



*Half-Year Financial Report  
as of 30 June 2021*

# Company Profile

CORESTATE is an investment manager and co-investor with around € 27 billion in assets under management. The company sees itself as a manager for the entire length of the real estate value chain. Thanks to its fully integrated real estate platform, it is able to offer investors a wide range of services, especially the opportunity to invest in large-scale societal trends such as urbanization, demographic shifts or sustainability – trends that will continue to have a decisive influence on the living and working environment in the long term. The consistent focus on asset classes that will be successful in the long run constitutes a central cornerstone of the company strategy. At CORESTATE, all concepts are supported with ESG expertise that is unique to the industry. With 800 experts, CORESTATE offers clients and investors a full range of services and consultation from a single source, from project financing and real estate management to sales. CORESTATE is listed on the Frankfurt Stock Exchange and operates as a respected business partner for institutional and semi-institutional investors as well as high-net-worth private investors in 11 countries across Europe, with offices i.a. in Frankfurt, Luxembourg, Zurich, Paris, Madrid, and London.

## Content

Key Figures	3
Letter to Our Shareholders	4
The Corestate Shares	6
Interim Group Management Report	8
Unaudited Interim Condensed Consolidated Financial Statements	11
Notes to Interim Consolidated Financial Statements	17
Imprint	37

# Key figures

	01.01.2021 - 30.06.2021	01.01.2020 - 30.06.2020
<b>Aggregate Revenues &amp; Gains (€ m)<sup>1</sup></b>	<b>112.6</b>	<b>95.6</b>
EBITDA (€ m)	34.7	25.9
<b>Adjusted EBITDA (€ m)</b>	<b>39.5</b>	<b>25.9</b>
EBITDA Margin	30.8%	27.0%
Net Profit (€ m) <sup>3</sup>	0.5	0.4
<b>Adjusted Net Profit (€ m)<sup>2</sup></b>	<b>15.1</b>	<b>11.4</b>
Earnings per Share (undiluted) (€)	0.01	0.02
	<b>30.06.2021</b>	<b>31.12.2020</b>
Number of shares outstanding	34,166,025	25,666,025
Net Financial Debt Position (€ m) <sup>4</sup>	556.6	517.0
Net Financial Debt / adjusted EBITDA <sup>5</sup>	18.4x	31.3x
Assets under Management at End of Period (€ bn)	27.4	27.8
Number of Employees at End of Period (FTE)	804	757

<sup>1</sup> Aggregate Revenues & Gains include Revenue streams from all three segments (Real Estate Equity, Real Estate Debt and Other).

<sup>2</sup> Adjusted Net Profit is calculated based on the Net Profit for the period, net of (deferred) tax effects and depreciation mainly resulting from purchase price allocations (intangible assets recognized in business combinations) as well as acquisition related costs.

<sup>3</sup> Net Profit post minorities.

<sup>4</sup> Adjusted by IFRS 16 financial liability.

<sup>5</sup> Adjusted EBITDA reflects last twelve months (LTM) as of End of June 2021: € 30.3m



# A. Letter to Our Shareholders

Dear Shareholders,  
Ladies and Gentlemen,



## Some Words from our New CFO

Please allow me a personal statement at the beginning of this letter to you, dear shareholders. I have started my new role as CFO of CORESTATE just a few days ago, but I already feel that the company, its leadership and employees have a

very strong dedication, professionalism and conviction to everything they do. This was in the talks to the members of the Management and the Supervisory Board one of the crucial elements for me: Everyone is very keen on bringing CORESTATE forward. It is a great company with a unique market position in a long-term structurally growing environment. And I very much look forward to bringing in my vast transformation experience in Finance, Treasury and Investor Relations to help shaping a brighter future for all stakeholders of CORESTATE.

## Structural Enhancement for Further Growth

As we see unchanged, in some parts even accelerated positive market drivers in place, our core task in the first half of this year was to prepare CORESTATE to benefit from the upswing in our business environment

after the pandemic impacts eased up. And that's what we have done very successfully as the figures for the first half and especially the second quarter show.

We have acquired Aggregate Financial Services ("AFS") in January, closing took place end of May. With this landmark transaction, we have not only brought in vast experience in real estate financing, but we also fostered our already market leading real estate private debt business tremendously. Just to give you one example: Aggregate Financial Services, now operating in the market as "CORESTATE Bank" has financed the acquisition and development of Berlin's FÜRST Project on Kurfürstendamm, one of the largest real estate transactions of the year with a volume of more than € 1bn.

But we also structurally strengthened our Real Estate Equity business by establishing this leading real estate debt financing platform. This new subsidiary brings in a lot of new clients and with this also new cross selling opportunities given that around 80% of AFS clients are new to CORESTATE. And we will exploit these opportunities very consistently in the upcoming quarters. It is very simple: CORESTATE Bank and HFS are involved in large development projects from the very earliest stage on. This puts us into a favorable position when it comes to follow-up contracts, e.g. for asset and property management.

All these very important steps and structural enhancement of our operations take place on the backdrop of the new strategic setup outlined in the beginning of the year. To put it briefly: CORESTATE now has a significantly sharpened investor focus and the company is shaped into a manager of the entire real estate value chain on the equity and debt side. This comes along with bundled and strengthened sales

forces focusing on the DACH region, but also an authentic and comprehensive ESG orientation and – most importantly – a consistently simplified operational approach due to the reduction of complexity and double function, the realignment of senior management team and harmonized and improved quality standards.



## Strong H1 Figures – Financial Outlook 2021 Confirmed

So, all in all, we can speak of a renewed and enhanced CORESTATE. And this already bears fruits, as we can see from the figures of the first half of 2021, mainly driven by a robust operational pick-up in the second quarter.

In the first six months of this year, the company reached aggregated revenues and gains of nearly € 113m, adjusted EBITDA of nearly € 40m and an adjusted net profit of more than € 15m. Especially our Real Estate Debt segment, fostered by the acquisition of AFS (now "CORESTATE Bank") delivered impressively with total earnings of more than € 61m. This strong performance is to be continued: We already have a very well-filled pipeline with further deals that we will consistently execute in the upcoming months. Real Estate Equity showed earnings of € -5.7m and was in-line with our 2021 phasing and budget and we expect this segment to gain momentum during the second half of the year – we already see transactions picking up pace driven by the unchanged positive market surroundings, some catch-up effects and synergy effects from our debt operations. The other segments contributed earnings of € -1.9m. So, after a

moderate Q1 2021, our company gained pace back to a more normal, profitable and satisfying operational development in Q2. This is embedded in a tangible market upswing with positive tailwind for each of our business segments in the upcoming months.

Against this backdrop we are very well on track to deliver on our financial outlook of aggregate revenues and gains between € 235m and € 260m, adjusted EBITDA between € 90m and € 115m and

adjusted net profit between € 50m and € 75m. We're also on schedule with our net debt reduction initiative and confirm our target defined as a financial leverage ratio of below 3x by the end of this year.

### Personal Commitment

We see our company on a very good path to deliver on growth and profitability expectations and we see a bright future ahead of us. And we clearly demonstrate our strong believe in the upcoming success story of CORESTATE by investing relevant parts of our personal fortune into our shares: thus, we as the Members of

the Management Board currently own nearly 10% of our shares. And we would like to see this perceived as a strong signal of individual commitment and conviction.

### Capital Market Day

Our Capital Market Day will be held on 8 December and we would like to welcome all of you at this – virtual – event.



### René Parmantier

Chief Executive Officer

### Udo Giegerich

Chief Financial Officer

### Sebastian Ernst

Chief Debt Investment Officer

### Johannes Märklin

Chief Debt Financing Officer

## B. The Corestate Shares

### Performance

The Corestate shares closed the Xetra trading in the first half of the year at exactly € 11.00; at the end of 2020, the shares stood at € 14.60 and trading on 4 January 2021 opened at € 14.80. The period high was marked on 21 January at € 15.39, the shares showed their period low on 07 May at € 10.43. On average, more than 127.000 Corestate shares were traded per day on the Xetra system during the first half of 2021.

The SDAX, of which Corestate was a member since March 2018 and until 21 June 2021, when the shares were excluded under Deutsche Börse's fast exit ruling, closed the first half of the year at 16,021 points after showing 14,764 points at the end of 2020. The highest level was reached on 14 June at 16,530 points, the lowest mark on 05 March at 14,683 points.

### Share price development till June 2021 in %



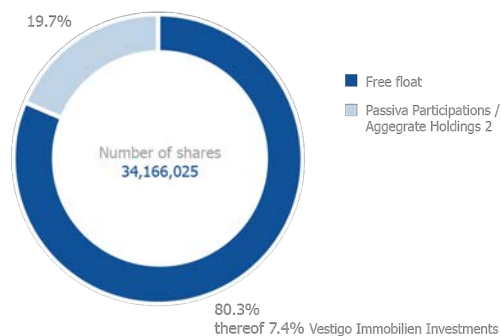
## Annual General Meeting

Due to the pandemic, the Annual General Meeting took place virtually again, on 28 June. All agenda items including the confirmation of the current Supervisory Board with Friedrich Mundsberg as Chairman were adopted with a vast majority.

## Shareholder Structure

As the takeover of Aggregate Financial Services, now acting very successfully on the market as "Corestate Bank" was completed on 25 May, Corestate issued 8.5m new shares as a capital increase against contribution in kind. This led to changes in the company's shareholder structure, as according to latest publications, Passiva Participations and Aggregate Holdings 2 jointly own 19.7% and Vestigo 7.4%. Members of the Management Board own around 9.7% of shares outstanding.

### Shareholder Structure as of last notification of voting rights



## Basic Share Data

WKN / ISIN	A141J3 / LU1296758029
Ticker symbol / Reuters code	CCAP
Trading segment	Prime Standard
Stock exchange	Frankfurt
Type of stock	No-par value bearer shares
Number of shares	34,166,025
First day of trading	4 October 2016
Share price as of 30 Dec 2020	€ 14.60
Share price as of 30 June 2021	€ 11.00
Change in percentage	-24.66%
Period high (21 January 2021)	€ 15.39
Period low (07 May 2021)	€ 10.43

# C. Interim Group Management Report

## CORESTATE Capital Holding S.A., Luxembourg

### Preliminary Remarks

The interim management report and condensed consolidated financial statements of CORESTATE Capital Holding S.A. (hereinafter "CORESTATE" or "the Company") cover the reporting period from 1 January 2021 until 30 June 2021, unless otherwise indicated. Information on market and product offering developments pertains to H1 2021 as well, unless otherwise indicated.

The interim condensed consolidated financial statements have been subject to an external review. Certain statements contained herein may be statements on future expectations and/or other forward-looking statements that are based on our current views and assumptions. These involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those expressed or implied in such statements. CORESTATE does not intend and does not undertake any obligation to revise these forward-looking statements.

### Market Development

The market environment for CORESTATE's business improved significantly during the first half of 2021. Overall, the transaction volume on the real estate investment market in Germany declined by 20% year-on-year to € 34.1 billion. However, the first quarter of 2021 was still affected by the COVID 19 pandemic. A comparison of the second quarter of 2021 with the second quarter of 2020 shows an increased transaction volume of 21%. Stand-alone transactions accounted for the largest share with a volume of € 22.7bn, up 25% year-on-year. Portfolio transactions, on the other hand, are still lagging well behind in the recovery with a decline of 53%. The upward trend is also evident in the largest seven cities, where the transaction volume is almost back to pre-pandemic levels. More than half of all transactions took place in these cities. Investors' appetite for risk is still not very pronounced. They continue to focus on safe core and core+ properties. With a 35% share of the transaction volume, the living segment remains the leading segment. It is followed by office properties that account for 29%, but these are catching up in comparison. Yields remain at a low level. Office properties that are leased long-term to tenants with strong credit ratings and that fulfill ESG criteria are showing increasing demand. Yield compression is also evident in logistics properties with a focus on e-commerce and last mile logistics. The overall market recovery trend is likely to continue, as no significant increase in interest rates is expected before 2023.

### Business and Product Offering Development

Also in H1 2021, CORESTATE and the market it operates in was significantly impacted by the COVID-19 pandemic. This led to an ongoing shift in clients' focus towards reduced risk/return profiles.

At the end of June 2021, CORESTATE had total assets under management of € 27.4bn. The core business, reflected in the real estate AuMs, stood at € 24.3bn, of which 47% in Real Estate Equity, 27% in Real Estate Debt and 26% from third-party property management contracts.

The following transactions and investments were made in H1 (examples):

- On 29 June, STAM Europe acquired for a client two residential buildings for its OPERA Fund in the 3rd and the 17th arrondissement of Paris, totaling 1,800 m<sup>2</sup>
- "CORESTATE Bank" managed complex project financing of the purchase and development of the "FÜRST" project in Berlin – one of the largest real estate transactions of the year with a volume of more than € 1bn
- CORESTATE sold on 27 May the Limes Park in Sulzbach near Frankfurt
- Hannover Leasing markets Alter Domus head office in Luxembourg to Generali
- Hannover Leasing acquired project development "Weitblick 1.7" in Augsburg Innovation Park for a special AIF
- CORESTATE sets up open-end special AIF "Stadtquartiere 1" – the first of its kind in Germany for institutional investors

On 25 May, the acquisition of Aggregate Financial Services, was closed. Signing of this deal took place in January 2021. Operating on the market as "CORESTATE Bank", this subsidiary is a crucial part of



CORESTATE's leading financing platform for real estate companies.

### New CFO

As of 1 August, Udo Giegerich became CFO of CORESTATE after Lars Schnidrig left his position on the Management Board as of 31 May for personal reasons and on the best of terms.

### Results of Operations

Generally, the real estate transaction market in H1, especially in the last couple of weeks, regained momentum and in the course of these two quarters, asset valuations become more stable, also in those classes that were hit the most during the pandemic like office, retail, student living and hotels.

Consolidated total revenues of the Group (including total revenues from Real Estate Equity Business, total revenues from Real Estate Debt Business and income from rental income and service charges) was at € 112.8m (previous year: € 91.2m).

### Aggregate Revenues and Gains by Income Lines

Including the revenues from Real Estate Equity, from Real Estate Debt and from other segments, the Group's aggregate revenues and gains were at € 112.6m (H1 2020: € 95.6m).

m€	01.01.21 31.06.21	01.01.20 30.06.20
Revenue from Acquisition Fees	4.7	5.6
Revenue from Asset Management Fees	18.5	22.1
Revenue from Property Management Fees	16.0	15.2
Revenue from Sales and Promote Fees realised	2.0	-0.2
<i>Total Revenues from Real Estate Equity Business</i>	<i>41.2</i>	<i>42.8</i>
Revenue from Underwriting and Structuring Fees	27.7	6.4
Revenues from Performance Fees	22.2	24.9
Income from Bridge Loans	10.0	4.1
Revenue from Asset Management Fees	8.5	10.2
Income from Trading Activities	0.0	-
<i>Total Revenues from Real Estate Debt Business</i>	<i>68.4</i>	<i>45.7</i>
Income from Rental Income and Service Charges	3.2	2.8
<b>Consolidated Total Revenues of the Group</b>	<b>112.8</b>	<b>91.2</b>
Share of Profit and Loss from Associates and Joint Ventures	1.0	-3.8
Dividends from other Alignment Capital	1.8	5.8
Gains/losses from fair value measurement of financial instruments related to real estate	-2.8	3.0
Net Gain from Selling Warehousing Assets	-0.1	-0.5
<b>Aggregate Revenues and Gains</b>	<b>112.6</b>	<b>95.6</b>

### Real Estate Equity

The Real Estate Equity segment generated revenues of € 41.2m, slightly down from € 42.8m in H1 2020. Acquisition fees in this segment went down from € 5.6m in H1 2020 to € 4.7m. Revenues from asset management in Real Estate Equity went down, mainly due to reduced development fees, from € 22.1m in H1 2020 to € 18.5m. Revenues from property management stood at € 16.0m and increased slightly from € 15.2m in the first half of 2020.

Expenses in this segment were driven by the preparation and set-up for further growth in our markets and stood at € 46.8m leading to total earnings from Real Estate Equity of € -5.7m (H1 2020: € 0.9m).

### Real Estate Debt

The first-time consolidation of Aggregate Financial Services, now "CORESTATE Bank", in Q2 2021 reduces the comparability of the H1 figures in the Real Estate Debt segment to the numbers from last year's first six months.

The total revenues from Real Estate Debt went up significantly from € 45.7 in last year's comparable half-year to € 68.4m underlining the leading position in a very prospering market.

Revenues from underwriting and structuring fees stood at € 27.7m in H1 2021 (H1 2020: € 6.4m), revenues from asset management fees decreased from € 10.2m to € 8.5m and the revenues from performance fees, including coupon participation fees, stood at € 22.2m (H1 2020: € 24.9m), which comes down to higher risk provisioning during the pandemic in Q1 2021. Driven

by the peak in lending, Income from bridge loans went up from € 4.1m in H1 2020 to € 10.0m.

Expenses in this segment ended up at € 7.1m leading to total earnings from Real Estate Debt of € 61.3m (H1 2020: € 41.5m).

### Other Segments

The other segments generated revenues of € 3.1m (H1 2020: € 7.2m), mirroring some valuation effects in the company's share in an opportunistic fund vehicle in Q1 2021, leading to a loss from fair value measurement of financial instruments related to real estate of € -2.8m (H1 2020: € 3.0m).

Expenses in this segment amounted to € 5.0m (H1 2020: € 11.8m). So, the total earnings in other segments came out at € -1.9m (H1 2020: € -4.5m)

### Earnings and Adjusted Earnings

G&A expenses in H1 2021 were € 23.8m (H1 2020: € 16.5m), impacted by the preparation for the expected market upswing in H2 2021 and one-off expenses in the context of the strategic acquisition of AFS and integration as CORESTATE Bank.

Other Income of € 4.7m, merely unchanged from last year's comparable period.

The Group EBITDA came out at € 34.7m compared to € 25.9m in the first six months of 2020. Adjusted by one-off effects and transaction costs, the adjusted EBITDA stood at € 39.5m for H1 2021.

Depreciation and amortization were characterized by the depreciation of around € 17.1m (H1 2020:

€ 16.3m) mainly resulting out of purchase price allocations from acquisitions.

The financial result came out at € -9.7m (H1 2020: € -9.2m) and income tax expenses were € 7.4m.

The Group's net profit stands at € 0.5m, which translates into earnings per share of € 0.01. A comparison to last year's first six months is not adequate due to the capital increases that took place since then. Adjustments at net profit level comprise € 13.1m from intangible assets recognized in business combinations, € -3.3m from deferred tax assets and € 4.8m from acquisition related expenses. Adjusted net profit ended up at € 15.1m (H1 2020: € 11.4m).

m€	01.01.21 30.06.21	01.01.20 30.06.20
<b>Reported EBITDA</b>	<b>34.7</b>	<b>25.9</b>
M&A related expenses	4.8	-
<b>Adjusted EBITDA</b>	<b>39.5</b>	<b>25.9</b>
<b>Reported Net Profit</b>	<b>0.5</b>	<b>0.4</b>
M&A related expenses	4.8	-
Depreciation of intangible assets recognized in business combinations	13.1	12.6
Deferred Tax Assets	-3.3	-1.7
<b>Adjusted Net Profit</b>	<b>15.1</b>	<b>11.4</b>

### Balance Sheet

As of 30 June 2021, total assets amounted to € 1,622.3m, increased from € 1,465.0m as of 31 December 2020.

Total non-current assets amounted to € 1,192.9m (end of 2020: € 1,056.6m), the largest component of which is the goodwill created mainly in association with the acquisitions of HFS, HL, STAM, CRM and Aggregate Financial Services ("AFS") with € 642.9m (end of 2020: € 577.7m).

Total current assets were at € 429.3m as of 30 June 2021 versus € 408.5m as of 31 December 2020. The Inventories went up slightly from € 73.8m at the end of 2020 to € 79.8m due to higher CAPEX expenditures.

Total equity, driven by the capital increase as part of the AFS acquisition, amounted to € 821.5m at the end of the first six months of this year (end of 2020: € 688.5m). The equity ratio of CORESTATE was 50.6% at the end of the reporting period, compared with 47.0% at the end of 2020.

Current and non-current liabilities added up to € 800.8m (End of December 2020: € 776.6m).

The total financial liabilities stood at € 648.0m as of 30 June 2021 and at € 635.6m as of 31 December 2020, net financial debt (including cash and cash equivalents as well as restricted cash and adjusted by lease liabilities) at € 556.6m.

### Outlook

The company confirms its financial outlook 2021 of aggregate revenues and gains between € 235m and € 260m, adjusted EBITDA between € 90m and € 115m and adjusted net profit between € 50m and € 75m.

Luxembourg, 09 August 2021

# *Unaudited Interim Condensed Consolidated Financial Statements for the period from 1 January to 30 June 2021*

Interim Consolidated Statement of Financial Position	12
Interim Consolidated Statement of Profit and Loss and Other Comprehensive Income	13
Interim Consolidated Statement of Changes in Equity	15
Interim Consolidated Statement of Cash Flows	16

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### ASSETS

m€	Notes	30.06. 2021 (unaudited)	31.12. 2020 (audited)
<b>Non-Current Assets</b>			
Goodwill	D.1	642.9	577.7
Other Intangible Assets	D.2	154.5	87.8
Investment in Associates and Joint Ventures	D.3	123.2	120.8
Other Financial Instruments	D.4	159.1	153.9
Property, Plant and Equipment		22.6	22.3
Non-Current Receivables		53.1	53.7
Non-Current Loans to Associated Entities		18.0	19.6
Deferred Tax Assets		19.6	20.7
<b>Total Non-Current Assets</b>		<b>1,192.9</b>	<b>1,056.6</b>
<b>Current Assets</b>			
Inventories	D.5	79.8	73.8
Contract Assets	D.6	66.9	51.0
Trade Receivables		47.0	33.0
Receivables from Associated Entities		17.8	13.6
Other Current Financial Assets	D.7	135.2	126.7
Other Current Assets		17.6	16.6
Current Income Tax Assets		1.8	2.7
Restricted Cash		16.1	23.0
Cash and Cash Equivalents		47.2	68.2
<b>Total Current Assets</b>		<b>429.3</b>	<b>408.5</b>
<b>TOTAL ASSETS</b>		<b>1,622.3</b>	<b>1,465.0</b>

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### EQUITY AND LIABILITIES

m€	Notes	30.06. 2021 (unaudited)	31.12. 2020 (audited)
<b>Equity</b>			
Share Capital	D.8.1	2.6	1.9
Other Reserves	D.8.2	816.2	752.9
Net Profit/(Loss) for the Period		0.3	(69.1)
Equity attributable to shareholders of parent company		819.1	685.8
Non-controlling Interests		2.5	2.7
<b>Total Equity</b>		<b>821.5</b>	<b>688.5</b>
<b>Non-Current Liabilities</b>			
Non-Current financial liabilities to bonds		493.2	491.0
Non-Current financial liabilities to banks		4.1	4.6
Other Non-Current financial liabilities		29.7	29.3
Other Non-Current Provisions		2.0	1.8
Other Non-Current Liabilities		9.1	9.2
Deferred Tax Liabilities		35.5	13.0
<b>Total Non-Current Liabilities</b>		<b>573.6</b>	<b>548.8</b>
<b>Current Liabilities</b>			
Other Current Provisions	D.9	8.3	10.1
Other Financial Liabilities to Banks		68.9	68.7
Current Liabilities to Associated Entities		8.0	9.3
Trade Payables		13.4	13.1
Current Income Tax Liabilities		35.9	36.0
Other Current Financial Liabilities		52.1	42.0
Other Current Liabilities		40.7	48.5
<b>Total Current Liabilities</b>		<b>227.2</b>	<b>227.7</b>
<b>SUBTOTAL LIABILITIES</b>		<b>800.8</b>	<b>776.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,622.3</b>	<b>1,465.0</b>



## INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

m€	Notes	01.01.2021- 30.06.2021 (unaudited)	01.01.2020- 30.06.2020 (unaudited)
Revenue from Acquisition Fees		4.7	5.6
Revenue from Asset Management Fees		18.5	22.1
Revenue from Property Management Fees		16.0	15.2
Revenue from Sales and Promote Fees realised		2.0	(0.2)
<i>Total Revenue from Real Estate Equity Segment</i>	<i>C.1</i>	<i>41.2</i>	<i>42.8</i>
<i>Total Expenses from Real Estate Equity Segment</i>		<i>(46.8)</i>	<i>(41.8)</i>
<b>Total Earnings from Real Estate Equity Segment</b>		<b>(5.7)</b>	<b>0.9</b>
Revenue from Underwriting and Structuring Fees		27.7	6.4
Revenue from Asset Management Fees		8.5	10.2
Revenues from Performance Fees		22.2	24.9
Income from Bridge Loans		10.0	4.1
Income from Trading Activities		0.0	-
<i>Total Revenue from Real Estate Debt Segment</i>	<i>C.1</i>	<i>68.4</i>	<i>45.7</i>
<i>Total Expenses from Real Estate Debt Segment</i>		<i>(7.1)</i>	<i>(4.1)</i>
<b>Total Earnings from Real Estate Debt Segment</b>		<b>61.3</b>	<b>41.5</b>
Income from Rental Income and Service Charges		3.2	2.8
Net Gain from Selling Warehousing Assets		(0.1)	(0.5)
Share of Profit or Loss from Associates and Joint Ventures		1.0	(3.8)
Dividends from other Alignment Capital		1.8	5.8
Gains/losses from fair value measurement of financial instruments related to real estate		(2.8)	3.0
<i>Total Income from Other Segments</i>	<i>C.1</i>	<i>3.1</i>	<i>7.2</i>
<i>Total Expenses from Other Segments</i>		<i>(5.0)</i>	<i>(11.8)</i>
<b>Total Earnings from Other Segments</b>		<b>(1.9)</b>	<b>(4.5)</b>
Other Income		4.7	4.5
G&A and Other Expenses	C.2	(23.8)	(16.5)

m€	Notes	01.01.2021- 30.06.2021 (unaudited)	01.01.2020- 30.06.2020 (unaudited)
<b>Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>		<b>34.7</b>	<b>25.9</b>
Depreciation and Amortisation	C.3	(17.1)	(16.3)
<b>Earnings before Interest and Taxes (EBIT)</b>		<b>17.5</b>	<b>9.6</b>
Financial Income		1.9	4.0
Financial Expenses		(11.5)	(13.2)
<b>Earnings before Taxes (EBT)</b>		<b>7.9</b>	<b>0.4</b>
Income Tax Expense	C.4	(7.4)	0.1
<b>Net Profit/(Loss) for the Period</b>		<b>0.5</b>	<b>0.4</b>
of which attributable to equity holders of parent company		0.3	0.5
of which attributable to non-controlling interests		0.2	(0.1)
<b>Total Revenues <sup>1</sup></b>		<b>112.8</b>	<b>91.2</b>
<b>Total Expenses <sup>2</sup></b>		<b>(82.7)</b>	<b>(74.2)</b>

<sup>1</sup> not including: Share of Profit or Loss from Associates, Net Gain from Selling Warehousing Assets, Dividends from other Alignment Capital and Gains/losses from fair value measurement of financial instruments related to real estate

<sup>2</sup> excluding Financial Expenses and Depreciation and Amortisation

## Other Comprehensive Income

m€	Notes	01.01.2021- 30.06.2021 (unaudited)	01.01.2020- 30.06.2020 (unaudited)
Earnings per Share (in €):			
Basic, Profit for the Year attributable to Ordinary Equity Holders of the Parent	F.1	0.01	0.02
Diluted, Profit for the Year attributable to Ordinary Equity Holders of the Parent	F.1	0.01	0.02
<b>Net Profit/(Loss) for the Period</b>		<b>0.5</b>	<b>0.4</b>
<b>Other Comprehensive Income (in k€)</b>			
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax):			
Exchange differences on translation of foreign operations		1.4	(1.6)
Net Other Comprehensive Loss to be Reclassified to Profit or Loss in Subsequent Periods		1.4	(1.6)
<b>Other Comprehensive Income/(Loss) for the Period, Net of Tax</b>		<b>1.4</b>	<b>(1.6)</b>
<b>Total Comprehensive Income for the Period, Net of Tax</b>		<b>1.9</b>	<b>(1.2)</b>
of which attributable to equity holders of parent company		1.7	(1.1)
of which attributable to non-controlling interests		0.2	(0.1)

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 01 JANUARY TO 30 JUNE 2021

m€	SHARE CAPITAL	Legal Reserve	Additional Capital Paid In	Retained Earnings	Other Revaluations	OTHER RESERVES	NET PROFIT/ (LOSS) FOR THE PERIOD	SUBTOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF PARENT COMPANY	Non-controlling interests in Paid-In Capital and Capital Reserve	Non-controlling interests in Profit for the period	NON-CONTROLLING INTERESTS	TOTAL EQUITY
<b>Balance of Capital Accounts as at 01 Jan 2020 (audited)</b>	<b>1.6</b>	<b>0.2</b>	<b>430.1</b>	<b>136.4</b>	<b>(3.3)</b>	<b>563.3</b>	<b>108.5</b>	<b>673.4</b>	<b>2.6</b>	<b>0.3</b>	<b>2.9</b>	<b>676.3</b>
Profit for the period	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.0	(0.1)	(0.1)	0.4
Other comprehensive income	0.0	0.0	0.0	0.0	(1.6)	(1.6)	0.0	(1.6)	0.0	0.0	0.0	(1.6)
Total Comprehensive Income for the Period	0.0	0.0	0.0	0.0	(1.6)	(1.6)	0.5	(1.1)	0.0	(0.1)	(0.1)	(1.2)
Issue of new capital	0.0	0.0	4.0	0.0	0.0	4.0	0.0	4.0	0.0	0.0	0.0	4.0
Repurchase of own shares	0.0	0.0	6.4	0.0	0.0	6.4	0.0	6.4	0.0	0.0	0.0	6.4
Equity-settled share-based payment	0.0	0.0	1.1	0.0	0.0	1.1	0.0	1.1	0.0	0.0	0.0	1.1
Reclassification/others	0.0	0.0	0.0	107.1	(2.4)	104.7	(108.5)	(3.8)	0.3	(0.3)	0.0	(3.8)
<b>Closing Balance of Capital Accounts as at 30 June 2020 (unaudited)</b>	<b>1.6</b>	<b>0.2</b>	<b>441.6</b>	<b>243.5</b>	<b>(7.3)</b>	<b>677.9</b>	<b>0.5</b>	<b>680.0</b>	<b>2.9</b>	<b>(0.1)</b>	<b>2.9</b>	<b>682.9</b>
<b>Balance of Capital Accounts as at 01 Jan 2021 (audited)</b>	<b>1.9</b>	<b>0.2</b>	<b>515.2</b>	<b>244.2</b>	<b>(6.6)</b>	<b>752.9</b>	<b>(69.1)</b>	<b>685.8</b>	<b>2.5</b>	<b>0.2</b>	<b>2.7</b>	<b>688.5</b>
Profit for the period	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.2	0.2	0.5
Other comprehensive income	0.0	0.0	0.0	0.0	1.4	1.4	0.0	1.4	0.0	0.0	0.0	1.4
Total Comprehensive Income for the Period	0.0	0.0	0.0	0.0	1.4	1.4	0.3	1.7	0.0	0.2	0.2	1.9
Issue of new capital	0.6	0.0	129.0	0.0	0.0	129.0	0.0	129.6	0.0	0.0	0.0	129.6
Acquisition and sale of Non-controlling interests	0.0	0.0	0.0	0.6	(0.4)	0.2	0.0	0.2	(0.2)	0.0	(0.2)	0.0
Equity-settled share-based payment	0.0	0.0	1.8	0.0	0.0	1.8	0.0	1.8	0.0	0.0	0.0	1.8
Reclassification/others	0.0	0.1	0.0	(69.2)	0.0	(69.1)	69.1	0.0	(0.0)	(0.2)	(0.2)	(0.2)
<b>Closing Balance of Capital Accounts as at 30 June 2021 (unaudited)</b>	<b>2.6</b>	<b>0.3</b>	<b>645.9</b>	<b>175.6</b>	<b>(5.5)</b>	<b>816.2</b>	<b>0.3</b>	<b>819.1</b>	<b>2.3</b>	<b>0.2</b>	<b>2.5</b>	<b>821.5</b>

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

m€	01.01.2021- 30.06.2021 (unaudited)	01.01.2020- 30.06.2020 (unaudited)
<b>Earnings before Interest and Taxes (EBIT)</b>	<b>17.5</b>	<b>9.6</b>
Depreciation/write-ups of non-current assets	17.1	16.3
Equity-settled share-based plan	1.8	1.1
Net loss/(gain) on disposal of non-current assets	-	0.8
Changes in provisions	(0.7)	(0.3)
Share of results from Associates and Joint Ventures	(3.2)	3.8
Changes from purchase and sale of inventories and advanced payments	(4.7)	(3.8)
Changes in receivables and other assets that are not attributable to investing activities	(26.8)	(17.4)
Changes in liabilities that are not attributable to financing activities	(13.8)	(20.7)
Income taxes paid (-) / received (+)	(7.5)	(9.6)
<b>Net cash flows from operating activities</b>	<b>(20.3)</b>	<b>(20.2)</b>
Payments for the acquisition of subsidiaries net of cash acquired	7.5	(19.7)
Outflow for Alignment Capital Investments	(1.0)	(3.9)
Inflow from repayment of Alignment Capital Investments	0.1	9.2
Payments for acquisition of PPE	(0.2)	(2.1)
Proceeds from sale of PPE	(0.0)	0.2
Payments for acquisition of intangible assets	(0.2)	(0.5)
Purchase of other financial instruments	(1.8)	(6.3)
Proceeds from Sale of other financial instruments	2.0	-
<b>Net cash flows generated from/(used in) investing activities</b>	<b>6.3</b>	<b>(23.2)</b>

m€	01.01.2021- 30.06.2021 (unaudited)	01.01.2020- 30.06.2020 (unaudited)
<b>Net cash flows generated from/(used in) investing activities</b>	<b>6.3</b>	<b>(23.2)</b>
Repayment of lease liabilities	(2.7)	(2.6)
Proceeds from loans and borrowings	0.0	4.7
Repayment of loans and borrowings	(3.4)	(2.8)
Interest received	0.6	1.3
Interest paid	(8.2)	(7.9)
<b>Net cash flows (used in)/from financing activities</b>	<b>(13.8)</b>	<b>(7.2)</b>
<b>Cash and cash equivalents (at beginning of Period)</b>	<b>91.2</b>	<b>105.8</b>
<i>Net increase in cash and cash equivalents</i>	(27.8)	(50.6)
<b>Cash and cash equivalents (at end of Period)</b>	<b>63.3</b>	<b>55.2</b>



# *Notes to Interim Consolidated Financial Statements for the period from 1 January to 30 June 2021*

A.	Corporate information	18
B.	Basis of Preparation & Consolidation	19
C.	Notes to the Interim Consolidated Statement of Comprehensive Income	21
D.	Notes to the Interim Consolidated Statement of Financial Position	23
E.	Segment information	27
F.	Other information	29

## A. Corporate information

CORESTATE Capital Holding S.A. (hereafter "CCH SA" or "the Company") is a limited liability company (société anonyme) incorporated under Luxembourg law, with registered office at 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. The Company was registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés) under number B 199 780 on 7 September 2015.

CCH SA was established on 21 Aug 2015 for an unlimited period of time.

The Company applied for the admission of its shares to trading on the regulated market (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse), and, simultaneously, to the sub-segment thereof with additional post-admission obligations (Prime Standard) on 18 Oct 2017. Commencement of trading (Notierungsaufnahme) of the Shares on the regulated market segment (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) took place on or about 2 Nov 2017.

### ISIN/WKN/Common Code/Ticker Symbol

International Securities Identification Number (ISIN)	LU1296758029
German Securities Code (Wertpapierkennnummer, WKN)	A141J3
Common Code	129675802
Trading Symbol	CCAP

CCH SA is a real estate investment manager specializing in the creation and subsequent realization of real estate related investments in Europe for institutional and private clients. CCH SA and its subsidiaries (the Group) are active as facilitator of real estate financing and investment opportunities in various risk-levels, as asset and property manager and as a co-investor focusing on residential and commercial (primarily retail and office) real estate as well as micro-living projects. Geographically, the Group primarily concentrates on the German speaking countries but also is selectively active in other attractive markets in Europe such as UK, BeNeLux, Spain or Poland and Italy. Its investment product offering covers the entire life-cycle of a real estate investment and the full range of the risk-return curve, i.e. from value-add/opportunistic to core, and, in each case, is tailor made to the specific requirements of its clients. Also, as part of its business model, the Group is actively warehousing certain real estate in order to seize opportunities both in competitive situations as well as in order to establish seed portfolios for institutional products.

As per 30 June 2021, the Group employs about 804 FTE across 42 offices in 11 countries, providing direct access to local markets.

Until 2020, the Group reported the Real Estate Investment Management (REIM) segment, the Alignment Capital segment and the Real Estate Operations and Warehousing segment. Aiming to mirror the increased significance of the Real Estate Debt Business, the former REIM segment is disaggregated into the two segments Real Estate Equity and Real Estate Debt. As of Jan 2021, the Group therefore focuses its internal and external reporting on the following key business segments being

- Real Estate Equity
- Real Estate Debt
- Other segments

where the other segments comprise the Real Estate Operations and Warehousing & Alignment Capital Management segments that were reported separately before. We refer to the segment information in section E.

The Interim Condensed Consolidated Financial Statements of CORESTATE Capital Holding S.A. and its subsidiaries (collectively, the Group) for the six months ended 30 June 2021 were authorized for issue in accordance with a resolution of the Management Board on 09 Aug 2021.

The Interim Condensed Consolidated Financial Statements of CORESTATE Capital Holding S.A. are published according to the provisions of the Luxembourg Law and the exchange rules of the Frankfurt Stock Exchange. They will be available on the Company's website and at the Company's offices at 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.

## B. Basis of Preparation & Consolidation

### B.1 Basis of preparation

The Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2021 have been prepared in accordance with International Financial Reporting Standard IAS 34 (Interim Financial Reporting) as adopted by the European Union. The Interim Condensed Consolidated Financial Statements do not include all the information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Group's Annual Consolidated Financial Statements as of 31 Dec 2020.

The preparation of the Group's Interim Condensed Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected. 2020 was marked by the worldwide pandemic COVID-19 with its uncertainties and unknown future impacts. Due to the still unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short-term impacts and long-

term structural changes, valuations for investment properties at Associates held under joint venture and co-investment agreements are performed under material valuation uncertainty declaration as set out in the RICS Valuation – Global Standards. This uncertainty is impacting upon demand, with marketing voids increasing and rental levels under pressure. But for the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. Nevertheless, in respect to the long term all major estimates, assumptions and judgements remain basically unchanged from the period ending as of 31 Dec 2020.

The Interim Condensed Consolidated Financial Statements are presented in Euros, which is the presentation currency of the Group and the functional currency of the parent company. All values are rounded to the nearest million Euros (m€), except where otherwise indicated. The use of automatic data processing can lead to rounding differences in the addition of rounded amounts or percentage rates, therefore some of the total sums disclosed in the accounts may not add up. Financial information presented in parentheses denotes the negative of such number presented. In respect of financial data set out in this Interim Condensed Consolidated Financial Statements, a dash ("–") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available but has been rounded to or equals zero.

The accounting policies adopted in the preparation of the Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Group's Annual Consolidated Financial Statements for the year ended 31 Dec 2020. New standards, interpretations and amendments that have been applied for the first time in 2021 had no significant impact on the Group's financial statements. New standards, interpretations and amendments that have been published by the IASB but have not become effective in 2021 are not expected to have a significant impact on the Group's financial statements in the future. Moreover, the Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

## B.2 Business Combinations

On 15 Jan 2021 the Company signed an agreement for the acquisition of CORESTATE Bank GmbH (formerly registered as: Aggregate Financial Services GmbH, Frankfurt am Main ('AFS')), a securities trading institute regulated by BaFin ('Bundesanstalt für Finanzdienstleistungsaufsicht') that is licensed to provide a range of real estate structuring and financing advisory services including regulated services under § 32 German Banking Act ('Kreditwesengesetz', KWG).

The closing of the transaction took place on 25 May 2021 after all closing conditions were met, including the approvals of all relevant authorities. With this acquisition, the Group is expanding its market-leading position in providing private debt financing to real estate development as well as other real estate sectors. Also, the acquisition of CORESTATE Bank led to the ability of providing services of a securities trading bank in combination with a broad product offering for tailor-made financing solutions in the real estate sector.

The consideration transferred amounts to € 134.6m and comprises the following elements:

- (1) Fixed amount of cash (€ 5.0m)
- (2) 8,500,000 shares of CORESTATE Capital Holding S.A. (€ 110.2m) – measured at XETRA stock price at closing date with € 12.96 per share - reflecting the acquisition date fair value of the contributed shares of Aggregate Financial Services GmbH
- (3) 1,500,000 shares of CORESTATE Capital Holding S.A. (€ 19.4m) – measured at XETRA stock price at closing date with € 12.96 per share – as earn-out component

The earn-out component (contingent consideration) is capped at 1,500,000 shares of CORESTATE Capital Holding S.A. dependent on a certain level of CORESTATE Bank's net income for FY 2021 to 2023 that needs to exceed ascending hurdle rates per business year. Based on the mid-term forecast and information received during the due diligence the Company expects CORESTATE Bank to achieve its full earn-out potential.

As part of the preliminary purchase price allocation using a multi-period excess earnings (MEEM) approach, certain customer relationships amounting to € 64.0m were identified. In addition, customer contracts equivalent to € 16.4m were identified as order backlog and represent CORESTATE Bank's product pipeline in exclusivity at closing date.

The table below states the fair value of identified net assets and liabilities recognized at acquisition. Due to the acquisition on 25 May 2021, the purchase price allocation is still on a preliminary basis in line with IFRS 3.45. The goodwill of € 64.9m reflects the expected synergies arising from the acquisition with particular focus on the cross-selling opportunities of the business models of CORESTATE Bank and HFS and market potential of CORESTATE Bank. Hence, the goodwill is fully allocated to the Real Estate Debt segment. Transaction costs amounting to € 3.1m are included in the income statement within general and administrative costs.

Fair value of net assets and liabilities recognized (in m€)	CORESTATE Bank GmbH
Acquisition date	25 May 2021
Total Cost of the combination	134.6
thereof purchase prices	5.0
thereof contribution in kind	110.2
thereof other consideration transferred	19.4
Voting rights acquired (%)	100%
Property, plant & equipment	1.1
Intangible assets – customer relationships	64.0
Intangible assets – order backlog	16.4
Receivables	3.5
Other assets	0.7
Income tax assets	0.0
Cash and cash equivalents	12.8
<b>Total assets</b>	<b>98.5</b>
Deferred tax liability	(25.7)
Current tax liability	(0.2)
Trade payables	(0.1)
Other (financial) liabilities	(2.9)
<b>Total liabilities</b>	<b>(28.8)</b>
<b>Fair value of net assets acquired</b>	<b>69.7</b>
<b>Recognized Goodwill</b>	<b>64.9</b>
<b>Revenues generated since acquisition date*</b>	18.6
<b>Profit / loss since acquisition date*</b>	8.8

\* On a pro-forma basis, Corestate Capital Group and AFS including its subsidiaries would have generated revenues of € 115.1m and a profit/loss of € -1.8m for the first six months of 2021.



# C. Notes to the Interim Consolidated Statement of Comprehensive Income

## C.1 Total Earnings by Income Line

The total earnings by income line comprise both revenues and other income items including corresponding expenses to provide comprehensive insight in the respective earnings for Real Estate Equity, Real Estate Debt and Other segments. The following revenues and income types determine the three segments' top line (for further information regarding segment reporting please refer to note E):

Revenue stream	Description	Recognition of revenues, other income, and gains and losses
<b>Real Estate Equity</b>		
Acquisition fees	fees are earned upon successful acquisition of assets (i.e. Corestate gains control)	point in time (IRS 15)
Asset & property management fees	fees are earned over the holding period of the respective asset for providing both asset and property management services, including success fees earned from managed equity funds above a certain hurdle rate	over time (IFRS 15)
Sales / Promote fees	sales fees are a percentage of the asset value upon sale; promote fees are gained once the overall return of the holding period surpasses a certain hurdle rate incl. the sale return	point in time (IFRS 15)
Development fees	fees are earned by providing technical expertise with regard to (re-)positioning real estate estates, including refurbishment, change in asset class, or other measures	over time (IFRS 15)
<b>Real Estate Debt</b>		
Underwriting & structuring fees	fees are earned upon successful structuring [placement] of real estate debt financing products	point in time (IFRS 15)
Asset management fees	fees are earned over the holding period of the respective asset for providing asset management services	over time (IFRS 15)
Performance fee	success fee that allows the company to participate in the performance of its managed debt funds above a certain hurdle rate (coupon participation fee)	over time (IFRS 15)
Income from bridge loans	interest income yielding from short-term bridge financing via mezzanine loans for development companies	measurement of financial assets (IFRS 9)
Income from trading activities	margin income resulting from short-term trading activities of financing tranches	measurement of financial assets (IFRS 9)
<b>Other</b>		
Income from rental income and service charges	income resulting from acting as lessor for assets that are in a warehousing structure	lease income (IFRS 16)
Net gain/loss from selling warehousing assets	occasional income/expense that results from sale of warehousing structures in share deals	Measurement of gain or loss on deconsolidation (IFRS 10); measurement of financial assets (IFRS 9)
Share of profit or loss from associates	income results from the subsequent measurement of Corestate's share in the net profit of its associated entities	share of net profit (IAS 28)
Dividends from other alignment capital	income results from dividends paid by Corestate's associated entities	dividends (IAS 28)
Gains & losses from fv measurement of financial instruments	changes in fair value of Corestate's other financial instruments that are measured at fair value in line with the eligible IFRS 9 categories	measurement of financial assets (IFRS 9)

### **Total revenues from real estate equity segment**

Revenues from real estate equity - including acquisition fees, asset and property management fees, development fees and sales/promote fees – amount to € 41.2m (30 June 2020: € 42.8m) for the first six months of 2021 and therefore are close to prior year levels. While acquisition fees with an amount of € 4.7m (30 June 2020: € 5.6m) are nearly unchanged to prior year, the asset management fees declined by € 3.6m to € 18.5m (30 June 2020: € 22.1m) caused by lower development fees. In contrast, the sales and promote fees increased to € 2.0m (30 June 2020: € -0.2m) primarily due to the sale of a Core+ office building located in Luxembourg.

### **Total revenues from real estate debt segment**

Revenues from real estate debt - including underwriting and structuring fees, asset management fees, performance fees, income from bridge loans and income from trading activities – amount to € 68.4m (30 June 2020: € 45.7m) for the first six months of 2021 and therefore are significantly above prior year levels. While asset management fees as well as performance fees are nearly unchanged to 2020, the underwriting and structuring fees increased significantly by € 21.3m to € 27.7m (30 June 2020: € 6.4m) due to very high project volumes at CORESTATE Bank with corresponding rising fee income, as well as higher underwriting fees in HFS business mirroring the increased turnover in mezzanine bonds on Stratos funds' level. In addition, the income from bridge loans increased to an amount of € 10.0m (30 June 2020: € 4.1m) in the first six month of 2021. The increase is driven by a comparatively higher level of short-term bridge loans (part of the other current

financial assets, see also D.6) securing the project pipeline for the Stratos funds.

### **Total income from other segments**

The earnings from other segments at € 3.1m (30 June 2020: € 7.2m) mainly reflect the negative valuation changes on financial instruments related to real estate (30 June 2021: € -2.8m; 30 June 2020: € 3.0m) as well as a decline in dividends from alignment capital by € 4.0m to € 1.8m (30 June 2020: € 5.8m) for the first six month in 2021.

The share of profit or loss from associates and joint ventures increased from € -3.8m in the first six month of 2020 to € 1.0m in the comparison period of 2021 while income from rental income and service charges as well as net gain from selling warehousing assets nearly unchanged to prior year's figures.

### **C.2 G&A and other expenses**

General and Administrative Expenses of € 23.8m (30 June 2020: € 16.5m) include both personnel and overhead expenses not allocated to any of the segments. Compared to 2020, costs mainly rose from transaction related one-off expenses driven by the transformative acquisition of the AFS business.

### **C.3 Depreciation and Amortization**

The total depreciation and amortization in the first six months of 2021 amount to € 17.1m (30 June 2020: € 16.3m). The notable decrease in depreciation on other intangible assets mainly results from the expiring depreciation of asset management contracts at HFS in Q1 2021. The depreciation of order backlog and customer base results from initial and subsequent measurement of the identified assets during the acquisition of CORESTATE Bank. The € 8.2m depreciation on order backlog include a € 7.8m depreciation related to a single project which was included in the order backlog but realized already in June.

m€	01.01.2021 - 30.06.2021	01.01.2020 - 30.06.2020
Other intangible assets	5.1	13.3
Intangible assets from order backlog	8.2	-
Intangible assets from customer base	0.6	-
Rights of use	2.2	1.8
Property, plant and equipment	0.7	0.6
Others	0.3	0.5
<b>Total</b>	<b>17.1</b>	<b>16.3</b>

### **C.4 Income tax**

Income tax expenses at € -7.4m (30 June 2020: € +0.1m), including both current income taxes and deferred taxes, result mainly from positive EBT for HFS and CORESTATE Bank.

## D. Notes to the Interim Consolidated Statement of Financial Position

### D.1 Goodwill

m€	30 June 2021	31 Dec 2020
HFS Helvetic Financial Services AG	520.1	520.1
CORESTATE Bank GmbH (prev.: Aggregate Financial Services GmbH)	64.9	-
STAM Europe	32.2	32.2
HANNOVER LEASING GmbH & Co. KG	15.0	15.0
CRM Students Ltd.	10.6	10.3
<b>Total</b>	<b>642.9</b>	<b>577.7</b>

The increase in goodwill of € 65.2m to € 642.9m (31 Dec 2020: € 577.7m) is driven by the acquisition of CORESTATE Bank with closing as of 25 May 2021 (see Note B.2).

### D.2 Other intangible assets

The increase in other intangible assets to € 154.5m (31 Dec 2020: € 87.8m) is driven by the order backlog (€ 16.4m) and customer relationships (€ 64.0m) recognized as part of the CORESTATE Bank acquisition.

m€	30 June 2021	31 Dec 2020
Acquisition cost		
As of 1 January	181.7	179.8
Additions from business combinations	80.4	9.2
Currency changes	0.2	0.1
Additions	0.2	2.7
Disposals	(0.1)	(10.1)
<b>As of 30 June</b>	<b>262.3</b>	<b>181.7</b>
Amortisation and impairment losses		
As of 1 January	93.8	70.2
Currency changes	0.2	(0,0)
Additions to cumulative amortization	13.9	26.2
Disposals	-	(2.6)
<b>As of 30 June</b>	<b>107.9</b>	<b>93.8</b>
<b>Total (Carrying amount)</b>	<b>154.5</b>	<b>87.8</b>

### D.3 Investment in Associates and Joint Ventures

The increase in investments in associates and joint ventures to € 123.2m (31 Dec 2020: € 120.8m) in the first six months of 2021 is mostly driven by additions and currency translation adjustments while valuations of investment properties and therefore share of profit/loss for the period stayed mainly unchanged. The measurement was carried out on the basis of valuations for year-end 2020 purposes that have been internally updated during the year based on internally updated assumptions and property information.

### Movement in carrying value - period ending on 30 June 2021 (m€)

Project	participation quote 01 Jan 2021	participation quote 30 Jun 2021	1 Jan 2021	Additions/ Transfers	Share of profit/ (Loss) for the period	Dividends and capital repayments received in cash	Disposals/ Transfers	Currency translation adjustments	30 June 2021
LIVER	35.1%	35.1%	17.8	-	1.0	-	-	0.9	19.8
QUARTIER WEST	31.7%	31.7%	13.7	-	(0.1)	-	-	-	13.6
ECHO	38.2%	38.2%	11.3	-	(0.8)	-	-	-	10.5
HIGHSTREET VIII	21.6%	21.6%	10.1	-	0.2	-	-	-	10.3
TABLAS	42.7%	42.7%	6.6	-	(0.2)	(0.0)	-	-	6.4
TEMPELHOF TWINS	11.0%	11.0%	6.5	-	(0.0)	(0.0)	-	-	6.4
TURICUM	6.0%	6.0%	2.6	-	2.3	-	-	-	5.0
NEUSS	35.5%	35.5%	5.0	-	-	0.1	(0.4)	-	4.7
PALLARS	42.4%	42.4%	5.1	-	(0.6)	(0.0)	-	-	4.5
HIGHSTREET VI	10.0%	10.0%	4.9	-	0.1	-	-	-	4.9
HIGHSTREET PII	10.0%	10.0%	3.9	-	(0.1)	-	-	-	3.8
OLYMPIC	10.5%	10.5%	3.3	-	0.0	-	-	-	3.3
PLUTOS	13.0%	13.0%	2.8	-	(0.0)	(0.1)	-	-	2.7
BAIN	10.0%	10.0%	2.2	0.5	(0.0)	-	-	-	2.6
BOCHUM	10.1%	10.1%	1.8	0.2	0.0	-	-	-	2.0
CONDOR	10.5%	10.5%	1.4	0.2	0.0	-	-	-	1.6
POSEIDON	10.7%	10.7%	1.4	-	(0.0)	(0.0)	-	-	1.3
CASSANDRA	11.0%	11.0%	1.3	0.2	(0.1)	(0.0)	-	-	1.3
ANNAPURNA	10.3%	10.3%	1.3	-	(0.0)	-	-	-	1.3
ISABELA	11.7%	11.7%	1.5	-	(0.5)	-	-	-	1.0
ACROSS	12.3%	12.3%	1.0	-	(0.1)	-	-	-	0.9
DONALD	5.1%	5.1%	0.8	-	0.0	(0.0)	-	-	0.8
VENLOER4711	10.1%	10.1%	0.7	-	(0.2)	-	-	-	0.5
KING	10.6%	10.6%	0.5	-	(0.0)	-	-	-	0.5
FLIGHT 47	26.0%	26.0%	0.4	-	(0.0)	-	-	-	0.4
HABANA	49.0%	49.0%	0.1	-	(0.0)	-	-	-	0.1
ROSE	5.4%	5.4%	0.1	-	0.0	-	-	-	0.1
<b>Associates, total</b>			<b>108.0</b>	<b>1.0</b>	<b>1.0</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.9</b>	<b>110.5</b>
MOVIESTAR	18.0%	18.0%	10.4	-	-	-	-	-	10.4
RAW	50.0%	50.0%	2.3	-	(0.2)	-	-	-	2.1
SCORE	50.0%	50.0%	0.0	-	0.1	-	-	-	0.1
SANTES FAIR	50.0%	50.0%	0.0	-	-	-	-	-	0.0
ACCONTIS EXPORO	50.0%	50.0%	0.0	-	(0.0)	(0.0)	-	-	0.0
<b>Joint Venture, total</b>			<b>12.8</b>	<b>-</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>-</b>	<b>-</b>	<b>12.7</b>
<b>Total</b>			<b>120.8</b>	<b>1.0</b>	<b>0.9</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.9</b>	<b>123.2</b>

### D.4 Other Financial Instruments

The other financial instruments mainly comprise minority shares in various financial instruments which are invested in real estate themselves. The main items comprise the following: the Stratos funds are products of HFS providing real estate debt financing to real estate investments, the Opportunity fund invests in mixed residential and commercial objects, and further HL products including HL's Private Invest fund that facilitates private investors to participate in global private equity investments.

The other financial instruments amount to € 159.1m (31 Dec 2020: € 153.9m) whereas movement is mainly caused by a financing placement as well as an equity raising, both within the fund portfolio of Hannover Leasing, in an amount of € 8.8m, and a negative valuation effect in Opportunity fund amounted to € -6.2m.

m€	30 June 2021	31 Dec 2020
Opportunity Fund	52.2	58.4
Stratos Funds	36.8	35.6
Private Invest	11.9	9.8
Bel Air	7.5	7.6
Weitblick Augsburg	4.9	0.0
Covent Garden	4.8	4.8
Other Instruments	41.0	37.7
<b>Total</b>	<b>159.1</b>	<b>153.9</b>



## D.5 Inventories

m€	30 June 2021	31 Dec 2020
Highstreet Giessen PropCo S.à r.l. (property located in Giessen)	70.4	65.4
Bego PropCo I S.L. (property located in Spain)	5.4	4.6
Gabriela PropCo S.L. (property located in Spain)	4.0	3.7
<b>Total (Carrying amount)</b>	<b>79.8</b>	<b>73.8</b>

Inventories comprise individual assets which are to be converted into investment products by way of selling them into independent investment structures. The increase in inventories is mainly driven by CAPEX measures in project Highstreet Gießen amounting to € 4.9m in the first half-year of 2021.

## D.6 Contract Assets

The contract assets grew further to € 66.9m (31 Dec 2020: € 51.0m). The increase in the first half-year is predominantly attributable to contract assets that have arisen from performance fees amounting to a total of € 57.1m at 30 June 2021 (31 Dec 2020: € 40.2m).

## D.7 Other Current Financial Assets

The current financial instruments increased to € 135.2m (31 Dec 2020: € 126.7m) mainly driven by short-term warehousing activities as bridge financing for project developments.

## D.8 Share capital

### D.8.1 Share capital

m€	2021	2020
<b>As at beginning of period (01 Jan)</b>	<b>1.9</b>	<b>1.6</b>
Issue of share capital (contribution in cash)	0.6	0.3
Equity-settled share-based payments	-	0.0
<b>As at end of period (30 June/31 Dec)</b>	<b>2.6</b>	<b>1.9</b>

The Group issued 8,500,00 new shares out of its authorized capital that have been transferred as part of the consideration transferred for the acquisition of CORESTATE Bank GmbH (see note B.2). Hence, the share capital increased by € 637,500 to € 2,562,452.

In respect to changes in share capital and other reserves we refer to the interim consolidated Statement of Changes in Equity.

### D.8.2 Other Reserves

The other reserves increased by € 63.3m to € 816.2m (31 Dec 2020: € 752.9m) mainly relating to the contributed shares of € 109.6m and the earn-out component of € 19.4m within the acquisition of CORESTATE Bank GmbH (see Note B.2), and an increase of € 1.8m resulting from this year's LTI tranches as well as the transfer of the prior year's group net loss amounted to € -69.1m.

In accordance with the Company's Articles of Association, every year at least 5 % of the annual net

income (based on the local statutory financial statements) of the Company have to be set aside in order to build up the "legal reserve". This allocation ceases to be compulsory when the legal reserve amounts to 10 % of the issued share capital but shall again be compulsory if the reserve falls below such threshold of 10 %.

The Company's annual general meeting acknowledged that the Company made a profit based on CCHSA's stand-alone financial statements with respect to the financial year 2020 in an aggregate amount of € 71.2m and resolved to carry forward the entire profit after the mandatory transfer share to the legal reserve to the next financial year. Furthermore, the meeting resolved that there will be no dividend distribution to the shareholders for the financial year 2020.

### D.9 Other Current Provisions

Other current provisions decreased by € 1.8m mainly due to utilizations of € 2.1m (30 June 2021: € 8.3m; 31 Dec 2020: € 10.1m). Provisions for rental guarantees were used-up by € 0.6m (30 June 2021: € 0.3m; 31 Dec 2020: € 0.9m). In addition, within other sundry provisions, a provision amounting to € 0.5m for a claim for damages under a tenancy agreement was used up.

m€	01 Jan 2021	Additions from business combinations	Utilization	Reversals	Transfer	Additions	30 June 2021
Litigation costs	3.1	-	(0.3)	(0.2)	-	-	2.6
Restructuring	1.2	-	(0.1)	(0.0)	-	0.1	1.2
Tax law procedures and risks	2.7	-	(0.0)	-	0.2	-	2.9
Rental guarantees	0.9	-	(0.6)	-	-	-	0.3
Sundry	2.2	0.1	(1.0)	(0.0)	(0.2)	0.2	1.3
<b>Total</b>	<b>10.1</b>	<b>0.1</b>	<b>(2.1)</b>	<b>(0.3)</b>	<b>0.0</b>	<b>0.3</b>	<b>8.3</b>

## *E. Segment information*

Aiming to mirror the increased significance of the Real Estate Debt business, starting from 1 January 2021 management has changed the structure of its internal organisation by disaggregating the former Real Estate Investment Management (REIM) segment into the two segments Real Estate Equity and Real Estate Debt.

“Real Estate Equity” now encompasses the revenues from acquisition fees, from asset management fees, from property management fees and from sales and promote fees realized.

The “Real Estate Debt” segment summarizes the revenue streams underwriting and structuring fees, asset management fees, performance fees, income from bridge loans and trading income. Hence, this segment comprises the HFS and genost business as well as the CORESTATE Bank business.

The “Other Segments” incorporate all line items from the previously separately presented segments “Alignment Capital Management” and “Real Estate Operations and Warehousing”.

The corresponding items of segment information and their segment allocation for the comparative period have been restated.

The following tables present information on the Group’s operating segments for the six months ended 30 June 2021 and 2020, respectively. Operating results are

monitored for the purpose of making decisions about resource allocation and performance assessment by the Executive Board as Chief Operating Decision Maker (CODM).

The Group’s General and Administrative Expenses, Financial Result (including Financial Income and Expenses) and Income Taxes (including Deferred and Current Taxes) are primarily managed on a Group basis and are not allocated to operating segments.

## Segment information for the period from 01 Jan to 30 June 2021

m€	Real Estate Equity Segment	Real Estate Debt Segment	Other Segments	Total Segments	Overhead (not allocated)	Consolidated Financial Statements
<b>Revenues:</b>						
Revenues	41.2	68.4	3.1	112.8	0.0	112.8
Inter-segment revenues						
<b>Total revenues</b>	<b>41.2</b>	<b>68.4</b>	<b>3.1</b>	<b>112.8</b>	<b>0.0</b>	<b>112.8</b>
Income/expenses						
Expenses from Real Estate Equity Segment	(46.8)	0.0	0.0	(46.8)	0.0	(46.8)
Expenses from Real Estate Debt Segment	0.0	(7.1)	0.0	(7.1)	0.0	(7.1)
Net Gain from Selling Warehousing Assets	0.0	0.0	(0.1)	(0.1)	0.0	(0.1)
Share of Profit or Loss from Associates and Joint Ventures	0.0	0.0	1.0	1.0	0.0	1.0
Dividends from other Alignment Capital	0.0	0.0	1.8	1.8	0.0	1.8
Gains/losses from fair value measurement of financial instruments related to real estate	0.0	0.0	(2.8)	(2.8)	0.0	(2.8)
Expenses from Other Segments	0.0	0.0	(5.0)	(5.0)	0.0	(5.0)
<b>Total earnings</b>	<b>(5.7)</b>	<b>61.3</b>	<b>(1.9)</b>	<b>53.7</b>	<b>0.0</b>	<b>53.7</b>
General and Administrative Expenses	0.0	0.0	0.0	0.0	(23.8)	(23.8)
Other income	0.0	0.0	0.0	0.0	4.7	4.7
Depreciation & Amortisation	(4.1)	(10.5)	0.0	(14.6)	(2.5)	(17.1)
Financial Income	0.0	0.0	0.0	0.0	1.9	1.9
Financial Expenses	0.0	0.0	0.0	0.0	(11.5)	(11.5)
Income Tax Expense	0.0	0.0	0.0	0.0	(7.4)	(7.4)
<b>Segment Net Profit/(Loss)</b>	<b>(9.8)</b>	<b>50.8</b>	<b>(2.0)</b>	<b>39.0</b>	<b>(38.6)</b>	<b>0.5</b>
<b>Total Assets (30 June 2021)</b>	<b>258.7</b>	<b>925.1</b>	<b>401.4</b>	<b>1,585.2</b>	<b>37.1</b>	<b>1,622.3</b>
<b>Total Liabilities (30 June 2021)</b>	<b>105.9</b>	<b>479.4</b>	<b>172.3</b>	<b>757.6</b>	<b>43.2</b>	<b>800.8</b>
<b>Investment in Associates and Joint Ventures</b>	<b>0.0</b>	<b>0.0</b>	<b>123.2</b>	<b>123.2</b>	<b>0.0</b>	<b>123.2</b>

## Segment information for the period from 01 Jan to 30 June 2020

m€	Real Estate Equity Segment	Real Estate Debt Segment	Other Segments	Total Segments	Overhead (not allocated)	Consolidated Financial Statements
<b>Revenues:</b>						
Revenues	42.8	45.7	2.8	91.2	0.0	91.2
Inter-segment revenues						
<b>Total revenues</b>	<b>42.8</b>	<b>45.7</b>	<b>2.8</b>	<b>91.2</b>	<b>0.0</b>	<b>91.2</b>
Income/expenses						
Expenses from Real Estate Equity Segment	(41.6)	0.0	0.0	(41.8)	0.0	(41.8)
Expenses from Real Estate Debt Segment	0.0	(4.1)	0.0	(4.1)	0.0	(4.1)
Net Gain from Selling Warehousing Assets	0.0	0.0	(0.5)	(0.5)	0.0	(0.5)
Share of Profit or Loss from Associates and Joint Ventures	0.0	0.0	(3.8)	(3.8)	0.0	(3.8)
Dividends from other Alignment Capital	0.0	0.0	5.8	5.8	0.0	5.8
Gains/losses from fair value measurement of financial instruments related to real estate	0.0	0.0	3.0	3.0	0.0	3.0
Expenses from Other Segments	0.0	0.0	(11.8)	(11.8)	0.0	(11.8)
<b>Total earnings</b>	<b>0.9</b>	<b>41.5</b>	<b>(4.5)</b>	<b>37.9</b>	<b>0.0</b>	<b>37.9</b>
General and Administrative Expenses	0.0	0.0	0.0	0.0	(16.5)	(16.5)
Other income	0.0	0.0	0.0	0.0	4.5	4.5
Depreciation & Amortisation	(4.4)	(9.2)	0.0	(13.6)	(2.7)	(16.3)
Financial Income	0.0	0.0	0.0	0.0	4.0	4.0
Financial Expenses	0.0	0.0	0.0	0.0	(13.2)	(13.2)
Income Tax Expense	0.0	0.0	0.0	0.0	0.1	0.1
<b>Segment Net Profit/(Loss)</b>	<b>(3.5)</b>	<b>32.3</b>	<b>(4.5)</b>	<b>44.3</b>	<b>(23.9)</b>	<b>0.4</b>
<b>Total Assets (30 June 2020)</b>	<b>227.2</b>	<b>812.5</b>	<b>352.5</b>	<b>1,392.2</b>	<b>32.6</b>	<b>1,424.8</b>
<b>Total Liabilities (30 June 2020)</b>	<b>98.1</b>	<b>444.2</b>	<b>159.7</b>	<b>701.9</b>	<b>40.0</b>	<b>741.9</b>
<b>Investment in Associates and Joint Ventures</b>	<b>0.0</b>	<b>0.0</b>	<b>116.3</b>	<b>116.3</b>	<b>0.0</b>	<b>116.3</b>

## F. Other information

### F.1 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding is calculated as follows:

#### Calculation of weighted average number of ordinary shares (undiluted & diluted)

	30 June 2021		30 June 2020	
	number of shares	days	number of shares	days
<b>Calculation of undiluted shares</b>				
<b>Shares at the beginning of the period</b>	<b>25,666,025</b>	<b>180</b>	<b>21,179,449</b>	<b>182</b>
Issue of new shares on 25 May 2021	8,500,000	37		
Reactivated shares from repurchasing program			174,968	168
Issue of new shares on 15 Jan 2020			125,226	168
<b>Shares at the end of the period</b>	<b>34,166,025</b>		<b>21,479,643</b>	
<b>Weighted average number of shares for the period</b>	<b>27,413,247</b>		<b>21,456,551</b>	
<b>Calculation of diluted shares</b>				
Issue of new shares on 15 Jan 2020			54,037	168
<b>Weighted average number of shares for the period (diluted)</b>	<b>27,413,247</b>		<b>21,506,431</b>	

Earnings per share, both undiluted as well as diluted are calculated as follows; neither in 2021 nor in 2020 any dilutions were to be considered, hence the undiluted and diluted EPS are identical:

#### Earnings per share (undiluted & diluted)

m€	01.01.2021 - 30.06.2021	01.01.2020 - 30.06.2020
Profit attributable to ordinary equity holders of the parent:		
Continuing operations	0.3	0.5
<b>Profit attributable to ordinary equity holders of the parent for basic earnings</b>	<b>0.3</b>	<b>0.5</b>
Weighted average number of ordinary shares (undiluted):		
Share capital	27,413,247	21,456,551
<b>Weighted average number of ordinary shares (total)</b>	<b>27,413,247</b>	<b>21,456,551</b>
<b>Earnings per share</b>	<b>0.01 €</b>	<b>0.02 €</b>

### F.2 Commitments and contingencies

The CORESTATE Group's contingent liabilities and other obligations are mainly potential future payment obligations of the Group attributable to guarantees that have been provided. The figures shown reflect potential liabilities that the guarantees are called upon.

#### Contingent Liabilities

m€	30 June 2021	31 Dec 2020
Loan commitment	13.1	13.4
Placing and takeover obligations	0.5	44.1
Obligations under guarantees and warranty agreements	16.0	8.5
<b>Total Contingencies</b>	<b>29.6</b>	<b>66.0</b>

The decrease in the Contingent Liabilities is mainly the result of the projects "Weitblick Augsburg (HL Invest Augsburg KG)" and "WISAG Neuss (HL Invest Neuss KG)". For both projects HL KG acts as the placement warrantor. As project "Weitblick Augsburg" has now been fully placed, the placing and takeover obligations are reduced by € 43.9m. However, this is offset by a slight increase in the obligations under guarantees and warranty agreements for HL Invest Augsburg KG (€ 4.8m). The loan commitments mainly relate to HL Invest Neuss KG € 9.9m (31 Dec 2020: € 7.1m).

### F.3 Fair value of financial instruments and fair value hierarchy

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments:

m€	Carrying amount 30 June 2021	Measurement in accordance with IFRS 9			Fair value 30 Jun 2021
		Amortized cost	Fair value recognized through profit and loss	not applicable	
Other financial instruments	159.1	-	154.2	4.9	154.2
Non-current receivables	53.1	16.0	18.5	18.6	34.5
Non-current loans to associates	18.0	18.0	-	-	18.0
Other current financial assets	135.2	127.0	-	8.2	127.0
Receivables from associates	17.8	17.8	-	-	17.8
Trade receivables	47.0	47.0	-	-	47.0
Restricted cash	16.1	16.1	-	-	16.1
Cash and cash equivalents	47.2	47.2	-	-	47.2
<b>Total financial assets</b>	<b>493.4</b>				<b>461.7</b>
Non-current financial liabilities to banks	4.1	4.1	-	-	4.1
Other non-current financial liabilities from bonds	493.2	493.2	-	-	430.5
Other non-current financial liabilities	29.7	6.4	-	23.3	6.4
Current financial liabilities to banks	68.9	68.9	-	-	68.9
Other current financial liabilities	52.1	47.4	-	4.7	47.4
Current liabilities to associates	8.0	8.0	-	-	8.0
Trade payables	13.4	13.4	-	-	13.4
<b>Total financial liabilities</b>	<b>669.3</b>				<b>578.6</b>



m€	Carrying amount 31 December 2020	Measurement in accordance with IFRS 9			Fair value 31 December 2020
		Amortized cost	Fair value recognized through profit and loss	not applicable	
Other financial instruments	153.9		148.9	5.0	148.9
Non-current receivables	53.7	15.6	18.5	19.6	34.1
Non-current loans to associates	19.6	13.2	6.4		19.6
Other current financial assets	126.7	124.7		2.0	124.7
Receivables from associates	13.6	13.6			13.6
Trade receivables	33.0	33.0			33.0
Restricted cash	23.0	23.0			23.0
Cash and cash equivalents	68.2	68.2			68.2
<b>Total financial assets</b>	<b>491.7</b>				<b>470.1</b>
Non-current financial liabilities to banks	4.6	4.6			5.9
Other non-current financial liabilities from bonds	491.0	491.0			404.3
Other non-current liabilities	29.3	6.4		22.9	6.4
Current financial liabilities to banks	68.7	68.7			68.7
Other current financial liabilities	42.0	37.6		4.5	37.6
Current liabilities to associates	9.3	9.3			9.3
Trade payables	13.1	13.1			13.1
<b>Total Financial Liabilities</b>	<b>658.0</b>				<b>545.3</b>

Non-applicable items mainly relate to leasing receivables in an amount of € 12.0m (31 Dec 2020: € 13.0m) respectively leasing liabilities (€ 28.0m; 31 Dec 2020: € 27.4m) that are considered in the context of IFRS 16.

The following table shows the assignment of fair values to the individual measurement levels as defined by IFRS 13 for financial instruments measured at fair value. For most of the other financial instruments the Group uses third-party pricing information without adjustment. The fair values for the remaining positions

of € 20.5m (31 Dec 2020: € 15.1m) are calculated by applying a DCF approach. The Group performed a sensitivity analysis by reasonably changing relevant input parameters (+/- 10% in cashflows and +/- 100bp in interest rate) which provides a range of fair values between € 17.5m and € 23.7m.

m€	Total	Level 1	Level 2	Level 3
<b>Assets measured at fair value and for which fair values are disclosed</b>				
Other financial instruments	154.2	-	-	154.2
Non-current Receivables	18.5	-	18.5	-
<b>Liabilities for which fair values are disclosed</b>				
Non-current financial liabilities from bonds	430.5	430.5	-	-

The table below reconciles all level 3 financial instruments from the opening balance to the closing balance including transfers between levels 2 and 3:

m€	Other financial instruments
<b>Fair value as at 1 Jan 2021</b>	<b>148.9</b>
Additions / disposals	7.0
Changes in the fair value valuation through profit and loss	(2.0)
Gains/loss to exchange rate differences	0.3
<b>Fair value as at 30 June 2021</b>	<b>154.2</b>

#### F.4 Related Party Information

CCH SA has identified all Group companies as related parties as well as the following entities and persons as related parties:

##### Major shareholders and shareholders' related entities

Related parties as at 30 June 2021	related to/as
Friedrich Munsberg	Supervisory Board
Prof. Dr. Hermann Wagner	Supervisory Board
Dr. Friedrich Oelrich	Supervisory Board
René Parmantier	Management Board
Lars Schnidrig	Management Board
Nils Hübener	Management Board
Daniel Löhken	Management Board
Johannes Märklin	Management Board
Sebastian Ernst	Management Board

Former Related Parties as at 31 December 2020	related to/as
Norbert Ketterer	Shareholder until 2020
Sandra Ketterer	Shareholder until 2020
Ketom AG	Shareholder until 2020
Helvetic Real Estate Financing AG (HREF)	Shareholder until 2020
Gateway AG	Shareholder until 2020
Dr. Georg Allendorf	Supervisory Board until 2020
Dr. Gabriele Apfelbacher	Supervisory Board until 2020
Timothy Blackwell	Supervisory Board until 2020
Marc Drießen	Supervisory Board until 2020
Olaf Klinger	Supervisory Board until 2020
Thalos	Supervisory Board (M. Blattmann) until 2020
Vicenda	Supervisory Board (M. Blattmann) until 2020
Felur Swiss Treuhand AG	Supervisory Board (U. Felder) until 2020
Micha Blattmann	Supervisory Board until 2020
Urs Felder	Supervisory Board until 2020
Ulrich Plett	Supervisory Board until 2020
Jonathan Lurie	Supervisory Board until 2020
Realty Corporation Ltd	Supervisory Board (J. Lurie) until 2020
Thomas Landschreiber	Management Board until 2020

##### CCH SA Key Management Personal:

On 31 May 2021, Lars Schnidrig stepped down as Chief Financial Officer and left the company on 31 July 2021. Nils Hübener as Chief Investment Officer and Daniel Löhken as Chief Legal & HR Officer stepped down on 31 July 2021 and will leave the Company on 31 Aug 2021, too. Hence, the following changes to board occurred in the first half of 2021 including the subsequent event period:

- René Parmantier (Chief Executive Officer of CORESTATE Capital Holding S.A.) – since 01 Dec 2020
- Johannes Märklin (Chief Debt Financing Officer of CORESTATE Capital Holding S.A.) – since 15 Jan 2021
- Sebastian Ernst (Chief Debt Investment Officer of CORESTATE Capital Holding S.A.) – since 15 Jan 2021
- Udo Giegerich (Chief Financial Officer of CORESTATE Capital Holding S.A.) – since 01 Aug 2021
- Lars Schnidrig (Chief Financial Officer of CORESTATE Capital Holding S.A.) – 01 Dec 2020 until 31 May 2021; from 01 April 2019 until 01 Dec 2020 Chief Executive Officer; from 01 July 2017 until 31 March 2019 Chief Financial Officer
- Nils Hübener (Chief Investment Officer of CORESTATE Capital Holding S.A.) – 01 April 2020 until 31 July 2021

- Daniel Löhken (Chief Legal & HR Officer of CORESTATE Capital Holding S.A.) – 01 Nov 2020 until 31 July 2021

In addition to the individually agreed base salary, annual bonus payments, and long-term share-based incentives, under their service agreements, the Management Board members are entitled to ancillary benefits that include, among other things, continued payment of remuneration in case of sickness or death for a certain period, contributions to private health insurance as well as D&O and E&O insurance coverage at usual market terms. The Company also reimburses all travelling costs and incidental expenses.

#### *Member of the Supervisory Board*

- Friedrich Munsberg (Chairman) – since 30 Nov 2020
- Prof. Dr. Hermann Wagner (Deputy Chairman) – since 30 Nov 2020
- Dr. Friedrich Oelrich (Member) – since 30 Nov 2020

Prof. Dr. Herrmann Wagner heads the audit committee and is considered the independent financial expert.

#### *Associates (Co-Investments)*

An associate (investee) is an entity over which the Group has significant influence through participating in an investee's financial and operating policy decisions.

#### *Joint Ventures (cooperation with local partners)*

A joint venture is a joint arrangement of the Group together with third parties where the parties that have joint control in the arrangement.

#### **Transactions with shareholders and shareholder related entities**

m€	01.01.21 - 30.06.21	01.01.20 - 30.06.20
Fees paid to Realty Corporation Ltd. (John Lurie) under consultancy agreements	-	(0.9)
Transaction fee Gateway AG	-	2.7
Remuneration N. Ketterer as Chairman of the Board of Directors of HFS	-	(0.2)
Rental Costs to Vicenda	(0.0)	(0.0)

#### **F.4.1 Transactions with Key Management Personnel**

##### **Transactions with Key Management Personnel and members of Supervisory Board**

m€	01.01.21 - 30.06.21	01.01.20 - 30.06.20
Basic remuneration	(1.4)	(1.2)
<b>Fixed remuneration</b>	<b>(1.4)</b>	<b>(1.2)</b>
STI	(0.2)	-
LTI	(1.8)	(1.1)
<b>Variable remuneration</b>	<b>(2.0)</b>	<b>(1.1)</b>
Compensation/termination payments	(0.9)	(2.0)
<b>Total remuneration</b>	<b>(4.3)</b>	<b>(4.3)</b>

Short-term employee benefits relate to the annual base salary agreed under the service agreements with the

members of the Group's Executive Management as well as the cash component of the annual bonus award of the respective members.

In June 2021, Lars Schnidrig's mandate as CFO was terminated by mutual agreement. Hence, Lars Schnidrig received a severance payment for STI and LTI bonuses in the amount of € 0.5m as well as a payment of compensation in the amount of € 0.4m due to a six-months non-competition clause. All contractual payment claims were settled with the compensation.

#### **F.4.2 Transactions with associates (Co-Investments)**

The terms and conditions agreed with associates for the services of the Group are negotiated and set out in the underlying documentation for each investment with the respective investor (JVCIA, AMA etc.). Such terms and conditions are at arm's length.

**Transactions with associates (Co-Investments)**

m€	01.01.21 - 30.06.21	01.01.20 - 30.06.20
Revenue from acquisition related fees	-	(0.1)
Revenue from asset and property management	4.4	7.8
Management expenses	(2.4)	(1.0)
Share of profit or loss from associates and joint ventures	1.0	(3.8)
Proceeds from selling property holding companies	(0.1)	(0.6)
General and administrative expenses	(0.1)	(0.6)
Interest income from associates	0.1	0.3
Interests expenses from associates	(0.0)	0.0

**Balance with associates (Co-Investments)**

m€	30 June 2021	31 Dec 2020
Receivables from associates	17.8	13.6
Receivables from affiliated companies	0.8	4.1
Trade receivables	19.5	15.2
Other current receivables	0.4	0.4
Non-current loans to associates	18.0	19.6
Loans granted from associates	(0.0)	-
Liabilities to associates	(8.0)	(9.3)
Liabilities from affiliated companies	(2.9)	(3.7)

**F.5 Material events after the reporting date**

On 16 July 2021, the Supervisory Board appointed Udo Giegerich as Chief Financial Officer for a three-year term effective as of 01 Aug 2021. Udo Giegerich follows Lars Schnidrig in his role being primarily accountable for Accounting & Tax, Controlling, Risk Management, Investor Relations and Treasury.

In addition, on 31 July 2021 Daniel Löhken as Chief Legal and Human Resources Officer (CLHRO) and Nils Hübener as Chief Investment Officer (CIO) stepped down from their roles and will leave the Company on 31 Aug 2021.

Luxembourg, 09 August 2021

**René Parmantier**

Chief Executive Officer

**Udo Giegerich**

Chief Financial Officer

**Sebastian Ernst**

Chief Debt Investment Officer

**Johannes Märklin**

Chief Debt Financing Officer

## **Report on review of interim condensed consolidated financial statements**

To the Management Board of  
Corestate Capital Holding S.A.  
4, rue Jean Monnet  
L-2180 Luxembourg

### *Introduction*

We have reviewed the accompanying interim condensed consolidated financial statements of Corestate Capital Holding S.A. and its subsidiaries (the “Group”) for the period from 1 January 2021 to 30 June 2021, which comprise the interim consolidated statement of financial position as of 30 June 2021 and the related interim consolidated statement of profit and loss and other comprehensive income, the interim consolidated statement of changes in equity, the interim consolidated statement of cash flows for the six-month period then ended and explanatory notes. Management Board is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* (“IAS 34”) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé

Pavel Nesvedov

Luxembourg, 9 August 2021



# *Imprint*

## ***PUBLICATION DATE***

11 August 2021

## ***PUBLISHER***

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4, rue Jean Monnet  
L-2180 Luxembourg

[www.Corestate-capital.com](http://www.Corestate-capital.com)

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## ***PHOTOS***

Corestate Capital Holding S.A.