

A FORWARD- THINKING PARTNER

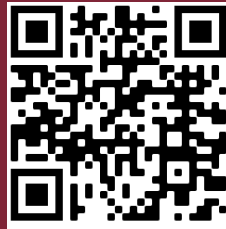
We invest responsibly to deliver real value



PATRIZIA H1 2021 Financial Results | Video presentation

Let our CFO Karim Bohn guide you through the most important points of our H1 2021 Financial Results

Access via QR code



Access via weblink

<https://youtu.be/aLASXummJ3Q>

PATRIZIA beyond financials – H1 2021 milestones

Management fully focused on delivering on Strategy 2023

Resilient business model and platform

EUR 2.1bn of transactions signed and EUR 0.8bn equity raised for international investments

PATRIZIA has a well-filled transaction pipeline for H2 2021



Structural growth market

Client demand, ECB policy and fragmented market for investment managers offers growth opportunities

Expansion of product offering for our clients to continue. Strategic hire in Japan to accelerate global AUM growth



Accelerating trends

Tech, ESG and Impact Investing gaining traction

Tech adoption on all levels of our industry – ESG credentials becoming “non-negotiable” with investors



PATRIZIA financials – H1 2021 key messages

A forward-thinking partner who invests responsibly to deliver real value

1

Continued growth

Growth in AUM to EUR 48.2bn drives solid growth in management fees of 8.2% y-o-y, further improved quality of earnings

2

Rock-solid balance sheet

Net equity ratio of 78.3% and available liquidity of EUR 537.0m provide financial flexibility for further growth

3

Increased business activity

Transaction volume signed for global clients increased 30.0% y-o-y to EUR 2.1bn

4

Guidance for FY 2021 confirmed

With a well-filled pipeline for H2 2021 PATRIZIA is fully on track to deliver on its FY 2021 guidance

PATRIZIA's balance sheet is stronger than ever

PATRIZIA has the financial flexibility to invest in inorganic growth, its platform and technology to offer its clients best in class products

Strong balance sheet

EUR m	30.06.2021
Total assets	1,910.9
Equity (excl. non-controlling interests)	1,276.3
Equity ratio	66.8%
Cash and cash equivalents	368.6
+ Deposits and securities	+200.8
- Bank loans	-45.9
- Bonded loans	-234.0
= Net cash	289.5
Net equity ratio¹	78.3%

Significant liquidity

EUR m	30.06.2021
Bank balances, cash, deposits and securities	569.4
- Regulatory reserve for asset management companies	-32.3
- Transaction related liabilities and blocked cash	-0.0
- Liquidity in closed-end funds business property companies	-0.0
= Available liquidity²	537.0

- **Strong balance sheet ratios and capital structure** to facilitate further profitable growth
- **Bonded loans redemption** of EUR 66.0m during Q2 2021 reducing bonded loans to EUR 234.0m
- **Performance fee claim on Dawonia³** of EUR 386.7m⁴ pre-tax provides good visibility on **overall** performance fee income and cash-flow generation over the next years
- **Operating income contribution** from performance fees over next five years depends on client preferences and disposal activity in funds

¹ Net equity ratio: Equity (excl. non-controlling interests) divided by total net assets (total assets less loans covered by cash in hand)

² In addition 3,003,314 PATRIZIA treasury shares (worth cEUR 66.1m as at 30.06.2021) which could be used as M&A currency (among other things)

³ EUR 5.0bn residential portfolio PATRIZIA managed on behalf of clients

⁴ EUR 315.2m after tax; see also page 14



Financials & Guidance

H1 2021

Highlights

PATRIZIA on track to reach FY 2021 guidance – confirmed guidance implies continued growth during H2 2021

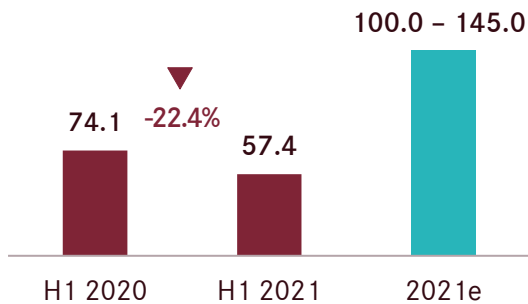
H1 2021

- **Operating income** of EUR 57.4m in H1 2021 compares to EUR 74.1m in H1 2020 due to timing differences in the realisation of performance fees and co-investment income – PATRIZIA has further improved the quality of its earnings
- **Assets under management (AUM)** continued to grow to EUR 48.2bn compared to EUR 47.0bn at year-end 2020 and confirm the resilience of investment strategies as well as the successful business expansion despite a challenging Covid-19 market environment
- **Rock-solid financial position:** Net equity ratio improved to 78.3% and available liquidity of EUR 537.0m
- PATRIZIA signed **transactions** worth EUR 2.1bn for its global clients, an increase of 30.0% y-o-y. At the same time, EUR 0.8bn of **equity** was **raised** for investments in European and Global real asset investment strategies (up 20.6%)

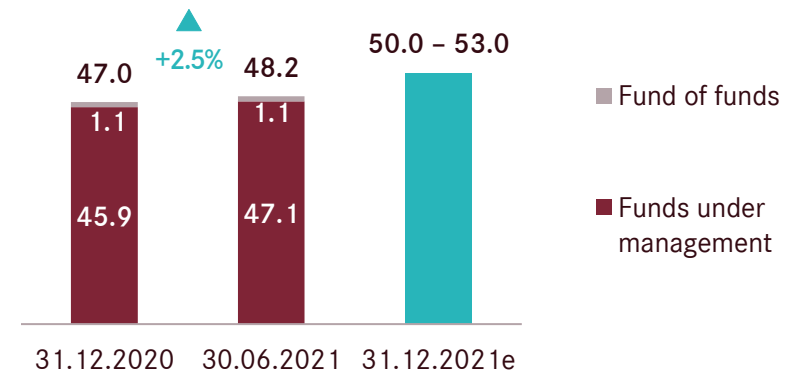
Full-year guidance 2021

- **Operating income** in a range of EUR 100.0m to 145.0m
- **Organic AUM growth** of EUR 3.0 – 6.0bn to between EUR 50.0bn – 53.0bn by the end of FY 2021

Operating income | EUR m



Assets under management | EUR bn

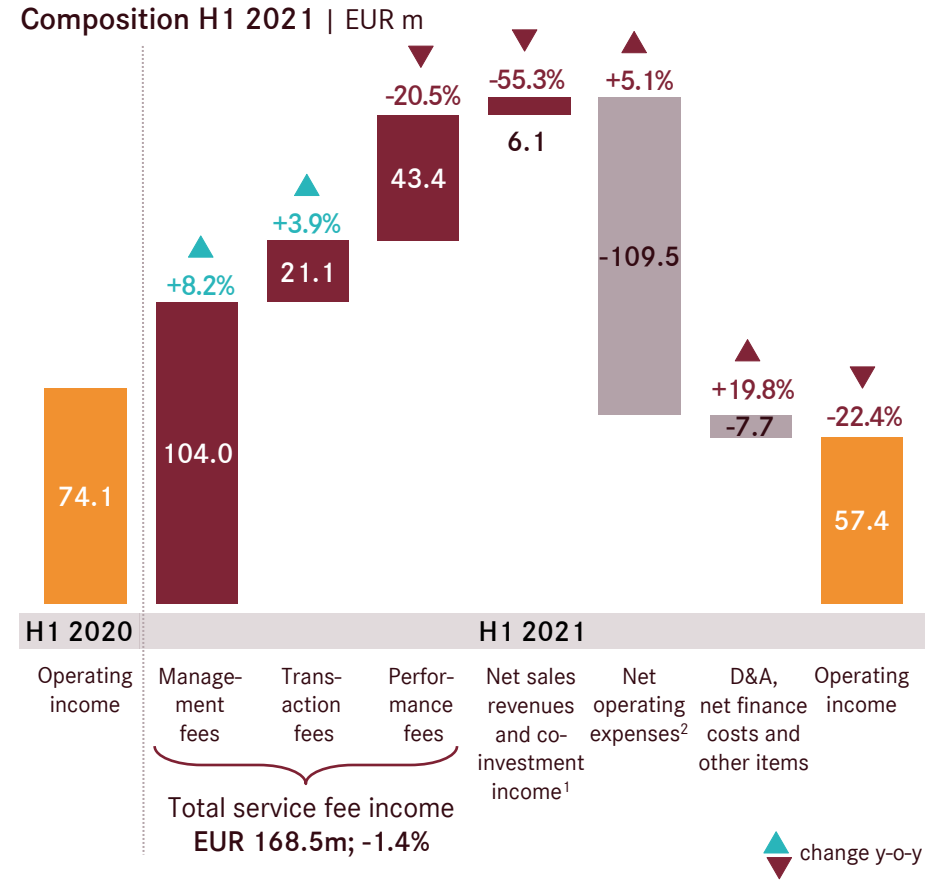


Note: All percentage rates in this presentation refer to the comparable period of the previous year, unless stated otherwise

Operating income

Solid H1 2021 results on track to reach the FY 2021 guidance

- **Operating income** of EUR 57.4m in H1 2021 compares to EUR 74.1m in H1 2020 due to timing differences in the realisation of performance fees and co-investment income – PATRIZIA has further improved the quality of its earnings
- **Total service fee income** of EUR 168.5m (-1.4%) driven by
 - **Management fees** of EUR 104.0m (+8.2%) mainly due to continued growth in AUM, prove the stability and resilience of the business model
 - **Transaction fees** of EUR 21.1m (+3.9%) driven by increased signed transaction volume. Acquisition fees of EUR 16.0m and disposals of EUR 5.1m
 - **Performance fees** of EUR 43.4m (-20.5%) below last year’s strong H1 period due to timing differences in realisation. Solid level confirms quality of AUM and investment strategies
- **Net sales revenues and co-investment income** of EUR 6.1m (-55.3%); the strong previous year was primarily characterised by high income from a co-investment in liquidation
- **Net operating expenses** of EUR 109.5m (+5.1%) increased mainly due to aperiodic effects and one-off costs for optimization of used office space
- **D&A, net finance costs and other items** impacted by currency result and amortisation



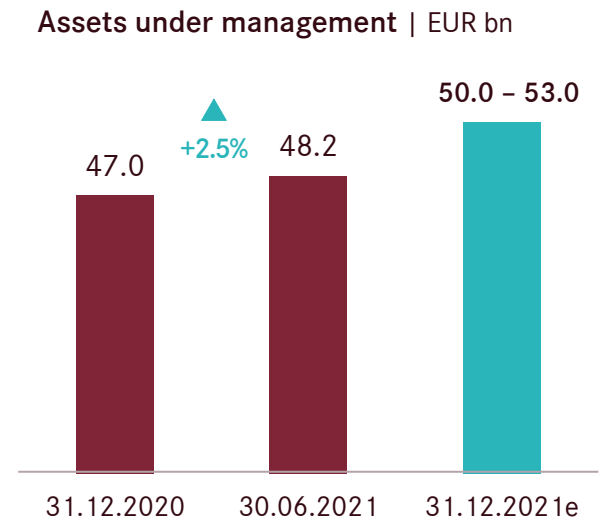
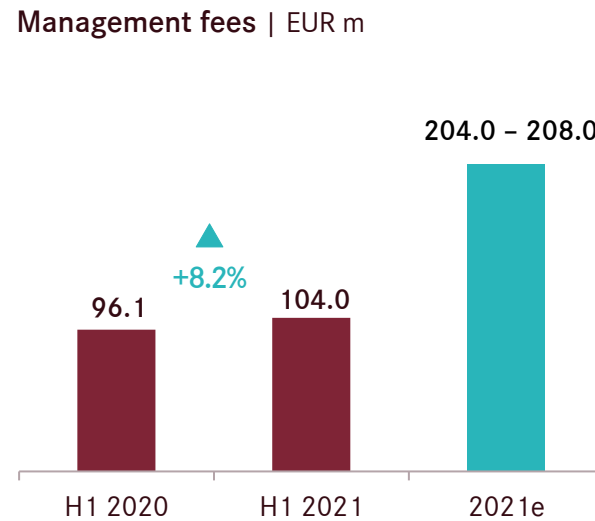
¹ Excluding EUR 0.6m investments in the future

² Inter alia netted against other operating income of EUR 2.0m; excluding EUR 5.3m non-capitalisable expenses for investments in the future

Management fees

Continued growth in AUM and recurring management fees

- **Management fees** of EUR 104.0m (+8.2% y-o-y) prove the stability and resilience of the business model
- The **level of management fees** has consistently grown in the last few years in line with AUM growth
- **Confirmed FY 2021 guidance** between EUR 204.0 – 208.0m, i.e. 5.5 – 7.5% growth rate

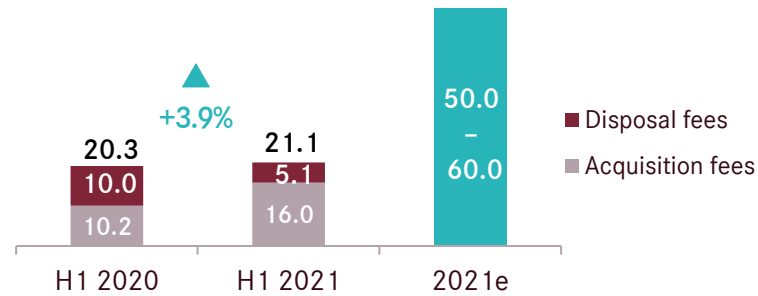


Transaction fees

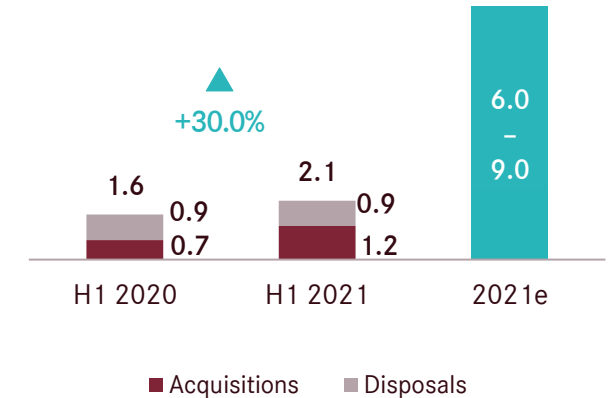
Accelerating business activity expected to continue during H2 2021

- During H1 2021 PATRIZIA **signed transactions** worth EUR 2.1bn for its global clients, an increase of 30.0% y-o-y
- Ongoing transaction activity for PATRIZIA’s global client base results in **transaction fees** of EUR 21.1m in H1 2021, equivalent to 3.9% y-o-y growth
- Strong growth in **acquisition fees** in H1 2021 of EUR 16.0m compared to last year’s period EUR 10.2m, +56.5%
- Based on well-filled **transaction pipeline** and accelerating transaction volume during H1 2021, level of transaction fees expected to increase further during H2 2021
- **Confirmed FY 2021 guidance** for transaction fees of between EUR 50.0 – 60.0m

Transaction fees | EUR m



Transaction volume (signed) | EUR bn

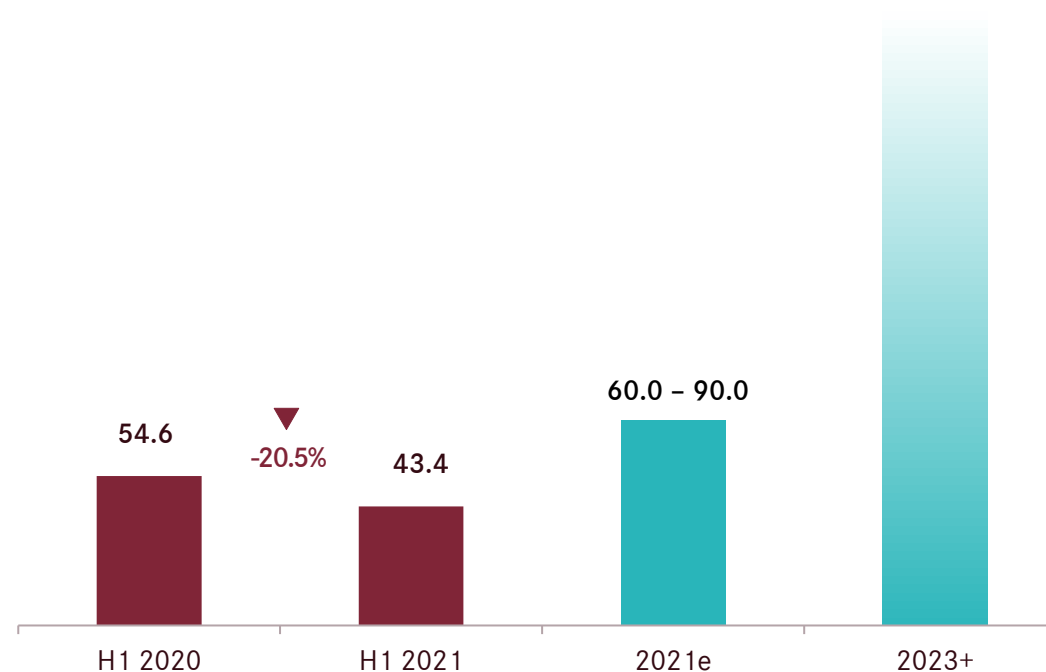


Performance fees

Continued strong investment performance realised for clients

- **Performance fees** of EUR 43.4m down 20.5% y-o-y due to **timing differences** in realisation of asset and fund performance (in H1 2020 a higher number of investments were realised during the first half vs the second half)
- As a reminder – the majority of performance fees are generated **on realisation of asset or fund disposals above pre-agreed IRR hurdles** on behalf of PATRIZIA's global client base
- **Continued profitable realisations** expected for clients during H2 2021, driving further performance fee generation
- **Confirmed FY 2021 guidance** for performance fees of between EUR 60.0 – 90.0m
- **Performance fee claim on Dawonia**¹ of EUR 386.7m² (pre-tax) provides good visibility on **overall performance fee income** and cash-flow generation over the next years

Performance fees | EUR m



¹ EUR 5.0bn residential portfolio PATRIZIA manages on behalf of clients

² EUR 315.2m after tax; see also page 14

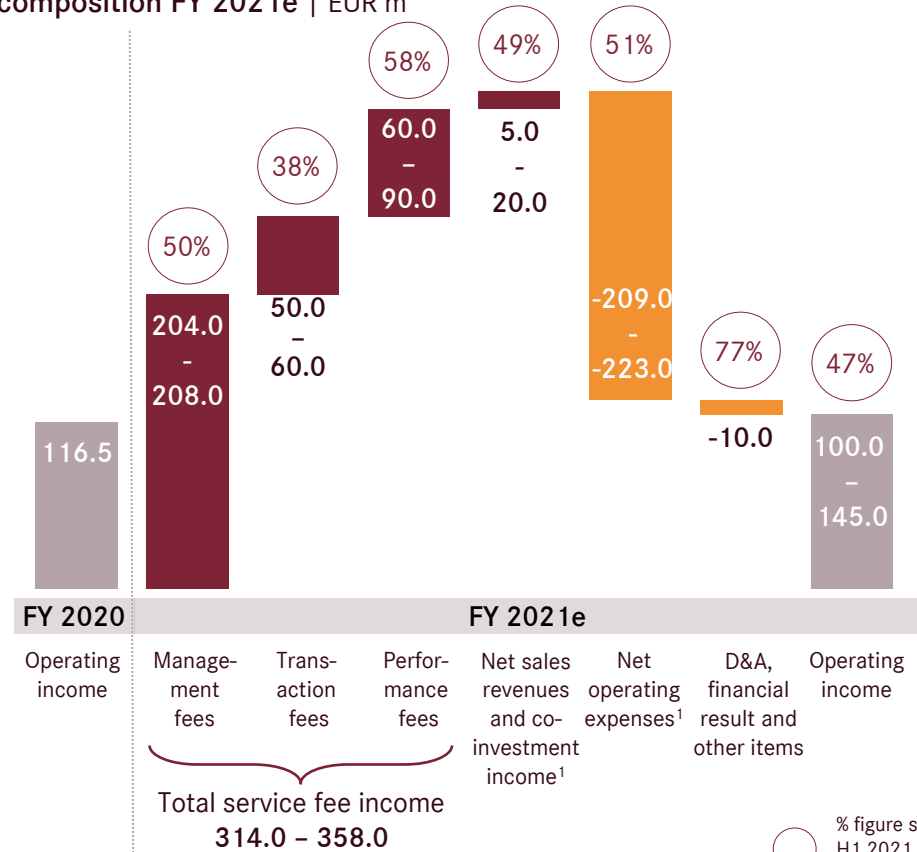
Guidance for FY 2021 confirmed

Profitable growth to continue – FY 2021 Guidance in line with mid-term strategy

Confirmed assumptions for FY 2021

- Recurring **management fee** growth of 5.5 - 7.5% expected for FY 2021 driven by further organic AUM growth
- **Transaction fees** to benefit from expected increased business activity during H2 2021
- **Performance fees** in a range of EUR 60.0 – 90.0m expected, explaining the wide operating income guidance range besides the wide range of net sales revenues and co-investment income; will be specified during the course of the year
- Midpoint of **operating income guidance** for FY 2021e of EUR 100.0 to 145.0m implies continued organic growth during H2 2021
- **Transaction volume:** EUR 6.0 – 9.0bn as PATRIZIA has a strong pipeline for H2 2021
- **Assets under management:** EUR 50.0 – 53.0bn

Income composition FY 2021e | EUR m



¹ From 2020 onwards excluding non-capitalizable expenses for investments in the future



Appendix

Capital allocation

PATRIZIA's capital allocation as at 30 June 2021

	Assets under Management EUR m	Invested capital (fair value) EUR m	Invested capital (at cost) EUR m	Participations in %
Third-party business	42,212.4	0.0		
Co-Investments	5,954.6	522.8	89.6	
Residential	5,351.6	507.7	77.5	
Dawonia GmbH	5,022.6	166.7 ¹	51.7	5.1
Dawonia performance fee claims		315.2 ¹	0.0	0.1
WohnModul I SICAV-FIS	329.1	25.7	25.7	10.1
Other		0.1	0.1	0.0
Commercial Germany	603.0	11.7	8.4	
Alliance	237.0	5.8 ¹	5.1	5.1
Seneca	159.1	3.7 ¹	1.8	5.1
PATROffice		0.3 ¹	0.2	6.3
TRIUVA/IVG logistics	206.9	1.1 ¹	0.8	2.1
TRIUVA/IVG commercial		0.9 ¹	0.5	11.0
Commercial International	0.0	3.4	3.7	
Citruz Holding LP (UK)		0.0 ¹	0.4	10.0
First Street Development LTD (UK)		3.4	3.4	10.0
Principal investments	18.9	18.9		
Other balance sheet items		403.3²		
Tied-up investment capital	48,185.9	973.3		
Available liquidity		537.0		
Total investment capital	48,185.9	1,510.3		
of which debt (bonded loans)		234.0		
of which equity PATRIZIA (without non-controlling interests)		1,276.3		

¹ After deduction of deferred taxes from the valuation according to IFRS 9 | ² Including goodwill and fund management contracts

Reconciliation of operating income

Reconciliation of operating income

EUR k	H1 2021	H1 2020
EBITDA	60,282	72,511
Appreciation/amortisation of other intangible assets ¹ , software and rights of use, depreciation of property, plant and equipment as well as financial investments	-17,331	-17,758
EBIT	42,952	54,752
Finance income/expenses	-2,040	-2,167
Result from currency translation	-1,338	-6,511
EBT	39,574	46,075
Changes in value of derivatives	-112	0
Appreciation/amortisation of fund management contracts and licenses as well as financial investments	7,428	9,824
Reorganisation result	1,472	0
Non-cash currency effects	-933	5,087
Operating result from participations (IFRS 9)	4,091	9,001
Investments in the future	5,920	4,075
Operating income	57,441	74,061

¹ In particular fund management contracts transferred as part of the recent acquisitions

Consolidated income statement

EUR k	Q2 2021	Q2 2020	H1 2021	H1 2020
Revenues	81,350	81,567	140,185	148,153
Changes in inventories	29	-133	1,746	-1,677
Other operating income	1,488	4,194	2,015	6,251
Income from the deconsolidation of subsidiaries	63	116	63	116
Total operating performance	82,930	85,744	144,009	152,843
Cost of materials	-574	-2,409	-1,090	-3,112
Cost of purchased services	-3,905	-2,974	-8,956	-8,089
Staff costs	-33,667	-33,279	-68,085	-67,379
Other operating expenses	-18,859	-16,075	-33,453	-33,397
Impairment result for trade receivables and contract assets	-73	60	104	22
Result from participations	3,454	3,565	28,587	23,370
Earnings from companies accounted for using the equity method	892	10,000	1,245	10,000
Cost from the deconsolidation of subsidiaries	-608	-1,746	-608	-1,746
EBITDAR	29,590	42,886	61,754	72,511
Reorganisation income	0	0	1	0
Reorganisation expenses	-1,058	0	-1,473	0
EBITDA	28,532	42,886	60,282	72,511
Amortisation of other intangible assets, software and rights of use, depreciation of property, plant and equipment as well as financial investments	-9,120	-8,971	-17,331	-17,758
Earnings before interest and taxes (EBIT)	19,412	33,915	42,952	54,752
Financial income	421	662	952	1,217
Financial expenses	-1,511	-1,717	-2,991	-3,384
Result from currency translation	-838	-7,077	-1,338	-6,511
Earnings before taxes (EBT)	17,484	25,784	39,574	46,075
Income taxes	-5,698	-3,324	-12,961	-12,351
Net profit for the period	11,786	22,460	26,613	33,723

Consolidated balance sheet | Assets

Assets

EUR k	30.06.2021	31.12.2020
A. Non-current assets		
Goodwill	214,957	212,353
Other intangible assets	98,876	106,137
Software	14,624	16,603
Rights of use	35,258	25,906
Investment property	1,838	1,838
Equipment	9,965	7,305
Associated companies accounted using the equity method	34,300	32,357
Participations	591,426	574,561
Non-current borrowings and other loans	35,307	34,927
Deferred taxes	26,277	21,031
Total non-current assets	1,062,828	1,033,018
B. Current Assets		
Inventories	45,421	14,647
Securities	20,637	11
Current tax assets	26,006	26,554
Current receivables and other current assets	387,415	392,399
Cash and cash equivalents	368,572	495,454
Total current assets	848,051	929,065
Total assets	1,910,878	1,962,083

Consolidated balance sheet | Equity and liabilities

Equity and liabilities

EUR k	30.06.2021	31.12.2020
A. Equity		
Share capital	89,348	89,683
Capital reserves	122,444	129,751
Retained earnings		
Legal reserves	505	505
Currency translation difference	-802	-7,944
Remeasurements of defined benefit plans according to IAS 19	-5,457	-5,457
Revaluation reserve according to IFRS 9	144,526	130,196
Consolidated unappropriated profit	925,764	900,507
Non-controlling interests	33,464	32,265
Total equity	1,309,791	1,269,505
B. Liabilities		
NON-CURRENT LIABILITIES		
Deferred tax liabilities	120,205	115,484
Retirement benefit obligations	29,203	29,579
Bonded loans	158,000	234,000
Non-current liabilities	16,138	22,340
Leasing liabilities	27,338	17,811
Total non-current liabilities	350,884	419,214
CURRENT LIABILITIES		
Short-term bank loans	45,915	43,200
Short-term bonded loans	76,000	66,000
Other provisions	9,912	9,109
Current liabilities	80,606	105,858
Short-term leasing liabilities	9,269	8,387
Tax liabilities	28,501	40,809
Total current liabilities	250,203	273,363
Total equity and liabilities	1,910,878	1,962,083

Financial calendar

2021

August	5	➤ H1 2021 Financial Report with investor and analyst conference call
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October	14	➤ Annual General Meeting, Augsburg (virtual)
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November	11	➤ 9M 2021 Interim Statement with investor and analyst conference call
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2022

February	24	➤ Preliminary results FY 2021
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March	17	➤ FY 2021 Annual Report with investor and analyst conference call
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May	12	➤ 3M 2022 Interim Statement with investor and analyst conference call
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June	1	➤ Annual General Meeting, Augsburg
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August	4	➤ H1 2022 Financial Report with investor and analyst conference call
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November	10	➤ 9M 2022 Interim Statement with investor and analyst conference call
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Invitations and dial-in numbers are provided in advance.
For further information, please visit: www.patrizia.ag.

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Due to commercial rounding of figures and percentages small deviations may occur.

4 August 2021, PATRIZIA AG