

FY 2022 Results

March 21, 2023



Presenters



Dr. Thomas Wolfensberger
Chief Executive Officer

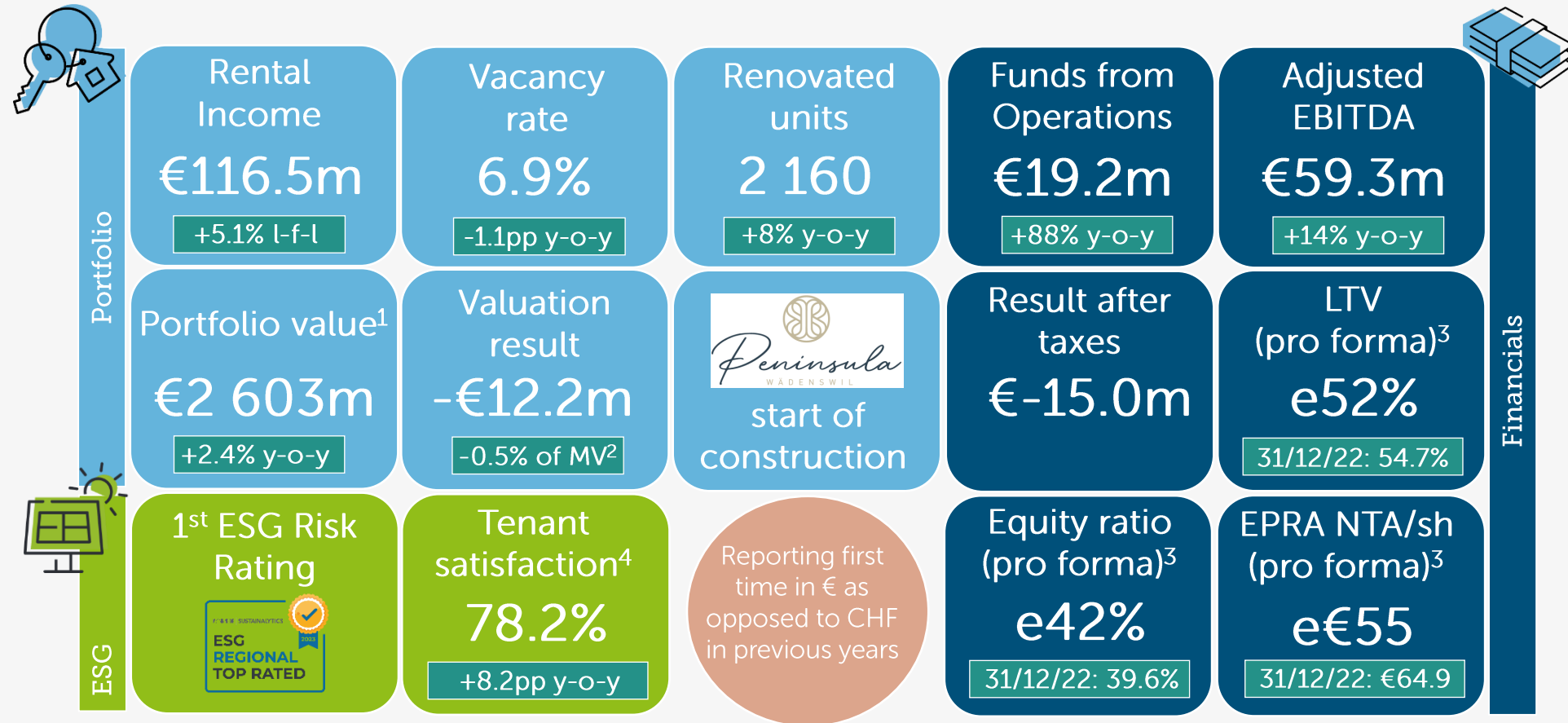
- >20 years of experience, including project manager for successful IPO, bond issuances and real estate transactions with total volume of more than EUR 4 billion.
- Previously formed and later sold an international financial technology company with 120 employees and a global client base.
- Holds a doctorate in economics from the University of Zurich.



Thorsten Arsan
Chief Financial Officer

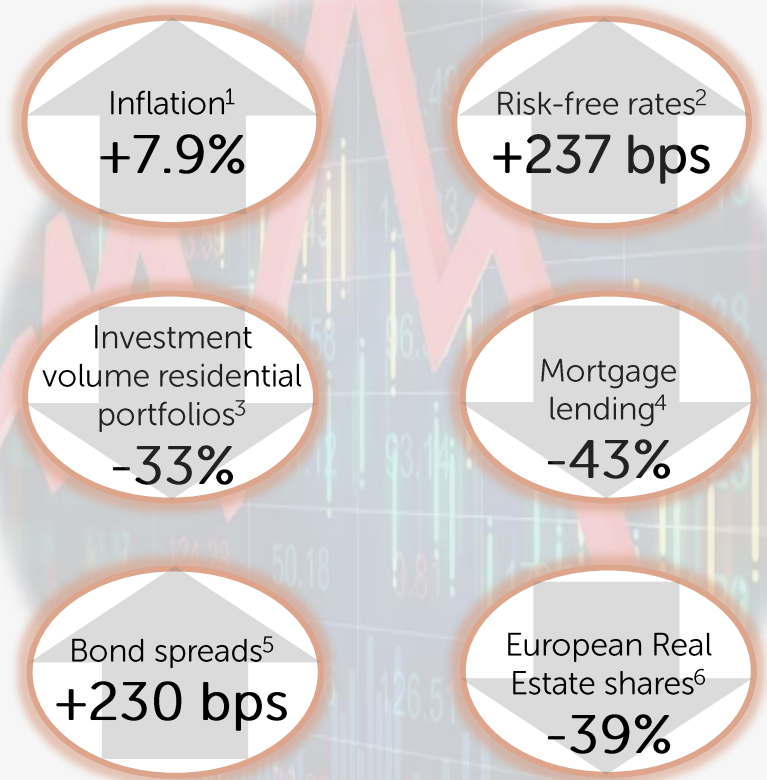
- >19 years of experience in the German residential real estate market; overseeing Equity and Debt Capital Markets transactions, credit ratings, and financing structures.
- Former Head of Corporate Finance/ Deputy Head of Finance & Treasury at Vonovia SE and former Senior Vice President for Finance,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

FY 2022 – highest operating profit in history



The environment in 2022

Challenging market conditions in German real estate market...



... but fundamentals for existing assets developing positively



(1) Destatis; harmonized CPI 2022 average vs. 2021 average; January 17, 2023; (2) Yield 10y German government bond; Deutsche Bundesbank; (3) BNP Paribas Real Estate; German Residential investment market at a glance, Q4 2022; (4) New mortgage lending Dec 2022 vs. Dec 2021; Barkow Consulting; February 6, 2023; (5) ITRAXX EUR XOVER; (6) FTSE NAREIT Europe Index 2022 performance; (7) Destatis; construction price index for residential building; Q4 2022 y-o-y change; (8) Destatis; Building permit apartments y-o-y change; (9) Estimate Zentralverband Deutsches Baugewerbe, December 2022; (10) Lack of apartments; estimate by German Property Federation (ZIA), February 2023; (11) Destatis, January 2023; (12) 2022 y-o-y change of median net cold rents German average; rent data according to Engel & Völkers Investment Consulting; March 2023

Peach adapts to the new environment

2022

2023

2024

2025



➤ Strong I-f-I growth of 5.1% on the back of accelerating market rent growth.

➤ High demand for affordable housing and lack of new supply will keep up rent growth.



➤ Review of cost structure launch of cost savings program.

➤ Implementation of cost saving measures which should lead to a margin improvement of approx. 500bps until 2025.

➤ Limit capex spending on the back of higher financing cost & hurdle rates.



➤ Small devaluation in H2; flat development y-o-y.

➤ Strong rental growth and high demand for affordable housing will likely keep further devaluations within a manageable range.

➤ Asset values rising again?

➤ Sale of single assets or smaller portfolios on an opportunistic basis; no formal disposal program.



➤ CHF 67m new equity by anchor shareholders through new MCB.

➤ Use additional potential for secured financing (~€150-200m).

➤ Roll-over of secured financing maturing in 2024 (€30m) and 2025 (€233m).

➤ Convertible bond to refinance Hybrid bond launched.

➤ Active capital management with a number of options to tackle 2025 €-bond.



Agenda

1. Business Performance FY 2022

2. ESG Update

3. Financial Performance FY 2022

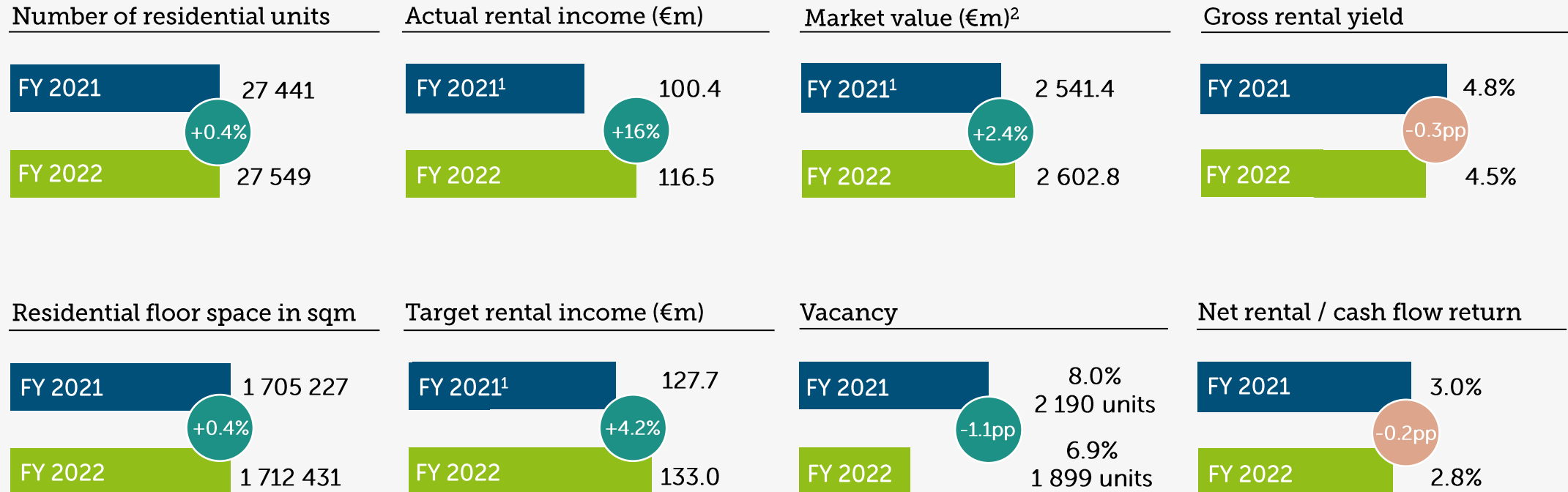
4. Guidance & mid-term financial targets

5. Appendix

- *Portfolio details*
- *Consolidated statement of income, financial position and cash flows*
- *Funds from operations*
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- *Share data & financial calendar*



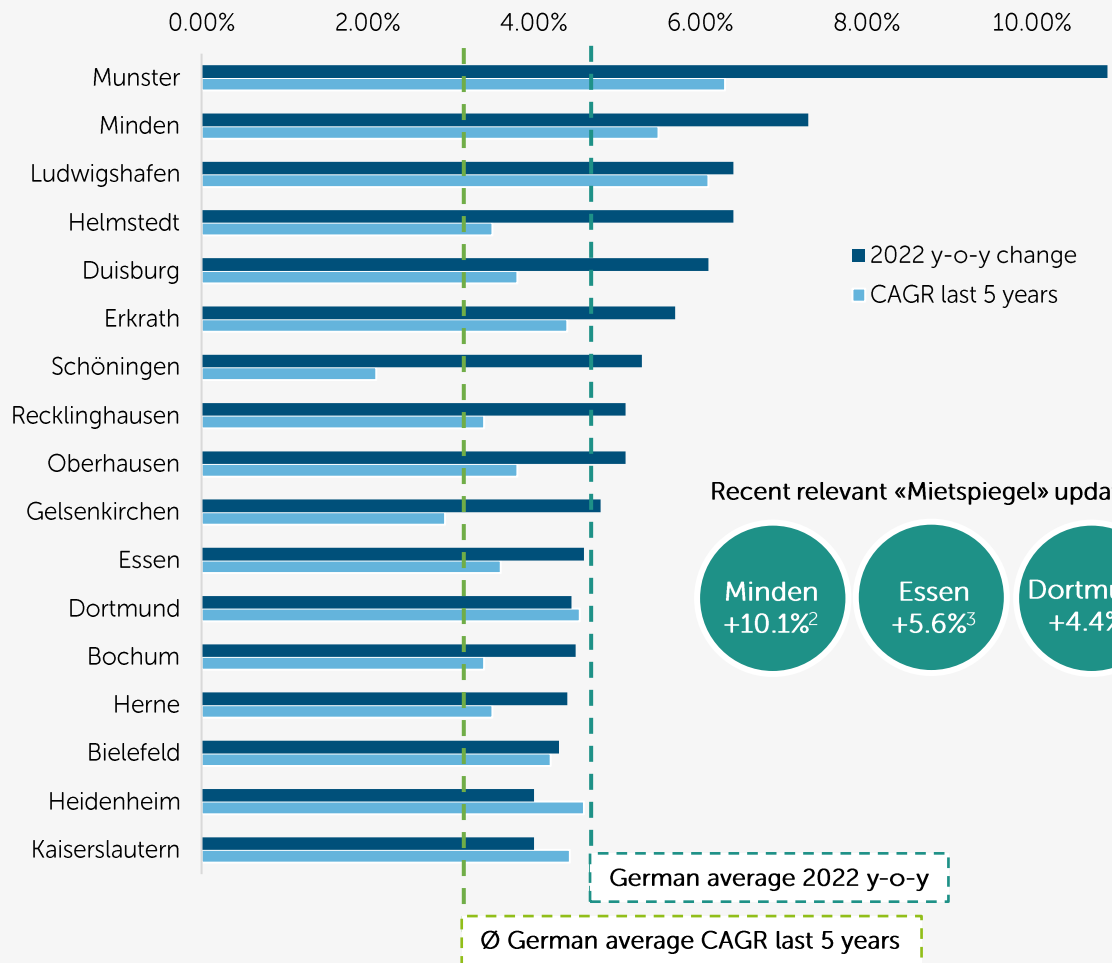
Overview investment properties



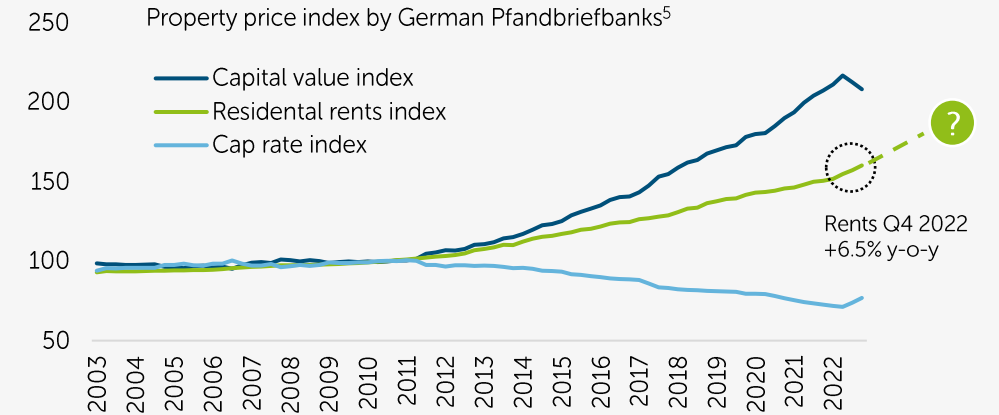


Inflation and scarcity drive market rents

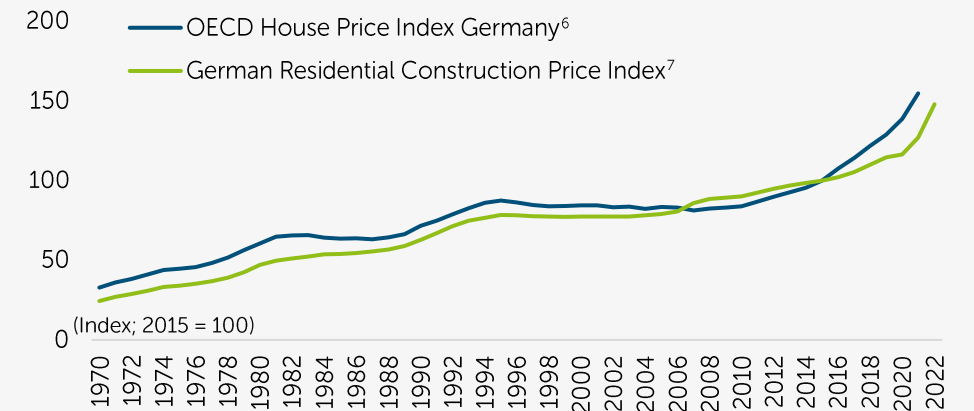
Relevant Peach cities show strong market rent growth¹



Rent growth counteracts value correction



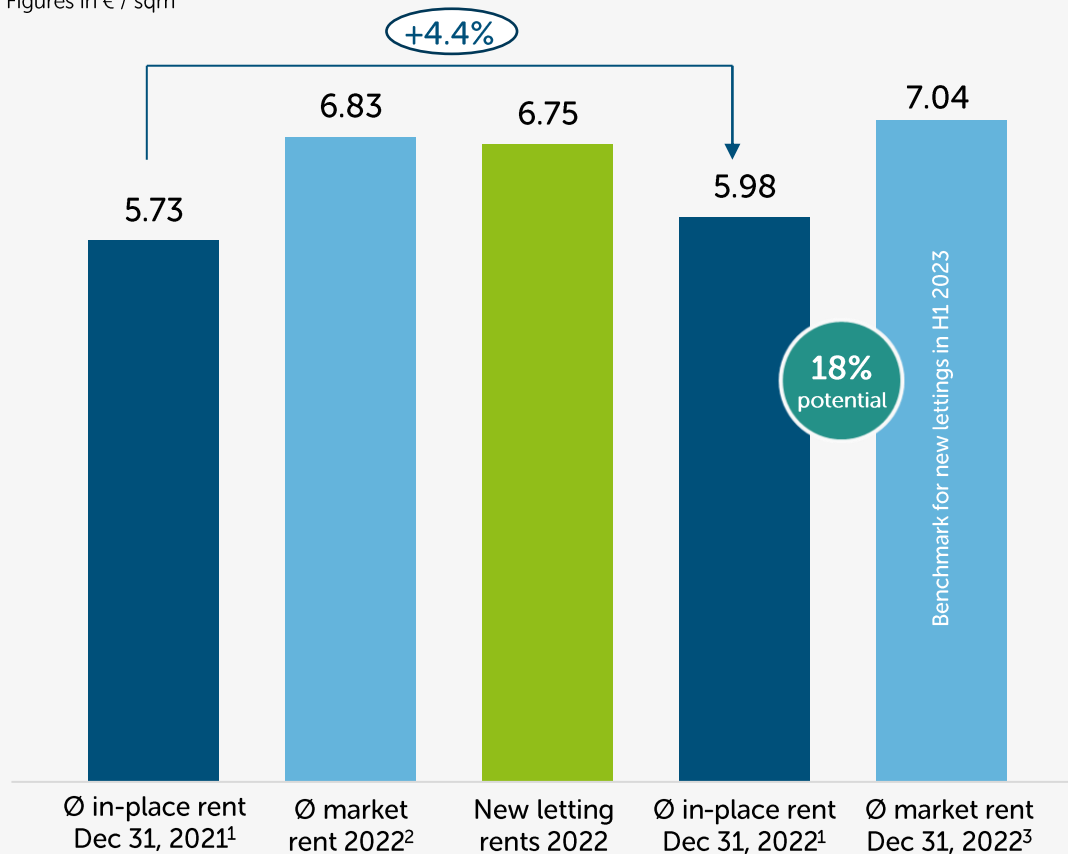
House prices and construction costs strongly correlated



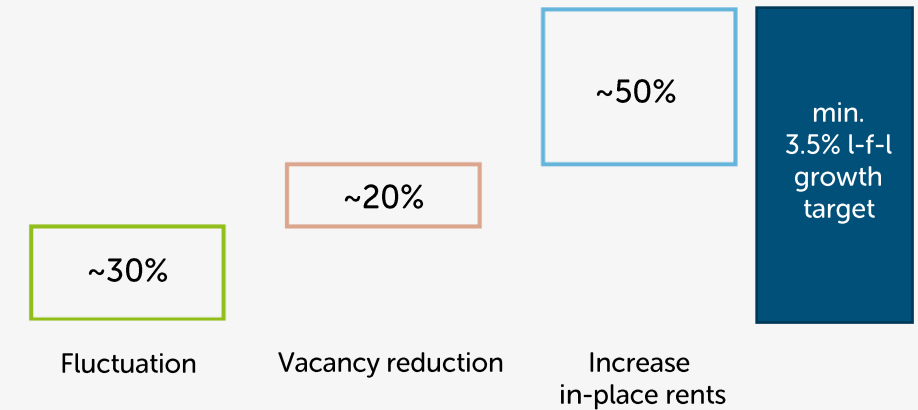


Strong rental growth with further potential

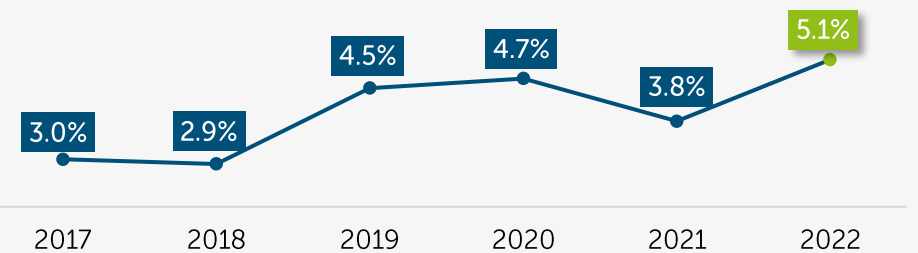
Figures in € / sqm



Sources of rental growth target



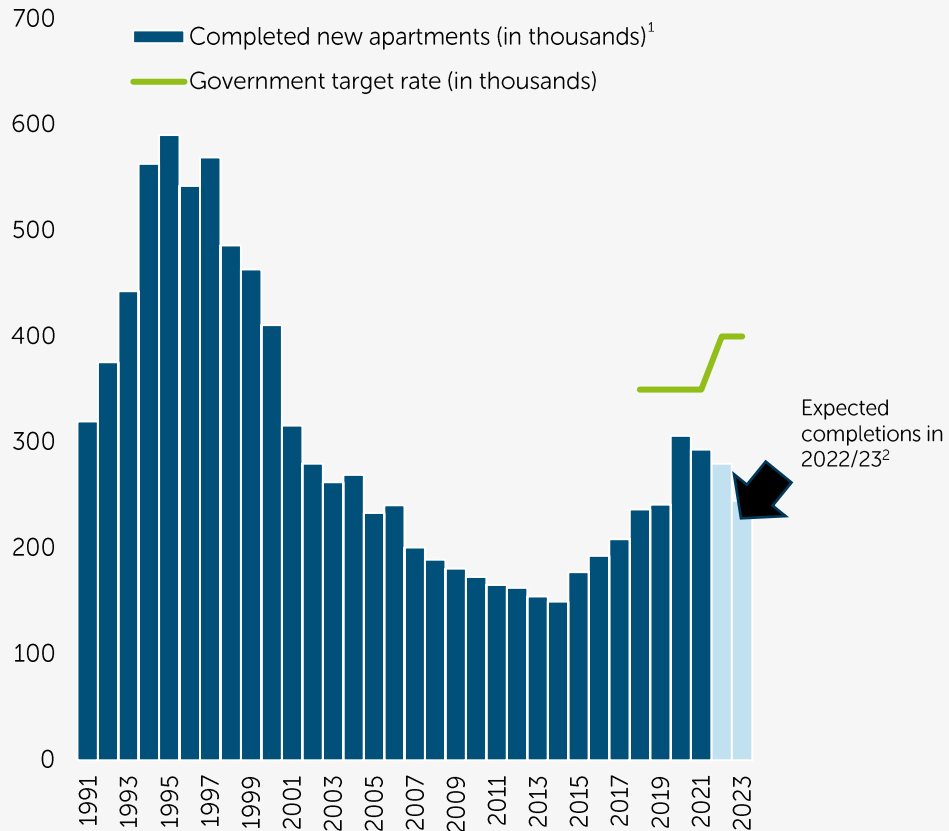
Our l-f-l rental growth track-record



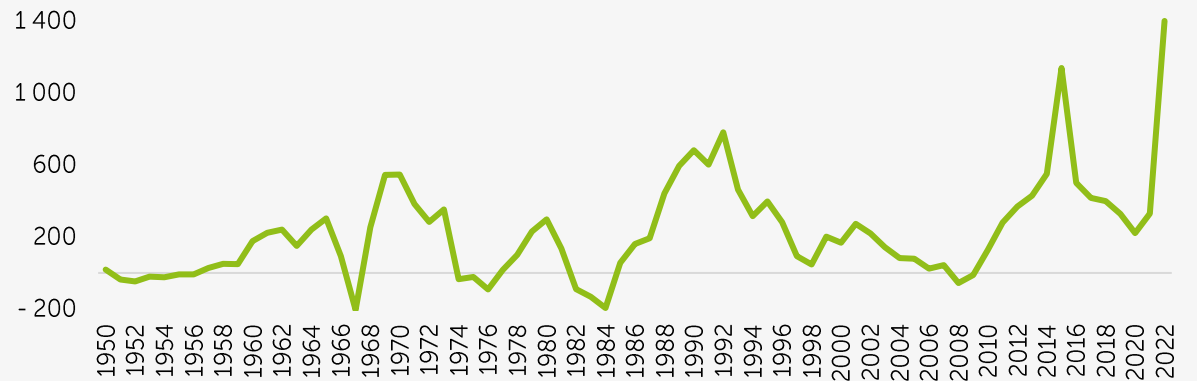


Structural undersupply of housing in Germany is increasingly evident

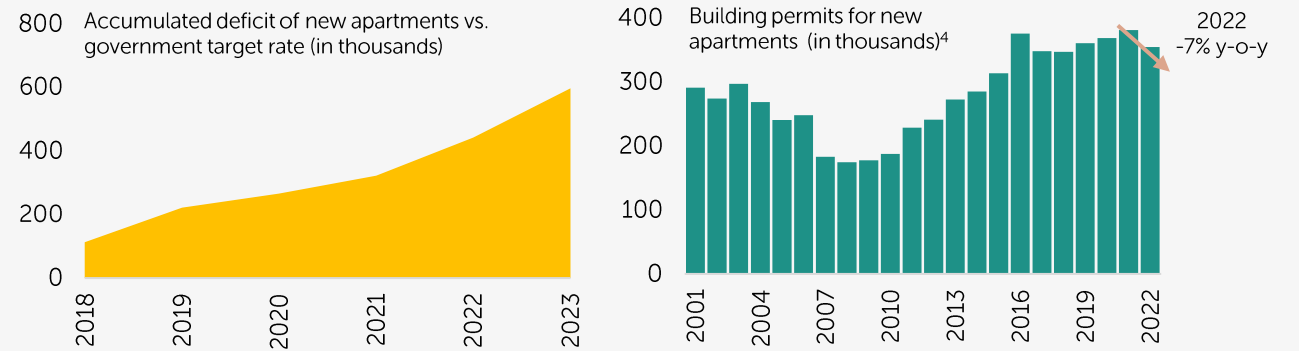
Structural undersupply in German housing market



German net immigration on the highest level since WW II³



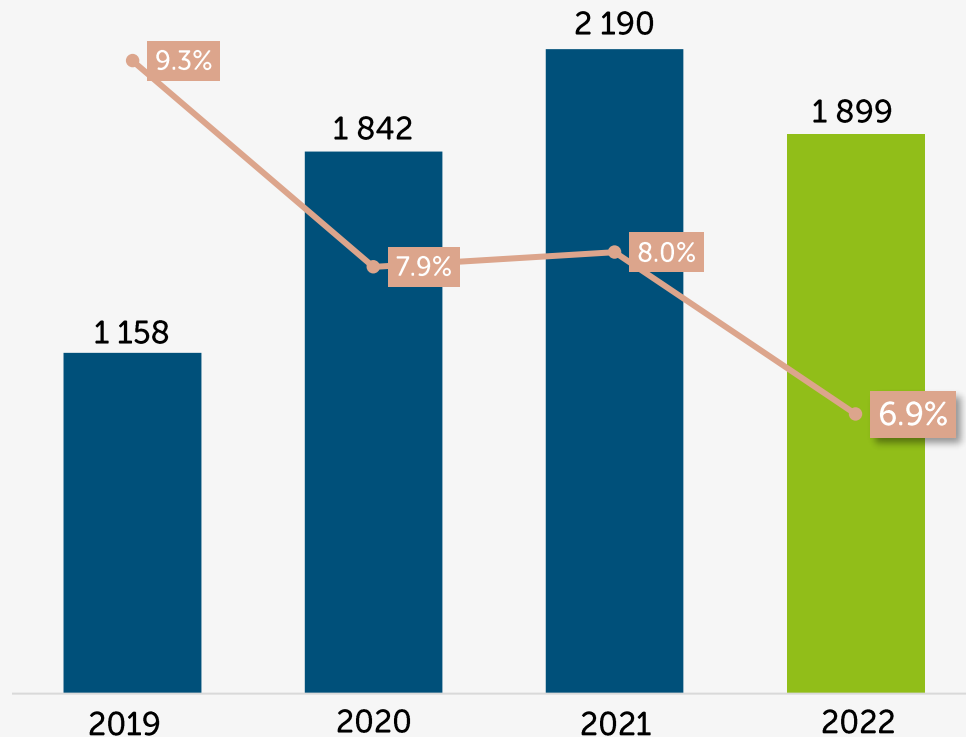
Housing deficit exceeds 500k apartments while building permits fall





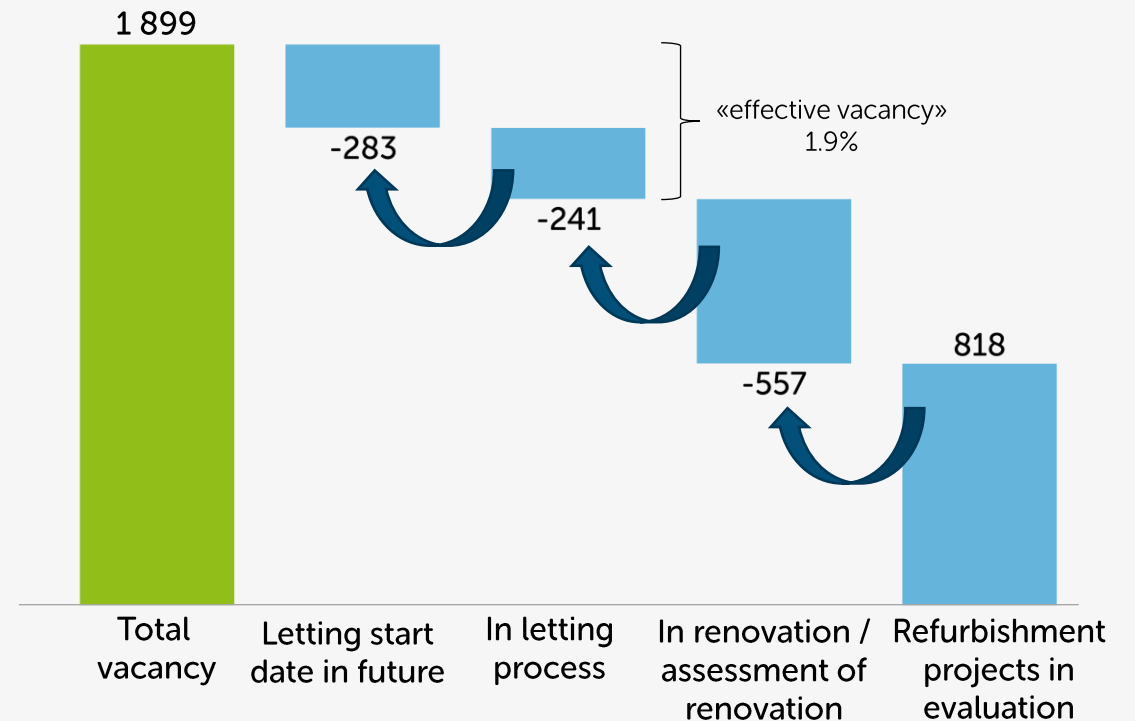
Lower vacancy driven by strong demand

Development of vacant residential units and vacancy ratio



- New lettings (approx. 3 700 new contracts concluded) at record level in 2022 with noticeable impact on vacancy rate.

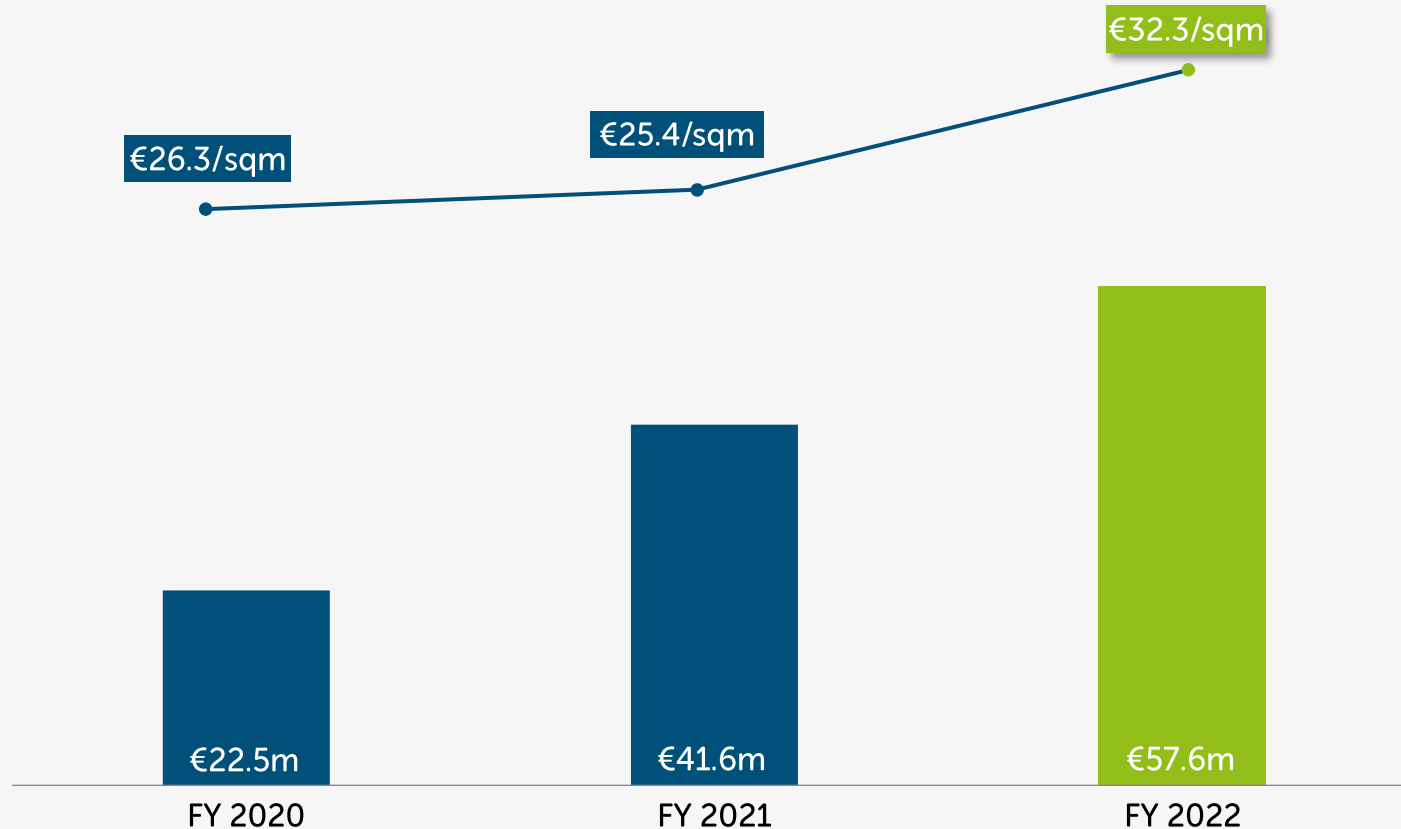
Vacant residential units by vacancy category



- ~ 2 200 units renovated in 2022.
- 1 500 – 2 000 units planned for 2023.
- Mid-term, we aim to achieve a «normalized» vacancy ratio of <4%.



Capex development



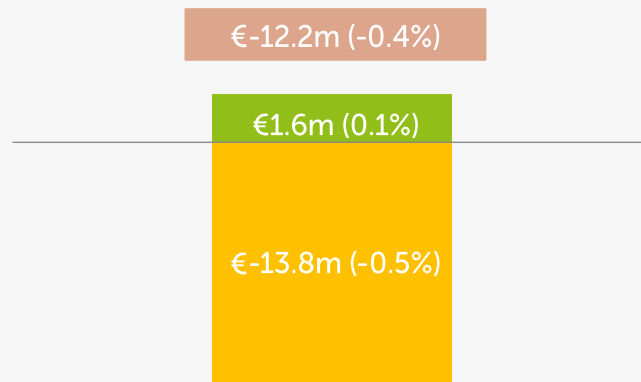
- Record number of 2 160 units renovated in 2022.
- Of which around 110 rental units underwent substantial energy-related renovations such as replacing windows or thermal insulation.
- In addition, approx. 40 heating systems for around 700 rental units renovated.
- To preserve our liquidity, we're planning with a reduced capex budget for FY 2023 of approx. €40m and 1 500 – 2 000 renovated units.
- «Yield on cost» of approx. 8-10% expected (hurdle rate: 6%).



Portfolio value stable year-on-year

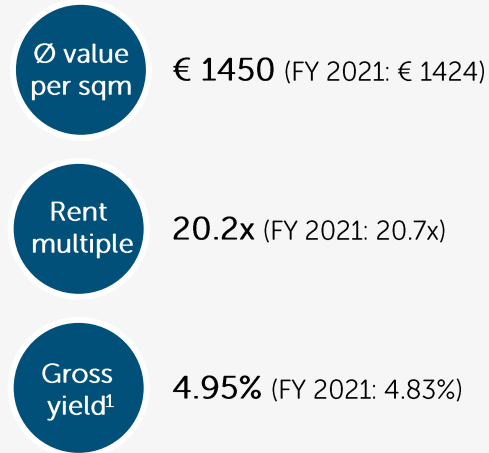
Valuation result 2022

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



Dec 31, 2022

Key valuation indicators





Remaining development project in CH - «Peninsula Wädenswil» at Lake of Zurich

Construction start &
groundbreaking ceremony in H2 2022

Construction in 2023 & 2024
handover of condominiums 2024/2025 planned



57 condominiums
in 5 buildings

60% of units notarized or
reserved

Total sales volume
CHF 130-140m

Single-digit developer
margin expected¹

10-15% project completion
expected by end 2023



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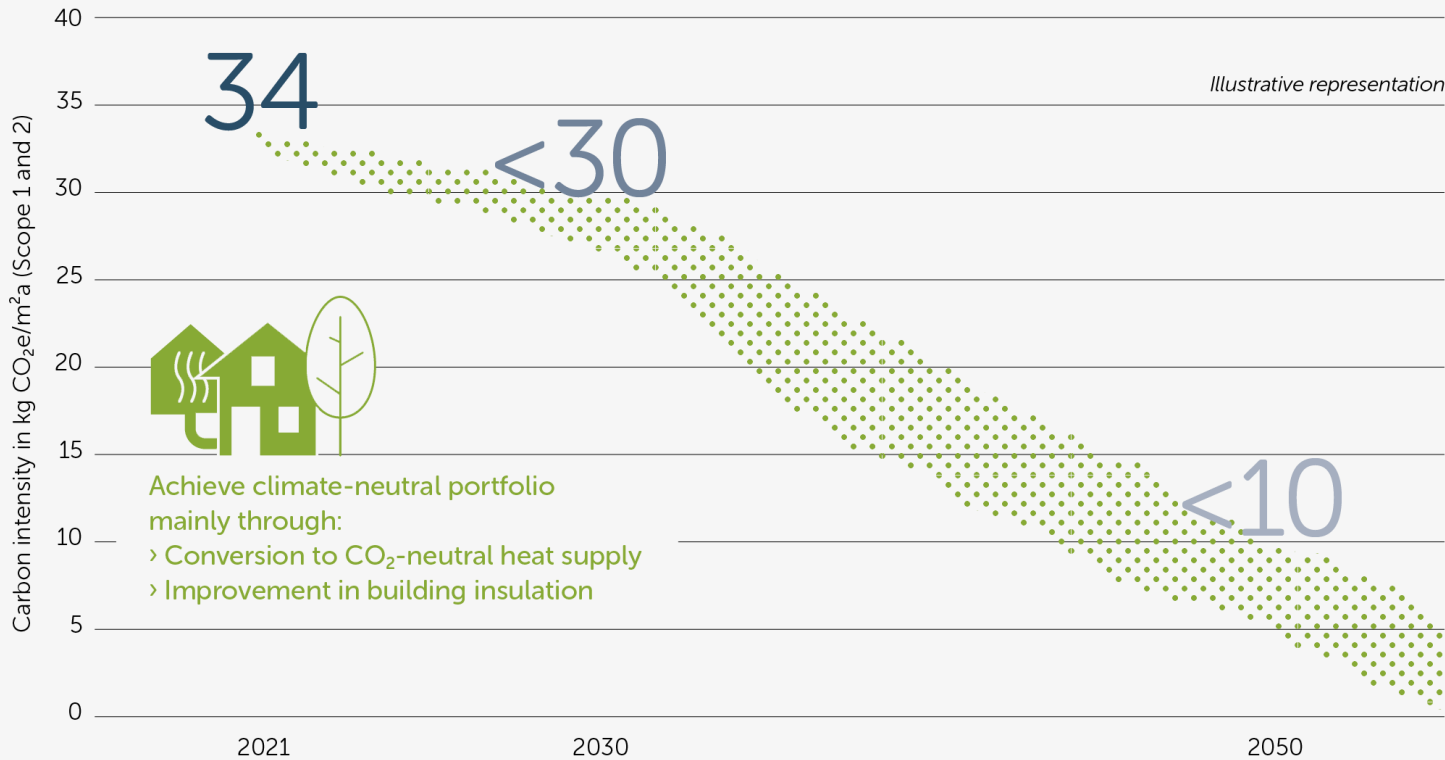
Sustainability is central to our actions

Peach Sustainability Report 2022 for the first time in accordance with GRI standards; to be published in May 2023





Work on decarbonization path continued



Targets correspond to²

- Annual reduction of 8.5t of CO₂ emission until 2030 and 41t until 2050.
- Total reduction of ~60t of CO₂ emissions until 2030 and >800t until 2050.

2022

- Further improved the quality of our decarbonization database.
- Inclusion of consumption data for rental units acquired in 2021 for the first time.
- **Starting point of decarbonization path** with a CO₂ intensity of ~34 kg CO₂e/m²a¹ established/verified.

2023

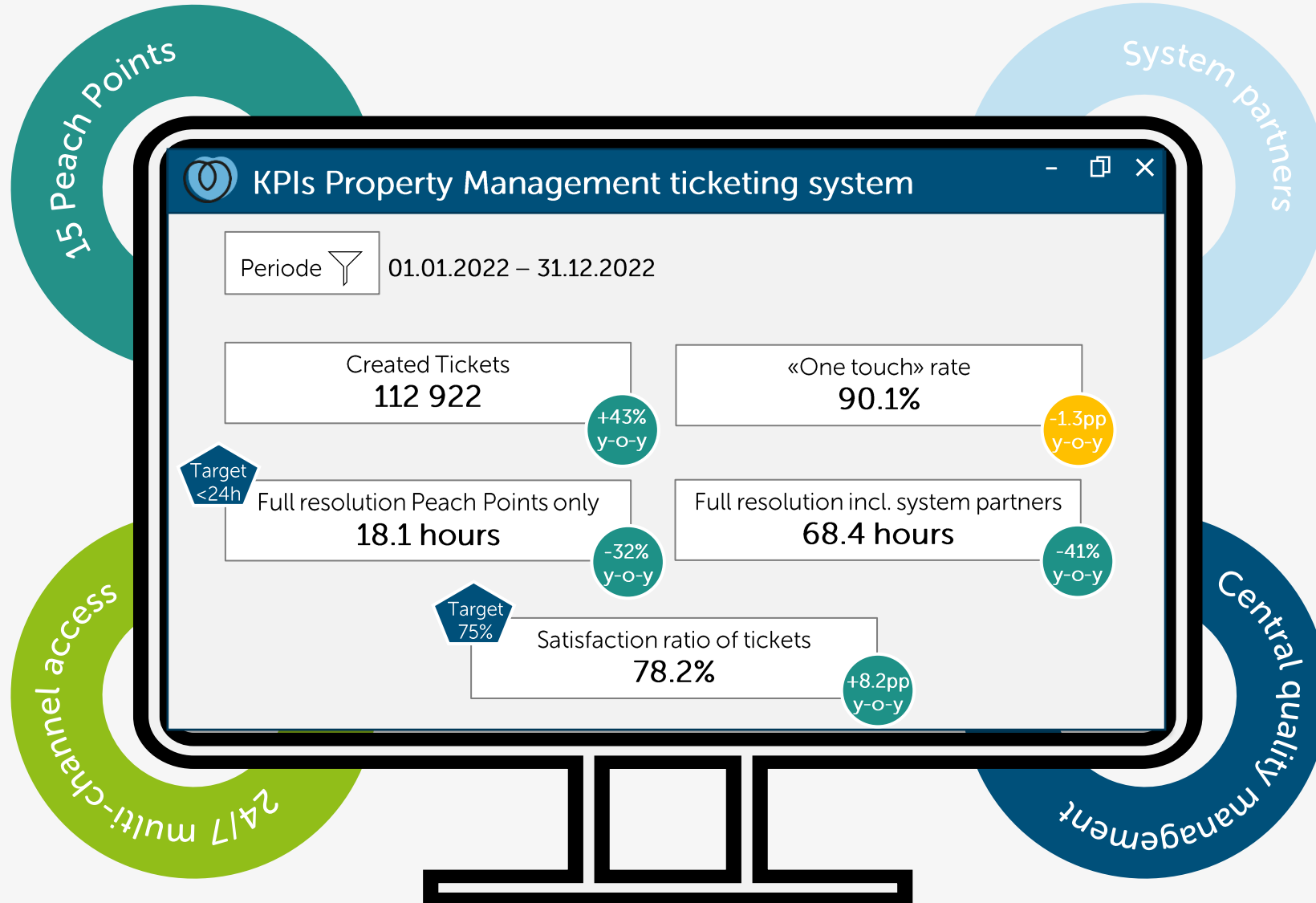
- **Current work streams focused on planning and evaluating** concrete measurements; the lower capex budget for FY2023 does not directly affect our decarbonization path.
- Further improvement of **smart metering solutions to improve the quality and availability of climate data** and rising tenant awareness.



- In the period up to 2050, we expect total costs of €300-350m (corresponds roughly to EUR 6-7 EUR/m² and year).
- This estimate is **before subsidy measures or modernization charges**; estimates with significant uncertainties due to the current environment.



Tenant satisfaction as a leading priority





Our ESG Awards

ESG Risk Rating

MONITORINGSTAR | SUSTAINALYTICS

11.5
«low risk»



2022

- First active participation in rating process.
- In 4th percentile of global rating universe (> 1 500 companies).

ESG Rating



2022

- Upgrade to «A» from «BBB».

Award for ESG reporting



2022

- First award for Peach Sustainability Reporting.

ESG Equity Index



2022

- Index inclusion in September 2022 for the first time.
- Inclusion is subject to positive sustainability rating from «Inrate».

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Financial performance in FY 2022

Net rental income (€m)



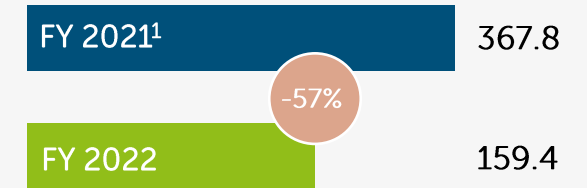
FFO I (€m)



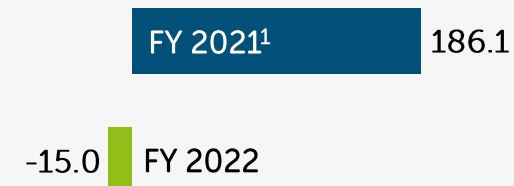
Adjusted EBITDA (€m)



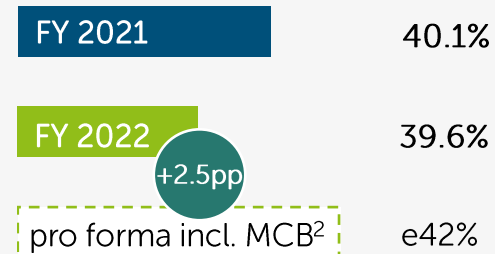
Operating Income (€m)



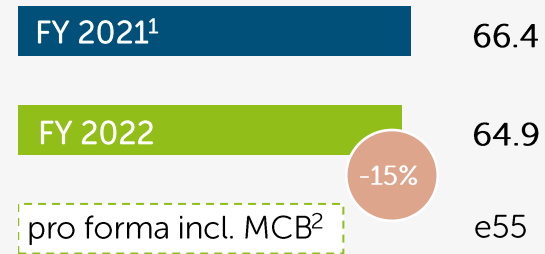
Result after tax (€m)



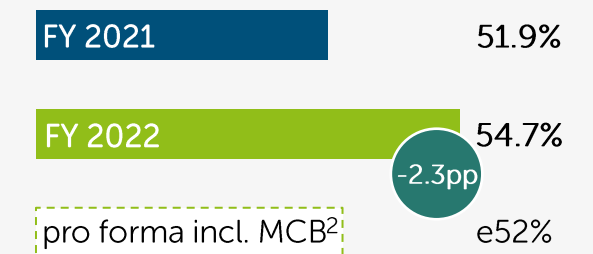
Equity ratio (IFRS)



EPRA NTA (€/share)



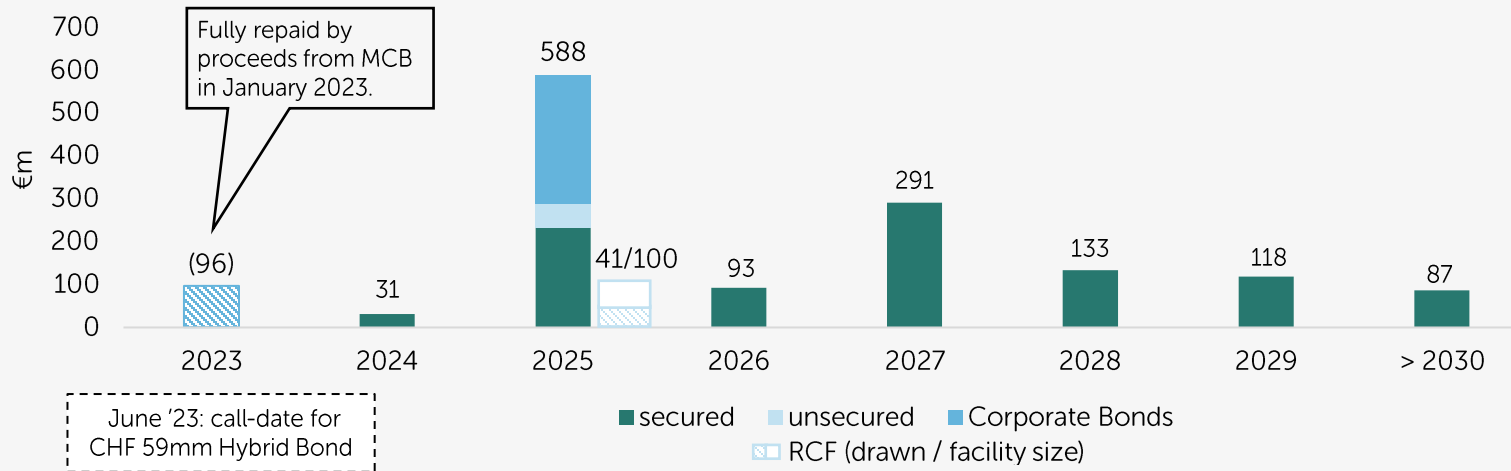
Loan-to-value





Debt structure as of December 31, 2022

Maturity profile¹



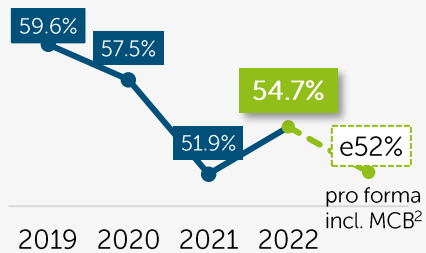
		Amount €m	Ø interest rate	Fixed rate
Unsecured	33%	396	4.16%	100%
		96	3.39%	20%
Secured	66%	987	2.06%	94%*
Total		1 479	2.71%	91%

*incl. hedges

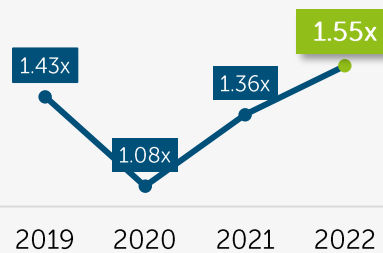
Unencumbered assets: €484.2m

As of December 31, 2022

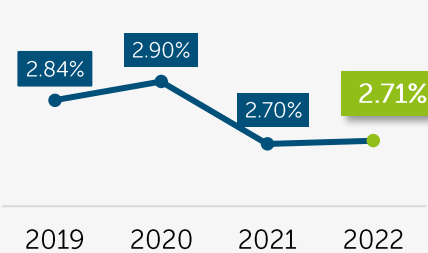
Loan-to-value (net)



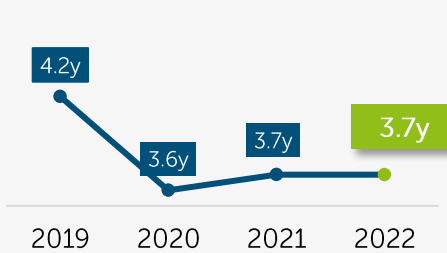
ICR



WACD



Weighted average maturity





Launch of Convertible Bond & Exchange Offer to refinance Hybrid Bond

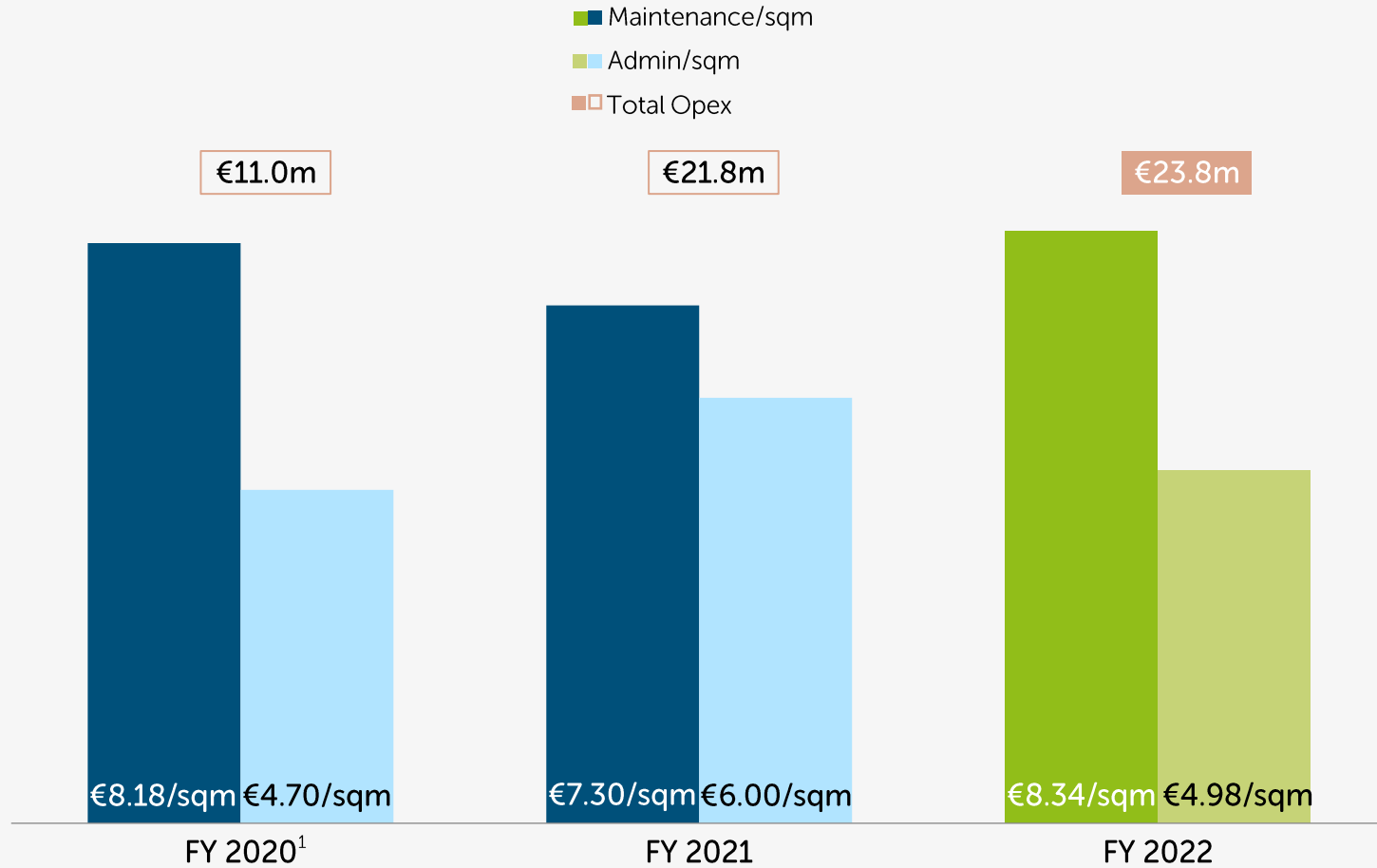
Key Terms of new Convertible Bond

Issuer	Peach Property Group AG
Nominal amount	Up to CHF 50 000 000 Right to increase amount up to CHF 75 000 000
Coupon	3.00% p.a. from issue date until 17 April 2026 (incl.); payable annually.
Issue price	100%
Denomination	CHF 1 000 principal amount per Bond
Offer period	Expected from 22 March 2023 to 6 April 2023, 12.00 CET; the Issuer reserves the right to accelerate or extend the offer period.
Issue date	17 April 2023
Maturity	17 April 2026
Conversion Price	CHF 20.00
Listing	SIX Swiss Exchange
Governing Law	Swiss law

- Proceeds earmarked to refinance outstanding Hybrid Bond with first call date on June 22, 2023.
- Exchange offer for all investors in the Hybrid bond during the offer period.
- Board of Directors decided on March 17, 2023, to propose to the AGM (to be held on May 24, 2023) an adjustment of the nominal value per share from CHF 30.00 to CHF 1.00.
- Depending on final issuance volume and actual conversion; up to 2.5 million additional shares will be issued for the Convertible Bond (subject to final issuance volume); which corresponds to approx. 12% of outstanding shares following the conversion of the Mandatory Convertible Bond on 12 April 2023).



Opex development



- Higher maintenance costs driven by higher number of tenant tickets (legacy from acquisitions in 2020 and 2021) and higher material and 3rd party services costs.
- Reduction of administration costs reflects normalized level following integration of 2021 acquired rental units into our management.



Our cost structure under review

Operational cost structure FY 2022

Rental income	€116.5m
./. Ongoing maintenance expenses	€14.9m
./. Ongoing management expenses	€8.9m
./. Expenses from vacancies	€6.2m
./. Personnel expenses	€17.5m
./. Other operating expenses	€10.1m
./. Other items	+€0.4m
Adjusted EBITDA	€59.3m
Margin	50.90%

- Scrutinize costs and expenses incurred in case of tenant turnover.
- Review contracts with service providers.
- Improve processes and efficiency.
- Review needs for replacement of vacancies.
- Process improvements / automations.
- Reduce spending on external advisory fees / insourcing of certain services.

Target to be achieved by FY 2025

- Reduce operating cost base by annualized €2-3 million, despite inflationary pressure on external costs and salaries.
- Improvement of adjusted EBITDA margin by approx. 500bps vs. FY 2022 level.

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Guidance & mid-term financial targets

Guidance FY 2023

Net Rental Income	€121 - 123m
l-f-l rental growth	~4%
FFO I	€21 - 23m

Financial targets for the period until 2025

l-f-l rental growth	min. 3.5% p.a.
Adj. EBITDA Margin	+500bps vs. FY 2022 ¹
FFO I growth	CAGR ~15% ²
LTV	~50%

Dividend Policy	50% of FFO I subject to conditions of financing markets
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Key takeaways

Operationally and financially sound business with attractive growth prospects...



Scarce product with high & increasing demand

Demand for affordable housing will continue to rise against a backdrop of a growing population, high and rising new construction costs, and an economically challenging environment.



Rising rents and lower vacancy

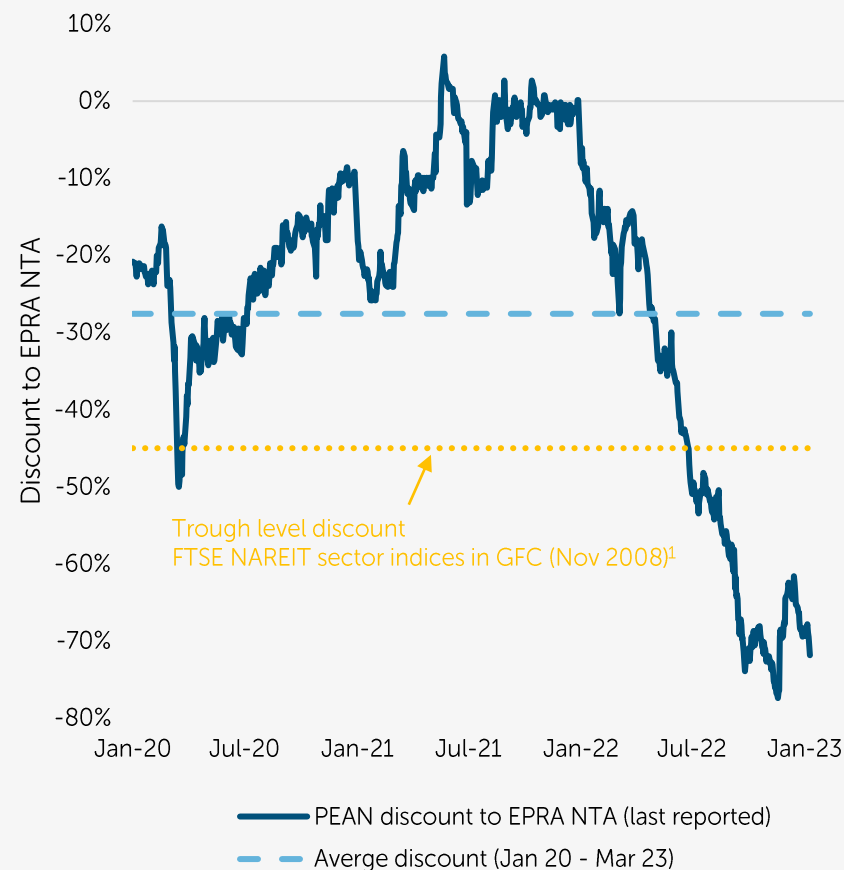
- Market rents accelerating growth; will outpace inflation at some point.
- Rental growth as inflation protection.
- Peach demonstrated ability to increase rent levels and lower vacancy; with further potential.



Balance sheet strengthened by additional equity

- €-bond maturing in 2023 refinanced.
- Potential for additional secured financing.
- No further significant maturities until 2025.

... trades at a historic high discount to EPRA NTA¹



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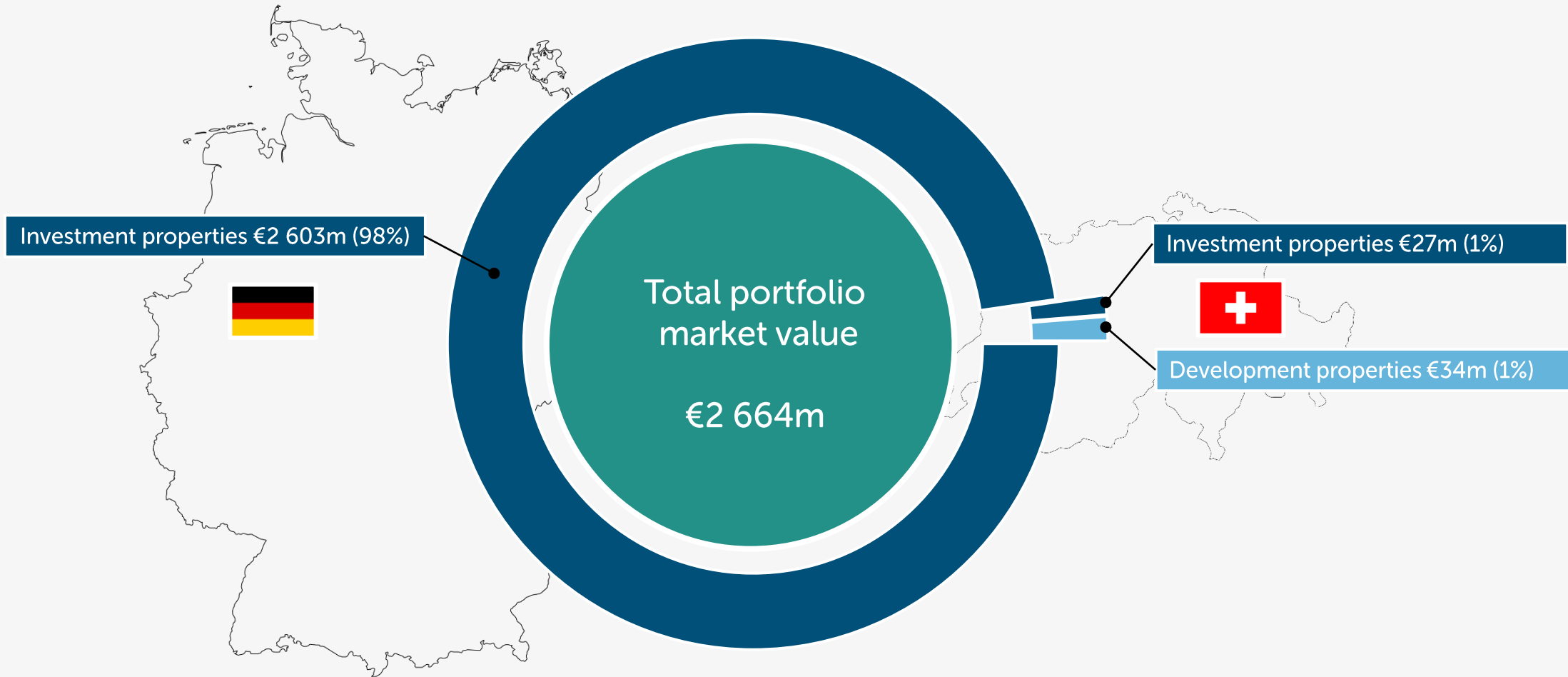


Appendix

Portfolio details



Portfolio structure as of December 31, 2022

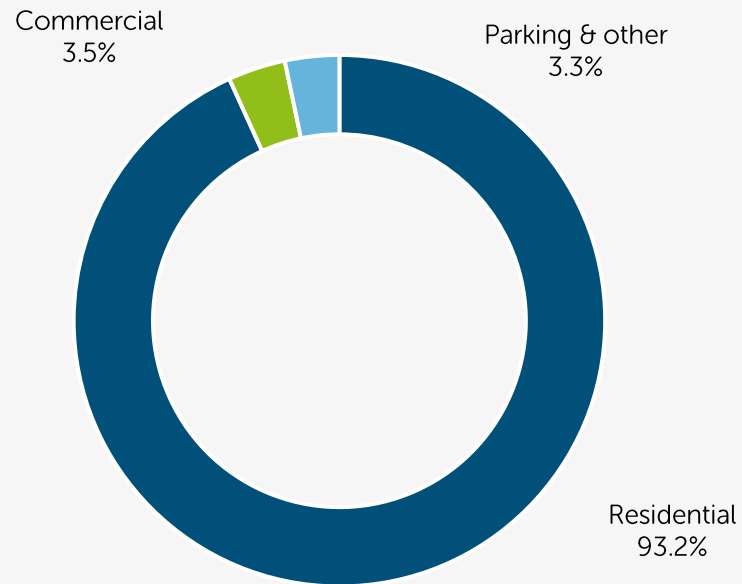




Portfolio fully focused on residential space

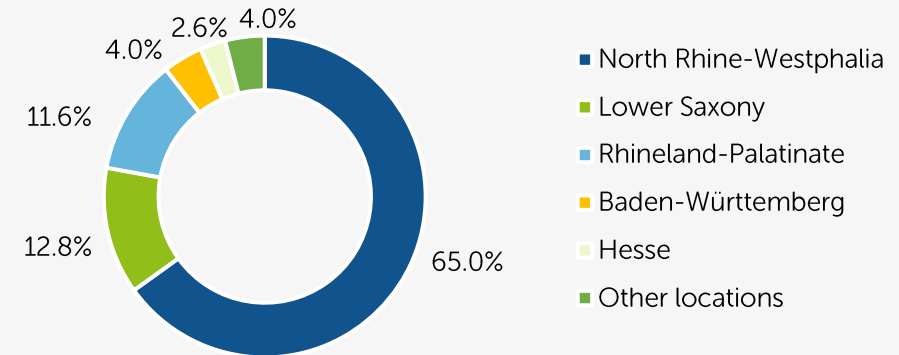
Rental income by use category as of Dec 31, 2022

In % of total rental income

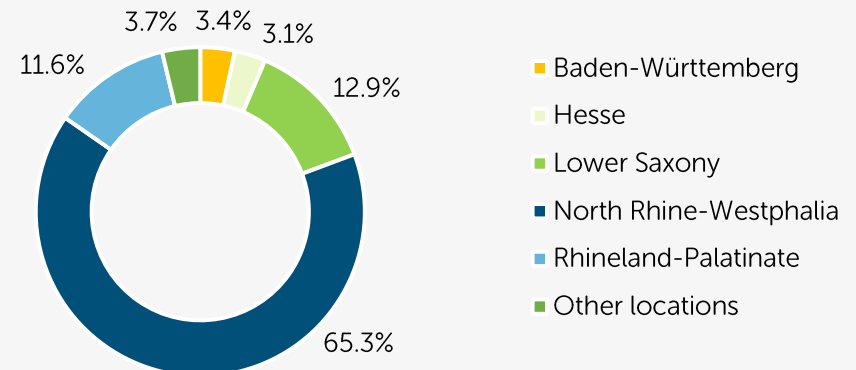


Breakdown by federal state as of Dec 31, 2022

In % of target rental income

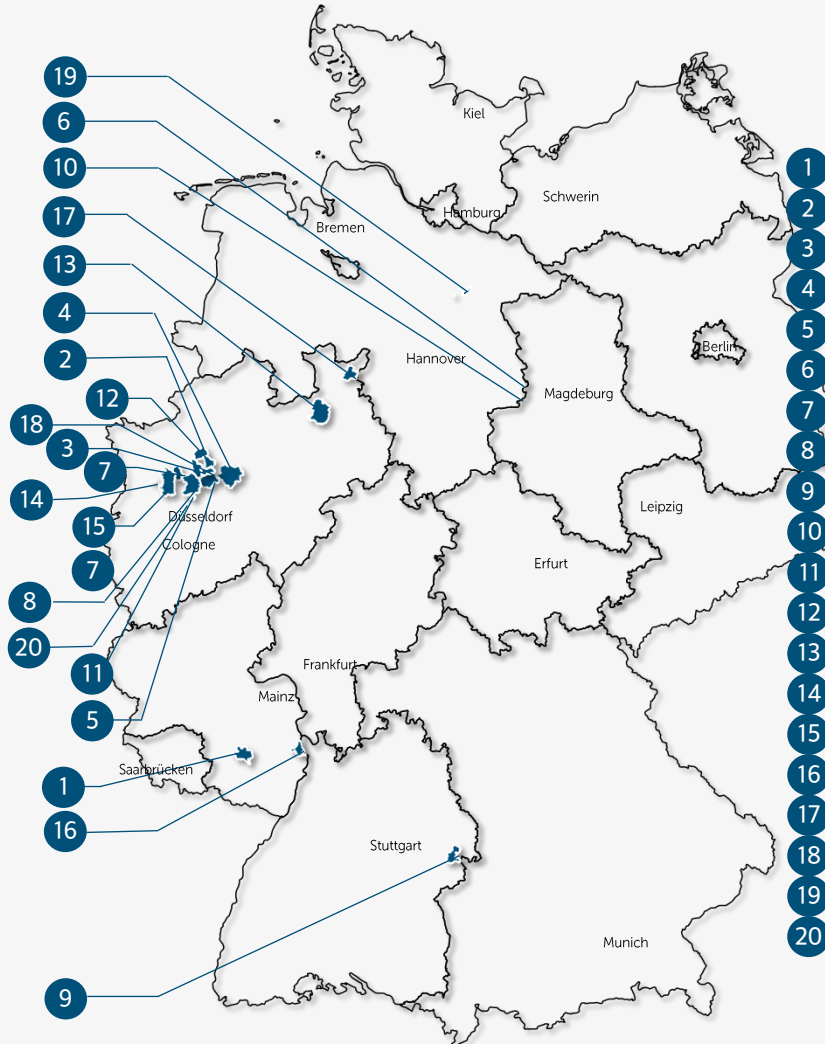


Breakdown by residential units by federal state as of Dec 31, 2022





Top 20 locations of the Peach portfolio



Location	State	# of units	Space in ksqm	Construction years	Valuation in €m ¹
1 Kaiserslautern	Rhineland-Palatinate	2 294	140.2	1926-2000	242.6
2 Marl	NRW	2 153	142.2	1939-1990	196.5
3 Gelsenkirchen	NRW	2 001	128.7	1902-2001	168.5
4 Dortmund	NRW	1 963	123.5	1900-1975	228.1
5 Bochum	NRW	1 430	65.1	1920-1999	115.0
6 Helmstedt	Lower Saxony	1 314	76.6	1926-1981	85.7
7 Oberhausen	NRW	1 076	70.0	1869-2001	118.5
8 Essen	NRW	953	59.8	1904-1988	105.0
9 Heidenheim	Baden Wurttemberg	905	61.8	1896-2006	113.7
10 Schöningen	Lower Saxony	844	50.2	1953-1970	46.0
11 Velbert	NRW	761	52.8	1972-1978	75.2
12 Recklinghausen	NRW	710	43.6	1904-1970	58.8
13 Minden	NRW	643	41.5	1893-1973	50.4
14 Neukirchen-Vluyn	NRW	567	37.8	1974-1981	45.8
15 Duisburg	NRW	553	35.6	1915-1978	45.7
16 Ludwigshafen	Rhineland-Palatinate	470	28.2	1920-1987	84.9
17 Bielefeld	NRW	439	30.4	1932-1987	47.1
18 Herne	NRW	418	26.6	1905-1976	36.1
19 Munster	Lower Saxony	377	25.8	1959-1967	29.9
20 Erkrath	NRW	142	10.4	1978	30.3
Others incl. CH	-	7 536	533.2	1800-2015	740.3
Total		27 549	1 784		2 664



Peach Points – our regional tenant shops



15 Peach Points at all major Peach locations

Cornerstone of direct dialogue with our tenants

Central point of contact for rental and administrative matters

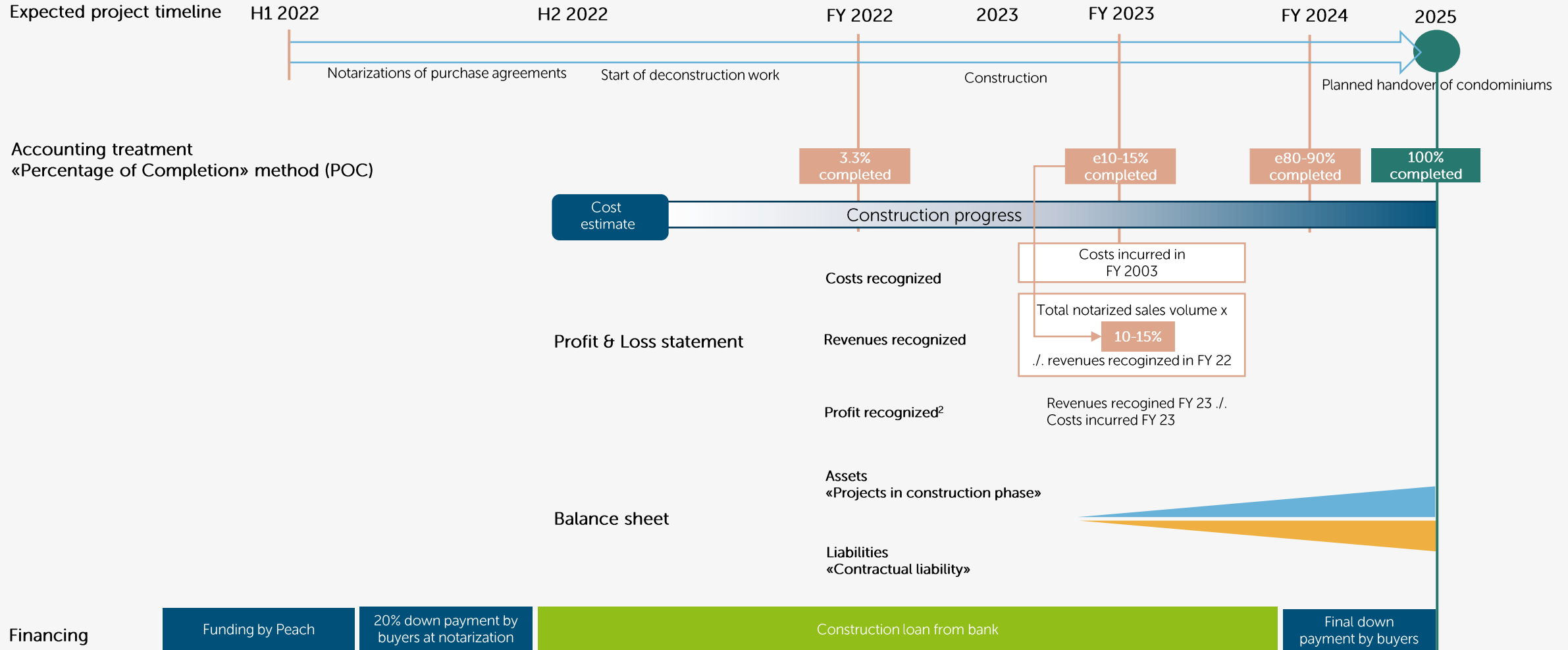


Within walking distance for 80% of our tenants





«Pensinsula Wädenswil» - "Cost completed" accounting¹



(1) Accounting logic similar to the percentage of completion method, but without assuming a margin due to current uncertainties regarding costs and revenues

(2) No profit / margin assumption if "cost completed" method used

Appendix

Consolidated statement of income, financial position and cash flows

Consolidated statement of income

Figures in EUR thousands	2022	2021
Rental income	116 497 ¹	100 409
Valuation gains from investment properties	22 101	266 571
Profit on disposal of investment properties	6	408
Income from development properties	20 516 ²	
Other operating income	298	440
Operating income	159 418	367 828
./. Expenses from letting of investment properties	- 30 018	- 26 613
./. Valuation losses from investment properties	- 34 338	
./. Loss on disposal of investment properties	- 152	
./. Expenses from development properties	- 20 733 ²	215
./. Personnel expenses	- 17 480 ³	- 16 724
./. Sales and marketing expenses	- 1 049	- 191
./. Other operating expenses	- 10 055	- 7 989
./. Depreciation and amortization	- 1 907 ⁴	- 1 560
Operating expenses	- 115 732	- 52 862
EBIT	43 686	314 966
Financial income	16 816	1 603
./. Financial expenses	- 80 469 ⁵	- 76 572
EBT	- 19 967	239 997
./. Income taxes	4 936 ⁶	- 53 895
Results after taxes	- 15 031	186 102
attributable to Peach Property Group AG equity holders	- 15 327	176 344
attributable to non-controlling interests	296	9 758
Basic earnings per share in EUR	-0.97	11.56
Diluted earnings per share in EUR	-0.97	11.45

Comments

- Target rental income of EUR 132.4 million (2021: 117.6 million) less lost income due to vacancies of EUR 14 million (2021: 13.4 million) and lost income due to collection risks of EUR 1.9 million (1.6%) (2021: 3.7 million (3.6%)). The decrease represents the continued successful resolution of loss-making contracts.
- Construction at the «Peninsula Wädenswil» development project started towards the end of the second quarter of 2022. The first purchase agreements were notarized in July 2022.
 - Notarization of 19 units (previous year: 0), representing 38.2 % of the expected sales volume.
 - Stage of completion of 3.3 % (previous year: 0.0 %).
- The absolute increase in personnel expenses is largely due to the insourcing of the management function of units acquired in June 2021, from January 2022 as well as the insourcing of the tax function in the course of the 2022 financial year. In relation to the rental income, the personnel expenses decreased as a result of economies of scale and efficiency gains achieved.
- The increase in fees and legal expenses is related to one-off expenses with regard to the property tax reform as well as refinancing and restructuring measures within the reporting year. The increase of IT and operating expenses resulted mostly from an increase in the number of staff following the insourcing of the management of the 4 300 units acquired in June 2021.
- Negative currency effects amount to EUR 29.9 million compared to EUR 28.3 million in the previous year due to the further weakening of the Euro against the Swiss Franc. Other financial income mainly resulted from the early repayment of the EUR bond I below nominal value.
- In 2022 we received the final assessments for Peach Property Group AG for the years 2019 through 2020, as well as the tax audit outcome for the years 2014 through 2016 of the German group. An adjustment was recorded of EUR 1.1 million in our favor. Additionally, we reassessed estimates with regard to German trade tax reductions and released deferred tax liabilities in the amount of EUR 4.6 million thousand. The previous year's impact relates to the final assessment of property gains tax for the «Wollerau Park» project, and final assessments and tax audits of the Swiss group companies. Excluding non-recurring effects, we expect a tax rate of between 16% and 18%.

Consolidated statement of financial position

Figures in EUR thousands	Dec 31, 2022	Dec 31, 2021
Cash & Cash equivalents	31 223	35 896
Trade receivables	11 158 ¹	7 384
Other receivables	24 018 ²	18 830
Current financial receivables	384	384
Contract assets	10 106 ³	
Development properties	34 031 ⁴	42 602
Investment properties held for sale	1 192	3 151
Total current assets	112 112	108 247
Investment properties	2 627 866 ⁵	2 564 144
Equipment	3 451	3 618
Intangible assets	1 132	1 430
Financial assets	40 561 ⁶	1 972
Deferred tax assets	12 836	16 896
Total non-current assets	2 685 847	2 588 061
Total assets	2 797 959	2 696 308
Trade payables	6 820	3 554
Other payables and advance payments	29 606	35 760
Current income tax liabilities	1 902	4 758
Current financial liabilities	133 300 ⁷	87 386
Current provisions	1 112	1 324
Total current liabilities	172 740	132 782
Non-current financial liabilities	1 400 711	1 360 592
Non-current provisions	102	229
Employee benefit obligations	2 176	3 560
Deferred tax liabilities	114 408	117 872
Total non-current liabilities	1 517 397	1 482 253
Total liabilities	1 690 137	1 615 035

Comments

- 1 Trade receivables from third parties mainly comprise tenant receivables, amounting to EUR 8.9 million (2021: EUR 4.9 million) and receivables from the sale of condominiums amounting to EUR 2.2 million (2021: EUR 2.5 million). The increase in tenant receivables results mainly from receivables arising from the 2021 ancillary cost settlements that were higher than receivables arising from the previous settlement period.
- 2 The increase in receivables from ancillary costs is due to inflationary costs increases during the 2022 settlement period.
- 3 A contract asset arises for development properties sold while under construction when the construction progress exceeds the advance payment received. If the advance payment is higher than the progress of construction, a contract liability is recognized. The contract asset of EUR 21 million was offset by the advance payments received in the amount of EUR 10.9 million.
- 4 In the 2022 financial year, we capitalized development costs of EUR 12.4 million. EUR 20.6 million of the total capitalized development cost of EUR 53.9 million was charged to the consolidated statement of income, representing the sales quote of 38.2 %.
- 5 Acquisitions:
 - Purchase of 156 residential units in Saarbrücken.
Disposals:
 - Sale of 20 units in Frankenthal.
 - Sale of 1 commercial and 3 residential units in Fassberg.
 - Sale of 18 units in Heidenheim.
 - Sale of 1 residential unit in Marl.
- 6 The increase resulted primarily from changes in the fair value of existing hedging instruments due to higher interest rates.
- 7 The increase results primarily from the EUR bond I with a maturity date in February 2023. The bond was early repaid in the following partial amounts during the 2022 financial year:
 - EUR 49.5 million in June 2022
 - EUR 19.2 million in August 2022
 - EUR 85 million in December 2022
The remaining outstanding amount has been repaid in January 2023.

Consolidated statement of financial position (continued)

Figures in EUR thousands	Dec 31, 2022	Dec 31, 2021
Share capital	455 597 ¹	14 510
./. Treasury shares	- 514 ²	- 455
Share premium	53 420 ³	499 544
Hybrid capital	51 556	51 556
./. Other reserves	15 861 ⁴	- 3 719
./. Currency translation changes	- 47 668	- 30 830
Retained earnings	428 787	446 828
Equity attributable to Peach Property Group AG equity holders	1 067 414	1 039 207
Equity attributable to non-controlling interests	40 408	42 066
Total equity	1 107 822	1 081 273

Comments

- ¹ The increase reflects the par value increase from CHF 1 to CHF 30 approved by the 2022 Annual General Meeting, share capital totals EUR 455.6 million as of December 31, 2022, and consists of 16 882 373 shares.
- ² At the end of the reporting period, we held a total of 11 183 treasury shares.
- ³ Capital reserves were reduced by EUR 441.1 million due to the increase in the par value of the registered share from CHF 1 to CHF 30.
- ⁴ The increase resulted primarily from changes in the fair value of interest hedging instruments.

Consolidated statement of cash flows

Figures in EUR thousands	2022	2021
Result before taxes	- 19 967	239 997
Adjustments for non-cash expenses/income		
Depreciation and amortization	1 907	1 560
Valuation result from investment properties	12 237	- 266 571
Net result on disposal of investment properties	146	- 408
Change in bad debt allowance	587	2 062
Valuation result from lease liabilities	870	1 052
Financial income	- 16 816 ¹	- 1 583
Financial expenses ¹	78 688 ²	74 608
Share-based compensation	516	1 417
Changes in provisions	- 362	- 806
Other non-cash charges	2 239 ³	378
Changes in working capital		
Trade receivables	- 4 363	- 2 396
Other receivables	- 6 535	- 5 447
Trade payables	3 190	334
Other payables and advance payments	- 7 242 ⁴	- 2 308
Development properties	10 626	- 4 708
Contract assets	- 9 906 ⁵	
Interest and other financial expenses paid	- 49 344	- 41 724
Taxes paid and reimbursed	- 482	- 1 016
Cash used in operating activities	- 4 011	- 5 559

Comments

- 1 The increase results primarily from a gain from changes in the fair value of financial instruments of EUR 14.8 million (2021: 1.1 million). The driver are interest rate cap agreements in connection with new investment property financing where no hedge accounting is applied.
- 2 Negative currency effects amount to EUR 29.9 million (2021: EUR 28.3 million) due to the further weakening of the Euro against the Swiss Franc.
- 3 The increase in other non-cash charges is related to share-based compensations.
- 4 The reduction in liabilities from ancillary costs results mainly from the 2021 ancillary cost settlements that have fewer reimbursements payable than in the previous year. Similarly, liabilities from overpaid and other rent also reduced due the allocation of such balances as settlement against ancillary costs receivables.
- 5 A contract asset arises for development properties sold while under construction when the construction progress exceeds the advance payment received. If the advance payment is higher than the progress of construction, a contract liability is recognized. The contract asset of EUR 21 million was offset by the advance payments received in the amount of EUR 10.9 million.

Consolidated statement of cash flows (continued)

Figures in EUR thousands	2022	2021
Payments for real estate companies	- 1 941	- 134 595
Payments for equipment	- 1 199	- 1 595
Payments for intangible assets	- 176	- 1 075
Investments in investment properties	- 76 349 ¹	- 39 842
Proceeds from disposal of investment properties	4 158	7 082
Financial receivables advanced		- 67
Repayment of financial receivables		5 073
Interest income received	44	289
Cash used in investment activities	- 75 463	- 164 730
Proceeds from current financial liabilities		1 108
Repayment of current financial liabilities	- 384 949 ²	- 169 082
Proceeds from non-current financial liabilities	469 662 ²	150 070
Lease payments - amortization share	- 656	- 382
Proceeds from issuance from hybrid capital		166 423
Repayment of hybrid capital		- 1 486
Purchase of treasury shares	- 4 159 ³	- 448
Capital increase and issuance costs		1 016
Mandatory convertible bond issuance costs	- 41	
Distribution to hybrid equity investors	- 962	- 1 000
Dividends paid	- 4 996	- 3 475
Cash flow from financing activities	73 899	142 744
Change in cash and cash equivalents	- 5 575	- 27 545
Cash and cash equivalents as of January 1	35 896	62 316
Currency exchange impact on cash and cash equivalents	902	1 125
Cash and cash equivalents as of June 30	31 223	35 896

Comments

¹ Investments eligible for capitalization: Refurbishing and modernization investments amounted to EUR 57.6 million, of which EUR 6.3 million relates to the renovation project Neukirchen-Vluyn and EUR 9.9 million in relation to the new portfolios acquired at the end of June 2021.

² We early repaid the following partial amounts of the EUR bond I during the 2022 financial year:

- EUR 49.5 million in June 2022
- EUR 19.2 million in August 2022
- EUR 85 million in December 2022

The remaining outstanding amount has been repaid in January 2023.

Conclusion of a revolving credit facility over EUR 100 million. Maturity: April 2025. As of December 2022, EUR 41 million were outstanding under the credit facility.

New promissory note of EUR 55 million, of which EUR 19.7 million at 2.21 % and EUR 35.3 million at 3M Euribor + 1.75 %. Maturity: March 2025.

Other refinancing measures of property financing liabilities during the 2022 financial year:

- Early repayment of a mortgage loan of EUR 78.7 million in March 2022, and conclusion of a new mortgage loan of EUR 90 million with maturity in March 2027.
- March 2022: New mortgage loan of EUR 45 million and maturity in December 2031.
- April 2022: Early repayment of the syndicated loan of EUR 60 million.
- June 2022: New mortgage loan of EUR 40 million and maturity in May 2027.
- August 2022: New mortgage loan of EUR 100 million, with maturity in August 2025.
- Early repayment of a mortgage loan of EUR 41 million in September 2022, and conclusion of a new mortgage loan of EUR 65 million with maturity in March 2027.

³ A total of 85 434 treasury shares were acquired during the reporting period of which 81 992 shares were utilized to settle bonus entitlements, the share component of the Board of Directors' remuneration and obligations from the 2019 option program.

Appendix

Funds from operations

Funds from operations (FFO)

Figures in EUR thousands	2022	2021
EBIT	43 686	314 966
Depreciation and amortization	1 907	1 560
EBITDA	45 593	316 526
./. Valuation result of investment properties	12 237	- 266 571
./. Net result on disposal of investment properties	146	- 408
Share-based compensation	516	1 417
Other non-cash accrued expense positions	823	1 049
Adjusted EBITA	59 315	52 013
./. Interest paid	- 37 141	- 38 773
./. Interest paid on hybrid capital	- 962	- 1 000
./. Lease payments	- 1 567	- 1 305
Interest income received	44	289
./. Taxes paid and reimbursed	- 482	- 1 016
Funds from Operations I (FFO I)	19 207	10 208
Result on disposals of investment properties	- 146	408
Funds from Operations II (FFO II)	19 061	10 616
Basic FFO I per share in EUR	1.14	0.67
Diluted FFO I per share in EUR	1.14	0.67
Basic FFO II per share in EUR	1.13	0.70
Diluted FFO II per share in EUR	1.13	0.69

Comments

- Interest expenses decreased marginally year-on-year. The like-for-like reduction reflects the refinancing measures undertaken in the first half-year of 2022. Interest expenses in the previous year furthermore include interest on the mandatory convertible bonds issued in 2020 and 2021.

Appendix

EPRA NAV & NTA

EPRA NRV & NTA

Figures in EUR thousands	Dec 31, 2022		Dec 31, 2021	
	EPRA NRV	EPRA NTA	EPRA NRV	EPRA NTA
Equity attributable to Peach Property Group AG equity holders	1 067 414	1 067 414	1 076 632	1 076 632
./. Hybrid instruments	- 51 556	- 51 556	- 57 412	- 57 412
Revaluation of development properties			7 709	7 709
Diluted NAV at fair value	1 015 858	1 015 858	1 026 929	1 026 929
./. Deferred tax in relation to fair value gains	- 119 197	- 117 472	- 126 622	- 126 342
./. Fair value of derivative financial instruments	39 639	39 639	- 5 204	- 5 204
./. Intangibles		1 132		1 482
Acquisition costs (assumption 7 %)	182 199	2 795	186 234	487
EPRA NAV	1 277 615	1 095 354	1 344 989	1 157 480
Diluted number of shares	16 882 373	16 882 373	16 882 373	16 882 373
EPRA NAV per share in EUR	75.68	64.88	79.67	68.56

Comments

- The EPRA NTA (Net Tangible Asset) performance measure is based on the assumption that real estate is bought and sold, and that part of the associated deferred taxes related to real estate assets, is realized through sales. At the end of the reporting year, we held only five small sub-portfolios (located in Bochum, Mönchengladbach, Kaiserslautern, and Marl), which are considered as non-core assets. The deferred tax impact from these sub-portfolios reduces overall deferred tax. Incidental acquisition costs are considered for the portfolios. In addition to the expected sale of these non-core portfolios, intangible assets (primarily IT systems) are completely excluded from the NTA calculation.
- In December 2022, our subsidiary, Peach Property Finance GmbH, placed a non-listed 5.0 % guaranteed senior unsecured mandatory convertible bond (ISIN CH1234612187) due April 12, 2023. The issue date was January 12, 2023, with an issue amount of CHF 112.3 million nominal and net issue proceeds of approximately CHF 67 million. The bonds will be converted into Peach Property Group AG shares on the due date. For the conversion 3 836 917 additional shares will be issued. Accordingly, the EPRA NTA per share will decrease to approx. EUR 55 per share.

Appendix

LTV and ICR

Loan-to-value and interest coverage ratio

LTV

Figures in EUR thousands	Dec 31, 2022	Dec 31, 2021
Market value of real estate investment portfolio	2 602 837	2 541 417
Market value of real estate development portfolio	34 031	51 447
Revolving credit facility	41 047	
Mortgages and building loans	984 206	770 106
Bonds	393 319	543 318
Other bank financings	55 160	68 461
./. Cash and cash equivalents	- 31 223	- 35 896
./. Current financial receivables	- 384	- 384
Loan-to-value ratio	54.7%	51.9%
Financial liabilities secured by mortgages	984 206	770 106
./. Cash and cash equivalents	- 31 607	- 36 280
Secured loan-to-value ratio	36.1%	28.3%

ICR

Figures in EUR thousands	Dec 31, 2022	Dec 31, 2021
EBIT	43 686	314 966
Depreciation and amortization	1 907	1 560
./. Valuation result of investment properties	12 237	- 266 571
Share-based compensation	516	1 417
Other non-cash accrued expense positions	823	1 049
Adjusted EBIT	59 169	52 421
Net interest paid	38 080	38 484
Interest coverage ratio	1.55x	1.36x

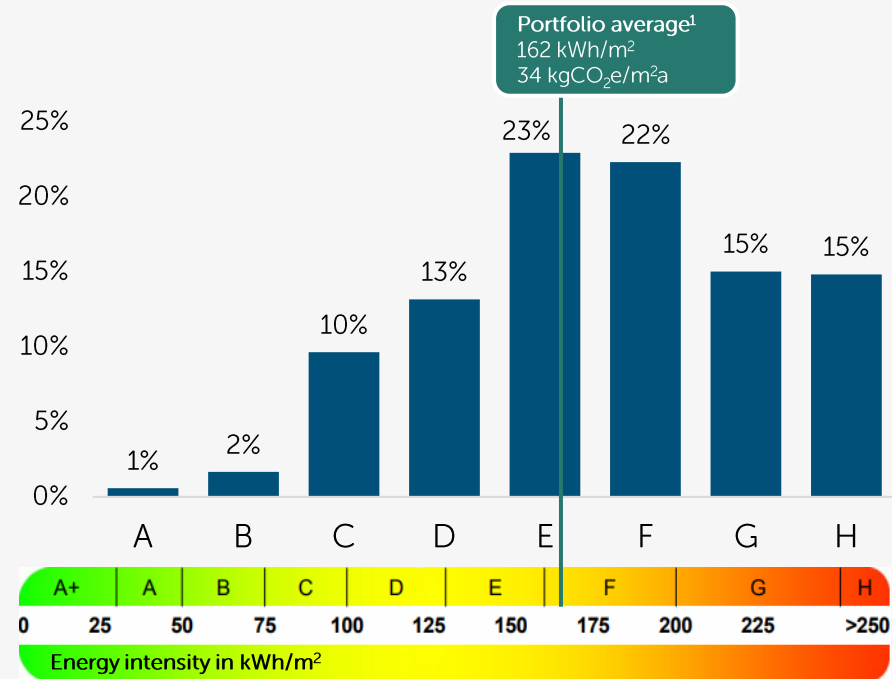
Appendix

ESG

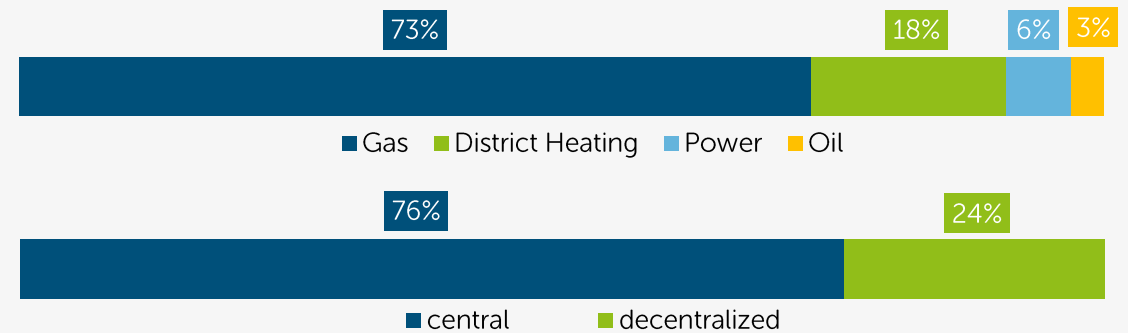


Energy KPIs of Peach Portfolio

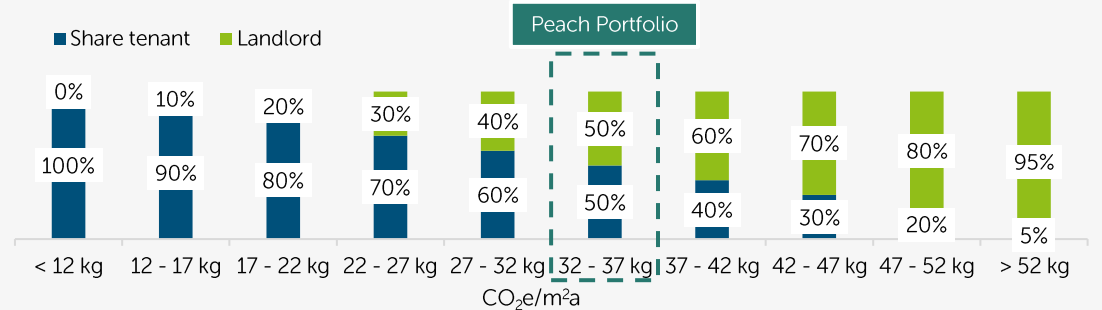
Distribution of energy efficiency classes



Source of heat energy & supply



German CO₂ levy



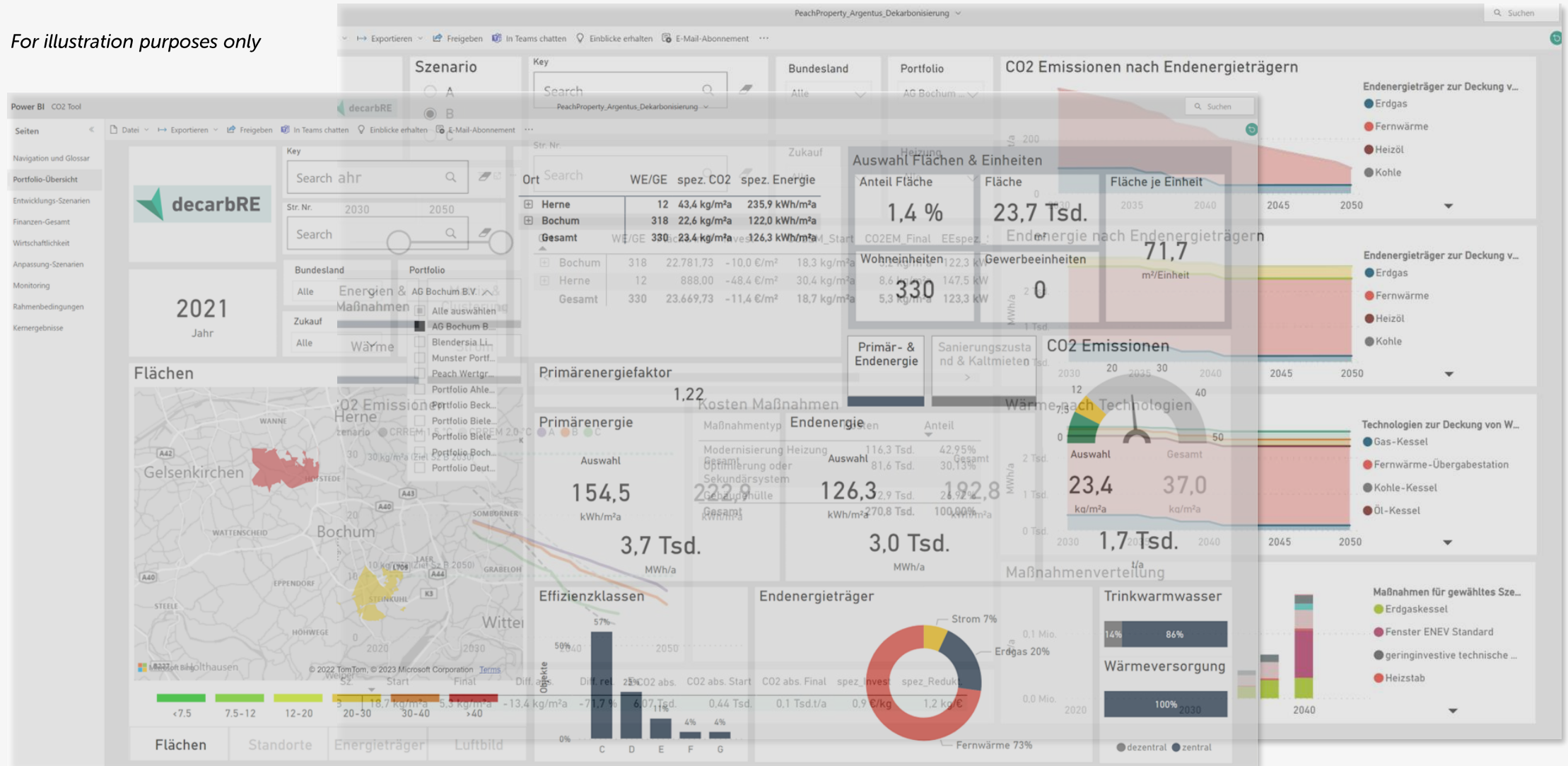
Expected CO ₂ pricing in DE ²	2023	2024	2025	2026+
CO ₂ price EUR/t	30	35	45	55-65

➔ The cost to Peach is expected to be <€1m per year at current CO₂ price levels.



Peach's decarbonization tool

For illustration purposes only



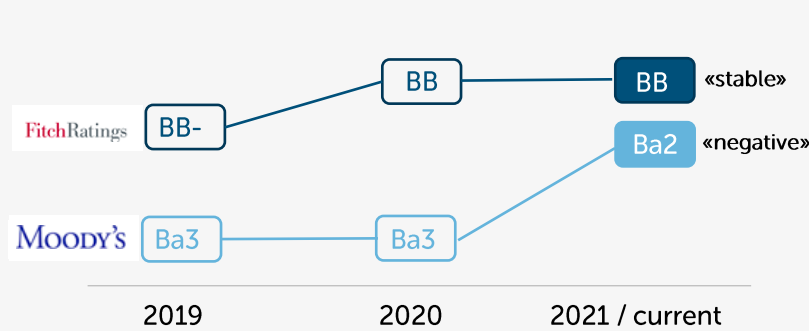
Appendix

Share data



Capital market development

Credit ratings (Corporate Rating)



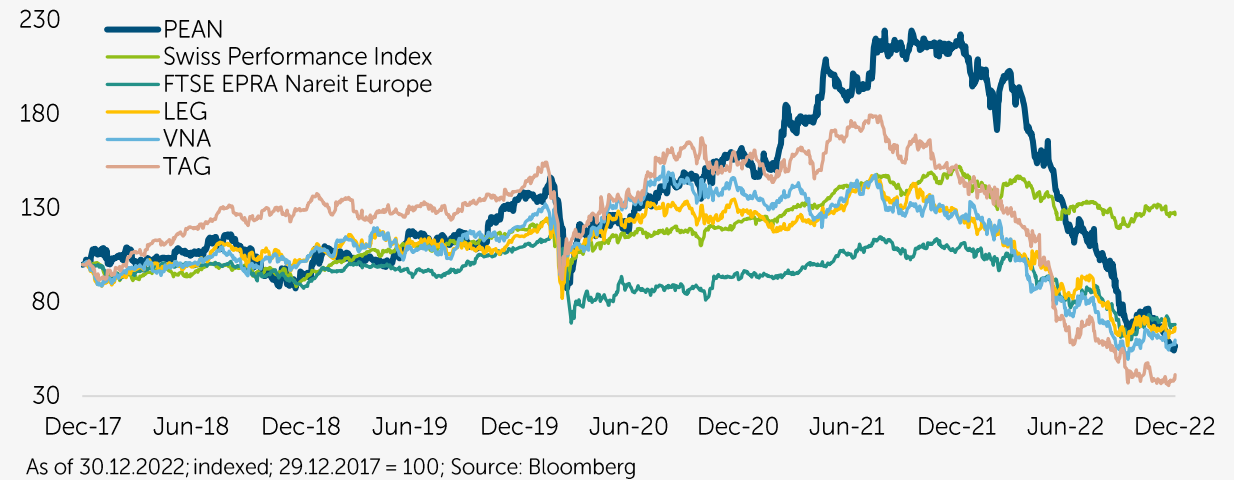
Recent capital market transactions

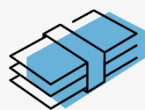
Jan 2023	Mandatory convertible bond 5% CHF 112.3million; conversion price CHF 30.00
2022 / 2023	Buybacks & par call to repay EUR 250 million EuroBond 2023
Apr 2022	EUR 100 million revolving credit facility; maturity 3 years
Mar 2022	~2% EUR 55 million promissory note (German SSD); maturity 3 years
June 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

Equity analyst coverage

QUIRIN PRIVATBANK	Buy PT CHF 70.00	RESEARCH PARTNERS AG	Buy PT CHF 27.00
SOLVENTIS	Buy PT CHF 47.00	/ BAADER /	Add PT CHF 22.00
WARBURG RESEARCH	Buy PT CHF 45.90	Kepler Cheuvreux	Hold PT CHF 20.00
SRC	Buy PT CHF 45.00	UBS	Neutral PT CHF 18.00

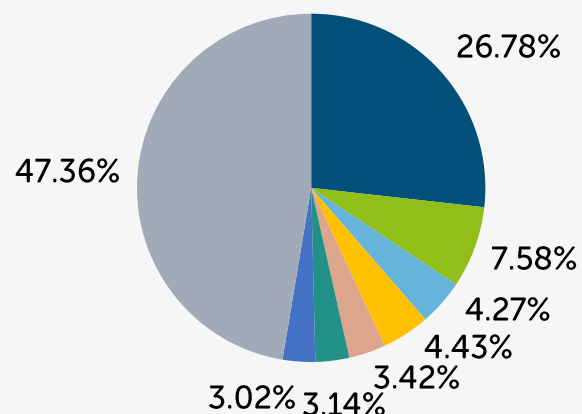
5-year share price performance (rebased to 100)





Share data

Significant shareholders¹ as of Dec 31, 2022



- Ares Management Corporation
- Franciscus Zweegers
- Dr. Thomas Wolfensberger
- Kreissparkasse Biberach
- Marius Barnett
- BlackRock Inc.
- Swisscanto Fondsleitung AG

Note: The notional free float based on the shares issued on Dec 31, 2022, 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 5.1.2 of the Rules Governing the SPI Index Family.

Information on the share

	Dec 31, 2022	Dec 31, 2021
Share capital in CHF	506 471 190	16 882 373
Number of shares issued	16 882 373	16 882 373
Nominal value per share in CHF	30.00	1.00
Number of treasury shares	11 183	7 741
Number of outstanding shares	16 871 190	16 874 632

Key stock exchange data

Security no.: 11 853 036

ISIN: CH0118530366

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

	Dec 31, 2022	Dec 31, 2021
High in CHF	64.40	66.60
Low in CHF	15.42	41.80
Closing rate at the end of the year, in CHF	16.40	63.40
Market capitalization (excluding treasury shares)	276 687 516	1 069 851 669
Average shares traded per day at SIX Swiss Exchange	21 761	16 435



(1) Based on the published disclosure notifications of the significant shareholders (<https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html?issuedBy=PEACHP#/>) and the share register of Peach Property Group AG. These shareholdings do not consider subscriptions to the Mandatory Convertible Bond (ISIN CH1234612182) as announced on December 9, 2022, settled on January 12, 2023, and with maturity date of April 12, 2023.

Appendix

Financial calendar

Financial calendar

Scheduled publications & events

-  **24 May 2023** AGM 2023, Zurich
-  **23 August 2023** HY results 2023

Upcoming road shows & participation in conferences¹

-  **23 March 2023** BofA Real Estate CEO Conference (London)
-  **24 March 2023** Kepler Chevreux Swiss Seminar (virtual)
-  **28 March 2023** Roadshow Warburg (virtual)
-  **30/31 March 2023** JPM Real Estate Debt Investor Event (virtual)
-  **25 May 2023** Kempen European Property Seminar (Amsterdam)
-  **12 September 2023** SRC Forum Financials & Real Estate (Frankfurt)
-  **18 September 2023** Baader Investment Conference (Munich)

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.

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