

PATRIZIA Annual Report 2021 published: “Next Now” – Delivering performance in real assets investment management

- FY 2021 with strong growth in operational KPIs and continued growth in AUM
- Dividend increase of 6.7% to EUR 0.32 per share and continued share buy-back programme
- EBITDA guidance for FY 2022 of EUR 120.0 – 145.0m based on normalised market environment
- Annual average organic growth target range of 8 – 10% confirmed

Augsburg, 16 March 2022. PATRIZIA AG, a leading partner for global real assets, today published its FY 2021 Annual Report which confirmed the financial performance of FY 2021 already communicated to the market with preliminary results on 24 February 2022.

PATRIZIA’s Management Board highlights strategic and operational highlights in the report. Operational milestones include new product launches and the continued expansion of the Group’s global client network to now over 500 institutional and over 6,000 private and (semi-)professional investors. At the same time equity commitments entrusted to PATRIZIA increased close to 39% to EUR 2.6bn compared to the previous year.

Overall AUM grew 3.5% y-o-y to EUR 48.6bn. Following the closing of the Whitehelm acquisition on 1 February 2022 – which marks one of the strategic highlights in FY 2021 – AUM today stands at around EUR 52.0bn. Operating income was up 1.6% y-o-y to EUR 118.3m, EBITDA up 11.4% y-o-y to EUR 128.9m.

At the same time further progress was made in the strategically important areas of Technology & Innovation and Digitalisation. PATRIZIA in 2021 prepared the roll-out of Smart Building Technologies across the managed portfolio (AUM) in 2022. Another milestone was the launch of the Sustainable Future Ventures (SFV) fund – a Venture Capital fund for the building sector with the aim to grow a portfolio of technology companies that have the potential to change the way we finance, build, and use real estate.

In addition, the new “Fund Services+” organisation went live in 2021, in which PATRIZIA bundles administrative services into one organisation that will serve as a one stop shop service platform for all fund, portfolio, asset, and IT services. It will drive the further digitalisation of the Group’s services, support the growth ambition and has the potential to generate additional third-party revenues.

In FY 2021 PATRIZIA also defined its path for contributing to a sustainable real assets industry with four overarching goals, ranging from sustainable investing, impact investing, net zero carbon strategy to becoming an employer of choice in the real asset sector. Further details can be found in the Annual Report and the Sustainability Report, which will be published in the next few weeks.

Further progress was made in the area of diversity with the setup of an Equity, Diversity & Inclusion (ED&I) Council and the expansion of the Group’s diverse Supervisory Board followed by introduction of new Board Committees.

For FY 2022 PATRIZIA expects an EBITDA in the range of EUR 120.0 to 145.0m. While the company has no exposure to the countries involved in the Russia/Ukraine conflict, it is at this stage not possible to conclusively assess the effects that increased geopolitical risks as well as the further development of the Covid-19 pandemic will have on the general economic situation as well as on the markets relevant for PATRIZIA. PATRIZIA management nevertheless confirms that the structural growth market for real asset investment management is intact.

Investor Relations release

Results and Guidance 2021

EUR m	2021	2020	Change	Guidance range 2021	
				min	max
Management fees	209.1	193.4	8.1%	208.0	210.0
Transaction fees	51.4	48.1	6.9%	45.0	55.0
Performance fees	85.9	86.1	-0.2%	80.0	90.0
Total service fee income	346.3	327.6	5.7%	333.0	355.0
Net sales revenues and co-investment income ¹	12.6	20.2	-37.6%	7.0	15.0
Net operating expenses ¹	-226.9	-219.7	3.2%	-215.0	-225.0
Depreciation and amortisation, net finance costs and other items	-13.8	-11.6	18.5%	-10.0	-10.0
Operating income	118.3	116.5	1.6%	115.0	135.0

¹ Excluding non-capitalisable investments in the future

EUR bn	2021	2020	Change	Guidance range 2021	
				min	max
Assets under Management ²	48.6	47.0	3.5%	50.0	53.0

² FY 2021 pro-forma (including Whitehelm): EUR 52.0bn

EUR bn	2021	2020	Change	Guidance range 2021	
				min	max
Equity raised	2.6	1.9	38.7%	n.a.	n.a.
Transaction volume - signed	6.8	5.4	24.0%	6.0	9.0
Transaction volume - closed	5.9	6.9	-14.8%	n.a.	n.a.

From FY 2022 onwards, PATRIZIA will simplify its financial reporting and use AUM growth, EBITDA and EBITDA margin as key financial performance indicators (the latter two replacing operating income and Cost Coverage Ratio (CCR)). This change is aligned to PATRIZIA completing the transformation of its business model to a fully-fledged third-party real assets investment manager. The advantage is that this move simplifies financial reporting and aligns the reporting structure to international market standards. The below financial results for FY 2020 and FY 2021 and guidance for FY 2022 are hence shown based on the new reporting framework.

Results 2021 and Guidance 2022 - based on new reporting framework valid from 01.01.2022

EUR m	2021 (new)	2020 (new)	Guidance range 2022		Guidance range 2022	
			min	max	min y-o-y	max y-o-y
Management fees	209.1	193.4	245.0	260.0	17%	24%
Transaction fees	51.4	48.1	50.0	55.0	-3%	7%
Performance fees	81.9	77.1	50.0	60.0	-39%	-27%
Total service fee income	342.4	318.6	345.0	375.0	1%	10%
Net sales revenues and co-investment income	11.2	17.1	2.0	5.0	-82%	-55%
Net operating expenses	-224.7	-220.0	-227.0	-235.0	1%	5%
Depreciation and amortisation, net finance costs ¹	-41.2	-53.6	n.a.	n.a.	n.a.	n.a.
Operating income²	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA²	128.9	115.7	120.0	145.0	-7%	12%
EBIT	93.3	73.4	81.5	106.5	-13%	14%
EBT	87.7	62.0	78.2	103.2	-11%	18%

¹ PATRIZIA introduced new key financial performance indicators for the Group as at 01.01.2022 - Guidance for this position will be discontinued

² PATRIZIA introduced new key financial performance indicators for the Group as at 01.01.2022 - Operating income will be replaced by EBITDA

EUR m / EUR	2021 (new)	2020 (new)
Net profit for the period (EUR m)	51.8	40.7
Earnings per share (EUR)	0.54	0.42
Dividend per share (EUR)	0.32	0.30

EUR bn	2021 (new)	2020 (new)	Guidance range 2022		Guidance range 2022	
			min	max	min y-o-y	max y-o-y
Assets under management	48.6	47.0	57.0	60.0	17%	23%
Cost Coverage Ratio (CCR) ³	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA margin³	36.5%	34.5%	34.6%	38.2%	-1.9 PP	1.7 PP

³ PATRIZIA introduced new key financial performance indicators for the Group as at 01.01.2022 - Cost Coverage Ratio (CCR) will be replaced by EBITDA margin
PP = Percentage points

PATRIZIA: A leading partner for global real assets

With operations around the world, PATRIZIA has been offering investment opportunities in real estate and infrastructure assets for institutional, semi-professional and private investors for 38 years. PATRIZIA manages more than EUR 50 billion in assets and employs over 900 professionals at 26 locations worldwide. Through its PATRIZIA Foundation, PATRIZIA is committed to social responsibility. The Foundation has helped around 250,000 children in need worldwide gain access to education and thus, has given them the chance of a better life over the last 22 years. You can find further information at www.patrizia.ag

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