Aggregate Holdings S.A.

Half Year Report

2022

aggregateholdings.com

Aggregate

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Aggregate has a very experienced team to manage the business through these challenging times, and to deliver new value generation opportunities in the future.

Cevdet Caner,
Chief Executive Officer

Letter from **Management**

Dear Stakeholders,

For most businesses around the world, the key event of the first half of 2022 was Russia's invasion into Ukraine. First and foremost, it caused tremendous suffering to the people of Ukraine but also impacted the lives of millions of people around the world in terms of higher energy, food and interest costs. It also led to what can be best described as a long-term stress test for organisations that rely on affordable energy and low financing rates, which has formed a major challenge for the real estate and investment industry.

Throughout the first half year, Aggregate focussed on disposals and refinancings, to prepare for the evolving market conditions and increase its financial resilience. In line with this focus, Aggregate has upgraded its corporate governance.

Particularly in these challenging times, we are confirmed in our view that few asset classes match the long-term resilience and growth prospects of German commercial and residential real estate. Considering its fundamental drivers, Berlin real estate still is significantly undervalued, particularly compared to other leading German cities. In addition, the rising prices for our "Build & Sell" assets in Portugal are further testament to the strength of our asset base.

The "Build & Hold" projects under construction made excellent progress in H1 2022. In Quartier Heidestrasse, over 90% of the project is on track to be completed by end 2023, specific tenant fit-out works outside the standard budgeted fit-out works may be completed in 2024, and SAP, the core tenant for the 'QH Track' building, is currently moving in. For Fürst, the redevelopment is progressing well, with significant leases in advanced stages of negotiation. There has been some increase in capex versus the budget, given market conditions, which is expected to be offset by increased lettings prices. The project is expected to be largely completed by end 2023.

In the "Build & Sell" division, actual sales prices achieved by the Prata project in Portugal again exceeded expectations, as the project continued to demonstrate the strength of the market and the asset. Matinha and Pinheirinho continue to be recognised as some of the best large-scale projects in the Portuguese market.

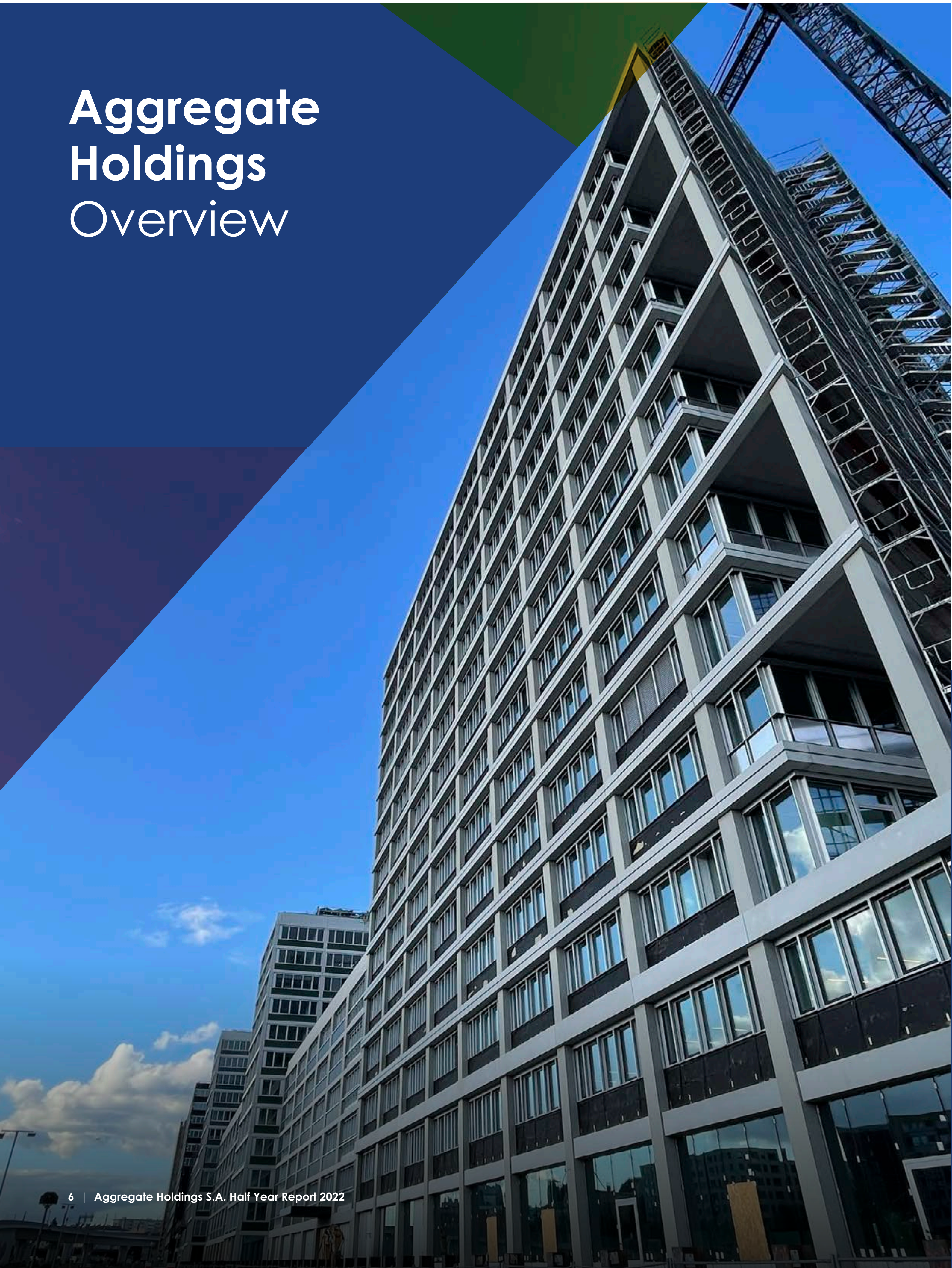
In "Financial Real Estate and Other Assets", the 26.6% stake in Adler group was reduced to 6.1% in February 2022, as the loan from Vonovia was swapped against Adler shares at a price of €10.44 per share. The group continues to work on non-core asset disposals, and we will only sell any asset when both price and buyer are right.

Along with asset sales, financings and refinancings to term out debt and provide cashflow are a key element of Aggregate's strategy. Liquidity has been negatively impacted and constrained due to delayed disposals and refinancings in the current environment. In 2022 to date, Aggregate has successfully refinanced a number of facilities at Quartier Heidestrasse, extended the VIC Convertible Debt payment date twice, and undertaken a number of refinancings and extensions in the Castle portfolio, demonstrating again the strength of Aggregate's assets. Aggregate is exploring multiple options including refinancings and sales to repay the VIC convertible bond. As a group, we regularly have constructive discussions with finance providers to provide the required flexibility, and in certain circumstances further capex for construction.

In July 2022, Aggregate took additional steps to strengthen its corporate governance, and to provide further management capacity for the current market conditions. Cevdet Caner was appointed as CEO and joined the Board, and announced he would be a 20% shareholder of Aggregate. Günther Walcher, founder of Aggregate, joined the Board as Chairman. At the same time, to ensure that Aggregate and its management team has constant access to world-class strategic advice from various perspectives, the company has set up an experienced three-person Advisory Board. In February 2022, an independent report prepared by Hogan Lovells International LLP found no evidence to support any of the allegations made against Aggregate Holdings by a "short-seller", as part of their campaign against Adler Group SA.

In the second half of 2022, Aggregate's focus remains on disposing QH and non-core assets, and effectively refinancing and extending our loan profile to provide the required flexibility to create value in the future. The key aim is to improve Aggregate's credit status and liquidity, and to reduce leverage over time. The ongoing actions will reduce financing complexity and risk and optimise the company's portfolio, while progressing core projects. Aggregate has a very experienced team to manage the business through these challenging times, and to deliver new value generation opportunities in the future. As Michael Cohrs, Chairman of our newly established Advisory Board put it: "The future belongs to those who take a long-term view, move fast, and combine superior understanding of financial data with solid risk management."

Aggregate Holdings Overview



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We are Aggregate Holdings

Aggregate Holdings S.A., headquartered in Luxembourg, is a predominantly Germany focused real estate investment company with interests also in Portugal (Germany exposure: **c.80%** and Portugal **c.20%** exposure). Aggregate actively evaluates investment opportunities in large-scale residential or commercial real estate developments, and often mixed-use projects creating vibrant neighbourhoods and commercial hubs in key locations.

Aggregate invests in both real estate companies and development projects, with the concentration on undervalued assets and special situations with potential for significant value creation. The company applies a diversified and sustainable long-term value creation approach, paving the way for ground-breaking real estate developments.

At the end of H1 2022, Aggregate had **€7.9bn** of assets and a **€10.2bn** gross development value (GDV) project portfolio in the Build & Hold and the Build & Sell divisions. These divisions include total 2m sqm of GFA (including above and below ground). The group has three divisions; Build & Hold ("B&H"); Build & Sell ("B&S"); and Financial Real Estate Assets (FREA).

As a fully integrated real estate development platform, Aggregate Holdings is covering the entire value chain in its investments: from acquisition and financing to planning, development and marketing with the aim to then either sell to third parties or keep as yielding asset for the long-term.

The first half of 2022 has seen progress in Aggregate's focus of divesting assets and working to improve Aggregate's credit status, while continuing to see progress and optimisation of key development projects.

Key Highlights H1 2022

€7.9BN
Total assets

€10.2BN
Management GDV

€3.0BN
Management NAV
(see Overview of Business Performance)

63.5%
LTV

2M SQM
Total Gross Floor Area

80%
Assets in Germany

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Our **Management**

Cevdet Caner

Chief Executive Officer

Track record of more than 300 transactions in Germany, UK, USA and Japan, across acquisitions, equity, and debt. Cevdet Caner is a leading investor in the real estate market in Germany. Cevdet helped substantially grow and develop a number of private and public Real Estate companies in Germany, through assisting in deal sourcing, financial structuring, capital markets activities, investment exit negotiation and finalization.

Benjamin Lee

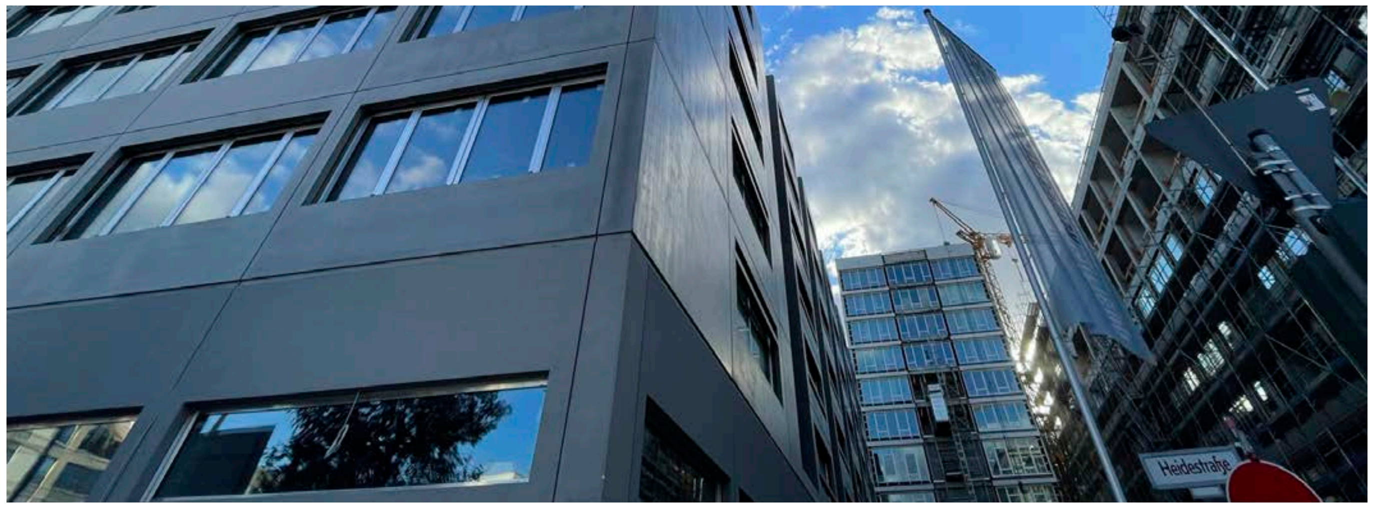
Chief Financial Officer

Benjamin Lee, Chief Financial Officer, has almost 30 years of experience in finance, 14 years of which he worked in investment banking at UBS in London and New York. He has 10 years experience as a board member and CFO for listed and private companies, in both the UK and Germany. Benjamin Lee is responsible for accounting, finance and capital markets at Aggregate.

John Nacos

Chief Investment Officer

John Nacos has over 30 years of experience in the financial industry in New York and London, having been Global Head of Commercial Real Estate debt at Deutsche Bank AG. John served as Supervisory Board member at CA IMMO, a Vienna-listed property company from 2015 to 2019 and was instrumental in steering the company's success. At Aggregate, John Nacos is responsible for acquisitions and investments.



Advisory **board**

Michael Cohrs

Chairman

Originally from the United States, Michael Cohrs is highly experienced in German business, having served as the Head of Global Banking for Deutsche Bank. In this capacity, he advised some of the world's leading corporations and investment funds. Following that, he served on the Court of the Bank of England.

Luciano Gabriel

Advisory Board Member

Chairman of the Board of Directors of PSP Swiss Property AG, a listed Swiss property company with over 9 billion Swiss francs of assets and a history of strong, stable financial performance. Former Chairman of EPRA, whose mission is to promote best practices and transparency among European listed real estate companies.

Peter Solmssen

Advisory Board Member

Served as Managing Board Member and General Counsel of Siemens and, after that, Executive Vice President and General Counsel of AIG. Co-founded and led a network of lawyers, academics, NGOs as well as prosecutors that assisted the OECD in setting standards to fight corruption and to foster integrity in global business.

Board of **Directors**

Günther Walcher

Chairman and Founder

Günther has over 40 years of experience as a founder of, and investor in, major businesses both inside and outside the real estate sector. In 2015, Günther set up Aggregate Holdings SA below Lavinia BV, which he founded in 1998, as his European Real Estate structure primarily for German investments.

Cevdet Caner

CEO and Director

Prior to becoming CEO of Aggregate, Cevdet was an advisor to the company, with a focus on deal sourcing, structuring, and investment negotiations. He is now a Director at Aggregate Holdings SA and a member of the company board.

Massimo Longoni

Director

Massimo has over 25 years of experience in the finance and private equity industry across Europe. Founded Groupe Electa S.A. in 2003 and is, inter alia, an independent board member in a few selected AIFMs (Alternative Investment Fund Managers), managing mainly large pan-European investments funds.

Elena Guaraldi

Director

Over 10 years of experience in the finance industry. Since 2014, corporate and client relationship manager at Groupe Electa S.A., in charge of corporate procedures, including legal, technical and administrative aspects.

Valérie Ravizza

Director

Over 29 years of experience in domiciliation and management of companies in Luxembourg. Worked as corporate manager at Global Trust Advisors S.A. Board member in a number of private equity firms and she is responsible for a client portfolio based mainly in Europe.

Business Overview

Key Achievements in 2022

Q1 2022

February 2022: An independent report issued by Hogan Lovells International LLP found no evidence to support any allegations made against Aggregate Holdings SA by the short-seller Viceroy Research Group LLC in its publications dated 6 and 12 October 2021 regarding Adler Group SA, a leading German real estate group in which Aggregate holds a stake. Hogan Lovells undertook a detailed review of all relevant documents, conducted face-to-face interviews and carried out independent research over a three-month period to thoroughly scrutinise all allegations and deliver its report. The report concluded that none of the allegations made in relation to Aggregate are supported by evidence and therefore have no foundation.

March 2022: Aggregate successfully closed the sale of the five-star hotel L'Oscar and an adjoining historic building located in central London, to Aevis Victoria SA. The total sale value amounted to £60m which achieved a premium to book value for the assets. The closing demonstrated significant progress in the group's overall plan to de-leverage and focus on core assets.

Q2 2022

April 2022: Quartier Heidestrasse celebrated the shell completion of two buildings QH Colonnades and QH Straight. Ephraim Gothe, deputy mayor and urban development councillor for the Berlin-Mitte district attended the event named the Roofing Festival. The event was well-received by the local community showcasing that key developers continue to be valued for creating new living and business spaces. The two buildings will bring an additional c.62,748 sqm of gross floor area to the vibrant quarter, which consist of 34,302 sqm of lettable area focused on residential, office and retail use-classes.

May 2022: The VIC Properties landmark project PRATA Riverside achieved a milestone by starting the construction of plots 5 and 6, which together equate to a total of 144 new residential units with 21,764 sqm of lettable area. Earlier in the year the segment successfully completed Plot 1, 107 units with lettable area of 13,247 sqm, enabling the project to achieve c.€46m in revenue as of H1 2022. The first half of the year has seen unprecedented demand for high-quality modern residential units in Lisbon. Being well positioned, VIC Properties has once again effectively executed delivery to local and international markets.

May 2022: Aggregate announced the planned sale of Quartier Heidestrasse, the largest and most innovative quartier development in Berlin. CBRE was appointed to conduct the sale process, the main purpose of the planned sale is to de-lever the group and provide additional optionality. Since the announcement, Aggregate has commenced negotiations on a number of elements, and has successfully signed the sale of two segments QH-Core and QH-Spring at a premium to book values since the announcement.

June-July 2022: Aggregate's ultimate beneficial owner Günther Walcher and the company board took the decision to strengthen the Management Team, the Board and set up an Advisory Board consisting of internationally recognised members. This was followed by Cevdet Caner being appointed as CEO, and joining the Company Board as Director and Co-Shareholder, Günther joined the Board as Chairman. The company also announced the highly regarded Advisory Board consisting of Michael Cohrs, Luciano Gabriel and Peter Solmssen.

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quartier HEIDESTRASSE

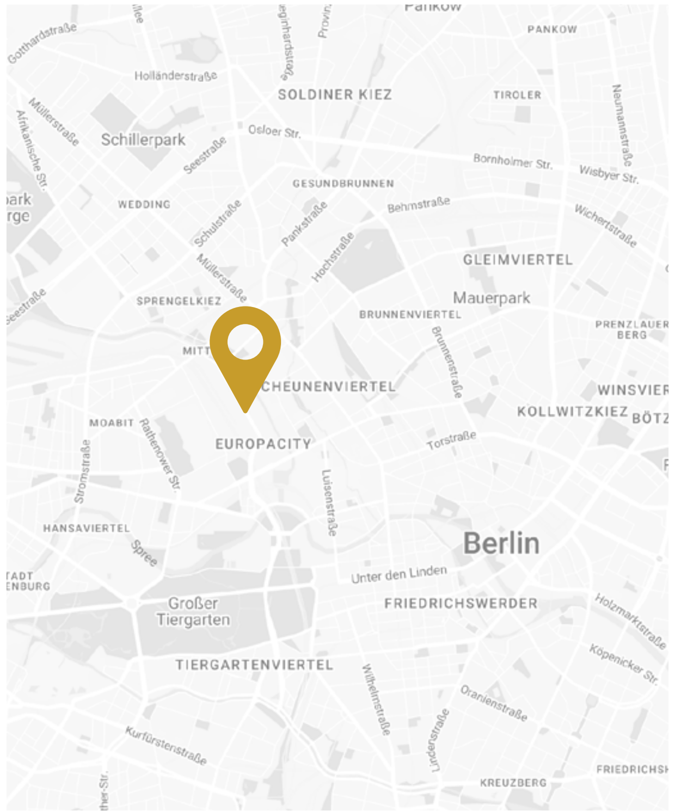
Build & Hold

Quartier Heidestrasse is the new mixed-use development currently being constructed and partly completed. The project is part of the overall Europa City development close to the central railway station in Mitte, Berlin, with a gross floor area of 371,000 sqm. The development is circa 73% completed already as of August 2022, with over 90% of the 236,000 sqm of net lettable area to be completed by the end of 2023. All figures are on a 100% basis, prior to any sales of QH assets.

€2.1BN
Residual Value

c.236,000m²
Net Lettable Area

c.371,000m²
Gross Floor Area
(Above and Below Ground)



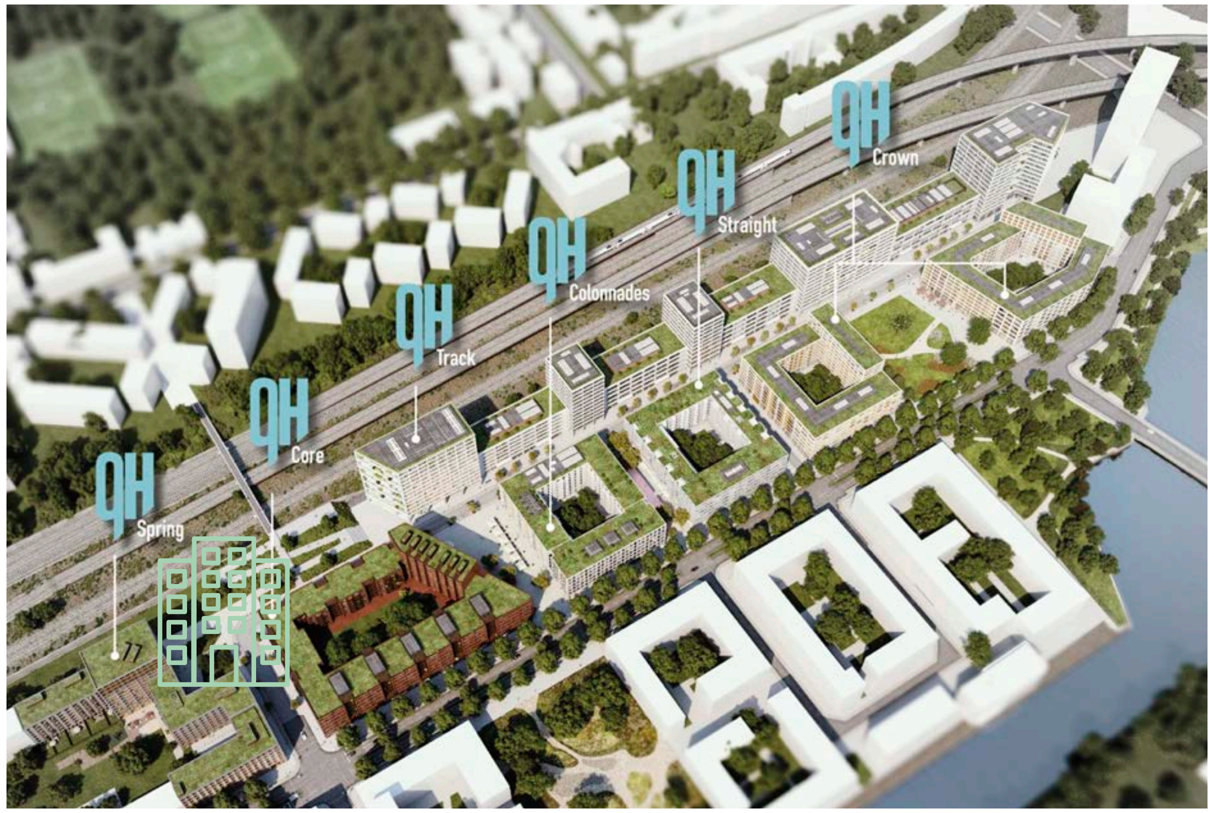
73%
Completed based on Total Construction Cost as of August 22

c.€89M
Estimated Rental Value at completion

60% Office	**28%** Residential
6% Retail	**6%** Hotel & other


Gold pre-certification achievement for QH Track from DGNB Construction systems. Cross-quarter building control technology and eco-efficient automation. DGNB Gold planned and targeted for remaining segments at completion.


QH is the first urban quarter with an integrated digital urban ecosystem that combines living, working, shopping and leisure. QH has achieved a strong pre-let of approximately 50% out of a total Net Lettable Area ("NLA") of 236,000 sqm, with further significant lease negotiations ongoing.




90% to be completed by end 2023, with phase one already completed.

- **QH Core:** 100% completed
- **QH Spring:** 90% completed
- **QH Track:** 77% completed
- **QH Crown 2:** 55% completed
- **QH Crown 1:** 21% completed
- **Straight/Colonnades:** 67% completed

Completion percentages as of August 2022

In September 2022, Aggregate announced that a leading DAX40 group became the second-largest tenant with approximately 23,000 sqm of mostly office space. With 37,000 sqm, SAP remains the largest tenant of QH, where it is developing its Digital Campus with a focus on artificial intelligence, machine learning and blockchain. 50Hertz is the third-biggest tenant, with 8,200 sqm already under occupation.

In September 2022, Aggregate announced the successful sale of QH Core and the signed agreement for the sale of QH Spring. The gross purchase price of the two assets was €456m, a premium to book value. QH Core and QH Spring have a combined gross construction area of 85,095 sqm. Together they represent approximately 15% of the value of the project.

FÜRST

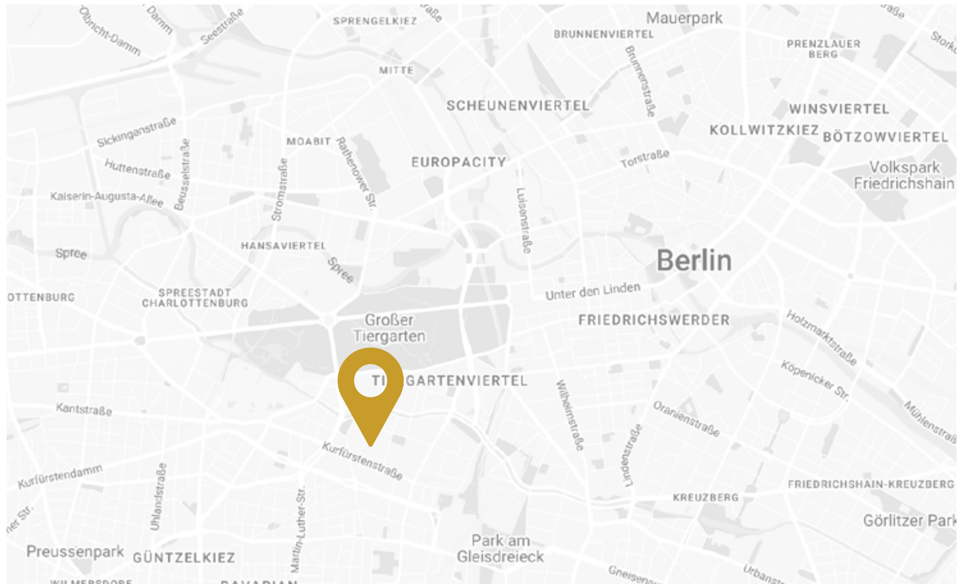
Build & Hold

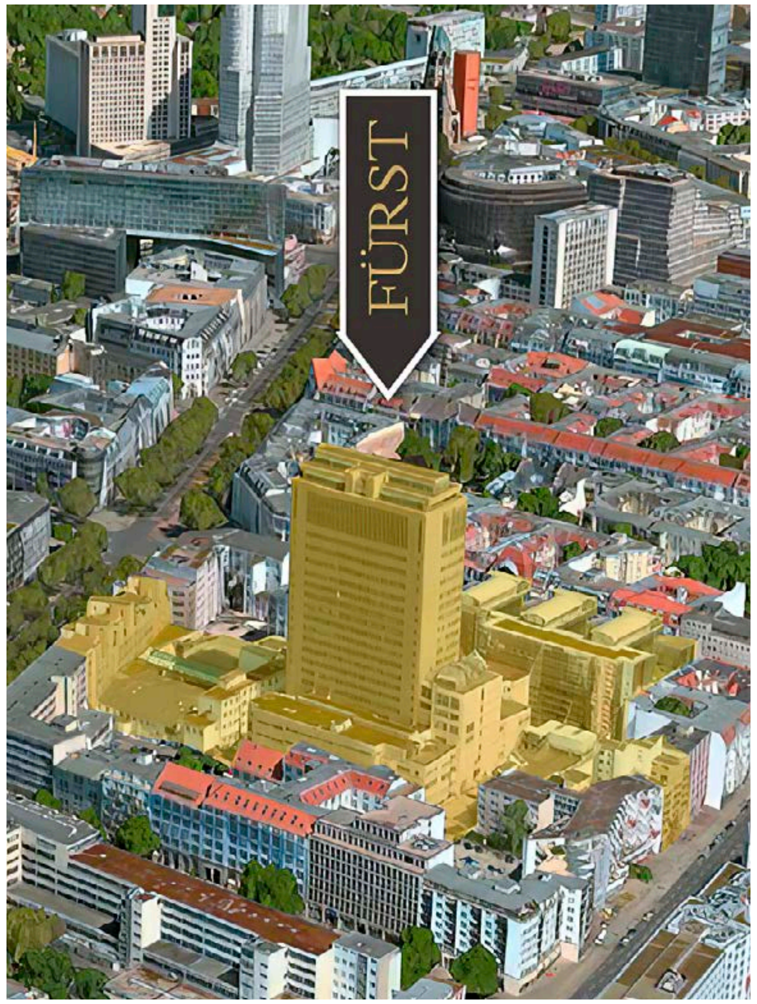
The Fürst project is a prime asset located on Kurfürstendamm in central Berlin with c.109,000 sqm of Net Lettable Area, to be largely completed by end 2023. The project is under construction and the first phase is already complete and yielding. The completed phase is mainly office-use with retail units on ground floor; corporate tenants have moved in and started paying rent. The remaining phases are planned to be largely completed through to the end of 2023, and full completion targeted by H1 2024.

€1.2BN
Residual Value

c.109,000m²
Net Lettable Area

c.183,000m²
Gross Floor Area
(Above and Below Ground)





Majority of completion targeted by end 2023, with phase one already completed.

Completed Eastern Building Area: 100% completed
Middle Building Area: 27% completed
North Building Area: 48% completed
South Building Area: 38% completed
Completion percentages as of August 22

Platinum pre-assessment achievement from LEED Construction Systems. The highest possible achievement for sustainable construction from LEED Construction Systems.

48%
Completed based on Total Construction Cost as of August 22

c.€50M
Estimated Rental Value at completion

60% Office
10% Retail
17% Leisure
13% Hotel and restaurants

€1.7BN
Gross Development Value

The Fürst project is excellently located on one of Berlin's busiest and most prominent streets, Kurfürstendamm, benefitting from a prime location as well as a unique footprint as a mixed-use quarter. In September Aggregate announced, the signed lease with City Leisure Group, space for a 5D cinema expected to attract around 500,000 visitors per annum. 24% of total rental space is either already occupied by tenants or pre-let, other signed tenants include Cells Bauwelt GmbH, Komödie Berliner Privattheater GmbH RTL Radio and Mindspace.

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Key Berlin projects

Two significant additional projects in Berlin will be developed as Build & Hold projects. These developments, Project Walter and Project Green Living, will be constructed and progressed in the Build & Hold division as core yielding assets. Estimated rental value of c.€109m is expected to be generated once construction is completed in stages.

Strategy Optimising

c.€109M Estimated Rental Value

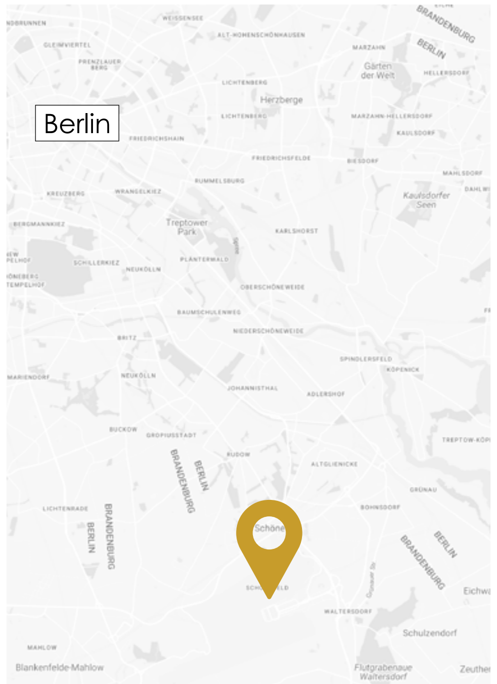
Landmark Berlin Projects

Project Walter

The project plot area extends over 142,425 sqm and is located in Schönefeld, a town near the new airport, located just beyond the city limits of Berlin in the state of Brandenburg. The development will have a Gross Floor Area (GFA) of 395,000 sqm and a Net Lettable Area (NLA) of 241,375 sqm. The project's NLA encompasses 165,500 sqm of office area, 44,000 sqm of hotel area, and 31,875 sqm of conferencing hotel area. The project plan includes 1,695 underground car parking spaces.

The project is located within the area of application of the local development plans "Landmarke" and "Bohnsdorfer Weg", a preliminary draft B-Plan was submitted Q4 2020 and a confirmation of the development plan is anticipated by H2 2023.

Given the location near the new airport BER (Berlin-Brandenburg), the project has excellent accessibility by private/public transportation.



€362M Residual Value

€61M Estimated Rental Value

c.395,000m² Gross Floor Area (Above and Below Ground)

€1.4BN Gross Development Value

69% Office

31% Hotel and conferencing

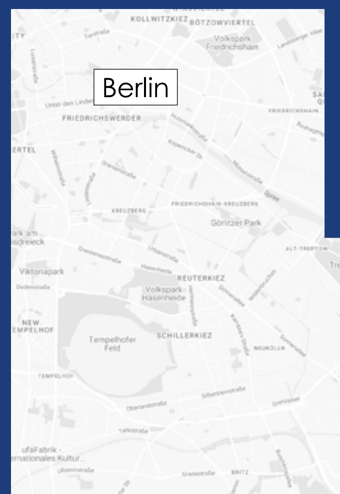
c.241,000m² Net Lettable Area

Project Green Living

The project plot area extends over 309,300 sqm and is located in Berlin's Treptow-Köpenick district, the project site is alongside the canal Britzer Verbindungskanal.

The development will have a Gross Floor Area (GFA) above ground of 367,000 sqm and a Net Lettable Area (NLA) of 294,296 sqm. The project is within the urban development concept "Leben in der Baumschule" and the project's NLA encompasses 147,200 sqm of residential area, 60,720 sqm of subsidised housing area, 51,600 sqm of office area, 25,920 sqm of retail area. The development also includes c.3000 car parking spaces.

Plan to conclude urban development framework by 2023, and application of development plan by 2024.



c.367,000m² Gross Floor Area (Above and Below Ground)

c.294,000m² Net Lettable Area

€270M Residual Value

€48M Estimated Rental Value

€1.4BN Gross Development Value

71% Residential

18% Office

11% Retail and Other

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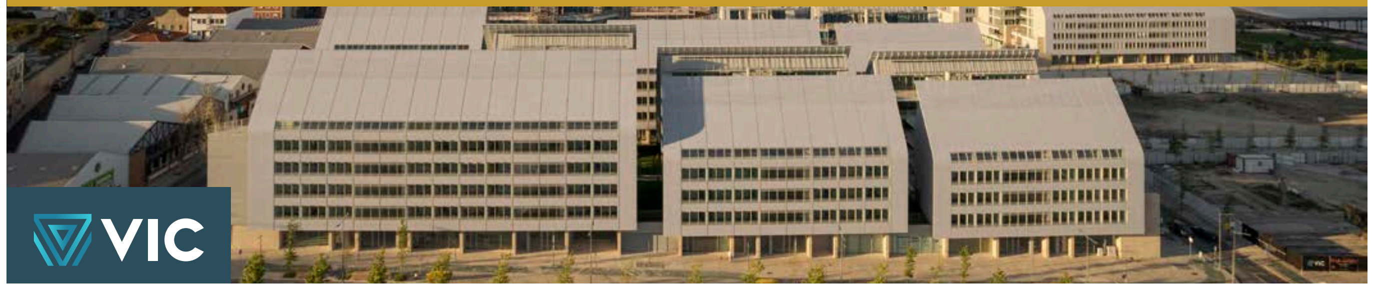
Build & Sell

The Build & Sell division's core asset is VIC Properties, the largest real estate developer in Portugal, with two developments on the Lisbon waterfront and a development near to Comporta, just south of Lisbon. VIC's flagship project, PRATA, is completing its first phase and full completion will take place in 2025. The division operates as a real estate developer focused on the construction and sale of real estate to individuals and investors frequently via forward sales.

Prata

Prata is the large-scale flagship project in Lisbon and is considered to be the most iconic residential project under construction at a central prime river front location in one of Lisbon's trendiest neighbourhoods, Marvila, offering 781 modern apartments over 200,000 sqm GFA (Above and below ground). This plot (with VIC's Matinha plot) are the only plots directly on the river Tagus between the city centre and Lisbon's modern business district Parque das Nações. Designed by famous architect Renzo Piano (architect of 'the Shard', London) it received SIL's "Best Residential Housing Development Award Portugal 2019".



Start of Construction:
2019

Full completion:
2025

Residual value (Remaining):
€312M

€561M
GDV (Remaining)

Total Units (Remaining):
642

Current average residential sales price:
€7K/SQM

Total Project GFA (Above and below ground):
200,000SQM

Matinha

Matinha is the largest residential neighbourhood project in Lisbon with c.330,000 sqm GFA (Above and below ground), delivering c.1,474 apartments and 250 hotel rooms. A number of retail and restaurant areas, plus commercial/office units and a hotel will complement the residential units. The premium location on the river Tagus Prata Riverside Village and Parque das Nações, attracts both domestic buyers and international demand.

First Completions: **2025**

c.1,724 Total Units

€1.4BN GDV

Residual value: **€372M**

GFA (Above and below ground): **330,000SQM**

Average residential sales price: **€7.5K/SQM**

Pinheirinho

Pinheirinho is an excellently located leisure project, with a total GFA (Above and below ground) of c.197,000 sqm for villas and town houses, and includes a boutique and a 5-star hotel incorporating an already completed 18-hole golf course. A fully valid development permit is already granted and the key infrastructure is almost complete. Located right on the Alentejo Coast in the exclusive Comporta region just south of Lisbon, with a vast shoreline of c.40km unspoilt connected sandy beaches.

First Completions: **2024**

c.827 Total Units including **218** units from two hotels

€1.2BN GDV

Residual value: **€433M**

GFA (Above and below ground): **197,000SQM**

Average residential sales price: **€7.6K/SQM**

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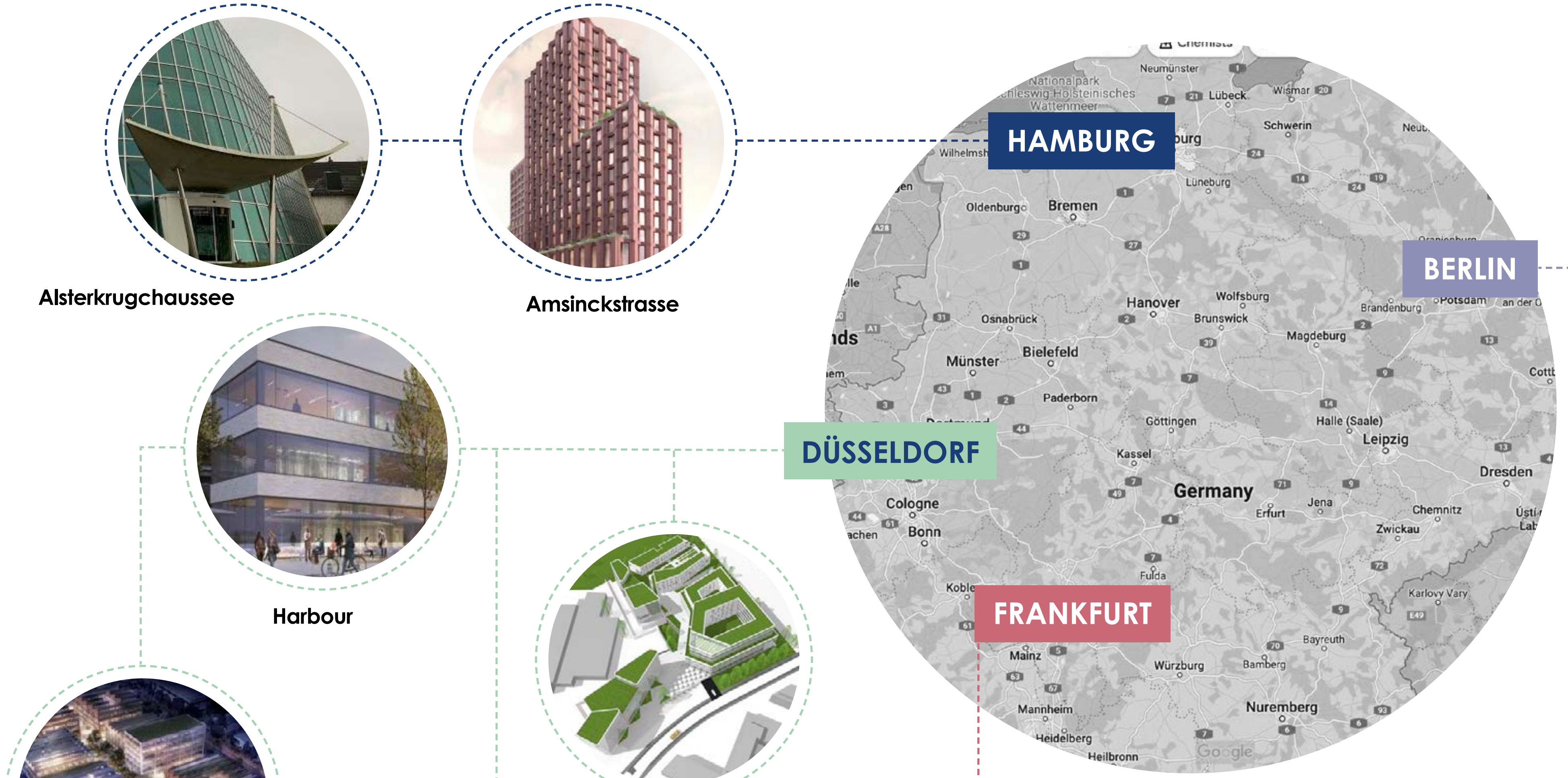
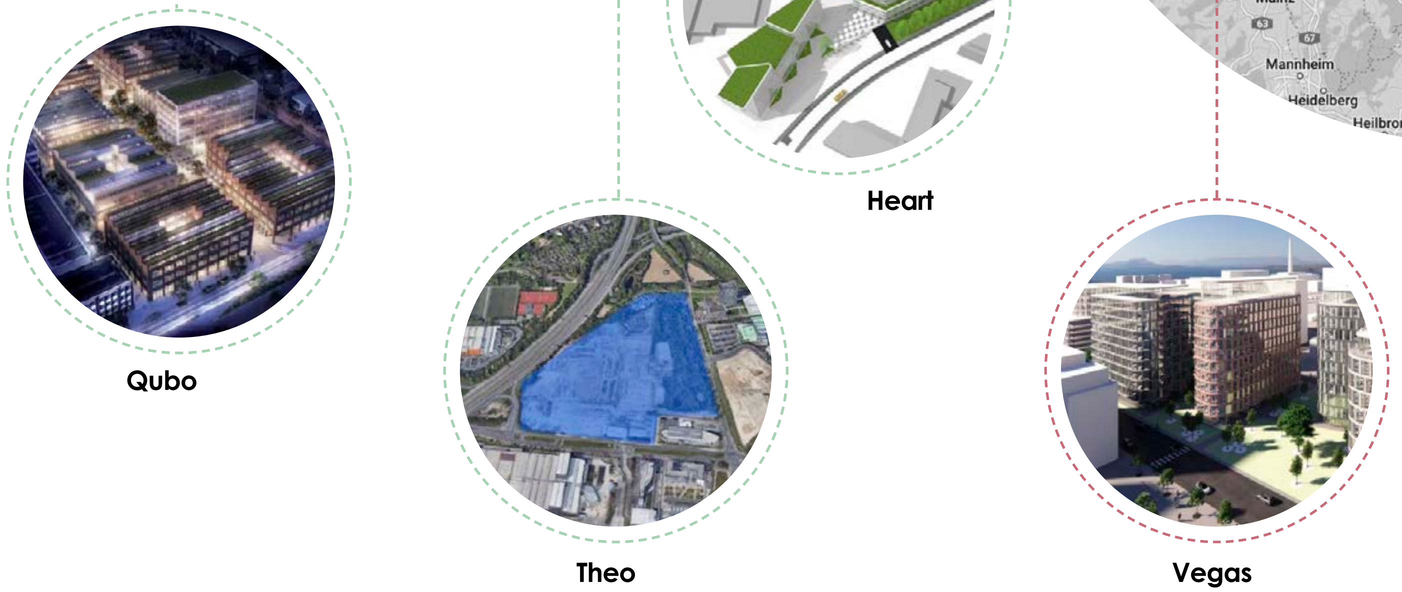
Financial Real Estate Assets

This segment includes various investments, which is the combination of strategic long-term and short-term investments. The different strategies can be applied across various time frames to either focus on maximising shareholder value or to create liquid investment profiles. Aggregate has historically utilised this segment efficiently to hold stakes in some of the largest real estate companies in Germany and the German-speaking region and it currently holds a c.6% stake in Adler Group. The segment currently holds an impressive development portfolio of eleven real estate projects, located in the major cities of Berlin, Hamburg, Frankfurt and Dusseldorf, as investments now for sale.





The Financial Real Estate Assets division has access to unique off-market transactions, through a long-lasting business network established across Germany and the German-speaking region, a focus on the profitable sale of own land reserves, and the ability to further optimise the existing capital structure with best-in-class assets.

€930M	100%	c.6%	€1.7BN
Residual Values	FREA Assets in Germany	Adler Group Stake as of June 2022	FREA Segment Total Assets

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Consolidated Management Report for First Half of 2022

Overview of Business Performance

The first half of 2022 was a period of significant progress for Aggregate Holdings S.A. and its subsidiaries ("Aggregate" or "Group"), during which Aggregate focussed on preparing for disposals and refinancings to reflect the evolving market conditions and increase its financial resilience.

In the Build & Hold division, capex continued at the investment properties under construction. The sale of Quartier Heidestrasse was announced, with the related investment properties and investment properties under development moved into Assets Held for Sale. The Build & Hold division is all based in Berlin, which Aggregate continues to believe has excellent long-term growth potential.

The Build & Sell division operations performed well, with increased achieved pricing demonstrating the strength of the projects which Aggregate has in both Lisbon and the Comporta region. The market valuations are not reflected on the balance sheet, as the assets are held as inventory, but it does demonstrate the future potential revenue performance for the Build & Sell division.

In Financial Real Estate and Other Assets, the Group's stake in Adler Group S.A. ("Adler") was reduced from 26.6% to c6%; Aggregate continues to believe strongly in Adler's recovery potential. Valuations of the non-core investment properties and investment properties under development held for sale in the division were reduced to reflect market conditions at the half year, and the value of the loan book also increased.

Loan-to-Value (LTV)

LTV is an important measure for the Aggregate Group due to the Group's status as a real estate owner and developer. The LTV at H1 2022 was 63.49% (FY 2021: 59.76%) including the Assets and liabilities held for sale, reflecting reported net debt increased by €292 million compared to total assets (net of cash) increased slightly by 19 million. The increase in total assets net of cash is mainly driven by the decrease in cash balance including assets held for sale from €415 million at FY 2021 to €397 million in H1 2022. The net debt increase was primarily driven by a combination of debt incurred to finance capex, accrued interest, increases due to refinancings including the VIC Convertible Bond extension, netted against the reduction from the repayment of the Vonovia loan secured on the Adler shares.

Management NAV

The Management Net Asset Value represents the calculation of the excess of the fair value of assets over liabilities of Aggregate Group on an ongoing and long-term basis in management's view. It includes adjustments of (i) fair value of inventories compared to book value in the Build & Sell segment (ii) adding back deferred taxes at 30 June 2022 that are not expected to crystallise on an ongoing basis, (iii) fair value uplift of Quartier Heidestrasse and Fürst based on residual value adjusted for higher expected rents at the existing capitalisation rate and adding back purchasers' cost. As at 30 June 2022, the Management NAV of Aggregate stood at €3.0bn. The Group is continuing to strive to grow its net assets, supported by the advanced stages of construction for Quartier Heidestrasse and Fürst, and the existing land bank in Germany and Portugal.

Management NAV	€ million
Shareholders equity (including hybrid)	1,725
Fair value inventory uplift	408
Deferred taxes	322
Adjusted NAV	***2,455***
QH fair valuation uplift	269
Fürst fair valuation uplift	283
Management NAV	3,006

Profit & Loss

For the six month period ended 30 June 2022, total revenue generated by Aggregate amounted to €93 million as compared to €36 million, comprising primarily of sales of apartments at Prata and rental income from Quartier Heidestrrasse.

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Consolidated Management Report for First Half of 2022 (continued)

Income from property development increased by €34 million as compared to H1 2021, which is linked to the positive performance achieved on the sales of apartments at Prata from Build and Sell.

Other operating income increased from €18 million at H1 2021 to €38 million at H1 2022 mainly due to other income derived from Build & Hold division and Financial Real Estate and Other Assets.

Aggregate focused on the development of its projects in Germany and Portugal, with the key area of activity being construction of its properties (both for Build & Hold and for Build & Sell). The revenue reflects the Group's position at the beginning of its strong ramp up.

Overall performance increased to €89 million (H1 2021: €58 million), mainly due to the reasons mentioned above.

EBITDA of €24 million (H1 2021: €821 million) decreased by €797 million mainly due to decrease in fair value of investment properties and investment properties under development in H1 2022 as compared to H1 2021. In H1 2021, the increase in fair value of investment properties and investment properties under development of €892 million was due to the successful acquisition at a significant discount of the Project Castle portfolio made during that period, whereas it was €90 million in H1 2022, reflecting increases in QH offset by decreases in the Castle portfolio and Fürst.

The €67 million loss from fair value adjustments from financial assets reflected a reduction in value of financial assets which includes an amount of €47 million from share price decline recognised on Adler, previously classified as "Equity accounted investees" as now re-classified as "Financial assets" due to the significant decrease in ownership.

Other operating expenses of €66 million (H1 2021: €43 million) includes increased commissions, arrangement fees and professional fees due to the transactions that occurred in the period.

Finance costs of €307 million (H1 2021: €99 million) relates to interest expense paid on loans and borrowings. The significant increase in finance costs is mainly due to:

- An amount of €139 million relating to i) the interest on convertible bonds issued in Build and Sell division calculated in accordance with the trust deed and ii) step-ups in principle resulting from the put option being exercised by the bondholders and the agreed extension terms; and
- Increase in total loans and borrowings in H1 2022 versus H1 2021 due to significant acquisitions in June 2021.

For the H1 2022, Aggregate reported a loss of €249 million which is attributable to the owners of the Group as compared to a profit of €585 million in H1 2021.

Cashflows

The statement of cash flows reflects Aggregate's status as developing and constructing assets prior to receiving income, in the Build & Hold division in H1 2022. Operating cash flow for the period was an outflow of €97 million mainly due to the following:

- A net outflow of €102 million in trade and other payables, which includes net movement of €14 million relating to mandatory convertible bonds issued in June 2022 and net movement in assets and liabilities held for sale and discontinued operations for an amount of €27 million; and
- Interest paid for an amount of €23 million during H1 2022.

Net cash used from investing was €264 million primarily in Quartier Heidestrasse and Fürst, and to:

- Net capital expenditure incurred during H1 2022 for a total amount of €173 million.
- Net movements in financial assets and financial derivatives, and loans receivable from third parties and related parties for an amount of €92 million.

Consolidated Management Report for First half of 2022 (continued)

Cash flows generated from financing was €234 million, reflecting new financings and refinanced and increased in existing external loans net of repayments made during the period H1 2022.

The net result was for cash to decrease from €392 million at FY 2021 to €267 million at H1 2022 reflecting the above described operations during H1 2022.

Balance sheet

The total balance sheet of Aggregate remained similar to year end 31 December 2021. The total assets split per business units are as follows:

- Build and Hold: €4.348 billion, out of which €2.244 billion is relating to Quartier Heidestrasse moved to Assets Held for Sale due to the sale announcement.
- Build and Sell: €1.881 billion.
- Financial Real Estate and Other Assets: €1.686 billion.

Investment properties and investment properties under development were fair valued at H1 2022 per internal management valuation analysis using the 31 December 2021 third party valuations as an initial basis and reflects discussions held with various external valuation experts and market reports as well as executed deals.

Goodwill remained unchanged at €1.14 billion as at H1 2022, reflecting the fact that there were no impairment triggers under the value in use methodology required. Aggregate will undertake a full review at year end taking in to account any new information from the potential sale process currently underway for the Build and Sell assets.

Aggregate's stake in Adler Group S.A. was reduced from 26.6% at year-end 2021 to c.6% H1 2022, and thus re-classified as financial assets at fair value through profit or loss under "Financial Assets" in the balance sheet. During H1 2022, Aggregate recognised a loss of €47 million as a result of mark to market on this position.

The financial asset base grew to €709 million (FY 2021: €585 million) with a net increase of €124 million resulting mainly from a net increase in loans granted to third parties of €88 million and related parties of €27 million.

Assets held for sale relates to 8 development assets in the Project Castle portfolio, the Ringbahnhofe project, two other real estate portfolios held by the Group and importantly Quartier Heidestrasse following the sale announcement. Investment properties, investment properties under development, trade and other receivables, cash at bank are included under this caption. Please see note 15 for more details.

Loans and borrowings value (both current and non-current) amounted to €3.209 billion (FY 2021: €4.229 billion) in the period. As of 30 June 2022, loans and borrowings amounted to €1.321 billion relating to Quartier Heidestrasse were classified as liabilities held for sale. In FY 2021, Quartier Heidestrasse loans and borrowings were classified in continuing operations.

Trade and other payables were reduced significantly to €150 million (FY 2021: €296 million) mainly due to trade and other payables for Quartier Heidestrasse amounting to €165 million now being classified as liabilities held for sale.

Liabilities held for sales relates to 8 development assets in the Project Castle portfolio, the Ringbahnhofe project, two other real estate portfolios held by the Group and Quartier Heidestrasse following the sale announcement. Loans and borrowings, deferred tax liabilities and trade and other payables are included under this caption. Please see note 15 for more details.

Net Debt

The reported net indebtedness of Aggregate including held for sale increased to €4.768 billion (FY 2021: €4.476 billion). The net indebtedness of Aggregate increased significantly in H1 2022 versus FY 2021 due

Consolidated Management Report for First half of 2022 (continued)

to a combination of debt incurred to finance capex, accrued interest, increases due to refinancings including the VIC Convertible Bond extension, netted against the reduction from the repayment of the Vonovia loan secured on the Adler shares.

Net Assets

Total equity amounted to €2.059 billion (FY 2021: €2.301 billion) and is mainly composed of share capital and retained earnings. Mandatory convertible bonds increased to €439 million reflecting tap issue of €14.7 million made in June 2022. The non-controlling interests of €334 million (FY 2021: € 342 million) relate primarily to the Build & Hold division and Financial Real Estate and Other Assets.

Material uncertainty on going concern

The Board of Directors described in note 2 of the interim condensed consolidated financial statements the going concern assumptions undertaken in the preparation of the unaudited interim condensed consolidated financial statements as a going concern. The going concern assumptions described by the Board of Directors carry an element of uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern which we believe would have been indicated by the auditors in the event that these interim condensed consolidated financial statements would have be reviewed.

Events post Balance Sheet

Cevdet Caner was appointed as CEO on 4 July 2022 and joined the board of Aggregate, and it was announced he will become a 20% co-shareholder in Aggregate. At the same time Günther Walcher, the founder and 100% owner of Aggregate, joined the board as Chairman.

Aggregate has made significant progress with its strategy to divest its flagship Quartier Heidestrasse project. On 9 September 2022, Aggregate announced the sale of two segments of its Quartier Heidestrasse project for a gross purchase price of €456 million at a premium to book value. The two segments, QH Core and QH Spring have a combined gross construction area of 85,095 sqm. Together they represent approximately 15% of the value of the project. The buyer of the assets was Vivion Investments S.à r.l.

VIC Properties has successfully arranged an amendment of its €250,000 thousand 3.00% Secured Pre-IPO Convertible Bonds due 2025 on 26 September 2022. The Bondholders have approved a request to amend and restate the Trust Deed relating to these bonds. The amendment moved the first optional put date to 30 April 2023, and committed the Company to launch an M&A process with an M&A completion deadline of 28 February 2023 to facilitate the issuer's ability to fund the redemption of these bonds.

Aggregate has completed a number of financing transactions post balance sheet date, including a €22 million upsizing of a facility at Quartier Heidestrasse GmbH, and an amendment of a senior lending facility for the development of Quartier Heidestrasse phases QH Spring, QH Colonnades, QH Straight and QH Crown II to cover estimated cost overruns and fund capex on QH Spring prior to planned sales of these assets.

Outlook

Aggregate Group continues to believe that the German residential and commercial real estate markets in the top German cities, and in particular Berlin, will remain a robust and appreciating asset class to invest in. Currently all of Aggregate's Build and Hold assets are based in Berlin. The assets in Portugal also are located in prime locations in the country, with demonstrated pricing upside.

Consolidated Management Report for First half of 2022 (continued)

In the second half of 2022, Aggregate's focus remains on disposing of non-core assets, and effectively refinancing, addressing issues and extending our loan profile to allow the flexibility to create value in the future. The key aim is to improve Aggregate's credit status and liquidity, and reduce leverage over time, although leverage is expected to remain raised in the medium term. The ongoing actions will reduce financing complexity and risk and optimise the company's portfolio, while progressing core projects. Aggregate has a very experienced team to address these challenges to allow for future new value generation opportunities.

Summary Risk Report

The Group faces a variety of risks and opportunities in the course of its business activities requiring assessments, strategies for risk minimisation and mitigation and actions with short, medium and long-term impact.

Clear and accountable governance safeguards the future of the Group. It enables the Group to maintain its agility, entrepreneurial spirit and provides development opportunities for our people. The Board and management are responsible for the direction and oversight of Aggregate Holdings S.A. and its subsidiaries.

The Board believes in good governance and managing company risk and reporting effectively. The Board defines the Group's risk policy and the procedures to mitigate exposure to risk, monitors the risks and reviews the effectiveness of the current risk management and internal control procedures.

The risk profile of Aggregate is based on the risks and opportunities outlined in our Consolidated Financial Statements and Management Report dated 31 December 2021, but has been increased due to the impact of the less favourable real estate, economic and financial environment. The Coronavirus pandemic outbreak continues to have significant social and economic impacts on many countries around the world. The Group continues to monitor the associated risks to protect the wellbeing of its employees and continues to follow government and World Health Organization (WHO) guidelines, to ensure the correct procedures are followed to ensure the wellbeing of employees. The Group continues to view the German real estate market very favourably for long-term value and growth potential, although in the short-term there is an expectation of valuation declines reflecting interest rate rises and the deteriorating economic environment. The Group is now operating in a challenging real estate environment, with access to financing also significantly negatively impacted by the broader economic circumstances and by the Group's increasing leverage. The Group is in ongoing constructive discussions with certain of its finance providers to address existing issues and to provide the required further flexibility. Liquidity has been negatively impacted and is constrained in the current environment given pricing dislocation for disposals and refinancing market. The Group continues to monitor a number of items across our risk framework, including financing risks including the risk of achieving financing extensions and amendments, liquidity risks, real estate fair value risks, and risks associated with construction delays.

Board of Directors

Mr. Cevdet Caner
Director Class A

Mr. Massimo Longoni
Director Class A

Mrs. Elena Guaraldi
Director Class B

Consolidated financial statements

Unaudited interim condensed consolidated statement of profit or loss and other comprehensive income

For the six months period from 1 January 2022 to 30 June 2022

In thousands of EUR	Note	For the six months ended 30 June 2022	30 June 2021
Income from letting activities		8,022	4,762
Income from property development	4	46,830	12,491
Other operating income	5	38,751	18,922
Total revenue		**93,603**	**36,175**
Change in project related inventory		(4,327)	22,141
Overall performance		**89,276**	**58,316**
Net income from fair value adjustments of investment properties and investment properties under development		90,544	892,145
Net loss from fair value adjustments and disposals of financial assets		(66,876)	(61,387)
Costs for materials	6	(19,809)	(20,584)
Personnel expenses		(2,580)	(3,644)
Other operating expenses	7	(66,574)	(42,883)
Earnings before interest, tax, depreciation and amortisation		**23,981**	**821,963**
Depreciation and amortisation		(69)	(205)
Earnings before interest and tax		**23,912**	**821,758**
Finance income	8	7,665	11,784
Finance costs	8	(307,376)	(99,031)
Net gain from fair value adjustments of financial derivatives		4,386	2,297
Net income from equity accounted investments		–	107,219
(Loss)/Earnings before tax		**(271,413)**	**844,027**
Income tax		19,538	(179,625)
(Loss)/Profit for the period from continued operation		**(251,875)**	**664,402**
Discontinued operation			
Loss for the period from discontinued operation, net of tax		(4,204)	(1,930)
(Loss)/Profit for the period		**(256,079)**	**662,472**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited interim condensed consolidated statement of profit or loss and other comprehensive income

For the six months period from 1 January 2022 to 30 June 2022 (continued)

In thousands of EUR	For the six months ended 30 June 2022	30 June 2021
Other comprehensive income		
Other comprehensive income profit or loss:		
Revaluation of financial assets at fair value through other comprehensive income	(710)	(2,652)
Foreign currency translation differences from foreign operations	(327)	1,158
Other comprehensive loss for the period, net of tax	**(1,037)**	**(1,494)**
Total comprehensive (loss)/income for the period	**(257,116)**	**660,978**
Attributable to		
Owners of the Company	**(248,771)**	**584,644**
(Loss)/Profit for the period	(244,568)	586,574
Loss from discontinued operations	(4,204)	(1,930)
Non-controlling interest	**(7,308)**	**77,828**
Non-controlling interest – continued operations	(7,308)	77,828
Total (loss)/profit for the period	**(256,079)**	**662,472**
Attributable to		
Owners of the Company	**(249,808)**	**583,150**
Comprehensive (loss)/income for the period from continued operations	(245,605)	585,080
Comprehensive loss for the period from discontinued operations	(4,204)	(1,930)
Non-controlling interest	**(7,308)**	**77,828**
Non-controlling interest – continued operations	(7,308)	77,828
Total comprehensive (loss)/income for the period	**(257,116)**	**660,978**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

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Interim condensed consolidated statement of financial position

As at 30 June 2022

In thousands of EUR	Note	30 June 2022	31 December 2021
Assets			
Property, plant and equipment		4,387	5,504
Goodwill and intangible assets	3	1,136,155	1,136,159
Investment properties	10	256,387	556,001
Investment properties under development	10	1,565,998	3,004,136
Advances		15,994	15,982
Financial assets	11	529,453	442,677
Financial assets relating to derivatives		–	36,444
Equity accounted investments	12	–	329,338
Non-current assets		**3,508,374**	**5,526,241**
Inventories	13	707,800	712,330
Trade and other receivables		53,767	47,602
Financial assets	11	180,084	142,816
Cash and cash equivalents		267,361	392,156
Current assets		**1,209,012**	**1,294,904**
Assets from discontinued operations		–	77,044
Assets held for sale	15	3,198,637	1,007,554
Total assets		**7,916,023**	**7,905,743**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

Interim condensed consolidated statement of financial position

As at 30 June 2022 (continued)

In thousands of EUR	Note	30 June 2022	31 December 2021
Share capital	16	1,141,429	951,429
Share premium	16	286,349	476,349
Mandatory convertible bonds	16	439,278	425,179
Reserves		78,121	77,978
Retained earning		(123,145)	451,397
Loss for the period/year		(248,771)	(574,542)
Equity attributable to the owners of the Group		**1,573,262**	**1,807,790**
Equity attributable to hybrid holders	16	151,637	151,637
Non-controlling interests		334,479	341,788
Total equity		**2,059,378**	**2,301,215**
Liabilities			
Loans and borrowings	17	2,050,531	3,280,810
Financial liabilities relating to derivatives		–	8,654
Deferred tax liabilities	9	142,775	265,382
Non-current liabilities		**2,193,306**	**3,554,846**
Loans and borrowings	17	1,159,255	948,935
Financial liabilities relating to derivatives	14 b)	13,312	53,048
Income tax payable		628	897
Provisions, current		17,629	1,343
Trade and other payables		150,708	296,752
Current liabilities		**1,341,532**	**1,300,975**
Liabilities from discontinued operations		–	43,048
Liabilities held for sale	15	2,321,807	705,659
Total liabilities		**5,856,645**	**5,604,529**
Total equity and liabilities		**7,916,023**	**7,905,743**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

Introduction AH Overview Business Overview Management Report **Financials**

Interim condensed consolidated statement of changes in equity

For the six months period from 1 January 2022 to 30 June 2022

In thousands of EUR	Share capital	Share premium	Translation reserve	Other reserves	Fair value reserve: financial assets at fair value through other comprehen-sive income	Mandatory convertible bonds	Retained earnings	Total for the Group	Hybrid Instrument	Non–controlling interests	Total equity
Balance at 1 January 2022	951,429	476,349	(1,603)	78,207	1,373	425,179	(123,145)	1,807,790	151,637	341,788	2,301,215
Total profit/(loss) for the period											
Loss for the period	–	–	–	–	–	–	(248,771)	(248,771)	–	(7,308)	(256,079)
Other comprehensive income											
Foreign currency translation differences	–	–	(327)	–	–	–	–	(327)	–	–	(327)
Fair value movement financial assets through other comprehensive income	–	–	–	–	(710)		–	(710)	–	–	(710)
Total other comprehensive loss	–	–	(327)	–	(710)	–	–	(1,037)	–	–	(1,037)
Total comprehensive loss for the period	–	–	(327)	–	(710)	–	(248,771)	(249,808)	–	(7,308)	(257,116)
Movement during the period											
New shares issued	190,000	(190,000)	–	–	–	–	–	–	–	–	–
Mandatory convertible bonds issued	–	–	–	–	–	14,099	–	14,099	–	–	14,099
Total transactions	190,000	(190,000)	–	–	–	14,099	–	14,099	–	–	14,099
Changes in ownership interests in subsidiaries											
Disposal of subsidiaries with non-controlling interests	–	–	384	797	–	–	–	1,181	–	–	1,181
Total transactions	**–**	**–**	**384**	**797**	**–**	**–**	**–**	**1,181**	**–**	**–**	**1,181**
Balance at 30 June 2022	**1,141,429**	**286,349**	**(1,545)**	**79,004**	**663**	**439,278**	**(371,916)**	**1,573,262**	**151,637**	**334,479**	**2,059,378**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

Interim condensed consolidated statement of changes in equity

For the six months period from 1 January 2022 to 30 June 2022 (continued)

In thousands of EUR	Share capital	Share premium	Translation reserve	Other reserves	Fair value reserve: financial assets at fair value through other comprehensive income	Mandatory convertible bonds	Retained earnings	Total for the Group	Hybrid Instrument	Non–controlling interests	Total equity
Balance at 1 January 2021	951,429	476,349	(3,273)	(2,082)	1,247	–	451,397	1,875,068	151,637	36,440	2,063,145
Total profit/(loss) for the year											
(Loss)/Profit for the year	–	–	–	–	–	–	(574,542)	(574,542)	–	104,738	(469,804)
Other comprehensive income											
Foreign currency translation differences	–	–	1,670	–	–	–	–	1,670	–	–	1,670
Fair value movement financial assets through other comprehensive income	–	–	–	–	126		–	126	–	–	126
Total other comprehensive income	–	–	1,670	–	126	–	–	1,796	–	–	1,796
Total comprehensive income for the year	–	–	1,670	–	126	–	(574,542)	(572,747)	–	104,738	(468,008)
Movement during the year											
Mandatory convertible bonds issued	–	–	–	–	–	425,179	–	425,179	–	–	425,179
Total transactions	–	–	–	–	–	425,179	–	425,179	–	–	425,179
Changes in ownership interests in subsidiaries											
Acquisition of subsidiaries with non-controlling interests	–	–	–	80,289	–	–	–	80,289	–	200,610	280,899
Total transactions	**–**	**–**	**–**	**80,289**	**–**	**–**	**–**	**80,289**	**–**	**200,610**	**280,899**
Balance at 31 December 2021	**951,429**	**476,349**	**(1,603)**	**78,207**	**1,373**	**425,179**	**(123,145)**	**1,807,790**	**151,637**	**341,788**	**2,301,215**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

Interim condensed consolidated statement of cash flows

In thousands of EUR		For the six months ended 30 June 2022	For the six months ended 30 June 2021
Cash flows from operating activities			
(Loss)/Profit for the period		(256,079)	662,472
Adjustments for:			
– Impairment of receivables, net	7	1,119	(80)
– Net finance costs	8	299,711	87,247
– Net increase of fair value of investment properties and investment properties under development	10	(90,544)	(892,145)
– Loss from discontinued operations		4,204	–
– Depreciation and amortisation		69	205
– Share of the profit of equity accounted investees		–	(107,219)
– Net loss from fair value adjustments of financial instruments		66,876	61,387
– Net gain from fair value adjustments of financial derivatives		(4,386)	(2,297)
– Income tax		(19,538)	179,625
Operating cash flows before movements in working capital		**1,432**	**(10,804)**
Changes in working capital:			
– Inventories		14,112	(22,153)
– Trade and other receivables		(6,166)	(6,900)
– Prepayments on development projects		(14)	(1,354)
– Trade and other payables		(102,472)	(243,569)
– Provisions		16,286	116
Cash used in operating activities		**(76,822)**	**(284,664)**
Interest received		2,893	1,670
Interest paid		(23,084)	(28,660)
Income tax paid		(270)	–
Net cash from operating activities		**(97,283)**	**(311,654)**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

Interim condensed consolidated statement of cash flows (continued)

In thousands of EUR		For the six months ended 30 June 2022	For the six months ended 30 June 2021
Net cash from operating activities		**(997,283)**	**(311,654)**
Cash flows from investing activities			
Proceeds from disposal of subsidiaries, net of cash disposed of		2,622	–
Acquisition of subsidiaries, net of cash acquired		–	(345,416)
Acquisition of investment properties and investment properties under development/capital expenditure	10	(173,507)	(87,975)
Acquisition/disposal of property, plant and equipment and intangible assets		1,048	(1,867)
Acquisition of investments in equity accounted investments		–	(256,112)
Net movements in financial assets and financial derivatives		6,433	–
Net movements in loans receivable from third parties and related parties		(98,141)	(141,745)
Net cash used in investing activities		**(261,545)**	**(833,115)**
Cash flows from financing activities			
Issue of capital for Hybrid bond holders		–	297,626
Proceeds from issue of bonds, bank, third parties and related parties loans		479,119	1,566,721
Repayment of bonds, bank, third parties and related parties loans		(245,086)	(339,843)
Net cash generated from financial activities		**234,033**	**1,524,504**
Net (decrease)/increase in cash and cash equivalents		**(124,795)**	**379,735**
Cash and cash equivalents at 1 January		392,156	67,770
Cash and cash equivalents at 30 June		**267,361**	**447,505**

The accompanying notes on pages from 37 to 51 form an integral part of these unaudited interim condensed consolidated financial statements.

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Notes to the interim condensed consolidated financial statements

1. Reporting entity

Aggregate Holdings S.A. ("the Company" or together with its subsidiaries, "the Group") is organised under the laws of Luxembourg as a "Société Anonyme" for an unlimited period and domiciled in Luxembourg. The registered office of the Company is at 10 rue Antoine Jans, L-1820 Luxembourg.

The direct owner of Aggregate Holdings S.A. is Lavinia B.V. The ultimate beneficial owner is Mr. Günter Walcher.

The unaudited interim condensed consolidated financial statements of the Group comprise the unaudited interim condensed consolidated statement of financial position, unaudited interim condensed consolidated financial results and unaudited interim condensed consolidated statement of cash flows of the Group as at and for the six months period from 1 January 2022 to 30 June 2022.

Selected explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Group's financial position and performance since the last annual consolidated financial statements as for the year ended 31 December 2021.

2. Basis of preparation and changes to Group's accounting policies

The unaudited interim condensed consolidated financial statements for the six months period ended 30 June 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The unaudited interim condensed consolidated financial statements of the Group were prepared on a going concern basis.

The Group requires new debt financing, debt refinancing, loan repayments or amendments, or disposals to refinance existing loans and to fund project development, acquisitions, interest and overheads. Regular refinancing of project level and mezzanine debt are a part of Aggregate's ordinary course of business. The financing options available depend on several factors that cannot all be influenced by the Group, such as market interest rates, the amount of financing required, tax aspects and collateral required, and general market conditions and market sentiment. This may significantly impair the Group's ability to raise new finance to increase the level of completion in its development portfolio, to invest in appropriate acquisition projects or to meet its obligations from financing or other agreements. The Group's access to financing and liquidity may also be affected by the Coronavirus pandemic and will more generally be impacted by the market environment and specific company issues.

On 20 September 2022, VIC Properties S.A., a subsidiary of the Group, further requested the Bondholders of the €250,000 thousand 3.00% Secured Pre-IPO Convertible Bonds due 2025 consider and, if thought fit, approve inter alia, the amendment and restatement of the Trust Deed (including the Conditions) to, among other things, extend the first optional put date to 30 April 2023 with the M&A completion deadline to 28 February 2023 and commence an M&A process, in order to facilitate VIC Properties S.A's ability to fund the redemption of the Bonds in due course either through (a) a partial or complete sale of the VIC, (b) through refinancing of certain VIC subsidiaries, and/or (c) by receiving from the funds from the sale, in whole or in part, of Quartier Heidestrasse. The bondholders approved the resolution on 21 October 2022.

In addition to all of the above, the Group would also consider raising equity to strengthen its capital structure.

The cashflows of the Group are subject to a number of key assumptions regarding successful refinancing and successful sales of asset at acceptable prices on certain timelines. In the current economic and market environment, all such assumptions are subject to a materially increased level of uncertainty.

Considering the facts above, the Board of Directors of the Group has a reasonable expectation that the available capital resources, the planned proceeds of the sale of the Quartier Heidestrasse project and other disposals, including potentially of VIC assets, and sources of financing, including cash flows from operating activities will be adequate to meet its obligations, including the repayment of the VIC convertible bonds, in the course of 2022 and 2023 and consequently these consolidated financial statements have been prepared on a going concern basis.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2021.

Notes to the interim condensed consolidated financial statements
(continued)

3. Goodwill

Goodwill and intangible assets as of 30 June 2022 amounts to €1,136,155 thousand (31 December 2021: €1,136,159 thousand):

In thousands of EUR	30 June 2022	31 December 2021
VIC Properties Holding S.A.	1,134,924	1,134,924
Goodwill	**1,134,924**	**1,134,924**
Other intangible assets	1,231	1,235
Total intangible assets	**1,136,155**	**1,136,159**

After considering the requirements for an interim impairment test of goodwill, the Board of Directors has determined that there were no indications of impairment as at 30 June 2022. As there is no indication of impairment, and the Company has already satisfied its requirement to test for impairment at least once within a twelve month period, as part of its prior full year 2021 reporting, there are no triggers that would require an interim impairment test.

The Group assumes that the recoverable amounts, in case of changes in the parameters, still exceed the carrying amount of the goodwill. Internally generated intangible assets were not recognised in the periods presented in these unaudited interim condensed consolidated financial statements.

Fair value hierarchy

The recoverable amounts of goodwill was classified as Level 3 fair value in accordance with IFRS 13 on the basis of the inputs for the valuation methods used.

4. Income from property development

	For the six months ended	
In thousands of EUR	30 June 2022	30 June 2021
Income from real estate inventory disposed of	46,830	12,491
	46,830	**12,491**

5. Other operating income

	For the six months ended	
In thousands of EUR	30 June 2022	30 June 2021
Interest income from loans receivable from third parties	22,583	10,809
Other income	16,155	7,882
Income from provided services	13	231
	38,751	**18,922**

Notes to the interim condensed consolidated financial statements
(continued)

6. Cost of materials

	For the six months ended	
In thousands of EUR	30 June 2022	30 June 2021
Expenses for preparation and development	5,364	2,199
Expenses for Building – Building construction	13,602	13,126
Ancillary building costs	–	342
Brokerage and commissions costs	–	387
Other expenses for raw materials, consumables and supplies and for purchased goods	544	–
Auxiliary costs	–	368
Office supplies	–	6
Non-deductible VAT	–	3,772
Other services	299	384
	19,809	**20,584**

7. Other operating expenses

	For the six months ended	
In thousands of EUR	30 June 2022	30 June 2021
Other commissions, arrangement fees and professional fees	37,557	29,905
Accounting and audit fees	1,395	1,557
Repairs & Maintenance	1,153	164
Director's fees	86	50
Other hired services	3,711	5,576
Impairment of receivables and loan receivables	1,119	80
Other taxes	2,733	514
Other expenses	18,820	5,037
	66,574	**42,883**

8. Net finance income/(costs)

	For the six months ended	
In thousands of EUR	30 June 2022	30 June 2021
Finance income		
Interest income from related parties	3,135	1,842
Dividend income	656	2
Net foreign exchange gain	849	285
Other finance income	3,025	9,655
	7,665	**11,784**
Finance costs		
Interest expense	(286,422)	(87,986)
Other finance costs	(20,954)	(11,045)
	(307,376)	**(99,031)**
Net finance costs	**(299,711)**	**(87,247)**

Borrowing costs capitalised into inventories during the reporting period amount to €9,842 thousand (30 June 2021: €10,180 thousand).

Accordingly, the Group's EBIDTA recorded a positive impact from capitalisation of borrowing costs in the same amount.

Notes to the interim condensed consolidated financial statements
(continued)

9. Deferred tax assets and liabilities

In thousands of EUR	Assets 30 June 2022	Assets 31 December 2021	Liabilities 30 June 2022	Liabilities 31 December 2021	Net 30 June 2022	Net 31 December 2021
Investment properties and investment properties under development	–	–	(104,752)	(240,057)	(104,752)	(240,057)
Inventories	–	–	(38,023)	(38,023)	(38,023)	(38,023)
Losses carried forward	–	12,698	–	–	–	12,698
Deferred tax assets/(liabilities)	**–**	**12,698**	**(142,775)**	**(278,080)**	**(142,775)**	**(265,382)**

Liabilities held for sale

In thousands of EUR	Assets 30 June 2022	Assets 31 December 2021	Liabilities 30 June 2022	Liabilities 31 December 2021	Net 30 June 2022	Net 31 December 2021
Investment properties and investment properties under development	–	–	(194,385)	(76,437)	(194,385)	(76,437)
Losses carried forward	15,290	–	–	–	15,290	–
Deferred tax assets/(liabilities)	**15,290**	**–**	**(194,385)**	**(76,437)**	**(179,095)**	**(76,437)**
Total deferred tax assets/ (liabilities)	**15,290**	**12,698**	**(337,160)**	**(354,517)**	**(321,870)**	**(341,819)**

10. Investment properties and investment properties under developments

The movement during the period to 30 June 2022 is as follows:

In thousands of EUR	30 June 2022	31 December 2021
Investment property in use		
At 1 January	556,001	57,161
Reclassification as held for sale	(330,000)	(70,357)
Reclassifications from investment properties under development	–	171,334
Acquisition of subsidiaries with investment properties	–	198,756
Capital expenditure on investment properties	(1,266)	12,633
Change in fair value during the period/year	31,652	186,474
Total investment properties at 30 June and 31 December	**256,387**	**556,001**
Investment properties under development		
At 1 January	3,004,136	1,486,136
Reclassification as held for sale	(1,731,000)	(984,220)
Reclassification to investment properties	–	(171,334)
Acquisition of subsidiaries with investment properties under development	–	1,728,238
Capital expenditure on investment properties under development	174,773	270,533
Change in fair value during the period/year	118,089	674,783
Total investment properties under development as at 30 June and 31 December	**1,565,998**	**3,004,136**

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10. Investment properties and investment properties under developments (continued)

All investment properties and investment property under development have been pledged to secure bank loans. The investment property under construction mainly comprised the Quartier Heidestrasse, Fürst and Walter and Green Living projects in Berlin, although Quartier Heidestrasse is now reported as an Asset Held for Sale. The total costs capitalised on these projects for the period from 1 January 2022 to 30 June 2022, amounted to €173,507 thousand (31 December 2021: €283,166 thousand).

Valuation technique

The valuation technique used in measuring the fair value of the investment properties was the residual value methodology. For the half year report 2022, no external valuation reports were instructed for the cut-off period ended 30 June 2022. Instead, management assessed the fair value for each project as at 30 June 2022, based on the independent third party valuations as at 31 December 2021, and rolling them forward to 30 June 2022, taking in to account market and project developments and conversations held with various external valuation experts, market reports and news as well as executed deals.

Fair value hierarchy

The fair value measurement of investment properties and investment properties under development, has been categorised as level 3 fair value based on the inputs to the valuation technique used. Valuations of investment properties and investment properties under development have been assessed by management on a best estimate consisting of conversations held with various external valuers, market reports and news as well as executed deals.

Covid-19 considerations

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets have started to function again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value.

Capitalised borrowing costs

During the period, the Group capitalised borrowing costs related to the acquisition of land and construction costs amounted to €5,580 thousand (31 December 2021: €5,782 thousand).

Net income from fair value adjustments of investment properties and investment properties under development

In thousands of EUR	Note	30 June 2022	30 June 2021
Change in fair value during the period			
Investment properties		31,652	28,001
Investment properties under development		118,089	864,144
Total		**149,741**	**892,145**
Net income from fair value adjustments of investment properties and investment properties under development from continued operations		149,741	892,145
Net loss from fair value adjustments of investment properties and investment properties under development from held for sales		(59,197)	–
Total		**90,544**	**892,145**

Notes to the interim condensed consolidated financial statements
(continued)

11. Financial assets

In thousands of EUR	30 June 2022	31 December 2021
Non-current		
Loans receivable from related parties	133,997	103,029
Loans receivable from third parties	373,555	317,826
Financial assets at fair value through other comprehensive income	5,988	6,698
Deposits	161	116
Other financial assets	15,752	15,008
	529,453	**442,677**
Current		
Loans receivables from related parties	33,183	37,064
Loans receivable from third parties	90,088	57,086
Financial assets at fair value through profit and loss	51,496	48,232
Deposits	–	136
Other financial assets-current	5,317	298
	180,084	**142,816**
Total	**709,537**	**585,493**

Loans receivable from third parties

The Group has granted loans to third parties for a total amount of €463,643 thousand (31 December 2021: €374,912 thousand). These loans have maturity terms of 6 to 160 months and interest varies from 3% to 20%. During the period, the Group granted new loans to third parties and related parties for a total consideration of €146,702 thousand (30 June 2021: €132,409 thousand).

Financial assets at fair value through other comprehensive income

Financial asset at fair value through other comprehensive income relates to equity investment held for an amount of €5,988 thousand (31 December 2021: €6,698 thousand) and the respective amount recognised in fair value through other comprehensive income reserve.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss represent investments held in shares and bonds for a total amount of €51,496 thousand (31 December 2021: €48,232 thousand).

Notes to the interim condensed consolidated financial statements
(continued)

12. Equity accounted investments

Investments in equity accounted investees as at 30 June 2022 amounts to €0 thousand (31 December 2021: €329,338 thousand):

In thousands of EUR	30 June 2022	31 December 2021
Balance at 1 January	–	870,552
Impairment loss	–	(219,199)
Dividend income	–	(14,375)
Loss related to equity accounted investees (net of tax)	–	(307,640)
Balance as at period end/year end	–	329,338

During the year 2021, a subsidiary of the Group entered into a facility agreement with Vonovia Finance B.V. (referred as the "lender" hereafter) for a total amount of €220,000 thousand to repay an existing loan. Under facility agreement, the 31,249,390 shares held in ADLER Group S.A. (referred as "ADLER shares" hereafter) by the subsidiary, previously pledged with the lender of the existing loan were pledged with the lender.

On 31 January 2022, Vonovia Finance B.V. (referred as the "lender" hereafter) sent a letter to the Group, which claimed that a breach of LTV ratio has occurred on 28 January 2022. According to this Margin Call Notice, the lender requested the Group to transfer a Margin call amount to cure the LTV breach identified including a certificate of no default event to be provided.

On 22 February 2022, the Group received an enforcement notice whereby the lender has enforced the pledge over the ADLER shares and appropriated 24,082,663 ADLER shares based on €10.44 per share with immediate effect. As a result of such appropriation with immediate effect, the lender became the sole owner of the 24,082,663 ADLER shares. Consequently, after the appropriation of the ADLER shares by the lender, the fair value of the call option signed on 7 October 2021 is determined at €0 as of 31 December 2021. The remaining 7,166,727 ADLER shares pledged and not appropriated by the lender were released on 29 April 2022.

As of 30 June 2022, the Group holds c.6% in ADLER Group S.A. and re-classified as financial assets at fair value through profit or loss (see Note 11).

13. Inventories

Inventories consist of the following:

	30 June 2022	31 December 2021
Real estate "Apartments for sale"	37,777	1,955
Real estate "Other construction work"	256,240	299,194
Land and sites	413,715	410,981
Inventories – supplies	68	200
	707,800	**712,330**

As at 30 June 2022, the inventories mainly consisted of three real estate development projects the Group is undertaking in Portugal.

No write down on inventories has been recorded as at 30 June 2022.

For the six months period ended 30 June 2022, inventories of €36,897 thousand (six months period ended 30 June 2021: €11,185 thousand were recognised as an expense and included under change in project related inventory.

As at 30 June 2022, the Group has received €11,607 thousand (31 December 2021: €20,747 thousand) as advances for purchase of real estate recognised under "Trade and other payables" within current liabilities.

In the period to 30 June 2022, the Group capitalised €9,842 thousand of borrowing costs (31 December 2021: €20,037 thousand) relating to inventories.

As at 30 June 2022, inventories of €707,800 thousand have been pledged to secure bank loans (31 December 2021: €712,330 thousand).

Notes to the interim condensed consolidated financial statements
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14. Financial liabilities relating to derivatives

The Group enters a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, options and interest rate swaps.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

a) In 2021, one of the subsidiaries of the Group, being the Purchaser, entered into a call option agreement and granted to a third party, being the Seller, a call option, pursuant to which the Purchaser, may, at any time, during the call option exercise period by service of a written notice on the Seller, require the Seller to sell to the Purchaser the 5,850,000 shares in ADLER Group S.A. on the terms and conditions per the agreement. The consideration of €4.62 per share plus 6% coupon on the share price per annum to be calculated on the basis of the actual number of days elapsed during the call option period. Exercise of the call option is conditional on the conditions laid down in Clause 4 of the call option agreement, being satisfied (or any that have not been satisfied being waived in writing by agreement between the Purchaser and the Seller) during the call exercise period, which is 12 month from and including 13 October 2021.

   The Group has assessed the fair value of the call option agreement at €0 as of 30 June 2022.

b) In 2021, the Company being the Purchaser, entered into a put option agreement and hereby grants to a third party, being the Seller, a put option, pursuant to which the Seller, may, at any time, during the put option exercise period by service of a written notice on the Purchaser, requires the Purchaser to purchase from the Seller the 5,850,000 shares in ADLER Group S.A. on the terms and conditions per the agreement. The consideration of €4.62 per share plus 6% coupon on the share price per annum to be calculated on the basis of the actual number of days elapsed during the call option period. The put option agreement was extended to 13 October 2023.

   The Group has assessed the fair value of the put option agreement at €13,312 thousand as of 30 June 2022.

15. Assets and liabilities held for sales

In thousands of EUR	Note	30 June 2022	31 December 2021
Investment properties	10	330,000	–
Investment properties under development	10	2,661,020	984,200
Trade and other receivables		68,792	2,035
Cash and cash equivalents		138,825	21,299
Total		**3,198,637**	**1,007,554**

Liabilities held for sale

In thousands of EUR	Note	2022	2021
Loans and borrowings		1,964,551	622,604
Deferred tax liabilities	9	179,095	76,437
Trade and other payables		178,161	6,618
Total		**2,321,807**	**705,659**

Notes to the interim condensed consolidated financial statements
(continued)

16. Registered capital and reserves

The total number of shares of the Company is 11,414,291,799 shares per €0.1 each, issued and fully paid.

Registered (share) capital

In thousands of EUR	30 June 2022	31 December 2021
At 1 January	951,429	951,429
New shares issued	190,000	–
At 30 June and 31 December	**1,141,429**	**951,429**

Pursuant to a board resolution dated 7 February 2022, it was resolved to increase the share capital of the Company by the creation and issuance of 1,900,000,000 under bearer form, each with a nominal value of €0.1 booked under the share premium account.

Equity attributable to hybrid holders

On 30 December 2016, the Group successfully placed €151,637 thousand in aggregate principal amount of Hybrid capital notes. This is an unsecured, non-recourse and perpetual instrument considered equity due to its features.

The notes shall bear interest on their principal amount as follows:

a) From 30 December 2016 until 30 December 2023, or any other date that may be agreed on by the issuer and the holder (the First Call Date), at the rate of 4.50% per annum; and

b) From the First Call Date to the date on which the Issuer redeems the notes in whole, at the relevant Reset Rate of Interest, as defined in the terms and conditions of the hybrid capital notes.

Mandatory convertible bonds

a) On 30 and 31 March 2021, the Group placed unsecured, fixed-rate mandatory convertible bonds with a total nominal amount of €331,000 thousand. The mandatory convertible bonds carry 2.00% per annum and matures on 1 December 2025. Interest shall be paid annually in arrears. In case of a change of control and the Company not redeeming the mandatory corporate bonds in whole, the applicable rate of interest of the mandatory convertible bonds will increase by an additional 5.00% per annum.

   The net proceeds of the mandatory convertible bonds were mainly used to finance the remaining 32.00% acquisition of VIC Properties Holdings S.A. minorities stake. As of 30 June 2022, the interest portion of the mandatory convertible bonds is classified as a financial liability and is grouped under loans and borrowings for an amount of €30,783 thousand.

b) On 23 August 2021, the Group placed unsecured, fixed-rate mandatory convertible bonds with a total nominal amount of €129,800 thousand. The mandatory convertible bonds carry 2.00% per annum and matures on 31 August 2024. Interest shall be paid annually in arrears. In case of a change of control and the Company not redeeming the mandatory convertible bonds in whole, the applicable rate of interest of the bonds will increase by an additional 5.00% p.a. The net proceed of the mandatory convertible bonds was used to fund the acquisition of Ringbahnhofe during the year.

   On 2 June 2022, Aggregate Holdings S.A. issued a mandatory convertible bond due 2024 in the amount of €14,700 thousand, consolidated and forming a single series with and increasing the total principal amount of the €129,800 thousand 2.00% mandatory convertible bonds due 2024. As of 30 June 2022, the interest portion of the corporate bond is grouped under loans and borrowings for a total consideration of €7,364 thousand.

Based on the features of the mandatory convertible bonds, principal outstanding amount have been classified as equity in line with IAS 32 and interest portion as financial liability and grouped under “Bonds issued” (See Note 17).

Notes to the interim condensed consolidated financial statements
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17. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings.

In thousands of EUR	30 June 2022	31 December 2021
Non-current liabilities		
Bank and third party loans – non-current portion	137,682	1,330,469
Related party loans – non-current portion	35,988	34,617
Bonds issued	1,876,861	1,915,724
	2,050,531	**3,280,810**
Current liabilities		
Bank and third party loans – current portion/short term	437,356	503,605
Related party loans – current portion	20,079	23,494
Bonds issued	644,458	402,475
Coupon interest due on bonds issued	57,362	19,361
	1,159,255	**948,935**
Total loans and borrowings	**3,209,786**	**4,229,745**

18. Commitments and contingent liabilities

Quartier Heidestrasse GmbH Group has pledged all of its bank accounts and shares, first ranking land charge rights, insurance claims and other claims in favour of certain lenders.

Aggregate Holdings S.A. provided a guarantee of up to €216,000 thousand in favour of a certain lender to the Quartier Heidestrasse companies.

Aggregate Deutschland S.A. provided guarantee facilities for an amount of €46,000 thousand for Quartier Heidestrasse GmbH Group to secure possible overrun of construction costs.

Aggregate Holdings S.A. is guarantor and provided a guarantee facility for an amount of €33,000 thousand to an insurance company for Quartier Heidestrasse GmbH Group to secure possible overrun of construction costs of a maximum 7.50% of the expected total costs for the construction until 31 January 2024.

An insurance company has provided a guarantee facility on behalf of Quartier Heidestrasse for a total consideration of €3,500 thousand to secure possible overrun of construction costs.

The Project Fürst entities have guaranteed, pledged most of its bank accounts and shares, all first ranking land charge rights, insurance claims and other claims in favour of a financial consortium in relation to its financing.

Aggregate Holdings S.A. provided a guarantee of up to €48,000 thousand in favour of certain finance parties regarding any possible cost overrun on Project Fürst.

The Castle Investment Holdings S.à r.l. and its subsidiaries have pledged most of its bank accounts and shares, all first ranking land charge rights, insurance claims and other claims in favour of certain financing parties.

Aggregate Deutschland 5 S.à r.l. and German Invest 2 S.à r.l. and its subsidiaries have pledged its shares, bank accounts and shares in its subsidiaries, in favour of the certain financing parties.

Aggregate HH GmbH and AEIOU.102 GmbH pledged all their bank accounts, shares and first ranking land charge rights in Alsterkrugchaussee GmbH and AEIOU.102 GmbH and rights arising from sales agreement to secure the notes entered during the year.

VIC Group has pledged shares in certain subsidiaries, and first ranking land charge rights on Matinha, Pinherino and Prata in favour of certain financing parties.

Notes to the interim condensed consolidated financial statements
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18. Commitments and contingent liabilities (continued)

Shares of certain subsidiaries of the Company have been pledged in support of a guarantee granted by Lavinia B.V. to a third-party regarding commitments given to the vendor of Fürst in relation to the distribution of certain debt instruments. This was released in September 2022.

The shares of a certain subsidiary of the Company have been pledged to secure the share purchase price of a third party. This was released in September 2022.

Certain subsidiaries of Aggregate Holdings S.A. have given typical warranties and indemnities to the buyer of L'Oscar Hotel up to a total value of £60,000 thousand. Aggregate Holdings S.A. has guaranteed the obligations of these subsidiaries capped at the same value.

Aggregate Holdings acceded as a guarantor of VIC's indebtedness under the amended and restated trust deed of the VIC pre-IPO convertible bonds dated 25 May 2022. As at 30 June 2022 the net present value of the indebtedness amounted to €362,789 thousand.

Aggregate Holdings S.A. has given a corporate guarantee for an amount of €246,000 thousand (2021: € 289,000 thousand) to credit institutions on behalf of its subsidiaries and third parties.

To the Group's knowledge, as of 30 June, litigation was not pending, commenced, or threatened, nor have any such actions been commenced that could materially affect the Group's financial condition.

To the Group's knowledge, no further material contingent assets and liabilities exist as of balance sheet date.

19. Related parties

Identification of related parties – the Group has a related party relationship with the executive directors of significant subsidiaries within the Group.

Other related parties transactions

Name of related party	Type of relation	Type of transaction/ balance	Statement of profit or loss for the six months ended 30 June 2022	30 June 2021	Balance as at 30 June 2022	31 Dec 2021
Lavinia B.V.	Common UBO	Loan receivable	–	–	75,524	59,831
		Interest income/receivable	2,310	1,167	7,262	2,661
		Loan payable	–	–	(1,735)	(4,894)
		Interest (expense)/(payable)	(28)	(115)	–	(232)
Medeon S.à r.l.	Ultimate parent and UBO	Loan receivable	–	–	15,773	8,205
		Interest income/receivable	337	88	513	149
		Other income/Other receivable	–	–	2	7
Passiva Participations 2 S.à r.l. (previously: Aggregate Participation 2 S.à r.l.)	Common ultimate parent and UBO	Loan receivable	–	–	275	257
		Interest income/receivable	10	29	10	18
		Other income/Other receivable	–		15	21
Consus Real Estate AG*	Subsidiary of Associate	Other payables	–	–	–	(21,000)

Notes to the interim condensed consolidated financial statements
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19. Related parties (continued)

Name of related party	Type of relation	Type of transaction/ balance	Statement of profit or loss for the six months ended 30 June 2022	30 June 2021	Balance as at 30 June 2022	31 Dec 2021
Corestate Bank GmbH ** (formerly: Aggregate Financial Services GmbH)	Former UBO	Brokerage fees	–	(11,313)	–	–
Passiva Participations S.à r.l.	Common ultimate parent and UBO	Loan receivable	–	–	45,979	45,979
		Interest income/receivable	1,853	358	2,211	358
		Loan payable		–	(52,159)	(51,236)
		Interest (expense)/(payable)	(1,841)	–	(2,173)	(1,344)
		Other income/Other receivable	–	6	42	42
Passiva Participations 3 S.à r.l.	Common ultimate parent and UBO	Other income/Other receivable	–	6	6	12
Passiva Participations 4 S.à r.l.	Common ultimate parent and UBO	Other income/Other receivable	–	6	12	12
Passiva Participations Holding 5 S.à r.l.	Common ultimate parent and UBO	Other income/Other receivable	–	–	6	6
Passiva Participations 5 S.à r.l.	Common ultimate parent and UBO	Other income/Other receivable	–	–	244	244
Bank Alpinum AG	Common ultimate parent and UBO	(Bank charges)/Cash and cash equivalent	(89)	(21)	(9)	60
Taurecon Invest II GmbH	Contracts with board member	(Interest expense)/(Loan payable)	–	–	(1,310)	–
Taurecon Invest V GmbH	Contracts with board member	Loan receivable	–	–	10,336	9,749
		Interest income/receivable	326	306	326	306
Taurecon Invest VIII GmbH	Contracts with board member	Loan receivable	–	–	2,040	2,040
		Interest income/receivable	–	–	390	–
Taurecon Invest IX GmbH	Contracts with board member	(Interest expense)/Loan (payable)	–	–	(406)	(406)
Taurecon Invest XI GmbH	Contracts with board member	Interest income/Loan receivable	–	–	–	9,055
Taurecon Real Estate Consulting GmbH	Contracts with board member	Loan receivable	–	–	6,264	855
		Interest income	190	–	233	–
		(Project advisory fees)/(Trade payable)	(1,628)	(1,195)	(267)	(630)
		(Treasury fees)/(Trade payable)	(27)	(27)	(27)	54

* As of 30 June 2022, the Group held c.6% of ADLER Group S.A., the ultimate parent of Consus Real Estate AG. As from that date, Consus Real Estate AG is no longer classified as a related party entity to the Group.

** On 30 November 2021, the shares in Corestate Bank GmbH were disposed. As from that date, Corestate Bank GmbH is no longer classified as related party entity to the Group.

Notes to the interim condensed consolidated financial statements
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20. Segment information

For management reporting purpose, the Group is organised into business units based on its products and services and has the reportable segments, as follows:

a) Build and Hold;

b) Build and Sell; and

c) Financial real estate and other assets for the remaining Group structure.

No operating segments have been aggregated to form the above reportable operating segments.

The management and the Board of Directors monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Group's financing (including finance costs, finance income and other income) and income taxes are managed on a Group basis and are not allocated to operating segments.

As of 30 June 2022

In thousands of EUR	Build and Hold	Build and Sell	Financial Real Estate and Other Assets	Total
Total revenue	20,712	47,052	25,839	93,603
Earnings before interest and tax	67,195	16,458	(59,741)	23,912
Total assets	4,347,643	1,881,984	1,686,396	7,916,023
Total liabilities	3,012,960	732,243	1,199,269	4,944,472
Aggregate Holdings S.A. Unsecured notes issued and financial liability on mandatory convertible bonds	–	–	912,173	912,173
Non-controlling interests	313,032	–	21,447	334,479
Equity attributable to the owners of the Group*	1,021,651	1,149,742	(446,492)	1,724,899
Net Debt including debts held for sale and discontinued operations	2,201,226	623,160	1,943,761	4,768,147
Total assets excluding Cash and cash equivalents/ Cash and cash equivalents as held for sale				**7,509,839**
LTV (Net debt including liabilities held for sale Total assets including Cash and cash equivalents and including assets held for sale)				**63.49%**

*Net asset value includes Hybrid capital notes issued to Hybrid holders.

Notes to the interim condensed consolidated financial statements
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20. Segment information (continued)

As of 31 December 2021

In thousands of EUR	Build and Hold	Build and Sell	Financial Real Estate and Other Assets	Total
Total revenue	15,252	35,406	25,560	76,218
Earnings before interest and tax	588,801	6,251	(271,307)	323,746
Total assets	3,909,118	1,877,788	2,118,838	7,905,743
Total Liabilities	2,609,345	658,238	1,504,353	4,771,937
Aggregate Holdings S.A. Unsecured notes issued and financial liability on mandatory convertible bonds	–	–	832,591	832,591
Non-controlling interests	318,274	–	23,515	341,788
Net asset value	981,499	1,219,550	(241,621)	1,959,427
Net debt	1,904,624	497,182	2,074,602	4,476,409
Total assets excluding cash and cash equivalents/ Cash and cash equivalents as held for sale and discontinued operations				**7,490,851**
Loan to value ratio (Net debt including liabilities held for sale and discontinued operations/Total assets including cash and cash equivalents and including assets held for sale and discontinued operations)				**59.76%**

Geographical information

The group operates in two principal geographical areas – Germany and Portugal.

The group's revenue and information about its segment assets by geographical location are detailed below:

In thousands of EUR	Revenue		Total assets	
	For the six months ended 30 June 2022	For the six months ended 30 June 2021	30 June 2022	31 December 2021
Germany	20,712	9,987	4,347,643	3,927,560
Portugal	47,052	12,604	1,881,984	1,877,788
Other	25,839	13,683	1,686,396	2,100,396
	93,603	**36,175**	**7,916,023**	**7,905,743**

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21. Operating environment

During 2020, the World Health Organization ("WHO") declared COVID-19 a pandemic, and national governments have implemented a range of policies and actions to combat it. The impact of the COVID-19 pandemic continues to evolve and has resulted in quarantines, supply chain disruptions, lower consumer demand, and general market uncertainty which causes market volatility. The Board of Directors continues to monitor COVID-19 developments, and the impact on the operations of the Group. The further spread of the Coronavirus and its consequences on the business of the Group are constantly being monitored.

The invasion of Ukraine is an unbearable tragedy on our continent and generates misery for millions of people. The war and the economic sanctions it cause are not expected to have a direct impact neither on the Company nor on the subsidiaries as none are significantly active in that region. Nevertheless, energy and raw material prices have increased significantly and have resulted in a significant increase in inflation, which might continue to increase for a longer period. The business climate might deteriorate further and slow down growth. It is for the time being difficult to measure precisely the effect on the operations of the Group but it is probable that this deteriorated environment will continue to impact most businesses. The Board of Director continues to monitor invasion of Ukraine developments, and the impact on the operations of the Company and the Group and believes the estimates and assumptions underlying the annual accounts are reasonable and supportable based on the information available.

22. Subsequent events

Pursuant to a board resolution dated 4 July 2022, it was resolved to appoint Mr. Günther Walcher as Chairman of the board of directors and Mr. Cevdet Caner as CEO and member of board of directors of Aggregate Holdings S.A.

On the same date, the board of directors of the Company set up the advisory board of the Group with the following members:

- Michael Cohrs, as Chairman of the advisory board;
- Luciano Gabriel; and
- Peter Solmssen.

On 9 September 2022, Aggregate Holdings S.A. ("Aggregate") closed the sale of QH Core and signed an agreement for the sale of QH Spring, two segments of its landmark Quartier Heidestrasse project ("QH") in Berlin. In this transaction, the Company significantly reduced net debt. As part of the €456 million sale of QH Core and QH Spring, the equity purchase price of €219 million will be paid with 5.50% 2024 Bonds issued by the Company, with a portion for each transaction.

Pursuant to a written resolution dated 20 September 2022, and in accordance with the terms of the Bonds and the Trust Deed, VIC Properties S.A., a subsidiary of the Group requested the Bondholders to consider and, if thought fit, approve the M&A initiation and, inter alia, the amendment and restatement of the Trust Deed (including the Conditions) to, among other things, extend the first optional put date to 30 April 2023 and the M&A completion deadline to 28 February 2023 in order to facilitate the Issuer's ability to fund the redemption of the Bonds in due course. The bondholders approved the resolution on 21 October 2022.

Aggregate Holdings S.A., the holding company of VIC Properties S.A., and being the guarantor, appointed pursuant to the first amendment made on 19 May 2022 to the Trust Deed, is responsible to initiate the M&A process so as to achieve the M&A completion by no later than the M&A completion deadline.

On 25 August, a loan at QH GmbH was increased by €22 million, and as part of this increase shares of a Group subsidiary were pledged in favour of the financing party.

On 27 September 2022, the €296 million senior lending facility for the development of the Quartier Heidestrasse phases Spring, Colonnades, Straight and Crown II (the "Four Ensembles") was amended such that parts of the undrawn amounts could be used flexibly for up to €56 million to cover estimated cost overruns on either of the four construction phases. This enabled in particular the continued capex funding on Spring up and until completion of the signed SPA. In this context, existing related interest rate hedging instruments were also terminated which provided a further c. €19 million to finance development.

On 14 October 2022, Aggregate Holdings raised a loan of €18 million, secured again certain share pledges and liens on assets held by the Group.

On 14 October 2022, a loan at German Invest 2 which has a principal loan balance of €130 million was extended to 30 November 2022 following certain amendments.

On 27 October, 2022, Aggregate agreed terms for a potential sale of certain QH assets which it targets to conclude in Q4 2022.

Aggregate

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