SEMI-ANNUAL
REPORT
2024

EUROPEAN PROPERTY HOLDINGS

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DEAR SHAREHOLDERS

The first half of the business year 2024 continued to be challenging for the entire real estate sector. Factors such as the sharp rise in interest rates over recent years, high construction and financing costs, the economic slowdown, and declining property prices have collectively created an increasingly tense market environment. Despite these market challenges, in particular the once more unfavourable market input factors, EPH has maintained its stable growth on an operational level. Our strategic positioning and long-term approach to real estate investment has proven successful: our focus on high-quality properties with high sustainability standards in prime locations in Europe and on highly professional asset management with strong local teams. EPH has demonstrated its reliability and resilience as a partner to its stakeholders, shareholders and tenants.

One of the highlights of the reporting period was the acquisition of the 5-star hotel "Trois Couronnes" in Vevey, Switzerland, situated on the shores of Lake Geneva. This historic hotel was originally built in 1842 on the site of a medieval castle. Although the property requires full refurbishment in the coming years, we are confident about the potential of the hotel in this unique location on Lake Geneva. With the acquisition of this Swiss hotel, we have successfully expanded our portfolio to include another property in a prime location with excellent prospects. Our portfolio now comprises ten properties in sought-after locations across Germany, Austria, and now also Switzerland.

In the first half of 2024, we successfully increased the net rental income of our portfolio by 11 % to EUR 17.4 million compared to the same period last year. This is largely the result of our active asset management as well as indexation.

Our asset management strategy includes active tenant management to ensure a stable cash flow from rental income. Through regular communication, including personal discussions, newsletters and events, we have been strengthening relationships with our tenants, analysing their needs, and continuously enhancing our portfolio. Additionally, we focus on optimising our properties for energy efficiency and carbon reduction through targeted measures such as smart metering and the implementation of centralised data monitoring. This is not only about environmental aspects and efficient property management. We also attach equal importance to the social component, the "S" of ESG. Our modern buildings provide healthy and comfortable spaces for our tenants to enhance their wellbeing. And this in turn is reflected in low fluctuation and high occupancy rates.

Despite growing net rental income, increased financing costs have slightly affected the earnings from operational activity. Furthermore, valuations of investment properties are influenced by rising capitalization and discount rates on the market resulting in another decrease of the majority of our market values. However, it is visible that the market has calmed down.

Overall, the net loss for the period from continuing operations reduced from 29 million to 14 million for the first half year 2024. These outcomes reflect the current market challenges, but they do not diminish our long-term confidence and strategic focus. We continue to see potential for modern, sustainable, and centrally located space in our target European markets. Core offices and hotels in Europe's major cities continue to be attractive for long-term investors like EPH. These asset classes have proven to be rather resilient compared to other segments of the market due to the strong demand and limited supply, particularly for properties in prime locations that meet high sustainability standards. We will, therefore, continue to focus on office properties in major European cities and also see further attractive potential in the hotel sector as the tourism industry has gained considerable momentum across Europe. However, realising this potential requires forward-thinking investments as well as active asset management.

As we move forward, we remain steadfast in our unwavering commitment to our core principles of quality, sustainability, and long-term value preservation. We will continue to strategically evaluate market opportunities to enhance the long-term stability of the property portfolio. Looking at the future of property markets, we are confident that the market will regain parts of its momentum in the coming months. The European Central Bank's first interest rate cut in five years has sent a clear signal to the market and the further rate cuts in the autumn are boosting market optimism by suggesting a more stable interest rate environment and greater planning certainty.

In any case, EPH is well positioned for different market phases and remains very confident about further positive business development.
We thank our shareholders for their ongoing trust, our business partners for their collaboration, and our employees for their extraordinary commitment. Together, we will continue to successfully seize the opportunities that lie ahead of us.

Sincerely,
The Board of Directors
September 2024

MANAGEMENT REPORT

KEY PERFORMANCE INDICATORS

in EUR	30.06.2024	30.06.2023	30.06.2022
Continuing operations			
Net rental income	17,389,308	15,633,138	11,528,552
Net loss from hotel 3C operations	– 1,050,597	–	–
Management fees	– 888,878	– 817,894	– 709,907
Administrative expenses	– 2,001,422	– 1,717,486	– 1,121,894
Net other operating income	1,089,874	921,750	21,049
Operating Income	14,538,285	14,019,508	9,717,800
Finance costs	– 8,053,807	– 6,037,071	– 9,428,035
Current tax expense	– 145,544	– 203,951	– 59,053
Earnings from operational activity	6,338,934	7,778,486	230,712
Earnings from operational activity per share	0.44	0.54	0.02
Revaluation of investment properties	– 20,162,071	– 45,767,478	17,077,118
Deferred tax benefit/(expense)	2,429,238	5,327,149	– 4,028,683
(Increase)/release of impairment allowance for loans and receivables related to the assets sold	– 2,163,154	4,619,593	–
Other extraordinary items	– 639,004	–	43,382
Total before foreign exchange movements	– 14,196,057	– 28,042,250	13,322,529
Net foreign exchange gain/(loss)	311,009	– 831,826	– 3,518,076
Net (loss)/profit for the period	– 13,885,048	– 28,874,076	9,804,453
Discontinued operations			
Net loss from discontinued operations (attributable to equity holders of the Company)	–	– 103,266,531	– 46,940,258
Result of discontinued operations	–	– 103,266,531	– 46,940,258
Total net loss for the period	– 13,885,048	– 132,140,607	– 37,135,805

		as of	
	30.06.2024	31.12.2023	31.12.2022
Number of properties let to third parties (investment properties)	9	9	9
Fair value of investment properties	763,792,437	783,672,437	895,119,207
Number of hotel properties where the Group runs operations (fixed assets)	1	–	–
Net book value of hotel property	50,975,104	–	–
Total value of the properties	814,767,541	783,672,437	895,119,207
Total Assets (31.12.2022: excluding assets held for sale)	970,002,683	973,222,257	1,159,759,414
Borrowings	442,985,150	439,693,361	592,885,395
Loan-to-value	46%	45%	51%

*For a reconciliation of non-IFRS measures see "Supplemental Reconciliations and Definitions" in Note 27

EPH EUROPEAN PROPERTY HOLDINGS

CORE AND CORE PLUS COMMERCIAL REAL ESTATE PORTFOLIO

EPH's holdings encompass a core and core plus commercial real estate portfolio in excellent locations.

The high quality of our properties, high sustainability standards, and professional asset management form the basis for stable values and income streams. Our portfolio primarily consists of prestigious office properties, allowing us to capitalize on the strong demand for modern spaces in prime locations.

Over the past few years, we have significantly expanded our portfolio in Europe. Currently, our portfolio consists of ten core assets in outstanding locations in Germany, Austria, and Switzerland. Seven of our nine office and hotel buildings (excluding the parking garage QBC 7) have already been awarded certificates in DGNB Platinum, DGNB Gold, or LEED Gold.

GERMANY

OFFICES/HOTELS

- Stuttgart
- Hamburg
- Berlin
- Dresden

AUSTRIA

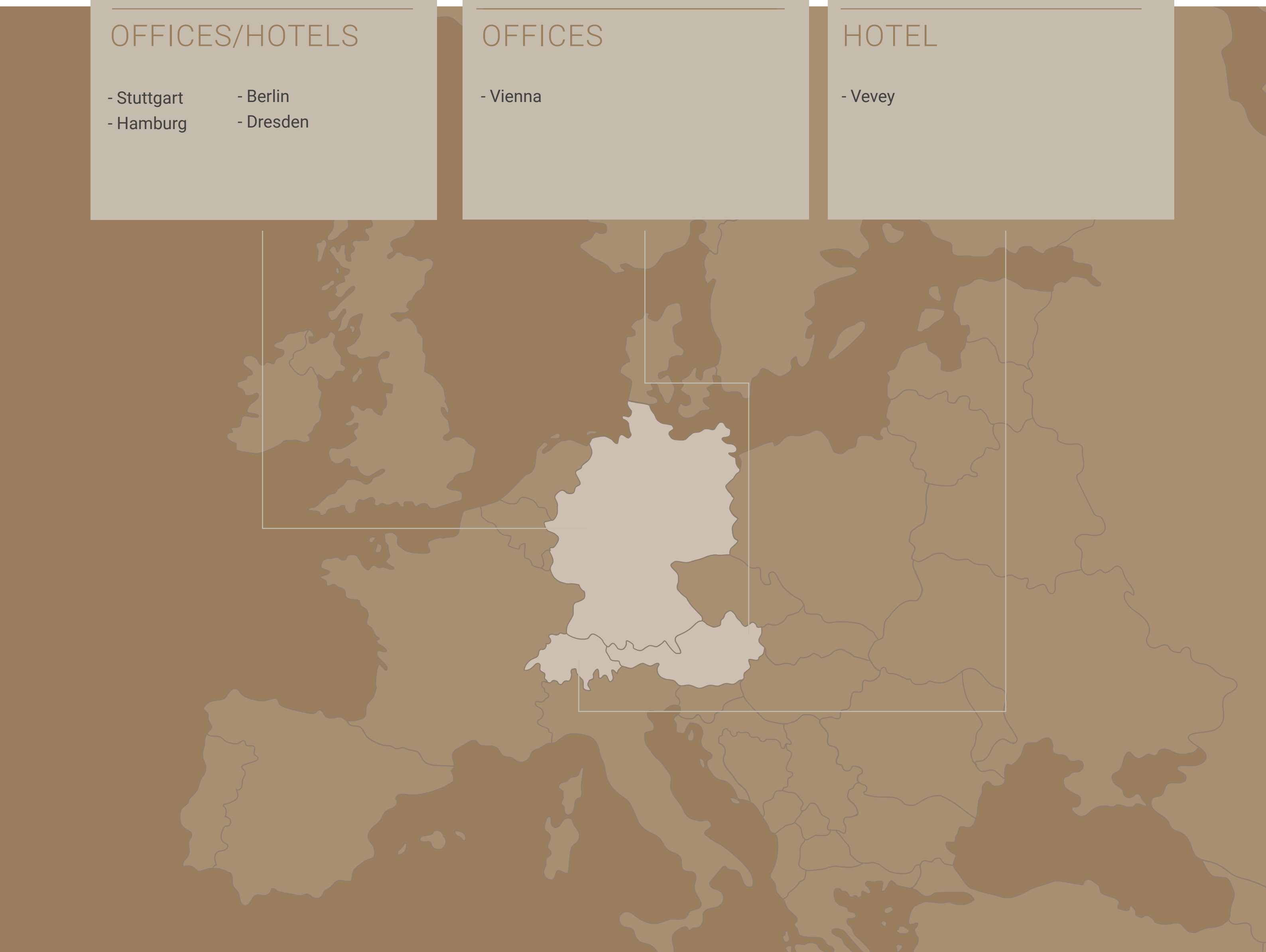
OFFICES

- Vienna

SWITZERLAND

HOTEL

- Vevey



20
YEARS
investing in real estate

CORE ASSETS
in prime European markets

OFFICE & HOTEL
properties in investment focus

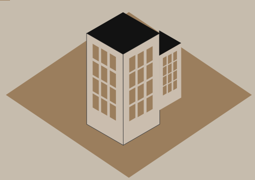
STRONG INTERNATIONAL TENANTS
with long-term lease agreements

ACTIVE ASSET MANAGEMENT
as a basis for stable return

HIGH SUSTAINABILITY STANDARD
as evidenced by certificates

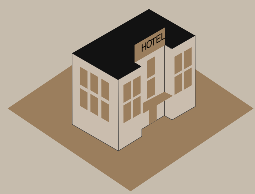
Our key portfolio growth milestones in prime European locations

01 2014



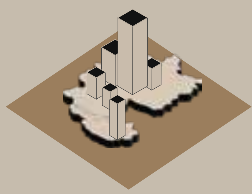
EPH specializes in investing in high-quality, income-generating office properties in Western Europe

02 2020



EPH acquires its first hotel property

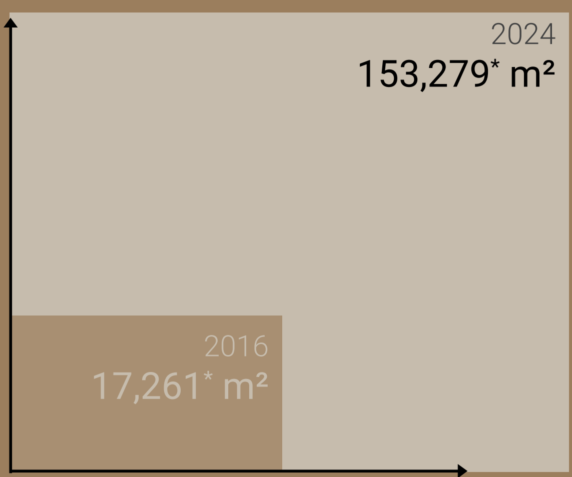
03 2024



EPH has achieved significant growth in Europe since 2016, expanding its portfolio to 10 properties in Austria, Germany, and Switzerland with a gross floor area of more than 200,000 square metres

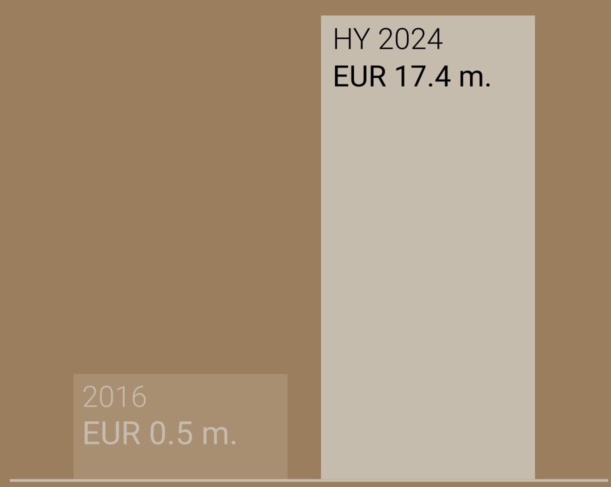
Since 2016, the European portfolio has grown significantly.

Net leasable Area



*The parking garage QBC 7 and the hotel Trois Couronnes is not included.

Net rental income reflects growing portfolio and successful asset management



TROIS COURONNES

COUNTRY / CITY

SWITZERLAND / VEVEY

ASSET CLASS

HOTEL

TOTAL FLOOR AREA

16,000

VACANCY RATE

SELF-MANAGED

ROOMS

71

YEAR OF CONSTRUCTION

1842

OWNERSHIP

100%

APPRAISED VALUE

CHF 49,530,000

Vevey by Lake Geneva / 5-star hotel on historic site

The hotel Trois Couronnes is situated in the city of Vevey, widely regarded as one of the pearls of the Swiss Riviera. Originally constructed in 1842 on the foundations of a medieval castle, this historic property is the third oldest palace hotel in Switzerland. Trois Couronnes enjoys a prime lakefront location with high pedestrian traffic, excellent accessibility and stunning views of the Alps.

Spanning an impressive 16,000 square metres, the hotel features 71 luxurious rooms, two restaurants, a spa area, and meeting facilities. EPH acquired the hotel in 2024 and intends to redevelop it over the next few years.

Swiss real estate market: promising opportunities for investors

Solid economic development:

The Swiss hotel market offers an attractive opportunity for the company to diversify its real estate portfolio. Above all, the political and economic stability of the market also enhances its appeal to international real estate investors, while Switzerland also scores highly for its robust economic development. The European Commission expects the Swiss economy to grow by 1.5% year-on-year in 2024 and 1.8% in 2025. This is higher than forecasts for the Eurozone of 0.8% in 2024 and 1.4% in 2025 (spring 2024 forecast).

Thriving tourism industry:

The tourism sector in Switzerland is experiencing dynamic growth and offers a range of lucrative opportunities for property investors. The tourism industry is one of Switzerland's most important economic sectors. Cities such as Zurich, Geneva, and Basel are particularly popular tourist destinations. After a significant slump during the coronavirus years, the tourism sector in Switzerland has made a remarkable recovery.

According to the Federal Statistical Office (FSO), the hotel industry in Switzerland registered a record high of 41.8 million overnight stays in 2023, marking a 9.2% increase from the previous year (+ 3.5 million). Every month in 2023 saw a rise in overnight stays compared to the same month in the previous year, with the period from April to December recording the highest number of overnight stays in thirty years. The summer season of 2023 (May to October) witnessed a record-breaking 24.0 million overnight stays and was followed by a winter tourist season (November 2023 to April 2024) that achieved a historic high of 18.0 million overnight stays, reflecting a 2.9% increase from the previous year.

OUR COMMITMENT TO

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

As a property company, we recognise our responsibilities to our employees, the environment, and society as a whole. Our primary objective is to preserve the long-term value of our property portfolio while embracing our duty to protect the environment and enhance people's general well-being. While sustainability criteria have long been a factor in assessing the quality of EPH's property portfolio, EPH strengthened its commitment to sustainability by conducting an evaluation of sustainability practices across the entire Group, with a particular focus on our property portfolio. As a result, EPH has developed its sustainability strategy to internalise values and integrate sustainability into the Company's business practices, particularly within its core business of acquiring and owning high quality real estate. EPH's sustainability strategy is built around the three key pillars: Environment, Social, and Governance (ESG). For each pillar, we have defined long-term objectives and goals to measure our progress and enhance transparency.

MISSION AND PRINCIPLES

EPH's main objective is to invest in high-profile commercial real estate, with a focus on long-term growth and stable revenues. Our investment portfolio primarily consists of existing properties and development projects throughout Europe that provide capital appreciation and dividend income. These high-quality properties satisfy real estate sustainability criteria, as evidenced by their Green Building Certifications.

Implementing sustainable practices in a real estate company involves integrating principles that address environmental, social, and economic concerns. Our business activities are guided by the following seven key principles:

OUR BUSINESS ACTIVITIES ARE GUIDED BY THE FOLLOWING SEVEN KEY PRINCIPLES:

7

principles for sustainable action

1. We integrate economic, environmental, and social considerations to ensure the sustainable management of our properties.
2. We are committed to implementing a comprehensive strategy to safeguard the environment, enhance energy efficiency, and minimise our carbon footprint.
3. We pursue certifications such as DGNB, LEED or BREEAM to ensure buildings meet rigorous sustainability standards and promote marketability.
4. We focus on long-term value growth, capital preservation, and stable returns, all while carefully considering the impact of our business activities on people and the environment.
5. We conduct regular assessments of our properties to evaluate our sustainability performance.
6. We adhere to the principles of value-driven, sustainable corporate management supported by a corporate governance culture.
7. Transparent and responsible corporate governance is paramount in strengthening the trust of our tenants, investors, and stakeholders and creating long-term value.

MATERIAL TOPICS

In 2022, we conducted an initial materiality assessment and regularly review which topics are essential for the company's long-term, sustainable development. Such assessment will be further developed throughout the next years.

As a starting point, we have analysed the 17 sustainable development goals (SDGs) set by the United Nations (UN). We have familiarised ourselves with the 17 SDGs and their associated targets to understand the overarching themes and objectives of each goal, as well as how they interconnect with one another.

Source: https://www.un.org/sustainabledevelopment
(The graphic and icons are used for information purposes only. The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.)

We determined which SDGs, based on their thematic focus and objectives, are most relevant to us and where we can have an impact as a real estate company.

As a result, we have selected four specific SDGs where we know we can make the most substantial impact, above all SDG 13.

We support the well-being of our employees and our tenants. Our modern properties fulfil the highest quality standards and offer a pleasant working environment.

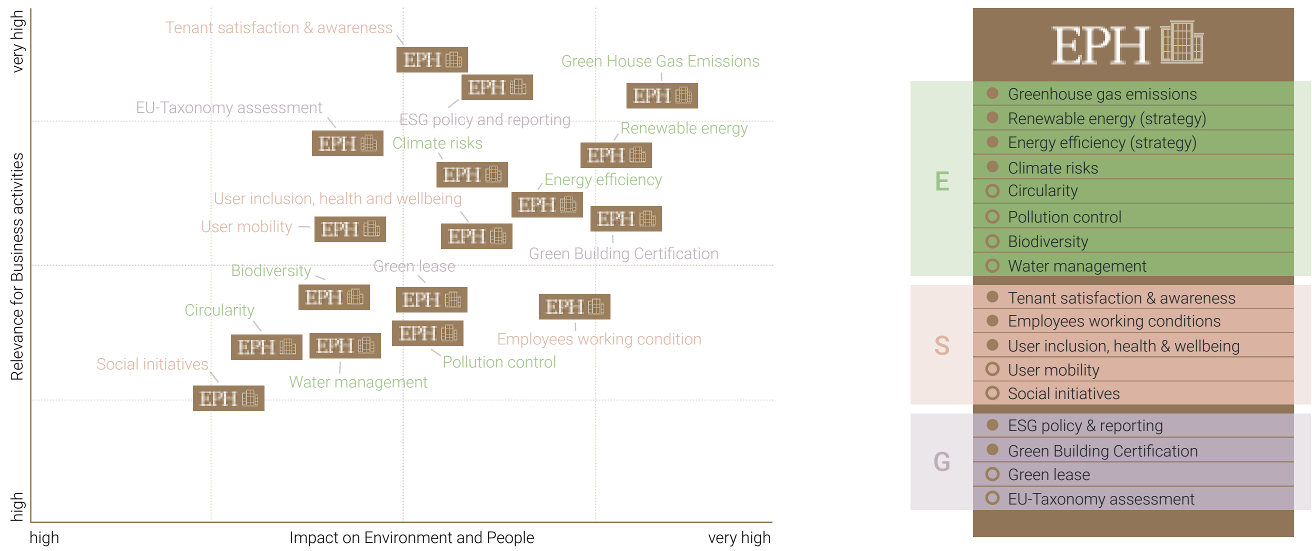
We use green electricity for the general supply of energy to all our buildings, and we aim to continue increasing our overall energy efficiency.

We are working towards a detailed measurement and monitoring system for energy consumption and the responsible use of resources is a top priority for EPH.

As a property portfolio holder, we are very aware of our role in promoting climate protection. Hence our focus on Sustainable Development Goal 13: Climate Action. The properties under our management are at the forefront of our efforts to contribute to a more sustainable future.

As a real estate company, and in particular as a property owner, we recognise that not all the 17 Sustainable Development Goals directly relate to our business activities. However, we want to ensure that our operations do not have a negative impact on any of them. Specifically, as outlined above, we aim to have a positive impact on Goals 3, 7, 12, and 13, and have developed our materiality analysis accordingly. The assessment of the 17 UN goals was therefore essential to our materiality analysis. At the same time, we have identified material topics based on a comprehensive stakeholder analysis. The topics were then prioritised using the double materiality principle, considering their impact on the environment and society, as well as their relevance to EPH's business operations. These material topics form the basis of our sustainability strategy.

MATERIAL TOPICS MATRIX



Priority 1 Priority 2

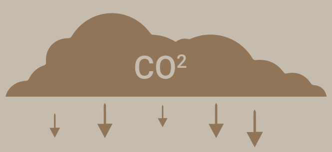
EPH EUROPEAN PROPERTY HOLDINGS DREES & SOMMER

OUR ESG STRATEGY

ENVIRONMENT

MINIMISE GREENHOUSE GAS EMISSIONS

We aim to increase energy efficiency and prioritise the use of renewable energy in all our properties to reduce our carbon footprint.



ADAPTING TO CLIMATE CHANGE

We have analysed climate risk on a property-by-property basis to assess the impact of climate risk to the properties.

SOCIAL

TENANT SATISFACTION AND AWARENESS

Our goal is to actively engage with our tenants to ensure their satisfaction and raise awareness of sustainable practices in our properties. By maintaining regular dialogue with our tenants, we are able to respond even more specifically to our tenants' wants and needs and better align our properties to market demands.

Enhancing tenant satisfaction is one of our top priorities as it is a crucial factor in maintaining a high occupancy rate and fostering a positive environment within our properties.

COMFORTABLE SPACES FOR BUILDING USERS

Our goal is to design and develop spaces that promote the health and well-being of our building users. We are committed to providing the highest levels of quality and creating pleasant working environments within our properties.

EMPLOYEE WELLBEING AND EQUALITY

Our employees are essential to our success, and we prioritise their well-being, security, and equal treatment, promoting diversity and equal opportunities. In our endeavours towards diversity and inclusion, we have set ourselves high standards, which are reflected, for example, in the proportion of women in our management. For many years now, two of our 6-member Board of Directors have been women, while the proportion of women on the Management Committee is 67%: four of the six positions are held by women. In the future, we aim to maintain the proportion of women in management at a high level.

We strive to cultivate a fair management culture, provide individual support, and generally foster respectful interactions between our team members to enhance employee satisfaction and performance. Diversity and equal opportunities are key aspects of our company's culture.

67%
women on the Management Committe

GOVERNANCE

We are committed to responsible, value-orientated management and control at all levels of our company. Compliance with ethical, social, environmental, and legal requirements is of paramount importance to us, and we strive to be transparent in all of these areas. Responsible and ethical corporate governance are the principles that guide our business activities. And to uphold these principles, we have developed a code of conduct that embodies the philosophy of our corporate governance.

CODE OF CONDUCT

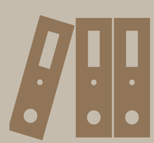
EPH has designed the code of conduct with the primary objective to uphold high standards of business conduct and ethical behaviour and to prevent money laundering, the financing of terrorism, criminal activities, and corruption.

TRANSPARENCY

Serious approach towards transparent reporting of financial and non-financial information to shareholders and stakeholders.

POLICIES AND PROCEDURES

We take a zero-tolerance approach to fraud and have implemented a set of policies and procedures which create awareness towards potential fraud and ensure sufficient controls to prevent fraud.



Details on our portfolio analyses, the measures we have already implemented, and the next steps we are planning to take on Environmental, Social, and Governance can be found in the detailed Sustainability Report, which is part of the Annual Report 2023. Details on our commitment to sustainability are also available on the EPH European Property Holdings PLC website https://europeanpropertyholdings.com/.

Corporate Governance

This section contains parts of the annual corporate governance report focusing on significantly changed matters since the last reporting date (26 April 2024). All other statements/ disclosures made as of 26 April 2024 remain valid.

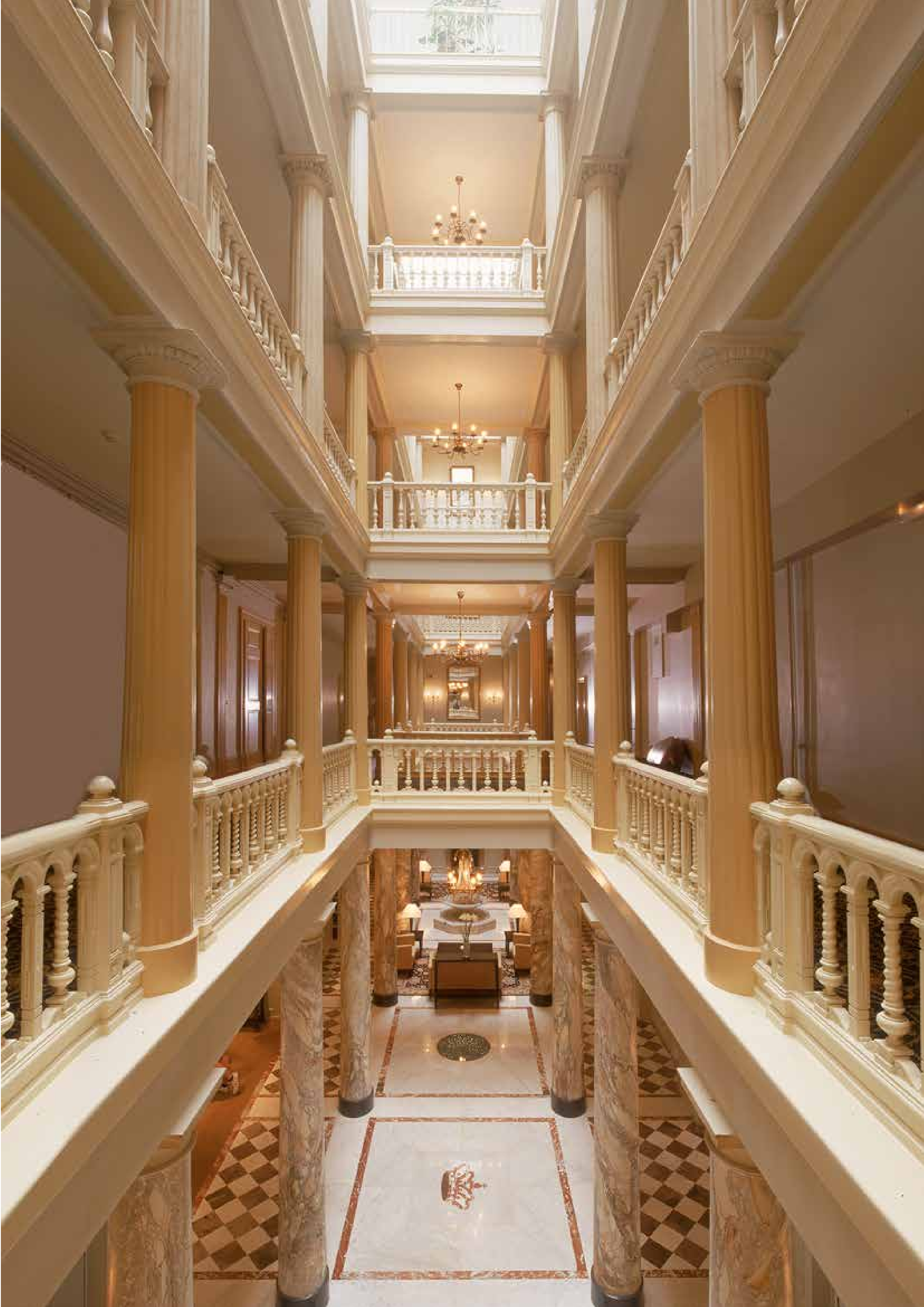
1. GROUP STRUCTURE & SHAREHOLDERS

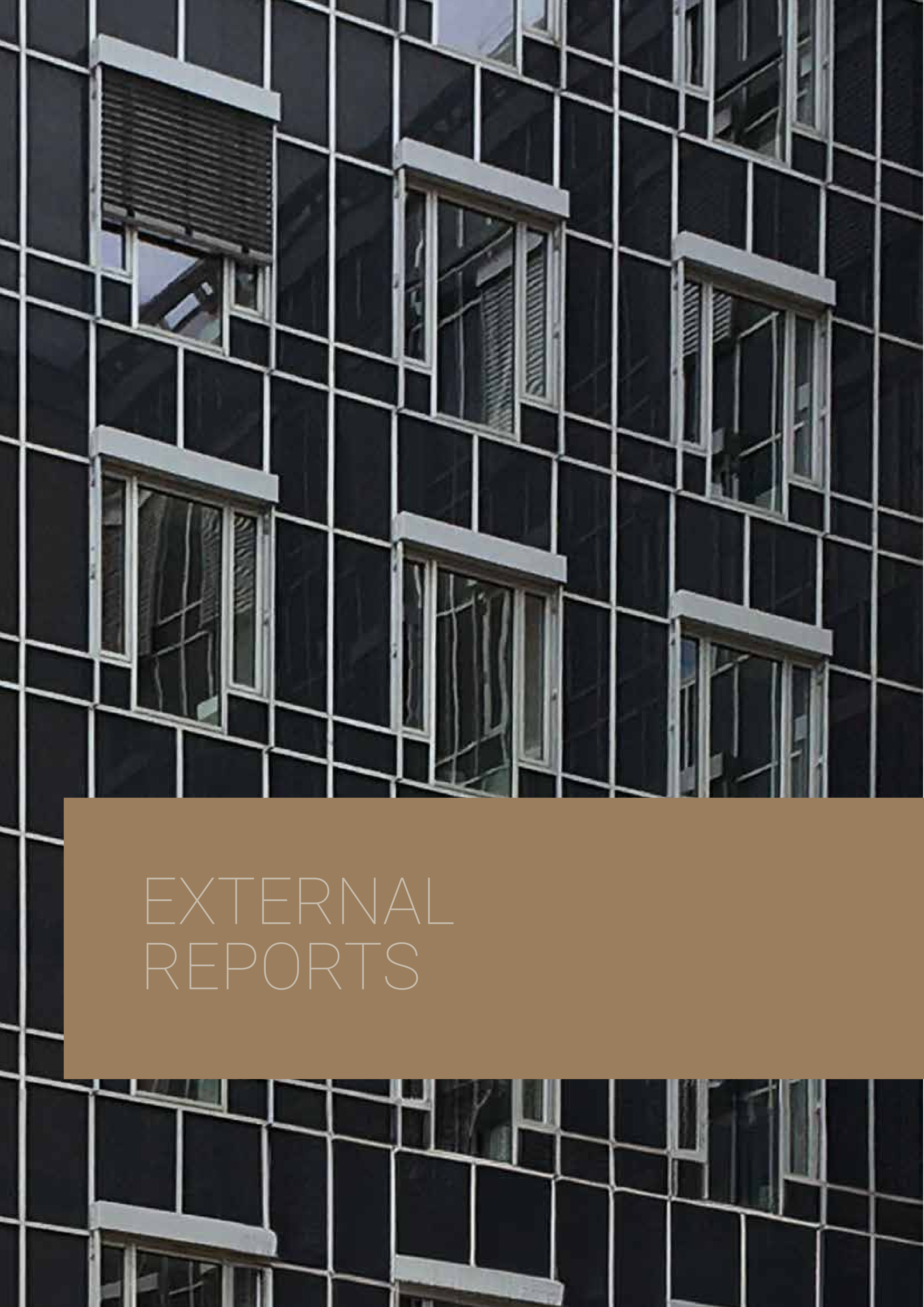
1.1 GROUP STRUCTURE

EPH European Property Holdings PLC operates as a property holding company, owning its assets directly or through subsidiaries. On 16 January 2024, EPH acquired Société de l'Hôtel des Trois Couronnes, à Vevey, SA, a hotel operating company, registered at Hôtel des Trois Couronnes located at Rue d'Italie 49, 1800 Vevey with an issued share capital of EUR 8,250,000. The company is 100% owned by EPH PLC.

2. COMPENSATION, SHAREHOLDINGS & LOANS

The remuneration of the members of the Board of Directors and the Management Committee depends on the specific services and different functions they perform for the company. From 1 January 2024 the annual remuneration of Christina Spyrou-Katras increased from EUR 38,000 to EUR 44,000.





EXTERNAL REPORTS

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Report on Review of Interim Condensed Consolidated Financial Information

To the Board of Directors of
EPH European Property Holdings PLC, Limassol, Republic of Cyprus

Introduction

We have reviewed the accompanying interim condensed consolidated financial information of EPH European Property Holdings PLC and its subsidiaries (together the "Group"), which comprises the interim consolidated statement of financial position as of June 30, 2024 and the related interim consolidated statement of profit and loss, the interim consolidated statement of comprehensive income, the interim consolidated statement of cash flow, the interim consolidated statement of changes in equity for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" and article 17 of the Directive on Financial Reporting (DFR) of the SIX Swiss Exchange. Our responsibility is to express a conclusion on this interim condensed consolidated financial information 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.

Deloitte.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information for the six months period ended 30 June 2024 is not presented, in all material respects, in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" and article 17 of the Directive on Financial Reporting (DFR) of the SIX Swiss Exchange

Deloitte AG

Marcel Meyer	Deborah Caldwell
Partner	Senior Manager

Zurich, September 27, 2024

PwC Advisory Services GmbH
Donau-City-Straße 7
1220 Vienna
Austria

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Fax: +43 1 501 88 – 601
E-mail: office.wien@at.pwc.com
www.pwc.at

RAMSES Immobilien Gesellschaft m.b.H. & Co KG
Ms Anna Bernhart
Esslinger Hauptstraße 188 B/Haus 4
1220 Vienna
Austria

September 17, 2024

Assessment of Fair Value of the property Lassallestraße 1 in Vienna

Dear Ms. Bernhart,

based on our agreement (hereinafter "agreement" or "engagement letter") as of December 9, 2022, and the confirmation of order as of June 27, 2024, RAMSES Immobilien Gesellschaft m.b.H. & Co KG ("Ramses" or "you") has mandated PwC Advisory Services GmbH, Vienna to ascertain the Fair Value of the Property "Lassallestraße 1", Lassallestraße 1, 1020 Vienna, KG 01657 EZ 5914 as of June 30, 2024.

The PwC Advisory Terms of Business (as amended 6 April 2011; see Attachment) were the basis for providing our services and for our responsibility, also in relation to third parties. We particularly draw your attention to our limitations of liability.

The valuation was to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated September 17, 2024.

According to the engagement letter signed by you, the Report was exclusively prepared for you in accordance with the engagement letter and the therein determined purposes for reporting. The Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the internet or any other public media. Duties of care and liabilities on the part of PwC towards third parties are excluded.

Yours faithfully

PwC Advisory Services GmbH

Eibisberger

Mag. Gerald Eibisberger

Dr. Matthias Eicher

PwC Advisory Services GmbH
Donau-City-Straße 7
1220 Vienna
Austria

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www.pwc.at

QBC Immobilien GmbH & Co Omega KG
Ms Anna Bernhart
Esslinger Hauptstraße 188 B/Haus 4
1220 Vienna

September 17, 2024

Assessment of Fair Value of the property QBC 1 in Vienna

Dear Ms. Bernhart,

based on our agreement (hereinafter "agreement" or "engagement letter") as of June 23, 2021 and the confirmation of order as of June 27, 2024, QBC Immobilien GmbH & Co Omega KG ("QBC" or "you") has mandated PwC Advisory Services GmbH, Vienna to ascertain the Fair Value of the Property "QBC1", 1100 Wien, KG 01101 Favoriten EZ 3758 as of June 30, 2024.

The PwC Advisory Terms of Business (as amended 6 April 2011; see Attachment) were the basis for providing our services and for our responsibility, also in relation to third parties. We particularly draw your attention to our limitations of liability.

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Yours faithfully

PwC Advisory Services GmbH

Eibisberger   M. Eicher

Mag. Gerald Eibisberger   Dr. Matthias Eicher

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QBC Immobilien GmbH & Co Alpha KG
Ms Anna Bernhart
Esslinger Hauptstraße 188 B/Haus 4
1220 Vienna

September 17, 2024

Assessment of Fair Value of the property QBC 2 in Vienna

Dear Ms. Bernhart,

based on our agreement (hereinafter "agreement" or "engagement letter") as of June 23, 2021 and the confirmation of orders as of June 27, 2024, QBC Immobilien GmbH & Co Alpha KG ("QBC" or "you") has mandated PwC Advisory Services GmbH, Vienna to ascertain the Fair Value of the Property "QBC2", 1100 Wien, KG 01101 Favoriten, EZ 3632 as of June 30, 2024.

The PwC Advisory Terms of Business (as amended 6 April 2011; see Attachment) were the basis for providing our services and for our responsibility, also in relation to third parties. We particularly draw your attention to our limitations of liability.

The valuation was to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated September 17, 2024.

According to the engagement letter signed by you, the Report was exclusively prepared for you in accordance with the engagement letter and the therein determined purposes for reporting. The Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the internet or any other public media. Duties of care and liabilities on the part of PwC towards third parties are excluded.

Yours faithfully

PwC

Advisory Services GmbH

Eibisberger

Mag. Gerald Eibisberger

Dr. Matthias Eicher

PwC Advisory Services GmbH
Donau-City-Straße 7
1220 Vienna
Austria

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QBC Immobilien GmbH & Co Delta KG
Ms Anna Bernhart
Esslinger Hauptstraße 188 B/Haus 4
1220 Vienna
Austria

September 17, 2024

Assessment of Fair Value of the property QBC 4 in Vienna

Dear Ms. Bernhart,

based on our agreement (hereinafter "agreement" or "engagement letter") as of November 22, 2021 and the confirmation of orders as of June 27, 2024, QBC Immobilien GmbH & Co Delta KG ("QBC" or "you") has mandated PwC Advisory Services GmbH, Vienna to ascertain the Fair Value of the Property "QBC4", Karl-Popper-Straße 4, 1100 Vienna, KG 01101 EZ 3667 as of June 30, 2024.

The PwC Advisory Terms of Business (as amended 6 April 2011; see Attachment) were the basis for providing our services and for our responsibility, also in relation to third parties. We particularly draw your attention to our limitations of liability.

The valuation was to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated September 17, 2024.

According to the engagement letter signed by you, the Report was exclusively prepared for you in accordance with the engagement letter and the therein determined purposes for reporting. The Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the internet or any other public media. Duties of care and liabilities on the part of PwC towards third parties are excluded.

Yours faithfully

PwC Advisory Services GmbH

Eibisberger

Mag. Gerald Eibisberger

Dr. Matthias Eicher

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QBC Immobilien GmbH & Co Zeta KG
Ms Anna Bernhart
Esslinger Hauptstraße 188 B/Haus 4
1220 Vienna

September 17, 2024

Assessment of Fair Value of the property QBC 7 in Vienna

Dear Ms. Bernhart,

based on our agreement (hereinafter “agreement” or “engagement letter”) as of November 22, 2021 and the confirmation of orders as of June 27, 2024, QBC Immobilien GmbH & Co Zeta KG (“QBC” or “you”) has mandated PwC Advisory Services GmbH, Vienna to ascertain the Fair Value of the Property “QBC7”, 1100 Wien, KG 01101 Favoriten, EZ 3660 as of June 30, 2024.

The PwC Advisory Terms of Business (as amended 6 April 2011; see Attachment) were the basis for providing our services and for our responsibility, also in relation to third parties. We particularly draw your attention to our limitations of liability.

The valuation was to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date”.

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated September 17, 2024.

According to the engagement letter signed by you, the Report was exclusively prepared for you in accordance with the engagement letter and the therein determined purposes for reporting. The Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the Internet or any other public media. Duties of care and liabilities on the part of PwC towards third parties are excluded.

Yours faithfully

PwC Advisory Services GmbH

Eibisberger

Mag. Gerald Eibisberger

Dr. Matthias Eicher

PricewaterhouseCoopers GmbH
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Kapelle-Ufer 4, 10117 Berlin

SG4 Dresden GmbH & Co. KG
Mr Adi Bikić and Mr Roman Brück
Friedrich-Ebert-Anlage 56
60325 Frankfurt am Main
Germany

23 September 2024
DKa/JSa

Assessment of Fair Value of the property "Innside by Melia", Salzgasse 4 in Dresden

Dear Mr. Bikić, Dear Mr. Brück,

You have first mandated PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin to ascertain the Fair Value of the hotel property "Innside by Melia", Salzgasse 4 in 01067 Dresden as at 31 December 2020.

After the initial valuation, we provided regular bi-annual updates as of 30 June and 31 December of each year, and recently, you engaged us to update the Fair Value assessment of the subject property as of 30 June 2024.

The valuation was to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated 8 July 2024.

According to the engagement letter signed by you, the Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the Internet or any other public media.

Yours faithfully

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Kadel　　　ppa. Sacchi

Dirk Kadel　　　Julia Sacchi

pwc

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julia.sacchi@de.pwc.com

23 September 2024
DKa/JSa

Assessment of Fair Value of the property nhow in Berlin, Stralauer Allee 3

Dear Ms. Sassel, Dear Mr. Sassel,

You have first mandated PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin to ascertain the Fair Value of the hotel property nhow Berlin at Stralauer Allee 3 in 10245 Berlin as at 30 June 2020.

After the initial valuation, we provided regular bi-annual updates as of 30 June and 31 December of each year, and recently, you engaged us to update the Fair Value assessment of the subject property as of 30 June 2024.

The valuation was to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated 17 July 2024.

According to the engagement letter signed by you, the Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the Internet or any other public media.

Yours faithfully

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Dirk Kadel

ppa. Sacchi

Julia Sacchi

Vorsitzender des Aufsichtsrats: WP StB Martin Scholich
Mitglieder der Geschäftsführung: WP StB Petra Justenhoven, WP Stefan Frühauf, WP Daniela Geretshuber, Rusbeh Hashemian, FCA Erik Hummitzsch, WP Clemens Koch, Damir Maras, WP StB Dietmar Prümm, StB RA Björn Viebrock
Sitz der Gesellschaft: Frankfurt am Main, Amtsgericht Frankfurt am Main HRB 107858
PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft ist Mitglied von PricewaterhouseCoopers International, einer *Company limited by guarantee* registriert in England und Wales

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WLC Hamburg GmbH
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Friedrich-Ebert-Anlage 56
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julia.sacchi@de.pwc.com

23 September 2024
DKa/JSa

Assessment of Fair Value of the property Work Life Center in Hamburg

Dear Mr Bikić, Dear Mr Brück,

You have first mandated PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin to ascertain the Fair Value of the Property "Work Life Center" at Gorch-Fock-Wall 1a in 20354 Hamburg as at 31 December 2017.

After the initial valuation, we provided regular bi-annual updates as of 30 June and 31 December of each year, and recently, you engaged us to update the Fair Value assessment of the subject property as of 30 June 2024.

The valuation at hand is to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated 16 July 2024.

According to the engagement letter signed by you, the Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the Internet or any other public media.

Yours faithfully

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Kadel | ppa. Sacchi

Dirk Kadel | Julia Sacchi

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City Gate Stuttgart GmbH
Mr Adi Bikić and Mr Roman Brück
Friedrich-Ebert-Anlage 56
60325 Frankfurt

23 September 2024
DKa/JSa

Assessment of Fair Value of the property City Gate Stuttgart

Dear Mr. Bikić, Dear Mr. Brück,

You have first mandated PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Berlin to ascertain the Fair Value of the Property "City Gate Stuttgart" at Friedrichstraße/Kriegsbergstraße/Arnulf-Klett-Platz crossing as at 31 December 2016.

After the initial valuation, we provided regular bi-annual updates as of 30 June and 31 December of each year, and recently, you engaged us to update the Fair Value assessment of the subject property as of 30 June 2024.

The valuation at hand is to serve IFRS accounting purposes in compliance with the International Financial Reporting Standard IFRS 13 issued by International Accounting Standards Board (IASB).

IFRS 13.9 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have summarized the assumptions, estimations and conclusions made in our valuation, and our opinion of Fair Value of the Property in our Report dated 24 July 2024.

According to the engagement letter signed by you, the Report is confidential and shall therefore not be passed in whole or in part to any third party and shall not in whole or in part be published or referred to in a public document, the Internet or any other public media.

Yours faithfully
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Kadel　　　　ppa. Sacchi

Dirk Kadel　　　　Julia Sacchi

FINANCIAL REPORT

in EUR	Note *	30.06.2024	31.12.2023
Assets			
Non-current assets			
Investment properties	5	763,792,437	783,672,437
Property, plant and equipment	7	50,975,104	–
Goodwill	8	28,133,565	23,516,444
Loans and accounts receivable	9	70,349,532	74,412,609
Deferred tax assets		5,005,796	5,005,796
Furniture and equipment	7	7,907	9,276
Total non-current assets		918,264,341	886,616,562
Current assets			
Inventory		343,038	–
Accounts receivable	9	9,506,181	5,316,023
Prepayments		1,053,708	812,735
Prepaid taxes		361,066	410,205
Cash & cash equivalents	10	40,474,349	80,066,732
Total current assets		51,738,342	86,605,695
Total assets		970,002,683	973,222,257
Liabilities			
Non-current liabilities			
Borrowings	12	391,512,736	269,574,287
Deferred tax liabilities		28,556,469	26,414,181
Net defined benefit liability	14	1,080,620	–
Other non-current liabilities	13	1,895,400	1,906,886
Total non-current liabilities		423,045,225	297,895,354
Current liabilities			
Accounts payable and accrued expenses	13	3,628,199	2,412,609
Advances received		1,231,607	427,421
Taxes payable		2,017,144	1,425,688
Borrowings	12	51,472,414	170,119,074
Total current liabilities		58,349,364	174,384,792
Equity			
Share capital		13,400,390	13,400,390
Share premium		668,715,693	668,715,693
Treasury shares		– 334,091	– 2,375,899
Accumulated deficit		– 201,289,074	– 187,327,080
Other reserves		– 55,285	– 137,632
Cumulative translation adjustment		194,041	753,876
Shareholders' equity attributable to the holders of the Company	23	480,631,674	493,029,348
Non-controlling interest		7,976,420	7,912,763
Total equity		488,608,094	500,942,111
Total equity and liabilities		970,002,683	973,222,257
Number of shares outstanding		14,394,787	14,316,390
Net asset value per share		33.39	34.44

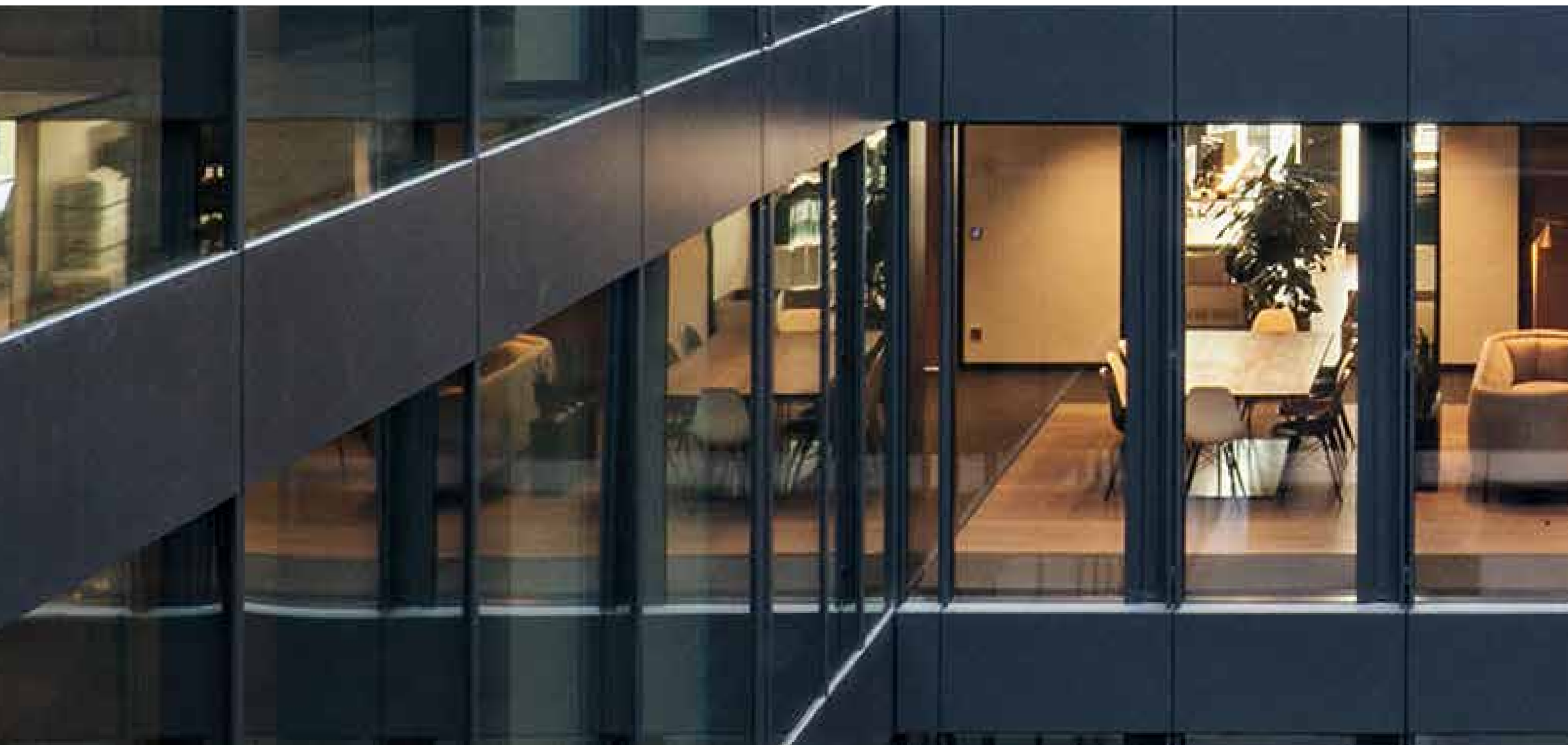
* The Notes are an integral part of these Consolidated Financial Statements.

		for six months ended	
in EUR	Note *	30.06.2024	30.06.2023**
Continuing operations			
Rental income			
Gross rental income	15	18,440,748	16,357,293
Service charge income	15	3,956,778	5,017,014
Property operating and maintenance expenses	15	– 5,008,218	– 5,741,169
Net rental income		17,389,308	15,633,138
Revenue and operating costs of hotel property			
Revenue	16	4,169,430	–
Cost	16	– 5,220,027	–
Net operating loss of hotel property		– 1,050,597	–
Management fees	24	– 888,878	– 817,894
Administrative expenses	17	– 2,001,422	– 1,717,486
(Impairment allowance)/release of impairment allowance for loans and receivables	9	– 2,163,154	4,619,593
Other income	18	551,180	311,646
Other expenses	19	– 1,412,612	– 286,838
Revaluation of investment properties	5,6	– 20,162,071	– 45,767,478
Net operating loss		– 9,738,246	– 28,025,319
Finance income		1,312,302	896,942
Finance cost	20	– 8,053,807	– 6,037,071
Net foreign exchange gain/(loss)		311,009	– 831,826
Loss before tax		– 16,168,742	– 33,997,274
Income taxes	21	2,283,694	5,123,198
Net loss from continuing operations		– 13,885,048	– 28,874,076
Net loss from discontinued operations (attributable to equity holders of the Company)	11	–	– 103,266,531
Total loss for the year		– 13,885,048	– 132,140,607
Attributable to:			
Equity holders of the Company		– 13,961,994	– 130,955,796
Non-controlling interest		76,946	– 1,184,811
Earnings per share for loss from continuing operations attributable to equity holders of the Company during the period			
Weighted average number of outstanding shares		14,378,324	14,318,338
Basic and diluted	22	– 0.97	– 1.93

* The Notes are an integral part of these Consolidated Financial Statements.
** The comparative figures were restated. Refer to Note 2.5.3.

		for six months ended	
in EUR	Note*	30.06.2024	30.06.2023
Net loss profit for the period		– 13,885,048	– 132,140,607
Other comprehensive gain/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Changes in fair value of financial assets at fair value through other comprehensive income		131,574	– 5,125
Loss on currency translation differences		– 559,835	– 25,888,127
Income tax relating to these items		–	823
Currency translation differences reclassified to profit or loss upon disposal of discontinued operations	11	–	162,743,942
Net other comprehensive (loss)/gain that may be reclassified subsequently to profit or loss		– 428,261	136,851,513
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of the net defined benefit liability	14	– 72,609	–
Income tax relating to these items		10,093	–
Net other comprehensive (loss)/gain that will not be reclassified subsequently to profit or loss		– 62,516	–
Total comprehensive (loss)/gain for the period		– 14,375,825	4,710,906
Attributable to:			
Equity holders of the Company		– 14,439,482	5,896,152
Non-controlling interest		63,657	– 1,185,246

* The Notes are an integral part of these Consolidated Financial Statements.



in EUR	Share capital	Share premium	Treasury shares	Accumulated deficit
Balance as at 01.01.2023	13,400,390	668,715,693	– 2,295,952	– 27,073,120
Net loss for the period	–	–	–	– 130,955,796
Other comprehensive gain/(loss)	–	–	–	–
Total comprehensive gain/(loss) for the period	–	–	–	– 130,955,796
Acquisition of treasury shares, net of sale	–	–	– 55,333	–
Balance as at 30.06.2023	13,400,390	668,715,693	– 2,351,285	– 158,028,916
Net loss for the period	–	–	–	– 29,298,164
Other comprehensive gain/(loss)	–	–	–	–
Total comprehensive gain/(loss) for the period	–	–	–	– 29,298,164
Acquisition of treasury shares, net of sale	–	–	– 24,614	–
Balance as at 31.12.2023	13,400,390	668,715,693	– 2,375,899	– 187,327,080
Net (loss)/profit for the period	–	–	–	– 13,961,994
Other comprehensive gain/(loss)	–	–	–	–
Total comprehensive gain/(loss) for the period	–	–	–	– 13,961,994
Sale of treasury shares, net of acquisition	–	–	2,041,808	–
Balance as at 30.06.2024	13,400,390	668,715,693	– 334,091	– 201,289,074

Other reserves	Cumulative translation adjustment	Shareholders' equity attributable to the holders of the Company	Non-controlling interest	Total equity
– 28,383	– 136,101,939	516,616,689	9,947,827	526,564,516
–	–	– 130,955,796	– 1,184,811	– 132,140,607
– 3,867	136,855,815	136,851,948	– 435	136,851,513
– 3,867	136,855,815	5,896,152	– 1,185,246	4,710,906
–	–	– 55,333	–	– 55,333
– 32,250	753,876	522,457,508	8,762,581	531,220,089
–	–	– 29,298,164	– 860,276	– 30,158,440
– 105,382	–	– 105,382	10,458	– 94,924
– 105,382	–	– 29,403,546	– 849,818	– 30,253,364
–	–	– 24,614	–	– 24,614
– 137,632	753,876	493,029,348	7,912,763	500,942,111
–	–	– 13,961,994	76,946	– 13,885,048
82,347	– 559,835	– 477,488	– 13,289	– 490,777
82,347	– 559,835	– 14,439,482	63,657	– 14,375,825
–	–	2,041,808	–	2,041,808
– 55,285	194,041	480,631,674	7,976,420	488,608,094

		for six months ended	
in EUR	Note *	30.06.2024	30.06.2023
Cash flows from operating activities			
Net loss for the period		– 13,885,048	– 132,140,607
Net foreign exchange (loss)/gain		– 311,009	28,113,569
Revaluation of investment properties	5	20,162,071	19,950,658
Impairment allowance/(release of impairment allowance) for loans and receivables	9	2,163,154	– 4,619,593
Impairment of goodwill	8	803,665	–
Other non-cash expenses		73,996	88,438
Impairment allowance/(Release of impairment allowance) for Eurobonds	18,19	49,293	– 22,500
Loss incurred on sale of subsidiary	11	–	101,453,432
Depreciation	7,19	724,039	1,655
Interest income		– 1,312,302	– 1,075,320
Finance costs	12,20	8,053,807	9,432,037
Income related to acquisitions of properties in prior periods	18	– 164,661	–
Income tax (benefit)/expense	21	– 2,283,694	2,052,644
Cash generated from operations before movements in working capital		14,073,311	23,234,413
Movements in working capital			
Increase/(decrease) in accounts payable and other liabilities		1,081,280	– 4,100,877
Decrease in accounts receivable and other receivables		267,710	2,827,150
Increase in inventory		– 39,370	–
Cash generated from operations		15,382,931	21,960,686
Release from restricted cash of tenant deposits		–	941
Interest income received		203,978	166,087
Income tax paid		– 180,539	– 2,138,876
Net cash generated from operating activities		15,406,370	19,988,838
Cash flows from investing activities			
Acquisitions of business, net of cash acquired	4	– 51,382,381	–
Purchases of investment properties	5	– 324,584	– 2,002,411
Purchases of fixed assets	7	– 265,549	–
Repayments of loans given	9	4,050,000	22,340,664
Disposal of subsidiary	11	–	– 6,588,900
Placement of cash deposits with banks (>3 months), net	9	– 4,100,000	–
Loans granted		–	– 1,335,647
Net cash (used in)/ generated from investing activities		– 52,022,514	12,413,706
Cash flows from financing activities			
Interest paid		– 4,672,777	– 7,999,531
Proceeds from borrowings		173,631	3,735,517
Repayment of borrowings		– 523,254	– 30,555,000
Proceeds from sale of treasury shares	23	2,071,552	6,339
Acquisition of treasury shares		– 29,744	– 61,672
Net cash used in financing activities		– 2,980,592	– 34,874,347
Net change in cash & cash equivalents		– 39,596,736	– 2,471,803
Cash & cash equivalents at the beginning of the period		80,066,628	190,161,377
Net (loss)/gain from foreign currency translation		3,553	– 1,098,004
Cash & cash equivalents at the end of the period	10	40,473,445	186,591,570

* The Notes are an integral part of these Consolidated Financial Statements.

Notes to the statement of cash flows:

- Cash flows for six months ended 30 June 2023 include both continued and discontinued operations. Disclosure of cash flows of discontinued operations is given in Note 11.1.
- For disclosure of non -cash transactions in loans given, long-term receivables and borrowings refer to Notes 9.1 and 12.4.

1. CORPORATE INFORMATION

EPH European Property Holdings PLC (the "Company", "EPH") is a public liability company incorporated and domiciled in Cyprus whose shares are publicly traded on the SIX Swiss Exchange. The registered office is located at Monis Machaira 18, Office 101, 3020 Limassol, Cyprus. The interim condensed consolidated financial statements (unaudited) of EPH and its subsidiaries (together the "Group") for the half year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 25 September 2024.

The principal activities of the Group are described in Note 3.1.

The Company was founded in 2003 with the intention to invest in the Russian real estate market. In 2016, EPH acquired its first property outside Russia. In the following years, the Company continued its westward expansion and strengthened its real estate portfolio through further acquisitions in Germany and Austria.

On 19 April 2023, the Company sold its Russian portfolio to the Russian management of the Group. After sale, the Group has continued to build up its presence in the Western Europe and acquired on 16 January 2024 the 5-star hotel Trois Couronnes in the town of Vevey, one of the main centers of the Swiss Riviera (refer to Note 4). Apart from the acquisition of the historic hotel property, EPH acquired the hotel operations with approximately 70 full-time employees. Moreover, it is not only the acquisition of an operative business but the strategic decision to expand the portfolio with a value-add property which is planned to be redeveloped in the coming years.

2. ACCOUNTING POLICIES

2.1. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34, 'Interim financial reporting'. 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 financial statements for the year ended 31 December 2023. Management prepared these interim condensed consolidated financial statements on a going concern basis.

The Group incurred a loss of EUR 13.89 million for six months ended 30 June 2024 and, as of that date, the Group's current liabilities exceeded its current assets by EUR 6.61 million. The loss incurred is mainly attributable to the negative fair value adjustment for investment property of EUR 20.16 million. The shortage in the current ratio is primarily caused by the classification of the bonds issued by the Company in prior years for the amount of EUR 45.25 million as a current part of the liabilities, as they become due for payment in December 2024.

The management of the Company is currently considering different options to improve the financial situation and the liquidity. The preferable scenario is extension of the bond terms for another five years. Given the successful history of prolongation of the bonds in recent times, management has reason to believe that likelihood of such a scenario is high.

In the event that no prolongation agreement is reached with the bondholders, the remaining liquidity gap can be potentially covered by attracting a bank loan for unleveraged assets, issuing additional shares or through some other possibilities including utilization of rental revenue cash flows and repayments of loans and receivables provided to the former Russian segment. Considering the high quality and performance of the European portfolio and successful experience in the past, the management is confident that the Group will be able to meet its obligations as they fall due and to continue as a going concern.

2.2. Functional and presentation currency

The functional and presentation currency of the Company is Euro ("EUR"). The functional currency of the Group's subsidiaries is Euro ("EUR") and Swiss franc ("CHF") (for the Swiss hotel property 3C). The functional currency of the former Russian subsidiaries, that were sold in the previous period, was the Russian Ruble ("RUB").

The Group uses the following official rates of exchange, as determined by the Swiss National Bank (for 1 EUR):

	30.06.2024		31.12.2023	30.06.2023
	US$	CHF	US$	US$
closing rate	1.0697	0.9624	1.1048	1.0839
average rate	1.0781	0.9641	1.0828	1.0801

For translation of business combination (Note 4) in the reporting period and translation of profit or loss and disposal of the Russian segment in the previous period (Note 11), the Group used the following rates:

	16.01.2024	19.04.2023	
	CHF	RUB	US$
rate at the date	0.9356	89.2548	1.0988
average rate 1.01.2023 - 19.04.2023	NA	82.0266	1.0827

2.3. Seasonality of interim operations

The Group's operating income includes rent and sales income from real estate assets. While operations are subject to long-term cyclical patterns in rental and sales prices, management of the Group does not believe interim operations are subject to seasonality. The same accounting policies and methods of computation are followed in the interim condensed consolidated financial statements as compared with the most recent annual consolidated financial statements.

2.4. Income tax

Income tax in the interim periods is accrued using the effective tax rate that would be applicable to the expected total annual earnings.

2.5. Changes in accounting policies and disclosures

2.5.1. New and amended standards and interpretations

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 December 2023, except for the adoption of new standards effective as of 1 January 2024 and accounting policies applied to the new classes of balances and transactions acquired with business of hotel 3C (refer to Note 2.5.4 and Note 4).

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group:

- Amendments to IAS 1: Classification of Liabilities as Current and Non-current; Non-current Liabilities with Covenants, effective 1 January 2024;
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback, effective 1 January 2024;
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements, effective 1 January 2024;

Management of the Group do not expect that the adoption of these amendments will have a material impact on the financial statements of the Group in future periods.

Management of the Group will adopt the following standards, effective 1 January 2024, only if the EU will adopt them as mandatory:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, effective 1 January 2024;
- IFRS S2 Climate-related Disclosures, effective 1 January 2024.

2.5.2. Early adopted standards

In the first half of 2024, the Group did not early adopt any new or amended standards and does not plan to early adopt any of the issued, but not yet effective standards:

- Amendments to IAS 21: Lack of Exchangeability, effective 1 January 2025;
- Sale of Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28), available for optional adoption/effective date deferred indefinitely;
- IFRS 18: Presentation and Disclosure in Financial Statements, effective 1 January 2027;
- IFRS 9/IFRS 7 Amendments to the Classification and Measurement of Financial Instruments, effective 1 January 2026;
- Annual Improvements to IFRS Accounting Standards—Volume 11 which makes minor amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, effective 1 January 2026;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures, effective 1 January 2027.

2.5.3. Restatement of the result of disposal of discontinued operations for six months ended 30 June 2023

In the interim condensed consolidated financial statements for six months ended 30 June 2023, loss on fair value adjustment of the former inter-company interest-free receivables from the disposal group was presented in the continuing operations (line Fair value adjustment on financial instruments of the consolidated statement of profit or loss) for the amount EUR 6,273,690, based on the consideration that it was incurred by the parent Company and, as such, should be reflected in the performance results of the continuing operations. Management revisited this approach at finalization of these annual consolidated financials statements to ensure that it provides fair representation of the transaction. Management came to the conclusion that presentation of the fair value adjustment in the discontinued operations gives better understanding of the transaction outcome from the perspective of the consolidated accounts. The former inter-company receivable came into existence in the consolidated accounts for the first time on disposal of the subsidiary and forms in effect part of the consideration as the new owners have accepted the liability to the former owners. Respectively, fair value adjustment to the consideration receivable must be taken into account in the result of the disposal and, as a consequence, presented in the discontinued operations.

As a result, fair value adjustment for the amount EUR 6,273,690 was reclassified from line Fair value adjustment on financial instruments of the consolidated statement of profit or loss (as presented in the interim accounts for six month ended 30 June 2023) to line Net loss from discontinued operations (attributable to equity holders of the Company). After adjustment, Net loss from discontinued operations increased for EUR 6,273,690 in comparison to the Net loss reported for six months ended 30 June 2023.

in EUR	for six months ended 30.06.2023 before reclassification adjustment	reclassification adjustment	for six months ended 30.06.2023 after reclassification adjustment
Continuing operations			
Fair value adjustment on financial instruments	– 6,273,690	6,273,690	–
Net loss from discontinued operations (attributable to equity holders of the Company)	– 96,992,841	– 6,273,690	– 103,266,531

Respective amendments were made in disclosure of the disposal of the discontinued operations in Note 11 and disclosure of Earning per Share in Note 22.

2.5.4. Material accounting policies applied for hotel 3C operations

Property, plant and equipment

Property, plant and equipment (also 'PPE', 'fixed assets') are tangible items that:
(a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
(b) are expected to be used during more than one period.

An owner-managed property is classified as owner-occupied property (PPE), rather than investment property, when auxiliary services provided to tenants are significant to the arrangement as a whole. A hotel property, which rents its rooms and delivers hospitality services to guests as a significant proportion of the whole price, and is managed by employees, classifies as PPE accounted for under IAS 16 Property, plant and equipment. An item of PPE is initially recognized at cost. An item of PPE acquired in a business combination is initially recognized at its acquisition-date fair value, which serves in subsequent accounting as its cost. After recognition, the asset is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

The PPE are classified according to their use and nature: building and free-hold land; other fixed assets, including machinery, equipment, furniture and fixtures, decoration elements etc. Each asset is depreciated over its useful life using straight-line method that results in a constant charge over the useful life if the asset's residual value does not change. Each part of an item of the assets with a cost that is significant in relation to the total cost of the item is depreciated separately. The residual value and the useful life of fixed assets shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The useful life of an asset is defined in terms of the asset's expected utility to the entity.

Remaining useful life for main groups of fixed assets is determined as follows as of 30 June 2024:
– Building – 40 years;
– Other fixed assets – 2.5 – 10 years.

Depreciation charge is recognized in statement of profit or loss, sub-section Revenue and operating costs of hotel property, line Cost. Depreciation charge of office equipment and furniture is recognised in line Other expenses in statement of profit or loss.

Defined benefit plans

The newly acquired Swiss subsidiary Société de l'Hôtel des Trois Couronnes makes contributions for its employees to a pension plan that provides benefits in the event of death, disability and retirement and falls into category of a defined benefit plan as defined by IAS 19 Employee Benefits. In the case of defined benefit plans, the period costs are determined by an independent recognized actuary. The benefits provided by these plans are generally based on the years of insurance, age, and pensionable salary. The net liability or net asset for each defined benefit plan is measured on the basis of the present value of the pension obligations determined using the projected unit credit method and the present value of the plan asset and reported in the statement of financial position. These calculations are carried out annually by the actuary based on the estimated future benefits based on the years of service. If the calculation shows an over-funding, the net asset to be recorded is limited to the present value of the economic benefit. Remeasurement resulting from actuarial gains and losses, the effect of the asset ceiling, or the return on plan assets (excluding net interest), are recorded in other comprehensive income with a corresponding debit or credit to retained earnings. For the purposes of interim condensed consolidated financial reporting, the calculations of the actuary prepared for the preceding year-end are adjusted based on the forecast of the underlying information and actual payments made on the pension plan.

All expenses related to defined benefit plans are recorded through the statement of profit or loss as employee benefits, presented in line Cost of sub-section Revenue and operating costs of hotel property. The Group does not exercise the option to recognize contributions from employees or third parties as a reduction in the service cost in the period in which the related service is rendered.

Revenue from hospitality services

Revenue from hospitality services comprise of the following types:
– Accommodation: room charge, that includes room rent and standard service package (room cleaning etc.), charge for specific requests of guests;
– Restaurant: sales of goods of the restaurant, both produced and re-sold;
– SPA: SPA services and goods for resale;
– Other income, such as income for providing space and hospitality services on public events and other minor revenues.

Prices are usually fixed. Revenue from services is recognized when the services are rendered. Rent component is not separated from the service component and is recognized at the same time, that is as the guest checks-out from the room. Revenue from the sale of goods is recognized at a point in time when it is delivered to the customer. Payment of the transaction price is due immediately when the services are provided and/or goods are delivered, so that no financial component is present in the transaction. The Group does not operate any customer loyalty programme, neither provide for a right of return on a regular basis.

Costs, incurred in respect of delivery of services and sale of goods, are recognized in the statement of profit or loss in the same period with corresponding revenues. Salary, social charges and other short-term employee benefits are recognized on a monthly basis. Depreciation charge is recognized in accordance with the policy described above in section Property, plant and equipment in this Note. Materials and consumables, including products for re-sale and those used in production of goods, are expensed at a point in time when respective goods are sold or services are delivered. Utility expenses are recognized on a monthly basis. Other operating costs (repair and maintenance, services of third parties etc.) are recognized when incurred. Revenues and costs (direct and production overheads) from hospitality services are presented in the statement of profit or loss in lines Revenue and Cost in sub-section Revenue and operating costs of hotel property.

2.6. Significant accounting estimates and assumptions

2.6.1. Valuation of investment property

Refer to Note 6.

2.6.2. Expected credit loss for loans and receivables from the former Russian segment

Expected credit loss is defined as weighted average of credit losses with the respective risks of a default occurring as the weights. A credit loss is defined as the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). An entity shall estimate cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial instrument can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial instrument, the entity shall use the remaining contractual term of the financial instrument. The standard IFRS 9, that regulates accounting for impairment of financial assets, provides only a general definition of ECL and does not require a concrete methodology for calculating ECL to be applied in practice. The most common approach is to calculate ECL as the sum of the marginal future expected losses in each period following the reporting date. Future losses are estimated using Probability of Default (PD), Loss Given Default (LGD) and Exposure at default (EAD). This approach allows to leverage existing models and risk parameters, as PD, EAD and LGD are commonly used for risk management and for other regulatory requirements (IRB). For financial instruments for which there is insufficient information to calculate the probability of default, calculation of ECL directly based on the discounted cash flow method may be more applicable. For the loans and receivables from the former Russian segment, information to calculate PD is not sufficient, as there is no historical data on defaults of similar instruments, on the base of which the probability of default could be calculated. Therefore, the discounted cash flow method was applied to calculate ECL, because the Company has information about forecasted cash flows. Final ECL is determined as the probability-weighted average of ECLs calculated for two alternatively possible basic scenarios and several stress-test scenarios that take into account both positive and negative changes in the basic scenarios. Basic scenarios are given 50% in total; negative and positive scenarios are given by 25% evenly.

Credit risk at the reporting date was determined at stage 2 (31 December 2023: stage 2). Estimated credit loss allowance for a financial instrument at this stage is equal to lifetime expected credit losses and amounts to EUR 14.14 million as of 30 June 2024 (31 December 2023: EUR 11.98 million). Had the weight of the negative scenarios been higher/lower by 20%, ECL would have been greater/lower by EUR 0.09 million. Consequently, the Group would have recognized additionally (loss)/gain on impairment allowance for EUR 0.09 million. Detailed information on loans and receivables is given in Note 9.1.

2.6.3. Acquisition of a business

At the time of acquisition of a subsidiary, the Group considers whether the acquisition represents the acquisition of a business or acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which substantive processes are acquired. If acquired set of activities does not have an output (i.e. revenue), the process (or group of processes) is substantive only if:

a) it is critical to the ability to develop or convert an acquired input or inputs into outputs; and
b) the inputs acquired include both an organised workforce that has the necessary skills, knowledge, or experience to perform that process (or group of processes) and other inputs that the organised workforce could develop or convert into outputs.

If acquired set of activities has an output, the process (or group of processes) shall be considered substantive if, when applied to an acquired input or inputs, it

a) is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process; or
b) significantly contributes to the ability to continue producing outputs and:
    - is considered unique or scarce; or
    - cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised. In the reporting period, the Group acquired a subsidiary that owns hotel property in operation (Note 4). Based on the considerations, described above, management made a conclusion on classification of the acquisition as a business combination. The acquired set has outputs (revenues from room rents and hospitality services) and includes both inputs (tangible fixed assets, competent team of 70 full-time employees), and processes (strategic and operating management in place and ability to obtain access to necessary resources). The organised workforce has necessary skills, knowledge, or experience to perform processes (i.e., operational and resource management processes associated with operating the acquired hotel) that are substantive because they are critical to the ability to continue producing outputs when applied to the acquired inputs.

3. SEGMENT INFORMATION

The Chief Operating Decision Maker of the Group has been identified as the Management Committee, which has been given responsibility for allocating the Group's resources between its various assets.

3.1. Operating segments

In January 2024, the Group acquired a hotel property in operation, 3C (note 4). The hotel has a team of about seventy employees. They run daily operations which include accommodation services, restaurant and SPA and other services. The assets and liabilities of the hotel and its operations have been identified as a separate segment "Hospitality".

In the prior Group's interim condensed financial statements, all other business activities (mainly unallocated corporate income and costs) and non-reportable business segments were combined and disclosed as "Other segments" category. In the current financial statements, these operations are allocated to "Rental Properties" segment, as there are no other segments in the previous period and none of these operations relate to "Hospitality" segment in the reporting period.

The information for the prior period was restated such that the balances and operations of "Other segments" category were reclassified to "Rental Properties" segment. Information on the major customers and gross and net rental income of the Rental properties segment on asset by asset basis is given in Note 14.

3.2. Revenues of the segments

Information provided to the Management Committee is measured in a manner consistent with that in the consolidated financial statements. Revenue of the Group by operating activities for the periods is given below.

	for six months ended 30.06.2024		
in EUR	Rental properties	Hospitality	Total
Gross rental income	18,440,748	–	18,440,748
Other rental expenses	– 1,051,440	–	– 1,051,440
Net rental income	17,389,308	–	17,389,308
Revenue from hospitality services	–	4,169,430	4,169,430
Operating costs of hospitality services	–	– 5,220,027	– 5,220,027
Operating loss from hospitality services	–	– 1,050,597	– 1,050,597
Finance income	1,312,302	–	1,312,302
Net foreign exchange loss	315,135	– 4,126	311,009
Revaluation of investment properties	– 20,162,071	–	– 20,162,071
Finance costs	– 8,004,042	– 49,765	– 8,053,807
Income tax benefit	2,224,895	58,799	2,283,694
Other expenses, net of income	– 5,538,237	– 376,649	– 5,914,886
Net profit/ (loss) for the period	– 12,462,710	– 1,422,338	– 13,885,048

	for six months ended 30.06.2023		
in EUR	Rental properties	Reconciliation adjustment: reclassification of discontinued operation	Total
Gross rental income	27,658,053	– 11,300,760	16,357,293
Other rental expenses	– 1,384,677	660,522	– 724,155
Net rental income	26,273,376	– 10,640,238	15,633,138
Interest income	1,075,320	– 178,378	896,942
Net foreign exchange loss	– 28,113,569	27,281,743	– 831,826
Revaluation of investment properties	– 19,950,658	– 25,816,820	– 45,767,478
Finance costs	– 9,432,037	3,394,966	– 6,037,071
Net gain from sale of subsidiaries	– 101,453,432	101,453,432	–
Income tax expense	– 2,052,644	7,175,842	5,123,198
Other expenses	1,513,037	595,984	2,109,021
Net profit from discontinued operations	–	– 103,266,531	– 103,266,531
Net profit/ (loss) for the period	– 132,140,607	–	– 132,140,607

3.3. Assets and liabilities of the segments

The Management Committee also assesses the performance of operating segments based on the results of valuation of the respective assets. A summary of significant assets and liabilities is presented below.

	Assets and liabilities valuation as of 30.06.2024		
in EUR	Rental Properties	Hospitality	Total
Investment properties	763,792,437	–	763,792,437
Fixed assets	–	50,975,104	50,975,104
Goodwill	22,712,779	5,420,786	28,133,565
Cash & cash equivalents	40,383,339	91,010	40,474,349
Other Assets	85,798,080	829,148	86,627,228
Total Assets	912,686,635	57,316,048	970,002,683
Total Liabilities	473,875,611	7,518,978	481,394,589

	Assets and liabilities valuation as of 31.12.2023	
in EUR	Rental Properties	Total
Investment properties	783,672,437	783,672,437
Goodwill	23,516,444	23,516,444
Cash & cash equivalents	80,066,732	80,066,732
Other Assets	85,966,644	85,966,644
Total Assets	973,222,257	973,222,257
Total Liabilities	472,280,146	472,280,146

3.4. Geographical information

Geographical information on Group's revenues and significant non-financial assets is given below.

in EUR	Germany	Austria	Switzerland	Total
For six months ended 30.06.2024				
Gross rental income	7,846,101	10,594,647	–	18,440,748
Net rental income	6,897,038	10,492,270	–	17,389,308
Hospitality business revenue	–	–	4,169,430	4,169,430
Hospitality business operating expenses	–	–	– 5,220,027	– 5,220,027
As of 30.06.2024				
Carrying amount of:				
Investment property	328,732,437	435,060,000	–	763,792,437
Fixed assets	7,907	–	50,975,104	50,983,011
Goodwill	13,524,839	9,187,940	5,420,786	28,133,565
Total significant assets	342,265,183	444,247,940	56,395,890	842,909,013

in EUR	Russia	Germany	Austria	Reclassification of segment Russia	Total
For six months ended 30.06.2023					
Gross rental income	11,300,759	7,560,297	8,796,996	– 11,300,759	16,357,293
Net rental income	10,640,238	7,212,714	8,420,424	– 10,640,238	15,633,138
Revenues of discontinued operations				10,640,238	10,640,238
As of 31.12.2023					
Carrying amount of:					
Investment property	–	329,532,437	454,140,000	–	783,672,437
Goodwill	–	13,524,839	9,991,605	–	23,516,444
Total significant assets	–	343,057,276	464,131,605	–	807,188,881

4. BUSINESS COMBINATION

On 16 January 2024, the Company acquired 2,200 registered shares with par value of CHF 3,750 each in Société de l'Hôtel des Trois Couronnes, à Vevey, SA. The Shares represent 100% of the entity's share capital. The seller is a related party of Valartis Group.

The entity owns the 5* Hotel Des Trois Couronnes ("3C"). The Hotel currently features 71 guest rooms (3 single, 43 doubles and 25 suites, a MICHELIN star restaurant, one bar/restaurant, 7 conference rooms, and a spa (which includes an indoor pool, sauna, hammam, 9 treatment rooms, a fitness center). The property extends over 6 floors (including lake-level floor, a ground floor and 4 room storeys). The historic property was originally developed in 1842 on the foundations of a medieval castle.

The property has been acquired on market terms. The acquisition has been accounted for using the acquisition method. The fair values of the identifiable assets and liabilities of the acquired business as of the date of acquisition is given below (translated at rate 0.9356 CHF/EUR):

in EUR	at acquisition date
Assets	
PPE	52,939,290
Trade and other receivables	441,126
Other assets	335,215
Cash and cash equivalents	253,869
Total assets	53,969,500
Liabilities	
Deferred tax liabilities	4,713,030
Borrowings provided by the former shareholder	32,217,538
Other borrowings	335,207
Accounts payable and accrued expenses	2,275,135
Total liabilities	39,540,910
Total identifiable net assets at fair value	14,428,590
Total identifiable net assets at fair value	14,428,590
Goodwill arising on acquisition	5,576,121
Purchase consideration for shares	– 20,004,711
thereof paid in cash	19,529,808
deferred consideration	474,903
Analysis of cash flows on acquisition	
Net cash acquired with the subsidiaries	253,869
Cash payment for shares	– 19,529,808
Cash settlement of borrowings provided by the former shareholder	– 32,106,442
Net cash outflow	– 51,382,381

The agreed purchase price amounted to CHF 48.76 million (EUR 52.11 million) of which
- CHF 30.03 million (EUR 32.11 million) were paid to settle the outstanding amount of the loans payable by 3C to the Sellers;
- CHF 18.27 million (EUR 19.53 million) were paid for shares and
- CHF 0.44 million (EUR 0.47 million) as a deferred consideration. The amount was paid in full in August 2024.

As of the acquisition date, a deferred tax liability is recognised due to the excess of the fair value of the property over its tax value. Goodwill arises on acquiring an asset via a share deal, where the Group inherits the fiscal basis of the assets. As IFRS require recognition of deferred taxes on a nominal basis, while share transactions are based on market value of these taxes, a difference appeared is reflected in the goodwill for the amount EUR 4.71 million. Remaining part of the goodwill (EUR 0.87 million) is attributable to the workforce, brand recognition and customer loyalty. None of the goodwill is expected to be deductible for income tax purposes.

The interim condensed consolidated financial statements include revenues and expenses of 3C for the period 1 January – 30 June 2024, since the parties agreed that purchase price is based on the net assets as of 31 December 2023 and earnings after this date belong to the buyer.

Acquisition-related costs in the amount of EUR 0.27 million (CHF 0.25 million) are recognised in the statement of profit or loss as incurred and presented in line Administrative expenses.

5. INVESTMENT PROPERTY

The balances and movements of investment property on a project and country basis, reconciliation of their carrying amounts to the fair values determined by the independent appraisal and descriptions of the properties are given in the tables below.

The fair value of the investment property in operation was determined based on an independent valuation.

5.1. The balances and movements of investment properties

	for six months ended 30.06.2024					
in EUR	QBC 4	QBC 1	QBC 2	QBC 7	LASS 1	Total Austria
Beginning of the period	98,000,000	47,920,000	159,960,000	18,600,000	129,660,000	454,140,000
Additions from subsequent expenditure	–	–	–	–	17,040	17,040
Reclassification from receivables	–	–	–	–	–	–
Revaluations	– 4,200,000	– 2,020,000	– 6,120,000	– 800,000	– 5,957,040	– 19,097,040
End of the period	93,800,000	45,900,000	153,840,000	17,800,000	123,720,000	435,060,000

	for the year ended 31.12.2023					
in EUR	QBC 4	QBC 1	QBC 2	QBC 7	LASS 1	Total Austria
Beginning of the period	113,800,000	56,120,000	187,040,000	21,200,000	149,426,770	527,586,770
Additions from subsequent expenditure	–	–	–	–	1,964,148	1,964,148
Reclassification from receivables	–	–	–	–	1,777,871	1,777,871
Revaluations	– 15,800,000	– 8,200,000	– 27,080,000	– 2,600,000	– 23,508,789	– 77,188,789
End of the period	98,000,000	47,920,000	159,960,000	18,600,000	129,660,000	454,140,000

	for six months ended 30.06.2024					
in EUR	City Gate	WLC	STRAL 3	SALZ 4	Total Germany	Total Group
Beginning of the period	119,700,000	81,500,000	84,900,000	43,432,437	329,532,437	783,672,437
Additions from subsequent expenditure	266,009	–	–	41,535	307,544	324,584
Other	– 11,613	– 30,899	–	–	– 42,512	– 42,512
Revaluations	– 554,396	– 1,569,101	700,000	358,465	– 1,065,032	– 20,162,072
End of the period	119,400,000	79,900,000	85,600,000	43,832,437	328,732,437	763,792,437

	for the year ended 31.12.2023					
in EUR	City Gate	WLC	STRAL 3	SALZ 4	Total Germany	Total Group
Beginning of the period	132,300,000	91,700,000	94,900,000	48,632,437	367,532,437	895,119,207
Additions from subsequent expenditure	290,817	354,194	–	–	645,011	2,609,159
Borrowing costs	–	–	–	–	–	1,777,871
Other	– 46,863	– 60,419	–	–	– 107,282	– 107,282
Revaluations	– 12,843,954	– 10,493,775	– 10,000,000	– 5,200,000	– 38,537,729	– 115,726,518
End of the period	119,700,000	81,500,000	84,900,000	43,432,437	329,532,437	783,672,437

5.2. Reconciliation of market value to carrying amount

Reconciliation of market (fair) value of each property to its carrying amount in the statement of financial position as of 30 June 2024 and 31 December 2023 is presented below.

	as of 30.06.2024		
in EUR	Market value as estimated by the external valuer	Deduct receivable on financial guarantees of sellers of property recognised separately	Carrying amount for financial reporting purposes
City Gate	119,400,000	–	119,400,000
WLC	79,900,000	–	79,900,000
STRAL 3	85,600,000	–	85,600,000
SALZ 4	44,700,000	– 867,563	43,832,437
QBC 4	93,800,000	–	93,800,000
QBC 1	45,900,000	–	45,900,000
QBC 2	153,840,000	–	153,840,000
QBC 7	17,800,000	–	17,800,000
LASS 1	123,720,000	–	123,720,000
Total	764,660,000	– 867,563	763,792,437

	as of 31.12.2023		
in EUR	Market value as estimated by the external valuer	Deduct receivable on financial guarantees of sellers of property recognised separately	Carrying amount for financial reporting purposes
City Gate	119,700,000	–	119,700,000
WLC	81,500,000	–	81,500,000
STRAL 3	84,900,000	–	84,900,000
SALZ 4	44,300,000	– 867,563	43,432,437
QBC 4	98,000,000	–	98,000,000
QBC 1	47,920,000	–	47,920,000
QBC 2	159,960,000	–	159,960,000
QBC 7	18,600,000	–	18,600,000
LASS 1	129,660,000	–	129,660,000
Total	784,540,000	– 867,563	783,672,437

Guarantees given by the sellers of properties are accounted for and presented in the statement of financial position separately as receivables. The carrying amount of the guarantees is deducted from market value of the investment property to avoid double counting.

5.3. General information about investment property

General information about each property is disclosed in Note 28.

6. FAIR VALUE MEASUREMENT – INVESTMENT PROPERTY

6.1. Valuation method

Valuation of real estate assets involves a significant number of assumptions and judgement calls by the valuers. These variables include but are not limited to: future rent and sale price levels, amount of time needed to rent or sell space, time needed to deliver new construction, best and highest use of an asset or space in an asset, and exchange rates. Varying any of these factors can have a material impact on valuations, and variations in a number of these factors at once can have a significant effect.

When possible, valuers make their assumptions based on available evidence. When such evidence is lacking, which is often the case in the Russian market, assumptions are based on the experience and judgement of the valuer.

Every reporting date the fair value of each Investment Property - except Investment Property under construction and when the fair value is readily available as the acquisition completed near balance sheet date - is determined by independent real estate valuation experts using recognised valuation techniques where the Discounted Cash Flow Method (DCF) within the income approach is used.

The determination of the fair value of Investment Property requires the use of estimates such as future cash flows from assets (including lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. Future revenue streams, inter alia, comprises contracted rent (passing rent) and estimated rental income (ERV) after the contract period.

In estimating ERV, the potential impact of future lease incentives to be granted to secure new contracts is taken into consideration. All these estimates are based on local market conditions existing at the reporting date.

For all investment properties that are measured at fair value, the current use of the property is considered the highest and best use.

Techniques used for valuing investment property
The Discounted Cash Flow Method involves the projection of a series of periodic cash flows either to an operating property or a development property. To these projected cash flow series, an appropriate, market-derived discount rate is applied to achieve an indication of the present value of the income stream associated with the property.

The calculated periodic cash flow is typically estimated as gross rental income less vacancy and collection losses and less operating expenses/outgoings and investment costs. A series of periodic net operating incomes, along with an estimate of the reversion/terminal/exit value (which uses the traditional valuation approach) anticipated at the end of the projection period, are discounted to present value. The aggregate of the net present values equals the market value of the property.

Investment properties fair value hierarchy
The Group uses the following hierarchy for determining and disclosing the fair value of investment properties by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets;
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As of 30 June 2024 and 31 December 2023, the Group held the investment properties carried at fair value determined by the Level 3 technique. During presented periods, there were no transfers to and from Level 1&2 fair value measurements.

6.2. Summary of valuation assumptions and valuation techniques used to derive Level 3 fair value

The table below presents the following for each investment property:
- The fair value measurement at the end of the reporting period in the currency of valuation;
- A description of the valuation techniques applied;
- Quantitative information about significant unobservable inputs used in the fair value measurement. ERVs are given for office area of the properties, which comprise about 90% of total net rentable area.

Property	Fair value as of 30.06.2024, EUR	Valuation technique	Key unobservable inputs	
City Gate	119,400,000	DCF	ERV	EUR 306
			Discount rate	5.35%
			Capitalisation rate	4.70%
Work Life Center	79,900,000	DCF	ERV	EUR 294
			Discount rate	5.55%
			Capitalisation rate	4.55%
STRAL 3	85,600,000	DCF	ERV	n.a.
			Discount rate	7.00%
			Capitalisation rate	5.25%
SALZ 4	44,700,000	DCF	ERV	n.a.
			Discount rate	7.20%
			Capitalisation rate	5.45%
QBC 1	45,900,000	DCF	ERV	EUR 235
			Discount rate	5.40%
			Capitalisation rate	4.75%
QBC 2	153,840,000	DCF	ERV	EUR 234
			Discount rate	5.40%
			Capitalisation rate	4.75%
QBC 4	93,800,000	DCF	ERV	EUR 247
			Discount rate	5.20%
			Capitalisation rate	4.45%
QBC 7	17,800,000	DCF	ERV	EUR 1.908 per unit
			Discount rate	5.40%
			Capitalisation rate	4.75%
LASS 1	123,720,000	DCF	ERV	EUR 211
			Discount rate	5.80%
			Capitalisation rate	4.95%

Property	Fair value as of 31.12.2023, EUR	Valuation technique	Key unobservable inputs	
			ERV	EUR 300
			Discount rate	5.25%
City Gate	119,700,000	DCF	Capitalisation rate	4.60%
			ERV	EUR EUR 294
			Discount rate	5.45%
Work Life Center	81,500,000	DCF	Capitalisation rate	4.45%
			ERV	n.a.
			Discount rate	7.00%
STRAL 3	84,900,000	DCF	Capitalisation rate	5.25%
			ERV	n.a.
			Discount rate	7.20%
SALZ 4	44,300,000	DCF	Capitalisation rate	5.45%
			ERV	EUR 235
			Discount rate	5.15%
QBC 1	47,920,000	DCF	Capitalisation rate	4.45%
			ERV	EUR 234
			Discount rate	5.15%
QBC 2	159,960,000	DCF	Capitalisation rate	4.45%
			ERV	EUR 228
			Discount rate	4.95%
QBC 4	98,000,000	DCF	Capitalisation rate	4.25%
			ERV	EUR 1.908 per unit
			Discount rate	5.20%
QBC 7	18,600,000	DCF	Capitalisation rate	4.50%
			ERV	EUR 210
			Discount rate	5.55%
LASS 1	129,660,000	DCF	Capitalisation rate	4.65%

6.3. Sensitivity analysis

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy of the entity's portfolios of investment property are:

- ERV
- Discount rate
- Capitalisation rate

Significant increases/(decreases) in the ERV in isolation would result in a significantly higher/(lower) fair value measurement. Significant increases/(decreases) in the discount rate/capitalisation rate in isolation would result in a significantly lower/(higher) fair value measurement.

The table below presents the sensitivity of the valuation of the properties to changes in the most significant unobservable inputs used in the fair value measurement categorized within Level 3.

30.06.2024	Effect on fair value	
in EUR	Sensitivity used	Effect of value of rental properties
Decrease in ERV	5%	– 22,481,932
Increase in discount rate	25 bps	– 16,467,045
Increase in capitalisation rate	25 bps	– 23,248,842

31.12.2023	Effect on fair value	
in EUR	Sensitivity used	Effect of value of rental properties
Decrease in ERV	5%	– 23,595,008
Increase in discount rate	25 bps	– 17,399,638
Increase in capitalisation rate	25 bps	– 24,932,839

7. PROPERTY, PLANT AND EQUIPMENT

7.1. Property, plant and equipment of hotel 3C

The Group's PPE include building and freehold land under it and other fixture and fittings (combined as "other fixed assets" in the table below) of the acquired subsidiary 3C (note 4). The changes in these fixed assets are disclosed in the table below.

	Note	for six months ended 30.06.2024		
in EUR		Land and building	Other fixed assets	Total
Cost				
Beginning of the period		–	–	–
Acquisition in business combination	4	51,801,154	1,138,136	52,939,290
Additions		62,150	203,399	265,549
Disposals		–	– 31,484	– 31,484
Effect of translation to presentation currency		– 1,442,925	– 31,409	– 1,474,334
End of the period		50,420,379	1,278,642	51,699,021
Accumulated depreciation				
Beginning of the period		–	–	–
Depreciation charge	16	– 628,393	– 94,277	– 722,670
Effect of translation to presentation currency		– 1,084	– 163	– 1,247
End of the period		– 629,477	– 94,440	– 723,917
Net book value				
Beginning of the period		–	–	–
End of the period		49,790,902	1,184,202	50,975,104

7.2. Furniture and equipment

Office furniture and equipment used for administrative purposes by some of the Group's entities are presented in line Furniture and equipment separately from hotel property, described above since it provides for better understanding of the Group's assets structure (30 June 2024: EUR 7 907, 31 December 2023: EUR 9 276).

8. GOODWILL

	for six months ended 30.06.2024				
in EUR	3C	City Gate	WLC	QBC 4	Total
Goodwill					
Beginning of the period	–	9,491,068	4,033,771	9,991,605	23,516,444
Business combination (note 4)	5,576,121	–	–	–	5,576,121
Impairment	–	–	–	– 803,665	– 803,665
Forex effect	– 155,335	–	–	–	– 155,335
End of period	5,420,786	9,491,068	4,033,771	9,187,940	28,133,565

	for the year ended 31.12.2023			
in EUR	City Gate	WLC	QBC 4	Total
Goodwill				
Beginning of the period	9,491,068	4,033,771	10,427,633	23,952,472
Impairment	–	–	– 436,028	– 436,028
End of period	9,491,068	4,033,771	9,991,605	23,516,444

Goodwill was recognised on the acquisition of properties as given above and represents mainly the advantage of acquired entities' corporate structure optimizing the future income tax expense which can arise from potential property sales. Goodwill is tested for impairment at least annually and when circumstances indicate that the carrying value may be impaired. As of 30 June 2024, carrying amount of investment property QBC 4 is lower than its cost of acquisition, respectively, the future income tax expense from potential property sales is lower than amount of the initially recognised goodwill. Respectively, the Group recognized impairment loss for goowill associated with QBC 4 for the amount of EUR 0.80 million (6 months 2023: EUR 0.44 million). For other properties there are no circumstances indicating that the carrying value of goodwill may be impaired.

Goodwill arises on acquiring an asset via a share deal, where the Group inherits the fiscal basis of the assets. As IFRS require recognition of deferred taxes on a nominal basis, while share transactions are based on market value of these taxes, a difference appeared is reflected in the goodwill. Therefore, in this case the impairment test consists in a comparison between the accounting value of the Goodwill and the potential tax optimization existing at the date of reporting.

9. LOANS & ACCOUNTS RECEIVABLE

in EUR	30.06.2024	31.12.2023
Non-current loans and accounts receivable		
Loans given to and receivables from the former Russian segment	66,392,962	70,509,379
Receivable from sellers of investment properties	867,563	867,563
Cash security deposits received from tenants	1,522,415	1,523,335
Eurobonds	1,566,592	1,512,332
Total	70,349,532	74,412,609
Current accounts receivable		
Rental receivable	2,121,163	2,099,196
Receivable from sellers of investment properties	449,661	150,000
Receivable from the former Russian segment	423,258	490,669
Held-to-maturity bank deposits (3-12 months)	6,300,000	2,200,000
Other receivable	212,099	376,158
Total	9,506,181	5,316,023
Total loans and accounts receivable	79,855,713	79,728,632

9.1. Loans given to and receivables from the former Russian segment

Loans given and receivables from the former Russian segment were recognized in the consolidated statement of financial position upon completion of the sale of disposal group in prior period. Refer to note 11.2.

Breakdown of non-current part of these loans and receivables with the commentary is given below.

in EUR	30.06.2024	31.12.2023
Non-current loans given and receivables from the former Russian segment		
Loans given to Redhill Investment Limited	39,952,801	39,129,926
Loans given to Lenbury Enterprises Limited	2,804,822	6,817,191
Receivable from Lenbury Enterprises Limited	37,779,367	36,543,136
Total, gross basis	80,536,990	82,490,253
Less: impairment allowance	– 14,144,028	– 11,980,874
Total	66,392,962	70,509,379

The table below presents balances and movement of loans for six months ended 30 June 2024 and 2023, split into cash and non-cash categories.

in EUR	Note	Redhill loan	Lenbury deferred consideration receivable	Lenbury loan	Total
Balance as of 1 January 2024		27,149,052	36,543,136	6,817,191	70,509,379
Cash flows:					
Repayment of principal		–	–	– 4,050,000	– 4,050,000
Non-cash movements:					
Interest accruals		822,875	295,881	37,631	1,156,387
Foreign exchange difference		–	1,201,485	–	1,201,485
Change in impairment allowance		– 2,163,154	–	–	– 2,163,154
Set-off with the payables to the former Russian segment		–	– 261,135	–	– 261,135
Balance as of 30 June 2024		25,808,773	37,779,367	2,804,822	66,392,962

in EUR	Note	Redhill loan	Lenbury deferred consideration receivable	Lenbury loan	Loan to Capital Estate Group Limited	Other loans	Total
Balance as of 1 January 2023		38,533,530	–	–	–	–	38,533,530
Cash flows:							
Repayment of principal		– 22,340,664	–	–	–	–	– 22,340,664
Loans granted		–	–	–	–	1,335,647	1,335,647
Non-cash movements:							
Recognition in the consolidated accounts at the date of sale of subsidiary		–	42,264,182	31,148,750	1,760,655	–	75,173,587
FV adjustment to the receivable	11	–	– 6,273,690	–	–	–	– 6,273,690
Derecognition due to disposal of subsidiary		–	–	–	–	– 1,335,647	– 1,335,647
Foreign exchange difference		–	– 277,419	–	24,120	–	– 253,299
Interest accruals		648,179	214,096	28,553	–	–	890,828
Change in impairment allowance		7,804,025	– 3,184,432	–	–	–	4,619,593
Balance as of 30 June 2023		24,645,070	32,742,737	31,177,303	1,784,775	–	90,349,885

Loan given to Redhill Investment Limited (“Redhill”) is 4.25% p.a., EUR-denominated, maturity term 31 December 2032, with no specific payment schedule.

Loan given to Lenbury Enterprises Limited (“Lenbury”) is EUR-denominated, due for payment by 31 December 2032, no specific schedule, 3.0% p.a.

Receivable from Lenbury arose on sale of shares in the subsidiaries of the disposal group by EPH to Lenbury, executed in 2022, when Lenbury was part of the Group. Receivable is interest-free, US$-denominated (US$ 46.32 million at the date of recognition in the consolidated accounts and as of 31 December 2023) with maturity on 31 December 2032 at the latest without specific payment schedule. At recognition, the Company recognized fair value adjustment on the instrument for the amount EUR 6.27 million representing primarily effect of the discounting of the nominal amount of the receivable at market interest rate.

Loans given to and receivables from Lenbury are secured with the shares and investment property of its subsidiaries.

At 30 June 2024 and 31 December 2023, despite the fact that the financial position of the borrowers appears stable (no overdue payments, problematic restructurings, stable operating cash flows), taking into account the current macroeconomic situation in the Russian Federation, all of the loans and receivables from the former Russian segment have been determined for Stage 2 of credit risk. The impairment allowance as of 30 June 2024 was determined in the amount EUR 14.14 million (31 December 2023: EUR 11.98 million). Increase in allowance is attributable primarily to further restrictions on international capital movements for Russian companies. Refer to Note 2.6.2 for details of estimation of credit loss.

9.2. Eurobonds

Eurobonds of different issues are owned by subsidiary SA3 (property NHow). Maturity is 2026 – 2028 year, nominal coupon rates are 2.45 – 3.75%, effective rates are 0.42 – 1.05%. The instruments are measured at fair value through other comprehensive income on a recurring basis, level 1, both on 30 June 2024 and 31 December 2023.

9.3. Held-to-maturity bank deposits

The line includes bank deposits in EUR currency with original maturity six months, at fixed rates in range 3.11% - 3.25% p.a.

10. CASH AND CASH EQUIVALENTS

in EUR	30.06.2024	31.12.2023
Cash at banks	17,404,399	79,266,732
Cash in transit	204,577	100,000
Cash equivalents	25,373	–
Cash deposits at banks (up to 3 months)	22,840,000	700,000
Cash and cash equivalents available	40,474,349	80,066,732
Bank overdrafts	– 904	– 104
Total cash and cash equivalents available with bank overdrafts	40,473,445	80,066,628

Bank overdraft is presented in line Current Borrowings in the statement of financial position. Cash deposits include deposits with banks with original maturities two weeks, two months and three months, 3.5% p.a., 2.85% p.a. and 2.91% - 3.45% p.a. respectively.

Reconciliation of balances of cash and cash equivalents to the statement of cash flow is given below:

in EUR	Note	30.06.2024	31.12.2023	30.06.2023
Cash and cash equivalents available per statement of financial position		40,474,349	80,066,732	186,592,202
Bank overdraft	10	– 904	– 104	– 632
Total cash at the end of the period per statement of cash flow		40,473,445	80,066,628	186,591,570

11. DISCONTINUED OPERATION

11.1. Financial performance and cash flow information

On 19 April 2023, the Company sold 100% of shares in subsidiary Lenbury under a sale and purchase agreement (the 'SPA') with a third party company owned by the Russian management of the Group. For detailed disclosure of the transaction, please refer to the latest annual report. Financial performance of the discontinued operations and cash flows for six months ended 30 June 2023 are presented below. The information in the tables below is given excluding inter-company transactions.

	for the period 1 January 2023 - 19 April 2023
Rental income	
Gross rental income	11,300,760
Service charge income	2,505,792
Property operating and maintenance expenses	– 3,166,314
Net rental income	10,640,238
Other expenses	– 628,164
Revaluation of investment properties	25,816,820
Other income	32,180
Net operating (loss)/profit from discontinued operation	35,861,074
Interest income	178,378
Finance cost	– 3,394,966
Net foreign exchange gain/(loss)	– 27,281,743
Profit/(loss) before tax	5,362,743
Income taxes	– 7,175,842
Net loss after income tax of discontinued operations	– 1,813,099
Loss on sale of the subsidiary after income tax	– 101,453,432
Net loss for the period from discontinued operations	– 103,266,531
(Loss)/gain on currency translation differences	– 25,888,127
Reclassification of currency translation differences to profit or loss upon disposal of discontinued operation	162,743,942
Other comprehensive gain from discontinued operation	136,855,815

Information in the table above was restated as disclosed in Note 2.5.3

in EUR	for the period 1 January 2023 - 19 April 2023
Net cash inflow from operating activities	5,994,035
Net cash outflow for investing activities	– 15,528,078
including inter-company payment to the parent company EPH PLC for assignment of Redhill loan	– 14,139,144
Net cash inflow from financing activities	3,720,463
Net (decrease)/increase in cash generated by the discontinued operations	– 5,813,580

11.2. Details of sale of Russian segment

in EUR	19.04.2023
	Disposal of Lenbury
Consideration received or receivable:	
Cash	13,775
Loans and receivables given to disposal group	75,745,441
Loans received from disposal group	– 2,831,177
FV adjustment to the receivables given to disposal group	– 6,273,690
Total disposal consideration	66,654,349
Carrying amount of net assets sold	– 5,363,839
Gain on sale before income tax and reclassification of CTA	61,290,510
Reclassification of CTA	– 162,743,942
Income tax expense	–
Loss on sale after income tax	– 101,453,432

Loss on disposal amounted to EUR 95.2 million, net of negative effect from reclassification of accumulated currency translation differences attributable to the entity from CTA reserve for the amount EUR 162.76 million.

12. BORROWINGS

in EUR	30.06.2024	31.12.2023
Borrowings (non-current)		
Bonds issued	366,525,000	244,350,000
Bank loans	14,575,607	14,888,750
Other loans	10,412,129	10,335,537
Total	391,512,736	269,574,287
Borrowings (current)		
Bonds issued	48,355,270	167,425,000
Bank loans	1,219,692	1,040,000
Other loans	1,896,548	1,653,970
Bank overdrafts	904	104
Total	51,472,414	170,119,074
Total Borrowings	442,985,150	439,693,361

12.1. Bonds

Bonds are measured at amortised cost using the effective interest rate (EIR). Amortised cost is calculated by taking into account transaction costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The terms of the bonds ISIN CH1177348302 were amended on 1 June 2024, following the agreements with the bondholders. The interest rate was raised from 2.25% to 3.5%; maturity of the bonds was extended by 5 years until 31 May 2029. Nominal value of the bonds before the amendment was equal to their face value; as a result, derecognition of the old instrument did not have any effect on statement of profit or loss.

The information on all four bond placements as of 30 June 2024 is presented in the table, excluding interest payable:

as of 30.06.2024	Nominal value, EUR	Nominal interest rate	Interest payment date	Maturity date
ISIN CH1177844367 (until April 2022 CH0249865368)	126,700,000	4.50%	March and September	Sep 2028
ISIN CH1177348278 (until April 2022 CH0254468074)	117,650,000	4.50%	March and September	Sep 2028
ISIN CH1177348302 (until April 2022 CH0283169123)	122,175,000	3.50%	June and December	May 2029
ISIN CH1177348310 (until April 2022 CH0305765015)	45,250,000	2.25%	June and December	Dec 2024
Total	411,775,000			

12.2. Bank loans

Bank loans consist of the following loans:

- Secured EUR-denominated loan of SALZ 4 from Unicredit bank, repayable in December 2029, 1M EURIBOR+1.05% p.a. (30 June 2024: EUR 15.51 million, including short-term part of EUR 1.13 million; 31 December 2023: EUR 15.93 million, including short-term part of EUR 1.04 million). The loan is secured with the property SALZ 4 (land and building) as well as all its current and future rental receivables. As of 30 June 2024 and 31 December 2023, effective interest rate on SALZ 4 loan is 2.09%.
- Unsecured loan, provided to property hotel 3C by UBS bank in pre-acquisition period, as a measure of support of the industry during COVID-19. Remaining balance of the loan as of the date of acquisition is CHF 0.32 million (EUR 0.33 million), and as of 30 June 2024 is CHF 0.27 million (EUR 0.28 million). The loan is repayable by March 2025, in parts by CHF 0.04 million every half-year. Interest rate is 1.5% p.a.

12.3. Other loans

Other loans include loans from non-controlling shareholders of German subsidiaries of the Group (WLC, City Gate and SA3 Media) with the total carrying amount of EUR 11.17 million, of which EUR 0.76 million is short-term (31 December 2023: EUR 10.97 million, of which EUR 0.63 million is short-term). Interest rates are fixed at 4.26% and 4.5%. Loans are repayable in December 2025 (EUR 4.41 million), October 2026 (EUR 1.30 million) and December 2031 (EUR 4.70 million). Remaining balance of the loans relates to the loans from the former subsidiaries of the Russian segment and some other short-term loans.

12.4. Changes in the balance of borrowings

The changes in the balance of borrowings, excluding overdraft, are given below:

in EUR	Note	Bonds issued	Bank & other loans	Total
Balance as of 1 January 2024		411,775,000	27,918,257	439,693,257
Cash flows, net		– 4,403,260	– 490,352	– 4,893,612
Non-cash movements:		–	–	–
Interest accruals		7,508,530	416,490	7,925,020
Currency translation adjustment (CTA)		–	– 12,508	– 12,508
Acquisition of loans in business combination		–	446,303	446,303
Set-off with the loans due to the former subsidiaries			– 174,214	– 174,214
Balance as of 30 June 2024		414,880,270	28,103,976	442,984,246

in EUR	Bonds issued	Notes payable	Bank & other loans	Total
Balance as of 1 January 2023	414,880,420	426,100,000	185,432,954	1,026,413,374
Cash flows, net	– 6,210,701	– 30,072,917	1,655,933	– 34,627,685
Non-cash movements:	–	–	–	–
Interest accruals	4,327,031	3,292,075	1,621,602	9,240,708
Foreign exchange difference	–	33,569,587	466,337	34,035,924
Currency translation adjustment (CTA)	–	– 33,569,587	– 1,134,275	– 34,703,862
Recognition of loans from the former subsidiaries (ex-inter-company) at disposal	–	–	2,821,024	2,821,024
Derecognition of borrowings of the former subsidiaries at disposal	–	– 399,319,158	– 10,583,806	– 409,902,964
Balance as of 30 June 2023	412,996,750	–	180,279,769	593,276,519

Cash flows, net, presented in the table, do not include interest paid on cash balances and other charges of banks for the amount EUR 0.13 million (6 months 2023: EUR 0.19 million).

13. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities are presented below:

in EUR	30.06.2024	31.12.2023
Non-current liabilities		
Tenant deposits	1,591,699	1,591,699
Deferred revenue	303,701	315,187
Total	1,895,400	1,906,886
Current liabilities		
Payables for acquired properties	461,673	–
Trade payables and accrued expenses	3,152,726	2,350,956
Payables to construction suppliers	–	–
Payables and accrued expenses with related parties	–	38,036
Deferred revenue	13,800	23,617
Total	3,628,199	2,412,609
Total accounts payable and other liabilities	5,523,599	4,319,495

14. DEFINED BENEFIT OBLIGATION

With the purchase of hotel 3C in Switzerland (note 4), the Group acquired obligation on defined benefit plan for the entity's employees. Although contributions are paid by the employer and employees in the case of Swiss pension plans, they are defined benefit plans owing to the guaranteed interest rate and the prescribed conversion rate. The employee pension plan is covered by an insurance contract with Hotela multi-employer foundation. The actuarial calculation for performance-related plans was performed on the acquisition date. Since economic and social circumstances did not change significantly during the reporting period, the valuation of the plan as of 30 June 2024 was executed as an estimate, based on the acquisition date's actuarial calculation, with the following results as of and for six months ended 30 June 2024.

1. Statement of financial position

	EUR
(a) Reconciliation of defined benefit obligation (DBO)	
Benefit obligation at beginning of period	–
Acquisition in business combination	4,096,836
Current service cost (employer)	76,758
Interest cost	30,081
Contributions by plan participants	75,721
Actuarial (gain)/loss on financial assumptions	67,422
Benefits paid	– 16,596
Currency translation adjustment	– 113,724
Benefit obligation at end of period	4,216,498
(b) Reconciliation of fair value of plan assets	
Fair value of plan assets at beginning of period	–
Acquisition in business combination	3,067,550
Interest income on plan assets	23,857
Actuarial gain/(loss) on plan assets	– 5,186
Contributions by plan participants	75,721
Contributions by the employer	75,721
Benefits paid	– 16,596
Currency translation adjustment	– 85,189
Fair value of plan assets at end of period	3,135,878
(c) Amounts recognized in the statement of financial position	
Benefit obligation at end of period	– 4,216,498
Fair value of plan assets at end of period	3,135,878
Deficit (surplus)	– 1,080,620
Net liability (asset)	– 1,080,620
(d) Reconciliation of net defined benefit liability (asset)	
Balance sheet liability (asset) beginning of period	–
Acquisition in business combination	1,029,286
Pension expense recognized in Profit or loss	82,982
Amounts recognized in OCI	72,609
Employer contributions made	– 75,722
Currency translation adjustment	– 28,535
Net defined benefit liability (asset) recognized in the statement of financial position at the end of the period	1,080,620

2. Costs and remeasurement for employee pension plan in profit or loss and other comprehensive income (OCI)

	EUR
(a) Components of defined benefit cost in profit or loss	
Current service cost	76,758
Net interest cost	6,224
Defined benefit cost recognized in profit or loss	82,982
(b) Components of defined benefit cost in OCI	
Actuarial losses	72,609
Defined benefit cost recognised in OCI	72,609

Profit or loss component of defined benefit cost is presented in line Costs, arising from the hotel property 3C operations in the statement of profit or loss.

3. Main groups of pension fund assets at acquisition date and reporting date

Asset Category	Share
Equity Securities	29.3%
Debt Securities	25.9%
Property	24.8%
Cash	1.6%
Other	18.4%
Total	100%

4. Actuarial assumptions and sensitivity

Assumptions	
Discount rates (beginning of period)	1.50%
Discount rates (end of period)	1.40%
Interest on savings capital	1.50%
Expected rate of salary increases	1.50%

Sensitivity, in EUR	
Discount rate +0.50%	– 297,171
Discount rate - 0.50%	338,733
Salary increase +0.5%	49,875
Salary increase -0.5%	– 46,758

Demographic assumptions (e.g. probabilities of death, disability and turnover) are based on the BVG/LLP 2020 actuarial tables (prior year on BVG/LLP 2020 actuarial tables). These generational tables are based on observations of large pools of insured persons in Switzerland over several years.

5. Estimate of contributions for the following year, in EUR

Expected benefits paid	102,867
Expected employee contributions	150,663
Expected employer contributions	150,663

15. NET RENTAL INCOME

15.1. Rental income

Breakdown of Rental income on an asset by asset basis is presented below:

	for six months ended 30.06.2024						
in EUR	QBC 4	QBC 1	QBC 2	QBC 7	LASS 1	Reconciliations (inter-company)	Total Austria
Gross rental income	2,183,226	1,035,401	3,587,250	718,606	3,328,825	– 258,661	10,594,647
Service charge income	607,514	270,323	894,383	368,408	937,616	– 126,982	2,951,262
Property operating and maintenance expenses	– 652,076	– 278,031	– 880,525	– 635,389	– 993,261	385,643	– 3,053,639
Net rental income	2,138,664	1,027,693	3,601,108	451,625	3,273,180	–	10,492,270

	for six month ended 30.06.2023						
in EUR	QBC 4	QBC 1	QBC 2	QBC 7	LASS 1	Reconciliations (inter-company)	Total Austria
Gross rental income	2,063,812	982,887	3,384,835	669,933	1,941,041	– 245,512	8,796,996
Service charge income	1,248,494	477,850	1,382,819	299,316	596,686	– 226,325	3,778,840
Property operating and maintenance expenses	– 1,251,425	– 485,793	– 1,413,410	– 599,925	– 876,696	471,837	– 4,155,412
Net rental income	2,060,881	974,944	3,354,244	369,324	1,661,031	–	8,420,424

	for six months ended 30.06.2024					
in EUR	City Gate	WLC	STRAL 3	SALZ 4	Total Germany	Total Group
Gross rental income	2,502,154	1,534,708	2,456,539	1,352,700	7,846,101	18,440,748
Service charge income	596,508	374,208	–	34,800	1,005,516	3,956,778
Property operating and maintenance expenses	– 980,456	– 640,925	– 153,991	– 179,207	– 1,954,579	– 5,008,218
Net rental income	2,118,206	1,267,991	2,302,548	1,208,293	6,897,038	17,389,308

	for six months ended 30.06.2023					
in EUR	City Gate	WLC	STRAL 3	SALZ4	Total Germany	Total Group
Gross rental income	2,548,844	1,372,222	2,300,469	1,338,762	7,560,297	16,357,293
Service charge income	631,047	560,148	–	46,979	1,238,174	5,017,014
Property operating and maintenance expenses	– 727,304	– 566,806	– 137,531	– 154,116	– 1,585,757	– 5,741,169
Net rental income	2,452,587	1,365,564	2,162,938	1,231,625	7,212,714	15,633,138

15.2. Major tenants of the Group

The top tenants in the Group (continuing operations) in the reporting period and in 2023 year are presented below as share of their income in total gross rental and service charge income of the Group.

	for six months ended 30.06.2024	for the year ended 31.12.2023
Nhow (SA3)	13%	16%
Innside by Melia (SALZ4)	7%	9%
BDO (QBC4)	9%	9%
Land Baden-Württemberg (City Gate)	6%	7%
Stadt Wien (Lass 1)	5%	6%
Performance Media (WLC)	4%	5%
Wiener ArbeitnehmerInnen Förderungsfonds (Lass 1)	5%	5%

The following table represents the rental income to be received by the Group in future periods under leases currently in effect. The data is given excluding leases of discontinued operations.

in EUR	30.06.2024	31.12.2023
Less than 1 year	45,907,692	46,127,140
From 1 year to 5 years	166,604,098	167,167,751
More than 5 years*	204,430,935	209,594,701
Total	416,942,725	422,889,592

*The income on leases with BDO at QBC 4, unlimited in term, is included in the table above for the period up to December 2043, when the Group shall be entitled to increase the basic rate up to a fair market rate for similar rental property.

16. REVENUE AND OPERATING COSTS OF HOTEL PROPERTY

The business of the hotel is run by approximately seventy employees of the entity. Revenue and operating costs, including direct costs and production overheads, are presented below. General overheads of the hotel, such as compensation of general manager, marketing and legal expenses, are presented in line Administrative expenses in Profit or loss statement.

As agreed with the sellers of the property, the Group is entitled for the hotel's earnings after 31 December 2023, that is operations of the period from 1 January 2024 to the date of acquisition 16 January 2024 are also consolidated to the Group's profit or loss.

in EUR	Note	for six months ended 30 June 2024
Revenue		
Accommodation		1,842,018
Restaurant		1,551,083
SPA		582,564
Other		193,765
Total revenue		4,169,430
Direct costs and production overheads		
Salary and social charges		– 2,079,886
Other personnel costs		– 431,541
Depreciation	7	– 722,670
Materials and consumables		– 532,444
Utilities		– 378,832
Repair and maintenance of fixed assets		– 236,718
Defined benefit cost		– 82,982
Other costs		– 754,954
Total costs		– 5,220,027

17. ADMINISTRATIVE EXPENSES

	for six months ended	
in EUR	30.06.2024	30.06.2023
Professional and administration fees	1,721,942	1,657,289
Salaries and social charges	279,480	60,197
Total	2,001,422	1,717,486

18. OTHER INCOME

	for six months ended	
in EUR	30.06.2024	30.06.2023
Income on adjustment of purchase price of investment property acquired in prior periods (Lass 1)	164,661	–
Reverse of impairment for Eurobonds	–	22,500
Other miscellaneous income	386,519	289,146
Total	551,180	311,646

19. OTHER EXPENSES

	for six months ended	
in EUR	30.06.2024	30.06.2023
Other taxes and duties	227,859	258,562
Impairment of goodwill	803,665	–
Impairment for Eurobonds	49,293	–
Depreciation	1,369	1,369
Other miscellaneous expenses	330,426	26,907
Total	1,412,612	286,838

Impairment for Eurobonds in the statement of profit or loss is counter-balanced by the income in the statement of other comprehensive income for the same amount, accumulated in other reserves in equity.

Other miscellaneous income includes insurance payments and other items of irregular nature.

20. FINANCE COSTS

	for six month ended	
in EUR	30.06.2024	30.06.2023
Interests on bonds issued	7,508,530	4,327,031
Interest on notes payable	–	1,501,913
Interest on loans payable	214,125	2,091,711
Interest on bank loans	202,365	1,320,053
Bank charges	123,066	185,036
Other finance cost	5,721	6,293
Finance cost directly attributable to discontinued operations	–	– 3,394,966
Total	8,053,807	6,037,071

21. INCOME TAX

	for six months ended	
in EUR	30.06.2024	30.06.2023
Current income tax expense	– 145,544	– 2,136,527
Deferred income tax benefit	2,429,238	83,883
Total income tax benefit/(expense)	2,283,694	– 2,052,644
Attributable to continuing operations		
Current income tax expense	– 145,544	– 203,951
Deferred income tax benefit	2,429,238	5,327,149
Total income tax benefit/(expense)	2,283,694	5,123,198
Attributable to discontinued operations		
Current income tax expense	–	– 1,932,576
Deferred income tax expense	–	– 5,243,266
Total income tax (expense) / benefit	–	– 7,175,842

Deferred income tax primarily arises on taxable difference between tax value and fair value of the investment properties determined in functional currency of the subsidiaries owning these properties. When fair value of investment properties increases or decreases, the Group recognizes deferred tax expense or benefit, accordingly.

Income tax benefit/(expense) is recognized based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the six months ended 30 June 2024 for continuing operations is 14%, compared to 15% for the six months ended 30 June 2023. The tax rate is lower in 2024 due to effect of the lower tax rate of the acquired entity 3C (Switzerland tax resident, 13.9% tax rate).

22. EARNINGS PER SHARE

Basic Earnings per Share amounts are calculated by dividing Net Profit/Loss for the period Attributable to Equity Holders of the Company by the weighted average number of ordinary shares outstanding during the year. The following reflects the income and share data used in computations of the Basic and Diluted Earnings per Share for continuing operations, discontinued operations and total operations. The comparative figures for prior period's continuing and discontinued operations were recalculated and restated due to changes described in Note 2.5.3.

	for six months ended	
in EUR	30.06.2024	30.06.2023
Earnings per share for loss from continuing operations of the Company		
Net loss from continuing operations attributable to shareholders	– 13,961,994	– 27,689,265
Weighted average number of ordinary shares outstanding	14,378,324	14,318,338
Earnings per share (EUR per share)	– 0.97	– 1.93

Before restatement, earning per share from loss from continuing operations for six months ended 30.06.2023 amounted to (2.37) EUR.

	for six months ended
in EUR	30.06.2023
Earnings per share for loss from discontinued operations of the Company	
Net loss from discontinued operations attributable to shareholders	– 103,266,531
Weighted average number of ordinary shares outstanding	14,318,338
Earnings per share (EUR per share)	– 7.21

	for six months ended	
in EUR	30.06.2024	30.06.2023
Earnings per share		
Net loss attributable to shareholders	– 13,961,994	– 130,955,796
Weighted average number of ordinary shares outstanding	14,378,324	14,318,338
Earnings per share (EUR per share)	– 0.97	– 9.15

Before restatement, earning per share from loss from discontinued operations for six months ended 30.06.2023 amounted to (6.77) EUR.

23. SHAREHOLDERS' EQUITY

23.1. Authorised capital

There were no changes in number of the authorised and issued share capital in the reporting period and in the year ended 31 December 2023.

23.2. Other reserves

Other reserves include FV adjustment and impairment allowance for the financial assets at FVOCI; OCI component of the defined benefit cost (Note 14); and respective income tax effect.

Upon disposal of the financial asset at FVOCI, corresponding accumulated reserve is reclassified to Profit or loss. Accumulated reserve, corresponding the defined benefit obligation or asset, is not reclassified to Profit or loss upon its derecognition.

23.3. Treasury shares

The balance changed significantly due to sale of 80,800 shares at a price 25.6 EUR per share in total amount EUR 2,068,480 in cash in the reporting period. In addition to this transaction, there were other not material sales (120 shares, EUR 3.07 thousand) and purchases (1 201 shares, EUR 29.74 thousand) with third parties in the period. Management plans to sell most of the remaining treasury shares in the nearest future. Certain amount of treasury shares will be left on the balance for the purposes of market making which Company has been doing since November 2015 on a regular basis.

23.3. Cumulative translation adjustment ("CTA")

The results and financial position of all Group entities that have a functional currency different from the presentation currency are translated into the presentation currency. Refer to the latest annual financial statements for the translation accounting policy. All resulting exchange differences are recognised in other comprehensive income or expenses as part of CTA.

On disposal of Russian segment of the Group (Note 11) in prior period, the cumulative amount of the exchange differences relating to the segment, recognised in other comprehensive income and accumulated in the CTA, was reclassified from equity to profit or loss (as a reclassification adjustment) when loss on disposal was recognized for the amount EUR 162.76 million.

Balance as of 30 June 2024 represents positive translation difference of EUR 0.75 million recognised on the change in the functional currency of the parent Company from US$ to EUR in prior period and related to investment in European subsidiaries of the Group and loss from translation of operations of property 3C (with functional currency CHF) in the amount EUR 0.56 million .

23.4. Dividends

No dividend was paid during reporting period (2023: nil).

24. RELATED PARTY TRANSACTIONS

24.1. Subsidiaries

The interim condensed consolidated financial statements include the financial statements of the Company and the subsidiaries. The Company's holdings in all subsidiaries are listed in the Corporate Governance part of the annual report for the 2023 year, section 1. Group structure and shareholders. Apart from acquisition of entity 3C on 16 January 2024 (Note 4), there were no other changes in consolidation scope of the Group in comparison to the latest annual report. Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this Note.

24.2. Categories of related parties of the Group

Related parties include shareholders, key management personnel and other related parties having significant influence on the Group. The Company and its subsidiaries, in the ordinary course of their business, enter into various sale, purchase and service transactions with related parties. Refer to the Group's latest published annual financial statements for description of the relationships with the related parties, which remained basically the same in the reporting period. The services and rents are provided on market terms.

24.3. Balances with related parties

The Group's related party balances as of 30 June 2024 and 31 December 2023 consisted of the following:

in EUR	Note	30.06.2024	31.12.2023
Other related parties:			
Accounts payable and accrued expenses		–	– 38,036
Payables for acquired properties	4	– 461,673	–
Advances paid		86,570	5,000

24.4. Transactions with related parties

The Group's transactions with related parties for six months ended of 30 June 2024 and 2023 consisted of the following:

	for six months ended	
in EUR	30.06.2024	30.06.2023
Other related parties:		
Continuing operations		
Management fees	– 888,878	– 817,894
Advisory services	– 274,563	–
Discontinued operations		
Gross rental income	–	85,883
Management fees	–	– 451,942
Other expenses	–	–
Salaries	–	– 7,397
Shareholders:		
Discontinued operations		
Finance costs	–	– 1,501,913

In the previous period, the amount of finance cost consist of interest accrued on notes issued by subsidiary Lenbury (discontinued operations). On 16 January 2024, the Company acquired 100% shares in Société de l'Hôtel des Trois Couronnes, à Vevey, SA. The seller is a related party of Valartis Group. Refer to Note 4.

24.5. Transactions and balances with key management personnel

Compensation to the board of directors amounted to EUR 131.3 thousand in the reporting period (6 months 2023: EUR 110.1 thousand). It is presented in line Administrative expenses in the statement of profit or loss. Compensation prepaid as at 30 June 2024 amounts to EUR 7.8 thousand (31 December 2023: EUR 20.2 thousand). It is presented in line Prepayments in the statement of financial position.Member of the Board Tomasz Dukala received EUR 15 thousand in the reporting period (6 months 2023: EUR 15 thousand) for strategic advisory services delivered to EPH Plc. The fee is presented in line Administrative expenses in the statement of profit and loss. The remuneration to the members of the Management Committee, paid as salary, amounted to EUR 47.13 thousand (6 months 2023: EUR 47.87 thousand). Consulting fees, paid to the members of the Management Committee, amounted to EUR 11 thousand for 6 months 2024; EUR 5 thousand for 6 months 2023. These expenses are presented in line Administrative expenses in the statement of profit or loss. Refer to section Corporate Governance, p. 5, of the latest published annual report for the disclosure of annual remuneration on individual basis.

24.6. Transactions with shareholders

On 7 February 2024, the Company sold 80,800 shares at a price 25.6 EUR per share in total amount EUR 2,068,480 in cash to one of its major shareholders.

25. CONTINGENCIES AND COMMITMENTS

25.1. Pledges

The Group's assets are pledged to secure borrowings of the Group (refer to Note 12):

– Investment property SALZ 4 for EUR 44.70 million (31 December 2023: investment property SALZ4 for the total amount EUR 44.30 million);
– Current rental receivables (30 June 2024: nil) and future rental receivables of investment property SALZ 4 (31 December 2023: current renatl receivables of SALZ 4 for the amount of EUR 0.13 million and their future receivables);

During the current period, the Group did not breach any of its loan covenants, nor did it default on any of its obligations under its loan agreements. As a security measure, provided by the federal Swiss law, entity 3C is not allowed to distribute dividends as long as the COVID-19 UBS loan remains outstanding (Note 12). The liability on loan amounts to EUR 0.28 thousand as of 30 June 2024.

25.2. Capital commitments

In June 2020, the Group signed a general construction agreement for the amount of EUR 50 million for construction and refurbishment works at newly acquired property LASS 1 in Vienna. EUR 1.53 million are outstanding as of 30 June 2024 (31 December 2023: EUR 1.53 million).

25.3. Military conflict in Ukraine

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the military conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges. The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future. Uncertainty regarding global supply of commodities due to the conflict has caused immediate volatility in global stock markets, and consequences are anticipated in relation to the cost and availability of energy and natural resources, particularly within Europe. There is a risk that the war could escalate and directly involve NATO countries. Direct and indirect impact on the Company and long-term economic consequences largely depend on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets. Disposal of the Russian operations prior period had a positive impact on reducing the Group's exposure to the risks coming from the operations in the region, limiting it to the credit risk of the remaining receivables from the buyer (US$ 46.32 million, in nominal value) and loans receivable from the former Russian segment (EUR 42.76 million, gross with impairment provision). In assessing of the estimated credit loss on these loans and receivables, management considered potential negative scenarios. Refer to Notes 2.6.2 and 9.1 for detail. It is difficult to isolate from other factors the impact of the conflict on the valuation of fair value of the investment property; the overall fall in fair value of the investment property at the year-end is caused to some extent by the repercussions of the conflict. Current operating performance of the Group's properties in Europe continue to demonstrate stable growth. Management cannot judge on the future potential negative impact of the conflict on the global economy and major financial markets as well as on EPH properties but, as per the most recent assessment, impacts on the Group's operating performance and cash flows are considered as not material.

26. SUBSEQUENT EVENTS

There were no events after the reporting date, which have a material effect on these financial statements.

27. SUPPLEMENTAL RECONCILIATIONS AND DEFINITIONS

The KPI table in Management report section above includes management performance measures which are, or may be, considered non-IFRS financial measures as defined in the rules of the Swiss Stock Exchange. While EPH's management believes that the non-IFRS financial measures herein are useful in evaluating Group's operating results, this information should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS. Therefore these measures should not be viewed in isolation but considered together with the interim condensed consolidated financial statements (unaudited) prepared in accordance with IFRS as of and for six months ended 30 June 2024 (referred to as "financial statements" herein).

Reconciliation of the non-IFRS financial measures to a comparable measure in the financial statements is given below. All other measures, not listened below, represent IFRS financial measures, which can be directly identified in the financial statements.

			for six months ended	
in EUR			30.06.2024	
Management performance meausure	Comparable measure in the financial statements (FS)	Statement or Note in the FS	KPI	IFRS FS
Continuing operations	Continuing operations			
Net rental income	Net rental income	PL	17,389,308	17,389,308
Net loss from hotel 3C operations	Net operating loss of hotel property	PL	– 1,050,597	– 1,050,597
Management fees	Management fees	PL	– 888,878	– 888,878
Administrative expenses	Administrative expenses	PL	– 2,001,422	– 2,001,422
Net other operating income:	N.a.		1,089,874	n.a.
Other income	Other income	PL	551,180	551,180
Other expenses	Other expenses	PL	– 1,412,612	– 1,412,612
Finance income	Finance income	PL	1,312,302	1,312,302
excluding	excluding			
Impairment of Goodwill	Impairment of Goodwill	19	803,665	803,665
Income on adjustment of purchase price of investment property acquired in prior periods	Income on adjustment of purchase price of investment property acquired in prior periods	18	– 164,661	– 164,661
Operating Income	N.a.		14,538,285	n.a.
Finance costs	Finance cost	PL	– 8,053,807	– 8,053,807
Current tax expense	Current income tax expense	21	– 145,544	– 145,544
Earnings from operational activity			6,338,934	n.a.
Earnings from operational activity per share			0.44	n.a.
Revaluation of investment properties	Revaluation of investment properties	PL	– 20,162,071	– 20,162,071
Deferred tax benefit/(expense)	Deferred income tax benefit	21	2,429,238	2,429,238
(Increase)/release of impairment allowance for loans and receivables related to the assets sold	(Impairment allowance)/release of impairment allowance for loans and receivables	PL	– 2,163,154	– 2,163,154
Other extraordinary items:	N.a.		– 639,004	n.a.
Impairment of Goodwill	Impairment of Goodwill	19	– 803,665	– 803,665
Income on adjustment of purchase price of investment property acquired in prior periods	Income on adjustment of purchase price of investment property acquired in prior periods	18	164,661	164,661
Total before foreign exchange movements	N.a.		– 14,196,057	n.a.
Net foreign exchange gain/(loss)	Net foreign exchange gain/(loss)	PL	311,009	311,009
Net (loss)/profit for the period	Net loss from continuing operations		– 13,885,048	– 13,885,048
Discontinued operations				
Net loss from discontinued operations (attributable to equity holders of the Company)	Net loss from discontinued operations (attributable to equity holders of the Company)	PL	–	–
Result of discontinued operations	N.a.		–	n.a.
Total net loss for the period	Total loss for the year		– 13,885,048	– 13,885,048

			for six months ended	
in EUR			30.06.2023	
Management performance meausure	Comparable measure in the financial statements (FS)	Statement or Note in the FS	KPI	IFRS FS
Continuing operations	Continuing operations			
Net rental income	Net rental income	PL	15,633,138	15,633,138
Management fees	Management fees	PL	– 817,894	– 817,894
Administrative expenses	Administrative expenses	PL	– 1,717,486	– 1,717,486
Net other operating income:	N.a.		921,750	n.a.
Other income	Other income	PL	311,646	311,646
Other expenses	Other expenses	PL	– 286,838	– 286,838
Finance income	Finance income	PL	896,942	896,942
Operating Income	N.a.		14,019,508	n.a.
Finance costs	Finance cost	PL	– 6,037,071	– 6,037,071
Current tax expense	Current income tax expense	21	– 203,951	– 203,951
Earnings from operational activity			7,778,486	n.a.
Earnings from operational activity per share			0.54	n.a.
Revaluation of investment properties	Revaluation of investment properties	PL	– 45,767,478	– 45,767,478
Deferred tax benefit/(expense)	Deferred income tax benefit	21	5,327,149	5,327,149
(Increase)/release of impairment allowance for loans and receivables related to the assets sold	(Impairment allowance)/release of impairment allowance for loans and receivables	PL	4,619,593	4,619,593
Total before foreign exchange movements	N.a.		– 28,042,250	n.a.
Net foreign exchange gain/(loss)	Net foreign exchange gain/(loss)	PL	– 831,826	– 831,826
Net (loss)/profit for the period	Net loss from continuing operations		– 28,874,076	– 28,874,076
Discontinued operations				
Net loss from discontinued operations (attributable to equity holders of the Company)	Net loss from discontinued operations (attributable to equity holders of the Company)	PL	– 103,266,531	– 103,266,531
Result of discontinued operations	N.a.		– 103,266,531	n.a.
Total net loss for the period	Total loss for the year		– 132,140,607	– 132,140,607

in EUR			for six months ended 30.06.2022	
Management performance meausure	Comparable measure in the financial statements (FS)	Statement or Note in the FS*	KPI	IFRS FS
Continuing operations	Continuing operations			
Net rental income	Net rental income	PL	11,528,552	11,528,552
Management fees	Management fees	PL	– 709,907	– 709,907
Administrative expenses	Administrative expenses	PL	– 1,121,894	– 1,121,894
Net other operating income:	N.a.		21,049	n.a.
Other income	Other income	PL	305,237	305,237
Other expenses	Other expenses	PL	– 246,504	– 246,504
Finance income	Finance income	PL	5,698	5,698
excluding	excluding			
Income on adjustment of purchase price of investment property acquired in prior periods	Income on adjustment of purchase price of investment property acquired in prior periods		– 43,382	– 43,382
Operating Income	N.a.		9,717,800	n.a.
Finance costs	Finance cost	PL	– 9,428,035	– 9,428,035
Current tax expense	Current income tax expense	16	– 59,053	– 59,053
Earnings from operational activity	N.a.		230,712	n.a.
Earnings from operational activity per share	N.a.		0.02	n.a.
Revaluation of investment properties	Revaluation of investment properties	PL	17,077,118	17,077,118
Deferred tax benefit/(expense)	Deferred income tax benefit	16	– 4,028,683	– 4,028,683
(Increase)/release of impairment allowance for loans and receivables related to the assets sold	(Impairment allowance)/release of impairment allowance for loans and receivables	PL	–	–
Other extraordinary items:	N.a.		43,382	n.a.
Income on adjustment of purchase price of investment property acquired in prior periods	Income on adjustment of purchase price of investment property acquired in prior periods		43,382	43,382
Total before foreign exchange movements	N.a.		13,322,529	n.a.
Net foreign exchange gain/(loss)	Net foreign exchange gain/(loss)	PL	– 3,518,076	– 3,518,076
Net (loss)/profit for the period	Net loss from continuing operations		9,804,453	9,804,453
Discontinued operations	Discontinued operations			
Net loss from discontinued operations (attributable to equity holders of the Company)	Net loss from discontinued operations (attributable to equity holders of the Company)	PL	– 46,940,258	– 46,940,258
Result of discontinued operations	N.a.		– 46,940,258	n.a.
Total net loss for the period	Total loss for the year		– 37,135,805	– 37,135,805

*Refer to interim condensed consolidated financial statements for six months ended 30.06.2023

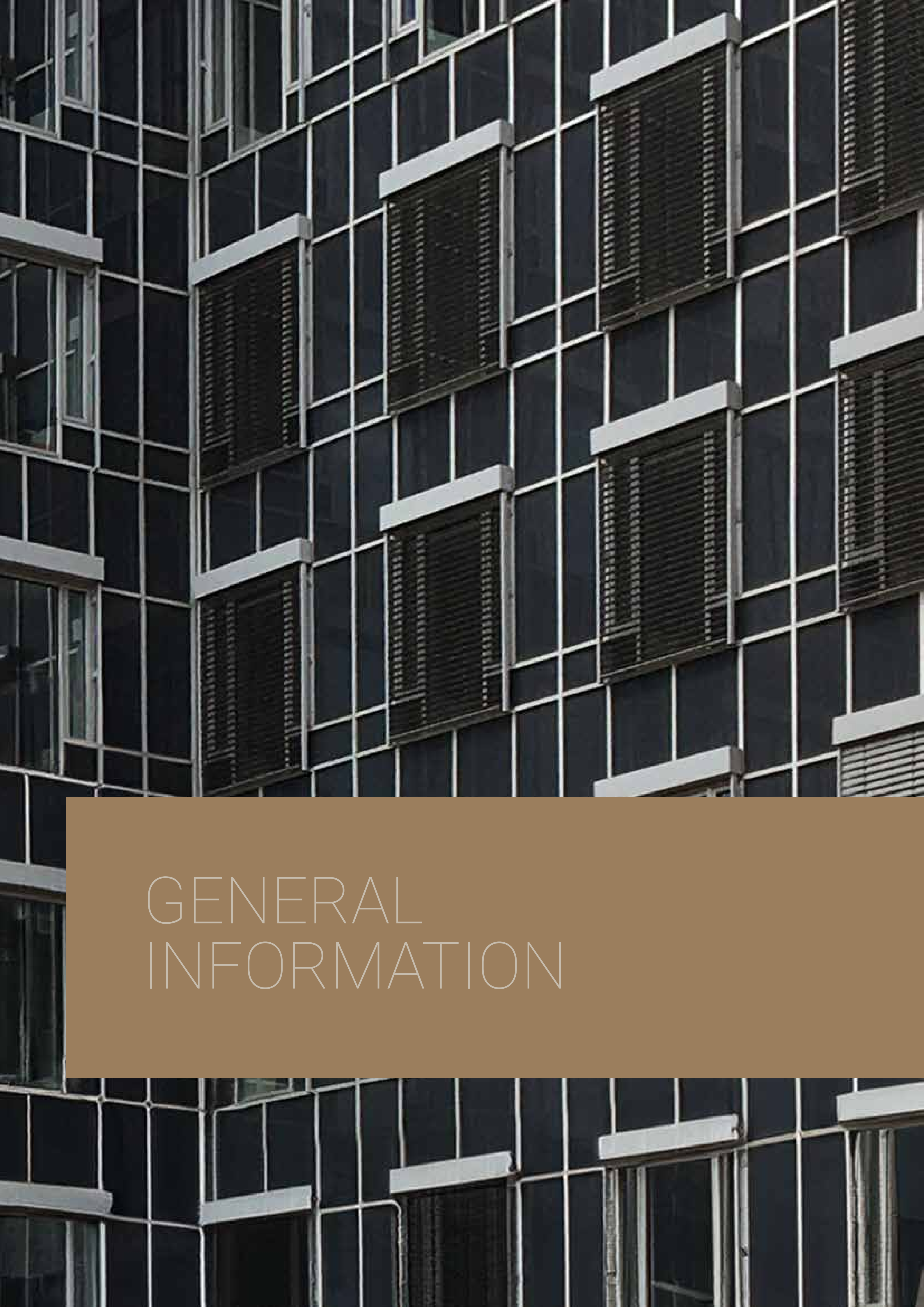
28. GENERAL INFORMATION ON INVESTMENT PROPERTIES

as of 30.06.2024

	City Gate	WLC	STRAL 3	SALZ 4
Country		Germany		
City	Stuttgart	Hamburg	Berlin	Dresden
Address	11, Kriegsbergstrasse	1a, Gorch-Fock-Wall	3, Stralauer Allee	4, Salzgasse
Property description	Office & retail with restaurant	Office and retail with fitness	Purpose built design hotel (music theme)	Hotel
Class	A	A	4-star	4-star
Building area, sqm	26,445	12,683	28,030	15,620
Land	freehold	freehold	freehold	freehold
Net rentable area in sqm (BOMA)	17,261	12,683	20,160	15,550
office	15,408	8,782	n/a	–
retail	1 246 (incl. restaurant)	–	n/a	261
other	607	3 901 (fitness, storage, wintergarden)	20 160 (304 rooms, restaurant, spa, stage, record studios)	15 289 (180 rooms, a spa, restaurant, bar)
Parking lots				
underground	146	89	86	46
surface	–	–	39	–
Vacancy rate as a % of net rentable area	4.5%	14.6%	0.0%	0.0%
Vacancy rate as % of target rental income	4.1%	12.8%	0.0%	0.0%
Lease terms	2024-2035	2024-2033	Nov. 2035	Jan. 2030
Weighted average lease term, years	6.4	4.5	11.4	5.5

as of 30.06.2024

	QBC 1	QBC 2	QBC 4	QBC 7	LASS 1
Country			Austria		
City			Vienna		
Address	Gertrude-Fröhlich-Sandner-Str	5, Wiedner Gürtel	4, Am Belvedere	Karl Popper Straße ONr. sine	1, Lassallestrasse
Property description	Office buidling	Office buidling	Office buidling	Parking	Office building
Class	A	A	A	A	A
Building area, sqm	10,300	30,600	20,000	n/a	44,776
Land	freehold	freehold	freehold	freehold	freehold
Net rentable area in sqm (BOMA)	9,292	30,062	17,425	727 units	29,242
office	7,848	25,182	17,425		24,592
retail	740	3,205	–	–	3,992
other	704	1,675	–	–	658
Parking lots					
underground			71 vehicles	679 car, 48 single-track parking spaces	154
surface			–	–	46
Vacancy rate as a % of net rentable area	0.00%	0.00%	0.00%	0.00%	0.31%
Vacancy rate as % of target rental income	0.00%	0.00%	0.00%	0.00%	0.13%
Lease terms	2026-2040	2026-2041	unlimited	Dec. 2038	2032; 2033; 2037; unlimited
Weighted average lease term, years	7.06	7.3	unlimited	14.12	10.3



GENERAL INFORMATION

Board of Directors
Vera Christodoulou
Michael Cuthbert
Tomasz Dukala
Olga Melnikova
Gustav Stenbolt
Gerrit Straub

Management Committee
Anna Bernhart
Vera Christodoulou
Michalis Constantinides
Olga Melnikova
Marios Phedonos
Christina Spyrou-Katras

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(since June 2018)

LIS Primus Audit and Tax Limited
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Zypern
(since 2023)

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ISIN NUMBER
CY0109992111

TICKER SYMBOL
EPH

COMPANY WEBSITE
https://europeanpropertyholdings.com/

CONCEPT, DESIGN AND REALISATION
PB3C GmbH