to the Group's shareholders (previous year: EUR 0.79).

Contributions to earnings by segment

Branicks is managed on the basis of the two segments of the business model. Reporting also follows this distinction. The Commercial Portfolio segment comprises our proprietary portfolio. The Institutional Business segment covers property management for institutional investors.

In the following sections, we present the revenue and results of operations of each individual segment for the financial year.

Commercial Portfolio

Net rental income falls by around 9%

In the reporting period, gross rental income fell by around 10% to EUR 168.9 million (previous year: EUR 188.3 million) due to successful sales activities. The rent increases resulting from indexations and new leases were unable compensate for the reduction due to sales and lease terminations. Annualised rental income from the Company's proprietary portfolio increased by 0.3% on a like-for-like basis as of the reporting date. Net rental income likewise fell in the 2024 financial year by around 9% to EUR 150.2 million (previous year: EUR 164.6 million).

Recurring operating expenses down 10%

Administrative expenses, adjusted for non-recurring effects, decreased by EUR 0.6 million to EUR 8.6 million year-on-year (previous year: EUR 9.2 million), while personnel costs fell by EUR 2.7 million to EUR 12.3 million (previous year: EUR 14.0. million). Adjusted operating expenses of EUR 20.9 million decreased by around 10% year-on-year (previous year: EUR 23.2 million). The operating cost ratio in the Commercial Portfolio (ratio of operating expenses to gross rental income and investment income excluding non-recurring effects) remained virtually stable at 12.2% year-on-year (previous year: 12.1%).

Net interest result impacted by financial consolidation

The net interest result decreased to EUR –103.5 million (previous year: EUR –91.9 million), primarily due to the refinancing costs incurred in connection with the financial consolidation at the start of the year. The average interest rate across all financial liabilities (not including the bridging loan from the VIB transaction) remained unchanged at 3.0% (previous year: 3.0%) at the end of the year.

FFO contribution of the Commercial Portfolios

	Total			Commercial Portfolio		
in EUR million	2024	2023	Δ	2024	2023	Δ
Net rental income	150.2	164.6	9 %	150.2	164.6	9 %
Profit on disposals	4.3	8.2	48 %	4.3	8.2	48 %
Administrative expenses	– 31.3	– 27.2	15 %	– 14.0	– 9.9	41 %
Personnel expenses	– 35.6	– 40.1	11 %	– 12.3	– 14.0	12 %
Other operating income/expenses	5.5	1.7	>100 %	5.2	1.8	>100 %
Real estate management fees	48.2	50.9	5 %			
Share of the profit or loss of associates without project developments and sales	5.9	6.4	8 %	2.8	3.2	13 %
Net interest income	– 104.5	– 92.8	13 %	– 103.5	– 91.9	13 %
Other adjustments	32.6	8.2	>100 %	32.2	7.0	>100 %
Funds from operations	71.0	71.7	1 %	60.6	60.8	0 %
Non-controlling interest	– 18.8	– 19.8	5 %	– 16.4	– 17.3	5 %
Funds from Operations (excluding non-controlling interest)	52.2	51.9	1 %	44.2	43.5	2 %
Funds from Operations II (including profit on disposals)	75.3	79.9	6 %	64.9	69.0	6 %
Funds from Operations II (including profit on disposals, excluding non-controlling)	56.5	59.4	5 %	48.5	51.0	5 %

Investment income of EUR 2.8 million

Investment income in the Commercial Portfolio totalled EUR 2.8 million in the financial year under review after EUR 3.2 million in the previous year.

FFO contribution up slightly to EUR 44.2 million

The segment's FFO contribution after minority interests rose to EUR 44.2 million year-on-year (previous year: EUR 43.5 million). The segment's FFO margin (FFO in relation to gross rental income) rose from 23.1% year-on-year to 26.2%, primarily as a result of lower operating expenses incurred in connection with our Performance 2024 programme. FFO II after minority interests, which also contains the effects of sales, totalled EUR 48.5 million for the Commercial Portfolio segment in 2024 (previous year: EUR 51.0 million).

Sales with high sales volume of EUR 543.4 million in net proceeds realised

Due to the high volume of sales recognised on the balance sheet in the past financial year, we generated net proceeds from sales of EUR 543.4 million (previous year: EUR 558.6 million). Key items in net proceeds included the sale of a logistics portfolio to VIB Retail Balance I in the amount of EUR 294.6 million in the third quarter of 2024 and the sale of a further logistics portfolio in the amount of EUR 110.7 million in the fourth quarter of 2024. These sales were achieved with a return on sales (sales profits in relation to net sales proceeds) of approx. 1% (previous year: 1%). The profits on sales totalled EUR 4.3 million, compared with EUR 8.2 million in the previous year.

Income from the Commercial Portfolio

in EUR million

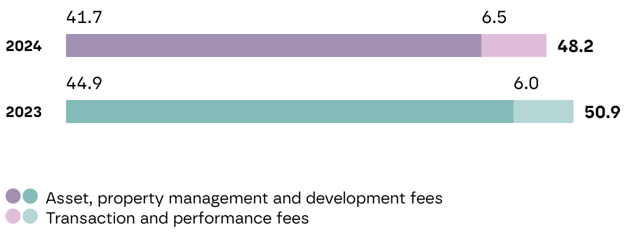
Institutional Business

Real estate management fees dominated by challenging overall environment

In financial year 2024, we saw a very low volume of transactions due to the persistently difficult conditions on the real estate investment market, and delays and rescheduling of transactions, resulting in low transaction-related real estate management fees. Despite the very subdued real estate investment market, we generated real estate management fees of EUR 48.2 million (previous year: EUR 50.9 million). Assets under management in the Institutional Business fell to EUR 8.8 billion from EUR 9.6 billion in the financial year.

Real estate management fees

in EUR million



Overall, transaction and performance fees (fees for acquisitions and sales, setup and the structuring of investment products as well as for exceeding defined target returns with successful real estate management) came to EUR 6.5 million (previous year: EUR 6.0 million) due to the challenging real estate investment market. A key contribution in this context was made by the performance fee recognized in 2024 from the final invoicing of the Global Tower mandate. Income from recurring asset and property management as well as developments came to EUR 41.7 million due to the reduction in assets under management (previous year: EUR 44.9 million).

Investment income at EUR 3.1 million

In addition to real estate management fees, the Institutional Business also generates income from equity investments in issued investment products, especially from the funds in the Office Balance series. At EUR 3.1 million, these fees in the 2024 financial year were more or less level with the prior-year figure of EUR 3.2 million.

Operating expenses down again due to lower business volumes

In the Institutional Business segment, recurring operating expenses also declined from EUR 43.4 million in the previous year to EUR 40.6 million in the year under review. Personnel costs fell to EUR 23.3 million (previous year: EUR 26.1 million), while administrative costs remained flat at EUR 17.3 million (previous year: EUR 17.3 million).

Net interest result stable

The net interest result came to EUR – 1.0 million, remaining virtually unchanged year-on-year (previous year: EUR – 0.9 million).

FFO contribution influenced by lower volume of transactions

The persistently low transaction volume and the associated lower transaction-related real estate management fees are the main reasons for the segment's FFO contribution, which at EUR 8.0 million was comparable to the prior-year figure (previous year: EUR 8.4 million). The segment's FFO margin (FFO in relation to real estate management fees and the share of the profit or loss of associates) was approximately 15.6% (previous year: 20.1%).

FFO contribution of the Institutional Business

	Total			Institutional Business		
in EUR million	2024	2023	Δ	2024	2023	Δ
Net rental income	150.2	164.6	9 %			
Profit on disposals	4.3	8.2	48 %			
Administrative expenses	– 31.3	– 27.2	15 %	– 17.3	– 17.3	0 %
Personnel expenses	– 35.6	– 40.1	11 %	– 23.3	– 26.1	11 %
Other operating income/expenses	5.5	1.7	>100 %	0.3	– 0.1	>100 %
Real estate management fees	48.2	50.9	5 %	48.2	50.9	5 %
Share of the profit or loss of associates without project developments and sales	5.9	6.4	8 %	3.1	3.2	3 %
Net interest income	– 104.5	– 92.8	13 %	– 1.0	– 0.9	11 %
Other adjustments	32.6	8.2	>100 %	0.4	1.2	67 %
Funds from operations	71.0	71.7	1 %	10.4	10.9	5 %
Non-controlling interest	– 18.8	– 19.8	5 %	– 2.4	– 2.5	4 %
Funds from Operations (excluding non-controlling interest)	52.2	51.9	1 %	8.0	8.4	5 %
Funds from Operations II (including profit on disposals)	75.3	79.9	6 %	10.4	10.9	5 %
Funds from Operations II (including profit on disposals, excluding non-controlling)	56.5	59.4	5 %	8.0	8.4	5 %

Financial position

- Financial liabilities down EUR 667 million to EUR 2.3 billion
- Interest expense affected by refinancing costs, delayed impact of ECB interest rate cuts
- Average interest rate across all financial liabilities reduced to 2.7% at end of 2024
- Bridging loan repaid ahead of schedule at start of October
- Repayment of extended 2024 promissory note loan proceeding as planned; first repayment made in January 2025

Securing and expanding liquidity

As part of our financial management activities, we continuously and proactively monitor liquidity requirements at all levels of the Group and ensure the solvency of Branicks and its Group entities at all times. We strive to achieve the greatest possible stability against external influences while maintaining flexibility for our operating business, thus ensuring the continued existence and development of the Group.

We meet our financing requirements both through traditional bank financing and the capital and promissory note markets.

Maturities from bridging loan and promissory note loans

The maturities scheduled for financial year 2024 as of the 31 December 2023 reporting date, which primarily consisted of the remaining EUR 200 million from the bridging loan taken out in 2022 to fund the acquisition of the shares in VIB Vermögen AG and EUR 225 million in promissory note loans, were not completely covered by liquidity and firmly agreed financing or sales proceeds as of the 31 December 2023 reporting date. Based on a business plan for the years 2024 to 2026, which was reviewed and confirmed by independent consultants, we engaged in negotiations with the financiers of the bridging loan and the lenders of the promissory note loans maturing in 2024 and agreed an extension of the terms.

We completed proceedings under the German Act on the Stabilisation and Restructuring Framework for Businesses (StaRUG) as part of negotiations with our promissory note lenders. The competent court confirmed the restructuring plan on 26 March 2024. This extended the promissory note loans due in 2024 until 30 June 2025. At the same time, the bridging loan was extended until 31 December 2024.

The bridging loan was repaid in full in several tranches by the beginning of October 2024, earlier than agreed. The first repayment of the promissory note loans was made after the reporting date in January 2025.

Mortgage financing offers tried-and-tested solution in turbulent times

We were able to extend expiring real estate loans with our existing banks or refinance with new banks during the past financial year. In addition, an acquisition loan that had already been agreed in the past as part of a forward deal was drawn down during the reporting period.

Long-term focus and security in our planning

To make our financing structure stable, as a rule, we conclude our financing on a long-term basis, at least over five years. This financing is usually carried out on a non-recourse basis, which prevents enforcement against the Group beyond the property company to be financed.

Financing activities

in EUR million	2024
New property-related loans	115
Repayments (bond/promissory note loan/property financing/bridging loan)	771

Overall in financial year 2024, in our Group we realised a financing volume (new borrowings and repayments) of around EUR 0.9 billion.

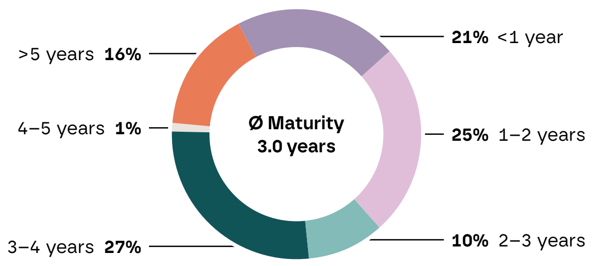
At EUR 2,307.7 million, the financial debt shown on the balance sheet as at 31 December 2024 was down EUR 666.3 million year-on-year following new borrowings and repayments (previous year: EUR 2,974.2 million). The large majority (60%) of the financial debt consists of bank loans, whereas the remaining portion is attributable to funds from our bonds (17%) and promissory note loans (23%).

Remaining maturity is 3.0 years

The average remaining maturity of all financial liabilities is 3.0 years at year-end 2024, compared with 3.7 years at the end of 2023.

Maturity of liabilities

as at 31 December 2024



Hedging against interest rate fluctuations

At around 82%, the vast majority of financial debt is at fixed interest rates or hedged against interest rate volatility. This gives us long-term certainty in our planning and keeps interest rate risks stable. Just under 18% of our financial liabilities – primarily short-term in nature – are agreed at variable rates and are not hedged against interest rate risks.

Average interest rate across all financial liabilities of 2.7%

The average interest rate across all financial liabilities fell to 2.7% as of 31 December 2024, down from 3.1% at the end of December 2023. This improvement reflects the repayment of high-interest loans such as the bridging loan, as well as interest savings achieved on variable-rate loans in the wake of the ECB's interest rate cuts. Meanwhile, expiring loans typically agreed for five years have been extended or refinanced.

Loan-To-Value (LTV)

in EUR thousand	31.12.2024	31.12.2023
Asset values		
Market value in EUR million	2,792,633	3,641,609
Market value of investments (indirect real estate)[1]	221,544	345,773
Goodwill	190,243	190,243
Service contracts	25,821	45,345
Carrying amount Loans/receivables related parties	129,196	134,106
Market value Assets (Value)	**3,359,437**	**4,357,076**
Liabilities		
Non-current interest-bearing Loans and borrowings[2]	1,426,728	1,906,816
Current interest-bearing Loans and borrowings	444,759	618,917
Liabilities for properties under IFRS 5	38,988	39,151
Related party liabilities	7,229	6,649
Corporate Bonds	382,570	394,654
less cash on hand/bank balances	–250,720	–345,550
Net liabilities (loan)	**2,049,554**	**2,620,637**
LTV[2]	**61.0%**	**60.1%**
Adjusted LTV[2]	**57.5%**	**57.6%**

[1] Includes shares in associated companies, participations and participation under IFRS 5.
[2] Adjusted for warehousing.

The interest coverage ratio (ICR, i.e. the ratio of EBITDA to adjusted net interest result) was 199% (previous year: 216%).

LTV increase in 2024

In the 2024 financial year, LTV rose to 61.0% (previous year: 60.1%) while adjusted LTV remained stable at 57.5% (previous year: 57.6%). After the repayments we made in 2024, we continue to aim for a medium-term LTV in a target range of 45% to 50% by reducing the liabilities on our balance sheet.

Financing obligations met in full

We complied with all financing obligations, including financial covenants stipulated in loan agreements, throughout the year and as at the reporting date. Branicks has agreed a customary level of credit with financial covenants. If the Company fails to comply with these clauses, banks could modify their credit terms or demand the repayment of some loans at short notice. Essentially, the following covenants have been agreed:

- DSCR (debt service coverage ratio): specifies the percentage of expected interest plus repayment (principal repayment) covered by rental income.
- ICR (interest coverage ratio) indicates the cash flow in relation to interest payments
- Debt yield (rental income / loan volume): indicates rental income as a percentage of debt.
- LTV (loan-to-value): is a ratio expressing the loan amount as a percentage of a property's market value.

No off-balance sheet financing

There are no significant off-balance sheet forms of financing. The consolidated financial statements report all forms of financing used by the Company. Additional details such as terms, the fair value of loans or information on derivative financial instruments is provided in the notes on → page 140.

Challenging liquidity situation

Liquidity planning has the utmost priority for us as part of financial management, not least against the backdrop of upcoming maturities of financial liabilities and banks' stringent conditions for the granting of loans.

We therefore endeavour to be independent of additional financing for ongoing operations. For this purpose, we derive liquidity planning from our budgeting process, which is then continuously updated. The consistency of our cash flow enables us to make a detailed liquidity forecast against which we can plan and align our cash deployment and requirements with great precision. During 2024, Branicks was at all times able to meet its payment obligations. As at 31 December 2024, available liquidity amounted to around EUR 167.4 million (previous year: EUR 158.6 million). The Group has credit lines and guarantee facilities unutilised to date in the total amount of EUR 1,664 thousand (previous year: EUR 57,158 thousand).

Cash flow shaped by financial consolidation

The cash outflow in the financial year was primarily shaped by the repayment of the bridging loan and other liabilities. The cash inflow from investing activities and operating activities was not able to compensate for the negative cash flow from financing activities. Overall, the outflow of funds amounted to EUR 94.8 million (previous year: inflow of funds of EUR 157.2 million).

Cash generated from operations amounted to EUR 54.8 million in the year under review (previous year: EUR 97.1 million). This decline from the previous year is primarily attributable to the lower cash inflow from rental business as a result of sales and lower transaction-related fees.

The positive cash flow from investing activities reflects our ability to generate significant cash inflows from sales despite the difficult market environment. Our sales programme generated proceeds from the sale of properties amounting to EUR 543.4 million (previous year: EUR 558.6 million). We invested EUR 34.1 million in our existing properties (previous year: EUR 47.1 million). Overall, we recorded a cash flow from investing activities of EUR +553.8 million (previous year: EUR 306.2 million).

Cash flow from financing activities in 2024 was driven mainly by the transaction-based repayment of property financing in the amount of EUR 465.7 million and the repayment of the remaining part of the bridging loan in the amount of EUR 200.0 million. This contrasts with proceeds of EUR 115.1 million from new borrowing (previous year: EUR 582.8 million). Overall, cash flow from financing activities was negative at EUR – 703.4 million (previous year: EUR – 246.1 million), reflecting our strategy to reduce debt.

Cash and cash equivalents decreased year-on-year by EUR 94.8 million to EUR 250.7 million (previous year: EUR 345.6 million).

Cash flow

in EUR million	2024	2023
Profit for the year	– 365.5	– 70.7
Cash flow from operating activities	54.8	97.1
Cash flow from investing activities	553.8	306.2
Cash flow from financing activities	– 703.4	– 246.1
Net changes in cash and cash equivalents	– 94.8	157.2
Cash and cash equivalents as at 31 December	250.7	345.6

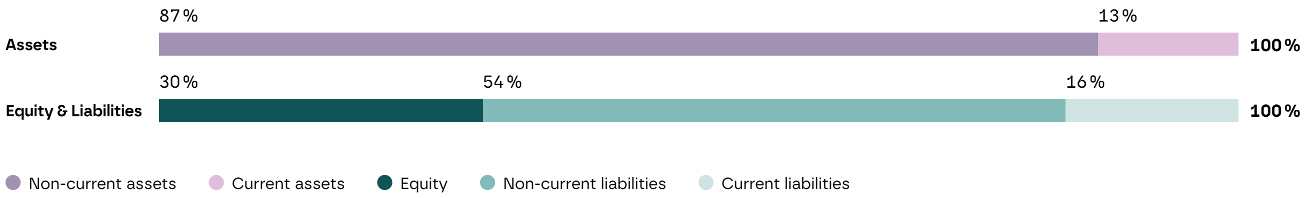
Net assets

- Total assets down significantly by around 23% to EUR 3,741.6 million
- Real estate assets decline by approximately 22% to EUR 2,663.6 million due to sales
- Quality of Commercial Portfolio reflected in 6.0% measurement loss
- NAV decreases to EUR 857.9 million due to transactions
- Value of the Institutional Business segment stable at EUR 421.1 million
- Adjusted NAV drops to EUR 12.55 per share due to transactions
- Equity ratio largely unchanged at 30.2%

Branicks' financial position in the 2024 financial year was shaped by successfully completed sales, resulting in lower total assets of EUR 3,741.6 million (previous year: EUR 4,846.2 million). Non-current assets decreased by EUR 771.8 million. Current assets excluding IFRS 5 assets also fell by EUR 215.5 million, as did assets held for sale, which declined by EUR 117.3 million.

The loss for the period of EUR 365.5 million contributed significantly to the decline in equity to EUR 1,128.5 million (previous year: EUR 1,527.1 million). The equity ratio remained largely stable at 30.2% (previous year: 31.5%).

Balance sheet structure



Measurement at cost

Our properties are carried at amortised cost. The carrying amounts are reviewed annually in the course of IFRS impairment testing to establish whether impairment losses must be recognised. These are compared against the higher of fair value and value in use, which reflects the value of a property under its intended use. In 2024, impairment testing resulted in impairment losses of EUR 32.9 million (previous year: EUR 16.4 million) recognised on real estate assets.

Non-current assets down due to sales

Investment property (our existing properties in the Commercial Portfolio segment) was carried at EUR 2,663.6 million as of 31 December 2024 compared with EUR 3,398.6 million in the previous year, with impairment losses and disposals from sales having an effect in this context.

Property, plant and equipment decreased to EUR 42.3 million due to depreciation (previous year: EUR 45.4 million) and intangible assets contracted to EUR 27.6 million (previous year: EUR 33.5 million) due to amortisation. A further decrease of EUR 11.0 million to EUR 88.0 million (previous year: EUR 99.0 million) was recognized in investments.

At EUR 190.2 million, following the annual impairment test goodwill remains at the same level as in the previous year (31 December 2023: EUR 190.2 million).

Current assets also reduced

Current assets decreased by EUR 332.8 million to EUR 472.8 million (previous year: EUR 805.6 million). Other receivables declined to EUR 29.7 million (previous year: EUR 119.1 million) due to the repayment of a loan. Cash and cash equivalents fell by EUR 94.8 million to EUR 250.7 million. This figure reflects factors such as the repayment of the remaining tranche of the bridging loan in the amount of EUR 200 million. Please refer to the disclosures in the "Financial position" section → page 54. for information on the liquidity situation.

Loss for the period weighs on equity

Equity fell due in particular to the loss for the period of EUR 365.5 million (previous year: loss of EUR 70.7 million). Equity attributable to the Group's shareholders decreased year-on-year by EUR 292.1 million to EUR 752.6 million (previous year: EUR 1,044.7 million). The loss for the period attributable to the Group's shareholders was EUR 281.1 million (previous year: loss of EUR 66.0 million). No dividend was distributed in 2024.

The reported equity ratio at 30.2% was similar to the prior-year figure of 31.5%. The loan-to-value ratio (LTV) increased to 61.0% (previous year: 60.1%).

Balance Sheet overview

in EUR million	31.12.2024	31.12.2023
Total assets	3,741.6	4,846.2
Total non-current assets	3,268.8	4,040.6
Total current assets	472.8	805.6
Equity	1,128.5	1,527.1
Total non-current financial liabilities	1,824.0	2,316.1
Total current financial liabilities	444.8	618.9
Other liabilities	344.3	384.1
Total liabilities	2,613.1	3,319.1
Equity ratio book value	30.2 %	31.5 %
Loan-To-Value [1]	61.0 %	60.1 %
Adjusted Loan-To-Value [1]	57.5 %	57.6 %
NAV	857.9	1,298.4
Adjusted NAV	1,048.9	1,473.5

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

Commercial Portfolio records 6.0% measurement loss

The measurement loss – adjusted for acquisitions and sales – is 6.0 % in our Commercial Portfolio (previous year: 6.8%). The comparatively low reduction in value is testament to the quality of our existing portfolio.

Adjusted net asset value at EUR 12.55 per share

The NAV key figure is equal to the value of all tangible and intangible assets less liabilities. The NAV was EUR 857.9 million at the end of 2024 (previous year: EUR 1,298.4 million). Only a portion of the value of real estate management services provided by the Institutional Business is reflected in NAV via the goodwill recognised in the balance sheet. This value contribution is therefore added to NAV. As at the reporting date, the total adjusted NAV was EUR 1,048.9 million (previous year: EUR 1,473.5 million). The update of the valuation parameters in the 2024 financial year led to an almost unchanged value of the Institutional Business segment of EUR 421.1 million (previous year: EUR 427.4 million). The number of shares remained the same compared to the previous year at 83,565,510 shares. NAV per share amounted to EUR 10.27 compared with EUR 15.54 in the previous year. The adjusted NAV per share as of 31 December 2024 was EUR 12.55 (previous year: EUR 17.63).

Net Asset Value

in EUR million	31.12.2024	31.12.2023
Carrying amount of investment properties	2,663.6	3,398.6
Fair value adjustment	41.5	142.5
Fair value of the Commercial Portfolio	2,705.1	3,541.1
Real estate assets acc. with IFRS 5	87.5	100.5
Fair value of properties	2,792.6	3,641.6
Carrying amount of equity investments	118.8	129.3
Fair value of equity investments	118.8	129.3
+/– Other assets/liabilities (excluding goodwill)	384.8	682.2
Restatement of Other assets/liabilities [1]	– 0.3	8.0
Net loan liabilities at carrying amount	– 2,268.7	– 2,935.0
Net loan liabilities in accordance with IFRS 5	– 39.0	– 39.2
Non-controlling interests	– 360.4	– 440.7
Goodwill incl. other assets/liabilities	230.1	252.2
Net Asset Value (NAV)	857.9	1,298.4
Number of shares (thousand)	83,566	83,566
NAV per share in EUR	10.27	15.54
Adjusted NAV per share in EUR [2]	12.55	17.63

[1] Restated for deferred taxes (EUR +48,252 thousand; previous year: EUR +69,343 thousand), financial instruments (EUR 0 thousand; previous year: EUR 0 thousand) and IFRS 5 assets and liabilities (EUR –48,252 thousand; previous year: EUR –61,344 thousand).
[2] Incl. Institutional Business.

NAV

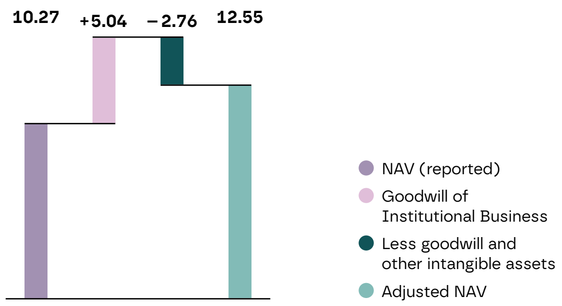
in EUR/share

Adjusted NAV

in EUR/share

Adjusted NAV reconciliation (including value of Institutional Business)

in EUR/share



Other disclosures

Impact of accounting policies and accounting changes on the presentation of the economic position

In 2024, no options were newly exercised, no grooming transactions were carried out and no changes were made to discretionary decisions which – if treated differently – would have had a material impact on the presentation of the net assets, financial position and results of operations in the financial year.

Non-financial key performance indicators

With the exception of the section entitled "Green Bond impact reporting", the contents of the "Non-financial key performance indicators" section of the combined management report were not audited. Additional non-financial content that has been audited by the auditor can be found in our Sustainability Reports. The Sustainability Report for the 2024 financial year will be published on 14 May 2025. Our website also contains a large amount of additional information and the latest news on sustainability and ESG (Environmental, Social and Governance) issues.

Non-financial assets play a major role in the long-term success of Branicks Group AG. They constitute unique selling propositions and competitive advantages that are based on the long-standing nature of our operations, the expertise of our employees and our extensive network within the market. Although these assets are difficult to quantify and cannot be reported in the balance sheet, they can be measured with the help of non-financial key performance indicators.

The Branicks brand is one of the Group's most important intangible assets. Branicks received two awards for its new brand identity and corporate design: the 2024 German Design Award in the "Excellent Communications Design – Corporate Identity" category, and the Corporate Design Award in the "Corporate Design – Redesign" category.

ESG and digital transformation

ESG strategy

As one of Germany's leading listed real estate companies, Branicks Group AG is committed to sustainable development. ESG has become an essential and integral part of our corporate strategy and our business activities. Branicks has defined both short- and medium-term objectives, the achievement of which is reported on regularly. These objectives are defined along the following four guidelines:

- We positively mitigate climate change
- We shape our business with and for the people.
- We are a reliable partner and conduct our business activities in a transparent and accountable manner
- We use digitisation for ESG purposes as yet another building block

We intend to contribute actively to the decarbonisation of the buildings sector. Reducing carbon emissions and resource depletion are priorities for Branicks – for our own business activities, our own property portfolio and the properties we manage for third parties.

As an employer, we embrace the responsibility to provide a positive corporate culture and to promote a safe, socially fair and healthy work environment. Collaboration should be defined by motivation and diversity as well an entrepreneurial mindset and behaviour, accountability, flexibility and expertise. As a real estate management company and commercial real estate specialist, we focus on the current and future interests of our stakeholders, and social challenges in a forward-looking way. As a member of society (a corporate citizen), we are actively involved in our industry for the public good.

We attach great importance to transparent and responsible corporate governance. We are committed to upholding the principles of ethics and integrity within the Company as well as complying with legal provisions and internal company values. To fulfil this commitment, we want to consistently integrate ESG into all levels of our organisation in an interconnected way.

We want to utilise digital tools for our management processes and continue developing our business model, enabling us to offer new digital products and services and create added value for our investors, tenants and properties with initiatives such as using efficient data structures to manage and optimise energy consumption, emissions and resources.

Protecting the climate is the most important ESG objective

In 2022, we defined quantifiable targets for all ESG aspects for the first time. A summary of all of our ESG targets and KPIs is provided on pages 10, 35, 58 and 72 of our → 2023 Sustainability Report.

Our climate target, which reflects our commitment to climate action, is of particular importance. Branicks Group AG has set itself the goal of reducing greenhouse gas (GHG) emissions per square metre in its Commercial Portfolio by an average of 40% by 2030, compared to the 2018 baseline year. This means that we have set a transparent and measurable climate target based on current knowledge of globally available environmental parameters, scientific analysis and our own market knowledge.

To achieve this target, we have established a climate pathway for our Commercial Portfolio in close collaboration with external sustainability experts. This climate pathway will provide guidance for prioritising our various activities. It includes a series of organisational and technical measures, including staff training, tenant participation, saving energy by the more efficient deployment of existing systems, increasing the proportion of green power used and procuring green gas to further reduce carbon emissions, the use of metering equipment with remote polling functionality, and the targeted use of district heating, CHP pumps and PV systems. Strategic initiatives are also being pursued, such as a targeted portfolio strategy that leverages carefully tailored purchase and sale policies.

Sustainable development of our portfolio and investment in Green Buildings

Buildings with sustainability certificates today make up a significant proportion of our property portfolio. In accordance with our Green Bond Framework (GBF), we define Green Buildings as buildings that meet high energy efficiency standards (at least ENEV 2009) or a minimum certification level such as “LEED Gold”, “BREAAM Very Good” or “DGNB Gold”. In 2024, Green Buildings as a proportion of the Commercial Portfolio market value rose to 52.9% (previous year: 43.6%) due to the certification of the Neustadt Centrum Halle, Gate 9 Leinfelden-Echterdingen und Central Park Offices Düsseldorf properties, and the sale of selected low-performing assets. Thanks to our targeted certification and portfolio strategy, we have been able to lift the share of Green Buildings from 11.6% to 52.9% since 2021.

The aim of our Green Bond Framework was to increase the share of Green Buildings in our Commercial Portfolio to at least 20% by the end of 2023. That is why we have set ourselves a new target for increasing our Green Building ratio after meeting the previous target in 2023. We are now aiming to raise the Green Building ratio based on the market value of the Commercial Portfolio to 60% by the end of 2027.

Following the climate pathway to a sustainable portfolio

Green Buildings portfolio strategy	Managing energy use and optimising operations
Getting tenants and Facility Management involved	Implementing technical and structural measures to reduce energy consumption and switch to renewable energy

Green Buildings

	31.12.2024 [1]					31.12.2023				
	DGNB Gold	LEED Gold	BREEAM Very Good	ENEV 2009	Total	DGNB Gold	LEED Gold	BREEAM Very Good	ENEV 2009	Total
Number	8	1	8	14	**31**	8	1	6	21	**36**
in % of rental space	9.4%	0.7%	18.1%	12.1%	**40.3%**	6.9%	0.5%	12.3%	17.7%	**37.4%**
– of which new construction and major renovations	9.4%	0.7%	0.0%	0.0%	**10.1%**	6.9%	0.5%	0.0%	0.0%	**7.4%**
– of which existing building	0.0%	0.0%	18.1%	12.1%	**30.2%**	0.0%	0.0%	12.3%	17.7%	**30.0%**
in % of market value	12.2%	2.2%	26.4%	12.1%	**52.9%**	9.8%	1.9%	16.4%	15.5%	**43.6%**
– of which new construction and major renovations	12.2%	2.2%	0.0%	0.0%	**14.4%**	9.8%	1.9%	0.0%	0.0%	**11.7%**
– of which existing building	0.0%	0.0%	26.4%	12.1%	**38.5%**	0.0%	0.0%	16.4%	15.5%	**31.9%**

2021/2026 Green Bond impact reporting

	31.12.2024		31.12.2023	
	in EUR million	in % of total market value	in EUR million	in % of total market value
Market value of Green Buildings in the Commercial Portfolio [1]	1,381.4	52.9	1,508.4	43.6

[1] All figures were calculated excluding project developments and precertificates.

2021/2026 Green Bond allocation reporting

	31.12.2024		31.12.2023	
	in EUR million	in %	in EUR million	in %
Gross proceeds from 2021/2026 Green Bond	400.0	100	400.0	100
Funds used for eligible green projects/properties	400.0	100	400.0	100
Funds not yet allocated for eligible green projects/properties	0	0	0	0
Distribution of funds used by eligible category				
Green Buildings	400.0	100	400.0	100
Distribution of funds used by project location				
Germany	400.0	100	400.0	100
Distribution of funds used by type of financing				
Refinanced green projects/properties	234.6	59	234.6	59
Newly financed green projects/properties	165.4	41	165.4	41

Green Bond – impact reporting

As part of the issuance of the Company's first Green Bond and the publication of our GBF in 2021, Branicks Group AG committed to reporting on the development and use of the funds used to finance green projects and properties on an annual basis. With this in mind, the GBF sets the parameters within which Branicks Group AG can issue its Green Bonds. After being subjected to an independent external review (second party opinion), the Framework was found to be in accordance with the ICMA Green Bond Principles (GBP) for 2021 as well as Sustainable Development Goals (SDGs) 9 and 11 set by the United Nations. SDG 9 "Industry, Innovation and Infrastructure" seeks to promote high-quality, sustainable and resilient infrastructure, while SDG 11 "Sustainable Cities and Communities" promotes inclusive and sustainable urban planning.

By investing in energy-efficient and sustainable buildings when making new acquisitions, we are contributing to sustainable development and the reduction of CO_2 within our real estate portfolio. (For details, see GBF at → https://branicks.com/download/publikationen/Branicks-Green-Bond-Framework.pdf).

Digital transformation

Group & asset management

We use digital tools to improve our management processes. To increase efficiency and quality in real estate management, we are using state-of-the art document management systems and newly implemented asset management software. The different systems of the Group's subsidiaries were further standardised in the past reporting year. We are also using and continuing to develop a comprehensive HR system to digitalise our existing processes and make them more efficient.

Smart Buildings

Branicks' strategic focus is on exploiting the potential for efficiency by introducing "smart" building technology in its properties. Our smart building strategy also comprises data collection and analysis, and the fine-tuning of building component energy requirements. This includes the installation of easy-to-retrofit sensor systems for the automated collection of consumption data and the introduction of energy management systems. We work closely with our strategic facility management partners in this context, laying a foundation for optimising our building operations and resource consumption to further reduce emissions in our portfolio in line with our targets.

Cybersecurity

A substantial part of our business activities is now conducted online, which is why it is so important for us to reliably protect all of our IT systems. In addition to policies on IT and cybersecurity, we have also established a suitable security management system. We always use state-of-the-art network security and endpoint protection technologies and keep all systems and tools up to date with the latest security standards. This enables us to minimise the risks to our IT landscape and their impacts. All Group employees were also obligated to participate in cybersecurity awareness training in 2024. In addition to regular security audits, we carry out both in-house security assessments and external intrusion tests at system, data and network level.

Our human resources performance

Reliability, agility, creativity – these are the values we have embedded in our company to reach high levels of performance and motivate each other each day. We can only do this with employees who embrace these values and demonstrate them by the way they work together every day.

HR Controlling creates reports and ad-hoc evaluations and statistics to help management make data-driven decisions. We are also using and continuing to develop a comprehensive HR system to digitalise our existing processes and make them more efficient.

Number of employees

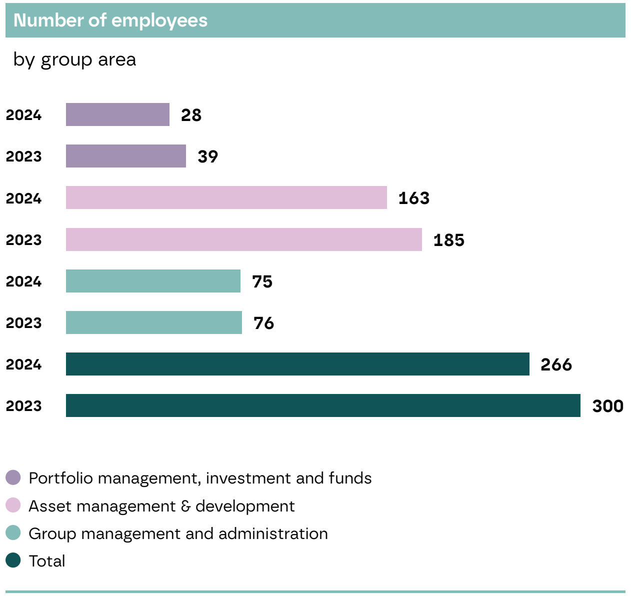
The number of employees fell to 266 as at the end of 2024 (31 December 2023: 300). The reduction during the 2024 financial year was primarily attributable to restructuring in the administration and asset and property management teams. As at year-end, 28 employees worked in portfolio management, investment and funds, 163 in asset management and 75 in administration.

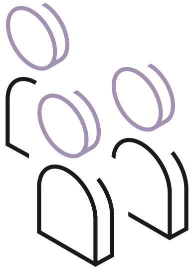
The staff turnover rate at Branicks (excluding departures during the probationary period) was 27% in 2024, which is comparable to the staff turnover rate of 27.8%[1] seen in the German real estate industry in 2022. The increase compared to the previous year (23%) results from the restructuring described above and the general willingness of people to change jobs in what remains a dynamic labour market, not only at Branicks.

Dynamic remuneration system

Salaries at Branicks consist of a basic income, supplementary benefits and performance-related components. We base our salaries on industry standards and those of our competitors. The performance-related component is based on achieving individual goals as well as strategic and operating targets, which are set annually together with supervisors. This means that a total of EUR 32.7 million was spent on employees in 2024 (previous year: EUR 35.6 million). This figure includes performance-related remuneration of EUR 3.5 million (previous year: EUR 1.8 million). Social security contributions, pension plans and other benefits added up to EUR 4.1 million (previous year: EUR 4.7 million).

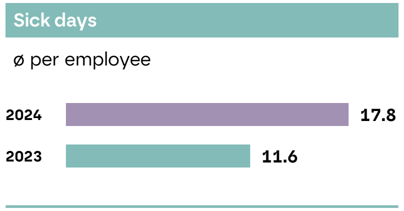
The Management Board of Branicks Group AG has also launched an employee share scheme, with which Branicks Group AG aims to offer employees a long-term remuneration component in addition to their standard pay package. For this purpose, Branicks Group AG buys own shares on the market for the employees every year in December and holds them in a securities account. Payouts under the scheme can be made after four years at the company. The amount paid reflects the share price performance during this period.

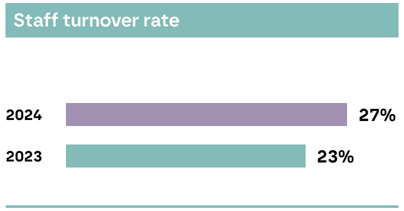


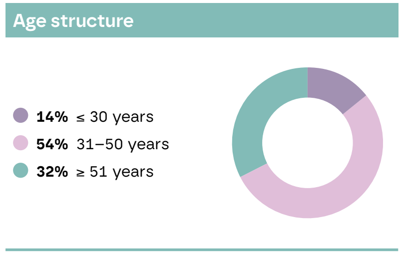


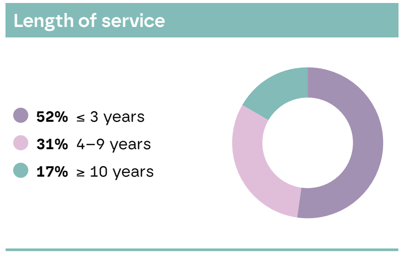
266

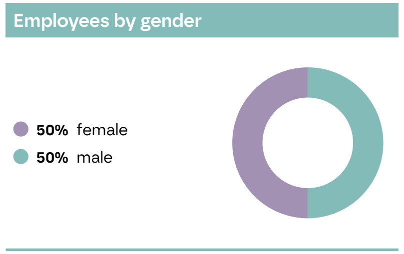
highly qualified employees were employed by Branicks Group AG as at 31 December 2024











[1] https://de.statista.com/statistik/daten/studie/664601/umfrage/fluktuation-dersozialversicherungspflichtigen-beschaeftigung-in-deutschland-nach-wirtschaftszweigen/

Recruiting: Focus on tomorrow's talent

Our HR generalists oversee the entire internal employee lifecycle and recruiting.

As part of our strategy for assuring the availability of well-qualified junior staff for our company, we hired two new trainees in 2024. A total of 17 employees are currently completing their training in various professions, such as real estate professional or IT specialist for system integration. One business development trainee was employed in Branicks' Institutional Business segment in the past financial year.

The Group continued to award scholarships in cooperation with the Frankfurt School of Applied Sciences during 2024. Our commitment to higher education has been successful: We employed 20 working students and three interns who gained their first practical experience at Branicks as part of their study programmes. Three of the working students were then taken on as regular employees.

Promoting and embracing diversity

Branicks Group AG promotes diversity throughout the entire Group, particularly with regard to equal representation of women and men in management positions. As at 31 December 2024, 49.6% of all positions were staffed by women (previous year: 52%). The proportion of women in management positions below the Management Board was 27.03% in the reporting year.

We firmly believe that heterogeneous teams that differ in terms of their individual skills, expertise and approaches are often better equipped to solve complex issues and offer a higher potential for innovation as a result. With this in mind, we maintain a corporate culture that is committed to the principles of ethics and integrity and promotes mutual appreciation, responsibility and respect within the workforce. Our Compliance Guidelines outline our comprehensive approach to protection against discrimination, particularly with regard to ethnic identity, gender, religion or belief, disability, age and sexual identity. Our stated objective is to actively prevent any kind of discrimination, unfairness or undesirable behaviour.

We offer our employees part-time models to enable flexible working hours. In 2024, a total of 37 employees (13.9%) worked part-time, compared with 32 employees (11%) in 2023. As at the end of 2024, the Group had employees from 21 countries including dual citizenships (previous year: 20).

Corporate governance – Code of values and policies

Branicks Group AG maintains a corporate culture that is committed to the principles of ethics and integrity and promotes mutual appreciation, responsibility and respect within the workforce. The Company is in compliance with the recommendations of the German Corporate Governance Code as described in its annual Declaration of Compliance (see → page 92 in this Annual Report). Further information on Branicks' corporate governance practices can be found in the Corporate Governance Statement (starting on → page 91 in this Annual Report).

Branicks Group AG also set out its code of values in several policies, particularly its Code of Conduct, that are made permanently and publicly available on its website (→ https://branicks.com/en/company/values-compliance/).

Branicks has also signed the United Nations Global Compact ("UNGC"). This step shows that Branicks is committed to supporting the UNGC's ten principles in the areas of human rights, labour standards, environmental protection and anti-corruption, and regularly reports on progress made. At the same time, we are committed to integrating the UNGC and its principles into our corporate strategy, corporate culture and day-to-day business and participating in collaborative projects that promote the broader goals of the United Nations, particularly the Sustainable Development Goals. Joining the UNGC reaffirms our commitment to integrated corporate governance.

In parallel with this, Branicks in 2024 joined the Principles for Responsible Investment (PRI) investor initiative launched in partnership with the UN Global Compact. Members of the initiative are committed to practically implementing its six Principles for Responsible Investment. The aim of this agenda is to better understand the impact of investment activities on environmental, social and corporate governance issues and help signatories to integrate these issues into their investment decisions. Branicks hopes that joining the PRI will provide a fresh boost to its own fund business and that opening the company up to new reporting perspectives will result in more diverse reporting.

On 26 February 2025, two draft directives to amend the Corporate Sustainability Reporting Directive (CSRD) were published as part of the so-called Omnibus proposals with the aim of facilitating sustainability reporting. These drafts are far-reaching and would probably mean that Branicks Group AG would no longer fall within the scope of the CSRD. Since sustainability is an integral part of Branicks' business model, we will continue to provide high-quality reporting on our sustainability activities in the future, as we have done in the past.

ESG ratings of Branicks Group AG

ESG ratings are progressively finding their way into the decision-making of capital market participants who, in addition to carrying out their own analysis, are increasingly relying on the sustainability ratings and benchmarks issued by established providers. Branicks Group AG proactively supports this external analysis in order to contribute to improved transparency and comparability of competition in this context.

- Branicks achieved excellent results in 2022 as it successfully completed its initial ESG rating with internationally renowned provider Morningstar Sustainalytics. With an overall result of 5.7, Branicks even improved its score year-on-year on 1 October 2024. In addition to the “ESG Industry Top Rated” and “Regional Top Rated” awards, Branicks again received the “Global 50 Top Rated” award in January 2025, placing it at number 20 among the top 50 companies rated worldwide. In real estate management, Branicks ranks second out of 149 companies rated. Sustainalytics measures the most important sector-specific ESG risks and evaluates how well a company manages these risks.

- At the beginning of February 2024, we received the result for participating in the Carbon Disclosure Project (CDP) in 2023, where we were able to significantly improve our score from C to B. The CDP results from February 2025 also confirmed the Company's B rating score for 2024.

- We also upped our ISS ESG rating from D+ to C in December 2024.

- March 2024 also saw Branicks significantly improving its CSA (Corporate Sustainable Assessment) rating from S&P by 13 points to 51 points.

- In addition, our 2023 Sustainability Report again received a Gold Award – the highest possible accolade – from European industry association EPRA on the occasion of its annual assessments of ESG reporting for listed property management companies while taking into account EPRA's Sustainability Best Practices Recommendations.

The most important ratings as of the reporting date of the last two financial years are summarised in the following table.

	31.12.2024	31.12.2023
Sustainalytics	5.7	6.8
Carbon Disclosure Project (CDP) – Climate Change	B.	C
ISS ESG	C	D+
S&P CSA	51	38
EPRA sBPR	Gold	Gold
MSCI – ESG Research	A	AA

Report on expected developments, risks and opportunities

Report on risks and opportunities of Branicks Group AG

Our risk and opportunity culture

In the interests of its employees and investors, Branicks Group AG is constantly looking for ways to increase its profitability in a sustainable and forward-thinking way. Our culture of innovation and opportunity is at the heart of everything we do, and is actively fostered by transparent, trust-based communication at all levels of the Company.

We take business risks always in accordance with our Code of Conduct and our understanding of responsible conduct.

Our long-standing, tried-and-tested risk culture allows us to adopt innovative approaches within a controlled environment while simultaneously minimising the probability that negative impacts will occur.

Basic principles of risk and opportunity management

The main objective of risk and opportunity management is to promote an appropriate risk and opportunity culture to ensure that we respond to opportunities and deal with risks in the way we prefer.

This conduct provides a foundation for business success and helps to ensure the continued, long-term existence of the Company as a going concern.

The risk and opportunity management system enables us to systematically record identified risks and opportunities, continuously assess them and consider them comprehensively within their overall context.

This means that effective risk and opportunity management can play a major role in enhancing an organisation's stability and sustainability. It minimises risks, maximises opportunities and is an indispensable element of modern business management across different sectors and organisations.

Risk and opportunity management system of Branicks Group AG

Responsibility and application

In organisational terms, risk and opportunity management is assigned to the Management Board, which also bears overall responsibility for the risk and opportunity management system. By allocating these responsibilities to the Management Board, we ensure that all divisions are included and that risks and opportunities can be managed in a comprehensive and uniform way.

The Risk Manager appointed by the Management Board is responsible for centrally managing the risk and opportunity management system.

The Risk Committee is responsible for monitoring the effectiveness of the risk and opportunity management system. It meets on a quarterly basis and as required to assess opportunities and risks both retrospectively and prospectively.

The Risk Committee consists of the following individuals:

- Chief Executive Officer (CEO)
- Risk Manager
- Two additionally appointed risk owners

The risk and opportunity management system applies across all divisions of the Company. In addition to the Company's appointed risk owners, who are responsible for continuously monitoring risks and opportunities within their areas of responsibility in their capacity as executives, all of our employees are an integral part of our risk and opportunity management system and are also encouraged to identify risks and opportunities independently and at an early stage, assess them objectively, and report them to the relevant risk owners.

Opportunity management

General

Opportunity management at Branicks involves identifying, communicating and constantly evaluating potential events, developments or trends that could deviate positively from our planned business development objectives.

Identifying opportunities

We continuously review and analyse potential opportunities in accordance with the bottom-up principle. We identify opportunities that arise from changing market developments or technological progress, for example, as part of our strategic planning and ongoing market analysis and by exchanging ideas across every level of the Company.

Assessing opportunities

After identifying opportunities, we assess them based on various criteria in order to understand their viability, risks and potential benefits to our company. Our Code of Conduct forms an integral part of the assessment process.

Prioritising opportunities

If we consider an identified opportunity to be a promising and positive deviation from our planned business development, the responsible executive prioritises it to make sure that resources are focused on those opportunities offering the greatest benefit to our company, employees and investors.

Opportunities as an integral part of our corporate strategy

We do not consider opportunities in isolation but as part of a more comprehensive approach to creating value and increasing our earnings capacity in a sustainable way. As a result, we also review how opportunities integrate into our company's overall strategic orientation.

Implementing and monitoring opportunities

Opportunities are implemented into our operations in close cooperation between the relevant departments, with our employees fully involved in the implementation process. By communicating openly, we create awareness of the opportunity at every level of the implementation process. Executives carry out continuous monitoring to ensure that opportunities are realised in accordance with our corporate strategy and code of values.

Our optional approach to opportunity management, which largely avoids a rigid system for recording opportunities, gives us the flexibility required to react to changing conditions in a rapid and targeted way. Plans and strategic decisions about using the identified opportunities are continuously adjusted on a case-by-case basis.

Risk management

Risk management at Branicks involves identifying, communicating and constantly evaluating business risks and thus all events, developments or trends that could deviate negatively from our planned business development objectives.

Risk early warning system

The risk early warning system is an essential tool that enables our company to identify negative risks at an early stage and take appropriate action to respond proactively to them. The system is based on appointed and trained risk owners who are responsible for the early identification, reporting, documentation, assessment and management of risks.

Risks are recorded and assessed in accordance with our risk system. Our risk system consists of five risk categories:

1. Strategic risks
2. Compliance risks
3. Operational risks
4. Political, social, legal, regulatory and environmental risks (ESG)
5. Financial risks

In accordance with section 317 (4) HGB, the risk early warning system is reviewed and assessed by the auditor as part of the audit of the annual financial statements in terms of its compliance with the requirements of German stock corporation law.

Risk identification

We use a variety of tools to identify risks. For example, we carry out detailed scenario analyses when making strategic decisions, but use traditional data collection methods as part of our routine internal checks. We have also implemented creative methods to identify risks in isolated cases. In addition, we carry out a comprehensive inventory of all risk positions – our risk inventory – once a year. As part of this standardised process, already documented risks are evaluated and potential risks discussed based on the risk management database.

We use the aforementioned risk identification methods to create in-depth understanding of the importance of every facet of risk management. This enables us to create a realistic risk scenario for the risk in question and thus strike an appropriate balance with the corresponding opportunity. Risk identification therefore provides a foundation for dealing with risks and opportunities in an effective and responsible way.

Risk assessment

Risk identification is followed by risk assessment performed in the form of a gross presentation. As part of the risk assessment process, our employees analyse and evaluate an identified risk with regard to its probability of occurrence and level of impact (potential level of damage). This assessment is carried out in close collaboration with the responsible risk owner – assuming the risk owner does not conduct the assessment directly themselves – and with Risk Committee representatives, if necessary.

The responsible risk owner is solely responsible for transferring the risk assessment into the risk management tools. When making this transfer, the risk owner adjusts the assessment to the predefined criteria. This ensures that potential cumulative effects are also analysed. Risks are classified as follows during the adaptation process:

The risks are classified as "High" (H), "Medium" (M) and "Low" (L) according to the risk matrix shown here, taking into account the expected probability of occurrence and the potential level of damage.

The risks' probability of occurrence is classified as follows:

Determining probability of occurrence: How often does the risk scenario occur?

Probability of occurrence (qualitative aspect)	Very rarely	Rarely	Occasionally	High	Very high
Probability of occurrence (quantitative aspect)	0% to 20%	20% to 40%	40% to 60%	60% to 80%	80% to 100%

The risks' level of impact is classified as follows:

Erhebung der potenziellen Schadenshöhe: Welche Schadenshöhe ist mit einem Risikoszenario verbunden?

Potential level of damage (qualitative aspect)	Very low	Low	Medium	High	Very high
Potential level of damage in EUR thousand (monetary aspect)	0 to 500	501 to 3,000	3,001 to 7,000	7,001 to 10,000	> 10,000

Risk management

Probability of occurrence / Potential level of damage	Very low	Low	Medium	High	Very high
Very high	L	M	H	H	H
High	L	M	H	H	H
Occasionally	L	L	M	M	H
Rarely	L	L	L	M	M
Very rarely	L	L	L	M	M

Risk management and reporting

Risk management and, in particular, risk reporting are integral elements of our reporting system and communicate the findings of individual risk assessments to the Management Board. They also give the Management Board an overview of the control measures implemented as well as their effectiveness. Its core function is therefore to ensure the transparency of the risk situation. Risk reporting is generally performed from the bottom up through tiered information channels. Ad-hoc reporting ensures that acute risks can be reported directly to the Management Board at any time so that it can begin implementing any necessary countermeasures immediately. Any employee can submit ad-hoc risk reports. The Management Board regularly reports to the Supervisory Board on the latest developments in material Group risks.

Monitoring and optimising the risk management system

The risk management system is monitored systematically using process-dependent, ongoing measures integrated into normal operating processes as well as process-independent monitoring measures. The functionality of the risk management system is monitored and checked at least once a year. The Management Board decides what measures are required to change and adapt the risk management system depending on the results of this analysis.

A Risk Committee has also been set up as a cross-functional advisory body. The Committee ensures that the Company handles risk management issues consistently. It also has an advisory role.

Risk management documentation

The existing policies, procedures, instruments and responsibilities are documented in writing and are expanded continually. Documentation summarises the key elements of the control cycle introduced as part of the risk management system. All important information for recording, managing and controlling all risks is documented with the help of the risk management software and is stored at least twice a year.

VIB's risk management system

Basic principles of risk management

The VIB risk management policy supports the corporate goal of safeguarding the company's future as a going concern and of increasing the company's value by means of sustainable growth. In this regard, we define risks both as the danger of possible losses and the danger of potential profits not being realised or only being realised to an insufficient extent.

The VIB risk management policy forms an integral component of the company's business strategy and is set by the Management Board. In order to identify, manage and counteract potential risks at an early stage, a risk management system has been implemented at all VIB Group subsidiaries. This RMS is closely integrated into VIB's operating procedures and processes – especially property-related operations, controlling and planning processes, the accounting process, and reporting to the Management Board and Supervisory Board.

Risk reporting occurs on a regular basis– at least, however, twice a year. The Management Board is also informed immediately in the form of unscheduled reports about all new risks categorised as material.

The VIB Group classifies potential risks into four categories that are also applied at all subsidiaries. Environmental and sector risks, business risks, financial risks and other risks.

Once specific risks have been identified and recorded, they are analysed and classified according to their potential level of damage and probability of occurrence. This is intended to enable conclusions to be drawn about the specific risk potential for VIB:

1. The probability of occurrence is divided into the classes of "very rarely", "rarely", "occasionally", "high" and "very high". These classes reflect the percentage probability with which a harmful event is expected to occur within a twelve-month period.

2. The potential effect (level of damage) states the potential maximum extent of a loss given the occurrence of the harmful event. The level of damage is differentiated between "very low", "low", "medium", "high" and "very high".

3. Multiplication of the maximum level of damage by the event probability generates the risk potential or weighted potential loss amount of the corresponding risk. Risk potential is classified into the three categories of "low", "moderate" and "high".

The risks identified and quantified at VIB level using this system are then transposed to the risk assessment of Branicks Group AG.

Accounting-related internal control and risk management system

The objective of the accounting-related internal control and risk management system is to ensure that accounts are prepared consistently and in accordance with statutory requirements, the German generally accepted accounting principles pursuant to the German Commercial Code (HGB), the International Financial Reporting Standards (IFRSs), company law and internal company policies and processes.

It is the responsibility of the Management Board to prepare the annual and consolidated financial statements and the management report and the combined group management report. This includes the setting up and maintenance of the accounting-related internal control and risk management system.

The accounting-related internal control and risk management system forms part of risk management at the VIB Group. All accounting-related risks are monitored by the Risk Officer of the VIB Group and are included in the regular risk reports submitted to the Management Board and Supervisory Board.

The financial statements are prepared centrally by the Finance and Accounts department under the auspices of the Management Board. This ensures a uniform and consistent approach when preparing the financial statements. The accounting data is processed using an accounting software program in accordance with a uniform chart of accounts and consistent accounting policies, as well as predefined processes and process checks.

Automated plausibility checks are performed with the help of the software used. Accounting-related information is shared on an ongoing basis between the Head of Accounts and the Management Board. In order to identify and avert possible errors and deviations during preparation of the financial statements, the dual-control principle is applied to all key procedures and processes. This principle states that no single individual can be solely responsible for an important procedure or process. The use of IT systems with automated access control mechanisms and integrated plausibility checks establishes an automated control structure that is designed to ensure maximum data security at all times. All internal processes and policies connected with the preparation of financial statements are regularly reviewed in terms of their effectiveness and, where necessary, adapted to reflect new requirements.

Caveats

Even tried-and-tested, established systems such as the ICS and RMS of Branicks and VIB cannot exclude errors and violations entirely, meaning that absolute security with regard to the accurate, complete and prompt recording of data in the Company's and Group's financial reporting cannot always be fully guaranteed. Non-recurring, non-routine transactions or those which are urgent may entail a certain potential for risk. Risks may also arise from the scope for discretion that employees have in recognising and measuring assets and liabilities. A certain control risk also arises from the use of service providers to process data. Financial reporting-related risks arising from financial instruments are explained in the consolidated notes.

Internal control system

General

The internal control system (ICS) and the risk management system relevant for the Branicks Group's financial reporting process comprise guidelines, procedures and measures. Their key aims are to ensure that business is handled securely and efficiently, financial reporting is reliable and appropriate in accordance with laws and directives, and the relevant legal provisions are complied with. The internal control system consists of two areas: control and monitoring. In organisational terms, Corporate Finance, Controlling and Accounting are responsible for control. The monitoring measures consist of the elements incorporated into the process and independent external elements. The integrated measures include manual controls such as the "dual control principle", which is applied universally, and technical software-based checking mechanisms. In addition, qualified employees with the appropriate powers (managing directors of portfolio companies or first- and second-tier management, for instance) as well as specialised Group departments such as Controlling perform monitoring and control functions as part of the various processes.

Use of IT

We manage and monitor our relevant IT systems centrally. In addition to the physical infrastructure, the system environment is of particular importance. Both are protected against failure through suitable mechanisms to always guarantee a high degree of availability of all mission-critical systems and components. IT disaster recovery planning also takes into account external service providers and their contingency plans. In this regard, service level agreements (SLAs) are formulated, coordinated and signed with the most important IT service providers. This also includes coordinating Branicks's requirements for IT contingency plans with the services offered by external service providers. We regularly check that the programmes and interfaces we use are running properly and utilise the results of this monitoring for continuous improvement of our processes. Our entire IT system has a multi-level concept to protect against unauthorised access and malware such as viruses and trojans. The Branicks Group's internal network is secured against external access through firewalls. Access to the Company's internal systems is actively monitored using an intrusion detection system (IDS). We also regularly perform penetration tests to verify and further optimise the measures taken.

Ensuring that the financial reporting is appropriate and reliable

The checks to ensure that financial reporting is appropriate and reliable include analysing the issues and changes using specific key data, and using check lists to ensure that the information is complete and that the procedures are uniform. Accounting transactions in the single-entity financial statements of the Branicks Group and its subsidiaries are recorded in our enterprise resource planning (ERP) system, which is tailored specially to the requirements of real estate companies.

The approval and posting process of incoming invoices is supported by a digital invoice workflow system throughout the Group (with the exception of VIB and its subsidiaries). This is supplemented by a payment software package closely tied in with the ERP system that ensures that payment transactions are correct and are duly entered. The consolidated financial statements are prepared by creating standardised reporting packages comprising the respective single-entity financial statements and additional information and processing them with consolidation software.

The regulations, control activities and measures prescribed by the ICS ensure that transactions are recorded promptly and completely in compliance with statutory and internal provisions, and that assets and liabilities as well as expenses and income are recognised, measured and reported accurately in the annual and consolidated financial statements. The accounting documents provide a reliable and comprehensible basis of information.

The International Financial Reporting Standards (IFRSs) are supplemented by sector standards such as the European Public Real Estate Association (EPRA) recommendations and applied by the Branicks Group as uniform accounting policies throughout the Branicks Group. The financial reporting provisions regulate in detail the formal requirements for the consolidated financial statements, such as determining the basis of consolidation and the content of the reports to be prepared by the individual entities. Internal regulations governing intra-Group settlement practice, for instance, have also been defined. There is also an Accounting Policy in place that ensures that accounting issues are treated uniformly throughout the Group.

At Group level, control primarily comprises the analysis and, if necessary, adjustment of the single-entity financial statements included, taking into account the findings and recommendations of the auditor. The consolidation of all financial statements is conducted at the headquarters in Frankfurt am Main. Impairment tests carried out centrally, particularly the annual review of the market value of all properties carried out externally by independent surveyors, ensure that the measurement criteria are applied uniformly and on a standardised basis. The data required for disclosures in the combined management report and the consolidated notes are also aggregated and adapted at Group level.

Caveats

Even tried-and-tested, established systems such as the Branicks Group's ICS and RMS cannot exclude errors and violations entirely, meaning that absolute security with regard to the accurate, complete and prompt recording of data in the Group's financial reporting cannot always be fully guaranteed. Non-recurring, non-routine transactions or those which are urgent may entail a certain potential for risk. Risks may also arise from the scope for discretion that employees have in recognising and measuring assets and liabilities. A certain control risk also arises from the use of service providers to process data. Financial reporting-related risks arising from financial instruments are explained in the consolidated notes.

Risk matrix and risk categories of Branicks Group AG

Explanation of our risk matrix

Our risk matrix is an important risk management tool that helps us to aggregate and visualise various individual risks according to their probability of occurrence and impact.

The risk matrix is structured in the form of a table that sets out the main dimensions of our risk categories: probability of occurrence, potential level of damage and risk classification.

The risk matrix enables us to identify and analyse risks in a simplified and systematic way. Placing identified risks in the matrix gives our employees and investors an insight into our company's current risk situation. It also provides the Risk Committee with a clear overview of which risk categories should be prioritised, making it easier to allocate risk mitigation resources and develop risk management strategies.

Risk matrix as the 31 December 2024 reporting date

Individual risks and opportunities	Probability of occurrence	Potential level of damage	Risk classification
Strategic risks			
Organisational risk	Very rarely	Medium	L
Market environment risk	High	High	H
Compliance risks			
Risks arising from breaches of compliance regulations	Very rarely	Medium	L
Legal risks	Occasionally	Low	L
Operational risks			
Tenant credit risk	Occasionally	Medium	M
Letting risk	Rarely	Low	L
Credit risk related to real estate management fees	Occasionally	Medium	M
Risk arising from refurbishments /project developments	Occasionally	Medium	M
Transaction risk	High	Very high	H
Location and property risks	Rarely	Low	L
Technological risks (including IT)	Occasionally	Medium	M
Personnel risks	Occasionally	Low	L
Political, social, regulatory and environmental risks			
Regulatory risks	Occasionally	Low	L
Climate and environmental risks	Rarely	Low	L
Financial risks			
Financing risk	High	Very high	H
Valuation risk	High	Very high	H

Detailed statement on risk categories

Strategic risks

Organisational risk

Organisational risk includes the danger that the Company's organisation, processes, and rules and regulations are not strictly aligned with the corporate strategy and objectives, or are incorrect, or that there is no connection between the strategy and the operating business. There is also a risk of inefficient organisational structures and processes, and dependence on or a lack of support from IT systems and structures.

To minimise risks, we continuously review current processes and decision-making channels, and introduce internal policies to support this. A dedicated committee has been formed for this purpose that generally meets once every two weeks.

Overall, we classify the organisational risk as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Market environment risk

The real estate sector is still one of the most diverse industries in a modern economy. In addition to managing properties, it also includes the main and ancillary construction trades as well as all activities related to real estate assets and financing.

Although interest rates fell in 2024, the economic market environment remains challenging. The previous high interest rates have had a significant impact in recent years and have caused a significant slowdown in the real estate market. Although the most recent rate cuts have provided some initial momentum, the market is only recovering slowly. Many market players believe that the price expectations of buyers and sellers will only balance out further over the coming months.

As a result, market momentum will remain subdued in 2025 with a somewhat passive real estate market, a trend that is likely to continue across all asset classes. However, this outlook does not take into account any political risks that could create additional uncertainty in a changing economic and geopolitical environment.

Risk classification as at 31 December 2023: (H) HIGH
Risk classification as at 31 December 2024: (H) HIGH

Compliance risks

Risks arising from breaches of compliance regulations

As a company, we rely on all of our employees and management to help us adhere to compliance standards. Criminal, unlawful or unethical acts (including corruption) or breaches of data protection legislation could have a massive negative impact on our company's business activities, financing terms and earnings. In addition to direct financial consequences, indirect consequences such as reputational damage could also have a significant adverse effect on our business activities.

As a result, our employees and management undertake to comply with principles of ethics and integrity within the Group at all times. This means not only complying with legal provisions but also adhering to our Code of Conduct, which illustrates what we as the Branicks Group stand for and the values we uphold.

The Compliance Policy, which was last updated in November 2023, includes the following items:

- Protection against discrimination: Our entire organisation in the strongest possible terms rejects any form of discrimination, disadvantage or undesirable behaviour, particularly on grounds of ethnic origin, gender, religion or belief, disability, age or sexual identity.

- Avoidance of conflicts of interest and corruption risks: Group companies reject any kind of corruptive behaviour and the misuse of decision-making powers. The giving and accepting of gifts is regulated by binding provisions in the Compliance Guidelines and subject to the principle of maintaining transparent business activities. Employees must avoid giving the appearance of granting an advantage when dealing with government officials. Under no circumstances must benefits be granted to government officials in order to persuade them to act in contradiction to their duties. Private secondary employment and company investments must not influence the employee's actions.

- Facilitation payments: Our employees and our management make no distinction between bribery and so-called "facilitation payments". A facilitation payment is made with the intention of ensuring or expediting a normal business transaction to which one is entitled. Our company prohibits such payments from being made.

- Data protection: Employees undertake to safeguard trade and company secrets and to comply with applicable data protection laws. The Branicks Group provides information on its website on the handling of personal data in accordance with the European General Data Protection Regulation (GDPR).

- Capital market requirements/insider trading bans: Conducting insider trading, advising or inducing third parties to conduct insider trading and the unauthorised disclosure of insider information are prohibited.

- Money laundering: Our organisation does not tolerate money laundering and obliges its employees to report suspicious behaviour by business partners and advisers and observes all relevant provisions and instructions in this regard.

- Prohibited agreements: Any distortion of competition or corrupt practices in contravention of competition law are strictly rejected. In situations where employees see a violation of competition rules, they are encouraged to voice their concerns clearly, expressly distance themselves from the content and inform the Compliance Officer immediately.

- Donations and sponsoring: The Branicks Group supports groups or organisations to sponsor interesting projects in various social and environmental contexts. We do not make donations to political parties. Neither do we sponsor individuals in the body politic or in industry associations.

- Reports of misconduct and violations: Employees are encouraged to report misconduct and violations of statutory provisions or regulations and internal company policies. They can report such incidents to the appointed Compliance Officer, relevant supervisor, Management Board, personnel department or via the whistleblower system that also enables employees to submit reports anonymously.

- Consequences: Employees can expect sanctions under employment law for violating statutory provisions and internal company policies. The companies also reserve the right to report a crime or file a criminal complaint in the event of a criminal offence.

Given our comprehensive policies, established control environment, compulsory training programme for all employees and past experience, we consider the risk of a breach of compliance regulations to be low overall.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Legal risks

Every company is exposed to the risk that conflicts will arise with business partners, employees or third parties along its value chain. These conflicts usually culminate in legal disputes that always involve a legal risk.

Our Legal department advises Branicks Group employees and management to help identify potential legal disputes at an early stage and carry out an upstream assessment of legal risks.

As the Legal department therefore plays a crucial role in ensuring that the Company conducts its activities in a legally compliant way and minimises legal risks, its work is central to our risk mitigation efforts.

There are currently no material pending or foreseeable legal disputes which could constitute a considerable legal risk.

As a result, we classify the overall legal risks as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Operational risks

Tenant credit risk

Tenant credit risks relate to rent defaults. Counterparty credit risk resulting from outstanding rental payments is taken into account by way of bad debt allowances. We generally aim to diversify our tenant structure to avoid becoming reliant on individual tenants or concentrations of tenants in the same sector.

As of 31 December 2024, around 33.0% of total rental income from the Commercial Portfolio was attributable to the ten largest tenants. These are renowned tenants with mostly excellent credit ratings from various industries. No tenant accounts for more than 5% of total letting volume.

Given our proximity to our tenants and the ongoing diversification of the tenant structure in our Commercial Portfolio, we continue to classify tenant credit risks as medium.

Risk classification as at 31 December 2023: (M) MEDIUM
Risk classification as at 31 December 2024: (M) MEDIUM

Letting risk

Letting risk involves profitability risks due to less profitable new leases or lease renewals.

We expect the letting markets, particularly office letting markets, to continue their recovery in the 2025 financial year. Our discussions with tenants and other interested parties show that tenants are still prepared to pay high rents for high-quality space in good locations.

Examples of this in the Commercial Portfolio include the successful new lease of around 8,600 sqm at the Neustadt Centrum retail property in Halle to a company within the REWE Group and a toy retailer, and of around 3,100 sqm in Wiesbaden's Zircon Tower to a listed US company, as well as several large-volume renewals for logistics properties in both segments and for an office property in Frankfurt as part of the Institutional Business.

Although the majority of the leases in our Commercial Portfolio – 60% – are scheduled to expire from 2028 onwards, we are already in advanced discussions about larger renewals or new leases for 2025 and 2026.

The significant intrinsic value of our portfolio also enabled us to increase like-for-like growth in rental income (excluding portfolio additions and disposals) by 1.8% in the overall portfolio.

In light of our intensified marketing activities, ongoing portfolio streamlining and intelligent use of capex measures, we continue to classify our letting risk as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Credit risk related to real estate management fees

As part of its Institutional Business, the Branicks Group designs various investment structures – principally funds and club deals – for institutional investors. In doing so, we generate recurring income from asset and property management and from management fees on regular acquisitions, sales and developments in our portfolio. These fees are recorded in the risk management system as real estate management fees.

Risks arise in the Institutional Business segment from the fact that the expected income depends on the volume of assets under management, rental income and transaction activities. The volume of assets under management can be impacted in particular if transaction activities deviate from those forecast. Lower rental income as well as a negative trend in market values can also weigh on income.

Despite our wide-ranging expertise and strong, trust-based business relationships with our investors, we consider the credit risk related to real estate management fees to be medium in 2025. This is due to the fact that real estate management fees are dependent on transactions and the transaction market remains challenging and stagnant.

Risk classification as at 31 December 2023: (M) MEDIUM
Risk classification as at 31 December 2024: (M) MEDIUM

Risk arising from refurbishments / project developments

The risk arising from refurbishments and project developments consists of project-related market, financial and construction risks. This enables us to assign individual risk positions directly to a particular project development.

The Branicks Group has invested in various project developments in the past few years as a co-investor and possesses real estate with potential for development (Commercial Portfolio). The Group is currently implementing two project developments in Erding and Ingolstadt via its subsidiary VIB Vermögen AG.

In order to minimise risks, we engaged in pre-marketing the properties before starting project developments and repositioning activities. We entered into long-term financing arrangements at an early stage and implemented a tight system of project and cost controls. By involving partners in the projects and through contractual agreements, we achieved an appropriate sharing of risk in project developments.

Parts of the Erding project development, which comprises various construction phases, are still being marketed and therefore not yet in the construction stage. We are currently finalising the construction projects for all other existing project developments and were able to come in significantly under budget in some cases.

In the Institutional Business segment, Branicks Group AG successfully completed the Global Tower project development in Frankfurt. The former Commerzbank high-rise building with 33,000 sqm of space in the heart of Frankfurt's banking district has been comprehensively revitalised since August 2018 and repositioned under the name Global Tower. Space was handed over to the first tenants in the fourth quarter of 2021. All office spaces were fully let by May 2023 in an exceptionally demanding market environment. On 31 July 2024, full ownership of the property was transferred to external business partners.

Demand for new project developments came to a standstill due to ongoing economic fluctuations. There are currently no major project developments either in our proprietary portfolio or in which we are involved as a co-investor.

Based on the lack of demand, we still classify the risk arising from refurbishments and project developments as medium due to the fact that we have largely realised our ongoing projects.

Risk classification as at 31 December 2023:	(M) MEDIUM
Risk classification as at 31 December 2024:	(M) MEDIUM

Transaction risk

Active portfolio management is a key component of our corporate development. We constantly monitor the risks associated with the sale or acquisition of real estate and, where required, recognise provisions.

In the case of purchases, risks arise mainly from income and costs deviating from budget, a fact which generally only becomes apparent in the medium to long term. In the case of property sales, the seller usually provides certain guarantees, for example with regard to legal and technical issues. As a result, there is a risk that claims may be asserted against the seller after the sale for breach of warranty obligations.

There is also the risk in transactions that the planned figures may not be achieved due to sudden changes in the macroeconomic environment or property-specific issues. This would lead to deviations from targets in liquidity planning.

We generally reduce risks prior to sales and purchases by means of extensive due diligence in conjunction with external experts. Furthermore, we prepare risk-oriented business plans, which are continually adjusted to cost and income trends.

Our planning for 2025 also contains income and profits resulting from acquisitions and sales. Should we exceed or fail to meet the projected transaction volumes, this could change our earnings forecast positively or negatively.

Aside from the risks that may subsequently arise from 2023 and 2024 transactions, we consider it highly likely that we will have to deviate substantially from our planning for 2025 as a result of the challenging market environment and the flat transaction market.

Risk classification as at 31 December 2023:	(H) HIGH
Risk classification as at 31 December 2024:	(H) HIGH

Location and property risks

Location risks arise from the wrong assessment of the property's location and any negative change to the infrastructure at the micro-location or the regional structures of the macro-location. We therefore examine the position and location intensively before making any investment and acquisition decisions. In operational business, our professional asset management contributes to identifying changes in the environment in good time and reacting appropriately by repositioning or selling the properties, for instance.

Property risks are risks resulting from the possession and operation of a property. In addition to wear and tear, these include all risks resulting from the wearing out or partial destruction of the property. Furthermore, risks may arise from inherited problems, harmful substances or breaches of construction law requirements. As a landlord, we try to reduce the risks of property depreciation by contractually obliging the tenant to use the property within the generally accepted scope and to contribute to its maintenance or repair. Through our professional asset management, we also exclude virtually all risks from inadequate property management, failures in maintenance and inefficient cost management. We also maintain a comprehensive insurance programme, thereby outsourcing financial risks arising from damage or loss of properties to the insurance market.

Given our many years of experience in asset and property management, we continue to classify the location and property risks as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Technological risks (including IT)

A loss of the database or an extended failure of the systems used in the regions or at head office could lead to our operations being considerably disrupted.

We have protected ourselves against IT risks though our own network, modern hard and software solutions and appropriate measures against attacks. All data are backed up redundantly in a second data centre every day. We have developed data recovery and continuity plans to be able to rectify disruptions quickly. Detailed rules on access rights ensure that employees can only access the systems and documents they need for their work. We use a modern IT platform, which replaces isolated systems with integrated software and increases efficiency and security in controlling real estate management.

We also launched extensive projects to boost IT security in 2024. These included modernising the firewall environment at all of our locations, introducing network segmentation and installing a new backup and cybersecurity tool. We also plan to implement additional security features.

As a result of the precautions and security measures taken, we continue to classify the technological risks as medium.

Risk classification as at 31 December 2023: (M) MEDIUM
Risk classification as at 31 December 2024: (M) MEDIUM

Personnel risks

Competent, committed and motivated employees are crucial to the success of our company. As a result, risks primarily arise from top performers leaving the Company, the loss of expertise associated with this, and the difficulty in attracting suitably skilled new employees.

To reduce these risks, we constantly work hard to be perceived as an attractive employer. We focus above all on systematic human resources marketing, the practical promotion of young talent, targeted professional training and the analysis of performance and potential with the aim of opening up attractive prospects for personal development.

Key positions are regularly analysed with regard to anticipated succession planning and appropriate internal candidates are prepared for these roles. Further elements include target-group oriented support and advice and attractive incentive systems.

In light of these measures, we continue to classify personnel risks as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Political, social, regulatory and environmental risks (ESG)

Branicks Group AG revised its materiality assessment during the year under review, assessing sustainability topic based on their impact and financial relevance. This double materiality assessment takes into account both the impacts of our business activities on the environment and society (inside-out) and the financial risks and opportunities for the Company (outside-in). The aim is to identify material topics for sustainability reporting.

The individual risks identified during this process have been incorporated into the Group's risk management system.

Regulatory risks

Regulatory risks arise from negative changes to general conditions or regulations. In particular, shifts in the balance of political power combined with further increasing social polarisation and a potential trend towards greater protectionism plus other temporarily applicable or permanently amended laws as a consequence of exceptional circumstances could have negative effects on the German economy and the real estate sector.

Such changes usually require a certain amount of lead time to allow sufficient scope to adjust. However, exceptional situations such as the financial crisis, the Covid-19 pandemic or the war in Ukraine have shown that such changes can happen quickly, making adaptation more difficult.

Our business model has proven robust and broadly positioned to cope with such changes as we managed such exceptional situations in the past, however.

Compared with other countries in Europe, however, Germany proved itself as a very stable economy in the past – in regulatory, social and political terms.

Overall, we classify the risks arising from the short-term change in the regulatory environment as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Climate and environmental risks

Climate and environmental risks in the real estate sectors have become significant factors due to climate change and growing awareness of environmental issues. These risks could have a significant impact on the profitability, value and long-term sustainability of real estate.

We currently identify the following climate and environmental risks to the Branicks Group:

- **Physical risks**
  For Branicks, physical risks include acute weather events and natural hazards such as storms, heavy rain, earthquakes, floods and forest fires. Our portfolio is concentrated on the commercial and logistics real estate markets in Germany. Significant and lasting climate change increases the direct and indirect risks to the real estate portfolio's building stock. These events could cause physical damage to a building's structure or envelope, for example. In such cases, the risk to Branicks mainly consists of the financial cost of any necessary repairs as well as rent defaults that may arise from limited use of a building due to damage. Such events may also result in cost increases or exclusions of liability within building insurance policies. A systematic climate risk and vulnerability analysis including future scenarios SSP1-2.6, SSP2-4.5 and SSP5-8.5 was carried out during the year under review to determine existing and future risk potential in preparation for reporting requirements arising from the EU Taxonomy. All properties already have appropriate insurance cover that encompasses the identified risks. We tackle physical risks by continually updating our physical risk assessment, ensuring that our properties have sufficient insurance cover against climate threats and natural hazards and, where required, implementing suitable construction and organisational measures within the buildings.

- **Transition risks**
  Transitional risks for Branicks result from the transition to a decarbonised economy arising from changes in policy, regulation, technology and consumer preferences. New regulations and stricter laws on energy efficiency and emissions requirements may necessitate increased spending on modernisation or directly result in additional costs for tenants and landlords (e.g. carbon cost allocation resulting from the Federal Fuel Emissions Trading Act (BEHG) or the EU Emissions Trading System (EU-ETS)). Future amendments by the legislature, e.g. in the Building Energy Act (GEG) could require significant changes in the construction or conversion of real estate and lead to higher expenses for complying with energy efficiency requirements in the areas of asset and property management. Global warming and climate change may cause user behaviour to change in the medium to long term. Tenants' consumption of energy and water, and thus their operating costs, could increase. Tenants will place greater emphasis on sustainability-certified or energy-efficient space and buildings in the future due not only to the high energy crisis but also to a general increase in awareness of sustainability issues. Properties that do not meet these more stringent requirements may experience falling demand from tenants and investors and may also suffer losses in value along the entire real estate value chain. There is expected to be increased demand for energy-efficient properties from tenants and investors.

- **Regulatory risks**
  We recognised these complex challenges at an early stage and consider managing these risks to be part of our ESG DNA. We have developed a long-term ESG strategy including specific targets, established structures and built up expertise to manage the risks and opportunities that arise from the transition to a decarbonised economy. Our approach is to develop our proprietary portfolio based on specific environmental and governance criteria, acquire suitable properties and sell unsuitable ones, let and manage properties sustainably, and use construction, technical and innovative techniques to develop the managed real estate portfolio.

Given the measures taken and the Company-wide understanding of climate and environmental risks, we continue to classify this risk as low.

Risk classification as at 31 December 2023: (L) LOW
Risk classification as at 31 December 2024: (L) LOW

Financial risks

Financing risk

Financing risk assesses the threats that could arise from uncertainty and fluctuations in the capital markets, rising interest rates, non-compliance with loan terms such as covenant violations or the timing of refinancing or renewals and therefore could trigger higher costs, financial losses caused by lower financing volumes than expected or no financing at all, and liquidity risk. The liquidity risk consists in particular of the risk that, due to insufficient availability of funds, the Company is unable to meet existing or future payment obligations on time or has to accept unfavourable financing terms in order to meet cash shortfalls.

The Branicks Group's real estate portfolio is financed on a property or portfolio basis. We have agreed a customary level of credit with financial covenants (loan agreement clauses imposing financial ratios). If the Company fails to comply with these clauses, capital providers could modify their credit terms, demand additional collateral or call in loans at short notice, which would have negative financial implications. Essentially, the following covenants apply:

- DSCR (debt service coverage ratio): specifies the percentage of expected interest plus repayment (principal repayment) covered by rental income.
- ICR (interest coverage ratio) indicates the cash flow in relation to interest payments
- Debt yield (rental income / loan volume): indicates rental income as a percentage of debt.
- LTV (loan-to-value): is a ratio expressing the loan amount as a percentage of a property's value.

Compliance with credit covenants is monitored continuously and proactively through risk management in the Corporate Finance division. All covenants for 2024 were complied with at all times.

Liquidity risk is managed centrally on the basis of multi-year financial plans and considering monthly rolling liquidity planning of long-term credit lines and liquid funds. Cash is passed on to Group companies under cash pooling arrangements. Liquidity is mainly held in the form of call and term deposits.

Despite comprehensive risk management in the Corporate Finance division, refinancing options are currently limited, particularly in the area of unsecured capital market financing. In addition to the proceedings under the German Act on the Stabilisation and Restructuring Framework for Businesses (StaRUG) reflected in our external rating, this is also due to external factors such as longer-than-anticipated stagnation in the transaction market and the persistently challenging financing environment.

The maturities scheduled for 2025 as of the reporting date, which primarily consist of promissory note loans totalling around EUR 293 million, were not still completely covered by firmly agreed financing or sales proceeds as of the reporting date.

On 26 March 2024, we were able to successfully conclude negotiations with lenders of the bridging loan and the promissory note holders due in 2024 by completing StaRUG proceedings and by adjusting the maturities of the promissory note loans and extending the term of the bridging loan.

For the bridging loan, a maturity date of 31 December 2024 was agreed with the financing banks. The final tranche of the bridging loan was repaid ahead of schedule on 2 October 2024, while a maturity date of 30 June 2025 was agreed for the promissory note loans originally due in 2024.

The business plan for 2025 and 2026 is based on various measures to raise liquidity, the plausibility and feasibility of which were examined and confirmed by an independent consulting firm as part of an Independent Business Review (IBR). We steadily moved ahead with the implementation of our business plan in 2024 as part of our "Performance 2024" action plan and achieved numerous successes during the year under review. Given the progress made since then, we consider the implementation of the business plan to be more likely than not. Nevertheless, financing risk remains a high-risk position. The business plan is based on a detailed portfolio, refinancing and liquidity scenario, the implementation of which we consider to be more likely than not but is subject to uncertainty. Overall, we continue to classify the financing risk as high.

Further information about the Group's financial position can be found in the combined Group management report, while information about finance and liquidity risks can be found in the notes.

Risk classification as at 31 December 2023: (H) HIGH
Risk classification as at 31 December 2024: (H) HIGH

Valuation risk

This risk assesses the possibility that the market value of individual properties will fall compared to the past due to unfavourable changes in valuation parameters (such as market rent, location assessment, ESG parameters, interest rate level). Since we recognise properties at amortised cost, fluctuations in valuations only impact on the balance sheet and income statement when their market value falls below the carrying amount. However, fluctuations in valuation can have a negative impact on financing conditions.

Sensitivity calculations were carried out as at the reporting date in order to quantify possible valuation risks. The sensitivity analysis shows, by way of example, how market values react to changes in the discount rate and capitalisation rate. If the discount rate increases by 25 basis points, for example, market values will drop by EUR 55.9 million. If the capitalisation rate increases at the same time by 25 basis points, this will result in a decrease of EUR 149.3 million.

Given the persistently challenging situation in the real estate market and based on internal analysis, we continue to see a high risk that market values could fall during the year.

Risk classification as at 31 December 2023: (H) HIGH
Risk classification as at 31 December 2024: (H) HIGH

Sensitivity analysis

Change in the market value of properties in the Commercial Portfolio

Scenarios for a change in the discount rate / Scenarios for a change in the capitalisation rate	+0.25%	0%	–0.25%
+0.25%	–149.3 EUR million	–55.9 EUR million	+47.2 EUR million
0%	–94.0 EUR million	+/–0.0	+130.4 EUR million
–0.25%	–39.9 EUR million	+58.3 EUR million	+166.0 EUR million

Overall assessment of the risk and opportunity position

From a risk management perspective, the 2024 financial year was again characterised by a subdued development of the real estate market. Geopolitical uncertainty, persistently high levels of inflation and associated high interest rates were identified as the key factors here. High interest costs, combined with the failure of transaction activities to normalise, resulted in a challenging market environment for large parts of the real estate sector.

Although the Branicks Group cannot escape this challenging market environment either, it fully met its 2024 guidance. Our most important key performance indicator, funds from operations (FFO I, after minority interests, before tax) came in at EUR 52.2 million as of 31 December 2024 after being forecast in the range of EUR 40 to 55 million. The same applies to the other forecast business targets.

The Branicks Group's overall risk and opportunity situation is currently dominated by risks and remains very challenging despite positive results from the "Performance 2024" action plan. Financing risks in particular represent high-risk positions that could negatively impact or jeopardise the earnings forecasts. Continuing to consistently adhere to the "Performance 2024" action plan and implementing the business plan submitted as part of the StaRUG proceedings are prerequisites for easing the overall risk and opportunity situation at the Branicks Group. In particular, the reduction of liabilities, strengthening of liquidity and reduction of operating costs associated with the business plan represent important steps in further improving the overall risk and opportunity situation. We believe that it is more likely than not that we will successfully implement the measures contained in the business plan and thus achieve a medium-term improvement in the liquidity situation.

At present, we see opportunities in the event that the real estate market brightens ahead of schedule, interest rates fall rapidly, and additional business ideas that have been initiated are implemented. It is not currently possible to predict or calculate the probability of occurrence or potential impact of these risks and opportunities due to their global interconnectedness, complexity and multidimensional nature.

Report on expected developments

Overall assessment for 2025

We anticipate a continued recovery in the market environment accompanied by increasing activity in the transaction market in the 2025 financial year. Overall, we expect the environment in the rental market to be stable to positive for Branicks.

Due to the noticeable but slightly declining rates of inflation, there is still potential for rental growth in 2025 thanks to the indexation of lease agreements, with around 88% of the annualised rental income in the Commercial Portfolio tied to the consumer price index at the end of 2024.

We plan to keep pushing ahead with measures to consolidate the Group's financing that we have identified as part of our "Performance 2024" action plan. This also includes systematically implementing our sales plan with the aim of reducing debt and thus lowering our loan-to-value ratio (LTV). From a full-year perspective, this will significantly reduce our assets under management, particularly in the Commercial Portfolio.

With the real estate and transaction markets likely to continue their recovery, we expect that in the Institutional Business we will generate not only stable asset and property management fees but also transaction-related income from buying and selling real estate for our different investment vehicles.

We continue to focus on implementing our targets and refining our everyday operating processes as part of our ESG strategy. Our ESG activities in 2025 will focus on implementing measures to further reduce our CO_2 consumption per sqm by 40% by 2030 and increasing the Green Building ratio to 60% by 2027.

Macroeconomic environment in 2025

Our expectations for the macroeconomic environment are based on forecasts from relevant economic research institutes and organisations. To assess the situation in the sector, we draw on publicly available analysis from highly regarded estate agents. The following statements reflect their expectations at the time the 2024 combined management report was prepared.

Macroeconomic trends

According to estimates from ifw Kiel, there is currently no sign of an upturn in the German economy. In its winter forecast from December 2024, the Institute lowered its forecast for 2025 and now expects gross domestic product (GDP) to stagnate, having still anticipated economic growth of 0.5% as recently as autumn 2024. From the researchers' perspective, there are increasing signs that Germany's economic weakness is more structural than cyclical in nature. This is particularly true of the manufacturing industry, which is suffering from increasing international competition on the one hand and location-specific competitive disadvantages on the other. The export-driven German economy faces additional headwinds in 2025 if the new US government delivers on its protectionist promises. Against this backdrop, ifw Kiel expects the country's economic stagnation to have an increasingly noticeable impact on the labour market as well, with experts predicting a decline in employment and a further rise in the unemployment rate in 2025.

The development of the ifo Business Climate Index also does not suggest a lasting recovery in the German economy over the coming months. Although the index improved to 85.1 points in January 2025 (December 2024: 84.7 points), this rise was solely the result of a more favourable assessment of the current situation. By contrast, the expectation components of the index deteriorated, underlining companies' scepticism about the rest of the year.

The ECB is confident that inflation will level off around its medium-term target of 2% in the long term. According to its projections from December 2024, the ECB anticipates an annual average inflation rate of 2.1% in the eurozone in 2025 and a further decline to 1.9% in 2026. As a result, capital market participants expect the ECB to relax its monetary policy further over the course of 2025. According to a survey of financial market participants in December 2024 (ECB Survey of Monetary Analysts), respondents believe that the ECB will reduce the interest rate for its deposit facility from its current level of 3.0% to 2.0% on average by the end of 2025.

Sector trends

Despite the subdued macroeconomic outlook, real estate consultancy JLL is relatively optimistic about the German office letting market in 2025. According to its forecasts, take-up in Germany's top 7 office locations will reach 3.0 million sqm, an increase of around 10% compared to 2024. JLL considers the renewed increase in the number of large-scale searches to be an indicator of rising demand for office space, underscoring the strategic significance of offices for companies and the need for attractive, modern and sustainable space. At the same time, JLL observes that the trend towards high-quality office space is often accompanied by a trend towards "small yet sophisticated" spaces. As a result, it expects a further rise in vacancies. By the end of 2025, the vacancy rate across Germany's top 7 office locations could reach an average of over 7% (end of 2024: 6.8%). JLL estimates that the pipeline of new-build volumes will be 1.3 million sqm in 2025 (2024: 1.6 million sqm). This decline is explained by the ongoing postponement of projects. JLL expects growth in prime rents to slow to just over 2%, down from 5.7% in 2024. By contrast, it does not believe landlords will be able to enforce rent increases for properties in peripheral locations and those with a below-average quality of fixtures and fittings. Once again, this clearly reinforces the importance of maintaining state-of-the-art facilities and sustainable, energy-efficient properties.

BNPPRE's experts initially expect Germany's logistics rental market to remain stable in 2025, and only anticipate a significant increase in take-up as part of a marked economic recovery. Nevertheless, BNPPRE expect both prime and average rents to rise slightly in Germany's top markets in 2025.

Although BNPPRE sees a range of stress factors for the German commercial real estate investment market in 2025, its experts expect positive market influences – especially brighter investor sentiment, growing interest from foreign investors and the prospect of further key rate cuts – to outweigh the negative. In summary, BNPPRE anticipates a noticeable increase in transaction volumes compared to 2024, but does not yet expect the market to return to its long-term averages. After another decline in 2024, BNPPRE expects the office markets to recover during the current year. It regards a series of larger landmark deals – the completion of which should send positive signals to the market – as an indication of renewed investor interest. By international standards in particular, Germany's major locations are characterised by low vacancy rates, a shortage of space on offer and ever-increasing rents. BNPPRE is also optimistic about the logistics markets, due in particular to significant interest in the German logistics market shown by international investors. At the same time, it expects prices to rise and yields to fall as a result.

Expected trends in key performance indicators

Recovery of the transaction market

With market activity set to rise in the 2025 financial year, we see opportunities to continue to leverage the potential of the properties in both segments and to successfully implement the "Performance 2024" action plan, especially the sales plan.

Based on real estate assets under management of around EUR 11.6 billion at the year-end, we expect a cross-segment transaction volume of between EUR 0.6 and 0.8 billion in 2025.

Acquisitions amounting to around EUR 100 to 200 million are planned exclusively in the Institutional Business in 2025, both for existing mandates and as part of new mandates and investment vehicles. No acquisitions are planned for the proprietary portfolio (Commercial Portfolio).

As a result, we are targeting sales across all segments with a volume of between EUR 600 and 800 million for 2025. Of this figure, around EUR 500 to 600 million is attributable to the Commercial Portfolio and around EUR 100 to 200 million to the Institutional Business.

Development of the Commercial Portfolio

By carrying out targeted sales of properties from our Commercial Portfolio representing a total value of around EUR 2.7 billion at the reporting date, we are aiming to realise value and use the resulting funds primarily for refinancing purposes and to optimise our balance sheet and financial structure. Based on the current portfolio, planned letting performance, planned sales recognised on the balance sheet in the 2025 financial year, we expect gross rental income from the Commercial Portfolio to come in between EUR 125 and 135 million.

Development of the Institutional Business

Real estate management fees in the Institutional Business consist of (1) fees for ongoing management (asset and property management and developments), (2) transaction fees for acquisitions, sales and the structuring of investment products, and (3) performance fees for exceeding predefined target returns. Given the expected further recovery of the market environment, we are anticipating higher transaction-based management fees compared to previous year. Overall, we are planning to generate real estate management fees of EUR 50 to 60 million in 2025.

Stable FFO as part of the “Performance 2024” action plan

As we will continue to focus on the further consolidation of our financing, the associated optimisation of our portfolios and cash flows and the implementation of the “Performance 2025” action plan in the 2024 financial year, we expect FFO (after minority interests, before tax) of between EUR 40 and 55 million. The main reasons for this are the programme of sales planned for the Commercial Portfolio segment as well as the recovery in the transaction market for the Institutional Business segment anticipated in the 2025 financial year.

Our goal is also to increase recurring cash flows from both business segments. During the past financial year, the sum of net rental income and recurring management fees was around 97% of the sum of net rental income and all fees. This was due to comparatively low transaction-related fees in the reporting year. For 2025, we expect a share of recurring cash flows to be in the range of 85% to 95%.

Material assumptions for the business forecast

- This forecast does not take into account inorganic growth from initiatives such as the acquisition or takeover of companies.
- There will not be any outbreaks of previously unknown pandemics (comparable to Covid-19) that could result in a further deterioration in and restrictions on public life.
- Global trade conflicts will not expand significantly.
- There will be no major escalations of geopolitical tensions.
- There will be no new sovereign debt crisis in the eurozone.
- There will be no resurgence of the banking crisis in the eurozone.
- The German economy will grow and not fall into a deep and lasting recession.
- Other leading indicators or economic factors such as the unemployment rate will not deteriorate significantly
- The rental market and lease revenue will not deteriorate significantly year-on-year during the 2024 financial year.
- Inflation will not see a further unexpectedly high increase.
- The control measures introduced by the European Central Bank (ECB) will continue to take effect during the current financial year, with no unexpected rises in key interest rates required.
- Banks will not tighten the requirements of their lending policies further to such an extent that they restrict transaction activity.
- No new, unforeseen permanent or temporary regulatory changes and regulations will come into effect and have massive monetary consequences.

Other disclosures

Annual financial statements of Branicks Group AG (single-entity financial statements)

Net assets, financial position and results of operations

Branicks Group AG is the holding and management company of the Branicks Group. Its operational real estate activities and management of the Institutional Business are essentially organised via subsidiaries (property companies).

Branicks Group AG's net assets and results of operations are therefore influenced primarily by its involvement in its investees. The sustained value of its investments is based on the net assets, financial position and results of operations of the subsidiaries (property companies) and is secured, in particular, by their real estate assets or service agreements. Branicks Group AG prepares its annual financial statements in accordance with the HGB.

Overall, we view the business situation of Branicks Group AG as of the reporting date as challenging. The net assets, financial position and results of operations of Branicks Group AG in 2024 were mainly determined by the sales in the Commercial Portfolio segment, and the low transaction volume resulting in lower transaction-related fee income in the Institutional Business. While a significant portion of the investment income generated by the investees in the Commercial Portfolio in the 2024 financial year resulted primarily from rental income and profits on property disposals, the investment income of the investees in the Institutional Business consisted mainly of transaction-related real estate management income.Overall, we generated investment income of EUR 96.5 million (previous year: EUR 50.8 million) in the financial year ended.

At EUR 11.0 million, revenue was higher than the prior-year figure of EUR 6.1 million. This figure mainly include revenue from the structuring of transactions for the Institutional Business segment, for which Branicks provided the service directly. Revenue also includes proceeds from consulting and other services provided to subsidiaries. At EUR 13.5 million, personnel expenses in the year under review were slightly lower than the prior-year figure of EUR 14.6 million. Other operating expenses of EUR 46.1 million remained virtually unchanged from the previous year (EUR 46.0 million), with legal and consulting costs representing the largest single item. At EUR –45.7 million, earnings before interest, taxes and the share of the profit of associates were down slightly on the previous year (EUR –41.5 million). Interest expense resulting from our bonds and promissory notes and from the bridging loan for the acquisition of the interest in VIB amounted to EUR 72.6 million (previous year: EUR 64.7 million). The increase in interest expense is primarily attributable to the higher level of interest for the promissory note loans in the 2024 financial year.

Interest income decreased by EUR 3.7 million year-on-year to EUR 20.4 million (previous year: EUR 24.1 million), whereas write-downs on long-term financial assets increased from EUR 11.3 million in the previous year to EUR 27.9 million.

Overall, Branicks Group AG posted a net loss for the year of EUR 39.4 million (previous year: net loss of EUR 41.3 million).

Long-term financial assets totalled EUR 2,022.6 million as at the reporting date, an increase of EUR 90.5 million (previous year: EUR 1,932.4 million). This was mainly due to the issuance of loans to affiliated companies.

Receivables from affiliated companies fell by EUR 91.7 million to EUR 310.0 million. At the same time, the corresponding liabilities increased by EUR 244.3 million to EUR 608.8 million, mainly due to an intra-group loan. Overall, our commitment to related entities, consisting of long-term financial assets as well as receivables from and liabilities to affiliated companies and investees as of 31 December 2024, fell by EUR 245.7 million, from EUR 1,959.6 million to EUR 1,713.9 million (–12.5%), which is mainly attributable to the decrease in intra-group loans.

The Company's equity decreased from EUR 977.6 million to EUR 938.2 million (– 4.0%), mainly due to the net loss for the year. Borrowed capital increased by EUR 19.6 million, from EUR 1,478.2 million to EUR 1,497.8 million. The reported equity ratio was robust at 38.5%, similar to the prior-year figure of 39.8%.

For information on Branicks Group AG's opportunities and risks, particularly financing and liquidity risks, see the Group's report on risks and opportunities.

These opportunities and risks affect Branicks Group AG indirectly.

Forecast for the single-entity financial statements of Branicks Group AG

For 2024, we had forecast a net loss for the year below the previous year's figure of EUR 41.3 million. This forecast was met with a net loss for the year of EUR 39.4 million.

For 2025, we expect net income/loss for the year to improve slightly year-on-year based on a slowly recovering economic environment, with higher transaction activity in financial year 2025 and a slightly higher contribution to earnings due to a pick-up in transaction activity in the Institutional Business. Given the restructuring measures planned for financing as part of the "Performance 2024" action plan, we expect to return to our past dividend policy in the medium term. For further information, please refer to the Group's report on expected developments starting on → page 82.

Related parties

The Management Board prepared a separate report on relations with affiliates in accordance with section 312 AktG, which ends with the following statement:

"We hereby declare that, based on the circumstances known to us at the time when the transactions were entered into, our company received or paid appropriate consideration for each transaction. We took no actions at the request of or on behalf of the controlling company."

Related party disclosures in accordance with IAS 24 can be found in the notes to the consolidated financial statements.

Disclosures and explanations required under takeover law

The following disclosures provided pursuant to sections 289a and 315a HGB reflect the situation existing at the end of the reporting period. The following explanation of these disclosures also meets the requirements for an explanatory report in accordance with section 176 (1) sentence 1 AktG.

Composition of subscribed capital

The subscribed capital in the amount of EUR 83,565,510.00 consists of 83,565,510 registered no-par value ordinary shares. There are no other classes of shares. Pursuant to section 67 (2) AktG, rights and obligations arising from shares exist in relation to the Company only for and against the person entered in the share register. All shares convey the same rights and obligations. Each no-par value share grants the holder one vote at the General Shareholders' Meeting. This excludes any treasury shares held by the Company itself. The Company will have no rights based on these shares. The voting right begins when the statutory minimum deposit has been made on the shares. The individual rights and obligations tied to the shares arise from the provisions of the AktG, in particular sections 12, 53a et seq., 118 et seq. and 186.

Direct and indirect shareholdings exceeding 10% of voting rights

Please refer to the notes to the annual and consolidated financial statements with regard to direct and indirect shareholdings in Branicks Group AG which exceed 10% of the voting rights.

Statutory requirements and provisions of the Articles of Association on the appointment and dismissal of members of the Management Board and on amendments to the Articles of Association

The appointment and dismissal of members of the Management Board is based on sections 84, 85 AktG and article 7 of the Articles of Association. Pursuant to article 7 (1) of the Articles of Association, the Management Board consists of at least one person. The Articles of Association do not contain any special arrangements for the appointment or dismissal of individual members or all members of the Management Board. The Supervisory Board has the power to appoint and dismiss Management Board members. It appoints members of the Management Board for a maximum term of office of five years. Members may be reappointed or their term may be extended for a maximum of five years in each case subject to section 84 (1) sentence 3 AktG. Amendments to the Articles of Association are made in accordance with sections 119 (1) no. 6, 179, 133 AktG as well as articles 9 (6) and 14 of the Articles of Association. The Articles of Association do not specify any further requirements for amendments to the Articles of Association. Unless required otherwise by law, the resolutions of the General Shareholders' Meeting shall be passed with a simple majority of the votes cast. In the event that the law stipulates a capital majority in addition to the majority vote, resolutions shall be passed with a simple majority of the share capital represented at the time the resolution is passed. The Supervisory Board is authorised to make amendments to the Articles of Association that concern only their wording.

Powers of the Management Board to issue and buy back shares

The powers of the Company's Management Board to issue and buy back shares are all based on resolutions to that effect made by the General Shareholders' Meeting, the essential content of which is shown below. Further details are specified in the respective authorising resolution.

Authorisation to purchase own shares

By virtue of the resolution adopted by the ordinary General Shareholders' Meeting of 24 March 2022, the Management Board is authorised, with the prior approval of the Supervisory Board, to acquire own shares until 23 March 2027 representing up to 10% of the lower of the Company's share capital at the date of the resolution or at the date the authorisation is exercised. At no time may the acquired shares together with other treasury shares in the possession of the Company or allocated to it under sections 71a et seq. AktG represent more than 10% of the share capital. The authorisation may not be used for the purpose of trading treasury shares. The authorisation may be exercised in whole or in part, once or repeatedly, for one or more than one purpose, by the Company or by companies dependent on it or majority-owned by it, or by third parties acting on their behalf or on behalf of the Company. At the Management Board's discretion, and with the prior approval of the Supervisory Board, shares may be purchased through the stock exchange or based on a public offering directed to all shareholders or a public invitation to all shareholders to submit offers to sell. The volume of the public offering directed to all shareholders or the public invitation to all shareholders to submit offers to sell may be restricted. Insofar as the volume of the offered shares exceeds the planned repurchase volume in the case of a public offering or a public invitation to submit offers to sell, the acquisition can take place proportionate to the shares subscribed to or offered in each case; to this extent, the shareholders' right to offer their shares proportionate to the percentage of shares that they hold is disapplied. A preferential acceptance of smaller numbers up to 100 offered shares per shareholder can be stipulated, as can commercial rounding to avoid arithmetic fractions of shares. To this extent, any further right of the shareholders to tender shares is disapplied. The public offering directed to all shareholders or the public invitation to all shareholders to submit offers to sell may stipulate further conditions.

The Management Board is authorised, with the prior approval of the Supervisory Board, to use the treasury shares acquired on the basis of this authorisation for any legal purpose, in particular the following:

(i) The shares may be redeemed, and such redemption or its execution shall not require another resolution of the General Shareholders' Meeting. They may also be redeemed in a simplified procedure without reducing capital by adjusting the pro-rata share of the remaining no-par value shares in the Company's share capital. If they are redeemed in a simplified procedure, the Management Board is authorised to adjust the number of no-par value shares in the Articles of Association.

(ii) The shares may also be sold in a way other than through the stock exchange or based on an offering directed to all shareholders if the purchase price payable in cash is not significantly lower than the stock market price of equivalent shares already listed. The number of shares sold in this manner disapplying pre-emptive rights may not exceed 10% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised. Other shares that are issued or sold during the term of this authorisation while disapplying pre-emptive rights in direct or corresponding application of section 186 (3) sentence 4 AktG are to be counted toward this upper limit of 10% of the share capital. Shares that are issued to service option rights and/or conversion rights or conversion obligations from bonds with warrants and/or convertible bonds and/or profit participation rights are also to be counted towards this limit if such bonds or profit participation rights are issued during the term of this authorisation while disapplying pre-emptive rights in corresponding application of section 186 (3) sentence 4 AktG.

(iii) The shares may be sold in return for contributions in kind, in particular in connection with business combinations, for the purpose of acquiring companies, parts of companies, equity interests in companies or other assets, or claims for acquiring other assets including receivables in respect of the Company.

(iv) The shares may be used to implement a scrip dividend in which shares of the Company are used (including partially and alternatively) to fulfil shareholder dividend claims.

(v) The shares may be used to fulfil subscription and exchange rights on the basis of the exercise of conversion and/or option rights or the fulfilment of conversion and/or option obligations arising from convertible bonds and/or bonds with warrants issued by the Company or one of its Group companies wholly owned by Branicks Group AG either directly or indirectly.

(vi) The shares may be used to issue shares to employees of the Company or employees of an affiliated company or members of the management of an affiliated company as part of share participation programmes or other share-based programmes, provided that the employment relationship with the Company, or the governing body membership or the employment relationship with an affiliated company exists at the time the share issue is approved. The total number of shares issued in this manner disapplying pre-emptive rights may not exceed 3% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised.

As at 31 December 2024, the Company held no treasury shares. It has not made use of the authorisation described above.

Authorised capital

The Management Board has been authorised by a resolution adopted at the ordinary General Shareholders' Meeting on 22 August 2024 to increase the Company's share capital with the approval of the Supervisory Board by a total of up to EUR 16,713,102.00 until 21 August 2029 by issuing new no-par value registered shares once or repeatedly in return for cash contributions and/or contributions in kind (Authorised Capital 2024).

As a rule, the shareholders are to be granted a pre-emptive right when authorised capital is utilised. The shares may also be taken over within the meaning of section 186 (5) sentence 1 AktG by one or more credit institutes or companies determined by the Management Board with the obligation of offering them to the shareholders for purchase (indirect pre-emptive right). However, the Management Board is authorised with the approval of the Supervisory Board to disapply the pre-emptive rights of shareholders

- to exclude fractional amounts from shareholders' pre-emptive rights;
- if the new shares are issued in return for a cash contribution and the issue price of the new shares does not fall substantially below the stock market price of essentially equivalent shares already listed. The number of shares issued in this manner disapplying pre-emptive rights may not exceed 20% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised. Other shares that are issued or sold during the term of this authorisation while disapplying pre-emptive rights in direct or corresponding application of section 186 (3) sentence 4 AktG are to be counted toward this upper limit of 20% of the share capital. Shares that are issued to service option rights and/or conversion rights or conversion obligations from bonds with warrants and/or convertible bonds and/or profit participation rights are also to be

counted towards this limit if such bonds or profit participation rights are issued during the term of this authorisation while disapplying pre-emptive rights in corresponding application of section 186 (3) sentence 4 AktG;

- if the capital increase is carried out in return for a contribution in kind, in particular for the purpose of acquiring companies, parts of companies, equity interests in companies or other assets associated with an intended acquisition, or in connection with business combinations;
- to the extent it is necessary to grant pre-emptive rights for bonds to the holders or creditors of bonds with warrants and/or convertible bonds with option and/or conversion rights or option and/or conversion obligations that were previously issued by the Company or companies in which the Company holds a direct or indirect 100% interest in the volume to which they would be entitled after exercising the option rights and/or conversion rights or fulfilling the option and/or conversion obligations.

As of 31 December 2024, the Management Board has not made use of the authorisation described above.

Contingent capital

By virtue of the resolution adopted at the ordinary General Shareholders' Meeting of 24 March 2022, the Management Board is authorised, with the approval of the Supervisory Board, to issue registered or bearer convertible bonds or bonds with warrants (together, "bonds") with or without limitation of maturities on one or more occasions until 23 March 2027 in a total nominal amount of up to EUR 600,000,000.00, and to grant to holders and/or creditors of bonds conversion or option rights (which may include a conversion and/or option obligation) to no-par value registered shares in the Company representing a proportionate amount of the share capital of up to EUR 16,372,232.00 in total, subject to the terms of the convertible bonds and/or bonds with warrants (together also "bond terms"). The bonds may only be issued in return for cash payment. In principle, the shareholders are granted a pre-emptive right. The bonds may also be taken over within the meaning of section 186 (5) sentence 1 AktG by one or more credit institutes or companies determined by the Management Board with the obligation of offering them to the shareholders for purchase (indirect pre-emptive right).

However, the Management Board is authorised with the approval of the Supervisory Board to disapply the shareholders' pre-emptive rights to bonds

- for fractional amounts resulting from the subscription ratio;
- if upon due review the Management Board concludes that the issue price of the bonds is not substantially lower than the theoretical market value of the bonds determined in accordance with generally accepted methods of financial mathematics. This authorisation to disapply pre-emptive rights does not, however, apply to bonds with a conversion or option right (including those with a conversion obligation) to shares, the total amount of which does not exceed 10% of the lower of the share capital existing at the time this authorisation becomes effective or at the time it is exercised. Shares that were issued or sold during the term of this authorisation while disapplying pre-emptive rights in direct or corresponding application of section 186 (3) sentence 4 AktG are to be counted toward this upper limit of 10% of the share capital. Shares that are issued to service option rights and/or conversion rights and/or option and/or conversion obligations from convertible bonds and/or bonds with warrants and/or profit participation rights are also to be counted towards this limit if such bonds or profit participation rights are issued based on a different authorisation during the term of this authorisation while disapplying pre-emptive rights in corresponding application of section 186 (3) sentence 4 AktG;
- to the extent it is necessary to grant pre-emptive rights for bonds to the holders or creditors of bonds with warrants and/or convertible bonds with option and/or conversion rights or option and/or conversion obligations that were previously issued by the Company or companies in which the Company holds a direct or indirect 100% interest in the volume to which they would be entitled after exercising the option rights and/or conversion rights or fulfilling the option and/or conversion obligations.

The bond issues may be divided into several notes.

If convertible bonds are issued, the holders and/or creditors are granted the right to convert their notes into no-par value registered shares of the Company in accordance with the detailed convertible bond terms to be determined by the Management Board. The conversion ratio is determined by dividing a bond note's nominal amount or price that is below its nominal amount by the conversion price specified for a no-par value registered share of the Company. The terms may provide for a variable conversion ratio. The conversion ratio may be rounded up or down to the nearest whole number; furthermore, an additional payment in cash may be determined. There may also be a provision that fractions can be combined and/or settled in cash.

If bonds with warrants are issued, one or more warrants entitling the holder and/or creditor to purchase no-par value registered shares in the Company in accordance with the option terms to be specified by the Management Board shall be attached to each bond note. The option terms may provide for satisfying the exercise price either in part or as a whole by transferring bond notes and making an additional cash payment if required. There may also be a provision that fractions can be combined and/or settled in cash.

The terms of the convertible bonds and/or bonds with warrants may also provide for a conversion and/or option obligation on maturity (or at an earlier date). The terms of the convertible bonds and/or bonds with warrants may provide for the Company's right and/or that of the Group company issuing the bond to grant new shares or treasury shares of the Company or the shares of another listed company to the holders and/or creditors of the bonds instead of paying all or a portion of the cash amount due. The terms of the convertible bonds and/or bonds with warrants may also stipulate that the Company or the Group company issuing the bond may choose to grant treasury shares of the Company or shares of another listed company when options are converted or exercised. Furthermore, it may be stipulated that the Company and/or the Group company issuing the bond may settle its obligation by making a cash payment and/or granting shares of the Company.

To service conversion or option rights and/or conversion or option obligations under bonds that will be issued until 23 March 2027 based on an authorisation by the General Shareholders' Meeting on 24 March 2022, the Company's share capital was contingently increased, by virtue of the resolution adopted at the ordinary General Shareholders' Meeting on 24 March 2022, by up to EUR 16,372,232.00 by issuing up to 16,372,232 registered shares (Contingent Capital 2022).

As of 31 December 2024, the Management Board has not made use of the authorisation described above to issue convertible bonds and/or bonds with warrants.

Material agreements subject to a change of control upon a takeover bid

Branicks Group AG has entered into the following material agreements that contain change of control clauses.

The majority of the existing debt financing agreements (including the Green Corporate Bond 2021 (ISIN XS2388910270) with a volume of EUR 400 million) give creditors a right to terminate the agreement for cause in the event of a change of control at the affected Group companies.

Other disclosures

The other disclosures required under sections 289a, 315a HGB refer to circumstances that do not apply to Branicks Group AG. There are no shareholders with special rights conferring control rights nor are there any controls of the voting right of employees holding shares in the Company's capital or compensation agreements entered into with Management Board members or employees in case of a takeover offer. Nor is the Management Board aware of any restrictions affecting voting rights or the transfer of shares.

Corporate governance statement

The corporate governance statement for the Company and the Group pursuant to sections 289f, 315d of the HGB is a component of the combined management report. In this statement, the Supervisory Board and the Management Board also report on the corporate governance of the Company in accordance with Principle 22 of the German Corporate Governance Code ("DCKG").

Disclosures on corporate governance practices

Branicks Group AG attaches great value to corporate governance within the Company and the Group. The Management Board and Supervisory Board feel that they have an obligation to ensure the Company's continued existence and the generation of sustained value added through responsible corporate governance with a long term focus. For Branicks Group AG, good corporate governance also includes managing risks in a responsible manner. The Management Board therefore makes sure that risks are managed and controlled appropriately and effectively within an internal control system in the Company (see also the "Risk management" section → page 100) and ensures that the Company complies with the law by maintaining a compliance management system that reflects the Company's exposure to risk. The Company is in compliance with the recommendations of the DCGK as described in its annual Declaration of Compliance. The Management Board regularly informs the Supervisory Board of any existing risks and their development. The Company's internal control, reporting and compliance structures are continuously reviewed, enhanced and adjusted to changes in the general environment.

Sustainability is a key element of corporate governance. To ensure that the Company can remain commercially successful in the long term, Branicks Group AG attaches considerable significance to both economic issues and ESG aspects. Sustainability affects the entire organisation and includes a wide range of issues. Further information about the quantifiable ESG targets defined by Branicks Group AG in particular can be found at www.branicks.com/en/sustainability/ and in the → Sustainability Report published there.

Reliability and credibility are the core values of our corporate culture. They are based not only on strict compliance with statutory and contractual regulations but also on a fundamental understanding of what constitutes ethical business practices. This includes openness, fairness and tolerance, conserving resources, gender equality and promoting diversity as well as clear guidelines and support in dealing with risks and potential conflicts.

A Compliance Policy is in place for the Branicks Group and a Compliance Officer supervises observance of material compliance requirements. In addition, a whistleblower system for reporting misconduct and violations has been set up. Based on the Compliance Policy, the employees of Branicks Group AG and its subsidiaries are obliged to act in a responsible and legal manner. This includes the principles of ethics and integrity within the Company, in particular compliance with legal requirements, internal company policies and self-imposed values. The cornerstones of the Compliance Policy are described in the current report on risks and opportunities, which is part of the combined management report of Branicks Group AG. In addition, the Branicks Group has a Code of Conduct, which serves as a guideline according to which the employees of Branicks Group AG and its subsidiaries conduct their actions and make their decisions. This ensures that the Branicks Group's mission statement and values are always reflected in our daily actions.

The Branicks Group requires its business partners to meet the same high legal and ethical standards it has set for itself. A Code of Conduct for Business Partners has been introduced for this purpose, which is the basis of any collaboration between the Branicks Group and its business partners and describes the legal and ethical requirements of such collaboration.

A Lobbying Policy and an Anti-corruption Policy have also been introduced within the Branicks Group to provide an additional basis for acting responsibly and lawfully. The Branicks Group's responsibility for its employees is enshrined in its Occupational Safety Policy, which helps the Group to implement efficient occupational safety and effective accident prevention. The Branicks Group has also issued a Policy Statement on Respecting Human Rights both within the Company and along every step of the value chain.

The documents referred to here are available for download on the Branicks Group AG website at → https://branicks.com/en/company/values-compliance/.

Any additional corporate governance instruments that may be required will be urgently addressed and implemented by the Management Board and Supervisory Board.

Current Declaration of Compliance

The Management Board and Supervisory Board again focused on meeting the recommendations of the DCGK in financial year 2024. The consultation process resulted in the adoption of the annual Declaration of Compliance dated 12 December 2024, which has been made permanently accessible to the public on the Company's website.

Declaration of Compliance pursuant to section 161 German Stock Corporation Act (AktG)

The Management Board and Supervisory Board declare that Branicks Group AG has complied and will comply with the recommendations of the German Corporate Governance Code in the version dated April 28, 2022 since issuing its last Declaration of Compliance issued on 19 December 2023 and updated on 19 March 2024, 29 April 2024 and 18 July 2024. The following exceptions applied or will apply in future:

- The Code recommends in clause C.10 sentence 1 that the Chairman of the Supervisory Board shall be independent of the Company and its Management Board. The Company was not in compliance with this recommendation until 13 April 2024. Notwithstanding the fact that the Chairman of the Supervisory Board in office until 13 April 2024, Dr. Gerhard Schmidt, based on the formal indicators pursuant to clause C.7 of the Code was not regarded as independent of the Company and its Management Board, the Supervisory Board had no doubt that the Chairman fully met his advisory and supervisory duties. The Company has been in compliance with this recommendation since Dr. Angela Geerling took over as Chairwoman of the Supervisory Board.

- In deviation from clause D.4 of the Code, no nomination committee will be formed. As the six members of the Supervisory Board are all representatives of the shareholders and the current practice of voting proposals being prepared by the full Supervisory Board has proved to be efficient, the Supervisory Board sees no need to form a nomination committee.

- Clause 2 of the Code recommends making the consolidated financial statements and the group management report publicly accessible within 90 days after the end of the financial year and the mandatory interim financial statements publicly accessible within 45 days after the end of the reporting period. Branicks Group AG did not comply with the recommendation in making its consolidated financial statements and the group management report for the 2023 financial year, and the 2024 half-yearly financial report publicly accessible. The later date of publication of the consolidated financial statements and the Group management report for the 2023 financial year is connected to the duration of the StaRUG stabilisation and restructuring proceedings that the company initiated as a preventive measure in early March of 2024 for the purpose of extending the terms of the promissory note loans that matured in 2024. The reason for the later publication of the 2024 half-yearly financial report was the date of the General Shareholders' Meeting held on 22 August 2024, at which the auditor for the review of the 2024 half-yearly financial report was elected. Branicks Group AG will fully comply with recommendation F.2 of the Code again in future.

- In deviation from the first and second indents of clause G.1 of the Code, the remuneration system for the members of the Management Board does not stipulate the determination of a "target total remuneration", which corresponds to the total remuneration in the event that 100 percent of targets are achieved (in relation to variable remuneration components), and does not determine the relative proportions of individual remuneration components in relation to such "target total remuneration". Under the remuneration system for Management Board members approved by the General Shareholders' Meeting on 24 March 2021, their variable remuneration comprises a performance-related annual bonus (STI) and options on phantom stocks in the Company as a share-based payment element with a long-term incentive effect (LTI). With regard to the STI, the Supervisory Board sets company-related and personal annual targets when preparing the annual budget. The specific amount of STI payments upon achievement of the annual targets is at the discretion of the Supervisory Board and is determined ex-post in connection with the Supervisory Board's determination of target achievement. LTI payments depend solely on the share price; an ex-ante agreed "target amount" is therefore not provided for the LTI either. The Supervisory Board is of the opinion that the variable remuneration structure for the Management Board members is clearly geared to linking the performance of the Management Board members to the amount of remuneration (pay for performance) and that the design of the share-based remuneration element contributes to an increased alignment of the interests of the members of the Management Board and shareholders. The strategic goal of increasing the value of the Company in the long term is promoted by this structure.

- According to the recommendation in clause G.2 of the Code, the specific “target total remuneration” of each member of the Management Board shall be determined annually. This remuneration shall be appropriate to the Management Board member’s own tasks and performance as well as to the enterprises’ overall situation and performance, and it shall not exceed the usual level of remuneration without specific reasons. In accordance with the requirements of stock corporation law, the appropriateness of the total remuneration of Management Board members is reviewed regularly and, if necessary, on an ad hoc basis (e.g. when a decision is made to extend a service agreement). As explained, the remuneration system does not provide for “target total remuneration” as defined by the Code, so there is also no need for this to be determined specifically on an annual basis. In the opinion of the Supervisory Board, the definition of the remuneration conditions in the Management Board service agreement and the subsequent determination of the amount of STI payment provide sufficient leeway to ensure the appropriateness of the Management Board remuneration on a consistent basis.

- According to the recommendation in clause G.6 of the Code, the long-term variable remuneration (LTI) shall exceed the share of remuneration from short-term targets (STI), whereby the Code uses 100 percent target achievement as a basis for comparison. The options granted on phantom stocks in the Company (LTI) provide for a long-term remuneration component which – provided that the share price develops accordingly – can account for the majority of the total variable remuneration granted, without it being required for this component to outweigh the short-term variable remuneration. As neither the STI nor the LTI provide for “target remunerations”, a deviation from the recommendation in clause G.6 of the Code is declared as a precaution. Taking into account the proportions of the STI (up to 35%) or the LTI (up to 55%) in the total remuneration specified by the remuneration system as the expected annual expense amount, the Supervisory Board considers the long-term oriented part of the variable remuneration to be predominant as a rule and sufficiently weighted in any case.

- The recommendation in clause 7 sentence 1 of the Code, according to which the Supervisory Board, referring to the forthcoming financial year, shall establish performance criteria for each Management Board member covering all variable remuneration components, which, besides operating targets, shall be geared mainly to strategic goals, is not followed insofar as no further performance criteria are determined in the context of the long-term share price-oriented remuneration component (LTI) in addition to the dependency of the payment amount on the stock market price. The link to the stock market price contributes to an increased alignment of the interests of the members of the Management Board and shareholders and the strategic goal of increasing the value of the Company in the long term is thereby promoted.

- According to the recommendation in clause G.10 sentence 1 of the Code, the variable remuneration granted shall be predominantly share-based or invested in Company shares. With the options granted on phantom stocks in the Company (LTI), a share-based remuneration component is provided for. However, as already explained, it is not mandatory that the share-based remuneration component accounts for the majority of the variable remuneration. Therefore, as a precautionary measure, a deviation from the recommendation in clause G.10 sentence 1 of the Code is declared. Taking into account the proportions of STI (up to 35%) and LTI (up to 55%) in the total remuneration specified by the remuneration system, the Supervisory Board considers that the share price orientation of the variable remuneration is sufficiently ensured.

- Clause 10 sentence 2 of the Code recommends that the long-term variable remuneration shall be accessible to Management Board members only after a period of four years. The options on phantom stocks in the Company granted as LTIs provide for a vesting period oriented to the term of the respective Management Board service agreement, which as a rule covers three to five years and after the expiry of which an option may be exercised at the earliest. Taking into account the term of the respective Management Board service agreement, the four-year period recommended by the Code may therefore also be shorter. In the opinion of the Supervisory Board, the general orientation of the vesting period to the respective term of appointment contributes sufficiently to the incentive effect of the share-based remuneration.

- In deviation from clause G.11 of the Code, the remuneration system and the existing service agreements of the Management Board members do not provide for any possibility agreed in advance to take account of extraordinary developments and to retain or reclaim variable remuneration, if justified (so-called malus and clawback provisions). Among other things, the ex-post determination of the amount of the performance-related annual bonus (STI), which is at the discretion of the Supervisory Board, and the limitation by the maximum remuneration provided for in the remuneration system are, in the opinion of the Supervisory Board, sufficiently effective means of taking into account any extraordinary developments that may have occurred. The Supervisory Board does not consider contractual malus and clawback provisions to be necessary in view of the existing statutory claims in the event of a breach of duty.

- According to the Articles of Association, members of the Supervisory Board are granted a performance-related remuneration that is based on the annual dividend payment and may thus deviate from clause G.18 of the Code, which recommends that remuneration be linked to the long-term performance of the Company. The dividend payment is a key measure of success for the shareholders. We consider it appropriate that members of the Supervisory Board be remunerated in accordance with criteria that are also of significance for the shareholders.

Frankfurt am Main, 12 December 2024

Management Board and Supervisory Board
of Branicks Group AG

Working practices and composition of the Management Board and Supervisory Board

Dual management structure

As a listed corporation, Branicks Group AG has a dual management structure comprising a Management Board and a Supervisory Board. The two Boards are clearly separated from each other – both in terms of personnel and function – allowing each of them to perform their different duties independently. While the duty of the Management Board is to manage the Company independently, the Supervisory Board's duty is to monitor this management.

Close cooperation between the Management Board and the Supervisory Board

The Management Board and the Supervisory Board work closely together in the interests of the Company and the Group. This ensures that optimal use is made of the professional expertise of the Board members and speeds up decision-making processes. The Management Board keeps the Supervisory Board regularly, promptly and comprehensively informed of strategy, planning, risk position and risk management, the internal control system, compliance, as well as current business developments. The Chairwoman of the Supervisory Board is also notified of material developments and decisions by the Management Board between meetings.

The Management Board performs its management role as a collegial body. It determines corporate objectives, strategic orientation, corporate policy and Group organisation and coordinates these with the Supervisory Board and ensures that they are implemented. In doing so, the Management Board takes into account environmental and social goals in addition to long-term economic goals. In this process, the Management Board is bound to the Company's Group-wide interests and committed to the sustained increase of enterprise value, and to the needs of shareholders, customers, employees and other groups associated with the Company. The members of the Management Board are jointly responsible for managing the entire business. Notwithstanding their overall responsibility, the individual Management Board members manage the departments assigned to them independently and within the parameters of the Management Board resolutions. The allocation of duties between the members of the Management Board is derived from the Schedule of Responsibilities. The Management Board did not have a committee in the year under review. The Management Board has a quorum if at least the majority of its members participate in the resolution and adopts its resolutions by a simple majority. In the event that the Management Board consists of more than two members, the Chairwoman will have the casting vote in the event of a tie.

The Supervisory Board appoints and dismisses members of the Management Board. The Supervisory Board monitors and advises the Management Board in its leadership and management of the Company. Monitoring and advising the Management Board also includes sustainability issues. In the case of specifically defined actions of material significance – such as major capital expenditures – the Rules of Procedure for the Management Board issued by the Supervisory Board require the approval of the Supervisory Board. The Supervisory Board has also adopted Rules of Procedure. The Rules of Procedure for the Supervisory Board are available on our website under Company/Corporate Governance. Supervisory Board resolutions are generally passed at meetings by a simple majority of the votes cast. At the instruction of the Chairwoman of the Supervisory Board, resolutions can also be passed outside meetings if no member objects to this process. The Chairwoman of the Supervisory Board coordinates work within the Supervisory Board, chairs its meetings and attends to the affairs of the Supervisory Board externally. She holds discussions with investors on Supervisory Board-specific topics as required.

An overview of the Supervisory Board's activities during the 2024 financial year is presented in the Supervisory Board report.

Composition of the Boards

As of 31 December 2024, the Management Board of Branicks Group AG consisted and continues to consist of four members. The composition of the Management Board in the 2024 financial year and additional disclosures about the members of the Management Board are listed in the notes to the annual and consolidated financial statements under "Other disclosures". The Management Board currently consists of Sonja Wärntges as Chairwoman (Chief Executive Officer, CEO and Chief Financial Officer, CFO), also responsible for Strategy, Human Resources, IT Corporate Finance & Controlling, Corporate Communications, Investor Relations and M&A; Johannes von Mutius (Chief Investment Officer, CIO), responsible for Transaction Business; Torsten Doyen (Chief Institutional Business Officer, CIBO); and Christian Fritzsche (Chief Operating Officer, COO).

As stipulated in the Articles of Association, the Supervisory Board consists of six members, who are all elected by the General Shareholders' Meeting. The Supervisory Board has elected a Chairwoman and a Vice Chairman. Members of the Supervisory Board are elected for a term of office ending at the conclusion of the General Shareholders' Meeting that formally approves their actions during the fourth financial year following the start of their term of office. The financial year in which the term of office begins is not included in this calculation. The current terms in office end at different times due to different appointment dates. The specific composition of the Supervisory Board in the 2024 financial year and additional disclosures about the members of the Supervisory Board are listed in the notes to the annual and consolidated financial statements under "Other disclosures".

Succession planning for the Management Board, diversity policy

The Supervisory Board works with the Management Board on long-term succession planning. In addition to meeting the requirements of the German Stock Corporation Act (AktG), the DCGK and the Rules of Procedure, the target for the share of women on the Management Board as well as the diversity policy for the Management Board and a requirements profile must also be taken into account when carrying out long-term succession planning. The specific qualification requirements and stated specification are taken into consideration to create an ideal profile that is used by the Supervisory Board to select a shortlist of available candidates with whom to conduct structured discussions. External consultants help the Supervisory Board to develop the requirements profiles and/or select candidates as required. When making decisions on filling Management Board positions, the key suitability criteria are professional qualifications for the division being run, leadership qualities, past performance and acquired skills as well as knowledge of Branicks Group AG.

With regard to the composition of the Management Board, the Supervisory Board follows a diversity policy that primarily includes the following aspects:

- Members of the Management Board should have the knowledge, skills and experience required to properly complete their tasks.
- Members of the Management Board must be familiar with the commercial real estate sector. At least some members of the Management Board should also have knowledge or experience of funds/asset and property management as well as capital markets and financing. As a minimum, the member of the Management Board responsible for Finance must have accounting or auditing expertise and some members of the Management Board should contribute experience of leading a medium-sized company.
- Diversity should also be taken into account when searching for qualified individuals for the Management Board. There should also be an appreciation of how different complementary professional profiles, work and life experiences and balanced gender representation can benefit the work of the Management Board.
- As a rule, members of the Management Board should be under 65 years old. Age should therefore also be taken into account when appointing Management Board members.
- The Supervisory Board stipulated targets for the share of women on the Management Board and a deadline for their achievement in accordance with section 111 (5) AktG as outlined below.

The diversity policy should benefit the work of the Management Board overall. When deciding which individual should fill a specific Management Board position, the Supervisory Board acts in the best interests of the Company while taking into account all circumstances in each individual case.

The Management Board of Branicks Group AG currently consists of four members professionally and personally qualified in different areas, including a female member, Sonja Wärntges, as CEO. The Supervisory Board believes that the diversity policy was complied with during the reporting period and is being complied with currently.

Targets of the Supervisory Board with regard to its composition, skills profile and diversity policy

The Supervisory Board most recently set the targets regarding its composition on 14 December 2022. The targets, which take the recommendations of the DCGK into account in accordance with the Declaration of Compliance (especially as regards sustainability expertise), also include the skills profile for the Supervisory Board as a whole as well as the diversity policy it pursues for its composition.

- As a group, the Supervisory Board should have the knowledge, skills and professional experience required to properly complete its tasks. Members of the Supervisory Board must generally be familiar with the sector in which the Company operates.
- It should be ensured that at least some individual members of the Supervisory Board have the following knowledge or experience: (i) familiarity with the commercial real estate sector, (ii) knowledge of funds/asset and property management, (iii) knowledge of capital markets and financing, (iv) accounting expertise for at least one Supervisory Board member and auditing expertise for at least one Supervisory Board member, (v) expertise regarding sustainability issues relevant to the Company, (vi) experience of leading a medium-sized or larger company. The individual qualifications of individual members may complement each other in achieving these objectives. The accounting expertise shall consist of specific knowledge and experience in the application of accounting policies and internal control and risk management systems, and the auditing expertise shall consist of specific knowledge and experience in auditing financial statements.
- Independence and avoiding conflicts of interest are also important objectives: The Supervisory Board members representing the shareholders should include an adequate number of independent members as defined in clause C.6 of the DCGK. More than half of the shareholder representatives shall be independent from the Company and the Management Board as defined in clause C.7 of the DCGK. At least half of the shareholder representatives shall be independent from a controlling shareholder as defined in clause C.9 of the DCGK. The Supervisory Board also follows the recommendations of the DCGK with regard to conflicts of interest. The Supervisory Board should not include any members who perform an executive or advisory role with significant third-party competitors of the Company or Group. The Supervisory Board should not include more than two former Management Board members.
- Requirements for individual Supervisory Board members include: Only persons under 70 should be proposed for election to the Supervisory Board. Supervisory Board members should have business or operational experience. They should be able to assess the profitability, expediency and legality of the business decisions being evaluated as part of the Supervisory Board's work as well as key accounting documents, with the support of the auditor where appropriate. They should be willing to get involved in the substance of the business to a reasonable extent.
- Each Supervisory Board member ensures that they can dedicate the expected time to properly exercising their Supervisory Board mandate.
- The Supervisory Board may also include members who are particularly qualified for international requirements. However, in view of Branicks Group AG's primary focus on the German property market, the decision was made not to stipulate the aspect of internationality as an objective.
- Diversity should also be taken into account when searching for qualified individuals for the Supervisory Board. There should also be an appreciation of how different complementary professional profiles, work and life experiences and balanced gender representation can benefit the work of the Supervisory Board. The Supervisory Board stipulated targets for the share of women on the Supervisory Board and a deadline for their achievement in accordance with section 111 (5) AktG as outlined below.

The aforementioned targets should benefit the work of the Supervisory Board overall. The targets for the composition of the Supervisory Board are taken into account in the Supervisory Board's proposals for the election of Supervisory Board members submitted to the General Shareholders' Meeting. When preparing and approving candidate proposals to the General Shareholders' Meeting for the appointment of Supervisory Board members, the Supervisory Board should be guided by the best interests of the Company in each case, observe legal requirements and focus on the professional and personal qualifications of the candidate.

Qualification matrix for the Supervisory Board of Branicks Group AG

The Supervisory Board of Branicks Group AG provided the following overview of the qualifications of its members ("Qualification matrix") based on the targets for its composition and the skills profile:

According to the Supervisory Board, the composition of the Supervisory Board as at 31 December 2024 and its current composition fully meet the targets for the composition of the Supervisory Board including the diversity policy as well as the skills profile.

When assessing the independence of Dr. Angela Geerling, the Supervisory Board took into account the fact that a close family member of Dr. Geerling is a partner at the law firm Weil, Gotshal & Manges LLP, with which advisory mandates existed in the 2024 financial year.

However, neither from the perspective of Branicks Group AG nor from the perspective of Dr. Geerling does this constitute a material business relationship within the meaning of the recommendation in clause C.7 DCGK. Even more so, in the opinion of the Supervisory Board, this situation does not constitute grounds for a risk of a significant and enduring conflict of interest arising for Dr. Geerling, leaving no doubt that she will independently perform her duties on the Supervisory Board.

		Dr. Angela Geerling Chairwoman (since 13 April 2024)	**Michael Zahn** Vice Chairman	**Prof. Dr. Gerhard Schmidt** (Chairman until 13 April 2024)	**Eberhard Vetter**	**René Zahnd**	**Jürgen Josef Overath**
Term of office	Member since	2022	2020	2002	2018	2020	2024
	Elected until	2027	2025	2027	2027	2025	2025
Personal criteria	Independence						
	from the Company and the Management Board [1]	x	x		x	x	x
	from the controlling shareholder [2]	x	x	x	x	x	x
	No overboarding [3]	x	x	x	x	x	x
Diversity	Gender	female	male	male	male	male	male
	Year of birth	1970	1963	1957	1962	1966	1963
	Nationality	German	German	German	German	Swiss	German
	Educational background	Lawyer	Economist	Lawyer, tax consultant	Theologian/germanist/controller	Lawyer	Mechanic, office administrator, business economist (Chamber of Industry and Commerce)
	Occupation	Partner and Managing Director, BLUE Real Estate Advisors GmbH	Managing Partner, Hystake Investment Partners GmbH	Lawyer/partner Weil, Gotshal & Manges LLP	Head of Capital Investments at RAG-Stiftung	CEO Swiss Prime Site AG	Managing Director and shareholder, OIC-HUB GmbH
Knowledge	Business areas						
	Commercial properties	x	x	x	x	x	x
	Funds/asset and property management	x		x		x	x
	Capital market and financing	x	x	x	x		
	Accounting expertise			x	x	x	
	Auditing expertise			x			
	Sustainability	x				x	
	Management of a medium-sized or larger company		x			x	x

[1] As defined in C.7 DCGK.
[2] As defined in C.9 DCGK.
[3] As defined in C.4 and C.5 DCGK.

Stipulations of targets for the share of women on the Supervisory Board, on the Management Board and at the executive level below the Management Board

As a listed company not subject to co-determination, Branicks Group AG is required by law to stipulated targets for the share of women on the Supervisory Board, on the Management Board and at the two executive levels below the Management Board, to the extent that these exist.

With effect from 1 July 2022, the Supervisory Board adopted targets of 1/6 (corresponding to around 16.66%) for the share of women on the Supervisory Board and 25% (1/4) for the share of women on the Management Board. A deadline of 30 June 2027 has been set for achieving these targets. As of the time of publishing this report, the target for the Management Board of 1/4 (25%) was met. The target for the share of women on the Supervisory Board was also met with a ratio of 16.66% as of time of publishing this report.

With effect from 1 July 2022, the Management Board adopted a target of 28.125% (9/32) for the share of women at the executive level below the Management Board (broader management group including regional managers). A deadline of 30 June 2027 has been set for achieving this target. As of the time of publishing this report, this target was met with a ratio of 27.03% (10/37).

Disclosure of conflicts of interest

Each member of the Management Board and Supervisory Board discloses potential conflicts of interest in compliance with the DCGK. Any conflicts of interest on the Supervisory Board disclosed to the Supervisory Board in the 2024 financial year and their treatment are described in the Supervisory Board report.

Establishment of the Audit Committee

The Supervisory Board established an Audit Committee, which supports the Supervisory Board in the performance of its duties and regularly reports to it. The Audit Committee is concerned with the tasks set out in section 107 (3) sentence 2 AktG, which means it primarily monitors the accounting, the financial reporting process, the effectiveness of the internal control system, the risk management system and internal audit system, Group-wide compliance and, finally, the audit of financial statements. It evaluates and monitors the independence of the auditors (also taking into account the additional services provided by the auditors), regularly assesses the quality of the audit, and determines the areas of emphasis of the audit in consultation with the auditors. The Audit Committee mainly meets as needed. The Audit Committee discusses the assessment of audit risk, audit strategy and planning, and audit findings with the auditor. The Chairman of the Audit Committee regularly communicates with the auditor about the progress of the audit and reports these updates to the Committee.

The Audit Committee regularly consults with the auditor, even without involving the Management Board.

As of 31 December 2024, the Audit Committee had the following three members:

- René Zahnd
  (Chairman of the Audit Committee)
- Prof. Dr. Gerhard Schmidt
- Dr. Angela Geerling

Having spent many years as Chief Executive Officer at Swiss Prime Site AG (listed) and as a long-standing member of the Audit Committee of Branicks Group AG, René Zahnd (Chairman of the Audit Committee) has particular expertise in accounting, including sustainability reporting and the material sustainability targets for Branicks Group AG as well as their implementation.

As a qualified tax consultant and due to many years of service as Chairman of the Supervisory Board and a member of the Audit Committee of Branicks Group AG, as well as with numerous other listed and unlisted companies such as his previous role with Grohe AG and his current activities with TTL Beteiligungs- und Grundbesitz-AG, Prof. Dr. Gerhard Schmidt has particular expertise both in accounting and financial statements auditing.

Self-assessment of the work of the Supervisory Board and the Audit Committee

The Supervisory Board annually assesses how effectively the Supervisory Board as a whole and the Audit Committee fulfil their tasks. Externally created, structured questionnaires are used in which Supervisory Board and committee members are asked to answer a series of questions. These questionnaires include issues concerning the organisational, human resources-related and substantive performance of the Supervisory Board and its committee as well as the collaborative structure and procedures within the Supervisory Board and the provision of information, particularly by the Management Board. The results are then jointly discussed by the Supervisory Board.

D&O insurance
A Directors & Officers (D&O) insurance policy is in place for members of the Management Board and the Supervisory Board. It provides insurance for claims for damages by the Company, shareholders or third parties, which may be asserted due to Board members' failure to exercise due care. Branicks Group AG bears the costs of the insurance policy. The members of the Management Board have to pay a deductible in the event of a claim.

Remuneration report and remuneration system
The remuneration report in accordance with section 162 AktG for financial year 2024, the auditor's report on the audit of the remuneration report, the applicable remuneration system for the members of the Management Board and the Supervisory Board and the most recent resolutions of the General Shareholders' Meeting on the remuneration systems of the Management Board and the Supervisory Board and the remuneration of the Supervisory Board are available in the Corporate Governance section of the Branicks Group AG website.

Directors' Dealings
Article 19 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council on market abuse (Market Abuse Regulation) requires members of the Management Board and Supervisory Board to report any transactions conducted on their own account relating to the shares or debt instruments of Branicks Group AG or to derivatives or other financial instruments of Branicks Group AG linked thereto (Directors' dealings). This obligation also applies to persons related to members of governing bodies. However, transactions only had to be disclosed if the total amount of all transactions made by a member of a governing body or a person related to a member of a governing body until the end of the 2024 calendar year was at least EUR 20,000.00.

Shares held by Management Board members
As at the 31 December 2024 reporting date, Chief Executive Officer Sonja Wärntges held a total of 22,255 shares (previous year: 22,255 shares), Chief Investment Officer Johannes von Mutius held 7,888 shares (previous year: 7,888 shares), Chief Operating Officer Christian Fritzsche held 10,694 shares (previous year: 10,694 shares) and Chief Institutional Business Officer Torsten Doyen held 19,068 shares (previous year: 0 shares).

The following securities transactions as defined by article 19 Market Abuse Regulation were reported in the 2024 financial year:

Date	Issuer (ISIN)	Person required to file the report	Type of transaction	Volume
28.05.2024	Branicks Group AG (shares) DE000A1X3XX4	Torsten Doyen Management Board	Purchase	EUR 35,707.18
25.07.2024	Branicks Group AG (shares) DE000A1X3XX4	DIC Opportunistic GmbH Person with close relations to Prof. Dr. Gerhard Schmidt, Supervisory Board member	Sale	EUR 210,000.00
13.09.2024	Branicks Group AG (shares) DE000A1X3XX4	Torsten Doyen Management Board	Purchase	EUR 10,450.00

Other disclosures

Shareholders and General Shareholders' Meeting
The shareholders of Branicks Group AG exercise their rights at the General Shareholders' Meeting. The ordinary General Shareholders' Meeting takes place once a year. Every shareholder who is recorded in the share register and registers in good time is entitled to take part in the General Shareholders' Meeting, to vote with his shares recorded in the share register and registered and to pose questions to the Management Board. Each share grants one vote at the General Shareholders' Meeting.

Shareholders who cannot attend in person may arrange for their voting rights to be exercised in the General Shareholders' Meeting by an intermediary (e.g. a bank), an association of shareholders, the proxy or proxies of Branicks Group AG acting according to instructions or any other authorised individual. The Company makes it possible to follow all or part of the General Shareholders' Meeting online.

The Management Board can enable shareholders to cast their votes in writing or by means of electronic communication (postal vote) and participate in the General Shareholders' Meeting without being present in person, and ensure that they can exercise all or some of their rights fully or partially by means of electronic communication. The General Shareholders' Meeting in 2024 was held in Frankfurt am Main in August 2024 as a virtual General Shareholders' Meeting without the physical presence of shareholders or their authorised representatives in Frankfurt am Main.

Transparent communication

We report each quarter on the course of business and the net assets, financial position and results of operations and inform our shareholders in an open, prompt and transparent manner about the Branicks Group AG business model as well as of any news or changes. We describe communications with our shareholders and business partners in detail in the chapter entitled “Investor relations and capital market”.

Financial reporting and auditing

Branicks Group AG prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the additional German legal provisions pursuant to the HGB, taking into account the recommendations of EPRA, while the single-entity financial statements are prepared in accordance with the HGB. The financial statements for the full year are prepared by the Management Board, audited by the auditor (currently: BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg) and examined by the Supervisory Board. The auditor also evaluates those parts of the combined management that are relevant for the audit. Prior to their publication, the quarterly financial information and the half-yearly report reviewed by the auditors are discussed with the Supervisory Board. Based on the recommendation of the Audit Committee, the Supervisory Board submits a proposal regarding the election of the auditors by the General Shareholders’ Meeting. Prior to this, the auditors submit a statement of independence to the Supervisory Board. In addition, it has been agreed with the auditors that they would notify the Supervisory Board immediately of any possible grounds for exclusion or bias that may arise during the audit. The auditor also carries out an audit of the remuneration report in accordance with section 162 (3) AktG. The General Shareholders’ Meeting on 22 August 2024 elected BDO AG, Wirtschaftsprüfungsgesellschaft, Hamburg as the auditor of the annual and consolidated financial statements for financial year 2024 and the auditor for the review of the half-yearly financial report and a review of additional interim financial information performed on an as-needed basis. BDO AG Wirtschaftsprüfungsgesellschaft has been engaged as the auditor of the annual and consolidated financial statements of Branicks Group AG since financial year 2022. The auditor responsible for the engagement is Mr Christian Rücker. In addition to Christian Rücker, Tobias Haerle is also authorised to sign the auditor’s report relating to the annual financial statements and the management report for the 2024 financial year. The legal requirements and rotation obligations are met.

Risk management

Good corporate governance also includes managing risks in a responsible manner. The Management Board ensures that risks are adequately managed and controlled in the Company. Branicks Group AG has therefore established a systematic risk management process, which ensures that risks are recognised and assessed at an early stage and the existing risk exposure is optimised. The internal control system and risk management system, which includes a compliance management system that reflects the Company’s exposure to risk, also covers sustainability-related targets that include processes and systems for recording and processing sustainability-related data. Risk management and risk control processes are continually monitored, enhanced and adjusted to changes in the general environment (control framework of Branicks Group AG). Key features of the overall internal control and risk management systems are presented in the report on risks and opportunities. The Management Board and the Supervisory Board of Branicks Group AG reviewed the risk management system and the internal control system for appropriateness and effectiveness in financial year 2024. The systems are also independently monitored and tested in the context of the control framework of Branicks Group AG and the legal parameters. No circumstances are known that would contradict the systems’ adequacy and effectiveness.

Consolidated financial statements

Consolidated income statement

for the period from 1 January to 31 December

in EUR thousand	Note	2024	2023
Gross rental income	1	**168,915**	**188,273**
Ground rents		– 170	– 169
Service charge income on principal basis	2	34,544	32,886
Service charge expenses on principal basis	2	– 35,780	– 38,997
Other property-related expenses	3	– 17,292	– 17,359
Net rental income		**150,217**	**164,634**
Administrative expenses	4	– 31,298	– 27,210
Personnel expenses	5	– 35,591	– 40,101
Depreciation and amortisation	6	– 435,918	– 156,024
Real estate management fees	7	48,172	50,853
Other operating income		7,611	2,495
Other operating expenses		– 2,152	– 796
Net other income		**5,459**	**1,699**
Net proceeds from disposal of investment property	8	543,449	558,611
Carrying amount of investment property disposed	8	– 539,116	– 550,427
Profit on disposal of investment property		**4,333**	**8,184**
Net operating profit before financing activities		**– 294,626**	**2,035**
Share of the profit of associates	9	5,887	6,448
Interest income	10	18,473	17,878
Interest expense	10	– 122,975	– 110,694
Profit/loss before tax		**– 393,241**	**– 84,333**
Current Income tax expense	11	– 28,255	– 11,866
Deferred tax expense	11	55,960	25,500
Profit for the period		**– 365,536**	**– 70,699**
Attributable to equity holders of the parent		– 281,113	– 65,960
Attributable to non-controlling interest		– 84,423	– 4,739
Basic (=diluted) earnings per share (EUR)[1]	12	– 3.36	– 0.79

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

Consolidated statement of comprehensive income

for the period from 1 January to 31 December

in EUR thousand	2024	2023
Profit/loss for the period	**–365,536**	**–70,699**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Fair value measurement of hedging instruments		
Cash flow hedges	–30	1,144
Items that shall not be reclassified subsequently to profit or loss		
Gain/losses on financial instruments classified as measured at fair value through other comprehensive income	–9,537	–2,163
Actuarial gains/losses pensions	–244	–31
Other comprehensive income [1]	**–9,811**	**–1,050**
Comprehensive income	**–375,347**	**–71,749**
Attributable to equity holders of the parent	–290,796	–67,331
Attributable to non-controlling interest	–84,551	–4,418

[1] After tax.

Consolidated balance sheet

as at 31 December

Assets in EUR thousand	Note	31.12.2024	31.12.2023
Goodwill	13	190,243	190,243
Investment property	14	2,663,564	3,398,556
Property, plant and equipment	15	42,252	45,442
Investments in associates	16	118,750	129,337
Loans to related parties	17	107,623	114,547
Other investments	18	88,035	99,036
Intangible assets	19	27,573	33,483
Deferred tax assets	11	30,746	29,972
Total non-current assets		**3,268,786**	**4,040,616**
Receivables from sale of investment property		685	4,289
Trade receivables	20	23,945	22,559
Receivables from related parties	21	21,573	19,559
Income taxe receivable	22	22,886	39,701
Other receivables	23	29,722	119,056
Other current assets	24	3,074	17,387
Cash and cash equivalents	25	250,720	345,550
		352,605	**568,101**
Non-current assets held for sale	26	120,200	237,457
Total current assets		**472,805**	**805,558**
Total assets		**3,741,591**	**4,846,174**

Equity and liabilities in EUR thousand	Note	31.12.2024	31.12.2023
Equity			
Issued capital	27	83,566	83,566
Share premium	27	836,118	914,800
Hedging reserve	27	324	354
Reserve for financial instruments classified as at fair value through other comprehensive income	27	–17,986	–8,449
Actuarial gains/losses pensions	27	465	709
Retained earnings	27	–149,901	53,761
Total shareholders' equity	27	752,586	1,044,741
Non-controlling interest	27	375,896	482,398
Total equity		**1,128,482**	**1,527,139**
Liabilities			
Corporate bonds	28	382,570	394,654
Non-current interest-bearing loans and borrowings	28	1,441,381	1,921,469
Deferred tax liabilities	11	159,167	214,363
Pension provisions	30	3,415	3,070
Other non-current liabilities	31	23,089	24,856
Total non-current liabilities		**2,009,622**	**2,558,412**
Current interest-bearing loans and borrowings	28	444,759	618,917
Trade payables	32	10,555	6,380
Liabilities to related parties	21	7,229	6,649
Income taxes payable	33	33,239	26,958
Other liabilities	34	68,717	62,568
		564,499	**721,472**
Liabilities related to non-current assets held for sale	26	38,988	39,151
Total current liabilities		**603,487**	**760,623**
Total liabilities		**2,613,109**	**3,319,035**
Total equity and liabilities		**3,741,591**	**4,846,174**

Consolidated statement of cash flows

for the period from 1 January to 31 December

in EUR thousand	2024	2023
Operating Activities		
Net operating profit before interest and taxes paid	– 282,841	43,149
Realised gains/losses on disposals of investment property	– 4,333	– 8,184
Depreciation and amortisation	435,918	156,024
Changes in receivables and other assets	44,764	45,215
Other non-cash transactions	– 55,970	– 25,303
Cash generated from operations	**137,538**	**210,901**
Interest paid	– 90,772	– 96,668
Interest received	8,901	6,670
Income taxes received/paid	– 823	– 23,850
Cash flows from operating activities	**54,844**	**97,053**
Investing activities		
Proceeds from disposal of investment property	543,449	558,611
Dividends received	0	53
Acquisition of investment property	– 48,331	– 23,879
Capital expenditure on investment properties	– 34,106	– 47,088
Acquisition of other investments	0	– 193,398
Disposal of other investments	92,615	12,051
Acquisition/disposal of office furniture and equipment, software	141	– 145
Cash flows from investing activities	**553,768**	**306,205**
Financing activities		
Repayment of minority interest	– 22,924	– 15,305

in EUR thousand	2024	2023
Proceeds from other non-current borrowings	115,145	582,826
Repayment of borrowings	– 738,806	– 592,344
Repayment of corporate bonds/promissory notes	– 32,063	– 158,500
Lease payments	– 3,423	– 2,922
Payment of transaction costs	– 21,371	– 225
Dividends paid	0	– 59,642
Cash flows from financing activities	**– 703,442**	**– 246,112**
Net increase in cash and cash equivalents	– 94,830	157,146
Cash and cash equivalents as at 1 January	345,550	188,404
Cash and cash equivalents as at 31 December	**250,720**	**345,550**

Consolidated statement of changes in equity

for the period from 1 January to 31 December 2024

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for financial instruments classified as at fair value through other comprehensive income	Actuarial gains/losses pensions	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
Balance at December 31, 2023	**83,566**	**914,800**	**354**	**– 8,449**	**709**	**53,761**	**1,044,741**	**482,398**	**1,527,139**
Profit/loss for the period						**– 281,113**	**– 281,113**	**– 84,423**	**– 365,536**
Other comprehensive income [1]									
Items that may be reclassified subsequently to profit or loss									
Gains/losses from cash flow hedges			– 30				– 30		– 30
Items that shall not be reclassified subsequently to profit or loss									
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				– 9,537			– 9,537		– 9,537
Actuarial gains/losses pensions					– 244		– 244		– 244
Comprehensive income	**0**	**0**	**– 30**	**– 9,537**	**– 244**	**– 281,113**	**– 290,924**	**– 84,423**	**– 375,347**
Withdrawn from share premium		– 78,682				78,682			
Change of non-controlling interest						– 1,231	– 1,231	– 22,079	– 23,310
Balance at December 31, 2024	**83,566**	**836,118**	**324**	**– 17,986**	**465**	**– 149,901**	**752,586**	**375,896**	**1,128,482**

[1] Net of deferred taxes.

Consolidated statement of changes in equity

for the period from 1 January to 31 December 2023

in EUR thousand	Issued capital	Share premium	Hedging reserve	Reserve for financial instruments classified as at fair value through other comprehensive income	Actuarial gains/losses pensions	Retained earnings	Total shareholders' equity	Non-controlling interest	Total
Balance at December 31, 2022	**83,152**	**912,716**	**– 790**	**– 6,286**	**740**	**186,593**	**1,176,125**	**487,976**	**1,664,101**
Profit/loss for the period						**– 65,960**	**– 65,960**	**– 4,739**	**– 70,699**
Other comprehensive income [1]									
Items that may be reclassified subsequently to profit or loss									
Gains/losses from cash flow hedges			1,144				1,144		1,144
Items that shall not be reclassified subsequently to profit or loss									
Gains/losses on financial instruments classified as measured at fair value through other comprehensive income				– 2,163			– 2,163		– 2,163
Actuarial gains/losses pensions					– 31		– 31		– 31
Comprehensive income	**0**	**0**	**1,144**	**– 2,163**	**– 31**	**– 65,960**	**– 67,010**	**– 4,739**	**– 71,749**
Dividend distribution for 2022						– 62,364	– 62,364		– 62,364
Issuance of shares through capital increase in kind	414	2,309					2,723		2,723
Transaction costs of equity transactions		– 225					– 225		– 225
Change of non-controlling interest						– 4,508	– 4,508	– 839	– 5,347
Balance at December 31, 2023	**83,566**	**914,800**	**354**	**– 8,449**	**709**	**53,761**	**1,044,741**	**482,398**	**1,527,139**

[1] Net of deferred taxes.

For information on the consolidated statement of changes in equity see → note 27.

Notes to the consolidated financial statements

Information on the Company

Branicks Group AG (the “Company”) and its subsidiaries (“Branicks”, the “Group” or “we”) invest directly or indirectly in German commercial real estate and operate in the area of portfolio, asset and property management.

The Company’s shares are listed in the Prime Standard segment of the Frankfurt Stock Exchange and the stock exchanges in Munich, Düsseldorf, Berlin, Bremen, Hamburg, Stuttgart and Hanover.

Branicks Group AG, which is entered in the commercial register of the Local Court of Frankfurt am Main (HRB 57679), has its registered office in Frankfurt am Main, Neue Mainzer Strasse 32–36 – Global Tower, Germany.

These consolidated financial statements were released for publication by the Management Board on 11 March 2025 and approved by the Supervisory Board.

Significant accounting policies

Basis of preparation

The consolidated financial statements for the 2024 financial year were prepared in accordance with the International Financial Reporting Standards applicable as at 31 December 2024 (including the interpretations of the IFRS IC), as adopted by the EU, and in accordance with the regulations to be applied under section 315e (1) HGB.

The consolidated financial statements were prepared on the basis of historical costs. This does not apply to certain items, such as derivative financial instruments, which were recognised at fair value on the balance sheet date.

The accounting policies applied and the disclosures in the notes to the consolidated financial statements for financial year 2024 are based in principle on the same accounting policies applied in the consolidated financial statements in financial year 2023. The effects of any changes made are described in the explanations of the standards to be applied for the first time. As in the previous year, measurement is made on a going-concern basis.

The annual financial statements for the companies included in the consolidated financial statements were prepared using uniform accounting policies. As a rule, the same accounting policies are applied at the level of the associates of Branicks. The single-entity financial statements of the consolidated companies were prepared as at the reporting date of the consolidated financial statements (31 December 2024).

The consolidated financial statements are prepared in euros, the parent company's functional currency. All amounts are shown in thousands of euros (EUR thousand) unless otherwise stated. For computational reasons, rounding differences from the exact mathematical values calculated (in EUR thousand, %, etc.) may occur in tables and cross-references.

Structure of the balance sheet and the income statement

The consolidated balance sheet is prepared in accordance with IAS 1 (Presentation of Financial Statements) using a current/non-current classification. Under this method, assets to be realised within twelve months of the reporting date and liabilities due within one year of the reporting date are generally reported as current assets/liabilities.

The income statement was prepared following the best practices recommendations of the European Public Real Estate Association (EPRA).

New standards and interpretations

a) New and revised standards and interpretations applied for the first time in the reporting period

The following standards, amendments to standards and interpretations were applied for the first time in the reporting period.

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

These new and revised standards and interpretations do not materially affect the consolidated financial statements.

b) New and revised standards and interpretations issued but not yet applied

New and revised standards and interpretations already adopted into EU law
New and amended standards and interpretations already adopted by the EU that are effective for financial years beginning on or after 1 January 2025:

Standard	Title	Application mandatory for annual periods beginning on or after
Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates Lack of Exchangeability	01.01.2025

The Company will only apply the standard listed from the date of mandatory first-time adoption. According to the analyses carried out, there will be no material effects on accounting and measurement for future financial years.

New and amended standards and interpretations not yet adopted into EU law

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

Standard	Title	Date of adoption into EU law
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	open
Annual Improvements Volume 11	Transition for Annual Improvements to IFRS Accounting Standards	open
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures	open
Amendments to IFRS 18	Presentation and Disclosure in Financial Statements	open
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-based Electricity	open

The Company will only apply all of the standards listed from the date of mandatory first-time adoption.

The effects of the amendments or new provisions not yet adopted into EU law on the consolidated financial statements of Branicks are currently still being reviewed.

Accounting policies

Revenue recognition

The Group generates a significant portion of its revenue from the long-term letting of investment property in the form of gross rental income. This revenue is accounted for in accordance with IFRS 16 Leases and is not subject to the rules in IFRS 15 Revenue from Contracts with Customers.

The rental income from operating leases for investment property is recognised on a straight-line basis over the lease term in the income statement and reported as revenue on the basis of the Group's business model. This is thus revenue realised over time. The non-leasing components must be separated from the leasing component in the form of the net base rent. In particular, the former comprise the services which are billed as service charges. These services are reported under income from service charges.

The operating expense components are accounted for according to IFRS 15 and on the basis of the 5-step model, according to which revenue is recognised in the amount to which the Group expects to be entitled as control passes from Branicks to the customer, either over time or at a point in time, once the performance obligation is satisfied. The revenue from the operating and service charge accounting is reported gross according to IFRS 15, since Branicks has primary responsibility for the original performance obligation and thus acts as the principal.

Revenue from the sale of property is recognised as of the date when control transferred to the purchaser. Depending on the respective purchase agreement, revenue is commonly realised at the time of delivery or acceptance, which in turn corresponds to the time that possession, benefits and associated risks are transferred. This normally occurs upon payment of the purchase price. This is revenue which arises at a point in time.

Branicks also provides services within the scope of agency agreements which are reported under real estate management fees. These agreements provide the customer with multiple separately identifiable services. Some of the identified performance obligations are fulfilled over time according to IFRS 15.35(a) while some are fulfilled at a point in time.

Revenue from project-related services within the scope of refurbishments will be recognised over time in the event that the customer realises the benefit from the service during its provision. The services mainly comprise commercial management and commercial supervision of construction projects, in particular the planning, development and letting of project land. This revenue is likewise reported under real estate management fees.

The Company realises interest income on a time proportion basis, while taking into consideration the residual debt and the effective interest rate for the remaining term. Branicks recognises dividend income as of the date on which the right to receive the payment arises.

Investment property

Properties which are held or developed to earn rentals and/or for capital appreciation, are classified as investment property. Investment property is measured at cost including service charges upon acquisition. The cost model in accordance with IAS 40.56 is applied for subsequent measurements. Investment property is measured in accordance with IAS 16 rules, i.e. at cost less depreciation and impairment losses as well as reversals of impairment losses.

Where they can be assigned directly to the construction or production of a qualifying asset, borrowing costs are capitalised over the period during which all work is substantially completed in order to prepare the qualifying asset for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Otherwise, borrowing costs are recognised as expenses when incurred.

Land is not depreciated. Buildings are depreciated on a straight-line basis over their economic lives and tested for impairment annually as well as at other times if there is an indication of possible impairment.

The following useful lives are assumed when depreciating buildings:

in years	Useful life
Residential buildings	60
Office and commercial buildings, hotels	50
Department and retail stores, shopping arcades and supermarkets	40
Logistic	40
Car parks, underground parking facilities	40

The Company's real property is treated as a financial investment, since property trading itself is not considered to be part of its business activities. Due to the measurement at depreciated cost, the fair value of investment property is to be disclosed in the notes (see →note 14). The valuation is carried out by independent experts and in accordance with international valuation standards (IVS). In particular, the fair value is established on the basis of discounted future surpluses in accordance with the discounted cash flow method or, if available, on the basis of proposed sales contracts, comparative or market prices. The fair value is a net value, i.e. transaction costs that could be incurred in an actual acquisition are deducted.

Property, plant and equipment

In addition to office furniture and equipment and owner-occupied property, the right-of-use assets for our leases, accounted for according to IFRS 16, in which we are the lessee are also recognised under property, plant and equipment. The right-of-use assets are depreciated over the term of the underlying contracts. Please refer to the sections entitled "Property, plant and equipment" (→page 131) and "Leases" (→page 151) for further details. Owner-occupied property and office furniture and equipment are carried at depreciated cost. Borrowing costs are not recognised as part of costs. As a rule, property, plant and equipment is depreciated on a straight-line basis over its economic life. The useful life of office furniture and equipment is normally between 3 and 13 years and 50 years for owner-occupied property.

Intangible assets

Intangible assets with a finite useful life are carried at amortised cost and amortised on a straight-line basis over their economic lives. They are tested for impairment if events or changes in circumstances indicate that the carrying amount is no longer recoverable.

Business software is amortised over three to five years. The useful life of concessions and other rights is generally ten years. Service agreements and trademarks are amortised over a period of between four and 14 years. With the exception of goodwill, there are no intangible assets with indefinite useful lives.

Investments in associates

An associate is an entity over which the Group can exercise significant influence, but not control, and in which it usually holds a share of the voting rights between 20% and 50%. Significant influence is the power to participate in the financial and operating policy decisions of the investee. At the same time, neither control nor joint control is exercised over decision-making processes. Investments in associates are accounted for using the equity method. They are initially recognised at cost in the consolidated balance sheet and adjusted in subsequent years to reflect changes in the Group's share of profit or loss of the associate and the associate's other comprehensive income after acquisition. An associate's losses which exceed the Group's share in this associate are not recognised. They are only recognised if the Group has entered into legal or de facto obligations to assume the loss or if the Group makes payments on behalf of the associate.

The profit/loss, assets and liabilities of associates are accounted for in these financial statements using the equity method unless the shares are classified as held for sale. In that case, they are accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

At each reporting date, the Group reviews whether there are indications that an impairment loss must be recognised for investments in associates. Here the difference between the carrying amount and the recoverable amount must be recognised as an impairment and allocated accordingly to share of the profit or loss of associates.

Receivables and other assets

Receivables and other financial assets are carried at amortised cost if the following two criteria are met:

- The business model for managing these financial instruments involves holding them to collect the underlying contractual cash flows (business model assessment) and
- the contractual cash flows generated consist solely of principal and interest (contractual cash flow test).

These financial assets are subsequently measured using the effective interest method subject to the impairment rules in IFRS 9.5.5 ff.

If the business model and/or contractual cash flow criteria are not fulfilled, measurement is at fair value In accordance with the classification guidelines in IFRS 9.4.1, either through profit or loss, or in other comprehensive income. Debt instruments measured at fair value through other comprehensive income are also subject to the impairment guidelines in IFRS 9.5.5 ff.

Financial assets, except financial assets measured at fair value through profit or loss, contract assets in accordance with IFRS 15, lease receivables, loan commitments and financial guarantees are subject to the impairment model within the meaning of IFRS 9.5.5. According to this approach, the Group must recognise a loss allowance on these assets based on the expected credit loss. The expected credit loss is the difference between the contractually agreed cash flows and the expected cash flows, measured at present value and applying the original effective interest rate. Expected cash flows also include proceeds from short hedges and other loan collateral that is an integral part of the relevant contract.

As a rule, expected credit losses are recognised in three levels. For financial assets which have not experienced a significant increase in credit risk since initial recognition, a loss allowance in the amount of the expected 12-month credit loss is recognised (Level 1). Where a significant increase in credit risk has occurred, the expected credit loss for the remaining lifetime of the asset is determined (Level 2). The Group generally assumes that a significant increase in credit risk has occurred if payments are 30 days in arrears. This principle can be refuted if reliable and justifiable information indicates in individual cases that credit risk has not increased. If there is objective indication of impairment, the underlying assets must be assigned to Level 3.

The Group applies the simplified method in accordance with IFRS 9.5.15 to trade receivables. In this approach, the loss allowance always equals the lifetime expected credit loss for the asset. For further details on calculating loss allowances, see the reporting on risk management.

For other assets subject to the impairment model in IFRS 9 and to which the general approach is applied, the expected credit loss is measured by grouping financial assets on the basis of common credit risk characteristics, and considering individual default information and existing collateral.

The Group generally assumes a default has occurred when contractual payments are more than 90 days in arrears. In addition, in individual cases, other internal and external information may be considered that indicates that contractual payments cannot be paid in full. Financial assets are derecognised when there is no reasonable expectation that future payments will be made.

Other assets are carried at amortised cost.

Cash and cash equivalents

The cash and cash equivalents item includes cash, cash in banks and term deposits available within three months.

Non-current assets held for sale

Non-current assets held for sale and the associated liabilities are measured in accordance with IFRS 5 and reported as current. Assets are considered “held for sale” if they are available for immediate sale in their current condition, if it is highly probable that their sale will take place within twelve months of the reporting date and if management has agreed to the sale. This item can comprise individual non-current assets or groups of assets held for sale (disposal groups). Liabilities sold along with the assets in a single transaction are reported as “liabilities associated with assets held for sale” separately from the other liabilities in the balance sheet in accordance with IFRS 5.38.

These are measured at the lower of the carrying amount or fair value less costs to sell. Following classification in this group, non-current assets held for sale are no longer depreciated. The interest and expenses associated with the liabilities of this group continue to be recognised in accordance with IFRS 5.25.

Pension provisions

The actuarial valuation of pension provisions for post-retirement employee benefits under a company pension scheme is based on the provisions of IAS 19. The provision is recognised in accordance with the projected unit credit method for defined benefit plans. Differences arising on the reporting date (so-called actuarial gains or losses) between the scheduled pension obligations and the actual projected benefit obligation are shown in comprehensive income and cumulatively in equity, taking deferred taxes into account. The service cost included in the pension expense is shown in the income statement under personnel expenses and the interest portion is shown in the income statement under interest expense.

Provisions

Provisions take into account all obligations recognisable at the reporting date that are based on past events and for which the amount or maturity is uncertain. Provisions are recognised only on the basis of a legal or de facto obligation to a third party, the fulfilment of which makes an outflow of funds probable, to the extent that a reliable estimate can be made of the amount of the obligation.

Provisions are recognised at the present value of the expected expense and are not offset against reimbursement rights.

Share-based payment

Share price-related remuneration paid in the Group is accounted for pursuant to IFRS 2 Share-based Payment. The phantom stock options comprise share-based payment transactions to be settled in cash which are measured at fair value at each reporting date. The remuneration expense, including the pro-rata service rendered during the lock-up period, is accrued ratably and recognised in profit or loss until vesting.

Liabilities

Financial liabilities predominantly comprise corporate bonds and loans and borrowings, trade payables and derivative financial instruments with negative fair values.

With the exception of derivative financial instruments, liabilities are recognised at amortised cost, applying the effective interest method. When determining the carrying amount, the Group only takes account of transaction costs directly attributable to the acquisition or issue of financial instruments if the financial instruments are not recognised at fair value through profit or loss.

Liabilities are classified as current if they are due within twelve months of the reporting date.

Deferred tax income/expense

Deferred taxes are recognised on temporary differences between carrying amounts in accordance with IFRSs and their tax base and on tax loss carryforwards. As a rule, the differences established are always recognised if they lead to deferred tax liabilities. Deferred tax assets are taken into account if it is probable that the corresponding tax benefits can also be realised in subsequent years. If, however, as part of a transaction that does not constitute a business combination, temporary differences arise from the initial recognition of an asset or liability that does not affect accounting or taxable profit or loss at the time of the transaction, no deferred tax is recognised either at the time the asset or liability is recognised initially or subsequently.

Deferred tax assets and deferred tax liabilities are offset if the entity has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle current tax liabilities and assets on a net basis.

Deferred taxes are calculated on the basis of the tax rates that are enacted or substantially enacted. As a rule, changes to deferred taxes in the balance sheet lead to deferred tax expense or income, unless they relate to items that are recognised directly in equity or in other comprehensive income, in which case the taxes are also recognised in equity or in other comprehensive income.

Current income taxes

Current tax assets and liabilities for the current period are measured in the amount expected to be refunded by the taxation authority or paid to the taxation authority. The tax rates and tax laws applicable on the reporting date are used to calculate the amount.

Insofar as is evident, sufficient tax provisions have been recognised for tax obligations (income tax payables). This process was based on a number of factors such as interpretations, commentaries and legal precedent relating to the tax legislation in question as well as past experience.

Derivative financial instruments

Branicks uses derivative financial instruments in the form of interest rate swaps and caps as part of its hedging of interest rate risks.

Derivative financial instruments are shown as a financial asset or financial liability and measured at fair value through profit or loss. This is calculated by discounting expected future cash flows over the remaining term of the contract based on current yield curves. They are initially accounted for on their date of origin.

Provided that the requisite criteria are met, derivatives used for hedging interest rates are recognised as cash flow hedges if this concerns the hedging of cash flows. When the transaction is entered into, the Group documents the hedging relationship between the hedging instrument and the hedged item, the objective of risk management and the underlying strategy. In addition, an assessment of whether the derivatives used as hedges compensate for changes in the cash flows of the hedged items is documented at the beginning of the hedge and continuously thereafter.

The effective portion of changes in the fair value of derivatives designated as cash flow hedges is recognised through other comprehensive income in the reserve for cash flow hedges in equity. Gains or losses from the ineffective changes in value, on the other hand, are recognised directly through profit or loss. Amounts recognised in other comprehensive income are recognised as income or expense in the period in which the hedged item affects profit or loss.

When a hedging instrument expires, is sold or the hedge no longer fulfils the criteria for hedge accounting, the accumulated profit or loss remains in equity and is only reported in profit or loss when the underlying transaction occurs. If the future transaction is no longer expected to occur, the accumulated gains or losses recognised directly in equity are reclassified to profit or loss immediately.

Changes in the reserve for cash flow hedges in equity are presented in the statement of changes in equity and in the statement of comprehensive income.

In individual cases, Branicks uses derivatives as fair value hedges. When the transaction is entered into, the Group documents the hedging relationship between the hedging instrument and the hedged item, the objective of risk management and the underlying strategy. In addition, an assessment of whether the derivatives used as hedges compensate for changes in the cash flows of the hedged items is documented at the beginning of the hedge and continuously thereafter.

The gain or loss on derivatives designated as a hedging instrument in a fair value hedge is recognised through profit or loss. In the case of hedges of equity instruments measured through other comprehensive income, the changes in value are recognised in other comprehensive income and cumulatively in equity. The hedging gain or loss on the hedged item results in an adjustment of the carrying amount of the hedged item and is generally recognised in profit or loss. In the case of equity instruments measured through other comprehensive income, the corresponding changes in value are recognised in other comprehensive income and cumulatively in equity. Amounts recognised in other comprehensive income are never recognised in profit or loss.

Derivatives which do not meet the criteria for hedge accounting are classified as financial assets measured at fair value through profit or loss or as financial liabilities measured at fair value through profit or loss (FLFVtPL) in accordance with the IFRS 9 measurement categories. Changes to fair values are recognised in profit or loss.

Leases

Leases are accounted for in accordance with the requirements of IFRS 16.

The Group as lessor

As a lessor, the Group classifies its leases as operating leases or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, the lease will be classified as an operating lease.

In case of an operating lease, unless this falls under the scope of IAS 40, the Group will report the leased asset under property, plant and equipment. It is measured at depreciated cost. The rental income is recognised on a straight-line basis over the lease term in profit or loss and reported under revenue.

If the Group operates as a lessor within the scope of a finance lease, a receivable will be recognised in the amount of the net investment under the lease.

The Group as lessee

For all new agreements which come into effect on or after 1 January 2019, the Group will review whether this agreement is or contains a lease. However, while exercising the relevant option the IFRS 16 rules will not be applied to right-of-use assets for intangible assets.

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. In application of this definition, the Group assesses whether the contract meets the following three preconditions:

- The contract refers to an identified asset which is either expressly indicated in the contract or is implicitly specified and can thus be considered to have been identified.
- The Group has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, while taking into consideration its rights within the defined scope of the contract.
- The Group has the right to determine the use of the identified asset throughout the period of use.
- In case of multiple-component contracts, each separate leasing component is separately accounted for. In case of contracts which include lease components as well as non-lease components, the exemption for separation of these components is applied.

As of the date of provision of the leased asset, the Group recognises a right-of-use asset and a lease liability in the balance sheet. The costs of the right-of-use asset correspond to the amount of the lease liability at the time of acquisition, adjusted for the Group's initial direct costs, an estimate of the costs for disassembly and removal of the asset at the end of the lease as well as the lease payments made prior to the start of the lease, less any lease incentives. In subsequent periods, the right-of-use asset will be measured at depreciated cost.

The lease liability is measured according to the present value of the lease payments made during the term of the lease, on the basis of the underlying interest rate for the lease or, if this is not available, the incremental borrowing rate of interest. Within the scope of the subsequent measurement, interest will accrue to the carrying amount of the lease liability on the basis of the interest rate used for discounting, while the lease payments made will be deducted from this carrying amount.

The lease payments included in the measurement of the lease liability consist of fixed payments (including de facto fixed payments), variable payments which are tied to an index or (interest) rate, payments expected within the scope of residual value guarantees as well as payments which will arise through purchase options with a reasonable degree of certainty. In addition, penalties for a termination are taken into consideration where the term takes into consideration that the lessee will exercise a termination option and corresponding penalties have been agreed.

In principle, changes to leases and remeasurements of lease liabilities are recognised in other comprehensive income against the right-of-use asset. They will be recognised through profit or loss if the carrying amount of the right-of-use asset has already been reduced to zero or this results from a partial termination of the lease.

As a rule, the Group depreciates on a straight-line basis the right-of-use assets from the start of the lease up to the end of the period of use of the leased asset or the end of the contract term, whichever is earlier. A longer period of use for the leased asset will be applied for the depreciation period if a transfer of ownership (e.g. through exercise of a purchase option) is assumed at the end of the lease term. In addition, the Group tests for impairment in case of relevant indicators.

In case of short-term leases and low-value leases, the relevant payments are recognised as expense through profit or loss on a straight-line basis over the term of the lease.

The right-of-use assets and lease liabilities are reported in the balance sheet under property, plant and equipment or other non-current liabilities and other liabilities.

Currency translation

The functional currency of all consolidated subsidiaries and joint ventures is the euro. There are not balance sheet items in a foreign currency.

Earnings per share

The basic earnings per share are calculated by dividing the share of the profit for the period attributable to the shareholders of Branicks by the weighted average of the number of shares outstanding during the year. Shares newly issued or repurchased during a period are taken into consideration on a pro rata basis for the period in which they are outstanding. A dilutive effect may result in the future from existing authorised capital.

Accounting estimates and assumptions

To a certain degree, preparation of the consolidated financial statements requires discretionary decisions and estimates, which have an impact on the recognition, measurement and presentation of assets and liabilities, income and expenses, as well as the contingent assets and contingent liabilities.

The principal areas affected by assumptions and estimates are:

- the determination of the economic lives of fixed assets,
- the calculation of discounted cash flows as well as the discounting and capitalisation rates used in impairment tests,
- the determination of the fair value and present value of minimum lease payments, the applicable discount rate and the term of leases, taking into account existing termination and extension options.
- the determination of the point in time and amount of revenue recognition in accordance with the principles of IFRS 15,
- the recognition and measurement of provisions,
- the recoverability of receivables,
- the future usability of tax loss carryforwards.

All assumptions and the underlying estimates are constantly re-evaluated. They are based on past experiences and other factors including expectations with regard to future events.

In future periods, actual values may deviate from the assumptions and estimates made and lead to considerable adjustments to the carrying amounts of the respective assets and liabilities.

Consolidation

Subsidiaries

The consolidated financial statements include the financial statements of the parent company and the companies that it controls. The Company has control if it has power over an investee, is exposed to variable returns from its involvement with the investee and has the ability to affect the amount of the returns as a result of its power.

An investee is consolidated from the point in time when the Company obtains control over the subsidiary until the point in time that it ceases to have control. In this context, the profit or loss of subsidiaries acquired or sold during the year is recognised in the consolidated income statement and in other comprehensive income from the actual date of acquisition to the actual date of disposal.

The Group reassesses whether or not the Company controls an investee if facts and circumstances indicate that one or more of the aforementioned three control criteria have changed.

If the Company does not hold the majority of the voting rights, it still controls the investee if its voting rights give it the practical ability to direct the relevant activities of the investee unilaterally. When assessing whether its voting rights are sufficient to exercise control, the Company considers all facts and circumstances, including:

- the size of the Company's holding of voting rights relative to the size and distribution of holdings of the other vote holders,
- potential voting rights held by the Company, other vote holders or other parties,
- rights arising from other contractual agreements and any additional facts and circumstances that indicate the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The acquisition method is used to account for acquired subsidiaries as long as they constitute a business within the meaning of IFRS 3. The acquisition cost comprises the fair value of all assets transferred, of the equity instruments issued and of the liabilities that arose or were assumed at the time of the transaction. In accordance with IFRS 3 Business Combinations, the carrying amounts of the parent company's investments are offset against its shares in the remeasured equity of the subsidiaries at the time of acquisition. In this process, assets and liabilities are recognised at fair value. Acquisition-related costs are expensed as incurred. The amount recognised as goodwill – which is tested for impairment at least once a year – is calculated as the amount by which the acquisition cost, the amount of non-controlling interests in the acquiree and the fair value of all previously held equity interests at the acquisition date exceeds the Group's share of the acquiree's net assets, measured at fair value. If the cost of acquisition is lower than the fair value of the acquiree's net assets, following further testing the difference is recognised directly in the Group's profit or loss.

If the Group loses control over a subsidiary, the remaining share is remeasured at fair value and the resulting difference is recognised in profit or loss. Furthermore, all amounts relating to this company reported in other comprehensive income are reclassified to the income statement.

All intragroup assets, liabilities, equity, income, expenses and cash flows in connection with transactions between Group entities are eliminated in full as part of the consolidation. Where consolidation adjustments are recognised in profit or loss, the income tax effects are taken into account and deferred taxes are recognised.

No discretion is required to determine control because the Group holds a large majority of the voting rights in all instances (see Chapter "Overview" → page 181 et seq).

As at 31 December 2024, a total of 192 (previous year: 191) subsidiaries were included in the consolidated financial statements in addition to Branicks (see appendix 1 to the notes, → page 164).

Two companies were established during the financial year and consolidated for the first time. A further 1 company was deconsolidated (previous year: 4 companies established, 2 companies deconsolidated).

The financial information concerning the Group's subsidiaries (VIB Vermögen AG sub-group) in which significant equity interests are held, is summarised below. Non-current assets mainly concern investment property measured in accordance with IAS 40 in conjunction with IAS 13.

	31.12.2024	31.12.2023
Balance sheet	TEUR	TEUR
Non-current assets	1,817,078	2,181,894
Current assets	154,397	466,481
	1,971,475	**2,648,375**
Equity	927,470	1,501,586
thereof non-controlling interests	361,005	469,413
Non-current financial liabilities	1,009,791	1,087,639
Current financial liabilities	34,214	59,150
	1,971,475	**2,648,375**
Cash flow	TEUR	TEUR
Cash flows from operating activities	91,187	67,156
Cash flows from investing activities	–98,567	–4,305
Cash flows from financing activities	–102,987	106,834
Profit/loss	TEUR	TEUR
Gross rental income	88,733	86,823
Profit	–272,626	–15,991

Associates

An investment in an associate is accounted for using the equity method from the time that the criteria for an associate are met. Any amount by which the cost of acquiring the share exceeds the share acquired in the fair values of the identifiable assets, liabilities and contingent liabilities is reported as goodwill.

Goodwill is a component of the carrying amount of the investment and is not tested separately for impairment.

The Group discontinues the use of the equity method from the time at which its investment no longer constitutes an associate or the investment must be classified as held for sale in accordance with IFRS 5. When using the equity method is discontinued, profits or losses previously reported in other comprehensive income by the associate are reclassified to the income statement.

If a Group company enters into a business relationship with one of the Group's associates, profits and losses from this transaction are eliminated in proportion to the Group's interest in the associate.

For strategic reasons, Branicks holds shares in 17 (previous year: 19) companies which are accounted for using the equity method in the consolidated financial statements as associates in accordance with IAS 28.05.

Please refer to note 16 "Investments in associates" regarding the discretion to be applied in determining companies to be included using the equity method.

Other equity investments

As previously and similar to the provisions of IAS 39, investments that represent an equity instrument as defined by IAS 32 are measured at fair value through other comprehensive income and allocated to the category "At Fair Value through other Comprehensive Income". Any changes in the fair value are shown in other comprehensive income and cumulatively in equity. In this case, if the instrument is derecognised, it is not subsequently reclassified to profit or loss but reclassified to retained earnings. Dividends from these instruments, on the other hand, are recognised as investment income in profit or loss. As a rule, assets available for sale are carried in the balance sheet at their fair value. Changes in the market value are recorded in other comprehensive income as long as there is no impairment.

Investments that do not represent an equity instrument as defined by IAS 32 are measured at fair value through profit or loss and allocated to the category "At Fair Value through Profit or Loss".

At the reporting date, Branicks had a total of 35 investments (previous year: 35).

Goodwill

Goodwill results from a business combination and corresponds to the amount by which the transferred consideration exceeds the fair value of the net assets (assets acquired less liabilities entered into or assumed). Goodwill is not subject to amortisation and is tested for impairment at the level of so-called cash-generating units (CGUs) once a year and in case of events or changes in circumstances which point to an impairment. It is measured at cost less accumulated impairment losses. Reversals of impairment losses are not permitted.

In the case of the sale of the subsidiary, the attributable goodwill amount resulting from this sale will be included in the profit or loss calculation.

With regard to the impairment test for goodwill, please see the information provided in note 13 "Goodwill".

Impairment

For assets with a specific useful life, in accordance with IAS 36 on each reporting date indications of possible impairment will be checked for, e.g. particular events or market developments which point to a possible fall in value. There were no indications of an impairment of the intangible assets, property, plant and equipment or the investment property subject to depreciation and amortisation in either the reporting period or the comparative period.

Intangible assets with a indefinite useful life must also be tested for impairment on each reporting date. In the current reporting period, this relates to the goodwill resulting from the acquisition of the German Estate Group ("GEG") and RLI Investors GmbH ("RLI"), which are allocated to the Institutional Business segment.

In case of indications or as of the mandatory annual impairment test for intangible assets with an indefinite useful life and goodwill, the recoverable amount of the asset will be determined. The recoverable amount of an asset is the higher of the asset's fair value or a cash-generating unit (CGU) less costs to sell and the value in use. The recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In the latter case, the recoverable amount is to be determined on the basis of a CGU to which assets or groups of assets are allocated until they jointly generate largely independent cash inflows. For example, this is the case for goodwill. Where this results from a business combination, it will be allocated from the acquisition date to the CGU or the group of CGUs which may derive benefits from the synergies resulting from the combination and at whose level the goodwill is monitored for internal management purposes.

To determine the value in use, in principle the expected future cash flows are discounted to their present value on the basis of a pre-tax discount rate reflecting the current market assessments with respect to the interest effect and the specific risks of the asset. In determining the value in use, account is taken of the current and future expected income level as well as technological, economic and general development trends on the basis of approved financial budgets. To determine the fair value less costs to sell, account is taken of any recent market transactions. If the carrying amount exceeds the recoverable amount of the asset or the CGU, an impairment loss is recognised in profit or loss at the level that the carrying amount exceeds the recoverable amount.

For goodwill, if the impairment requirement is higher than the carrying amount of the goodwill of the CGU, then the goodwill is first fully amortised and the remaining impairment requirement distributed to the other assets of the CGU. Account is taken of the necessary impairment on individual assets of this CGU in advance of goodwill impairment testing.

Reversals on the new recoverable amount are made, except for goodwill, when the reasons for impairment in previous years no longer apply. The upper limits for reversals are the depreciated historical costs which would have resulted if no impairments had been recognised in previous years. No reversals were recognised on intangible assets or property, plant and equipment in the reporting period or the comparative period.

The goodwill reported at 31 December 2024 in the amount of EUR 190,243 thousand (previous year: EUR 190,243 thousand) has resulted from the acquisition of the GEG Group in 2019 and RLI at the beginning of 2021. This goodwill has been allocated to the Institutional Business segment and will be monitored at this level. See note 13 "Goodwill" → page 129 for further information.

EPRA earnings

EPRA stands for European Public Real Estate Association, the association of listed real estate companies in Europe. EPRA has issued recommendations on how real estate companies should calculate and adjust their earnings to ensure they are comparable and exclude exceptional factors and non-recurring effects.

"EPRA earnings" measures the sustainable and continuing performance of the real estate portfolio. Financial years 2024 and 2023 showed the following EPRA earnings:

in EUR thousand	2024	2023
IRFS profit/loss	– 281,113	– 65,960
EPRA adjustments		
Market value change or depreciation of investment property	292,119	130,458
Profit/loss on disposal of investment property	– 4,333	– 8,184
Tax on disposal of investment property	686	1,295
Amortisation of intangible assets and depreciation of right-of-use assets in acc. with IFRS 16	143,798	25,567
Other non-recurring effects	32,710	8,160
Deferred taxes in connection with EPRA adjustments	– 1,518	– 684
Contributions from Co-Investments (project developments and sales)	0	0
Non-controlling interests	– 84,423	– 4,739
EPRA earnings	**97,926**	**85,913**
EPRA earnings per share	**1.17**	**1.03**

Income statement disclosures

1. Gross rental income

Gross rental income fell to EUR 168,915 thousand (previous year: EUR 188,273 thousand) due to the sale of properties in the year under review, despite a very good letting performance.

2. Service charge income and expenses on principal basis

The costs recognised include apportionable current expenses incurred by the Group under section 1 of the Betriebskostenverordnung (German Regulation on Operating Costs) based on its ownership of the land or its use of the building, annexes, facilities, etc. in accordance with their intended purpose as well as ancillary leasing costs to be borne by the tenants under the terms of their contract. These are typically understood to mean costs for water, power, heating and property tax, for example, as well as the necessary maintenance and inspection costs. The shortfall between income and expenses from service charges amounting to EUR 1,236 thousand (previous year: EUR 6,111 thousand) is mainly the result of costs that cannot be passed on to tenants on account of the exemption clauses written into their leases. With the exception of one property, rental income was generated in the case of all items of investment property.

3. Other property-related expenses

Other property-related expenses include property management costs that cannot be passed on to tenants as operating expenses because they are already covered in the rent charged. These include costs to rectify structural defects caused by wear and tear to the buildings or ageing, in particular the replacement of fire protection technology, as well as administrative and ancillary costs resulting from vacant space as well as bad debt allowances on rent receivables.

4. Administrative expenses

in EUR thousand	2024	2023
Legal and consulting costs	13,692	7,005
IT costs	3,549	4,698
Marketing/investor relations	2,522	2,817
Insurance/contributions and levies	2,434	2,209
External services	2,294	2,932
Recruitment and other personnel costs	1,851	1,988
Rental and ancillary costs	1,293	1,503
Ancillary financing costs	971	1,743
Vehicle costs	958	653
Auditing costs	932	780
Supervisory Board remuneration	729	790
Other	73	92
Total	**31,298**	**27,210**

The increase in administrative expenses by comparison with the previous year is mainly attributable to non-recurring legal and consulting costs of EUR 5,364 thousand.

In the financial year the Company had expenses totalling EUR 729 thousand in remuneration for members of the Supervisory Board. Supervisory Board members were also reimbursed travel expenses totalling EUR 8 thousand.

The following fees were incurred for the services supplied by the auditors of the financial statements BDO AG, Wirtschaftsprüfungsgesellschaft, Hamburg, in financial year 2024:

in EUR thousand	2024	2023
Financial statements auditing services	684	652
Other assurance services	194	101
Other services	54	27
Total	**932**	**780**

The fees for audits of the financial statements relate to the audit of the consolidated financial statements of Branicks Group AG and the annual financial statements of Branicks Group AG and its affiliates required by law.

The other assurance services mainly include attestations in connection with capital market transactions and the sustainability report.

The other services relate to advisory services in enforcement proceedings.

5. Personnel expenses

Personnel expenses include the wages and salaries of employees of Branicks Group AG, Branicks Onsite GmbH, VIB Vermögen AG, Merkur GmbH, BRANICKS Institutional Real Estate Management GmbH and Branicks Institutional GmbH as well as the related social security contributions in the total amount of EUR 32,733 thousand (previous year: EUR 35,553 thousand). The social security contributions totalling EUR 4,084 thousand (previous year: EUR 4,713 thousand) include EUR 1,847 thousand (previous year: EUR 2,168 thousand) in contributions to the statutory pension fund. At EUR 35,591 thousand (previous year: EUR 40,101 thousand), personnel expenses are EUR 4,510 thousand lower than in the previous year.

The average number of employees fell by 15 to 290 in 2024. Averaged over the year, Branicks Group AG had 85 employees, while Branicks Onsite GmbH had 154 employees, VIB Vermögen AG had 30 employees and the GEG Group entities had 21 employees.

6. Depreciation, amortisation and impairment

Depreciation, amortisation and impairment of EUR 435,918 thousand (previous year: EUR 156,024 thousand) primarily concerns the recognised properties. The increase in depreciation on and impairment of properties is primarily attributable to impairment losses of EUR 237,106 thousand (previous year: EUR 67,393 thousand). There were also write-downs of investments in the amount of EUR 133,186 thousand. This item also includes depreciation and amortisation of right-of-use assets for the offices which we use ourselves and, to a lesser extent, office furniture and equipment as well as intangible fixed assets. The depreciation, amortisation and impairment item was affected by acquisitions, sales in the previous and current year, the application of IFRS 16 and the service agreements recognised as intangible assets within the scope of the purchase price allocations in connection with the acquired GEG Group and RLI, as well as the investments made in real estate assets.

7. Real estate management fees

The income relates to asset and property management, leasing, project management and disposition fees generated by Branicks Group AG and its subsidiaries, particularly by Branicks Onsite GmbH and Branicks Institutional Real Estate Management GmbH. In addition to the material related parties listed in the following table, income from real estate management fees was generated in particular from the investment vehicles (three categories) of the Institutional Business segment as shown.

in EUR thousand	2024	2023
DIC Office Balance I	1,698	1,465
DIC Office Balance II	2,088	3,535
DIC Office Balance III	1,809	1,897
DIC Office Balance IV	1,454	1,525
DIC Office Balance V	1,532	1,723
DIC Retail Balance I	1,356	1,974
Pool Funds	26,878	27,353
Club Deals	7,671	5,858
Separate Accounts	3,686	5,523
Total	**48,172**	**50,853**

Of the real estate management fees realised, EUR around 41.7 million (previous year: EUR 44.9 million) relates to asset and property management and development and around EUR 6.5 million (previous year: EUR 5.9 million) to transaction- and performance-related fees.

8. Profit on disposal of investment property

Thanks to sales, the Group generated profits from the disposal of investment property in the amount of EUR 4,333 thousand (previous year: EUR 8,184 thousand). This corresponds to a return on sales of 0.8% (previous year: 1.5%).

Costs to sell of EUR 27,653 thousand (previous year: EUR 10,505 thousand) mainly related to legal, consultancy and estate agent costs, prepayment penalties as well as any construction costs yet to be incurred were deducted from the sales proceeds of EUR 571,102 thousand (previous year: EUR 569,116 thousand).

9. Share of the profit or loss of associates

This item relates to the investor's share of the investee's profit or loss to be recognised in the investor's profit or loss using the equity method of accounting as well as investment income and amounts to EUR 5,887 thousand (previous year: EUR 6,448 thousand).

The share of the profit or loss of associates in the year under review mainly includes contributions from the existing DIC Office Balance I, DIC Office Balance II, DIC Office Balance III, DIC Office Balance IV, DIC Office Balance V and DIC Retail Balance I funds, and from other investments. Investment income from minority interests is also shown here and amounted to EUR 1,406 thousand in the financial year (previous year: EUR 1,512 thousand).

10. Interest income and expense

The expense arising from the repayment of processing fees incurred in connection with financial liabilities and other transaction costs amounted to EUR 4,188 thousand in the year under review (previous year: EUR 5,430 thousand).

Effective interest expense of EUR 57,506 thousand (previous year: EUR 32,044 thousand) results from the corporate bonds/promissory note loans. The increase is mainly due to higher amortisation of the bridging lone and the promissory note loans. Finance costs include interest expenses for lease liabilities in the amount of EUR 1,339 thousand (previous year: EUR 448 thousand).

11. Income tax

in EUR thousand	2024	2023
Current taxes	– 28,255	– 11,866
Deferred tax income/expense	55,960	25,500
Total	**27,705**	**13,634**

Income taxes relate exclusively to taxable profits of consolidated subsidiaries of Branicks Group AG. Current tax expense is composed primarily of corporation tax including solidarity surcharge amounting to EUR 25,377 thousand (previous year: EUR 6,182 thousand) and trade tax amounting to EUR 2,878 thousand (previous year: EUR 5,684 thousand).

The deferred taxes result from temporary differences between tax base and IFRS balance sheet values, and from existing tax loss carryforwards and the recognition of deferred taxes on outside basis differences.

Whether or not deferred tax assets are recoverable is determined based on management's assessment regarding the recoverability of deferred tax assets. This depends on the generation of future taxable profits during the periods in which temporary differences are reversed and tax loss carryforwards can be utilised. Branicks assumes that, based on the forecast for each portfolio and individual property, the future taxable income will be sufficient to be able in all likelihood to realise the recognised deferred tax assets. The current assessment with regard to the recoverability of deferred tax assets may change, making higher or lower allowances necessary.

No deferred tax assets were recognised on corporation tax loss carryforwards amounting to EUR 81.7 million (previous year: EUR 27.8 million) and on trade tax loss carryforwards amounting to EUR 143.1 million (previous year: EUR 76.6 million).

Deferred taxes are measured on the basis of the tax rates that apply or are likely to apply at the date they are realised. As in the previous year, the calculation of domestic deferred taxes is based on the corporation tax rate of 15%, the solidarity surcharge of 5.5% on the corporation tax rate, and the Company-specific trade tax rates (usually 16.1%). Deferred tax expense/income compares with the previous year as follows:

in EUR thousand	2024	2023
Tax loss carryforwards	0	1,402
Investment properties	61,969	15,090
Service agreements	– 176	8,243
Capital transactions	701	292
Other	– 6,534	473
Total	**55,960**	**25,500**

Deferred tax assets and liabilities can be classified as follows:

	31.12.2024		31.12.2023	
in EUR thousand	Assets	Liabilities	Assets	Liabilities
Tax loss carryforwards	20,800	0	20,800	0
Investment properties	4,243	144,450	3,468	204,704
Service agreements	4,460	6,594	4,902	6,859
Capital transactions	0	619	0	1,320
Other	1,243	7,504	802	1,480
Total	**30,746**	**159,167**	**29,972**	**214,363**

Deferred taxes on the items included in other comprehensive income amount to EUR – 19 thousand (previous year: EUR – 496 thousand), of which EUR 14 thousand (previous year: EUR – 536 thousand) is attributable to the movements in the Group's cash flow or fair value hedges, EUR 0 thousand (previous year: EUR 17 thousand) to the fair value changes of the financial instruments measured at fair value through other comprehensive income, and EUR – 33 thousand (previous year: EUR 6 thousand) to actuarial gains/losses from pensions. Deferred tax assets and liabilities amounting to EUR 0 thousand (previous year: EUR 12,672 thousand) were netted.

No deferred taxes were recognised on temporary differences in connection with shares in subsidiaries (outside basis differences) totalling EUR 3.5 million (previous year: EUR 23.5 million) and on temporary differences in connection with associated companies totalling EUR 0.0 million (previous year: EUR 0.5 million).

The difference between anticipated tax expense and actual tax expense can be reconciled as follows:

in EUR thousand	2024	2023
Profit for the period before tax	– 393,241	– 84,333
Applicable statutory tax rate (in %)	31.925	31.925
Anticipated tax expense	– 125,542	– 26,923
Increase or decrease in the tax liability through:		
Trade tax reduction and differing tax rates	63,819	6,302
Non-deductible expenses	19,263	6,812
Effects of investments in associates	– 640	– 2,059
Effects of unrecognised tax losses	12,102	3,098
Taxes for previous periods	4,071	– 1,374
Other effects	– 778	510
Effective total tax expense	**– 27,705**	**– 13,634**

The anticipated tax rate was determined on the basis of the tax rates applicable in Germany in 2024 and 2023. A tax rate of 31.925% was used for the calculation. This is composed of a nominal corporation tax rate incl. solidarity surcharge of 15.825% plus a nominal trade tax rate of 16.10%. The trade tax rate is based on the assessment rate for Frankfurt am Main of 460%.

Deferred tax assets on loss carryforwards amounting to EUR 20.8 million were recognised for companies that made a loss in the financial year. It is assumed that the loss carryforwards will be used.

12. Earnings per share, net asset value (NAV) and NAV per share

In accordance with IAS 33.12, earnings per share are calculated from profit/loss for the period excluding non-controlling interests and the number of the shares outstanding on an annual average.

in Euro	2024	2023
Profit/loss for the period after non-controlling interests	– 281,113,323	– 65,959,671
Average number of shares issued	83,565,510	83,427,284
Basic earnings per share	**– 3.36**	**– 0.79**

Based on our accounting for investment properties pursuant to IAS 40 at amortized cost, we present the net asset value (NAV), which is the fair value of equity, as at 31 December 2024 and 31 December 2023:

in EUR thousand	31.12.2024	31.12.2023
Carrying amount of investment properties	2,663,564	3,398,556
Fair value adjustment	41,574	142,558
Fair value of investment properties [1]	2,705,138	3,541,114
Properties in accordance with IFRS 5	87,495	100,495
Fair value of real estate properties incl. IFRS 5 [1]	2,792,633	3,641,609
Fair value of investments in associates	118,750	129,337
+/– other assets/liabilities	614,878	934,286
+/– restatement of Other assets/liabilities [2]	– 255	7,999
Net loan liabilities at carrying amount	– 2,268,710	– 2,935,040
Net loan liabilities in accordance with IFRS 5	– 38,988	– 39,151
Non-controlling interests	– 360,428	– 440,685
NAV	**857,880**	**1,298,355**
NAV/share	10.27	15.54

[1] Incl. non-controlling interests.
[2] Restated for deferred taxes (EUR +48,252 thousand; previous year: EUR +69,343 thousand), financial instruments (EUR 0 thousand; previous year: EUR 0 thousand) and IFRS 5 assets and liabilities (EUR –48,507 thousand; previous year: EUR –61,344 thousand).

Balance sheet disclosures

13. Goodwill

The goodwill resulted from the consolidation of the GEG Group and RLI. In the financial year, goodwill was tested for impairment on the basis of estimated future cash flows derived from planning (value in use) for the cash-generating unit to which the goodwill is allocated. This planning is based on a planning horizon of three years derived from management's current budget. The planning is based on existing contractual agreements or experience from transactions already concluded for comparable future situations. For discounting of cash flows in the detailed planning period, we apply a consistent capital cost rate after tax of 7.6% which is determined on the basis of a capital asset pricing model (CAPM).

The corresponding average capital cost rate before tax was 7.6%. At the end of the detailed planning period, this is followed by a reconciled terminal value for the years from 2029 onwards which has been discounted by a capital cost rate of 6.6% (after tax, after growth rate) on the basis of the CAPM. For the terminal value, the calculation is based on a perpetual average growth rate of 1.0%. For the purpose of discounting, we consider the growth rate as a discount on the capital cost rate.

We continuously observe and update the key technical, market-related, economic and statutory parameters and outline conditions for the purpose of the impairment test. No indication of impairment arose in the financial year. The goodwill impairment test implemented at the reporting date did not trigger an impairment loss, either. This test compares the higher of the fair value less costs to sell and the value in use with the carrying amount of the cash-generating unit (CGU) to which the goodwill is allocated.

For goodwill in the financial year, a 5% decrease in the asset management fees serving as the basis for the calculation would have reduced the value in use by around EUR 46 million and would not have resulted in any impairment. A +0.5% increase in the discount rate would have reduced the value in use by around EUR 34 million and would likewise not have given rise to any impairment since the value in use is significantly higher than the CGU's carrying amount.

14. Investment property

in EUR thousand	2024	2023
Cost		
As at 1 January	3,776,831	3,982,733
Additions resulting from acquisitions	48,331	23,926
Additions due to capital expenditures	34,106	47,089
Classification as "held for sale"	–759,088	–160,718
Disposals	–42,737	–116,199
As at 31 December	**3,057,443**	**3,776,831**
Depreciation and amortisation		
As at 1 January	378,275	309,483
Additions	291,293	129,547
Classification as "held for sale"	–261,892	–30,041
Disposals	–13,797	–30,714
As at 31 December	**393,879**	**378,275**
Carrying amount on 1 January	3,398,556	3,673,250
Carrying amount on 31 December	2,663,564	3,398,556
Fair value [1]	**2,792,633**	**3,641,609**

[1] Incl. non-controlling interests and IFRS 5 property.

Details of and information about the levels of the fair value hierarchy in accordance with IAS 40.79 in conjunction with IFRS 13.93 (a), (b) and 13.97 of the Group's investment property as at 31 December 2024 are presented in the following table:

in EUR thousand	Fair value 31.12.2024	Quoted prices in active markets for identical assets (Level 1)	Material other observable inputs (Level 2)	Material unobservable inputs (Level 3)
Commercial real estate in Germany	2,792,633			2,792,633

Valuation techniques applied to level 3

The fair values calculated (net value after deducting transaction costs) are based entirely on the findings of the independent valuers contracted for this purpose, Cushman & Wakefield, CBRE, Knight Frank and ENA Experts, who have undertaken a valuation in accordance with internationally recognised standards. Valuation parameters that are as close to the market as possible should be used as inputs. Despite taking account of some observable market inputs, which correspond to level 2, the fair values must ultimately be assigned to level 3.

The calculation of market values is based on a calculation of their present values (discounted cash flow method). This is generally based on a cash flow period of ten years, at the end of which the property is assumed to be sold. The discount rate recognised for the valuation comprises a risk-free rate, which can be derived from the average current yield on long-term, fixed-income federal bonds and a property-specific risk premium, which reflects the restricted fungibility of real estate investments in relation to more fungible forms of investment such as equities or bonds. The average current yield recognised was 0.68% (2023: between 0.42% and 0.70%). The property-specific risk premium was between 3.30% and 7.70% (2023: between 3.00% and 6.80%). The average discount rate was 4.00% to 8.40% (2023: 3.70% to 7.50%).

The interest rate recognised for the capitalisation of the terminal value corresponds to the observable interest rate in the current real estate capital market plus a property-specific risk premium. The capitalisation rates recognised vary between 2.90% and 7.90% (2023: 3.25% and 7.50%) depending on the quality, location, structure and use of the properties.

When investment property is tested for impairment in accordance with IAS 36, the carrying amounts of the properties – with the exception of properties classified as non-current assets held for sale – are compared with the higher of fair value and the properties' values in use deduced from market values. The comparison uses gross market values, i.e. not including the transaction costs that may arise if the properties are actually sold. In addition, parameters specific to the Company were used to calculate the reference values. These parameters take account of the value in use of the properties in the context of their use for business purposes. In this respect, the important factors are, in particular, the retention of the property in the Group, the forecast cash flows arising as a result and the reduction in management costs compared with the standard valuation due to the assets being managed in-house. An appropriate asset-specific capitalisation rate is also calculated in accordance with the criteria of IAS 36 A17.

As at 31 December 2024, acquisition costs do not include any borrowing costs, as in the previous year. In the 2024 financial year, no borrowing costs were recognised, as in the previous year.

There are no restrictions on the disposal of investment property in the Group and no contractual obligations to construct or develop investment property.

Current contractual arrangements result in financial obligations vis-à-vis our tenants of EUR 0.6 million for 2025 and 2026 (previous year: EUR 1.3 million), purchase obligations from investment projects of EUR 31.4 million (previous year: EUR 16.6 million) and obligations from purchase agreements of EUR 0 million (previous year: EUR 50.9 million).

15. Property, plant and equipment

in EUR thousand	Building	Office furniture and equipment	Right-of-use assets	2024 Total	2023 Total
Cost					
As at 1 January	11,347	10,285	30,707	52,339	33,388
Additions	0	383	1,602	1,985	29,882
Disposals	0	– 635	– 1,162	– 1,797	– 10,931
As at 31 December	**11,347**	**10,033**	**31,147**	**52,527**	**52,339**
Depreciation and amortisation					
As at 1 January	462	4,829	1,606	6,897	12,744
Additions	178	611	3,963	4,752	4,109
Disposals	0	– 249	– 1,125	– 1,374	– 9,956
As at 31 December	**640**	**5,191**	**4,444**	**10,275**	**6,897**
Carrying amount on 1 January	10,885	5,456	29,101	45,442	20,644
Carrying amount on 31 December	10,707	4,842	26,703	42,252	45,442

This includes the following right-of-use assets in accordance with IFRS 16:

	Buildings	Vehicles	Equipment	2024 Total
Cost				
As at 1 January	28,656	943	1,108	30,707
Additions	885	668	49	1,602
Disposals	– 692	– 360	– 110	– 1,162
As at 31 December	**28,849**	**1,251**	**1,047**	**31,147**
Depreciation and amortisation				
As at 1 January	1,041	328	237	1,606
Additions	3,241	483	239	3,963
Disposals	– 691	– 325	– 109	– 1,125
As at 31 December	**3,591**	**486**	**367**	**4,444**
Carrying amount on 1 January	27,615	615	871	29,101
Carrying amount on 31 December	25,258	765	680	26,703
Number of right-of-use assets	5	44	9	
Range of remaining maturities (months)	12 – 104	1 – 36	17 – 51	

16. Investments in associates

The associates as at 31 December 2024 are listed in the following table. Branicks directly holds equity interests or voting rights in the entities listed below.

in EUR thousand	31.12.2024 Share of voting rights	31.12.2024 Carrying amount	31.12.2023 Share of voting rights	31.12.2023 Carrying amount
Interest in:				
DIC Office Balance I (fund)	12.5 %	4,615	12.5 %	4,576
DIC Office Balance II (fund)	0.0 %	8,541	0.0 %	9,935
DIC Office Balance III (fund)	5.9 %	2,704	5.9 %	2,657
DIC Office Balance IV (fund)	7.6 %	3,317	6.8 %	3,172
DIC Office Balance V (fund)	5.6 %	2,611	5.6 %	2,958
DIC Retail Balance I (fund)	8.3 %	5,157	8.3 %	5,346
DIC MainTor Zweite Beteiligungs GmbH & Co. KG	40.0 %	11,494	40.0 %	12,172
Realogis Holding GmbH	0.0 %	0	25.0 %	8,210
KHI Immoblien GmbH	41.7 %	18,914	41.7 %	18,914
GEG Public Infrastructure IV	78.5 %	61,397	78.5 %	61,397
Total		**118,750**		**129,337**

Significant associates as defined in IFRS 12.2 are DIC MainTor Zweite Beteiligungs GmbH & Co. KG, DIC Office Balance I, DIC Office Balance II, DIC Office Balance III, DIC Office Balance IV, DIC Office Balance V and DIC Retail Balance I.

The Group holds a 8.9% interest (DIC Office Balance I), a 4.1% interest (DIC Office Balance II), a 1.6% interest (DIC Office Balance III), a 1.7% interest (DIC Office Balance IV), a 4.6% interest (DIC Retail Balance I), a 0.6% interest (DIC Office Balance V) in the capital of funds and/or in the capital of various fund property entities and thus directly or indirectly holds an interest in the respective fund. It exerts a significant influence on the companies due to the chairmanship and the regulations regarding voting rights in the Investment Committee and through the contractual right to conduct the funds' asset and property management and to manage a fund property entity's business.

The Group also holds a 78.3% interest in the capital of the GEG Public Infrastructure IV fund, but due to the contractual arrangements of the fund does not control it. The Group exerts significant influence over the fund given the amount of equity interest.

The financial information concerning the Group's significant associates is summarised below. The summary financial information corresponds to the contributions in the Company's financial statements prepared in accordance with IFRSs (adjusted by the Group for the purpose of accounting using the equity method).

in EUR thousand	DIC MainTor Zweite Beteiligungs GmbH & Co. KG	DIC Office Balance I	DIC Office Balance II	DIC Office Balance III	DIC Office Balance IV	DIC Retail Balance I	DIC Office Balance V	2024 total	2023 total
Assets	308,121	163,151	330,298	158,356	177,772	99,769	202,151	1,439,618	1,638,272
Liabilities	264,448	81,660	119,544	3,857	44,182	16,174	81,034	610,899	599,358
Net assets	**43,673**	**81,491**	**210,754**	**154,499**	**133,590**	**83,595**	**121,117**	**828,719**	**1,038,914**
Income	8,531	10,072	3,723	6,179	8,981	8,688	13,177	59,351	56,686
Expenses	10,288	7,630	3,818	724	3,171	1,413	2,582	29,626	33,872
Profit for the year	**–1,757**	**2,442**	**–95**	**5,455**	**5,810**	**7,275**	**10,595**	**29,725**	**22,814**

17. Loans to related parties

The loans to related parties concern the long-term loans to the related parties listed below. Please refer to the disclosures in the section entitled “Legal transactions with related parties” on → page 158 et seq. for a description of the terms.

in EUR thousand	IAS 24.9	31.12.2024	31.12.2023
MainTor GmbH	b (ii)	67,567	62,952
DIC MainTor Zweite Beteiligungs GmbH & Co. KG	b (ii)	35,241	32,859
Deutsche Immobilien Chancen AG & Co. KGaA	b (ii)	4,815	18,736
Total		**107,623**	**114,547**

18. Other equity investments

In addition to the equity investment in DIC Opportunistic GmbH in the amount of EUR 58,000 thousand (previous year: EUR 67,536 thousand), the other investments also include minority interests in investment vehicles of the Institutional Business segment in the amount of EUR 30,035 thousand (previous year: EUR 31,500 thousand). All equity investments are carried at their fair values.

19. Intangible assets

Intangible assets mainly comprise the service agreements and trademark rights added through the acquisition of the GEG Group and RLI as well as software for accounting, consolidation and office applications.

in EUR thousand	IT software, licenses	Service agreements	Brands	2024 Total	2023 Total
Cost					
As at 1 January	5,141	56,071	2,492	63,704	63,699
Additions	37	0	0	37	5
Disposals	–7	0	0	–7	0
As at 31 December	**5,171**	**56,071**	**2,492**	**63,734**	**63,704**
Amortisation					
As at 1 January	4,219	25,222	780	30,221	23,918
Additions	355	5,498	94	5,947	6,303
Disposals	–7	0	0	–7	0
As at 31 December	**4,567**	**30,720**	**874**	**36,161**	**30,221**
Carrying amount on 1 January	922	30,849	1,712	33,483	39,781
Carrying amount on 31 December	604	25,351	1,618	27,573	33,483

20. Trade receivables

These are primarily receivables from rents, service charges and real estate management fees. All receivables are due within one year. For an explanation of expected credit losses or impairments, please refer to the explanatory notes on credit risk in our risk management reporting.

21. Receivables from and liabilities to related parties

The receivables result predominantly from the granting of loans. An interest rate of 6.0% to 7.25% p.a. applies to the loans. Receivables from services rendered to related parties are also reported under this item. Detailed disclosures on relations with entities and individuals classified as related parties are shown in the corresponding section entitled “Related party disclosures” → page 158 et seq.

The value shown in the balance sheet relates to:

in EUR thousand	IAS 24.09	31.12.2024 Receivables	31.12.2024 Liabilities	31.12.2023 Receivables	31.12.2023 Liabilities
MainTor GmbH	b (ii)		5,264		5,016
DIC Opportunistic GmbH	b (ii)	17,213		15,829	
DIC MainTor Zweite Beteiligungs GmbH & Co. KG	b (ii)				
Deutsche Immobilien Chancen Beteiligungs AG	b (ii)	1,414		1,274	
Deutsche Immobilien Chancen AG & Co. KGaA	b (ii)	1,675	1,231	1,373	1,371
DIC Office Balance II (fund)	b (ii)	33			
DIC Office Balance III (fund)	b (ii)	198		276	
DIC Office Balance IV (fund)	b (ii)	102		63	
DIC Retail Balance I (fund)	b (ii)	117		101	
DIC Office Balance V (fund)	b (ii)	116		190	
DIC MainTor Porta GmbH	b (ii)	72		67	
Other	b (ii)	633	734	386	262
Total		**21,573**	**7,229**	**19,559**	**6,649**

22. Income tax receivables

The figure reported relates to creditable taxes and recoverable corporation and trade tax.

23. Other receivables

in EUR thousand	31.12.2024	31.12.2023
Receivables from unbilled services	12,346	12,195
Deposits	5,910	5,376
”Rent-free period“ receivables	3,801	3,870
Receivables from insurance compensations	1,521	2,955
Value added tax	1,519	2,711
Other	4,625	6,427
Loans in connection with the financing of shares	0	85,522
Total	**29,722**	**119,056**

24. Other assets

This item in the previous year mainly included accrued income of EUR 14,026 thousand in the Institutional Business segment. At the reporting date, this item did not include any such accruals.

25. Cash and cash equivalents

Of the existing cash and cash equivalents, EUR 84,999 thousand (previous year: EUR 186,908 thousand) is subject to short-term restrictions on disposal beyond the end of the reporting period. Of this amount, EUR 19,723 thousand is intended for the short-term settlement of loan liabilities.

26. Non-current assets held for sale

The non-current assets held for sale item comprises real estate and equity interests in investment products in the Institutional Business segment which will be sold or are to be transferred over the course of the next year.

No significant profits arose in 2024 in connection with the previous year’s “Non-current assets held for sale” item (previous year: EUR +2,825 thousand).

27. Equity

a. Issued capital

The subscribed capital in the amount of EUR 83,565,510.00 (previous year: EUR 83,565,510.00) consists of 83,565,510 registered no-par value ordinary shares (previous year: 83,565,510 shares). There are no other classes of shares. Pursuant to section 67 (2) AktG, rights and obligations arising from shares exist in relation to the Company only for and against the person entered in the share register. All shares convey the same rights and obligations. Each no-par value share grants the holder one vote at the General Shareholders' Meeting. This excludes any treasury shares held by the Company itself. The Company will have no rights based on these shares. The voting right begins when the statutory minimum deposit has been made on the shares. The individual rights and obligations tied to the shares arise from the provisions of the AktG, in particular sections 12, 53a et seq., 118 et seq. and 186.

b. Authorised capital

The Management Board has been authorised by a resolution adopted at the ordinary General Shareholders' Meeting on 22 August 2024 to increase the Company's share capital with the approval of the Supervisory Board by a total of up to EUR 16,713,102.00 until 21 August 2029 by issuing new no-par value registered shares once or repeatedly in return for cash contributions and/or contributions in kind (Authorised Capital 2024). As a rule, the shareholders are to be granted a pre-emptive right when authorised capital is utilised. The shares may also be taken over within the meaning of section 186 (5) sentence 1 AktG by one or more credit institutes or companies determined by the Management Board with the obligation of offering them to the shareholders for purchase (indirect pre-emptive right).

However, the Management Board is authorised with the approval of the Supervisory Board to disapply the pre-emptive rights of shareholders

- to exclude fractional amounts from shareholders' pre-emptive rights;
- if the new shares are issued in return for a cash contribution and the issue price of the new shares does not fall substantially below the stock market price of essentially equivalent shares already listed. The number of shares issued in this manner disapplying pre-emptive rights may not exceed 20% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised. Other shares that are issued or sold during the term of this authorisation while disapplying pre-emptive rights in direct or corresponding application of section 186 (3) sentence 4 AktG are to be counted toward this upper limit of 20% of the share capital. Shares that are issued to service option rights and/or conversion rights or conversion obligations from bonds with warrants and/or convertible bonds and/or profit participation rights are also to be counted towards this limit if such bonds or profit participation rights are issued during the term of this authorisation while disapplying pre-emptive rights in corresponding application of section 186 (3) sentence 4 AktG;
- if the capital increase is carried out in return for a contribution in kind, in particular for the purpose of acquiring companies, parts of companies, equity interests in companies or other assets associated with an intended acquisition, or in connection with business combinations;
- to the extent it is necessary to grant pre-emptive rights for new shares to the holders or creditors of bonds with warrants and/or convertible bonds with option and/or conversion rights or option and/or conversion obligations that were or will be issued by the Company or companies in which the Company holds a direct or indirect 100% interest in the volume to which they would be entitled as shareholders after exercising the option rights and/or conversion rights or fulfilling the option or conversion obligations.

As of 31 December 2024, the Management Board has not made use of the authorisation described above.

c. Contingent capital

By virtue of the resolution adopted at the ordinary General Shareholders' Meeting of 24 March 2022, the Management Board is authorised, with the approval of the Supervisory Board, to issue registered or bearer convertible bonds or bonds with warrants (together, "bonds") with or without limitation of maturities on one or more occasions until 23 March 2027 in a total nominal amount of up to EUR 600,000,000.00, and to grant to holders and/or creditors of bonds conversion or option rights (which may include a conversion and/or option obligation) to no-par value registered shares in the Company representing a proportionate amount of the share capital of up to EUR 16,372,232.00 in total, subject to the terms of the convertible bonds and/or bonds with warrants (together also "bond terms"). The bonds may only be issued in return for cash payment. In principle, the shareholders are granted a pre-emptive right. The bonds may also be taken over within the meaning of section 186 (5) sentence 1 AktG by one or more credit institutes or companies determined by the Management Board with the obligation of offering them to the shareholders for purchase (indirect pre-emptive right).

However, the Management Board is authorised with the approval of the Supervisory Board to disapply the shareholders' pre-emptive rights to bonds

- for fractional amounts resulting from the subscription ratio;

- if upon due review the Management Board concludes that the issue price of the bonds is not substantially lower than the theoretical market value of the bonds determined in accordance with generally accepted methods of financial mathematics. This authorisation to disapply pre-emptive rights does not, however, apply to bonds with a conversion or option right (including those with a conversion and/or option obligation) to shares, the total amount of which does not exceed 10% of the lower of the share capital existing at the time this authorisation becomes effective or at the time it is exercised. Shares that were issued or sold during the term of this authorisation while disapplying pre-emptive rights in direct or corresponding application of section 186 (3) sentence 4 AktG are to be counted toward this upper limit of 10% of the share capital. Shares that are issued to service option rights and/or conversion rights and/or option and/or conversion obligations from convertible bonds and/or bonds with warrants and/or profit participation rights are also to be counted towards this limit if such bonds or profit participation rights are issued based on a different authorisation during the term of this authorisation while disapplying pre-emptive rights in corresponding application of section 186 (3) sentence 4 AktG;

- to the extent it is necessary to grant pre-emptive rights for bonds to the holders or creditors of bonds with warrants and/or convertible bonds with option and/or conversion rights or option and/or conversion obligations that were previously issued by the Company or companies in which the Company holds a direct or indirect 100% interest in the volume to which they would be entitled after exercising the option rights and/or conversion rights or fulfilling the option and/or conversion obligations.

The bond issues may be divided into several notes.

If convertible bonds are issued, the holders and/or creditors are granted the right to convert their notes into no-par value registered shares of the Company in accordance with the detailed convertible bond terms to be determined by the Management Board. The conversion ratio is determined by dividing a bond note's nominal amount or price that is below its nominal amount by the conversion price specified for a no-par value registered share of the Company. The terms may provide for a variable conversion ratio. The conversion ratio may be rounded up or down to the nearest whole number; furthermore, an additional payment in cash may be determined. There may also be a provision that fractions can be combined and/or settled in cash.

If bonds with warrants are issued, one or more warrants entitling the holder and/or creditor to purchase no-par value registered shares in the Company in accordance with the option terms to be specified by the Management Board shall be attached to each bond note. The option terms may provide for satisfying the exercise price either in part or as a whole by transferring bond notes and making an additional cash payment if required. There may also be a provision that fractions can be combined and/or settled in cash.

The terms of the convertible bonds may also provide for a conversion and/or option obligation on maturity (or at an earlier date). The terms of the bonds may provide for the Company's right and/or that of the Group company issuing the bond to grant new shares or treasury shares of the Company or the shares of another listed company to the holders and/or creditors of the bonds instead of paying all or a portion of the cash amount due. The terms of the bonds may also stipulate that the Company or the Group company issuing the bond may choose to grant treasury shares of the Company or shares of another listed company when options are converted or exercised. Furthermore, it may be stipulated that the Company and/or the Group company issuing the bond may settle its obligation by making a cash payment and/or granting shares of the Company.

To service conversion or option rights and/or conversion or option obligations under bonds that will be issued until 23 March 2027 based on an authorisation by the General Shareholders' Meeting on 24 March 2022, the Company's share capital was contingently increased, by virtue of the resolution adopted at the ordinary General Shareholders' Meeting on 24 March 2022, by up to EUR 16,372,232.00 by issuing up to 16,372,232 registered shares (Contingent Capital 2022).

As of 31 December 2024, the Management Board has not made use of the authorisation described above to issue convertible bonds and/or bonds with warrants.

d. Powers of the Management Board to buy back shares

By virtue of the resolution adopted by the ordinary General Shareholders' Meeting of 24 March 2022, the Management Board is authorised, with the prior approval of the Supervisory Board, to acquire own shares until 23 March 2027 representing up to 10% of the lower of the Company's share capital at the date of the resolution or at the date the authorisation is exercised. At no time may the acquired shares together with other treasury shares in the possession of the Company or allocated to it under sections 71a et seq. AktG represent more than 10% of the share capital. The authorisation may not be used for the purpose of trading treasury shares. The authorisation may be exercised in whole or in part, once or repeatedly, for one or more than one purpose, by the Company or by companies dependent on it or majority-owned by it, or by third parties acting on their behalf or on behalf of the Company.

At the Management Board's discretion, and with the prior approval of the Supervisory Board, shares may be purchased through the stock exchange or based on a public offering directed to all shareholders or a public invitation to all shareholders to submit offers to sell.

The volume of the public offering directed to all shareholders or the public invitation to all shareholders to submit offers to sell may be restricted. Insofar as the volume of the offered shares exceeds the planned repurchase volume in the case of a public offering or a public invitation to submit offers to sell, the acquisition can take place proportionate to the shares subscribed to or offered in each case; to this extent, the shareholders' right to offer their shares proportionate to the percentage of shares that they hold is disapplied. A preferential acceptance of smaller numbers up to 100 offered shares per shareholder can be stipulated, as can commercial rounding to avoid arithmetic fractions of shares. To this extent, any further right of the shareholders to tender shares is disapplied. The public offering directed to all shareholders or the public invitation to all shareholders to submit offers to sell may stipulate further conditions.

The Management Board is authorised, with the prior approval of the Supervisory Board, to use the treasury shares acquired on the basis of this authorisation for any legal purpose, in particular the following:

(i) The shares may be redeemed, and such redemption or its execution shall not require another resolution of the General Shareholders' Meeting. They may also be redeemed in a simplified procedure without reducing capital by adjusting the pro-rata share of the remaining no-par value shares in the Company's share capital. If they are redeemed in a simplified procedure, the Management Board is authorised to adjust the number of no-par value shares in the Articles of Association.

(ii) The shares may also be sold in a way other than through the stock exchange or based on an offering directed to all shareholders if the purchase price payable in cash is not significantly lower than the stock market price of equivalent shares already listed. The number of shares sold in this manner disapplying pre-emptive rights may not exceed 10% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised. Other shares that are issued or sold during the term of this authorisation while disapplying pre-emptive rights in direct or corresponding application of section 186 (3) sentence 4 AktG are to be counted toward this upper limit of 10% of the share capital. Shares that are issued to service option rights and/or conversion rights or conversion obligations from bonds with warrants and/or convertible bonds and/or profit participation rights are also to be counted towards this limit if such bonds or profit participation rights are issued during the term of this authorisation while disapplying pre-emptive rights in corresponding application of section 186 (3) sentence 4 AktG.

(iii) The shares may be sold in return for contributions in kind, in particular in connection with business combinations, for the purpose of acquiring companies, parts of companies, equity interests in companies or other assets, or claims for acquiring other assets including receivables in respect of the Company.

(iv) The shares may be used to implement a scrip dividend in which shares of the Company are used (including partially and alternatively) to fulfil shareholder dividend claims.

(v) The shares may be used to fulfil subscription and exchange rights on the basis of the exercise of conversion and/or option rights or the fulfilment of conversion obligations arising from convertible bonds and/or bonds with warrants issued by the Company or one of the Group companies wholly owned by DIC Asset AG (now: Branicks Group AG) either directly or indirectly.

(vi) The shares may be used to issue shares to employees of the Company or employees of an affiliated company or members of the management of an affiliated company as part of share participation programmes or other share-based programmes, provided that the employment relationship with the Company, or the governing body membership or the employment relationship with an affiliated company exists at the time the share issue is approved. The total number of shares issued in this manner disapplying pre-emptive rights may not exceed 3% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised.

As at 31 December 2024, the Company held no treasury shares. It has not made use of the authorisation described above.

e. Capital reserves

The capital reserves amounted to EUR 836,118 thousand at the reporting date (previous year: EUR 914,800 thousand). It contains the premium from the issuance of shares. To offset the net accumulated losses, a withdrawal of EUR 78,682 thousand was made from the capital reserve in accordance with Section 150 (4) AktG.

f. Hedging reserve

The reserve contained the effects of hedge accounting recognised directly in equity.

g. Reserve for financial instruments classified as at fair value through other comprehensive income

The reserve contains the measurement effect from the investments accounted for at fair value, which are reported as financial instruments classified at fair value through other comprehensive income.

h. Retained earnings

The reconciliation of the profit/loss for the year and other comprehensive income with consolidated retained earnings is shown in the following table:

in EUR thousand	31.12.2024	31.12.2023
Retained earnings beginning of the period	53,761	186,593
Consolidated annual results	– 365,536	– 70,699
Withdrawn from share premium	78,682	0
Dividend payment	0	– 62,364
Profit attributable to non-controlling interests	84,423	4,739
Change of non-controlling interest	– 1,231	– 4,508
Consolidated retained earnings	**– 149,901**	**53,761**
of which profits/losses from the income statement	– 278,918	3,298
of which profits from other comprehensive income	50,335	50,463
Withdrawn from share premium	78,682	0

The dividend payment for 2023 and 2022 amounted to EUR 0.00 and EUR 0.75 per share, respectively.

i. Non-controlling interests

In the 2024 financial year, no shares in VIB Vermögen AG were acquired or sold. The equity interest held remained at 68.75%. In the previous year, shares in VIB Vermögen AG were acquired from minorities for EUR 10,200 thousand. This resulted in a reduction in non-controlling interests of EUR 9,185 thousand. The equity interest held in VIB Vermögen AG increased to 68.75%.

28. Interest-bearing loans and borrowings

in EUR thousand	31.12.2024 Carrying amount	31.12.2024 Fair value	31.12.2023 Carrying amount	31.12.2023 Fair value
Long-term (> 1 year) interest-bearing loans and borrowings				
Variable-rate loans and borrowings	111,369	111,712	304,207	306,168
Fixed-rate loans and borrowings	1,712,582	1,521,945	2,011,916	1,698,347
	1,823,951	**1,633,657**	**2,316,123**	**2,004,515**
Short-term (< 1 year) interest-bearing loans and borrowings				
Variable-rate loans and borrowings	293,642	301,241	330,790	331,467
Fixed-rate loans and borrowings	190,105	185,121	327,278	316,578
	483,747	**486,362**	**658,068**	**648,045**
Total	**2,307,698**	**2,120,019**	**2,974,191**	**2,652,560**

The fair values of the fixed-rate loans and borrowings are based on discounted cash flows calculated using interest rates taken from the yield curve as at 31 December 2024. The fair values of the financial instruments were determined applying risk premiums on a case-by-case basis.

The maturities of the variable-rate and fixed-rate loans and borrowings are structured as follows:

in EUR thousand	31.12.2024 Total variable-rate loans and borrowings	31.12.2024 Total fixed-rate loans and borrowings	31.12.2024 Weighted interest rate (fixed-rate loans and borrowings)	31.12.2023 Total variable-rate loans and borrowings	31.12.2023 Total fixed-rate loans and borrowings	31.12.2023 Weighted interest rate (fixed-rate loans and borrowings)
< 1 year	293,642	190,105	1.95 %	330,790	327,278	1.42 %
1 – 5 years	108,405	1,323,609	1.88 %	209,831	1,388,879	1.71 %
> 5 years	2,964	388,973	3.27 %	94,376	623,037	3.76 %
Total	**405,011**	**1,902,687**		**634,997**	**2,339,194**	

Interest rates on the variable-rate loans and borrowings were adjusted regularly. Interest-rate adjustment dates are based on the 3-month Euribor rate plus an average margin. An average interest rate of 5.78% (previous year: 6.69%) is used for the variable-rate loans and borrowings, which include the bridging loan, while an average interest rate of around 2.21% (previous year: 2.31%) is used for the fixed-rate loans and borrowings.

The bond issued in September 2021 and due in September 2026 with a nominal volume of EUR 400 million was quoted at 60.1% at year-end 2023. A tranche with a nominal value of EUR 14 million was repurchased early in the year under review.

The interest-bearing loans and borrowings were secured by land charges – with two exceptions: EUR 382,570 thousand for our corporate bonds (previous year: EUR 394,654 thousand) and EUR 564,248 thousand in current liabilities and promissory note loan (previous year: EUR 820,987 thousand).

29. Derivatives

As in the previous year, no derivative financial instruments were held at the reporting date. As a matter of principle, contracts for derivative financial instruments are concluded only with major banks to keep credit risks as low as possible.

The hedging reserve includes the effects of changes in value of a derivative for future cash flows that expired in financial year 2021 in the amount of EUR – 540 thousand (previous year: EUR – 675 thousand) and EUR + 864 thousand (previous year: EUR + 1,029 thousand) for the swaption that expired in financial year 2023.

The effective changes in value from the hedges are recognised in the related items in other comprehensive income and cumulatively in equity. The swaption expired in the 2023 financial year. The change in value existing since the hedging relationship has been in place was recognised in the hedging reserve and amounts to EUR 864 thousand as of the 2024 balance sheet date (previous year: EUR 1,029 thousand).

As in the previous year, no ineffectiveness from hedges were recognised that would have to be shown in the income statement in the 2024 financial year.

30. Pension provisions

The provisions for pensions include the commitments for defined benefit post-retirement benefits under a company pension scheme for eligible persons and their surviving dependants. The pension obligations are based on individual contractual pension commitments. The beneficiaries are generally entitled to a fixed retirement and disability pension depending on their length of service upon reaching the retirement age of 63. No other benefits are provided for after the end of their employment relationship. Pensions are tied to an inflation index. There are no plan assets as defined in IAS 19.

The total amount shown in the balance sheet from the Group's obligation under retirement benefit plans of EUR 3,145 thousand (previous year: EUR 3,070 thousand) corresponds to the projected benefit obligation.

The actuarial target value of the pension obligation to be determined using the projected unit credit method is the present value of the defined benefit obligation (DBO), which corresponds to the present value of the benefit entitlements that have accrued on the measurement date and are therefore attributable to prior reporting periods.

The present value of the defined benefit obligation changed as follows:

in EUR thousand	2024	2023
As at 01 January (previous year 01.04.)	3,070	3,192
Newly earned benefit entitlements	0	0
Interest expense	257	– 34
Pensions paid	– 123	– 121
Actuarial gains/losses		
– due to changes in demographic assumptions	0	0
– due to changes in financial assumptions	148	5
– due to experience adjustments	62	28
As at 31 December	**3,414**	**3,070**

Calculated actuarial assumptions:

	2024	2023
Discount rate	3,23 % – 3,59 %	3,40 % – 3,59 %
Pension trend	2,00 % – 2,50 %	2,00 % – 2,50 %

The revised 2018 G reference tables by Klaus Heubeck were used as mortality tables.

The salary trend was set at 0.0%, as was staff turnover probability.

A quantitative sensitivity analysis of the key assumptions as at 31 December 2024 shows the following results:

- A one percentage point increase in the discount rate results in a EUR 401 thousand decrease of the DBO and a EUR 13 thousand increase in interest expense. A one percentage point decrease in the discount rate results in a EUR 496 thousand increase of the DBO and a EUR 26 thousand decrease in interest expense.
- A one percentage point increase in pension growth results in a EUR 421 thousand increase of the DBO and a EUR 9 thousand increase in interest expense. A one percentage point decrease in pension growth results in a EUR 351 thousand decrease of the DBO and a EUR 15 thousand increase in interest expense.

The above sensitivity analysis was performed using a method that extrapolates the effect of realistic changes in key assumptions on the defined benefit obligation as of the end of the reporting period.

The following amounts are expected to be paid out in the next few years under the defined benefit obligation:

in EUR thousand	2024	2023
Within the next 12 months	128	120
Between 2 and 5 years	719	613
Between 5 and 10 years	197	197
More than 10 years	2,370	2,140
Anticipated payouts	**3,414**	**3,070**

The average term of the defined benefit obligation at the end of the reporting period is 6 years (previous year: 7).

31. Other non-current financial liabilities

The lease liabilities are composed of the following items:

in EUR thousand	31.12.2024	31.12.2023
Non-current lease liabilities	23,089	24,856
Current lease liabilities	4,374	4,463
Total lease liabilities	**27,463**	**29,319**

There were no significant lease liabilities for short-term leases or low-value leases which have not been included.

The short-term lease liabilities are reported under the “Other liabilities” item.

The total outflow of funds from leases for financial year 2024 amounted to EUR 4,762 thousand (previous year: EUR 3,579 thousand). This includes principal payments of EUR 3,423 thousand (previous year: EUR 3,084 thousand) and interest payments of EUR 1,339 thousand (previous year: EUR 495 thousand).

The following table shows the maturity analysis for the lease liabilities. The amounts shown are the undiscounted lease payments rather than the present values of the lease liabilities carried in the balance sheet.

in EUR thousand	31.12.2024	31.12.2023
< 1 year	4,484	4,571
1 – 5 years	15,796	15,209
> 5 years	13,061	16,632
Total	**33,341**	**36,412**

At the reporting date, there were no material leases which had been entered into but had not yet begun.

32. Trade payables

Of the trade payables amounting to EUR 10,555 thousand (previous year: EUR 6,380 thousand), EUR 952 thousand (previous year: EUR 801 thousand) results from deferred service charges and from the use of services. They are due within one year.

33. Income tax payable

in EUR thousand	31.12.2024	31.12.2023
Trade tax	20,300	23,693
Corporation tax	12,939	3,265
Total	**33,239**	**26,958**

34. Other liabilities

in EUR thousand	31.12.2024	31.12.2023
Invoices outstanding	31,015	29,402
Deposits	5,846	5,111
Bonuses	6,545	4,801
Current lease liabilities	4,374	4,463
Building cost subsidies received	4,024	3,899
Advance rent payments received	2,971	2,839
Security deposits	2,404	1,616
Holiday pay und other personnel-related expenses	2,096	1,948
Supervisory Board remuneration	828	898
Auditing costs	796	707
Value added tax	647	940
Tax consultancy fees	454	451
Share-based payment	5	244
Other	6,712	5,249
Total	**68,717**	**62,568**

The invoices outstanding include the expert fees for the annual property valuations, consultancy costs, other services and service charges, among others.

The Group has agreed performance-related remuneration agreements with the members of the Management Board in the form of a share-based payment model. At the end of 2024, the current and former members of the Management Board held options on 440,000 (previous year: 720,000) phantom stocks of the Company. These options may not be exercised by members of the Management Board until they have been a member of the Branicks Board for three to five years. The Company as at 31 December 2024 measured the fair value at EUR 0.04 for Sonja Wärntges, at EUR 0.02 for Johannes von Mutius, at EUR 0.00 for Torsten Doyen and at EUR 0.00 for Christian Fritzsche. The Black-Scholes option pricing model is used for the measurement.

The material parameters for the valuation model are: the share price at the reporting date of EUR 2.23 (previous year: EUR 3.38); the exercise price of EUR 14.00 for the options held by Sonja Wärntges, Johannes von Mutius, Torsten Doyen and Christian Fritzsche; the standard deviation from the expected share price return of 48.77% (previous year: 73.12%); the annual term-related risk-free interest rate of 2.62% (previous year: 2.87%); and an additional value-enhancing factor of between 1 and 3 depending on the share price. Volatility as measured by the standard deviation from the expected share price returns is based on statistical analyses of the daily share prices over the last year.

The fair value of all options granted to the current members of the Management Board amounted to EUR 5 thousand at the reporting date (previous year: EUR 194 thousand). The corresponding liability for stock options was reduced by EUR 189 thousand in the 2024 financial year (previous year: expenses due to an increase in the amount of EUR 120 thousand).

The liabilities arising from Supervisory Board remuneration are liabilities to members of the Supervisory Board. They constitute liabilities to related parties as defined by IAS 24.9. The breakdown of the remuneration in accordance with the criteria set out in IAS 24.9 is provided in the section entitled “Legal transactions with related parties” on → page 158 et seq. For information on individual members, see the details on Supervisory Board remuneration in the remuneration report.

35. Supplementary disclosures on financial instruments

Due to the short terms of cash and cash equivalents, trade receivables and payables and other current receivables and liabilities, it is assumed that the fair value corresponds to the carrying amount in each case.

The fair value of financial instruments traded on an active market is based on the quoted market price at the reporting date. The fair value of financial instruments not traded on an active market, such as over-the-counter derivatives, is determined using a valuation technique (discounted cash flow measurement or option pricing model) with the use of observable market data. The fair value of the financial liabilities is calculated as the present value of expected future cash flows. They are discounted on the basis of the interest rates applicable at the reporting date.

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

There are no prices quoted on an active market for the unlisted shares in DIC Opportunistic GmbH held by the Group and for the equity investments acquired in the course of the GEG acquisition. Their fair value is based on the indirectly held real estate and equity investments. Changes in fair value at the end of the reporting period amounted to EUR –9,537 thousand (previous year: –3,385 thousand). Please refer to → page 119 for the valuation of real estate assets.

in EUR thousand	IFRS 9 measurement category	Carrying amount 31.12.2024	Measurement in acc. with IFRS 9			Fair Value 31.12.2024
			Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	
Assets						
Other investments	FVOCI	58,000			58,000	58,000
Other investments	FVTPL	30,035		30,035		30,035
Other loans	FAAC	107,623	107,623			107,623
Receivables from sale of investment property	FAAC	685	685			685
Trade receivables	FAAC	23,945	23,945			23,945
Receivables from related parties	FAAC	21,573	21,573			21,573
Other receivables	FAAC	29,722	29,722			29,722
Other assets	FAAC	3,074	3,074			3,074
Cash and cash equivalents	FAAC	250,720	250,720			250,720
Total	**FAAC**	**437,342**	**437,342**			**437,342**
Liabilities						
Corporate bond - non current	FLAC	382,570	382,570			232,063
Non-current interest-bearing loans and borrowings	FLAC	1,441,381	1,441,381			1,401,594
Current loans and borrowings	FLAC	444,759	444,759			452,304
Trade payables	FLAC	10,555	10,555			10,555
Related party liabilities	FLAC	7,229	7,229			7,229
Other liabilities[1]	FLAC	64,343	64,343			64,343
Liabilities related to financial investments held for sale	FLAC	38,988	38,988			34,058
Total	**FLAC**	**2,389,825**	**2,389,825**			**2,202,146**

[1] Without current lease liabilities.

The figures for the previous year are as follows:

in EUR thousand	IFRS 9 measurement category	Carrying amount 31.12.2023	Measurement in acc. with IFRS 9 Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Fair Value 31.12.2023
Assets						
Other investments	FVOCI	67,536			67,536	67,536
Other investments	FVTPL	31,500		31,500		31,500
Other loans	FAAC	114,547	114,547			114,547
Receivables from sale of investment property	FAAC	4,289	4,289			4,289
Trade receivables	FAAC	22,559	22,559			22,559
Receivables from related parties	FAAC	19,559	19,559			19,559
Other receivables	FAAC	119,056	119,056			119,056
Other assets	FAAC	17,387	17,387			17,387
Cash and cash equivalents	FAAC	345,550	345,550			345,550
Total	**FAAC**	**642,947**	**642,947**			**642,947**
Liabilities						
Corporate bond	FLAC	394,654	394,654			152,000
Non-current interest-bearing loans and borrowings	FLAC	1,921,469	1,921,469			1,852,515
Current loans and borrowings	FLAC	618,917	618,917			615,202
Trade payables	FLAC	6,380	6,380			6,380
Related party liabilities	FLAC	6,649	6,649			6,649
Other liabilities[1]	FLAC	58,105	58,105			58,105
Liabilities related to financial investments held for sale	FLAC	39,151	39,151			32,843
Total	**FLAC**	**3,045,325**	**3,045,325**			**2,723,694**

[1] Without current lease liabilities.

Interest income and interest expense for each category are as follows:

	Interest income		Interest expense	
in EUR thousand	2024	2023	2024	2023
Financial assets measured at amortised cost (FAAC)	18,473	17,878		
Financial liabilities measured at amortised cost (FLAC)			– 120,019	– 107,664

Financial instruments recognised at fair value are divided into several measurement levels in accordance with IFRS 7/9. These are financial instruments that

Level 1: are measured at current market prices in an active market for identical financial instruments,

Level 2: are measured at current market prices in an active market for comparable financial instruments or with valuation models whose significant inputs are based on observable market data, or

Level 3: are measured using inputs not based on observable market prices.

As at 31 December 2024, the division into measurement levels is as follows:

in EUR thousand	Fair Value 31.12.2024	Level 1	Level 2	Level 3
Assets at fair value – recognised in other comprehensive income				
Equity investment	58,000			58,000
Assets at fair value – recognised through profit or loss				
Equity investment	30,035			30,035

The figures for the previous year are as follows:

in EUR thousand	Fair Value 31.12.2023	Level 1	Level 2	Level 3
Assets at fair value – recognised in other comprehensive income				
Equity investment	67,536			67,536
Assets at fair value – recognised through profit or loss				
Equity investment	31,500			31,500

Changes in Level 3 financial instruments are as follows:

in EUR thousand	2024	2023
01.01.	99,036	102,549
Addition	0	0
Measurement gains/losses	– 9,421	– 3,385
Disposals	– 1,580	– 128
31.12.	88,035	99,036

Net gains and losses on financial instruments are as follows:

in EUR thousand	2024	2023
Financial assets measured at fair value through other comprehensive income (FVOCI) – equity instruments	– 9,537	– 2,163
Financial assets measured at fair value through profit and loss (FVtPL) – debt instruments	115	1,242
Financial assets measured at amortised cost (FAAC)	762	229

The net gains and losses consist of the changes in the fair value of financial assets recognised through other comprehensive income (equity instruments, FVOCI), as well as expenses and income for expected credit losses (previous year: impairments) from the financial assets measured at amortised cost (FAAC).

Statement of cash flows disclosures

The cash and cash equivalents shown in the statement of cash flows correspond to the cash and cash equivalents shown on the balance sheet, i.e. cash at hand and bank balances that can be made available within three months.

The non-cash changes in financial liabilities in the statement of cash flows are largely attributable to unpaid interest and amortisation.

in EUR thousand	Note	01.01.2024	Cash	Non-cash			31.12.2024
				Reclassifications	Changes in the basis of consolidation	Interest / Other	
Corporate Bond	28	394,654	–8,973			–3,111	382,570
Long-term interest-bearing loans and borrowings	28	1,921,469	–261,544	–221,207	0	2,663	1,441,381
Current interest-bearing loans and borrowings	28	618,917	–385,303	221,207	0	–10,062	444,759
Liabilities in accordance with IFRS 5	26	39,151				–163	38,988
Total		**2,974,191**	**–655,820**	**0**	**0**	**–10,673**	**2,307,698**

in EUR thousand	Note	01.01.2023	Cash	Non-cash			31.12.2023
				Reclassifications	Changes in the basis of consolidation	Interest / Other	
Corporate Bond	28	542,199	–150,000			2,455	394,654
Long-term interest-bearing loans and borrowings	28	2,304,803	210,489	–587,183	0	–6,640	1,921,469
Current interest-bearing loans and borrowings	28	252,759	–221,124	587,183	0	99	618,917
Liabilities in accordance with IFRS 5	26	38,676				475	39,151
Total		**3,138,437**	**–160,635**	**0**	**0**	**–3,611**	**2,974,191**

Segment reporting

The segment report is structured in line with IFRS 8 Operating Segments, following the management approach. Since the 2019 financial year, our reporting has been focused on two pillars: the Commercial Portfolio segment, which comprises our own property portfolio, and the Institutional Business segment, in which we are consolidating our property management services for institutional investors.

Decisions by the Management Board on the allocation of resources to the segments and their earnings capacity are based primarily on the operational and financial key performance indicators presented.

The FFO contribution of the Commercial Portfolio segment rose by around 2% to EUR 44.2 million (previous year: EUR 43.5 million). The segment's FFO margin (FFO in relation to gross rental income) rose from 23.1% to 26.2% due to lower operating expenses. Assets under management decreased to EUR 2,792.6 million due to sales (previous year: EUR 3,641.6 million).

The persistently low transaction volume and the associated lower transaction-related real estate management fees are the main reasons for the Institutional Business segment's low FFO contribution. The segment's FFO margin (FFO in relation to real estate management fees and the share of the profit or loss of associates) was approximately 15.6% (previous year: 20.1%). Assets under management decreased by around 8% to EUR 8,795.4 million at the reporting date (previous year: EUR 9,582.1 million).

Segment Reporting

in EUR million	2024 Commercial Portfolio	2024 Institutional Business	2024 Total	2023 Commercial Portfolio	2023 Institutional Business	2023 Total
Key earnings figures						
Gross rental income (GRI)	168.9		168.9	188.3		188.3
Net rental income (NRI)	150.2		150.2	164.6		164.6
Profits on property disposals[1]	4.3		4.3	8.2		8.2
Real estate management fees		48.2	48.2		50.9	50.9
Share of the profit or loss of associates	2.8	3.1	5.9	3.2	3.2	6.4
Net other income	5.2	0.3	5.5	1.8	– 0.1	1.7
Net interest result	– 103.5	– 1.0	– 104.5	– 91.9	– 0.9	– 92.8
Operational expenditure (OPEX)	– 26.3	– 40.6	– 66.9	– 23.9	– 43.4	– 67.3
– of which admin costs	– 14.0	– 17.3	– 31.3	– 9.9	– 17.3	– 27.2
– of which personnel costs	– 12.3	– 23.3	– 35.6	– 14.0	– 26.1	– 40.1
Other adjustments	32.2	0.4	32.6	7.0	1.2	8.2
Funds from Operations (FFO)	**60.6**	**10.4**	**71.0**	**60.8**	**10.9**	**71.7**
Non-controlling interest	– 16.4	– 2.4	– 18.8	– 17.3	– 2.5	– 19.8
Funds from Operations (excluding non-controlling interest)	44.2	8.0	52.2	43.5	8.4	51.9
Funds from Operations II (FFO II)	65.0	10.4	75.4	69.0	10.9	79.9
Funds from Operations II (including profit on disposals, excluding non-controlling)	48.5	8.0	56.5	51.0	8.4	59.4
EBITDA	136.2	11.0	147.2	154.0	10.6	164.6
EBIT	– 285.1	– 3.6	– 288.7	2.0	6.5	8.5
Segment assets[1]						
Number of properties	138	179	317	168	183	351
Assets under Management (AuM) in EUR million	2,792.6	8,795.4	11,588.0	3,641.6	9,582.1	13,223.7
Rental space in sqm	1,283,147	2,813,032	4,096,179	1,735,938	2,873,470	4,609,408

[1] Not proportionate/based on 100 %, incl. project developments and repositioning properties.

Reconciliation between the market value in 2023 and the carrying amount of investment properties

in EUR million	31.12.2024	31.12.2023
Market value, AuM, total	11,588	13,224
less Institutional Business	8,795	9,582
Market value Commercial Portfolio	2,793	3,642
less fair value adjustment	42	143
less IFRS 5 properties	87	100
Total	**2,664**	**3,399**

Leases

The Group is the lessor in a large number of operating leases (tenancy agreements) of different types for investment property owned by the Group. Most of the leases have a term of between five and ten years. They contain a market rent review clause in case the lessee exercises its option to extend the lease. The lessee is not granted the option to acquire the property at the end of the lease term.

At the reporting date, investment properties with a carrying amount of EUR 2,636,875 thousand (previous year: EUR 3,398,556 thousand) were let under operating leases. With regard to the required disclosures on accumulated depreciation and depreciation costs for the period, please see the information in note 14 “Investment property”.

Branicks will receive the following future minimum lease payments from existing leases with third parties:

in EUR thousand	31.12.2024	31.12.2023
< 1 year	137,139	169,386
1 – 5 years	398,657	493,726
5 years	150,682	169,461
Total	**686,478**	**832,573**

The minimum lease payments include net rental income to be collected up until the agreed lease expiry date or the earliest possible date of termination by the lessee (tenant), regardless of whether notice of termination or non-renewal of a lease is actually expected.

In 2024, the Group recognised contingent rents of EUR 3,309 thousand (previous year: EUR 4,577 thousand).

With regard to the gross rental income recognised by the Group from investment property in the year under review, please refer to → note 1. Maintenance expenses included in other property-related expenses were as follows:

in EUR thousand	2024	2023
Properties with which rental income is generated	4,593	4,376
Properties which are vacant	3	0

The Group has entered into several lease agreements as lessee. The lease agreements primarily concern leased vehicles and the rental of office premises. Contracts for leased vehicles have a standard term of three years. Extension options with a term of five years are in place for leases.

Reporting on risk management

The Group is exposed to various financial risks, such as credit risk, liquidity risk and market risk, in connection with its operating activities, and managing these financial risks is integral to the Group's business strategy. The associated corporate policies are stipulated by the Management Board.

Details concerning the risk management system and business risks are presented in the Company's combined management report in the section entitled "Risk management" on → page 67 et seq. The following supplementary disclosures on individual risks are made in accordance with IFRS 7:

Credit risk

Credit risk is defined as the risk that a business partner may not be able to meet obligations on time, resulting in a financial loss or a decline in the value of the assets serving as collateral. To reduce the risk of a loss from non-performance, the Group aims to only enter into business relationships with creditworthy counterparties or, if appropriate, request that collateral be furnished. The Group is exposed to credit risk as part of its operating activities (in particular from trade receivables and receivables from related parties) as well as risks as part of its financing activities, including its deposits with banks and financial institutions.

Receivables from tenants are due from a large number of tenants spread across various industries. Credit risk is assessed and controlled by regularly conducting credit rating analyses when new leases or extensions are signed as well as proactively managing accounts receivable. Leases are only signed with counterparties with excellent credit standing. Credit ratings are analysed and updated on each reporting date. To this end, the available credit information is reviewed for significant deterioration. Contractual partners without any record of late payments are assigned to Risk Level I. Delayed payments or non-payment of outstanding receivables are generally considered to increase credit risk significantly and in some cases are already subject to litigation (Risk Level II). Receivables that appear uncollectible, e.g. because insolvency proceedings have been opened, are classified in the highest risk level (Risk Level III). This principle can be refuted if reliable and justifiable information indicates in individual cases that credit risk has not increased. Based on the relevant risk level assignment, loss allowances are recognised in the amount of the expected credit loss.

Receivables from related parties exist mainly in the form of loans granted. The creditworthiness of these contractual partners is monitored continuously. Due to the existing collateral and the assets of the contractual partners, the expected credit losses in this context are regarded as insignificant. In the case of financing activities, the Group is exposed to credit risk arising from the non-performance of contractual agreements on the part of its contractual partners. This applies in particular to bank balances. The credit risk of these contractual partners is subject to regular monitoring. To minimise risk, the Group enters into transactions only with counterparties that have a high credit rating or are members of a deposit protection fund.

In addition, the Group is exposed to credit risk resulting from financial guarantees furnished by the Group to banks or other contractual partners. The Group's maximum risk corresponds to the amount the Group would have to pay if the guarantee was called in. As at 31 December 2024, there were guarantees amounting to EUR 181,332 thousand (previous year: EUR 55,054 thousand). The share attributable to Branicks as at the reporting date amounts to EUR 162,622 thousand (previous year: EUR 32,576 thousand) (see disclosures on contingent liabilities).

Based on the risk classifications, the carrying amounts per risk level are as follows:

	2023			
in EUR thousand	Trade receivables	Loans to related parties	Receivables from related parties	Cash and cash equivalents
Risk level I	21,047	107,623	21,573	250,720
Risk level II	2,898	–	–	–
Risk level III	–	–	–	–
Total	**23,945**	**107,623**	**21,573**	**250,720**

Impairment losses on trade receivables changed as follows:

in EUR thousand	2024	2023
As at 1 January	4,487	5,371
Additions	1,383	1,560
Use	– 1,999	– 1,113
Reversal	– 621	– 1,331
As at 31 December	**3,250**	**4,487**

The change in impairment losses is attributable to the ongoing measurement of receivables. Additions relate mainly to additions to Level 2.

For all other assets subject to the impairment model according to IFRS 9.5.5, there were no material expected credit losses.

The maximum credit risk is equal to the carrying amounts of the financial assets recognised in the balance sheet.

A concentration risk could arise in cases where individual tenants generate more than 10% of the Group's rental income. Since no tenant has a share exceeding 10% of total volume, the Group is not exposed to significant credit risk. The top ten tenants generate some 33% of total annual rental income. These tenants are all renowned tenants with mostly excellent credit standing, primarily from the automotive industry, from the public sector, insurances and banks.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its contractual financial obligations. The Group manages liquidity risk by holding reserves, by maintaining credit lines at banks and by continually monitoring forecast and actual cash flows as well as matching the maturity profiles of financial assets and liabilities. The aim of this liquidity planning is to ensure that unforeseeable needs can be met alongside planned financing requirements.

The maturities scheduled for 2025 as of the reporting date, which primarily consist of promissory note loans totalling around EUR 290 million, were not completely covered by firmly agreed financing or sales proceeds as of the reporting date. We believe it is more likely than not that we will be able to secure the required liquidity by generating sales proceeds by the respective maturity dates. Further information can be found in the "Events after the reporting period" section → page 161.

Among other factors, demands are placed on the Group's liquidity by obligations from contractually agreed interest and principal payments for non-derivative financial liabilities. Liquidity risk may arise, for example, if loans which have been earmarked for renewal cannot be extended, if delays arise in sales activities or if capital requirements for new financing are larger than expected.

An additional fundamental risk arises from loan agreements in which covenants are agreed, e.g. debt-service coverage ratio (DSCR), interest coverage ratio (ISCR), WALT or LTV. Covenant violations, which occur when defined thresholds are exceeded, can, for example, necessitate unscheduled repayments or the furnishing of collateral for the amount required to comply with the covenant.

Compliance with covenants is monitored on an ongoing basis and included in the Group's quarterly reporting to management. All covenants were met in the 2024 financial year. We expect no covenant violations in 2025.

Cash and cash equivalents totalling EUR 250,720 thousand (previous year: EUR 345,550 thousand) are available to cover liquidity requirements. Furthermore, the Group has credit lines and guarantee facilities unutilised to date in the total amount of EUR 1,664 thousand (previous year: EUR 57,158 thousand). The Group expects to be able to fulfil its other obligations from operating cash flows.

In the interest of minimising risk concentration, new financing and refinancing deals for real estate portfolios are spread across several banks in some cases, thus reducing the respective exposure per bank. At the reporting date, the maximum counterparty risk with a single counterparty stands at EUR 472 million (previous year: EUR 526 million).

The financial liabilities arising over the next few years from the liabilities existing at the reporting date including estimated interest payments are shown below. These are undiscounted gross amounts including estimated interest payments.

in EUR thousand	2025	2026 to 2029	2030 and after
Non-derivative financial liabilities			
Non-current interest-bearing loans and borrowings	44,962	1,565,580	412,232
Current interest-bearing loans and borrowings [1]	508,129		
Trade payables	10,555		
Related party liabilities	7,229		
Other liabilities	66,783		
Total	**637,658**	**1,565,580**	**412,232**

[1] Incl. liabilities – properties held for sale.

The figures for the previous year are as follows:

in EUR thousand	2024	2025 to 2028	2029 and after
Non-derivative financial liabilities			
Non-current interest-bearing loans and borrowings	67,887	1,881,708	777,442
Current interest-bearing loans and borrowings [1]	679,265		
Trade payables	6,380		
Related party liabilities	6,649		
Other liabilities	60,269		
Total	**820,450**	**1,881,708**	**777,442**

[1] Incl. liabilities – properties held for sale.

Market risk

Market risk is the risk that market prices, such as interest rates, may change and thus affect the Group's income or the value of the financial instruments it holds. The aim of market risk management is to manage and control the risk within acceptable bandwidths, and to optimise returns as much as possible.

Interest rate risk arises as a result of market-driven fluctuations in interest rates or margins on new borrowings and renewals of loans. The Group is exposed to interest rate risk because Group companies raise funds at fixed and variable interest rates. This risk is managed by the Group through a balanced portfolio of fixed-rate and variable-rate loans. Interest rate swaps, mainly payer swaps, are also arranged additionally for this purpose if appropriate. As at the 31 December 2024 reporting date and as in the previous year, the Group had no interest rate derivatives.

As at 31 December 2024, 82% (previous year: 79%) of the Group's loans and borrowings carried a fixed interest rate or were hedged against interest rate fluctuations and thus matched the cash flows from rents. This means that the impact of fluctuations in market interest rates is foreseeable in the medium term.

For the purpose of optimising its net interest result, the Group maintained 18% (previous year: 21%) of financial debt at variable interest rates in financial year 2024.

In accordance with IFRS 7, interest rate risk is presented using sensitivity analyses. These show the effects of changes in market interest rates on interest payments, interest income and expense, other earnings items and, in the case of derivatives in a hedging relationship, the effects on the hedging reserve in equity and the fair value of these derivatives. The sensitivity analyses are based on the assumption that changes in market interest rates of non-derivative financial instruments carrying fixed interest rates only affect earnings if these are measured at fair value. As a result, fixed-rate financial instruments carried at amortised cost are not subject to interest rate risk as defined in IFRS 7. Sensitivity analyses are therefore only conducted for variable-rate financial liabilities. For variable-rate financial debt, it is assumed that the amount of the outstanding liability at the end of the reporting period was outstanding for the full year. An increase or decrease of the market interest rate by 100 basis points would have had the following effect on earnings income and equity at the reporting date after taking deferred taxes into consideration:

	2024		2023	
in EUR thousand	+100 Bp	–100 Bp	+100 Bp	–100 Bp
Effect on earnings from variable-rate loans and borrowings	2,842	– 2,842	4,698	– 4,698

The interest rate risk of the Group's financial assets and financial liabilities is described in the section entitled "Liquidity risk".

Contingent liabilities and other financial obligations

Contingent liabilities

The Branicks Group has provided the following sureties and guarantees:

Type of collateral	Beneficiary	Purpose	Amount in EUR thousand	Branicks Group share in EUR thousand
Directly enforceable guarantee	HypoVereinsbank AG, München	property financing for a subsidiary's rental property	207	207
Directly enforceable guarantee	Sparkasse Bad Hersfeld-Rotenburg	property financing for a subsidiary's rental property	420	420
Directly enforceable guarantee	Sparkasse Neuss	property financing for a subsidiary's rental property	825	825
Directly enforceable guarantee	Volksbank Freiburg eG	property financing for a subsidiary's rental property	565	565
Directly enforceable guarantee	P3 Logistic Parks GmbH	property financing for a subsidiary's rental property	558	558
Directly enforceable guarantee	Stadt Ingolstadt	costruction project for a subsidiary's rental property	150	150
Guarantee	Raiffeisenlandesbank Oberösterreich AG, Zweigniederlassung Süddeutschland	Guarantee for loan agreement	3,344	3,344
Guarantee	BayernLB, München	Guarantee for loan agreement	73,867	73,867
Guarantee	Nassauische Sparkasse	Guarantee for loan agreement	21,380	21,380
Guarantee	KFB Baumanagement GmbH für die Stadt Erding	construction project Erding	2,112	2,112
Payment bond	BAM Deutschland AG	MT WINX construction project	7,088	2,835
Payment bond	ED.Züblin AG	MT Panorama construction project	595	238
Payment bond	BAM Deutschland AG	MT WINX construction project	14,000	5,600
Payment bond	BAM Deutschland AG	MT WINX construction project	7,000	2,800
Rent guarantee	Ideal Lebensversicherung	Rent guarantee for a subsidiary's commercial property	34	34
Rent guarantee	Global Tower Projekt GmbH & Co. KG	Rent guarantee Global Tower	1,272	1,272
Directly enforceable guarantee	Union Investment Real Estate GmbH	Fulfilment of all payment obligations and obligations to pay damages by the seller in accordance with the MT Porta purchase agreement	1,500	600
Warranty bond	PATRIZIA WohnInvest Kapitalverwaltungsgesellschaft mbH	Acceptance of MT Patio construction project	1,000	400
Guarantee	BNP Paribas + Hansainvest Hanseatische Investment GmbH	Disposal of shares in connection with a club deal	16,000	16,000
Guarantee	DZ HYP AG	Guarantee for loan agreement	2,000	2,000
Guarantee	Sparkasse Köln Bonn	Guarantee for loan agreement	8,000	8,000
Rent guarantee	Triuva Kapitalverwaltungsgesellschaft mbH	Rent guarantee for a subsidiary's rental property	285	285
Rent guarantee	Hermann Wendelstadt	Rent guarantee for a subsidiary's rental property	12	12
Rent guarantee	Burda GmbH	Rent guarantee for a subsidiary's rental property	38	38
Rent guarantee	Artamac GmbH S.a.r.l.	Rent guarantee for a subsidiary's rental property	80	80

Currently, there is no discernible risk of Branicks being held liable for the contingent liabilities it has assumed, because the financial situation of the relevant companies indicates that they will settle the underlying liabilities.

Financial obligations

With regard to existing investment obligations for measures on portfolio properties, please refer to our explanations in the section entitled "Investment property" → page 129.

Capital management

The paramount objective of capital management is to ensure that the Group retains its ability to repay its debts and the financial stability to support its business activities in the future.

The capital structure is managed in accordance with economic and regulatory provisions. In this process, we aim to achieve a balanced maturity structure for outstanding liabilities.

Branicks is able to manage its capital structure through dividends and/or capital increases or by changes to its financing. Branicks strives to maintain a capital structure that is in line with the business risk. Branicks is subject to the minimum capital requirements for stock corporations. Compliance with these requirements is monitored.

The equity ratio is used as an important parameter vis-à-vis investors, analysts and banks.

in EUR thousand	31.12.2024	31.12.2023
Equity	1,128,482	1,527,139
Total assets	3,741,591	4,846,174
Reported equity ratio	30.2 %	31.5 %

The reported equity ratio decreased by 1.3 percentage points year-on-year. This is primarily due to the loss for the period.

Related party disclosures

Entities and individuals classified as related parties

Related parties include the 17 (previous year: 19) associated companies accounted for using the equity method (see the section entitled "Consolidation").

Due to their significant influence, the following entities and individuals were classified as related parties in the financial year 2024:

- Deutsche Immobilien Chancen AG & Co. KGaA
- Group companies of Deutsche Immobilien Chancen AG & Co. KGaA
- Deutsche Immobilien Chancen Beteiligungs AG
- DIC Grund- und Beteiligungs GmbH
- DIC Capital Partners (Europe) GmbH
- DICP Capital SE
- Prof. Dr. Gerhard Schmidt

Additional related parties are the Supervisory Board, the Management Board and close relatives of these individuals.

The Company has prepared a dependent company report outlining its relations with affiliated companies. This report lists all legal transactions conducted by the Company or its subsidiaries with affiliates, or at the request of or in the interest of one of these companies, over the past dependency period, as well as all other measures the Company took or failed to take at the request of or in the interest of these companies over the past dependency period.

The report concludes with the following statement:

"We hereby declare that, based on the circumstances known to us at the time when the transactions were entered into, our company received or paid appropriate consideration for each transaction. We took no actions at the request of or on behalf of the controlling company."

An overview of legal transactions and relations with related parties is shown as follows.

Legal transactions with related parties

Deutsche Immobilien Chancen AG & Co. KGaA and its group entities

There is an overlap of personnel in the Supervisory Boards of Branicks Group AG, Deutsche Immobilien Chancen AG & Co. KGaA ("DIC AG & Co. KGaA") and DIC Beteiligungs AG in that Prof. Dr. Gerhard Schmidt was also indirectly a significant limited shareholder in DIC AG & Co. KGaA. In addition, Prof. Dr. Gerhard Schmidt in the dependency period also was the indirect majority shareholder of its sole general partner, DIC Beteiligungs AG.

The Company currently provides general services related to accounting, finance and management control for a total of 17 entities in which DIC AG & Co. KGaA has a direct or indirect equity interest. Remuneration of EUR 1,335 thousand (previous year: EUR 249 thousand) was paid by the fully consolidated companies of the DIC AG & Co. KGaA Group for the provision of these services in the dependency period.

Branicks Group AG has provided a loan to DIC AG & Co. KGaA with an indefinite term and a notice period of 12 months effective at the end of a quarter. This loan agreement was contributed to DIC Finance Verwaltungs GmbH & Co. KG as of 1 April 2022, making it the new provider of that loan. An interest rate of 3% above the 3-month Euribor to be paid in arrears, has been agreed. As collateral for taking out the loan, DIC AG & Co. KGaA in accordance with an addendum dated 21 December 2015 had granted a lien on ordinary shares of TTL Real Estate GmbH in the amount of EUR 222 thousand (22% of the ordinary shares). As at 31 December 2024, EUR 19,815 thousand of this credit line had been utilised (previous year: EUR 18,736 thousand). Under an agreement dated 23 December 2021, a portion of the loan receivable in the amount of EUR 3,068 thousand was assigned and transferred to a subsidiary, which then contributed it to the capital reserve of DIC Opportunistic GmbH. For the money made available, Branicks Group AG received interest income in the amount of EUR 1,079 thousand in the reporting year (previous year: EUR 1,143 thousand). The loan is shown under non-current loan and borrowings in the balance sheet.

Furthermore, there is a sublease between DIC AG & Co. KGaA and Branicks Group AG in relation to the office space formerly used by Branicks Group AG at the Frankfurt location, as DIC AG & Co. KGaA acts as the general tenant of the former rented Frankfurt Group headquarters. The sublease had a term until 31 March 2023. The amount of the rent is based on the space actually occupied by Branicks Group AG and is charged on at the same price per square metre that is a component of the general rental agreement of DIC AG & Co. KGaA. For 2024, rent paid to DIC AG & Co. KGaA amounted to EUR 0 thousand because the lease had been terminated in 2023 (previous year: EUR 1,532 thousand).

DIC Opportunistic GmbH

DIC Opportunistic GmbH holds a 7.5% interest in DIC Hamburg Portfolio GmbH and in DIC HI Portfolio GmbH & Co. KG; Branicks Group AG holds the remaining 92.5% of the shares. DIC Opportunistic GmbH would generally be willing to sell this interest. However, since Branicks Group AG is interested in maintaining this structure to avoid any influence by a third party or triggering property transfer tax, it pays an annual financial compensation of 5% of the purchase cost for the shares (EUR 285 thousand).

MainTor GmbH

In an agreement dated 12 December 2011, DIC OF REIT 1 GmbH (a wholly-owned subsidiary of Branicks Group AG) granted DIC MainTor Porta GmbH a loan to finance the corresponding construction stage of our project development. The loan has an interest rate of 7.25% p.a. Repayment is expected by the end of 2026. In accordance with the addendum to the loan agreement dated 18 December 2014, a special repayment of EUR 20 million was agreed. As at the reporting date, this loan amounted to EUR 67,567 thousand including accrued interest (previous year: EUR 62,952 thousand). Total interest income of EUR 4,615 thousand (previous year: EUR 4,311 thousand) was recognised in the year under review. In addition, a collateral promise agreement was concluded on 19 December 2014. The collateral promise turned this liability into a joint and several obligation of DIC MainTor Porta GmbH and MainTor GmbH. The existing receivable from the sale of the shares in DIC MainTor WinX GmbH by MainTor GmbH was pledged as collateral in an addendum to the loan agreement dated 30 August 2021. On 30 April 2024, a prolongation agreement was concluded between DIC OF Reit 1 GmbH, DIC MainTor GmbH and DIC MainTor Porta GmbH, extending the term of the loan until 31 December 2026.

DIC MainTor Zweite Beteiligungs GmbH & Co. KG

Branicks Group AG entered into a loan agreement with DIC MainTor Zweite Beteiligungs GmbH & Co. KG with effect from 4 July 2008 for the purpose of financing the working capital of the borrower. The loan carries annual interest of 7.25%. The claims arising from the loan were secured by providing the lender with a first-priority pledge over the rights and claims from the shares in the capital of DIC MainTor Erste Beteiligungs GmbH. Addenda 1 through 12 extended the term of the loan, most recently to 31 December 2024 by way of Addendum 12. On 1 April 2022, Branicks Group AG contributed this loan to DIC Finance Verwaltungs GmbH & Co. KG. In a deferral agreement dated 30 August 2024, it was agreed that the loan would be deferred until 31 December 2025. As at 31 December 2024, the loan balance was EUR 35,241 thousand (previous year: EUR 32,859 thousand). For the money made available, Branicks Group AG and DIC Finance Verwaltung GmbH & Co. KG, respectively, received interest income in the amount of EUR 2,382 thousand in the dependency period (previous year: EUR 2,221 thousand).

DIC Office Balance I, DIC Office Balance II, DIC Office Balance III, DIC Office Balance IV, DIC Office Balance V, DIC Office Balance VI, GEG Public Infrastructure IV and DIC Retail Balance I

As a result of an agency agreement regarding asset and property management, the Group in the year under review generated income from real estate management fees of EUR 1,698 thousand (2023: EUR 1,465 thousand) for services provided to the DIC Office Balance I fund, of EUR 2,088 thousand (2023: EUR 3,535 thousand) for services provided to the DIC Office Balance II fund, of EUR 1,809 thousand (2023: 1,897 thousand) for services provided to DIC Office Balance III, of EUR 1,454 thousand (2023: EUR 1,525 thousand) for services provided to DIC Office Balance IV, of EUR 1,532 thousand (2023: EUR 1,723 thousand) for services provided to DIC Office Balance V, of EUR 953 thousand (2023: EUR 906 thousand) for services provided to DIC Office Balance VI, of EUR 279 thousand (2023: EUR 464 thousand) for services provided to GEG Public Infrastructure IV, and of EUR 1,356 thousand (2023: EUR 1,974 thousand) for services provided to DIC Retail Balance I.

DIC Capital Partners (Europe) GmbH

Under the existing service agreements (“Asset Management Agreements”) the DICP investees are to pay the following remuneration to DIC Beteiligungs AG, as in the previous year:

- Disposition fee (corresponds to a sales commission): 1.5% of the sales price after transaction costs if no outside broker is involved, and 0.5% of the sales price after transaction costs if an outside broker is involved
- Development fee: for project development services up to initial leasing: dependent on expenses or market-rate remuneration
- Accounting fee: for accounting, finance and financial control services, between EUR 20 thousand and 35 thousand per company p.a.
- Arrangement fee: for services in connection with new financing or renewals of existing financing

In 2023 and in the 2024 reporting period, the following remuneration was paid to DIC Beteiligungs AG, in which DICP directly holds 7.5% of the share capital (excluding applicable value added tax):

Recipient of service (amounts in EUR thousand)		Base Management Fee	Disposition Fee	IT/ Development Fee	Accounting Fee	Arrangement Fee	Total
MainTor GmbH	2024	0	0	0	54	0	54
	2023	0	0	0	54	0	54

Transactions with executives

There extent of transactions with executives and their close relatives was insignificant.

Management remuneration

The remuneration of key management personnel in the Group, which is subject to disclosure requirements under IAS 24.17, encompasses the remuneration paid to the current and former Management Board and the Supervisory Board.

The members of the Management Board received remuneration as follows:

in EUR thousand	2024	2023
Short-term benefits	2,950	4,038
Share-based payment	– 189	120
Total	**2,761**	**4,158**

The members of the Supervisory Board received remuneration as follows:

in EUR thousand	2024	2023
Short-term benefits	729	790
Total	**729**	**790**

The member of the Company’s Supervisory Board, Prof. Dr. Gerhard Schmidt, is a partner in the law firm of Weil, Gotshal & Manges LLP. This law firm received fees for legal consultancy services in the amount of EUR 564 thousand net for the 2024 dependency period.

Shareholder structure

Deutsche Immobilien Chancen AG & Co. KGaA, Frankfurt am Main, at the reporting date held a direct and indirect equity interest of 28.23% in the capital of Branicks Group AG, subject to a pooling agreement.

Other disclosures

Announcements pursuant to section 160 AktG

The existing announcements pursuant to section 33 WpHG concerning direct and indirect equity investments in the issued capital of Branicks Group AG are listed in appendix 3 to the notes → page 170 et seq.

Events after the reporting period

In January 2025, a first tranche of the promissory notes 2024 loan in the amount of EUR 15 million was repaid.

In March 2025, the notarial contract for the sale of a logistics property was signed. The transfer of possession, benefits and associated risks is scheduled to take place in the second quarter of 2025.

German Corporate Governance Code

The declaration regarding the German Corporate Governance Code pursuant to section 161 AktG has been submitted and has been made permanently available to shareholders on the website → https://branicks.com/en/ir/corporate-covernance/declaration-of-compliance/.

Supervisory Board

The Supervisory Board comprised the following persons as of the reporting date of 31 December 2024:

- Dr. Angela Geerling (Chairwoman since 13 April 2024), Partner and Managing Director, BLUE Real Estate Advisors GmbH, Munich
- Michael Zahn (Vice Chairman), Managing Partner, Hystake Investment Partners GmbH, Potsdam
- Prof. Dr. Gerhard Schmidt (Chairman until 13 April 2024), lawyer, tax advisor and partner in the law firm of Weil, Gotshal & Manges LLP, Glattbach
- Eberhard Vetter, Head of Capital Investments at RAG-Stiftung and member of the Advisory Board of RSBG SE, Nauheim
- René Zahnd, Chief Executive Officer of Swiss Prime Site AG, Bern
- Jürgen Overath (member from 22 August 2024), Managing Director and shareholder, OIC-HUB GmbH, Hennef

all of the persons mentioned above were also members of the Supervisory Board when this report was published on 12 March 2025.

The members of the Supervisory Board also serve on the following supervisory boards and control bodies:

Membership in additional supervisory boards and control bodies

Dr. Angela Geerling
(first elected to the Supervisory Board: 2022; elected until: 2027)
- none

Michael Zahn
(first elected to the Supervisory Board: 2020; elected until: 2025)
- Peach Property Group, Zürich: Chairman of the Board of Directors [2]
- Cofinimmo SA, Brussels, Belgium: Independent Director on the Board of Directors [2]
- WBV Weisenburger Bau + Verwaltung GmbH, Karlsruhe: Chairman of the Advisory Board
- Füchse Berlin Handball GmbH, Berlin: Member of the Advisory Board

Prof. Dr. Gerhard Schmidt
(first elected to the Supervisory Board: 2002; elected until: 2027)
- Deutsche Immobilien Chancen Beteiligungs AG, Frankfurt am Main: Chairman of the Supervisory Board [1]
- Deutsche Immobilien Chancen AG & Co. KGaA, Frankfurt am Main: Chairman of the Supervisory Board [1]
- DICP Erste Family Office Beteiligungsgesellschaft mbH & Co. KGaA, Munich: Chairman of the Supervisory Board [1]
- DICP Asset Management Beteiligungsgesellschaft mbH & Co. KGaA, Munich: Chairman of the Supervisory Board [1]
- TTL Beteiligungs-und Grundbesitz AG, Munich Chairman of the Supervisory Board [1, 2]
- VIB Vermögen AG, Neuburg a. d. Donau: Chairman of the Supervisory Board [2]
- DICP Capital SE, Munich: Chairman of the Board of Directors/Managing Director
- BBI Bürgerliches Brauhaus Immobilien AG, Ingolstadt: Chairman of the
- Supervisory Board until 7 October 2024 [2]

Eberhard Vetter
(first elected to the Supervisory Board: 2018; elected until: 2027)
- Scope SE & Co. KGaA, Berlin: Member of the Supervisory Board
- RSGB SE, Essen: Member of the Board of Directors
- KINEO Finance AG, Basel, Switzerland: Member of the Board of Directors
- Vertical Topco S.à.r.l, Luxembourg, Luxembourg: Member of the Supervisory Board
- HQ Capital (Deutschland) GmbH, Bad Homburg: Member of the Advisory Board

René Zahnd
(first elected to the Supervisory Board: 2020; elected until: 2025)
- Jelmoli AG, Zürich, Switzerland: President of the Board of Directors [3]
- Swiss Prime Site Finance AG, Zug, Switzerland: President of the Board of Directors 3
- Swiss Prime Site Immobilien AG, Zürich, Switzerland: President of the Board of Directors [3]
- Swiss Prime Site Management AG, Zug, Switzerland: President of the Board of Directors [3]
- Zimmermann Vins SA, Carouge, Switzerland: President of the Board of Directors [3]

Jürgen Josef Overath
(first elected to the Supervisory Board: 2024; elected until: 2025)
- none

1 Membership as defined in section 100 (2) sentence 2 AktG
2 Listed
3 Group companies of Swiss Prime Site

Management Board

The Management Board comprises the following persons at the time of the report's publication on 12 March 2025:

- Sonja Wärntges (Chairwoman),
  Chief Executive Officer (CEO), graduate economist, Frankfurt am Main
  Sonja Wärntges is a member of the corporate/supervisory bodies
  of the following companies:
  - DIC Real Estate Investments GmbH & Co. KGaA, Frankfurt am Main: Chairwoman of the Supervisory Board
  - Fraport AG, Frankfurt am Main: Member of the Supervisory Board
  - VIB Vermögen AG, Neuburg an der Donau: Vice Chairwoman of the Supervisory Board (since 16 August 2024, previously: member of the Supervisory Board)
  - BBI Bürgerliches Brauhaus Immobilien AG, Ingolstadt: Member of the Supervisory Board (until 7 October 2024)

- Torsten Doyen,
  Chief Institutional Business Officer (CIBO), graduate real estate economist and banking economist, Frankfurt am Main

- Christian Fritzsche,
  Chief Operating Officer (COO), business graduate, Dreieich
  - DIC Real Estate Investments GmbH & Co. KGaA, Frankfurt am Main: Member of the Supervisory Board

- Johannes von Mutius,
  Chief Investment Officer (CIO), business graduate, Königstein im Taunus
  Johannes von Mutius is a member of the corporate/supervisory
  bodies of the following companies:
  - DIC Real Estate Investments GmbH & Co. KGaA, Frankfurt am Main: Member of the Supervisory Board
  - VIB Vermögen AG, Neuburg an der Donau: Member of the Supervisory Board
  - BBI Bürgerliches Brauhaus Immobilien AG, Ingolstadt: Member of the Supervisory Board (14 February 2024 to 7 October 2024)

Responsibility statement

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

Frankfurt am Main, 11 March 2025

The Management Board

Sonja Wärntges Torsten Doyen Christian Fritzsche Johannes von Mutius

Appendices to the notes

Appendix 1 to the notes to the consolidated financial statements

List of consolidated subsidiaries

Name and registered office of company	Interest (%)[1]
BCP Düsseldorf Holding GmbH & Co. KG, Frankfurt am Main	100.0
BCP Verwaltungs GmbH, Frankfurt am Main	100.0
BRANICKS Institutional GmbH, Frankfurt am Main	100.0
BRANICKS Institutional Investment Advisory GmbH, Frankfurt am Main	100.0
BRANICKS Institutional Portfolio Advisory GmbH, Frankfurt am Main	100.0
BRANICKS Institutional Property Management GmbH, Frankfurt am Main	100.0
BRANICKS Institutional Real Estate Management GmbH, Frankfurt am Main	100.0
BRANICKS Onsite GmbH, Frankfurt am Main	100.0
Diamond BVO GmbH, Frankfurt am Main	100.0
Diamond Holding 1 GmbH & Co. KG, Frankfurt am Main	100.0
Diamond Verwaltungs GmbH, Frankfurt am Main	100.0
DIC 25 Betriebsvorrichtungs GmbH, Frankfurt am Main	100.0
DIC 25 Objekt Bremen GmbH, Frankfurt am Main	100.0
DIC 25 Objekt Chemnitz GmbH & Co. KG, Frankfurt am Main	100.0
DIC 25 Portfolio GmbH, Frankfurt am Main	100.0
DIC 26 Portfolio GmbH, Frankfurt am Main	100.0
DIC 26 Wiesbaden GmbH, Frankfurt am Main	100.0
DIC 27 Portfolio GmbH & Co. KG, Frankfurt am Main	100.0
DIC AP Objekt 2 GmbH, Frankfurt am Main	100.0
DIC AP Objekt 7 GmbH, Frankfurt am Main	100.0
DIC AP Objekt 8 GmbH, Frankfurt am Main	100.0
DIC AP Objekt 9 GmbH, Frankfurt am Main	100.0
DIC AP Objekt Hans-Thoma-Straße GmbH & Co. KG, Frankfurt am Main	100.0
DIC AP Portfolio GmbH, Frankfurt am Main	100.0
DIC Asset AP GmbH, Frankfurt am Main	100.0
DIC Asset Beteiligungs GmbH, Frankfurt am Main	100.0
DIC Asset DP GmbH, Frankfurt am Main	100.0
DIC Asset OP GmbH, Frankfurt am Main	100.0
DIC Asset Portfolio GmbH & Co. KG, Frankfurt am Main	100.0
DIC Berlin Portfolio Objekt Bundesallee GmbH, Frankfurt am Main	100.0

[1] Interest equals the share of voting rights.

Name and registered office of company	Interest (%)[1]
DIC DP Mönchengladbach Stresemannstraße GmbH, Frankfurt am Main	100.0
DIC DP Objekt 1 GmbH & Co. KG, Frankfurt am Main	100.0
DIC DP Portfolio GmbH, Frankfurt am Main	100.0
DIC Finance Management GmbH & Co. KG, Frankfurt am Main	100.0
DIC Finance Verwaltungs GmbH & Co. KG, Frankfurt am Main	100.0
DIC Fund Balance 1. Beteiligungs GbR, Frankfurt am Main	100.0
DIC Fund Balance 2. Beteiligungs GbR, Frankfurt am Main	100.0
DIC Fund Balance GmbH, Frankfurt am Main	100.0
DIC High Street Balance GmbH, Frankfurt am Main	100.0
DIC Main Palais GmbH, Frankfurt am Main	100.0
DIC MainTor Real Estate 1 GmbH, Frankfurt am Main	100.0
DIC Metropolregion Rhein-Main, Frankfurt am Main	100.0
DIC Objekt Alsbach GmbH, Frankfurt am Main	100.0
DIC Objekt Berlin Taubenstraße GmbH & Co. KG, Frankfurt am Main	100.0
DIC Objekt Bremen GmbH, Frankfurt am Main	100.0
DIC Objekt Bremen Grazer Straße GmbH, Frankfurt am Main	100.0
DIC Objekt Düsseldorf Schwannstraße GmbH, Frankfurt am Main	100.0
DIC Objekt Eschborn Frankfurter Straße GmbH, Frankfurt am Main	100.0
DIC Objekt Halle BV GmbH, Frankfurt am Main	100.0
DIC Objekt Halle GmbH & Co. KG, Frankfurt am Main	100.0
DIC Objekt Hannover Podbie GmbH, Frankfurt am Main	100.0
DIC Objekt Hemsbach GmbH, Frankfurt am Main	100.0
DIC Objekt Karlsruhe Bahnhofsplatz GmbH, Frankfurt am Main	100.0
DIC Objekt Köln Butzweilerhof GmbH, Frankfurt am Main	100.0
DIC Objekt Kronberg GmbH, Frankfurt am Main	100.0
DIC Objekt Leinfelden-Echterdingen GmbH, Frankfurt am Main	100.0
DIC Objekt Mettmann GmbH, Frankfurt am Main	100.0
DIC Objekt München Beteiligungs GmbH, Frankfurt am Main	100.0
DIC Objekt München Campus GmbH, Frankfurt am Main	100.0
DIC Objekt Offenbach Kaiserleistraße GmbH, Frankfurt am Main	100.0

[1] Interest equals the share of voting rights.

Name and registered office of company	Interest (%)[1]
DIC Objekt Stockstadt GmbH, Frankfurt am Main	100.0
DIC Objekt Velbert GmbH, Frankfurt am Main	100.0
DIC OF REIT 1 GmbH, Frankfurt am Main	100.0
DIC Office Balance I GmbH, Frankfurt am Main	100.0
DIC Office Balance II GmbH, Frankfurt am Main	100.0
DIC Office Balance III GmbH, Frankfurt am Main	100.0
DIC Office Balance IV GmbH, Frankfurt am Main	100.0
DIC OP Objekt 2 GmbH, Frankfurt am Main	100.0
DIC OP Objekt Düsseldorf GmbH, Frankfurt am Main	100.0
DIC OP Objekt Leverkusen GmbH, Frankfurt am Main	100.0
DIC OP Objekt Marl GmbH, Frankfurt am Main	100.0
DIC OP Portfolio GmbH, Frankfurt am Main	100.0
DIC Projekt Berlin Taubenstraße GmbH, Frankfurt am Main	100.0
DIC Real Estate Investments Beteiligungs GmbH, Frankfurt am Main	100.0
DIC Real Estate Investments GmbH & Co. KGaA, Frankfurt am Main	100.0
DIC Retail Balance I Beteiligungs GmbH, Frankfurt am Main	100.0
DIC Retail Balance I Funding GmbH, Frankfurt am Main	100.0
DIC Retail Balance I GmbH, Frankfurt am Main	100.0
DIC RMN-Portfolio GmbH, Frankfurt am Main	100.0
DIC RP Objekt 1 GmbH, Frankfurt am Main	100.0
DIC RP Objekt 2 GmbH, Frankfurt am Main	100.0
DIC RP Objekt Bochum GmbH, Frankfurt am Main	100.0
DIC RP Objekt Essen GmbH, Frankfurt am Main	100.0
DIC Ruhr Portfolio GmbH, Frankfurt am Main	100.0
DIC VP Objekt Köln ECR GmbH, Frankfurt am Main	100.0
DIC VP Objekt Köln SILO GmbH, Frankfurt am Main	100.0
DIC VP Objekt Moers GmbH, Frankfurt am Main	100.0
DIC VP Objekt Neubrandenburg GmbH, Frankfurt am Main	100.0
DIC VP Objekt Saalfeld GmbH, Frankfurt am Main	100.0
DIC VP Portfolio GmbH, Frankfurt am Main	100.0

Name and registered office of company	Interest (%)[1]
Dolphin Beteiligungs GbR, Frankfurt am Main	100.0
GEG Betriebsvorrichtungs GmbH, Frankfurt am Main	100.0
GEG Emittent GmbH & Co. KG, Frankfurt am Main	100.0
GEG Emittent Verwaltungs GmbH, Frankfurt am Main	100.0
GEG HA Holding GmbH & Co. KG, Frankfurt am Main	100.0
GEG HA Verwaltungs GmbH, Frankfurt am Main	100.0
GEG Infinity Verwaltungs GmbH, Frankfurt am Main	100.0
GEG Merlion FF & E GmbH, Frankfurt am Main	100.0
GEG Merlion GmbH, Frankfurt am Main	100.0
GEG Real Estate Beteiligungs- und Verwaltungs GmbH, Frankfurt am Main	100.0
GEG Real Estate Fund Management GmbH, Frankfurt am Main	100.0
GEG Real Estate Fund Management VK GmbH, Frankfurt am Main	100.0
GEG Sapporobogen Holding GmbH & Co. KG, Frankfurt am Main	100.0
GEG Triforum BVO GmbH, Frankfurt am Main	100.0
GEG Triforum FinCo. GmbH & Co. KG, Frankfurt am Main	100.0
GEG Triforum Holding GmbH & Co. KG, Frankfurt am Main	100.0
GEG Triforum Verwaltungs GmbH, Frankfurt am Main	100.0
GEG UT Fondsverwaltung GmbH, Frankfurt am Main	100.0
GEG Verwaltungs GmbH, Frankfurt am Main	100.0
Global Tower GmbH & Co. KG, Frankfurt am Main	100.0
Global Tower Verwaltungs GmbH, Frankfurt am Main	100.0
HCC Dortmund Holding GmbH & Co. KG, Frankfurt am Main	100.0
OB III Verwaltungs GmbH, Frankfurt am Main	100.0
GEG Riverpark GmbH & Co. KG, Frankfurt am Main	100.0
Hamburg Primo Beteiligungs GbR, Frankfurt am Main	100.0
BRANICKS Institutional Fund Advisory GmbH & Co. KG, Frankfurt am Main	100.0
Branicks Renewables Europe I S.a.r.I, Grevenmacher, Luxemburg	100.0
ISG Infrastrukturelle Gewerbeimmobilien GmbH, Ingolstadt	100.0
DIC Frankfurt Objekt 3 GmbH, Frankfurt am Main	99.4
DIC Zeil Portfolio GmbH, Frankfurt am Main	99.4

[1] Interest equals the share of voting rights.

Name and registered office of company	Interest (%)[1]
Gewerbepark Langenfeld West 3 GmbH & Co. KG, Frankfurt am Main	99.2
DIC Management Holding GmbH, Frankfurt am Main	94.9
DIC Objekt Leverkusen GmbH, Frankfurt am Main	94.9
German Estate Group GmbH, Frankfurt am Main	94.9
DIC Objektsteuerung GmbH, Frankfurt am Main	94.8
DIC Hamburg Objekt 1 GmbH, Frankfurt am Main	92.5
DIC Hamburg Objekt Großmannstrasse GmbH, Frankfurt am Main	92.5
DIC Hamburg Objekt Marckmannstraße GmbH, Frankfurt am Main	92.5
DIC Hamburg Portfolio GmbH, Frankfurt am Main	92.5
DIC HI Beteiligungs GmbH, Frankfurt am Main	92.5
DIC HI Objekt 10 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 11 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 12 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 13 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 14 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 15 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 2 GmbH & Co. KG, Frankfurt am Main	92.5
DIC HI Objekt 4 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 5 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 7 GmbH, Frankfurt am Main	92.5
DIC HI Objekt 9 GmbH, Frankfurt am Main	92.5
DIC HI Objekt Frankfurt Theodor-Heuss-Allee GmbH, Frankfurt am Main	92.5
DIC HI Objekt Hamburg Kurt-Schumacher-Allee GmbH, Frankfurt am Main	92.5
DIC HI Objekt Köln GmbH, Frankfurt am Main	92.5
DIC HI Objekt Neu-Isenburg GmbH, Frankfurt am Main	92.5
DIC HI Portfolio GmbH & Co. KG, Frankfurt am Main	92.5
Deutsche Immobilien Chancen Objektbeteiligungs GmbH, Frankfurt am Main	90.0
GEG Offenbach Unite GmbH & Co. geschl. Inv. KG, Frankfurt am Main	80.5
DIC 26 Erfurt GmbH, Frankfurt am Main	78.9
DIC 26 Frankfurt Taunusstraße GmbH, Frankfurt am Main	78.9

Name and registered office of company	Interest (%)[1]
DIC AP Objekt 3 GmbH, Frankfurt am Main	78.9
DIC AP Objekt 6 GmbH, Frankfurt am Main	78.9
DIC AP Objekt Augustaanlage GmbH, Frankfurt am Main	78.9
DIC AP Objekt Coblitzweg GmbH, Frankfurt am Main	78.9
DIC AP Objekt Düsseldorf GmbH, Frankfurt am Main	78.9
DIC AP Objekt Insterburger Str. 5 GmbH, Frankfurt am Main	78.9
DIC AP Objekt Insterburger Str. 7 GmbH, Frankfurt am Main	78.9
DIC AP Objekt Königsberger Str. 29 GmbH, Frankfurt am Main	78.9
DIC DP Objekt 2 GmbH, Frankfurt am Main	78.9
DIC Objekt Duisburg Stadtfenster GmbH, Frankfurt am Main	78.9
DIC Objekt Köln MBC GmbH, Frankfurt am Main	78.9
DIC Objekt Stadthaus Offenbach GmbH, Frankfurt am Main	78.9
DIC Objekt Zeppelinheim GmbH, Frankfurt am Main	78.9
DIC OP Objekt 1 GmbH, Frankfurt am Main	78.9
DIC OP Objekt 3 GmbH, Frankfurt am Main	78.9
DIC OP Objekt 4 GmbH, Frankfurt am Main	78.9
DIC Hamburg Objekt 5 GmbH, Frankfurt am Main	79.1
DIC HI Objekt 6 GmbH & Co. KG, Frankfurt am Main	79.1
DIC Objekt Hamburg-Harburg GmbH, Frankfurt am Main	78.9
DIC Objekt Langenhagen GmbH, Frankfurt am Main	78.9
VIB Objekt Filderstadt GmbH, Frankfurt am Main	78.9
VIB Objekt Gottmadingen GmbH, Frankfurt am Main	78.9
VIB Objekt Halle Weststraße GmbH, Frankfurt am Main	78.9
VIB Objekt Langenselbold GmbH, Frankfurt am Main	78.9
VIB Objekt Mannheim GmbH, Frankfurt am Main	78.9
VIB Objekt Ratingen GmbH, Frankfurt am Main	78.9
Interpark Immobilien GmbH, Neuburg an der Donau	68.8
BK Immobilien Verwaltung GmbH, Neuburg an der Donau	68.8
KIP Verwaltung GmbH, Neuburg an der Donau	68.8
Merkur GmbH, Neuburg an der Donau	68.8

[1] Interest equals the share of voting rights.

Name and registered office of company	Interest (%)[1]
VIB Finance Management GmbH, Neuburg an der Donau	68.8
VIB Fund Balance GmbH, Neuburg an der Donau	68.8
VIB Fund Management GmbH, Neuburg an der Donau	68.8
VIB Immobilien Verwaltungs GmbH, Neuburg an der Donau	68.8
VIB Vermögen AG, Neuburg an der Donau	68.8
VIMA Grundverkehr GmbH, Neuburg an der Donau	68.8
IPF 1 GmbH, Neuburg an der Donau	68.8
IPF 2 GmbH, Neuburg an der Donau	68.8
VST Immobilien GmbH, Neuburg an der Donau	68.8
VIPA Immobilien GmbH, Neuburg an der Donau	68.8
VSI GmbH, Neuburg an der Donau	68.8
IVM Verwaltung GmbH, Neuburg an der Donau	68.8

Appendix 2 to the notes to the consolidated financial statements

Indirect and direct holdings of up to 50%

Name and registered office of company	Interest (%)[1]
GEG Public Infastructure IV[9]	78.5
DIC MainTor Palazzi GmbH, Frankfurt am Main	40.0
DIC MainTor Panorama GmbH, Frankfurt am Main	40.0
DIC MainTor Patio GmbH, Frankfurt am Main	40.0
DIC MainTor Porta GmbH, Frankfurt am Main	40.0
DIC MainTor Verwaltungs GmbH, Frankfurt am Main	40.0
DIC MainTor Zweite Beteiligungs GmbH & Co. KG, Frankfurt am Main	40.0
MainTor GmbH, Frankfurt am Main	40.0
GEG Equity Participation Fund I	34.0
KHI Immobilien GmbH, Neuburg an der Donau	41.7
DIC Office Balance VI, Frankfurt am Main[2]	22.4
DIC BW Portfolio GmbH, Frankfurt am Main	20.0
DIC Development GmbH, Frankfurt am Main	20.0
DIC GMG GmbH, Frankfurt am Main	20.0
DIC Opportunistic GmbH, Frankfurt am Main[3]	20.0
WACO Beteiligungs GmbH, Frankfurt am Main	20.0
Riverpark Frankfurt GmbH & Co. KG, Frankfurt am Main	10.0
Riverpark Frankfurt Verwaltungs GmbH i.L., Frankfurt am Main	10.0
DIC Office Balance I, Frankfurt am Main[4]	8.1
GEG Sapporobogen GmbH & Co. geschlossene Investment KG, Frankfurt am Main	5.2
Dritte DV I GmbH & Co. KG, Frankfurt am Main	5.1
Dritte Kassel GmbH & Co. KG, Frankfurt am Main	5.1
Erste Bremen GmbH & Co. KG, Frankfurt am Main	5.1
Erste Stuttgart GmbH & Co. KG, Frankfurt am Main	5.1
Fünfte DV I GmbH & Co. KG, Frankfurt am Main	5.1

Name and registered office of company	Interest (%)[1]
GEG HCC Dortmund GmbH & Co. KG, Frankfurt am Main	5.1
GEG Objekt München SCS, Luxembourg	5.1
Gemini I Boersencenter GmbH, Frankfurt am Main	5.1
Gemini II Bronce GmbH, Frankfurt am Main	5.1
Gemini III Titan GmbH, Frankfurt am Main	5.1
MRM Eschborn GmbH & Co. KG, Frankfurt am Main	5.1
OB III Bonn GmbH & Co. KG, Frankfurt am Main	5.1
OB III Frankfurt GmbH & Co. KG, Frankfurt am Main	5.1
OB III Hannover GmbH & Co. KG, Frankfurt am Main	5.1
OB III Koblenz GmbH & Co. KG, Frankfurt am Main	5.1
OB III München GmbH & Co. KG, Frankfurt am Main	5.1
OB III Nürnberg GmbH & Co. KG, Frankfurt am Main	5.1
OB IV Düsseldorf GmbH & Co. KG, Frankfurt am Main	5.1
OB IV München GmbH & Co. KG, Frankfurt am Main	5.1
OB V Hamburg GmbH & Co. KG, Frankfurt am Main	5.1
OB V München GmbH & Co. KG, Frankfurt am Main	5.1
Passing Holdco S. à. R. l, Luxembourg	5.1
RB I Objekt Berlin GmbH & Co. KG, Frankfurt am Main	5.1
RB I Objekt Hamburg Bergedorf GmbH & Co. KG, Frankfurt am Main	5.1
RB I Objekt Hamburg Harburg GmbH & Co. KG, Frankfurt am Main	5.1
Vierte DV I GmbH & Co. KG, Frankfurt am Main	5.1
Zweite Düsseldorf GmbH & Co. KG, Frankfurt am Main	5.1
Zweite DV I GmbH & Co. KG, Frankfurt am Main	5.1
Zweite Erfurt GmbH & Co. KG, Frankfurt am Main	5.1
DIC Office Balance II, Frankfurt am Main[3]	4.6

[1] Interest equals the share of voting rights.
[2] 27.8% share of voting rights.
[3] 0.0% share of voting rights.
[4] 12.5% share of voting rights.
[9] 78.5% share of voting rights.

Name and registered office of company	Interest (%)[1]
DIC Retail Balance I, Frankfurt am Main[5]	3.9
DIC Office Balance III, Frankfurt am Main[6]	1.6
DIC Office Balance IV, Frankfurt am Main[7]	1.5
DIC Office Balance V, Frankfurt am Main[8]	0.5

[1] Interest equals the share of voting rights.
[3] 0.0% share of voting rights.
[5] 8.3% share of voting rights.
[6] 5.9% share of voting rights.
[7] 7.6% share of voting rights.
[8] 5.6% share of voting rights.

Appendix 3 to the notes to the consolidated financial

Voting rights notifications

Disclosures pursuant to section 160 (1) no. 8 AktG

Section 160 (1) no. 8 AktG requires disclosures to be made regarding equity investments of which the Company was informed pursuant to section 21 (1) or (1a) WpHG (as amended until 2 January 2018) or pursuant to section 33 (1) or (2) WpHG (as amended from 3 January 2018). The following disclosures were taken from the most recent notification received from a person or entity required to make an announcement of their voting rights. The Company has changed its name to BRANICKS Group AG (the corresponding amendment to the Articles of Association was entered in the commercial register on 2 October 2023). The most recent change in the total number of voting rights has been effective since 26 April 2023.

a. Prof. Dr. Gerhard Schmidt informed us pursuant to section 33 (1) WpHG by way of a voluntary group voting rights notification where the threshold is met only at subsidiary level that on 1 August 2024 his share of voting rights in BRANICKS Group AG, Frankfurt am Main, amounted to 28.23% (23,594,163 voting rights). 28.23% of these (23,594,163 voting rights) are attributable to Prof. Dr. Gerhard Schmidt pursuant to section 34 WpHG. The names of the shareholders holding at least 3% of the voting rights are: DIC Opportunistic GmbH and TTL Real Estate GmbH.

b. The Goldman Sachs Group, Inc., Wilmington, Delaware, United States of America, informed us pursuant to section 33 (1) WpHG that on 23 May 2024 its share of voting rights in BRANICKS Group AG, Frankfurt am Main, amounted to 0.01% (4,758 voting rights). 0.01% of these (4,758 voting rights) are attributable to The Goldman Sachs Group pursuant to section 34 WpHG.

c. DWS Investment GmbH, Frankfurt am Main, Germany, informed us pursuant to section 33 (1) WpHG that on 2 April 2024 its share of voting rights in BRANICKS Group AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 1.81% (1,514,583 voting rights) as of this date. 1.81% of these (1,514,583 voting rights) are attributable to DWS Investment GmbH pursuant to section 34 WpHG.

d. FMR LLC, Wilmington, Delaware, United States of America, informed us pursuant to section 33 (1) WpHG that on 30 November 2023 its share of voting rights in BRANICKS Group AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.91% (2,427,790 voting rights) as of this date. 2.91% (2,427,790 voting rights) of these voting rights are to be assigned to FMR LLC pursuant to section 34 WpHG.

e. Fidelity Securities Fund, Boston, Massachusetts, United States of America, informed us pursuant to section 33 WpHG that on 5 May 2023 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.99% (2,495,462 voting rights) as of this date.

f. Mr Yannick Patrick Heller informed us pursuant to section 33 WpHG that on 17 February 2021 his share of voting rights in DIC Asset AG, Frankfurt am Main, exceeded the threshold of 10% and amounted to 10.10% (8,140,000 voting rights) as of this date.

g. Fidelity Investment Trust, Boston, Massachusetts, United States of America, informed us pursuant to section 33 (1) WpHG that on 7 April 2020 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.87% (2,266,955 voting rights) as of this date. 2.87% of these (2,266,955 voting rights) are attributable to Fidelity Investment Trust pursuant to section 34 WpHG.

h. DWS Investment S.A., Luxembourg, Luxembourg, informed us pursuant to section 33 (1) WpHG that on 18 October 2019 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.97% (2,142,314 voting rights) as of this date. 2.97% of these (2,142,314 voting rights) are attributable to DWS Investment S.A. pursuant to section 34 WpHG.

i. BlackRock, Inc., Wilmington, Delaware, United States of America, informed us pursuant to section 33 (1) WpHG that on 16 August 2019 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.99% (2,160,321 voting rights) as of this date. 2.99% of these (2,160,321 voting rights) are attributable to BlackRock, Inc. pursuant to section 34 WpHG.

j. Makuria Fund Ltd, Grand Cayman, Cayman Islands, informed us pursuant to section 33 (1) WpHG that on 29 January 2019 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.96% (2,084,321 voting rights) as of this date. 2.96% of these (2,084,321 voting rights) are attributable to Makuria Fund Ltd pursuant to section 34 WpHG.

k. Makuria Investment Management (UK) LLP, London, United Kingdom, informed us pursuant to section 33 (1) WpHG that on 29 January 2019 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.96% (2,084,321 voting rights) as of this date. 2.96% of these (2,084,321 voting rights) are attributable to Makuria Investment Management (UK) LLP pursuant to section 34 WpHG.

l. Deka Investment GmbH, Frankfurt am Main, Germany, informed us pursuant to section 21 (1) WpHG that on 6 July 2017 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the thresholds of 5% and 3% and amounted to 0.31% (213,000 voting rights) as of this date. 0.31% of these (213,000 voting rights) are attributable to Deka Investment GmbH pursuant to section 22 WpHG.

m. RAG-Stiftung, Essen, Germany, informed us pursuant to section 21 (1) WpHG that on 6 July 2017 its share of voting rights in DIC Asset AG, Frankfurt am Main, exceeded the threshold of 10% and amounted to 10.01% (6,867,520 voting rights) as of this date.

n. ASSET VALUE INVESTORS LIMITED, London, United Kingdom, informed us pursuant to section 21 (1) WpHG that on 19 May 2017 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the thresholds of 5% and 3% and amounted to 2.98% (2,044,526 voting rights) as of this date. 2.98% of these (2,044,526 voting rights) are attributable to ASSET VALUE INVESTORS LIMITED pursuant to section 22 WpHG.

o. BRITISH EMPIRE TRUST PLC, Exeter, United Kingdom, informed us pursuant to section 21 (1) WpHG that on 18 May 2017 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.98% (2,042,218 voting rights) as of this date. 2.98% of these (2,042,218 voting rights) are attributable to BRITISH EMPIRE TRUST PLC pursuant to section 22 WpHG.

p. GMO Credit Opportunities Fund, L.P., Boston, MA, United States of America, informed us pursuant to section 21 (1) WpHG that on 4 August 2016 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.99498% (2,053,891 voting rights) as of this date.

q. Grantham, Mayo, Van Otterloo & Co. LLC, Boston, MA, United States of America, as the manager/investment advisor of GMO Credit Opportunities Fund, L.P. having discretion regarding investments and re-investments of the fund assets informed us pursuant to section 21 (1) WpHG that on 4 August 2016 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.99498% (2,053,891 voting rights) as of this date. 2.99498% of these (2,053,891 voting rights) are attributable to Grantham, Mayo, Van Otterloo & Co. LLC pursuant to section 22 WpHG. The name of the shareholder holding at least 3% of the voting rights is GMO Credit Opportunities Fund, L.P.

r. APG Asset Management N.V., Amsterdam, The Netherlands, informed us pursuant to section 21 (1) WpHG that on 2 March 2015 its share of voting rights in DIC Asset AG, Frankfurt am Main, Germany, fell below the threshold of 3% and amounted to 2.68% (1,838,377 voting rights) as of this date.

s. APG Groep NV, Amsterdam, The Netherlands, informed us pursuant to section 21 (1) WpHG that on 2 March 2015 its share of voting rights in DIC Asset AG, Frankfurt am Main, Germany, fell below the threshold of 3% and amounted to 2.68% (1,838,377 voting rights) as of this date. 2.68% of these (1,838,377 voting rights) are attributable to APG Groep NV pursuant to section 22 (1) sentence 1 no. 1 WpHG.

t. Stichting Pensioenfonds ABP, Heerlen, The Netherlands, informed us pursuant to section 21 (1) WpHG that on 2 March 2015 its share of voting rights in DIC Asset AG, Frankfurt am Main, Germany, fell below the threshold of 3% and amounted to 2.68% (1,838,377 voting rights) as of this date. 2.68% of these (1,838,377 voting rights) are attributable to Stichting Pensioenfonds ABP pursuant to section 22 (1) sentence 1 no. 1 WpHG.

u. EII Capital Management, Inc., New York City, United States of America, informed us pursuant to section 21 (1) WpHG that on 1 August 2014 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.79% as of this date (1,914,860 votes). 2.79% of these (corresponding to 1,914,860 votes) are attributable to EII Capital Management, Inc. pursuant to section 22 (1) sentence 1 no. 6 WpHG.

v. EII Capital Holding, Inc., New York City, United States of America, informed us pursuant to section 21 (1) WpHG that on 1 August 2014 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.79% as of this date (1,914,860 votes). 2.79% of these (corresponding to 1,914,860 votes) are attributable to EII Capital Holding, Inc. pursuant to section 22 (1) sentence 1 no. 6 in conjunction with section 22 (1) sentence 2 WpHG.

w. Morgan Stanley, Wilmington, Delaware, United States of America, informed us pursuant to section 21 (1) WpHG that on 9 June 2014 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 0.01% as of this date (8,000 votes). 0.01% of these (corresponding to 8,000 votes) are attributable to Morgan Stanley pursuant to section 22 (1) sentence 1 no. 1 WpHG.

x. Commerzbank Aktiengesellschaft, Frankfurt am Main, Germany, informed us pursuant to section 21 (1) WpHG that on 29 November 2013 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the thresholds of 10%, 5% and 3% and amounted to 0.02% as of this date (corresponding to 15,000 votes). 0.02% of these (corresponding to 15,000 votes) are attributable to Commerzbank Aktiengesellschaft pursuant to section 22 (1) sentence 1 no. 6 WpHG.

y. BNP Paribas Investment Partners S.A., Paris, France, informed us pursuant to section 21 (1) WpHG that on 24 January 2012 its share of voting rights in DIC Asset AG, Frankfurt am Main, fell below the threshold of 3% and amounted to 2.93% as of this date (corresponding to 1,338,422 votes). 2.41% of these (corresponding to 1,099,682 votes) are attributable it pursuant to section 22 (1) sentence 1 no. 6 WpHG.

z. Massachusetts Mutual Life Insurance Company, USA, informed us pursuant to sections 21 (1), 24 WpHG:

   Correction to the voting rights notification pursuant to § 21 Para. 1, 24 WpHG

   OppenheimerFunds Inc., Centennial, Colorado, USA, fell below the 3% threshold of voting rights in DIC Asset AG, Frankfurt am Main (ISIN: DE0005098404, WKN: 509840) on 9 January 2008. The share of the voting rights on this date amounted to 2.91% (911,303 voting rights), which are attributable to OppenheimerFunds Inc. pursuant to section 22 (1) sentence 1 no. 6 WpHG

   Voting rights notification pursuant to sections 21 (1), 24 WpHG: Oppenheimer Acquisition Corp., Centennial, Colorado, USA, fell below the 3% threshold of voting rights in DIC Asset AG, Frankfurt am Main (ISIN: DE0005098404, WKN: 509840) on 9 January 2008. The share of the voting rights on this date amounted to 2.91% (911,303 voting rights), which are attributable to Oppenheimer Acquisition Corp. pursuant to section 22 (1) sentence 1 no. 6 sentence 2 WpHG.

   Voting rights notification pursuant to sections 21 (1), 24 WpHG: MassMutual Holding LLC, Springfield, Massachusetts, USA, fell below the 3% threshold of voting rights in DIC Asset AG, Frankfurt am Main (ISIN: DE0005098404, WKN: 509840) on 9 January 2008. The share of the voting rights on this date amounted to 2.91% (911,303 voting rights), which are attributable to MassMutual Holding LLC pursuant to section 22 (1) sentence 1 no. 6 sentence 2 WpHG.

   Correction to the voting rights notification pursuant to § 21 Para. 1, 24 WpHG Massachusetts Mutual Life Insurance Company, Springfield, Massachusetts, USA, fell below the 3% threshold of voting rights in DIC Asset AG, Frankfurt am Main (ISIN: DE0005098404, WKN: 509840) on 9 January 2008. The share of the voting rights on this date amounted to 2.91% (911,303 voting rights), which are attributable to Massachusetts Mutual Life Insurance Company pursuant to section 22 (1) sentence 1 no. 6 sentence 2 WpHG.

aa. FMR Corp., Boston, Massachusetts, USA, informed us pursuant to section 21 (1) WpHG that on 1 February 2007 its share of voting rights in DIC Asset AG fell below the threshold of 3% and amounted to 1.71% as of this date. The voting rights are attributable to FMR Corp. pursuant to section 22 (1) sentence 2 WpHG in conjunction with section 22 (1) sentence 1 no. 6 WpHG.

Note: This is a convenience translation of the German original. Solely the original text in the German language is authoritative.

Independent auditor's report

To the Branicks Group AG, Frankfurt am Main

Report on the audit of the consolidated financial statements and of the combined management report

Audit opinions

We have audited the consolidated financial statements of Branicks Group AG, Frankfurt am Main, and its subsidiaries (the group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January 2024 to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information.

In addition, we have audited the combined management report (report on the position of the company and of the group) of Branicks Group AG for the financial year from 1 January 2024 to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the combined management report listed in section "Other information". The combined management report contains cross-references not required by law to the Sustainability Report 2023, to further information and current news on sustainability and ESG topics, to the Green Bond Framework and to the Code of Conduct on the website of Branicks Group AG. In accordance with German legal requirements, we have not audited these cross-references or the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the group as at 31 December 2024, and of its financial performance for the financial year from 1 January 2024 to 31 December 2024, and

- the accompanying combined management report as a whole provides an appropriate view of the group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those parts of the combined management report listed in section "Other information". The combined management report contains cross-references not required by law to the Sustainability Report 2023, to further information and current news on sustainability and ESG topics, to the Green Bond Framework and to the Code of Conduct on the website of Branicks Group AG. Our audit opinion does not cover these cross-references or the information to which the cross-references refer.

Pursuant to § 322 (3) sentence 1 HGB (German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

In addition, in accordance with Article 10 (2) letter (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January 2024 to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

We have identified the following matters as key audit matters to be disclosed in our auditor's report:

1. Measurement of investment properties
2. Impairment of goodwill

1. Measurement of investment properties

Matter
Branicks Group AG disclosed investment properties amounting to EUR 2,663.6 million in the consolidated financial statements as at 31 December 2024. Investment property is initially recognised at cost, including incidental costs, in accordance with IAS 40 in conjunction with IAS 16. Subsequently, investment property is measured at cost less accumulated depreciation, impairment losses and reversals of impairment losses. If there are specific external or internal indications of impairment, an impairment test must be carried out on the balance sheet date. New real estate appraisals prepared annually by appropriate appraisers specialising in the real estate sector are used for the impairment test.

An impairment loss is recognised if the recoverable amount falls below the carrying amount. The carrying amounts of investment properties are reviewed annually for impairment in accordance with IAS 36. According to IAS 36.18, the recoverable amount is the higher of the fair value less costs to sell and the value in use. Due to estimation uncertainties and existing scope for discretion, there is a risk for the consolidated financial statements that the carrying amounts of investment property are not covered by the respective recoverable amounts in accordance with IAS 36.6.

The determination of the respective fair values of the investment properties in accordance with IFRS 13 is carried out on the basis of the discounted cash flow method by the external appraisers commissioned by Branicks Group AG. These are Level 3 valuations within the meaning of IFRS 13, which are based on significant input factors that are not observable on the market. The forecast of future cash surpluses from rental income and operating, maintenance and administrative costs, as well as the derivation of the capitalisation rate, involves significant discretionary decisions and estimates.

A key audit matter exists on the basis of the significance of the investment properties for the consolidated financial statements of Branicks Group AG in terms of their value and the considerable uncertainties associated with their measurement.

Branicks Group AG's disclosures on the measurement of investment properties are included in section 14. "Investment property" of the notes to the consolidated financial statements.

Auditor's Response

During our audit, we obtained evidence of the professional and technical qualifications of the external appraisers commissioned by Branicks Group AG as well as of their independence.

We obtained an understanding of the selection and application of the methods, significant assumptions and data on which the valuation by the external appraisers commissioned by Branicks Group AG was based and examined these appraisals on a test basis with regard to the appropriateness, consistency and correct implementation of the valuation method as well as the accuracy of the input factors (leased space and rental income). In addition, we traced the forecast values and parameters incorporated in the valuation (rental income, future vacancy rates, management, maintenance and administration costs and interest rates used) and satisfied ourselves of the appropriateness of the discretionary decisions and estimates.

We had the management board and the external appraisers commissioned by Branicks Group AG explain the assumptions contained in the forecasts regarding the future development of the properties, compared these with published industry expectations and analyses and verified that they were taken into account in the valuation.

We performed the audit of the aforementioned points on the basis of a selection of properties made from a risk perspective.

In carrying out the audit, we consulted internal specialists in the field of property valuation.

2. Impairment of goodwill

Matter

As at 31 December 2024, the company reports goodwill of EUR 190.2 million in the consolidated financial statements.

Goodwill is subjected to an impairment test by the company at least once a year as at 31 December, irrespective of the occasion, and additionally if there are indications of impairment, in order to determine a possible need recognising an impairment loss. The company performed the annual impairment test in the financial year 2024.

The impairment test is performed at the level of the Institutional Business cash-generating unit to which the goodwill is fully allocated. In the impairment test, the carrying amount of the respective cash-generating unit is compared to the corresponding recoverable amount. The recoverable amount is the higher of the value in use and the fair value less costs to sell. The value in use is determined using the discounted cash flow method. The group's approved budget is the basis for determining future cash flows. Future cash flows beyond the detailed budget period are extrapolated using the long-term growth rate. Expectations about future market developments and assumptions about the development of macroeconomic factors are also taken into account. Discounting is carried out using the weighted average cost of capital of the cash-generating unit.

The determination of the value in use depends to a large extent on the management board's assessment of the future cash inflows of the cash-generating unit, the discount rate used, the growth rate and other assumptions, and is therefore subject to considerable uncertainty. Against this background, as well as the uncertainty of the forecast of business and earnings development triggered in particular by the Ukraine war, the recoverability of goodwill was of particular importance in the context of our audit.

Branicks Group AG disclosures on goodwill are included in the “Subsidiaries”, “Associates”, “Goodwill” and “Impairment” sections under “Significant accounting policies” and “13. Goodwill” in the notes to the consolidated balance sheet.

Auditor's response

During our audit, we obtained an understanding of the company's budgeting process and assessed its appropriateness. We performed an analysis of the planning in the past, comparing the planning of the last years with the actual results and analysing deviations. In doing so, with the involvement of our valuation specialists, we traced the methodical procedure for carrying out the impairment tests as well as the calculation and examined the mathematical correctness of the calculation and the model used.

We discussed the approved budget of the group and the current forecast for the financial years 2025 to 2026 inclusive as well as the assumed long-term growth rate with the managing board. In particular, we assessed the appropriate consideration of the effects of the energy crisis triggered by the Ukraine war in the planning calculations. We verified the assumptions underlying the budgeting and the assumed growth rates by comparing them with past developments and current industry-specific market expectations. Furthermore, we critically examined the discount rate used on the basis of the average cost of capital of a peer group.

Other information

The executive directors or the supervisory board are responsible for the other information. The other information comprises:

- the corporate governance statement provided in section “Corporate governance statement” of the combined management report
- the information provided in the section “Non-financial key performance indicators” of the combined management report with the exception of the section “Green Bond – Impact Reporting”
- the other parts of the annual report – without further cross-references to external information – except for the audited consolidated financial statements and combined management report as well as our auditor's report.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report, 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 that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the supervisory board for the consolidated financial statements and the combined management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report

Our objectives 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 whether the combined management report as a whole provides an appropriate view of the group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive 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 the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able 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 present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with the IFRS Accounting Standards, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB.

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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 controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards applied to eliminate independence threats. 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 auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the consolidated financial statements and the combined management report, prepared for publication purposes in accordance with § 317 (3A) HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 (3a) HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "Branicks_Group_AG_KA_2024_12_31.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January 2024 to 31 December 2024 contained in the "Report on the audit of the consolidated financial statements and of the combined management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file identified above in accordance with § 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards, which implement the IAASB's International Standards on Quality Management.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the company are responsible for the preparation of the ESEF documents with the electronic renderings of the consolidated financial statements and the combined management report in accordance with § 328 (1) sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 (1) sentence 4 No. 2 HGB.

In addition, the executive directors of the company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB for the electronic reporting format.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i. e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to article 10 of the EU audit regulation

We were elected as auditor by the consolidated general meeting on 22 August 2024. We were engaged by the Chairperson of the supervisory board on 19 September 2024. We have been the auditor of the consolidated financial statements of the Branicks Group AG without interruption since the financial year 2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the assured ESEF documents. The consolidated financial statements and the combined management report converted to the ESEF format — including the versions to be published in the German Company Register — are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents provided in electronic form.

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Christian Rücker.

Hamburg, 11 March 2025

BDO AG
Wirtschaftsprüfungsgesellschaft

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

Overview

Key figures in accordance with EPRA

Branicks Group AG periodically supplements its reporting in accordance with International Financial Reporting Standards (IFRSs) with the best practice recommendations of the European Public Real Estate Association (EPRA).

As in the previous years, we are reporting EPRA net tangible assets (EPRA NTA), EPRA net reinstatement value (EPRA NRV), EPRA net disposal value (EPRA NDV) and EPRA earnings for our Group. We are also reporting EPRA net initial yield (normal and 'topped up'), the EPRA vacancy rate and EPRA cost ratio (including and excluding direct vacancy costs) for our Commercial Portfolio. In this report we are also showing for the first time the EPRA LTV key figure.

The EPRA guidelines of February 2022 recommend that association members use these indicators for reporting periods starting on or after 1 January 2020 (1 January 2022 for EPRA LTV).

Overview of EPRA key figures

in EUR million	31.12.2024	31.12.2023
EPRA-Net Reinstatement Value (EPRA-NRV)	951.6	1,408.4
EPRA-Net Tangible Assets (EPRA-NTA)	588.5	994.0
EPRA-Net Disposal Value (EPRA-NDV)	800.5	1,337.8
EPRA net initial yield (in %)[1]	4.5	4.2
EPRA "topped up" net initial yield (in %)[1]	4.6	4.2
EPRA vacancy rate (in %)[1]	7.4	5.3

in EUR million	2024	2023
EPRA earnings	97.9	85.9
EPRA cost ratio incl. direct vacancy costs (in %)[2]	21.2	20.7
EPRA cost ratio excl. direct vacancy costs (in %)[2]	19.3	17.6

1 Calculated for the Commercial Portfolio only.
2 Calculated for the Commercial Portfolio only, without project developments and repositioning.

EPRA net reinstatement value

The EPRA net reinstatement value (EPRA NRV) key performance indicator represents the intrinsic value of a company after adjusting for fair value adjustments and the fair value of financial instruments. As at 31 December 2024, EPRA NRV fell by around 32% to EUR 951.6 million (previous year: EUR 1,408.4 million). This decrease is mainly attributable to lower equity and lower hidden reserves in investment property as at 31 December 2024.

in EUR million	31.12.2024	31.12.2023
Equity attributtle to Group shareholders	752.6	1,044.7
plus hidden reserves on investment properties[1]	57.0	184.3
plus/less fair value of financial instruments	0.0	0.0
plus real estate transfer tax	142.0	179.4
EPRA-Net Reinstatement Value (EPRA-NRV)	**951.6**	**1,408.4**
Number of shares (thousand)	83,566	83,566
EPRA-NRV per share in EUR[2]	11.39	16.85

1 Excl. non-controlling interests.
2 Based on 83,565,510 shares (previous year: 83,556,510 shares).

EPRA net disposal value

The EPRA Net Disposal Value (EPRA-NDV) key performance indicator represents the intrinsic value of a company after adjusting for total deferred taxes on fair value adjustments to investment properties, the goodwill recognised in the balance sheet and the fair value adjustment for fixed-rate liabilities. As at 31 December 2024, EPRA NDV fell by around 40% to EUR 800.5 million (previous year: EUR 1,337.8 million). This decrease is mainly attributable to lower equity and lower hidden reserves in investment property as at 31 December 2024.

in EUR million	31.12.2024	31.12.2023
Equity attributtle to Group shareholders	752.6	1,044.7
plus hidden reserves on investment properties[1]	57.0	184.3
less 100% deferred tax on fair value adjustments on investment properties	−6.6	−22.6
less recognised goodwill	−190.2	−190.2
plus fair value adjustment of fixed-rate liabilities	187.7	321.6
EPRA-Net Disposal Value (EPRA-NDV)	**800.5**	**1,337.8**
Number of shares (thousand)	83,566	83,566
EPRA-NDV per share in EUR[2]	9.58	16.01

[1] Excl. non-controlling interests.
[2] Based on 83,565,510 shares (previous year: 83,556,510 shares).

EPRA net tangible assets

The EPRA net tangible assets (EPRA NTA) key performance indicator represents the intrinsic value of a company after adjusting proportionally for deferred taxes on fair value adjustments to investment properties, the fair value of financial instruments and all intangible assets. As at 31 December 2024, EPRA NTA contracted by around 41% to EUR 588.5 million (previous year: EUR 994.0 million). The decrease reflects the approximately 22% lower equity attributable to Group shareholders and the lower hidden reserves in investment property compared to the previous year's reporting date.

in EUR million	31.12.2024	31.12.2023
Equity attributtle to Group shareholders	752.6	1,044.7
plus hidden reserves on investment properties[1]	57.0	184.3
less 50% deferred tax on fair value adjustments on investment properties	−3.3	−11.3
plus/less fair value of financial instruments	0.0	0.0
less recognised goodwill	−190.2	−190.2
less intangible assets	−27.6	−33.5
EPRA-Net Tangible Assets (EPRA-NTA)	**588.5**	**994.0**
Number of shares (thousand)	83,566	83,566
EPRA-NTA per share in EUR[2]	7.04	11.89

[1] Excl. non-controlling interests.
[2] Based on 83,565,510 shares (previous year: 83,556,510 shares).

EPRA net initial yield

The EPRA net initial yield compares annualised rental income (excluding non-allocable property expenses) with the market value of the real estate portfolio at the reporting date; the 'topped up' calculation includes notional rents in respect of unexpired rent-free periods.

in EUR million	31.12.2024	31.12.2023
Annualised gross rental income at the reporting date[1]	145.7	177.4
less non-allocable operating expenses	– 13.7	– 17.6
Annualised net rental income at the reporting date (A)	**132.0**	**159.8**
plus estimated rent for current rent-free periods	2.0	1.7
Topped up annualised net rental income at the reporting date (B)	**134.0**	**161.5**
Investment property in the Commercial Portfolio segment	2,792.6	3,641.6
Estimated incidental acquisition costs on real estate portfolio	139.6	182.1
Commercial Portfolio (gross) (C)	**2,932.2**	**3,823.7**
EPRA net initial yield (in %) (A/C)	**4.5 %**	**4.2 %**
EPRA topped-up net initial yield (in %) (B/C)	**4.6 %**	**4.2 %**

[1] Without warehousing, without rent-free periods.

EPRA vacancy rate

The EPRA vacancy rate compares market rents for vacant spaces with the market rent for the total portfolio space (at the respective reporting date).

in EUR million	31.12.2024	31.12.2023
Estimated rent for vacant space (A)	10.4	8.7
Estimated rent for the entire portfolio (B)	140.1	164.1
EPRA vacancy rate[1] (in %) (A/B)	**7.4 %**	**5.3 %**

[1] Reported for the Commercial Portfolio only, without project developments and repositioning.

EPRA earnings

in EUR thousand	2024	2023
IFRS profit	– 281,113	– 65,960
EPRA adjustments		
Market value change or depreciation of investment property	292,119	130,458
Profit/loss on disposal of investment property	– 4,333	– 8,184
Tax on disposal of investment property	686	1,295
Amortisation of intangible assets and depreciation of right-of-use assets in acc. with IFRS 16	143,798	25,567
Other non-recurring effects	32,710	8,160
Deferred taxes in connection with EPRA adjustments	– 1,518	– 684
Contributions from Co-Investments (project developments and sales)	0	0
Non-controlling interests	– 84,423	– 4,739
EPRA earnings	**97,926**	**85,913**
EPRA earnings per share	**1.17**	**1.03**

EPRA cost ratios

The EPRA cost ratio compares the sum of the proportional operating and administrative expenses of the Commercial Portfolio with gross rental income during the reporting period – both including and excluding direct vacancy costs.

in EUR million	2024	2023
Operating expenses	38.4	41.5
less ground rents	– 0.2	– 0.2
less exceptionals	– 3.0	– 2.9
EPRA costs incl. direct vacancy costs (A)	**35.2**	**38.4**
less direct vacancy costs	– 3.3	– 5.8
EPRA costs excl. direct vacancy costs (B)	**32.0**	**32.6**
Gross rental income less ground rents	168.9	188.1
exceptionals relating object management	– 3.0	– 2.9
Gross rental income (C)	**165.9**	**185.2**
EPRA cost ratio incl. direct vacancy costs (in %) (A/C)	**21.2 %**	**20.7 %**
EPRA cost ratio excl. direct vacancy costs (in %) (B/C)	**19.3 %**	**17.6 %**

EPRA LTV

The new EPRA LTV key fire serves to improve the comparability of leverage ratio data in the real estate sector. In deviation from Branicks' presentation, EPRA LTV also includes a disclosure after deducting minority interests.

in EUR million	Consolidated	Less minority interests	After minority interests
Include:			
Long-term interest-bearing loans and borrowings	1,426.7	– 280.3	1,146.4
Short-term interest-bearing loans and borrowings	444.8	– 0.1	444.7
Liabilities related to non-current assets held for sale	39.0	0	39.0
Liabilities to related parties	7.2	0	7.2
Net payables	0	0	0
Corporate bonds	382.6	0	382.6
Exclude:			
Cash and cash equivalents	–250.7	39.8	–210.9
Net debt (a)	**2,049.6**		**1,809.0**
Include:			
Investment properties at fair value	2,705.1	– 528.7	2,176.4
Non-current assets held for sale	87.5	0	87.5
Goodwill	190.2	0	190.2
Service agreements	25.8	0	25.8
Net receivables	38.4	5.6	44.0
Carrying amount of loans/receivables due to related parties	129.2	– 0.3	128.9
Fair value of investments (indirect property)	221.5	0	221.5
Total property value (b)	**3,397.7**		**2,874.3**
EPRA LTV (a/b)	**60.3%**		**62.9%**

Quarterly overview

Key financial figures

in EUR million	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Gross rental income	44.4	44.7	40.6	39.2
Net rental income	38.5	38.5	35.8	37.4
Real estate management fees	9.7	11.1	16.6	10.8
Proceeds from sales of property	13.0	4.1	349.9	176.4
Profits from sales of property	0.0	0.5	0.0	3.8
Share of the profit or loss of associates	1.6	1.8	1.6	0.9
Funds from Operations excluding non-controlling interest (FFO)	12.2	14.8	21.3	22.8
EBITDA	34.5	34.9	38.7	39.1
EBIT	14.3	– 101.9	5.0	– 206.1
EPRA earnings	12.9	24.5	24.1	36.4
Profit/loss of the period	– 8.8	– 122.7	– 21.7	– 212.3
Cash flow from operating activities	18.6	0.5	24.4	11.3

Balance sheet figures

in EUR million	31.03.2024	30.06.2024	30.09.2024	31.12.2024
Loan To Value (LTV) in %[1]	59.6 %	61.6 %	58.4 %	61.0 %
Investment property	3,432.7	3,013.9	2,941.2	2,663.6
Total assets	4,647.5	4,473.8	4,152.0	3,741.6

Key figures

per sheed in EUR	Q1 2024	Q2 2024	Q3 2024	Q4 2024
FFO (excluding non-controlling interest)	0.11	0.12	0.20	0.20
EPRA earnings	0.15	0.30	0.29	0.43
Earnings	0.11	– 1.33	– 0.31	– 1.83

[1] Adjusted for warehousing.

Five-year overview

Key financial figures

in EUR million	2020	2021	2022	2023	2024
Gross rental income	100.7	108.4	176.0	188.3	168.9
Net rental income	82.2	91.2	152.5	164.6	150.2
Real estate management fees	79.7	101.2	88.4	50.9	48.2
Proceeds from sales of property	116.3	139.3	51.5	558.6	543.4
Profits from sales of property	32.0	23.8	12.7	8.2	4.3
Share of the profit or loss of associates	11.4	6.5	18.9	6.4	5.9
Funds from Operations excluding non-controlling interest (FFO)	96.5	107.2	114.2	51.9	52.2
EBITDA	156.3	165.1	194.4	164.5	147.2
EBIT	117.6	122.1	120.5	8.5	– 288.7
Profit/loss	73.1	58.4	42.9	– 70.7	– 365.5
Cash flow from operating activities	67.4	43.4	158.9	563.7	54.8

Balance sheet figures

in EUR million	31.12.2020	31.12.2021	31.12.2022	31.12.2023	31.12.2024
Investment property	1,600.0	1,756.7	3,673.3	3,398.6	2,663.6
Net Asset Value [1]	1,409.9	1,509.8	1,593.5	1,298.4	857.9
Total assets	2,724.2	3,493.7	5,180.3	4,846.2	3,741.6
Equity	1,108.4	1,134.0	1,664.1	1,527.1	1,128.5
Liabilities	1,615.7	2,359.7	3,516.2	3,319.1	2,613.1

Key figures

per share in EUR	2020	2021	2022	2023	2024
FFO (excluding non-controlling interest)	1.22	1.32	1.38	0.62	0.63
EPRA earnings	1.07	1.18	1.44	1.03	1.17
Net Asset Value [1]	17.49	18.44	19.16	15.54	10.27
Dividend [2]	0.70	0.75	0.75	0.00	0.00

[1] December 31, 2022 amount adjusted.
[2] Proposed dividend.

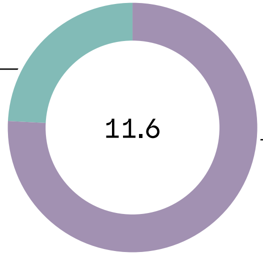
Portfolio overview

Assets under management

in EUR billion

Commercial Portfolio **2.8**
(proprietary portfolio)

- 138 properties
- Directly held portfolio
- Recurring rental income from Core/Core Plus and Value-add assets
- Medium to long-term investment horizon
- Sales at appropriate time



8.8 Institutional Business
(third-party business)

- 179 properties
- Investment vehicles for institutional investors
- Income from structuring and managing these vehicles
- Core real estate in major cities and economically strong regions

Portfolio By segments

		Commercial Portfolio	Institutional Business	Total
Number of properties	2024	138	179	317
	2023	168	183	351
Market value in EUR million	2024	2,792.6	8,795.4	11,588.0
	2023	3,641.6	9,582.1	13,223.7
Rental space in sqm	2024	1,283,100	2,813,000	4,096,100
	2023	1,735,900	2,873,500	4,609,400

Portfolio by regions[1]

		North	East	Central	West	South	Total
Number of properties	2024	36	32	55	77	117	317
	2023	38	34	63	80	136	351
Market value in EUR million	2024	840.4	1,453.2	3,365.3	2,905.3	3,023.8	11,588.0
	2023	941.6	1,521.9	3,966.6	3,124.1	3,669.5	13,223.7
Portfolio proportion in % by market value	2024	7 %	13 %	29 %	25 %	26 %	100 %
	2023	7 %	12 %	30 %	24 %	28 %	100 %
Annualised rental income in EUR million	2024	46.0	64.3	162.4	157.2	148.6	578.5
	2023	50.1	63.5	174.4	157.6	171.5	617.1
Average rent in EUR per sqm	2024	10.29	13.93	17.34	10.93	9.93	12.08
	2023	9.62	13.11	16.80	10.39	9.09	11.31
Weighted average lease term in years	2024	5.3	6.5	6.7	4.9	5.4	5.7
	2023	5.8	7.2	7.1	5.5	5.6	6.2
Gross rental yield	2024	5.5 %	4.4 %	4.9 %	5.4 %	5.0 %	5.0 %
	2023	5.3 %	4.2 %	4.4 %	5.0 %	4.9 %	4.7 %

[1] Figures excluding developments and warehousing, except for number of properties and market value; figures including third-party properties, except for average rent, weighted average lease term and gross rental yield.

Top-20-Assets im Commercial Portfolio[1]

	Location	Address	Rental space (thsd. sqm)	EPRA vacancy rate	Annualised rental income (EUR million)	Market value (EUR million)	WALT (years)
1	Kösching	Zeppelinstraße 33	115.2	0.0%	9.3	202.8	5.7
2	Erding	Dachauer Str.	5.8	0.0%	0.6	123.1	14.8
3	Düsseldorf	Werdener Straße 4 / Kölner Straße 186, 188	29.7	12.5%	6.2	113.6	3.0
4	Berlin	Taubenstr. 7-9	10.1	0.0%	5.3	92.8	2.0
5	Offenbach am Main	Berliner Straße 300 a, b	14.0	0.0%	3.7	77.8	8.5
6	Regensburg	businessPARK, Osterhofener Straße 8-19	38.6	12.3%	4.6	75.1	2.6
7	Leinfelden-Echterdingen	Fasanenweg 9	12.8	0.0%	2.9	71.0	3.1
8	Frankfurt am Main	Insterburger Str. 7 a	14.3	7.5%	6.8	69.5	1.1
9	Halle (Saale)	Neustädter Passage 17 a-d	29.2	27.4%	3.3	67.4	3.8
10	Eschborn	Frankfurter Str. 1	9.3	0.0%	3.2	56.9	3.6
11	Hamburg	Marckmannstr. 129a-e	23.4	0.0%	2.8	56.9	7.0
12	Munich	Georg-Brauchle-Ring 56,58	9.2	1.6%	2.8	53.4	1.9
13	Wiesbaden	Gustav-Stresemann-Ring 12-16	26.1	48.8%	2.5	50.7	4.7
14	Leverkusen	Horst-Henning-Platz 1	13.4	0.0%	2.7	50.5	10.2
15	Frankfurt am Main	Kaiserstr. 62-64/Taunusstr. 33-35	9.5	0.4%	2.4	49.8	10.3
16	Duisburg	Steinsche Gasse 26	12.6	0.0%	2.3	47.6	13.4
17	Hannover	Podbielskistraße 343	9.3	0.0%	2.3	46.9	4.9
18	Frankfurt am Main	Königsberger Str. 29	12.7	20.2%	2.1	45.9	6.4
19	Schwarzenbruck	Daimlerstraße 7	30.9	0.0%	2.1	44.3	9.1
20	Cologne	Mercedes Allee 1	23.4	0.0%	5.6	43.8	1.0
Top 20 properties			**449.5**	**7.5%**	**73.5**	**1,439.8**	**4.7**
Other properties			**808.2**	**7.3%**	**74.2**	**1,352.8**	**4.4**
Total			**1,257.7**	**7.4%**	**147.7**	**2,792.6**	**4.6**

[1] Top 20 list without non-strategic properties and properties earmarked for future development activities.
[2] Undisclosed information for reasons of competition.

Glossary

Adjusted NAV (adjusted net asset value)
Adjusted NAV is calculated as NAV plus the economic value of the Institutional Business division that was determined in an external valuation at year-end and is not included in full in the consolidated balance sheet. Adjusted NAV therefore serves as an indicator of the value of the entire group including all income pillars.

Acquisition volume
The total of the purchase prices for acquired real estate (with notarisation) within a reporting period.

Annualised rent
Rental income of a property at a specific date based on current rent, extrapolated to the full year.

Asset management
Value-orientated operation and/or optimisation of properties through letting management, repositioning or modernisation.

Asset management/property management/development fees
The fees for asset management and property management services as well as services for development activities are closely correlated with the amount of assets under management and as a general rule are largely derived from this.

Assets under management
At Branicks Group AG, the term assets under management refers to all managed real estate assets from the Commercial Portfolio and Institutional Business divisions that are included here at the most recently determined market value in each case.

Measurement at cost
When measuring an asset at cost, measurement includes recognising the historical cost incurred for producing or acquiring the asset. The carrying amount of depreciable assets is reduced by depreciation and, if required, by impairment charges. Also referred to as "at cost accounting".

Gross rental income
Corresponds to the contractually agreed rent, plus/minus the rental incentives to be distributed over the lease agreement in accordance with IFRSs from investment rent and rent-free periods.

Gross rental yield
Ratio of contractually agreed gross rent to the most recently determined market value of the real estate.

Cash flow
Figure that shows the flow of cash during a given period, making a distinction between cash flow from operating, investing and financing activities.

CO_2
Carbon dioxide is a chemical compound of carbon and oxygen and is one of the main and best-known greenhouse gases. It is produced in particular during the combustion of fuels containing carbon, such as fossil energy carriers like coal, natural gas or crude oil.

Commercial Portfolio
The Commercial Portfolio represents the existing portfolio of Branicks Group AG including the direct real estate investments ("investment properties"). Properties in this portfolio are reported under "Investment property". Income from managing its own real estate portfolio and optimising its value are combined in the Commercial Portfolio division.

Core real estate
Properties let on long-term leases to tenants with outstanding credit ratings in the best locations are described as "core real estate".

Corporate governance
Rules for sound, responsible business management aimed at running a company in line with values and standards in the interest of its investors and other stakeholders. The annual Declaration of Compliance to the German Corporate Governance Code provides a tool to assess corporate governance.

Derivative financial instruments
Derivative financial instruments, or derivatives, are reciprocal contracts, whose price determination is generally based on the trend of a market-dependent underlying security (e.g. shares or interest rates). At Branicks Group AG, these are used exclusively to hedge interest rate risks.

Designated sponsor
The term "designated sponsor" is used for stock brokers who are active in Deutsche Börse's Xetra trading system, and who in their role as special market players ensure that the shares of a given issuer retain the necessary liquidity.

EBIT
At Branicks Group AG, earnings before interest and taxes, including the share of the profit or loss from associates.

EBITDA
At Branicks Group AG, earnings before interest and other financing activities, excluding depreciation and amortisation, including the share of the profit or loss from associates.

EPRA earnings
EPRA earnings are a measure for the sustained and continuous performance by a real estate portfolio and are comparable with the calculation of funds from operations (FFO), although they differ in the way deferred taxes are considered, among other things. When calculating EPRA earnings, all non-recurring or non-cash income components are eliminated. These include valuation effects/depreciation and amortisation and the result of the sale of properties and project developments.

EPRA NDV (net disposal value)
EPRA NDV represents the intrinsic value of a company after adjusting for goodwill recognised in the balance sheet and the fair value adjustment for fixed-rate liabilities.

EPRA NRV (net reinstatement value)
EPRA NRV represents the intrinsic value of a company after adjusting for deferred taxes on fair value adjustments to investment properties and the fair value of financial instruments.

EPRA NTA (net tangible assets)
EPRA NTA represents the intrinsic value of a company after adjusting for deferred taxes on fair value adjustments to investment properties, the fair value of financial instruments and all intangible assets.

Equity method
Consolidation and measurement method in the consolidated financial statements based on the share of updated equity and earnings. Branicks Group AG reports its shares in associates using this method.

Share of the profit or loss of associates
Covers the earnings of Branicks Group AG's equity investments calculated in accordance with the equity method. These investments are essentially co-investments by Branicks Group AG in the investment vehicles of the Institutional Business division, and other investments. The share of the profit or loss of associates includes, among others, income from the management of real estate as well as profits on sales and dividends, calculated proportionately in each case.

ESG
ESG stands for Environmental, Social and Governance, i.e. environmental and social issues in a company's area of responsibility as well as sustainability-related corporate governance.

Fair value
Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction.

Fee
Payment for services to third parties or payment obligation as a result of using third-party services. In the Institutional Business division Branicks Group AG makes a distinction between fees for asset management, property management and development activities, as well as transaction and performance fees.

FFO (funds from operations)
Operating income from property management, before depreciation, tax, profits from sales and project developments as well as other non-recurring or non-cash income components. At Branicks Group AG, this key figure is calculated before taxes and after deducting minorities.

Financial covenants
Financial covenants are conditions stipulated by financial institutions when granting loans. They are linked to the achievement of financial key figures (e.g. interest coverage ratio [ICR], and debt service coverage ratio [DSCR]) during the term.

Goodwill
Goodwill arises from the recognition of acquisitions in the acquiror's balance sheet as a residual figure when the purchase price used to acquire the acquiree cannot be fully divided among the sum of the fair values of all of the acquiree's assets. Unrecognised intangible assets of the acquiree are reflected in goodwill. In accordance with IFRSs, the goodwill recognised must be tested for impairment on an annual basis.

Green bond
A "green bond" is a fixed-rate security where the use of funds is exclusively earmarked for activities that contribute to the reduction or avoidance of climate risks.

Green Bond Framework
Branicks Group AG's Green Bond Framework complies with the globally established Green Bond Principles and enables bond issues with funds used for green purposes that are also in line with the United Nations Sustainable Development Goals 9 and 11. To assess the framework, a second-party opinion was obtained, which is publicly available.

Green Bond Principles
The Green Bond Principles (GBP) of the International Capital Market Association (ICMA) are a globally established standard for assessing green bond issues. They provide recommendations and categories for the use of funds raised and for subsequent reporting.

Green building
Branicks Group AG's Green Bond Framework defines buildings meeting the highest energy efficiency standards as "green buildings". In doing so, Branicks follows established market definitions and references minimum certification levels like "LEED Gold", "BREEAM Very Good" or "DGNB Gold", among others.

Hedge (cash flow hedge, fair value hedge)
Agreement of a contract to safeguard and compensate for the exposure to financial risk.

IFRSs (International Financial Reporting Standards)
IFRSs have been applicable to listed companies in the EU since 1 January 2005. They are intended to facilitate worldwide comparability of publicly traded companies. The focus is on providing information that is easy to understand and fair, not on the protection of creditors and risk-related matters.

Impairment test
Obligatory periodic comparison under IFRSs of fair values and carrying amounts and the assessment of potential signs of a sustained impairment in the value of assets.

Institutional Business
The Institutional Business reporting segment combines all income from real estate management services and income from associated companies (particularly in connection with co-investments).

Investment properties
Investment properties are investments in land and/or buildings that are held for the purposes of earning income from rents and leases, and/or for capital appreciation. They are reported as "Investment property" in accordance with the International Financial Reporting Standards (IAS 40). Branicks Group AG measures investment properties at depreciated cost in accordance with IAS 40.56.

Like-for-like rental income
Like-for-like rental income is rental income from properties in a portfolio that were continuously in the portfolio between two reporting dates. Changes due to portfolio additions and disposals are therefore not included here. When comparing periods, this figure shows the organic component of the change in rental income from letting activity, among other aspects (mainly due to the reduction of vacancies, higher rents for new leases and indexations).

Market capitalisation
Total market value of a company listed on the stock exchange, resulting from the share price multiplied by the number of shares issued at a specific date.

NAV (net asset value)
Represents the intrinsic value of a company. The net assets are calculated as the fair value of the assets less liabilities.

Non-recourse financing
Financing at property or portfolio level, whereby recourse to other assets within the scope of the group is excluded. In the case of non-recourse financing, lenders tailor their lending to the property or the portfolio, as well as the cash flow from the rental income.

Operating leases
Term used in the context of International Financial Reporting Standards. It refers to a periodic lease without transfer of title to the leased asset for the agreed period of use. The recognised right-of-use asset (e.g. for operating and office equipment) is offset by a corresponding liability on the liabilities side.

Operating expenses
Combined personnel and administrative expenses.

Prime Standard
Segment of the Frankfurt Stock Exchange with the greatest relevance and degree of regulation, as well as the highest level of transparency.

Property management
Complete property servicing by own efforts or by management of commercial, infrastructure and technical service providers.

Redevelopment
Redevelopment is any type of measure to develop property that is already in use. The development activities of Branicks Group AG relate exclusively to such portfolio developments. In the case of logistics properties, there is also project development for newly constructed properties via the subsidiary VIB Vermögen AG.

Refurbishment
Generally, structural changes to a building aimed at improving a building's quality and/or fixtures and fittings.

ESG-linked promissory note
Promissory note loan placed with capital market investors where the funds raised can be used for general corporate purposes. However, linking the financing conditions to ESG criteria (in the case of Branicks with the percentage of green buildings in its proprietary portfolio on certain key dates) creates an additional incentive for issuers to push ahead with green projects.

Peak rent
The peak rent is the highest possible rent that could be expected in the market for a prime quality, suitably equipped office unit in the best location.

Stakeholder
Stakeholder is the term generally used for people or groups having different requirements or interests in a corporate process or result, business sector or project. A distinction can also be made between internal stakeholders (employees, owners) and external stakeholders (business partners, tenants, service providers, the general public).

StaRUG
The German Act on the Stabilisation and Restructuring Framework for Businesses (Gesetz über den Stabilisierungs- und Restrukturierungsrahmen für Unternehmen, StaRUG) is an act offering businesses an opportunity to carry out preventive restructuring since 1 January 2021. Companies availing themselves of StaRUG must face the risk of insolvency, i.e. it is likely that they are unable to meet their obligations, without already being insolvent or over-indebted. The Act allows companies to restructure the claims of specific creditor groups while other creditors remain unaffected by this. The restructuring plan must be accepted by at least 75% of the creditors of each affected group.

Transaction and performance fees
Transaction and performance fees include fees for acquisitions and sales, for the set-up of investment products and for the exceeding of defined profitability hurdles through successful real estate management.

Value in use
Present value of future cash flows to be earned through the use of an asset. In contrast to the fair value, which is based on sales and markets, the value in use reflects the specific value of the continued use of an asset from the point of view of the company.

Proceeds from sales of property
Pro-rata income from sales of investment property after transfer of ownership.

Disposal volume
The total of the sales prices for the sold real estate (with notarisation) within a reporting period.

Letting performance/volume
Rental space for which rental agreements for new tenancies or renewals have been concluded for a given period. The letting performance is reported as of a specific date.

Loan to value (LTV)
Ratio of total net financial debt (including liabilities to related parties) to the sum of the market value of the Commercial Portfolio, the market value of other investments, goodwill and other intangible assets in connection with the acquisition of companies, loans to associates and receivables from related parties. Branicks Group AG also reports loan to value without the short-term effects of bridge financing in connection with warehousing.

VIB Vermögen AG
Branicks Group AG acquired a controlling majority interest in the real estate property holder and project developer VIB Vermögen AG ("VIB") in 2022. Within the Branicks group, VIB specialises in the high-potential business of logistics properties.

Warehousing
Securing real estate to form the start-up portfolios for new vehicles to be launched, or to contribute the properties to existing investment products at a later time by acquiring them and adding them to the Commercial Portfolio. Warehousing properties are accounted for as "non-current assets held for sale".

Interest coverage ratio (ICR)
Ratio of EBITDA to net interest result during a specific period; also called interest cover ratio.

Interest rate swap
In the case of interest rate swaps, cash flows from fixed and variable interest-bearing loans are swapped between counterparties. This can be used, for example, to ensure a certain interest rate and thereby minimise risks from interest rate rises.

Legal notes

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

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

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