

Investor Presentation

Solventis Aktienforum

26. April 2022



Presenters



Thorsten Arsan
Chief Financial Officer

- >19 years of experience in the German residential real estate market; overseeing Equity and Debt Capital Markets transactions, credit ratings, and financing structures
- Former Head of Corporate Finance/ Deputy Head of Finance & Treasury at Vonovia SE and former Senior Vice President for Finance, Controlling, Investor Relations and M&A at Adler Group SA



Stefan Feller
Head of Investor Relations

- >15 years of finance experience in corporate finance, treasury and capital market roles
- Former **Head of Financing** at Swiss utility Axpo Holding AG and **Head of Capital Markets** at fintech Loanbox
- CFA Chartholder

Agenda

1. Peach Property at a glance

2. Portfolio & Operational Performance FY 2021

3. Financial Performance FY 2021

4. Guidance FY 2022

5. Appendix

- *Portfolio details*
- *Consolidated statement of income, financial position and cash flows*
- *Funds from operations*
- *EPRA NAV & NTA*
- *LTV & ICR*
- *Details guidance FY 2022*
- *ESG*
- *Share data & financial calendar*

Peach Property Group at a glance



Strategy

- Active real estate investor within the attractive German residential market, with a clear focus on secondary ("B") cities.
- Low risk: >90% of rental income from residential properties.
- Established management structure with a proven transaction track record and headcount of around 200 employees, mainly in Cologne, Berlin, and Zurich.



Tenants at the centre

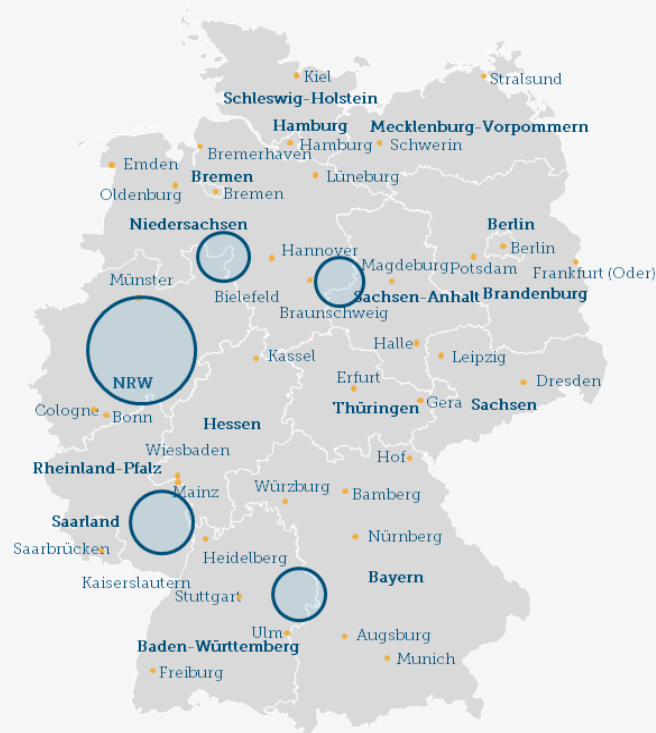


- Tenant shops ("Peach Points") as the cornerstone for direct dialogue with our tenants.
- Tenants are respected and taken seriously. E.g., final resolution of tenant inquiries within 5 days.



Core portfolios

27 441 residential units and 1 705mm sqm across 8 federal states in Germany. Predominantly in North Rhine Westphalia, Rhineland-Palatinate and Lower Saxony.



Key financials

Figures in CHFmm (unless otherwise stated)	Dec 31, 2021	Δ vs. 2020
Portfolio market value	2 687	+29%
Rental income	108.6	+98%
<i>l-f-l rental growth</i>	4.0%	
FFO I	11.1	+141%
LTV	51.9%	-5.6pp
Equity ratio	40.1%	+6.2pp
EPRA NTA per share in CHF	68.6	+20%
Dividend per share in CHF	0.33	+10%



ESG

- Decarbonization path developed: climate neutrality of our real estate portfolio by 2050.
- Reduction of the CO₂ intensity of our portfolio to below 30 kg CO₂ / square meter by 2030.
- ESG rating process started.

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4. Guidance FY 2022

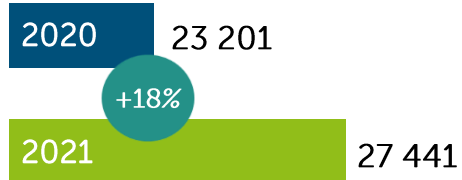
5. Appendix

- *Market development*
- *Portfolio details*
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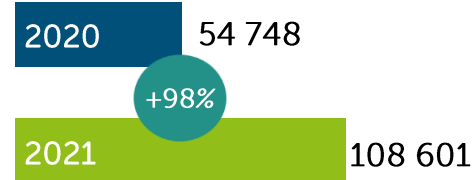


Overview investment properties

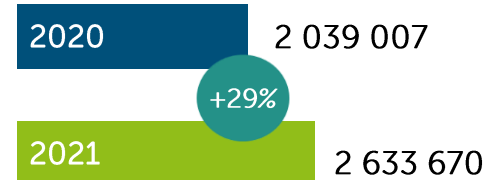
Number of residential units



Actual rental income



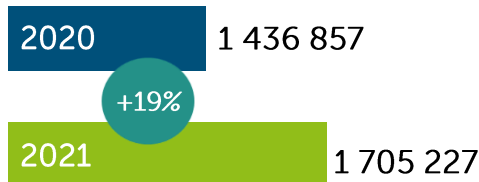
Market value¹



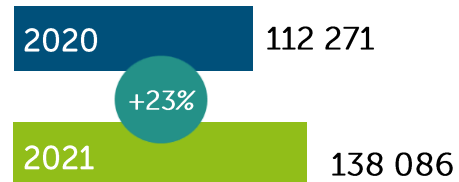
Gross rental return



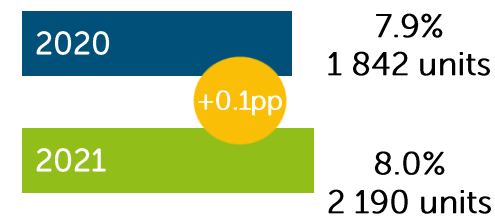
Residential floor space in sqm



Target rental income



Vacancy



Net rental / cash flow return



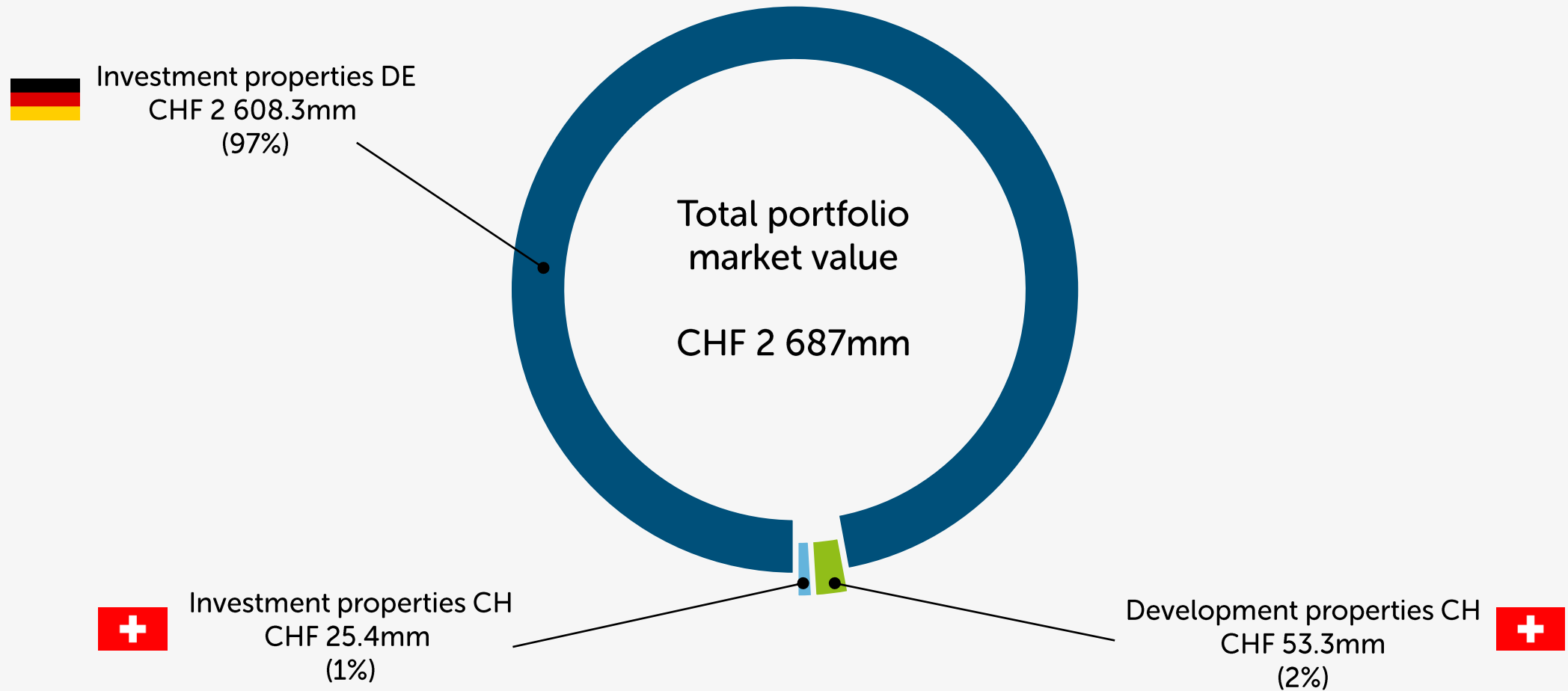
With average in-place rent of EUR 5.73 and average value of EUR 1 424 per sqm residential area, the portfolio has solid further growth potential.

2020

2021



Portfolio structure as of Dec 31, 2021





Strong track-record in growing portfolio

2011



Acquisition residential portfolio in Munster

2012



Acquisition of two portfolios in Dusseldorf-Erkrath

2013



Acquisition of two buildings in Dortmund and Gretag portfolio, near Zurich

2014



Acquisition of portfolio in Northern Hesse

2015



Acquisition of two portfolios in Neukirchen-Vluyn

2016



Acquisition of Rheinland, Eschwege, Fassberg & K'lautern; sale of Erkrath Retail & Gretag

2017



Acquisition i.a. of Oberhausen, Bochum II, K'lautern II, Nordhessen II

2018



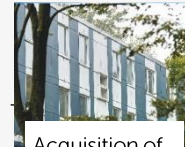
Acquisitions around Bielefeld, Heidenheim, Kaiserslautern and Saarbrücken

2019



Acquisition of 4 200 units (i.a. Essen, Velbert, Gelsenkirchen, K'lautern)

2020



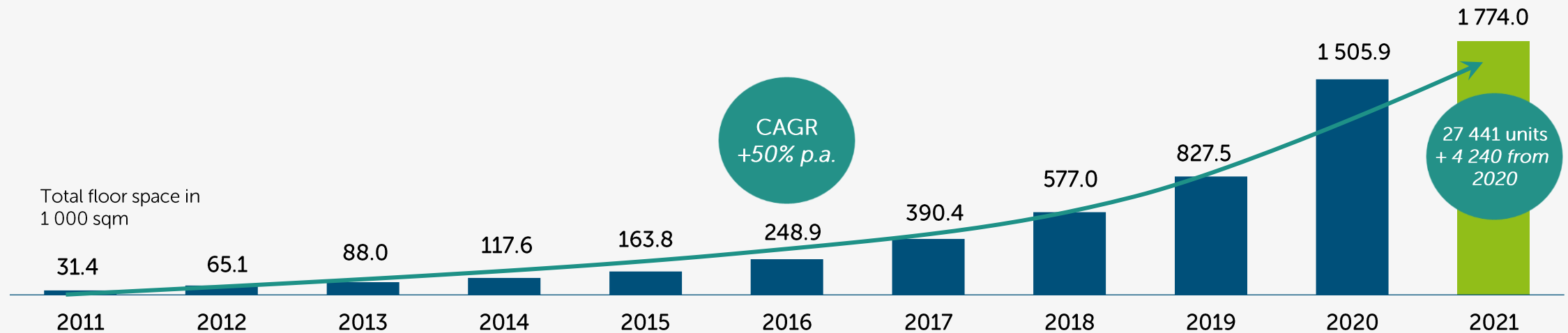
Acquisition of residential portfolios in NRW, Lower Saxony and Rhineland-Palatinate (total of 10 800 units)

2021



Acquisition of residential portfolio Eagle (~ 4 300 units) in NRW

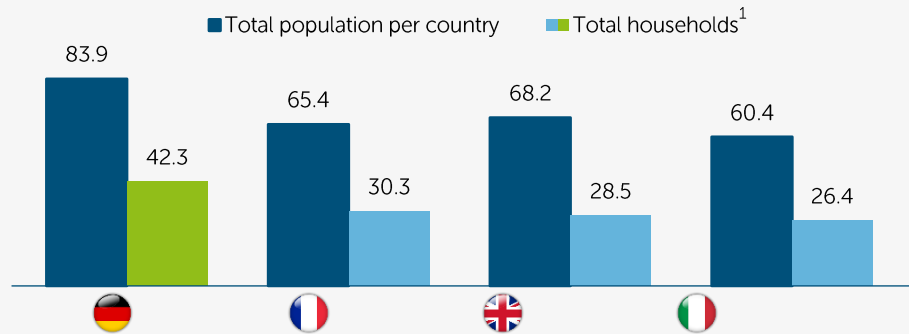
Total floor space in 1 000 sqm





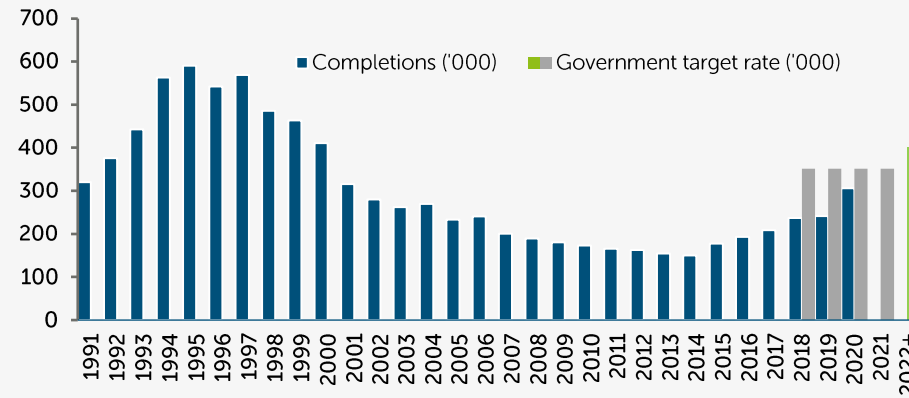
Germany has the largest housing market in Europe and is structurally undersupplied

Largest housing markets in Europe...



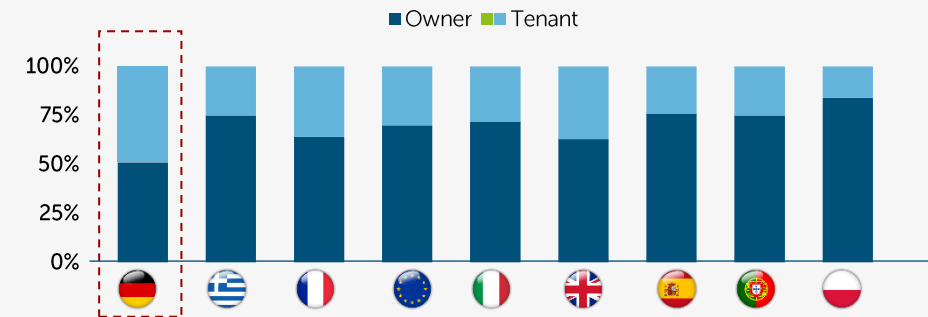
...in which demand is structurally undersupplied...

Structural supply/demand imbalance for residential stock²



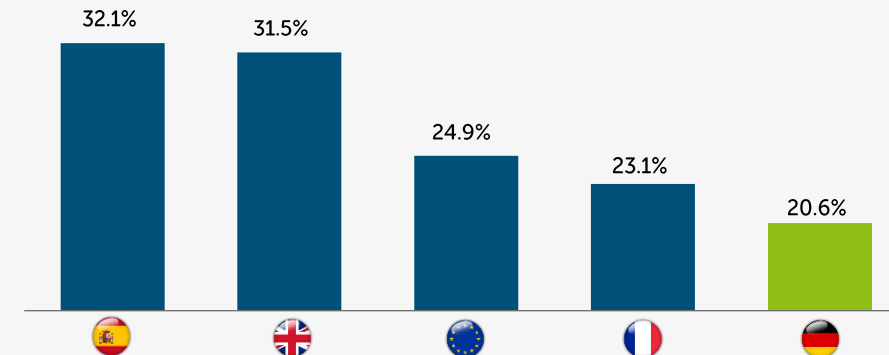
...with a strong rental culture...

Distribution of population between owner occupiers and tenant³



...while rent affordability remains healthy

Share of rent as % of disposable household income⁴

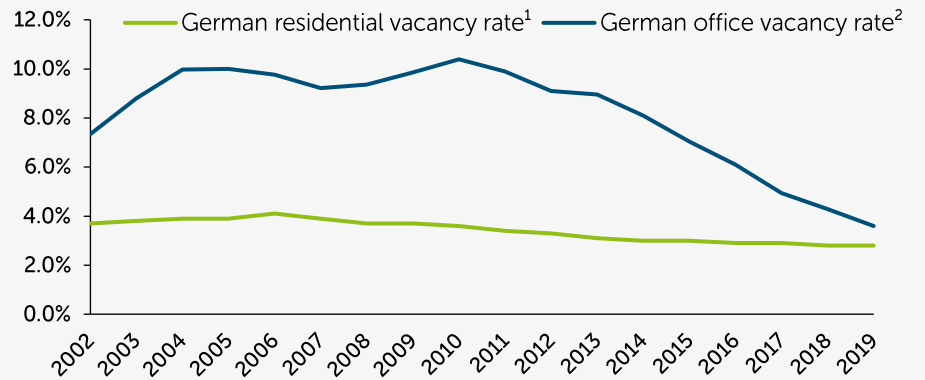


Sources: (1) BMI Research; Population (2021E), Number of households (2021E); (2) Federal Statistics Office (Completions 1991-2019), German Government (Target 2018-2021; Federal Ministry of the Interior, Building and Community; 2022+; New German Coalition Agreement); (3) BMI Research; Distribution of population between owner occupiers and tenants (2021F); Europe refers to average of DE, FR, GR, UK, PL, PT, ES, IT; (4) Eurostat, Share of rent as % of disposable household income (2019, 2018 last available for UK); Europe refers to European Union countries.

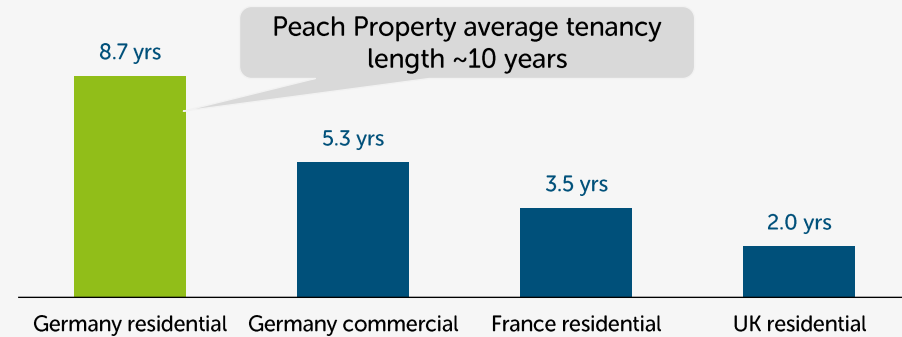


Germany's affordable housing segment is extremely stable...

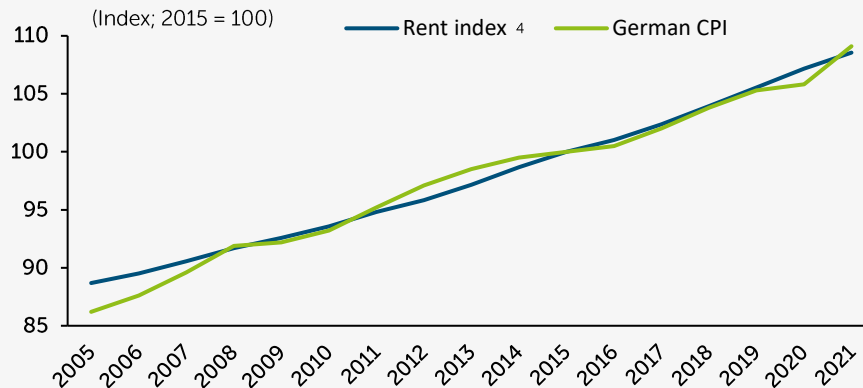
Low, stable vacancy rate through the cycle...



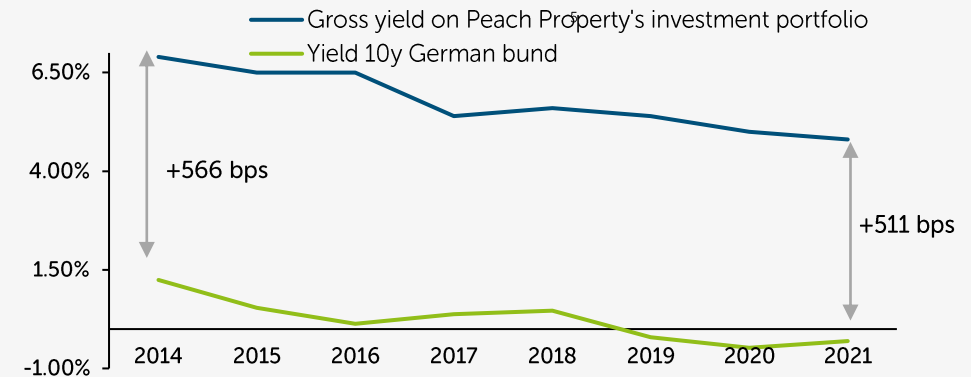
...with exceptionally high average tenancy length³



Rent evolution shows steady growth inline with CPI...



... leads to attractive and stable yield pick up vs. risk free rate



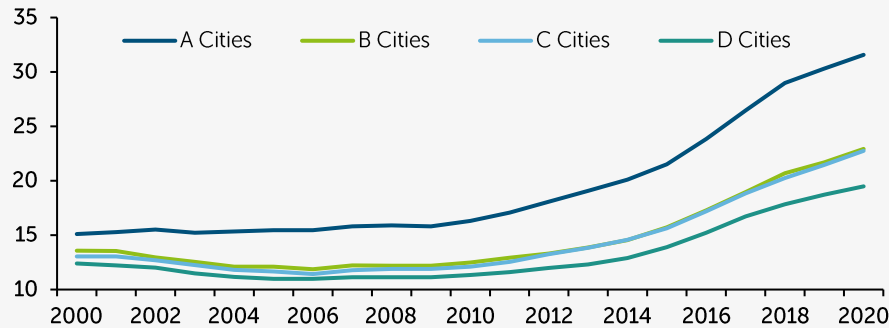
Sources: (1) Statista (2019); (2) CBRE (median of Berlin, Munich, Frankfurt, Hamburg and Dusseldorf); (3) German residential refers to average of Vonovia, Grand City Properties and Aroundtown (residential portfolio only); German commercial refers to average of Aroundtown (office portfolio only), Covivio (office portfolio only), alstria, Demire and DIC (commercial portfolio only); French residential refers to average duration of leases in France (Clameur, 2020); UK residential refers to average tenancy length for Grainger properties; (4) Destatis (2022): Median of rent index of North Rhine-Westphalia, Rhineland-Palatinate, Lower Saxony and Baden-Wuerttemberg (5) Deutsche Bundesbank; annual average yield of 10y Bund



... especially in secondary ("B")-cities that offer an attractive risk/return profile

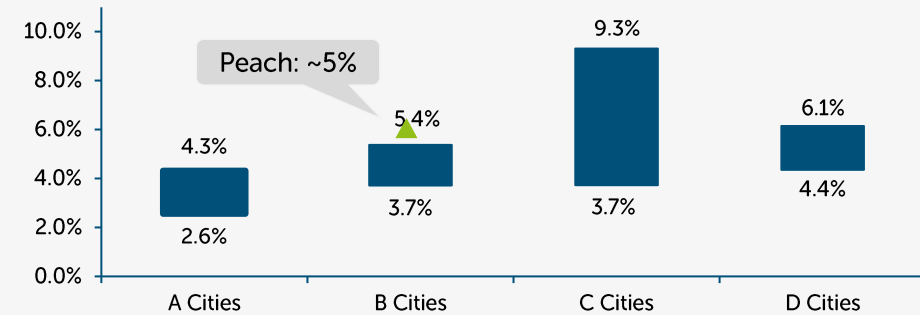
Multiplier in B, C and D-cities significantly lower...

Average multiplier multi-family buildings¹



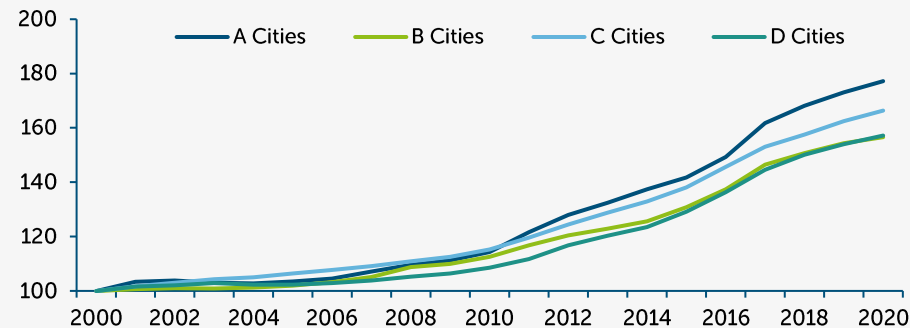
... offering an attractive initial return profile

Yield 2020 in German Secondary Locations²



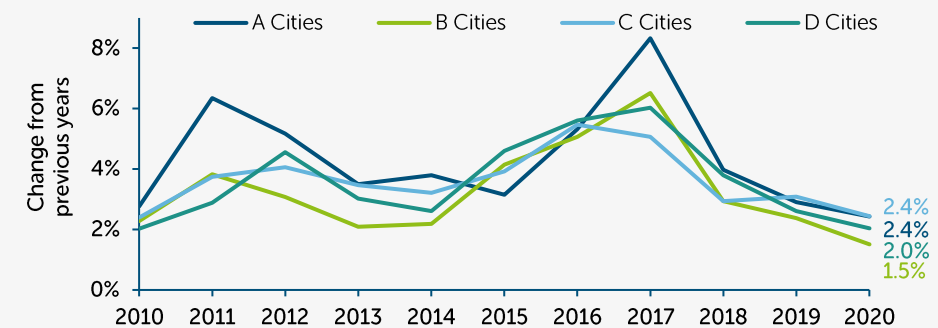
Rent increase in A/B/C/D-cities historically stable...

Rental prices in Germany (indexed to 100)³



... resulting in a consistent price momentum

Strong price momentum in the German residential market⁴



Sources: (1) Bulwiengesa, Multifamily house, apartment building, average (weighted average); (2) Bulwiengesa, Yield in A, B, C and D cities (2020, Multifamily house-apartment building rent multiplier reciprocal); (3) Bulwiengesa, Rental prices indexed to 100 in A, B, C and D cities (2000-2020); (4) Bulwiengesa, Rental prices year on year change in A, B, C and D cities (2010-2020).
Definitions A, B, C and D cities as per Bulwiengesa; see: https://www.rwiw.de/online_test/info.php3?cityid=6&info_topic=allg



More than 60% of portfolio in NRW – Germany's economic engine

Key economic regions in Germany...

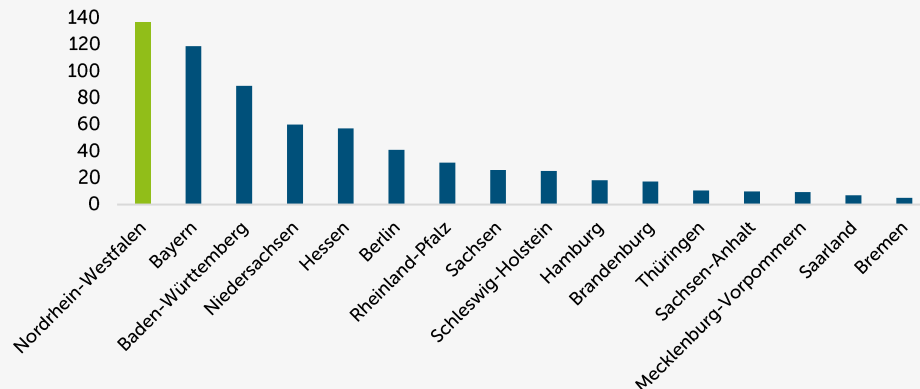
- Key metropolitan area in Germany, and one of the largest in Europe (17.9m inhabitants¹)
- 2.8% population growth in the last 10 years stronger than national average (1.7%)
- Germany's economic hub, generating approx. 21% of German GDP²
- More than one third of the largest companies in Germany are based in NRW, and highest number of new business registrations; receives 24.2%⁴ of foreign investments into Germany
- Robust labour market with decreasing rate of unemployment since 2004 until COVID-19 impact in 2020

...and home to many large German corporates

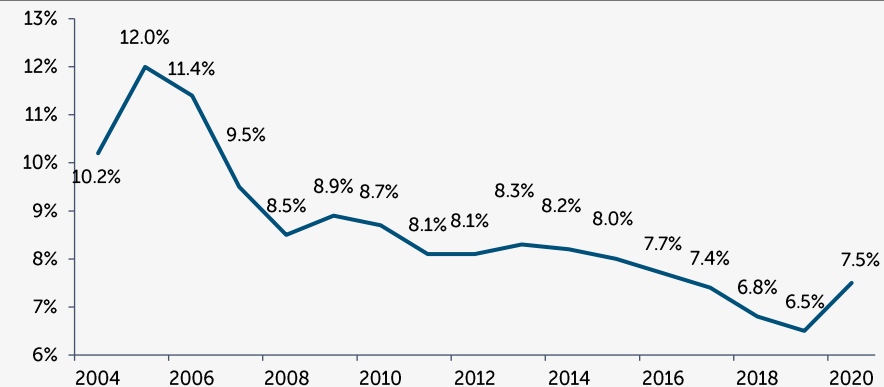


Highest number of new German business establishments

Business registrations in 2020 (000's)³



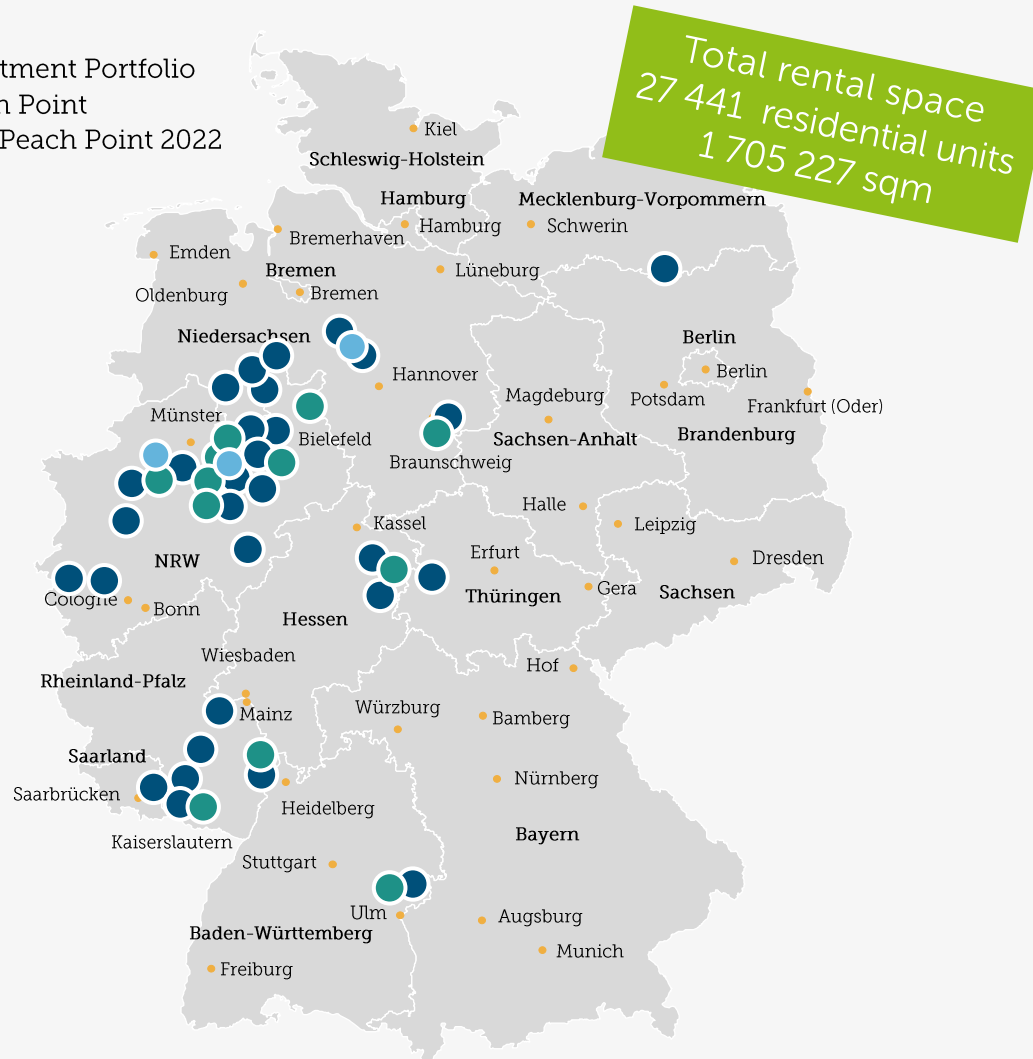
... coupled with low unemployment in NRW¹



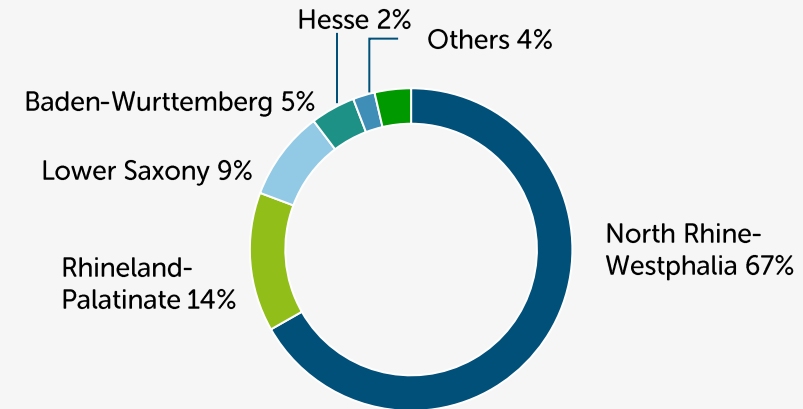


Well-located portfolio with relevant scale

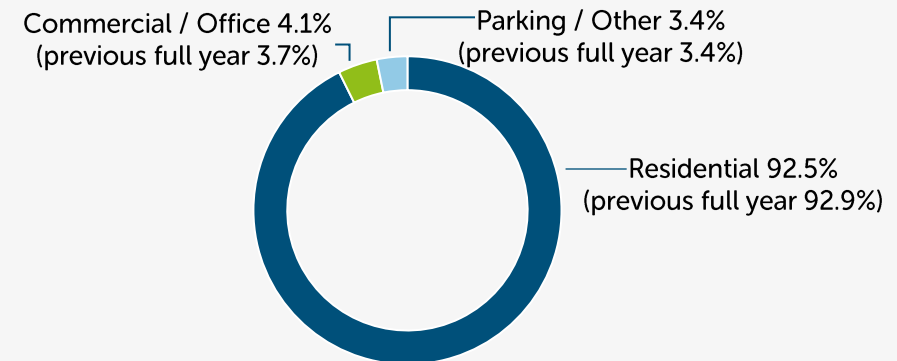
- Investment Portfolio
- Peach Point
- New Peach Point 2022



Split by location (% of market value)



Split by usage (% of rental income)





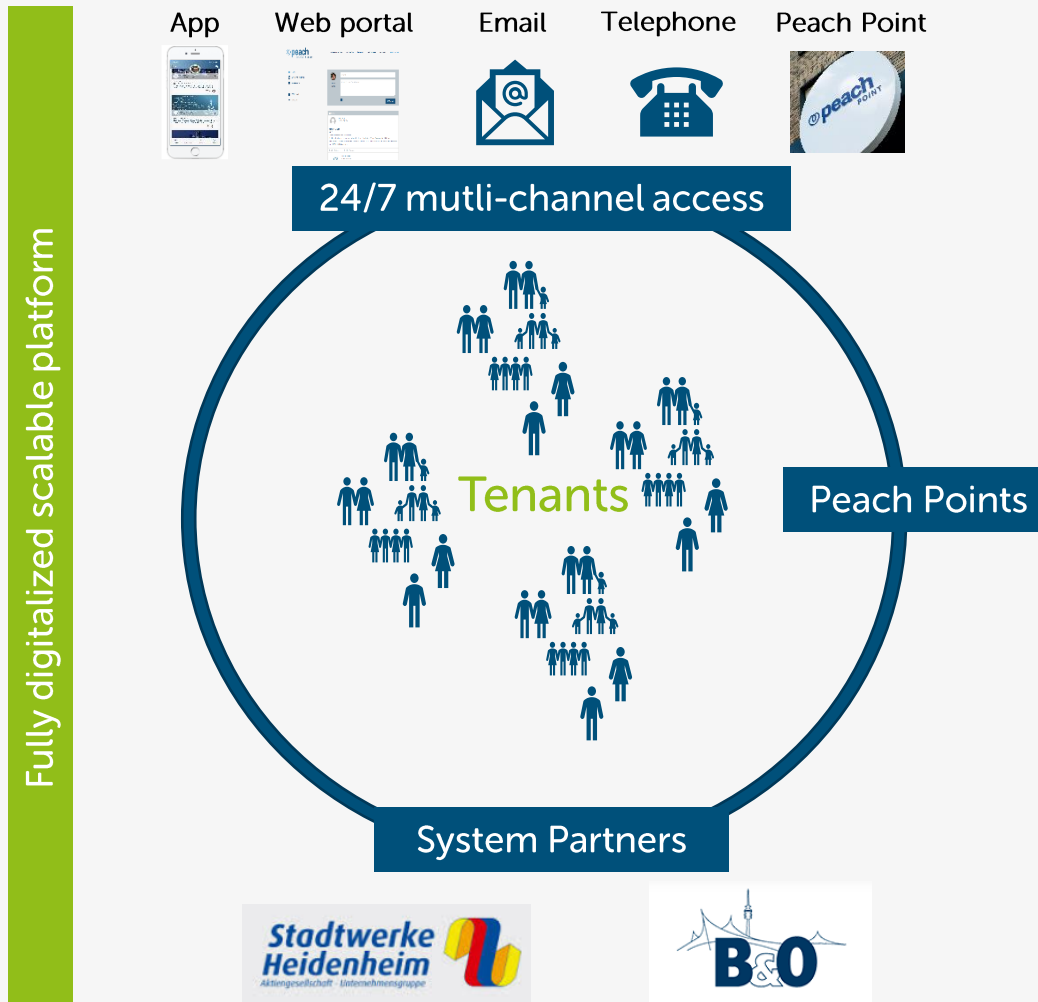
Typical properties in Peach's portfolio



Affordable German residential properties in carefully selected B-cities



360-degree tenant service model



Property Management in Peach

- All tenant interaction in **unified** ticketing system
- 284 tickets per month per 1 000 apartments in 2021 (155 tickets in 2020)
- 91.4% "one touch": queries solved during first interaction in 2021 (88% in 2020)

Central Quality Management

- 17.9 hours on average to first response (18.8h in 2020)
- 5 days until problem is solved completely incl. involvement of external partners (7 days in 2020)
- 70% satisfaction (based on 23% response rate, survey 2021)

Scalable and fully digital partner engagement

- Partners integrated via Zendesk (e.g., online damage reporting)
- Model adapts to scale seamlessly, without additional expenses



Peach Points: Client service excellence delivered through regional tenant stores



Existing Peach Points

Dortmund
Erkrath
Essen
Gelsenkirchen
Heidenheim
Helmstedt
Kaiserslautern
Ludwigshafen
Minden
Oberhausen
Recklinghausen
Witzenhausen



Now open:
15 Peach Points



New Peach Points (opened beginning 2022)

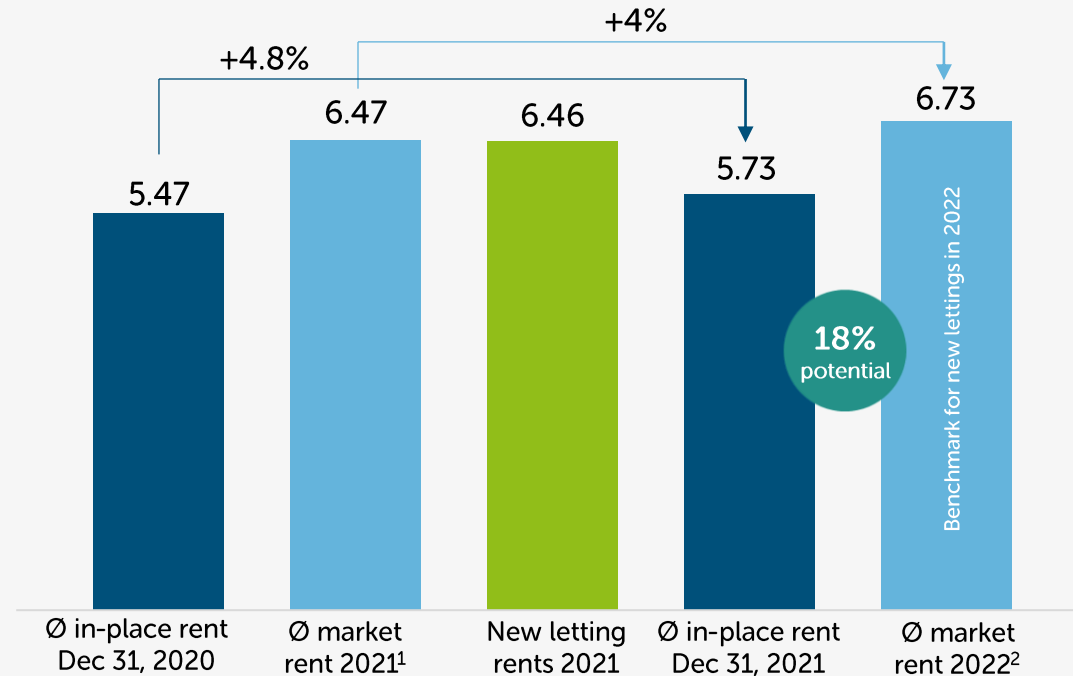
2nd in Dortmund
Munster / Fassberg
Marl





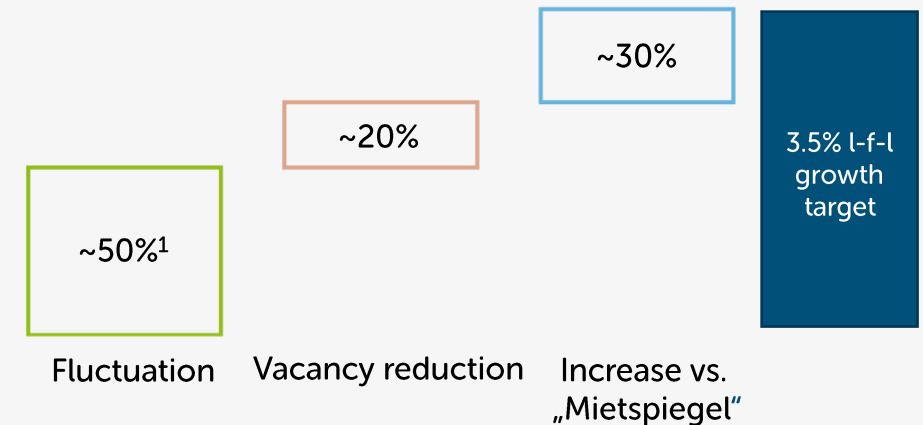
Attractive potential for further rent growth

Figures in EUR / sqm



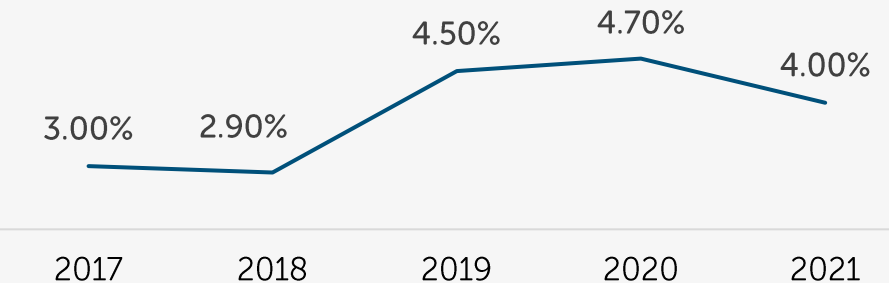
- We are able to lock-in market rents with new lettings.
- Potential for further rent growth with 18% gap vs. market rent.
- New German coalition agreement does not prevent us to realize our l-f-l rental growth potential.

Sources of rental growth target



(1) Based on c10% annual fluctuation rate and a rent increase potential of 18%

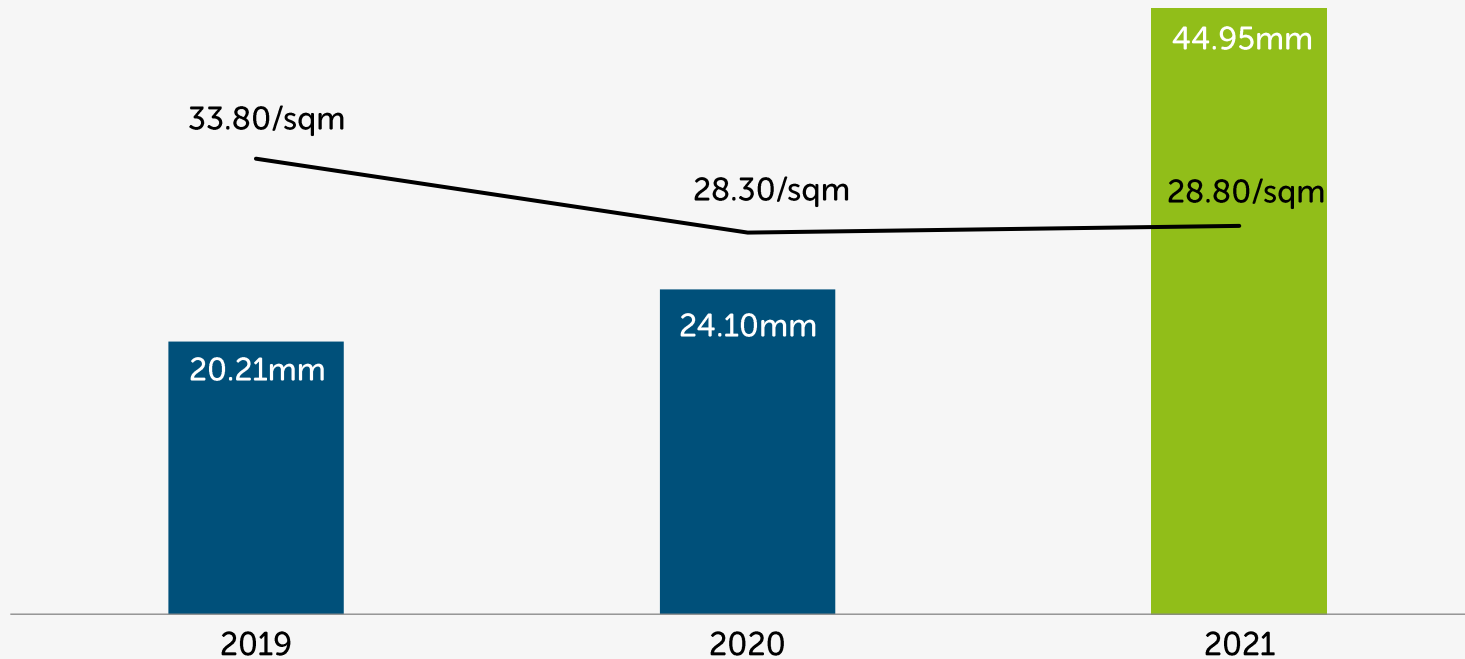
Our l-f-l rental growth track-record





Capex development

CAPEX in CHF

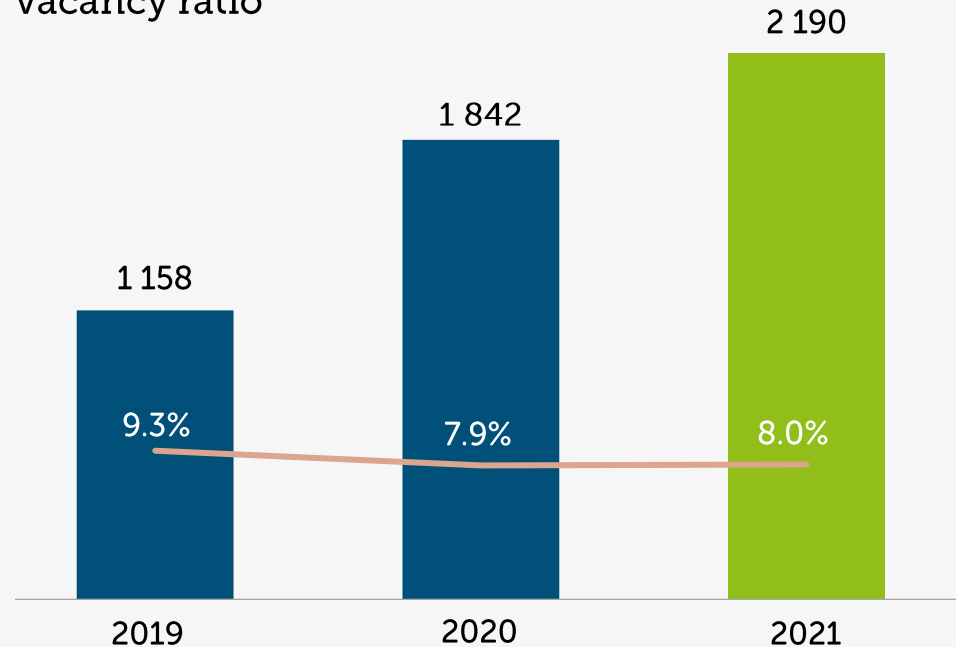


- ~ 2 000 apartments renovated in 2021.
- Increase of capex to ~CHF 70mm in 2022 planned; mainly driven by step-up of (energetic) renovation program and to some extent by increased construction costs.
- Renovation of 2 500 – 3 000 apartments in 2022 planned.



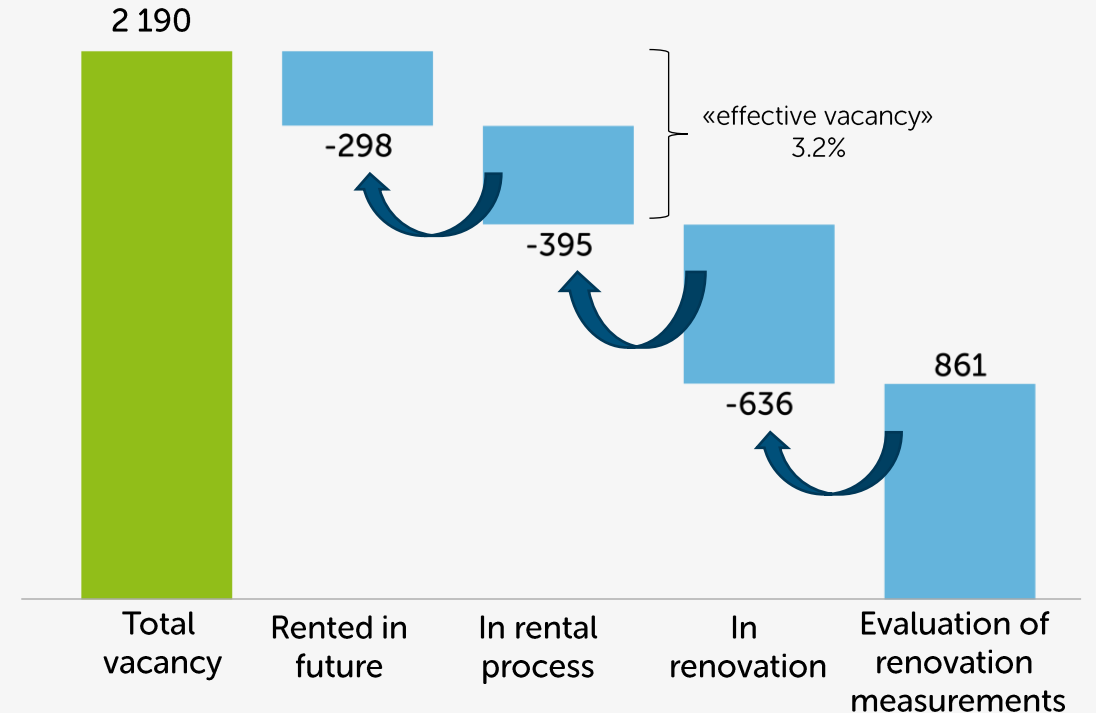
Vacancy driven by renovation measures

Development of vacant residential units and vacancy ratio



- Overall vacancy ratio flat year-over-year; mainly driven by a slightly higher fluctuation on units acquired in 2020.
- On a l-f-l basis (without units acquired in 2021 and 2020) we were able to reduce vacancy ratio to 6.1% from 7.3%.

Vacant residential units by vacancy category

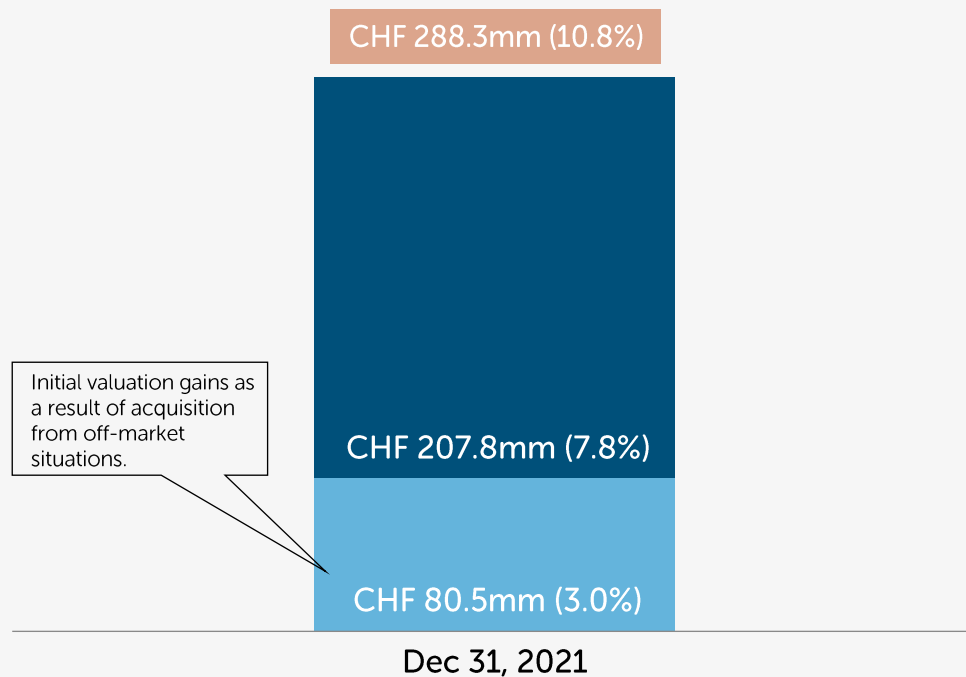


- Renovated ~ 2 000 units in 2021; 2 500 – 3 000 units planned for 2022.
- With current pace of renovation, we aim to achieve a “normal” vacancy ratio <4%.



Significant valuation gains and still attractive rental yield

- Operational progress & discount rate
- Initial valuation
- Total revaluation gain as % of investment properties



Key valuation indicators as of Dec 31, 2021

Gross rental yield	4.8%
Average value per sqm	EUR 1 424
Rent multiple	EUR 20.7x
Average discount rate	3.7%



Remaining development project in Switzerland, Wädenswil on Lake Zurich



- Development project with 56 condominiums in 4 buildings, combination of redevelopment and new construction; investment properties with 29 rental units and 5 600 sqm commercial space
- The project has been legally approved as of February 2020; civil engineering starts in April 2022, condominium handover end of 2024
- Successful pre-sales of condominiums launched in Q2 2021; reservation rate >35%





Sustainability in practice on all levels

Our sustainable goals

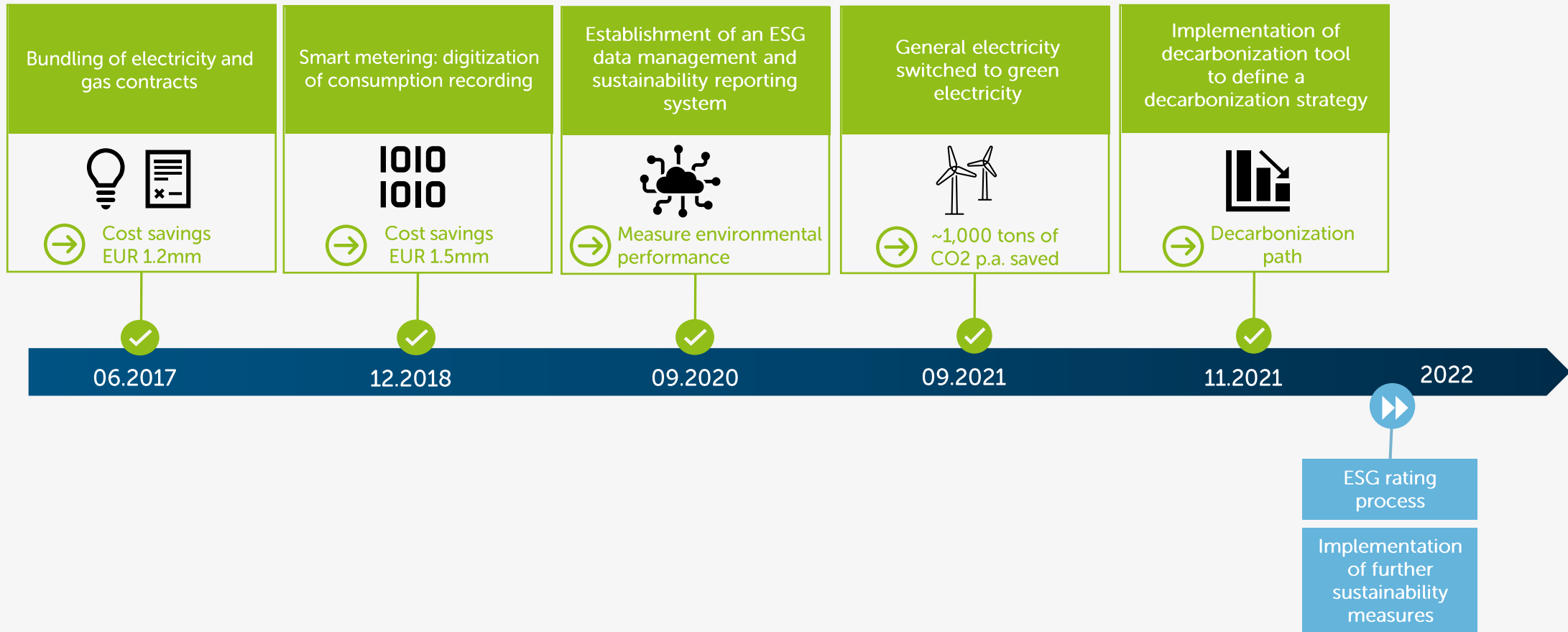
Our KPIs¹

9 UN SDGs² as particular relevant for our business

ENVIRONMENT Reduction of carbon footprint through responsible real estate management	CO ₂ emissions: 34.5 kg/m ² ³ Total energy intensity: 15.4 kWh/m ² Waste recycling rate: 33% Share of electric vehicles in the total fleet: 45%	  
SOCIAL Tenant satisfaction – the DNA of our business model Satisfied employees contribute to the employer's success	Tenant satisfaction after report resolution by 3 rd parties: 70% Time lapse until 1 st response to damage report: 18h Time lapse until final report resolution by Peach Points: 26.8h Time until final problem resolution (incl. 3 rd parties): 5 days Total proportion of women employees: 51% Employee turnover rate: 18% Absentee rate: 10 days Social engagement projects: 2	    
GOVERNANCE Sound corporate governance underpinned by core ethical values in daily dealings with one another	Proportion of employees with Code of Conduct training: 100% Violations of the Code of Conduct: 0	
BUSINESS PERFORMANCE Responsibility through a strong financial foundation	EPRA NTA per share: CHF 68.56 Diluted FFO I per share: CHF 0.72 Equity ratio: 40.1% LTV: 51.9%	

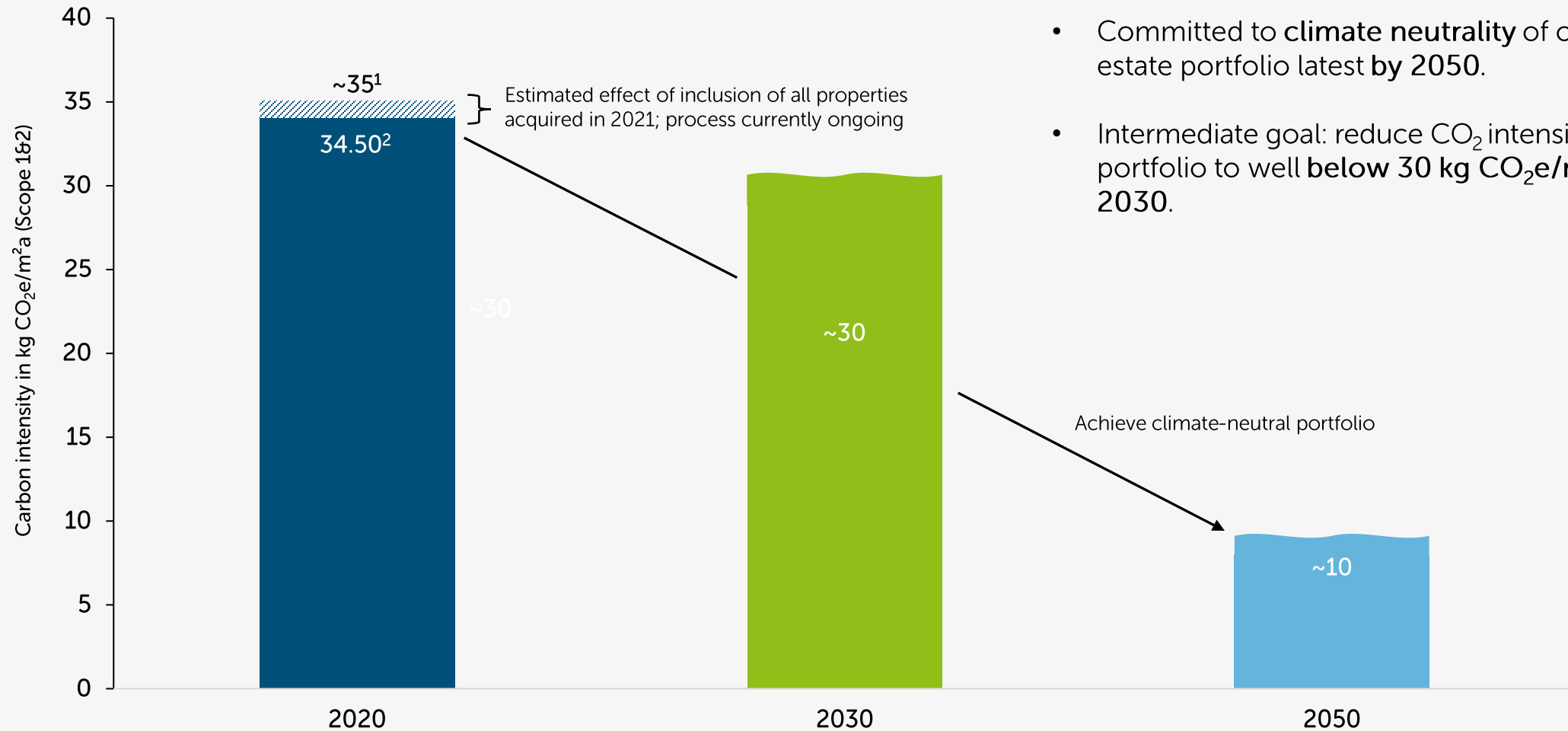


Peach's ESG Roadmap





Peach's decarbonization path



- Committed to **climate neutrality** of our real estate portfolio latest by **2050**.
- Intermediate goal: reduce CO₂ intensity of our portfolio to well **below 30 kg CO₂e/m²a** by 2030.



Our strategy to reach our CO₂ targets

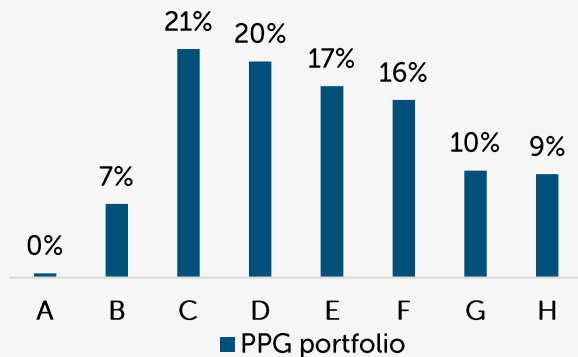
Focus on energy consumption from heating...

- 88 percent of our emissions are from the energy sources **natural gas, fuel oil, and district heating**.
- Against this background, our **decarbonization strategy** focuses on the energy consumption from heating.

... and assets with weak energy efficiency

- Our refurbishment-focus is on **energy classes G and H**, where we can achieve the biggest impact on the carbon footprint of our portfolio.
- The EU directive requires all buildings to be classified as at least energy efficiency class F by 2030.

As of today:
Spread of properties per energy efficiency class



Improvement in building insulation



Largest impact from:

- Replacement of materials such as windows
- Additional insulation layers

Conversion to CO₂-neutral heat supply

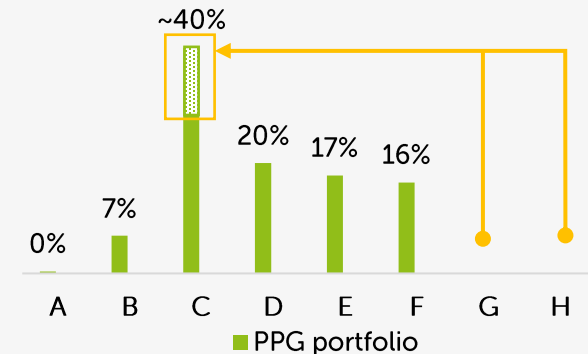


Largest impact from:

- Conversion to district heating
- Conversion to modern condensing technology and reduction of oil-dependent heating systems
- Replacing CO₂-intensive energy sources with renewable energy sources

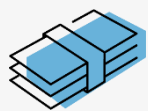
19% => ~ 5 200 units to be renovated by 2030
~650 units p.a.

As of 2030:
Expected spread of properties per energy efficiency class



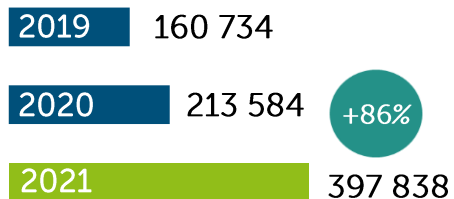
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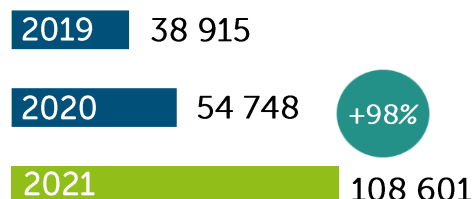


Strong financial performance in 2021

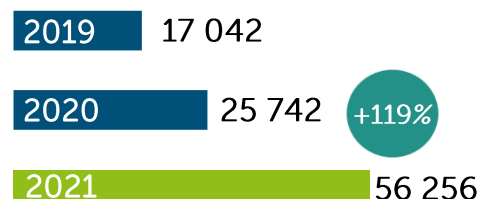
Operating Income (CHFmm)



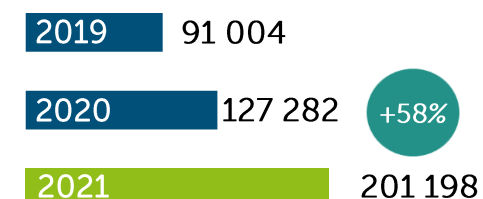
Net rental income (CHFmm)



Adjusted EBITDA (CHFmm)



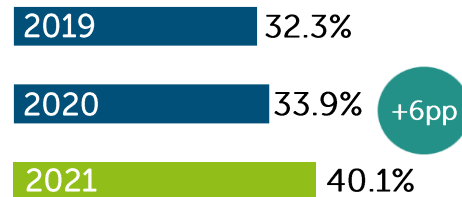
Result after tax (CHFmm)



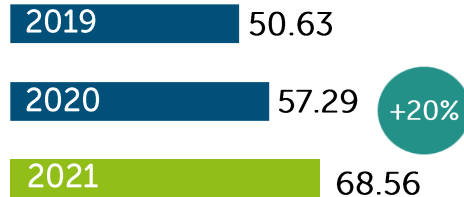
FFO I (CHFmm)



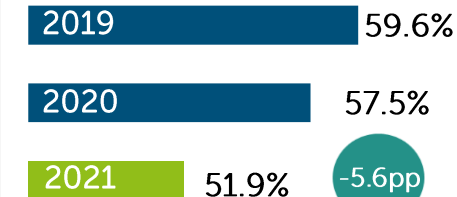
Equity ratio (IFRS)

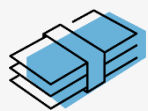


EPRA NTA (CHF/share)



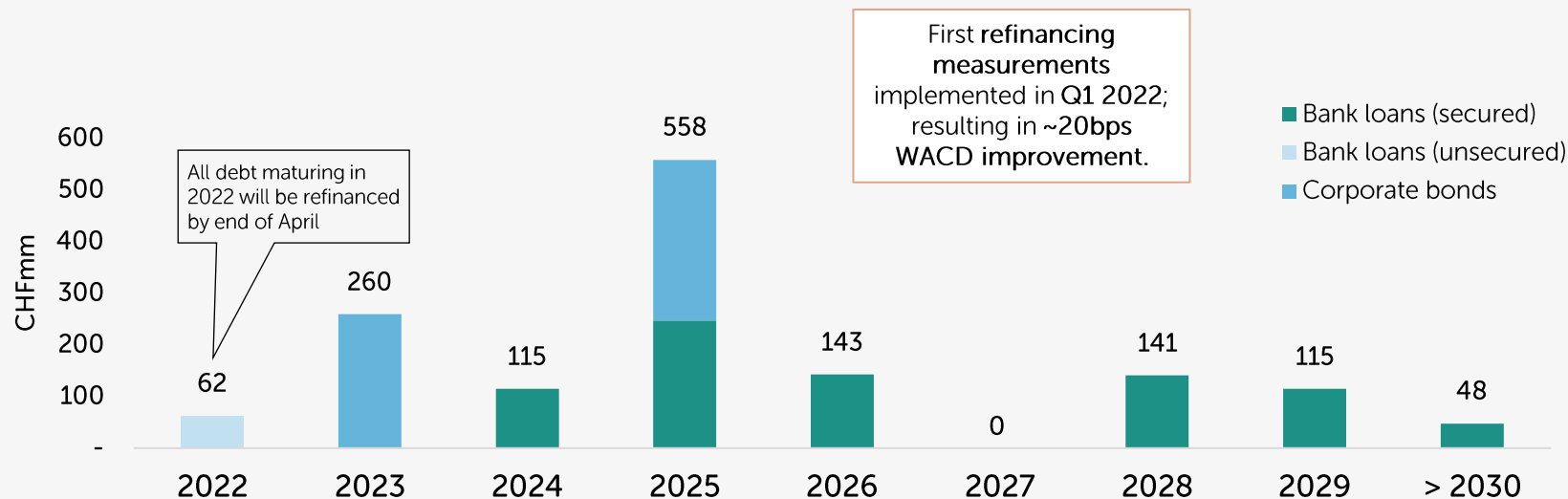
Loan-to-value





Maturity profile with refinancing opportunities

Debt structure as of December 31, 2021

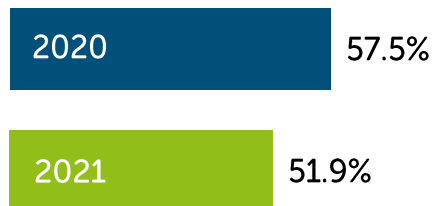


		Amount CHFmm	Ø interest rate	Fixed rate
Unsecured	44%	570	3.98%	100%
		62	3.17%	100%
Secured	56%	810	1.76%	100% ¹
Total		1 442	2.70%	100%

As of Dec 31, 2021

¹incl. hedges

Loan-to-value (net)



ICR



WACD



Weighted average maturity





Financial policy geared to reach investment grade

Peach Financial Policy

Maintain a well-balanced maturity profile, with a mix of secured & unsecured funding

Lower weighted average cost of debt to < 2% in the medium term

Maximum LTV of 50% in the medium term

Achieve an investment grade instrument rating for unsecured bond issuances

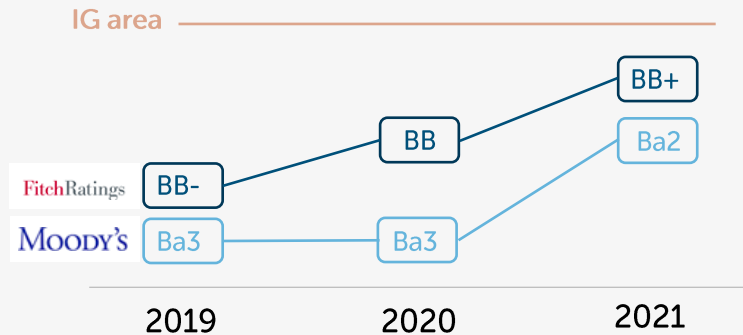
Dividend policy at 50% of FFO I

Our financial policy is the foundation for the further improvement of our capital structure



Rating upgrades and strong share price performance in 2021

Credit ratings (Instrument Rating)



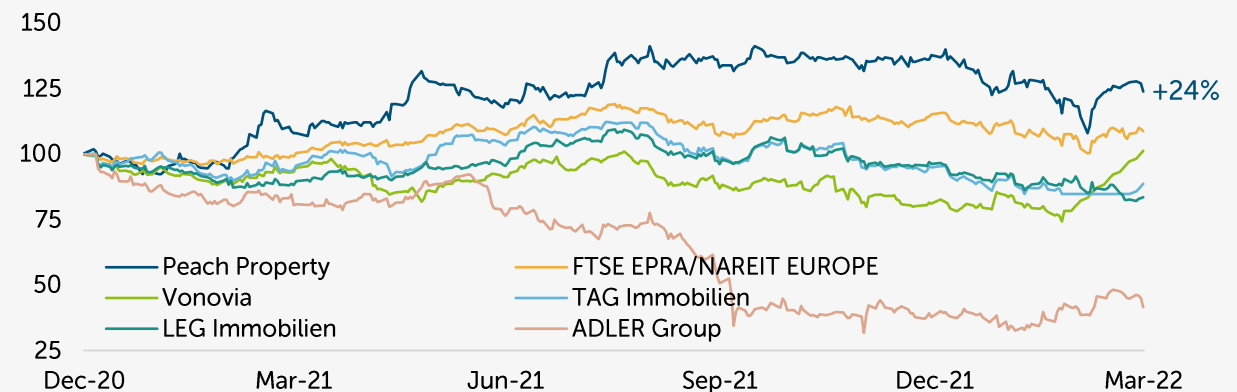
Recent capital market transaction

Mar 2022	~2% EUR 55 million promissory note (German SSD); maturity 3 years
June 2021	Mandatory convertible bond 2.5% CHF 180 million; conversion price CHF 55.00
Oct 2020	EuroBond 4.375% EUR 300 million; maturity 5 years
Oct 2020	Mandatory convertible bond 2.5% CHF 230 million, conversion price CHF 42.50
Nov 2019	EuroBond 3.5% EUR 250 million; maturity 3 ¼ years

Equity analyst coverage

	Buy / PT CHF 79.00
	Buy / PT CHF 74.00
	Buy / PT CHF 73.00
	Buy / PT CHF 73.00
	Buy / PT CHF 70.00

Share price performance (rebased to 100)



As of 31.03.2022; indexed; 31.12.2020 = 100; Source: onvista

Agenda

1. Highlights FY 2021
2. Portfolio & Operational Performance
3. Financial Performance

4. Guidance FY 2022

5. Appendix

- *Portfolio details*
- *Consolidated statement of income, financial position and cash flows*
- *Funds from operations*
- *EPRA NAV & NTA*
- *LTV & ICR*
- *Details guidance FY 2022*
- *ESG*
- *Share data & financial calendar*

Guidance FY 2022

Net Rental Income	CHF 122 – 125mm FX-adjusted CHF 113-117mm
l-f-l rental growth	3.5%
FFO I	CHF 18 - 21mm
LTV	50% (mid-term target)
Dividend	50% of FFO I

Why invest in Peach Property Group?



Experienced team with a proven transaction track record



Germany: attractive real estate market with very good perspectives



Successful investment strategy



Long term growth and value orientation



Sound equity basis



Attractive investment case

- >CHF 3.8 billion worth of successful transactions since 2013
- Strong asset management platform
- ~200 employees in Cologne, Berlin and Zurich

- Growing number of households
- Annual additional unmet demand of 400 000 apartments
- B-cities with significant yield compression anticipated

- Low risk: >90% of rental income from residential properties
- Portfolio value of CHF 2.7 billion
- Active asset management led to significant outperformance vs. peers

- 50% average annual portfolio growth since 2011
- Rental income 2021 CHF 108.6mm
- Number of residential units: >27 400

- 40.1% equity ratio (IFRS)
- EPRA NTA of CHF 1 157mm
- LTV: 51.9% with a target of maximum 50%

- 18% rent increase potential to market rent over the portfolio
- Average value of EUR 1 424 per sqm residential area
- Attractive gross rental yield of 4.8% compared to industry peers
- Current share price at ~20% discount to EPRA NTA / share¹

Agenda

1. Highlights FY 2021
2. Portfolio & Operational Performance
3. Financial Performance
4. Guidance

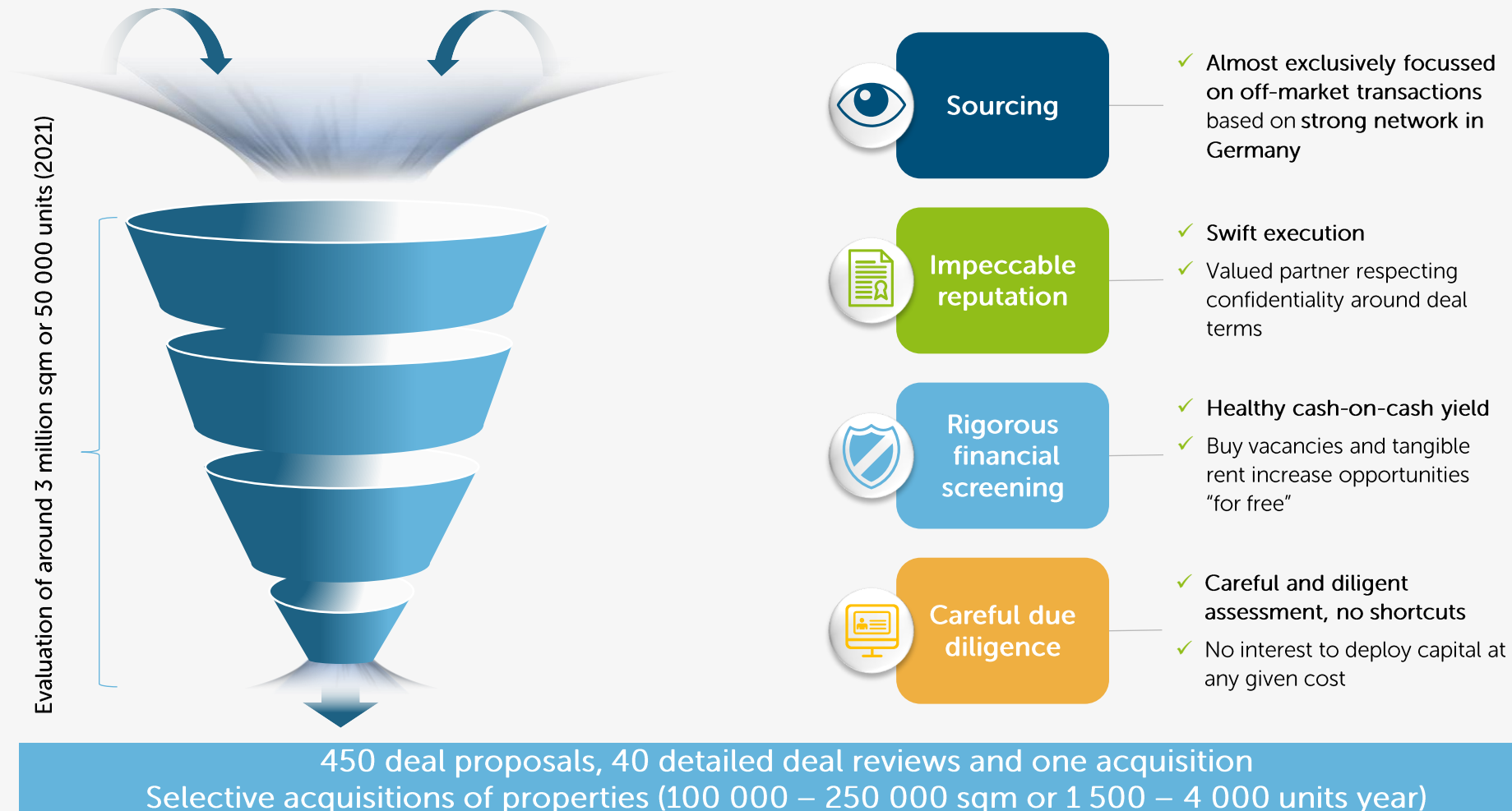
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Appendix

Portfolio details

Structured acquisition process that results in strategically sound acquisitions



Top 20 locations of the Peach portfolio

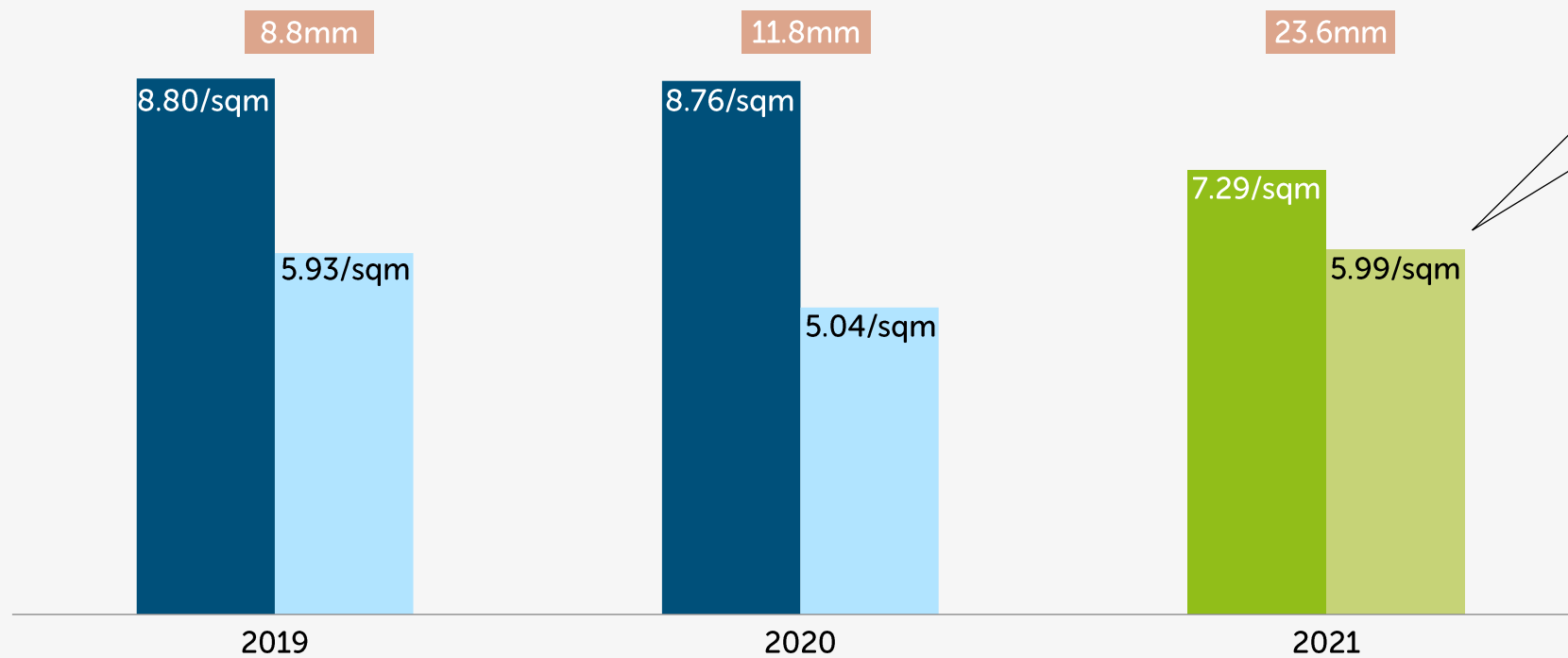
	Location	State	# of units	Space in sqm	Construction years	Valuation in CHF ¹
1	Kaiserslautern	Rheinland Pfalz	2 293	140 179	1926-2000	247 707 825
2	Marl	NRW	2 154	142 312	1939-1990	207 995 462
3	Gelsenkirchen	NRW	2 001	128 606	1902-2001	159 800 983
4	Dortmund	NRW	1 963	123 493	1900-1975	229 347 387
5	Bochum	NRW	1 430	65 149	1920-1999	118 090 945
6	Helmstedt	Niedersachsen	1 314	76 592	1926-1981	86 280 680
7	Oberhausen	NRW	1 076	70 033	1869-2001	118 508 677
8	Essen	NRW	953	59 751	1904-1988	107 378 608
9	Heidenheim	Baden-Württemberg	923	63 305	1896-2006	116 078 423
10	Schöningen	Niedersachsen	844	50 199	1953-1970	47 050 818
11	Velbert	NRW	761	52 964	1972-1978	75 375 281
12	Recklinghausen	NRW	709	43 535	1904-1970	59 641 138
13	Minden	NRW	643	41 456	1893-1973	49 844 165
14	Neukirchen-Vluyn	NRW	567	37 798	1974-1981	46 491 527
15	Duisburg	NRW	552	35 588	1915-1978	46 164 367
16	Ludwigshafen	Rheinland Pfalz	470	28 238	1920-1987	88 371 415
17	Bielefeld	NRW	440	30 506	1932-1987	46 812 780
18	Herne	NRW	418	26 560	1905-1976	36 880 881
19	Munster	Niedersachsen	377	25 784	1959-1967	30 008 139
20	Neubrandenburg	Mecklenburg-Vorpommern	360	21 441	1969-1976	25 286 756
	Others incl. CH	-	7 193	510 491	1800-2015	690 553 574
	Total		27 441	1 773 980		2 633 669 831



Opex development

Opex in CHF

■ Maintenance / sqm
■ Admin / sqm
■ Total Opex



Appendix

Consolidated statement of income, financial position and cash flows

Consolidated statement of income

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
Rental income	108 601	54 748
Valuation gains from investment properties	288 319	157 786
Profit on disposal of investment properties	441	387
Income from development properties		180
Other operating income	477	483
Operating income	397 838	213 584
./. Expenses from letting of investment properties	- 28 784	- 14 184
./. Valuation losses from investment properties		- 1 594
./. Expenses from development properties	232	1 115
./. Expenses from development and construction management services		500
./. Personnel expenses	- 18 089	- 13 424
./. Sales and marketing expenses	- 206	- 310
./. Other operating expenses	- 8 641	- 6 248
./. Depreciation and amortization	- 1 688	- 876
Operating expenses	- 57 176	- 35 021
EBIT	340 662	178 563
Financial income	1 735	4 389
./. Financial expenses	- 82 907	- 29 598
EBT	259 490	153 354
./. Income taxes	- 58 292	- 26 072
Results after taxes	201 198	127 282
attributable to Peach Property Group AG equity holders	190 643	119 432
attributable to non-controlling interests	10 555	7 850
Basic earnings per share in CHF	12.50	15.26
Diluted earnings per share in CHF	12.38	14.30

Comments

- Target rental income of CHF 127 146 (2020: 63 911) less lost income due to vacancies of CHF 14 491 (2020: 7 412) and lost income due to collection risks of CHF 4 054 (2020: 1 751). The increase in lost income due to collection risks to 3.6% (2020: 3.1%) mainly due to the newly acquired portfolios at the end of 2020 and June 2021, where lost income due to collection risk is 4.6%. In the recurring portfolio the level is at 2.9%. Target rental income of the Jun 30, 2021 acquisition: CHF 22 117.
- Of which CHF 12 926 (2020: 7 467) ongoing maintenance expenses and CHF 10 625 (2020: 4 294) ongoing administrative expenses as well as CHF 5 233 (2020: 2 423) expenses from vacancies. The increase of direct administrative expenses is mainly due to third party administration cost incurred with respect to the portfolio acquired in June 2021, as well as higher costs in connection with integration, and the 2020 ancillary cost settlements for the portfolios acquired at the end of 2020.
- The absolute increase in personnel expenses is largely due to an increase in the number of employees required to support our continued growth. Personnel expenses as a percentage of rental income decreased to 16.7% (2020: 24.5%) resulting from economies of scale and efficiency gains.
- Other operating expenses as a % of rental income decreased to 8.2% (2020: 11.4%). The increase in fees and legal expenses, third parties is mainly due to higher property valuation costs, and expenses in relation to the integration of the newly acquired units and companies. The increase in IT expenses is mainly due to additional license fees, miscellaneous expenses, and support costs related to the increase in units, and employees.
- The increase in the effective tax rate to 22.5% (2020: 17.0%) is mainly due to the acquisition of a portfolio company where we cannot claim any trade tax exemptions. The adjustments for previous years include provisional findings from the 2014 – 2016 tax audit of the German group in the amount of CHF 1 068 thousand. Further effects resulted from the final assessment of property gains tax for the „Wollerau Park“ project, and final assessments and tax audits of the Swiss group companies.

Consolidated statement of financial position

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
Cash & Cash equivalents	37 199 ¹	67 656
Trade receivables	7 652	7 346
Other receivables	19 514	15 269
Current financial receivables	398	5 851
Development properties	44 149 ²	38 969
Investment properties held for sale	3 265	1 743
Total current assets	112 177	136 834
Investment properties	2 657 222	2 063 302
Equipment	3 749	2 842
Intangible assets	1 482	921
Non-current financial receivables	2 044 ³	99
Deferred tax assets	17 368	20 427
Total non-current assets	2 681 866	2 087 653
Total assets	2 794 043	2 224 487
Trade payables	3 684	3 885
Other payables and advance payments	37 058	35 186
Current income tax liabilities	4 930	3 398
Current financial liabilities	90 558 ⁴	177 354
Current provisions	1 372	2 159
Total current liabilities	137 602	221 982
Non-current financial liabilities	1 410 078	1 169 279
Non-current provisions	236	375
Employee benefit obligations	3 690	4 564
Deferred tax liabilities	122 010	73 425
Total non-current liabilities	1 536 014	1 247 643
Total liabilities	1 673 616	1 469 625

Comments

- Trade receivables from third parties mainly comprise receivables from tenants, amounting to CHF 5 061 (2020: CHF 4 504) and receivables from the sale of condominiums amounting to CHF 2 573 (previous year: CHF 2 776).
Lost income due to collection risks amounted to CHF 4 054 (2020: CHF 1 751) and corresponds to 3.6 % (2020: 3.1 %) of actual rental income. The increase in the bad debt allowance in both years relates entirely to rent receivables from third parties.
- The only project in the building preparation phase in the reporting and previous year, is the "Peninsula" project in Wädenswil. After our building permit became legally effective in 2020, we started preparatory work for future use notably with the development. Construction will commence during the first half of 2022.
- For both years, receivables from associates comprise both the vender loan and further loan receivables from the associated company Beach House AG. We fully impaired these loans as in the previous years due to the negative results of equity valuation in 2021.
- We concluded an unsecured bridge financing in the amount of EUR 135 000 in connection with the portfolio acquisitions completed at the end of 2020. The bridge financing was replaced by mortgage loans in March 2021.

Consolidated statement of financial position (continued)

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
Share capital	16 882	12 495
./. Treasury shares	- 492	- 219
Share premium	555 000	347 273
Hybrid capital	57 412	90 682
./. Other reserves	- 4 440	- 10 274
./. Currency translation changes	- 30 830	- 11 403
Retained earnings	483 295	295 660
Equity attributable to Peach Property Group AG equity holders	1 076 827	724 214
Equity attributable to non-controlling interests	43 600	30 648
Total equity	1 120 427	754 862

Comments

1

Mandatory convertible bond III

On June 23, 2021, we issued a CHF 180mm subordinated mandatory convertible bond. The bonds were fully converted in the reporting year.

Mandatory convertible bond II

On October 16, 2020, we issued a CHF 230mm subordinated mandatory convertible bond. The bonds were fully converted in the reporting year.

Hybrid warrant bond

On June 22, 2018, we issued a perpetual, subordinated CHF hybrid convertible bond with the following parameters:

Volume: CHF 50mm (initial issuance volume, later increased to CHF 60mm)

Interest rate: 1.75 % p.a., as of June 23, 2023, the capital market rate then prevailing + 9.25 % p.a.

Maturity: Unlimited; first callable by Peach on June 22, 2023

Option right: 4 option rights per bond of CHF 1 000. One registered share may be acquired per option right, at a subscription price of CHF 25.

Exercise period: From June 25, 2018, up to and including June 25, 2021

- We made an interest payment of CHF 1 025 in June 2021 (2020: CHF 1 025).
- Accumulated and unrecognized coupon component amounted to CHF 535 per December 31, 2021 (2020: CHF 535)
- 189 176 options were exercised in the financial year (2020: 16 504 options)
- The option exercise period lapsed in the reporting year with 14 372 option rights not exercised.

Hybrid convertible bond

On October 4, 2017, we issued a perpetual, subordinated CHF 59mm hybrid convertible bond.

- We repaid the non-converted bonds of CHF 1 607 early in July 2021.
- We made an interest payment of CHF 40 thousand (2020: CHF 896).

Consolidated statement of cash flows

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
Result before taxes	259 490	153 354
Adjustments for non-cash expenses/income		
Depreciation and amortization	1 688	876
Valuation result from investment properties	- 288 319	- 156 192
Result on disposal of investment properties	- 441	- 387
Change in bad debt allowance	2 231 ¹	778
Valuation result from lease liabilities	1 137	- 188
Financial income ¹	- 1 713	- 4 201
Financial expenses ²	80 783 ²	29 598
Share-based compensation	1 532	1 601
Changes in provisions	- 871	- 2 462
Other non-cash charges	336	1 439
Changes in working capital		
Trade receivables	- 2 592 ³	- 666
Other receivables	- 5 890 ⁴	- 3 584
Development properties	- 5 092	- 5 140
Trade payables	361	- 1 230
Other liabilities and advance payments	- 3 027	5 227
Interest and other financial expenses paid	- 45 128	- 22 655
Taxes paid and reimbursed	- 1 099	1 645
Cash used in operating activities	- 6 614	- 2 187

Comments

- 1 Lost income due to collection risks amounted to CHF 4 054 (2020: CHF 1 751) and corresponds to 3.6 % (2020: 3.1 %) of actual rental income. The increase in the bad debt allowance in both years relates entirely to rent receivables from third parties.
- 2 The increase in interest expenses is mainly due to financing with respect to the newly acquired portfolios at the end of the previous year, and during the reporting year, as well as the EUR bond issued at the end of October 2020. Negative currency effects amount to CHF 30 705 thousand compared to positive currency effects of CHF 3 463 thousand in 2020. The negative earnings contribution resulted from the weakening of the EUR against the CHF in the last months of 2021.
- 3 The increase in trade receivables is mainly due to the portfolios acquired at the end of the previous year and during the current reporting year.
- 4 The increase in other receivables is mainly due to the acquisitions in the reporting year, as well as at the end of the previous year.

Consolidated statement of cash flows (continued)

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
Payments for real estate companies	- 145 579	- 507 124
Payments for equipment	- 1 725	- 1 373
Payments for intangible assets	- 1 163	- 510
Investments in investment properties	- 42 453	- 208 177
Proceeds from disposal of investment properties	7 660	7 591
Repayment of financial receivables	5 487	5 615
Interest income received	313	303
Cash used in investment activities	- 177 533	- 703 735
Proceeds from current financial liabilities	1 198	145 044
Repayment of current financial liabilities	- 182 877	- 14 163
Proceeds from non-current financial liabilities	162 313	371 099
Lease payments - amortization share	- 413	- 499
Proceeds from issuance from hybrid capital	180 000	228 015
Acquisition of treasury shares	- 1 607	-
Sale of treasury shares	- 486	- 190
Capital increase	1 100	119
Distribution to hybrid equity investors	- 1 065	- 1 922
Dividends paid	- 3 808	-
Cash flow from financing activities	154 355	727 503
Change in cash and cash equivalents	- 29 792	21 581
Cash and cash equivalents as of January 1	67 656	46 248
Currency exchange impact on cash and cash equivalents	- 665	- 173
Cash and cash equivalents as of December 31	1 100	119

Comments

- Investments eligible for capitalization: Repair and modernization amounting to CHF 44 953, of which CHF 4 815 in relation to the renovation project Neukirchen-Vluyn, and CHF 16 355 in relation to the new portfolios acquired at the end of 2020 and June 2021.
- We concluded an unsecured bridge financing in the amount of EUR 135 000 in connection with the portfolio acquisitions completed at the end of 2020. The bridge financing was replaced by mortgage loans in March 2021.
- On June 23, 2021, we issued a CHF 180mm subordinated mandatory convertible bond. The bonds were fully converted in the reporting year.

Funds from operations (FFO)

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
EBIT	340 662	178 563
Depreciation and amortization	1 688	876
EBITDA	342 350	179 439
./. Valuation result of investment properties	- 288 319	- 156 192
./. Disposal of investment properties	- 441	- 387
Share-based compensation	1 532	1 601
Other non-cash accrued expense positions	1 134	1 281
Adjusted EBIT	56 256	25 742
./. Interest paid	- 41 936	- 20 426
./. Interest paid on hybrid capital	- 1 065	- 1 922
./. Lease payments	- 1 411	- 762
Interest income received	313	303
./. Taxes paid and reimbursed	- 1 099	1 645
Funds from Operations I (FFO I)	11 058	4 580
Result on disposals of investment properties	441	387
Funds from Operations II (FFO II)	11 499	4 967
Basic FFO I per share in CHF	0.73	0.59
Diluted FFO I per share in CHF	0.72	0.55
Basic FFO II per share in CHF	0.76	0.64
Diluted FFO II per share in CHF	0.75	0.60

Comments

- 1 Taxes reimbursed in the previous year relate to a reimbursement of state and municipal taxes to Gretag AG in the amount of CHF 2 878, for the year 2016.

EPRA NRV & NTA

Figures in CHF thousands	Dec 31, 2021		Dec 31, 2020	
	EPRA NRV	EPRA NTA	EPRA NRV	EPRA NTA
Equity attributable to Peach Property Group AG equity holders	1 076 632	2 076 632	724 214	724 214
./. Hybrid instruments	-57 412	-57 412	-52 696	-52 696
Revaluation of development properties	7 709	7 709	7 597	7 597
./. Deferred tax in relation to fair value gains	-126 622	- 126 342	- 79 063	- 78 792
./. Fair value of derivative financial instruments	- 5 204	- 5 204	- 14 828	- 14 828
Intangibles		1 482		921
Acquisition costs (assumption 7 %)	186 234	487	142 730	564
EPRA NAV	1 344 989	1 157 480	915 736	772 378
Diluted number of shares	16 882 373	16 882 373	13 482 970	13 482 970
EPRA NAV per share in CHF	79.67	68.56	67.92	57.29

Comments

- The material increase compared to the previous year is partly due to **the newly issued mandatory convertible bond of CHF 180 million** issued during the first half of 2021, and an **increase in the comparative result for the year**.
- FX impact of approx. CHF 3 per share due to lower EUR/CHF closing rate of 1.0363 vs. 1.0857 in 2020.
- We have no significant disposal intentions and are by implication engaged in the residential property market for the long-term. Accordingly, EPRA NTA is considered a meaningful indicator for shareholders.

Loan-to-value and interest coverage ratio

LTV

Figures in CHF thousands	Dec 31, 2021	Dec 31, 2020
Market value of real estate investment portfolio	2 633 670	2 039 007
Market value of real estate development portfolio	53 315	47 405
Mortgages and building loans	798 060	466 663
Bonds	563 041	586 276
Other bank financings	70 946	219 693
./. Cash and cash equivalents	- 37 199	- 67 656
./. Current financial receivables	- 398	- 5 851
Loan-to-value ratio	51.9%	57.5%
Financial liabilities secured by mortgages	798 060	466 663
./. Cash and cash equivalents	- 37 199	- 67 656
Secured loan-to-value ratio	28.3%	18.8%

ICR

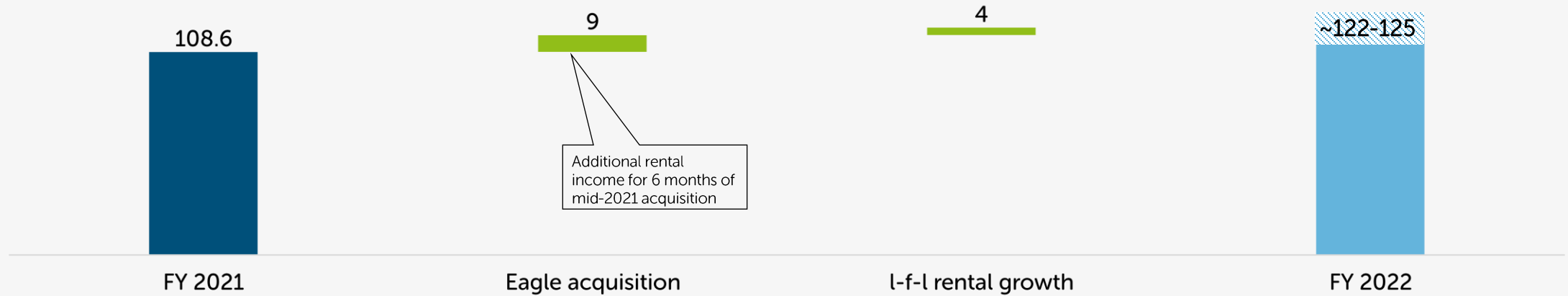
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EBIT	340 662	178 563
Depreciation and amortization	1 688	876
./. Valuation result of investment properties	- 288 319	- 156 192
Share-based compensation	1 532	1 601
Other non-cash accrued expense positions	1 134	1 281
Adjusted EBIT	56 697	26 129
Net interest paid	41 608	23 780
Interest coverage ratio	1.36x	1.10x

Appendix

Details guidance FY 2022

NRI guidance FY 2022

CHFmm (constant currency (assuming Ø EUR/CHF rate of 1.08))



CHFmm (FX-adjusted (assuming Ø EUR/CHF rate of 1.00))



FFO I guidance FY 2022

Figures in CHFmm



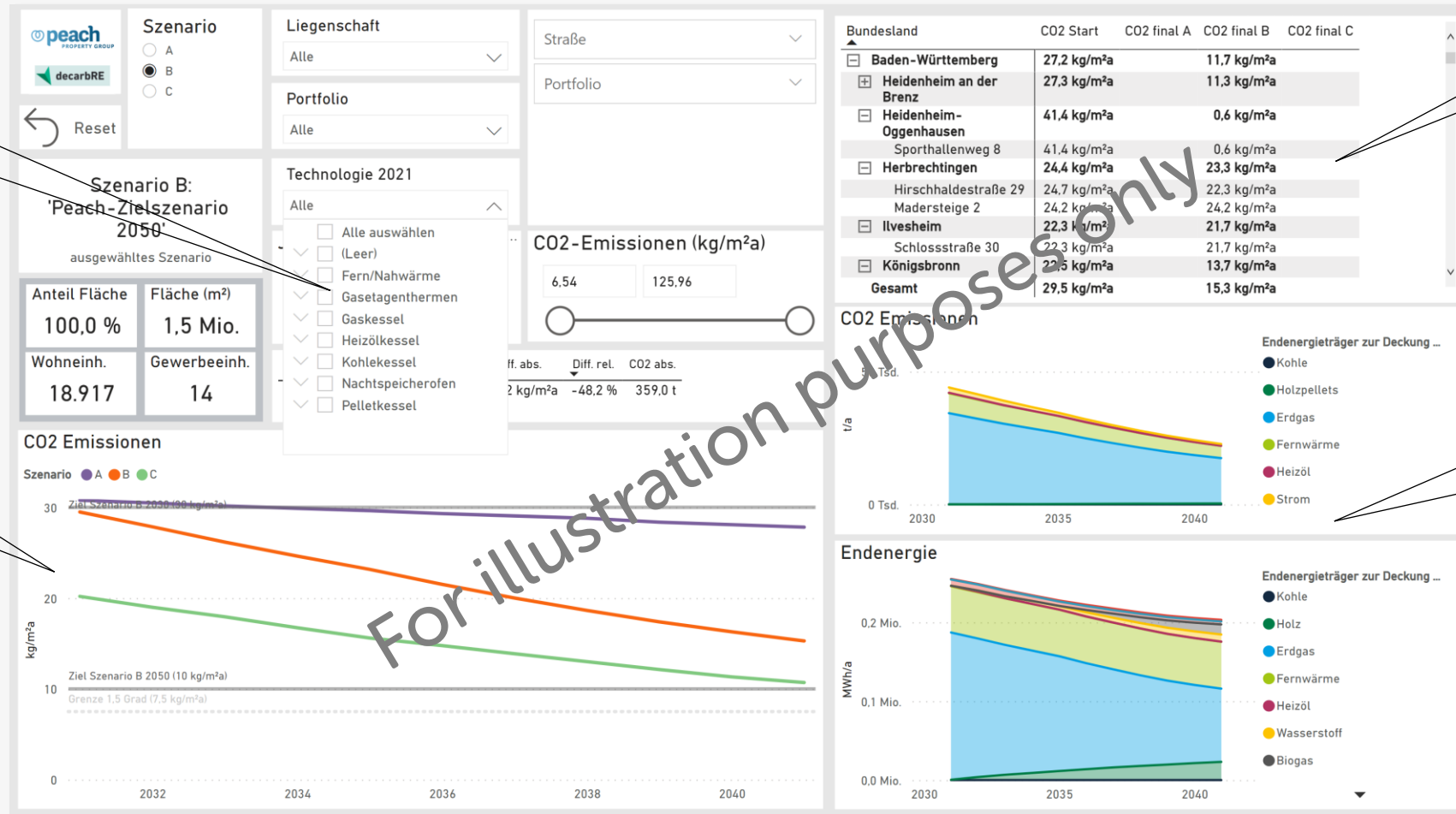
Appendix

ESG

ESG: Peach's decarbonization tool

Analyse impact of various heating technologies on CO2-intensity.

Analyse different paths to climate-neutral portfolio and its impact on costs and investments



Drill-down to individual properties.

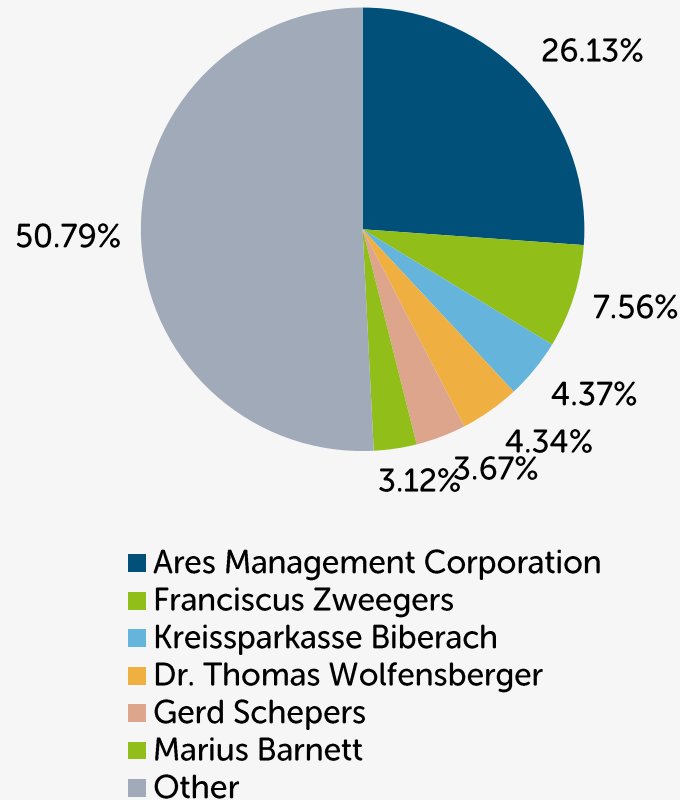
Visualize impact of energy sources on overall CO2 impact and energy intensity of portfolio.

Appendix

Share data

Share data

Significant shareholder as of Dec 31, 2021



Note: The notional free float based on the shares issued on December 31, 2021, is 92.42 %. The shares held by Peak Investment S.à.r.l for Ares Management Corporation are counted as part of the free float due to the exemption for investment companies in accordance with section 6.1.2 of the Rules Governing The SPI Index Family

Information on the share

	Dec 31, 2021	Dec 31, 2020
Share capital in CHF	16 882 373	12 494 751
Number of shares issued	16 882 373	12 494 751
Nominal value per share in CHF	1.00	1.00
Number of treasury shares	7 741	5 682
Number of outstanding shares	16 874 632	12 489 069

Key stock exchange data

Security no.: 11 853 036

ISIN: CH0118530366

Ticker symbol: PEAN | Bloomberg: PEAN:SW | Reuters: PEAN

	Dec 31, 2021	Dec 31, 2020
High in CHF	66.60	46.30
Low in CHF	41.80	24.80
Closing rate at the end of the year, in CHF	63.40	46.00
Market capitalization (excluding treasury shares)	1 069 851 669	574 497 74
Average shares traded per day at SIX Swiss Exchange	16 435	8 876

Appendix

Financial calendar

Financial calendar



20 May - Annual General Meeting 2022



30 August – Publication of half-year results 2022



Q4 (date tbc) – Capital Markets day 2022

Disclaimer



These materials contain forward-looking statements based on the currently held beliefs and assumptions of the management of **Peach Property Group AG** (hereinafter also referred to as “PPG” or “Peach Property”), which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of **Peach Property Group AG**, or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. **Peach Property Group AG** disclaims any obligation to update these forward-looking statements to reflect future events or developments.

Investors, Analysts and Media

Stefan Feller, Head of Investor Relations
Dr. Thomas Wolfensberger, Chief Executive Officer
Thorsten Arsan, Chief Financial Officer

+41 44 485 50 18
investors@peachproperty.com

