



Preliminary FY 2022 results
February 2023



EXPERTISE
PERFORMANCE
PARTNER

**IN REAL
ASSETS**



Highlights

FY 2022

Top of mind

Market environment

Multiple challenges

- - Geopolitical uncertainties
- - Global supply chain disruptions
- - Inflation
- - Interest rate shifts
- - Market volatility

Financial results

+21.6% (AUM) | **- 38.8%** (EBITDA)

- + Grew high quality AUM, organically and via M&A
- + Increased management fee income/earnings quality
- - Reduced transaction and performance fee income
- - Temporary expense inflation and restructuring cost
- + Strong operating cash flow
- + Increased cash dividend and continued share buy-backs

Strategy implementation

Successful transformation

- + From pan-European real estate investment management monoliner to truly global diversified real asset investment manager

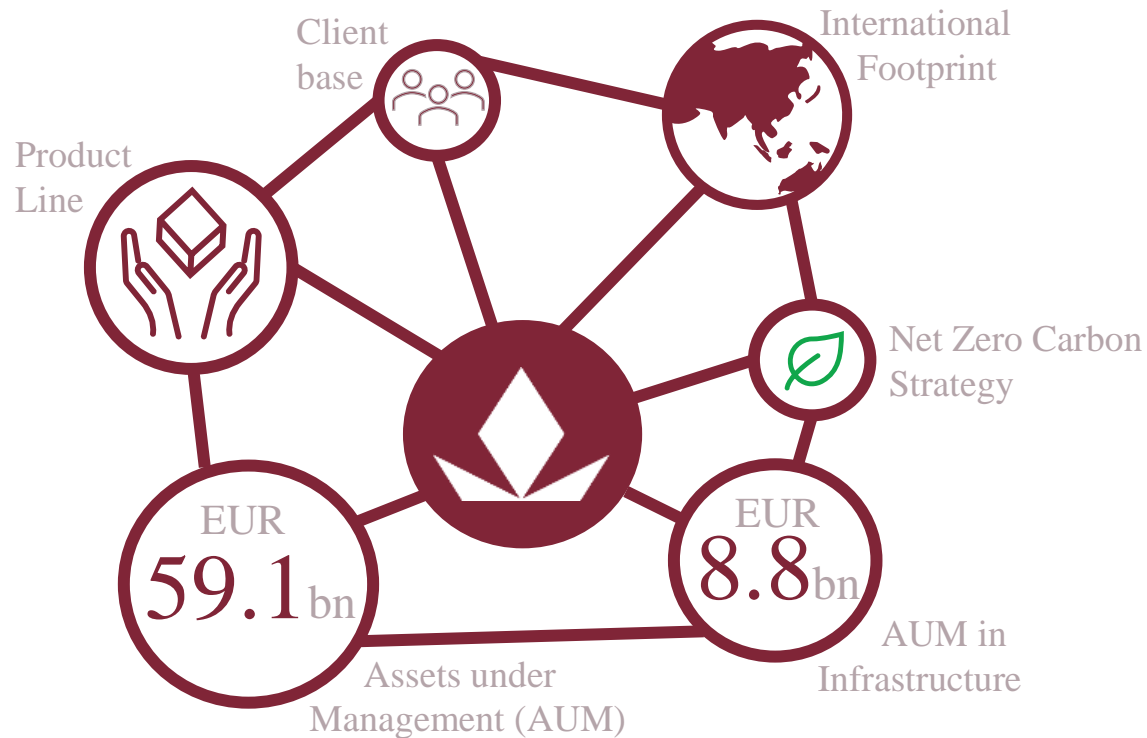
Outlook

Moderately optimistic

- + New leadership set up
- + Recurring cost base reduction
- + Legacy issue retirement
- + Infrastructure
- + Multi-manager
- + Blue-chip APAC partnerships
- + Strategic focus

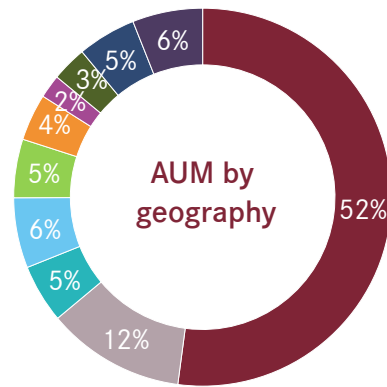
With a solid balance sheet, strong available liquidity and > EUR 4bn firepower in AUM, PATRIZIA is ready to take operational + strategic action if and when opportunities arise

Successfully transformed the company in line with strategy, despite challenges

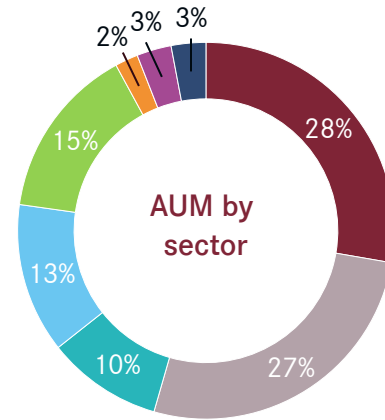


- **Enhancement of platform organically and inorganically**
- **International footprint** further expanded towards Asia-Pacific and North America
- **Infrastructure asset class** includes investment solutions with focus on decarbonisation & energy transition, smart cities & digital infrastructure, water and environmental services, and social infrastructure
- **Product Line** expanded by new debt, listed securities as well as complementary wholesale channels
- **New large mandates** for PATRIZIA (e.g. in Japan real estate and APAC infrastructure)

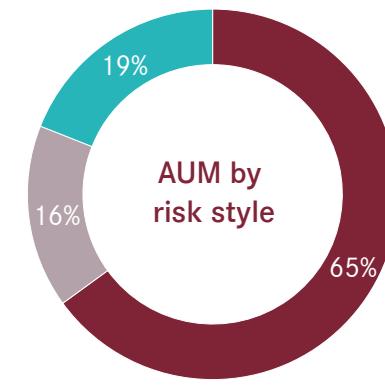
Broad diversification in terms of sectors and geographies driven by forward-thinking investment strategies of inhouse research and local teams on the ground



- Germany
- UK & Ireland
- France & Belgium
- Nordics
- Asia-Pacific
- Netherlands
- Italy
- Spain
- North America
- Other



- Office
- Residential
- Retail
- Logistics & Industrial
- Infrastructure
- Hotel
- Health Care
- Other



- Core
- Core plus
- Value add

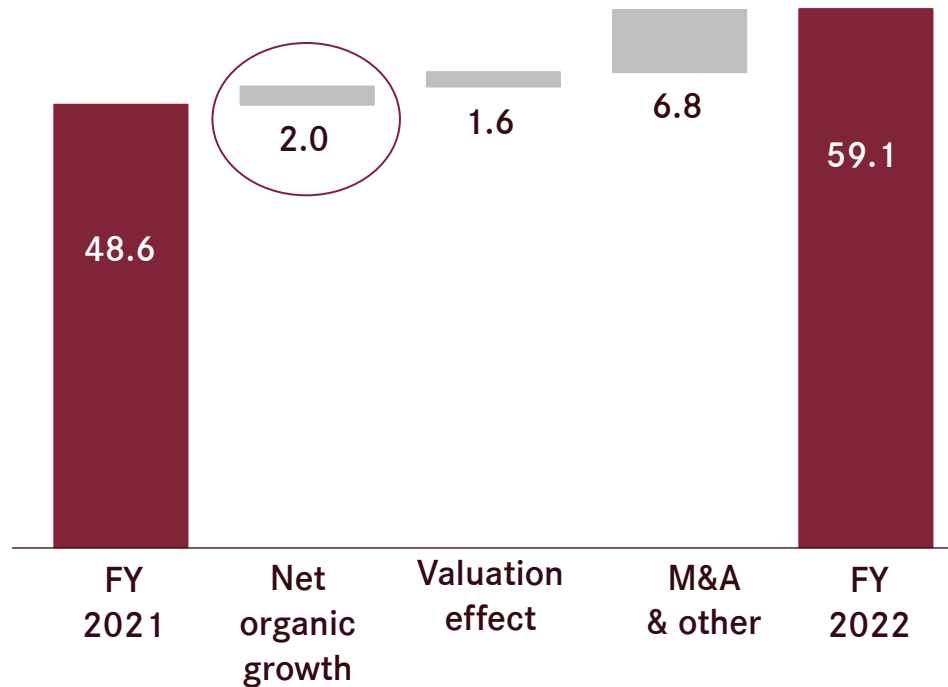


Financials & Guidance

FY 2022 / FY 2023e

Delivered organic growth in a difficult market and executed M&A as planned

AUM development FY 2022 | EUR bn

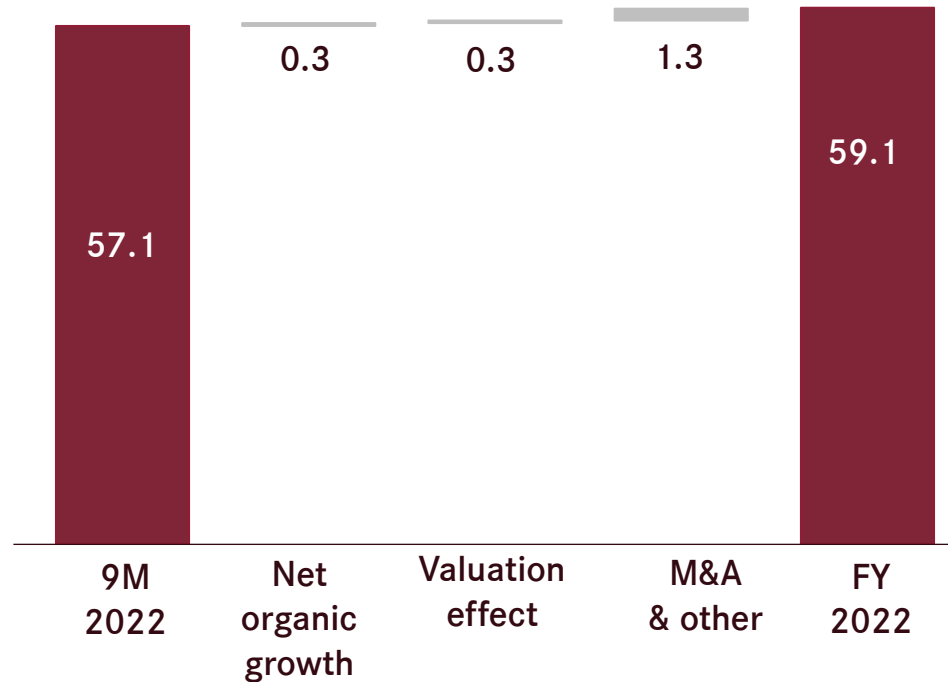


Valuation impact between 0.4% and 2.5% p.a. only
(FY 2012 to FY 2022, ex Dawonia)

- Despite adverse market environment and temporary subdued investment activity by clients, PATRIZIA team delivers organic AUM growth
- Positive FY 2022 valuation result supports AUM and is testament to PATRIZIA’s AUM quality, diversification and prudent valuation approach
- “M&A & other” key driver for AUM growth in FY 2022 – strategic expansion and diversification in further products & geographies acts as door-opener for further AUM growth short to mid-term, despite the general pressure on asset valuations in the market
- Share of flagship funds at 48% of total AUM

Delivered multi-pillar AuM growth even in Q4 2022

AUM development Q4 2022 | EUR bn

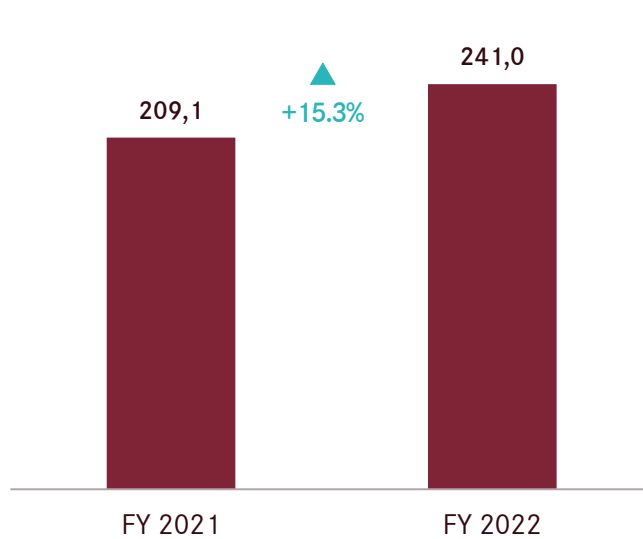


Debt level of funds with an LTV of 31% at 31 Dec. 2022 below market average

- Despite a significant drop in client investment activity, smaller net organic growth from closed asset acquisitions for clients also during Q4 2022
- Q4 AUM valuation update confirms resilience of PATRIZIA's AUM while some – but limited – valuation pressure to be expected during the next quarters
- “M&A & other” driven by strategic ADVANTAGE Investment Partners M&A transaction, strengthening multi-manager products and access to HNWI clients
- PATRIZIA's AUM are “equity rich” with limited debt exposure (LTV of 31%) and firepower of currently above EUR 4bn to take market opportunities

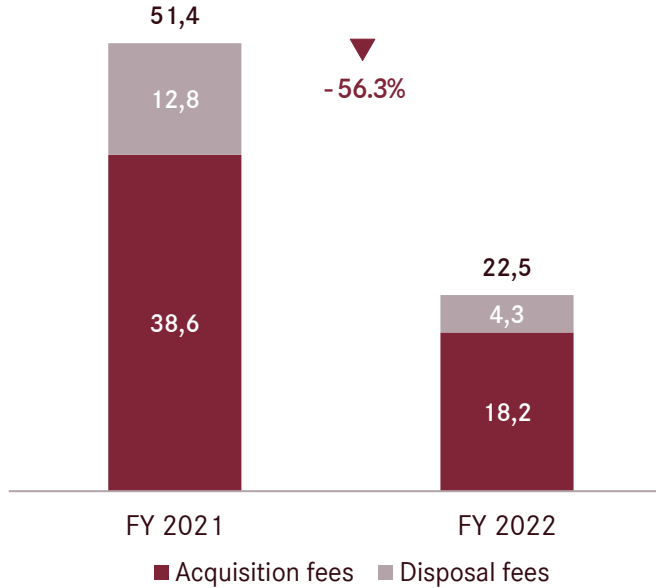
Revenues: Growth of recurring fee income almost compensated for the decline of others

Management fees | EUR m



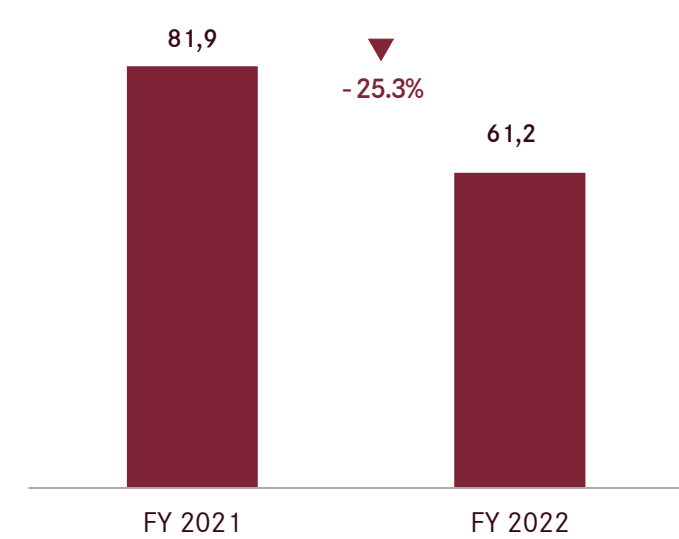
Management fees improved further due to AUM growth, contributions from Whitehelm Capital and ADVANTAGE Investment Partners business and project management fee income

Transaction fees | EUR m



Transaction fees declined due to market headwinds, temporary subdued client activity in FY 2022 and increased number of transactions with all-in management fee structures

Performance fees | EUR m

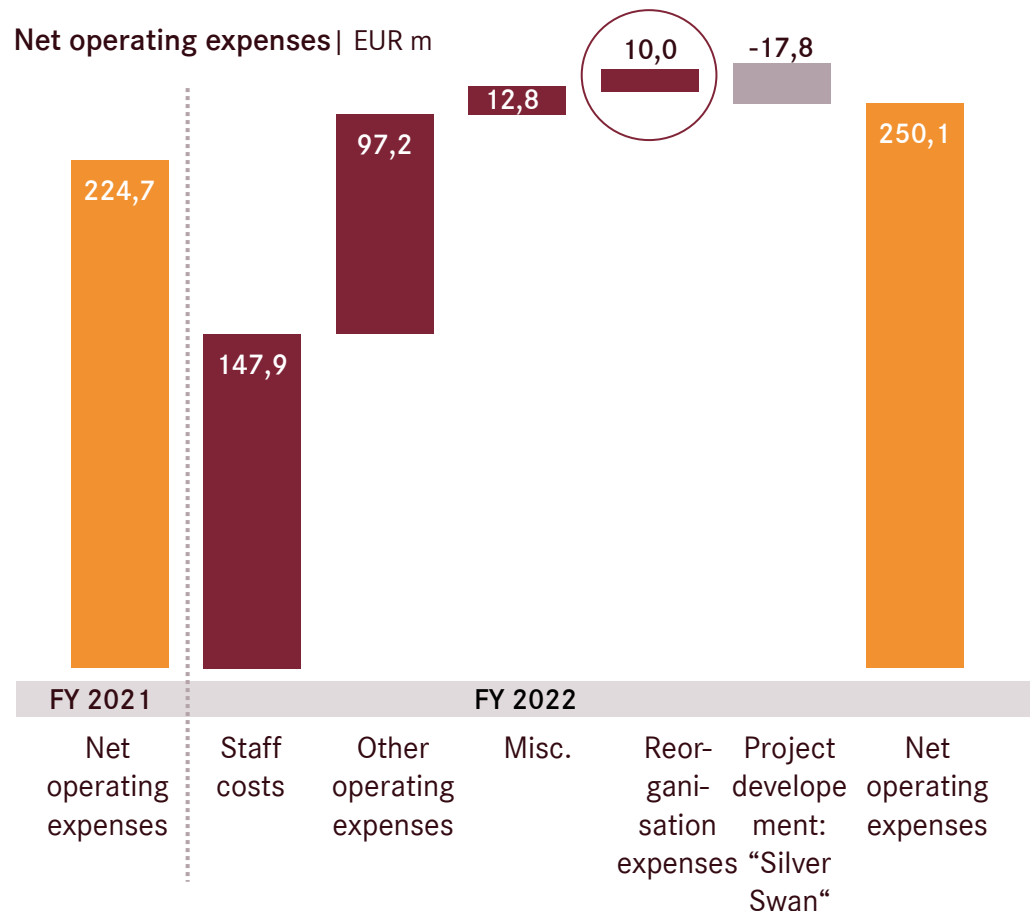


Performance fees came in lower compared to last year due to the current market environment and a lower number of asset disposals for clients

Total service fee income decreased by -5.2% to EUR 324.7m (FY 2021: EUR 342.4m)

Recurring management fees (EUR 241.0m) almost compensated for the decline in transaction fees (EUR 22.5m) and in performance fees (EUR 61.2m) – PATRIZIA with continued focus on growing the share of recurring management fees

Net operating expenses grew due to acquisition consolidation and integration efforts

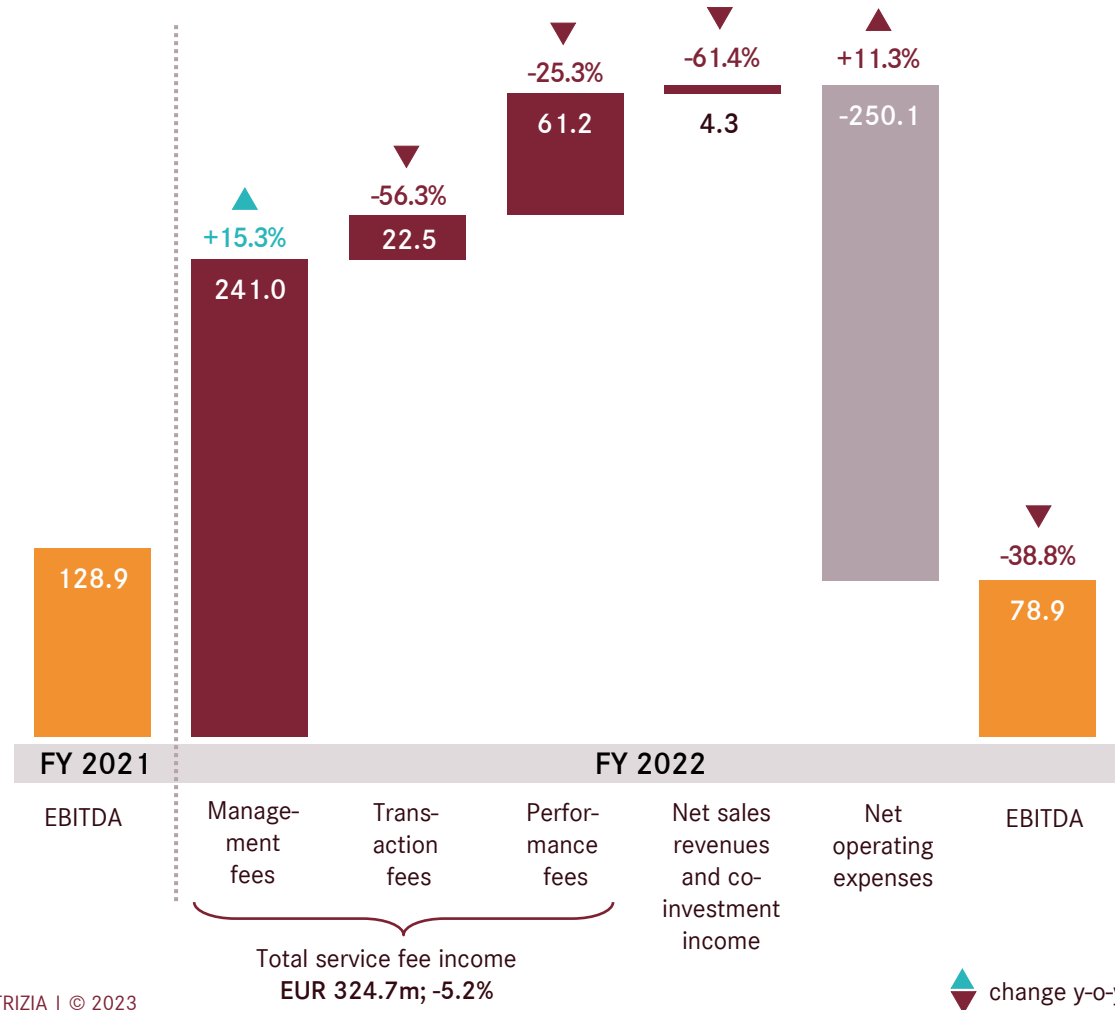


- **Net operating expenses** increased by 11.3% mainly due to higher staff costs and other operating expenses regarding the first-time recognition of M&A transactions as well as reorganisation expenses
- **Staff costs** increased due to a higher number of full-time employees in the Group which can essentially be attributed to the acquisition of Whitehelm Capital and ADVANTAGE Investment Partners
- **Other operating expenses** increased by +10.7% to EUR 97.2m, driven by special effects from strategic investments, one-off costs for the integration of Whitehelm Capital and ADVANTAGE Investment Partners and a one-off VAT effect, amongst others
- **Project development "Silver Swan"**: The profitable deconsolidation of a project development held temporarily on the balance sheet ("Silver Swan") simultaneously had a relieving effect of EUR 17.8m on net operating expenses
- **Reorganisation expenses** amounted to EUR 10.0m to improve the Group's efficiency, due to the decline in client activity in the FY 2022 and increased market uncertainties; this programme will lead to a mid-double-digit reduction in the number of employees after implementation; the necessary provisions for staff costs were made in particular in the fourth quarter of FY 2022

Incurred reorganisation expenses to rebalance the Company's cost base

Market inertia and proactive reorganisation efforts led to EBITDA compression

Composition of EBITDA | EUR m



- EBITDA impacted by market headwinds and reorganisation but also continued growth of AUM and recurring management fees
- Total service fee income at EUR 324.7m, only slightly below previous year’s level (FY 2021: EUR 342.4m; -5.2%); recurring management fees almost compensated for the decline in performance fees and transaction fees.
- Net sales revenues and co-investment income at EUR 4.3m (FY 2021: EUR 11.2m) – decline is fully in line with strategy – transformation of PATRIZIA to a diversified asset light business model completed
- Net operating expenses increased by 11.3% to EUR -250.1m (FY 2021: EUR -224,7m) higher staff costs and other operating expenses regarding the first-time recognition of M&A transactions as well as reorganisation expenses; deconsolidation of a project development (“Silver Swan”) had a positive impact of EUR 17.8m

- EBITDA at EUR 78.9m, equivalent to a decrease of 38.8% y-o-y
- Transformation and financial balance sheet strength position us well for the future

Latest FY 2022 guidance met/exceeded due to recurring income and cost containment

In EUR m	Guidance FY 2022	Prel. results FY 2022
Management fees	234.0 - 245.0	241.0
Transaction fees	20.0 - 25.0	22.5
Performance fees	55.0 - 60.0	61.2
Total service fee income	310.0 - 330.0	324.7
Net sales revenues and co-inv. income	5.0 - 7.0	4.3
Net OpEx	255.0 - 265.0	250.1
EBITDA	60.0 - 75.0	78.9
AUM (in EUR bn)	57.0 - 60.0	59.1
EBITDA margin	19.0% - 22.1%	24.0%

- PATRIZIA's asset light investment management platform demonstrated resilience in the last year
- Strategic shift towards recurring management fees paid off but management fully focused on further improving platform efficiency and earnings resilience
- Guidance focus 2023 on AUM growth, EBITDA and EBITDA margin

 Guidance exceeded

 Guidance met

 Guidance exceeded

Strong balance sheet provides for security and the ability to make opportunistic moves

Strong balance sheet

EUR m	31.12.2022
Total assets	2,045.9
Equity (excl. non-controlling interests)	1,259.0
Equity ratio	61.5%
Cash and cash equivalents	349.5
+ Deposits and securities	+72.4
- Bank loans	-91.7
- Bonded loans	-158.0
= Net cash	172.2
Net equity ratio¹	70.1%

Significant liquidity

EUR m	31.12.2022
Bank balances, cash, deposits and securities	421.9
- Regulatory reserve for asset management companies	-41.3
- Liquidity in closed-end funds business property companies	-5.5
= Available liquidity²	375.1

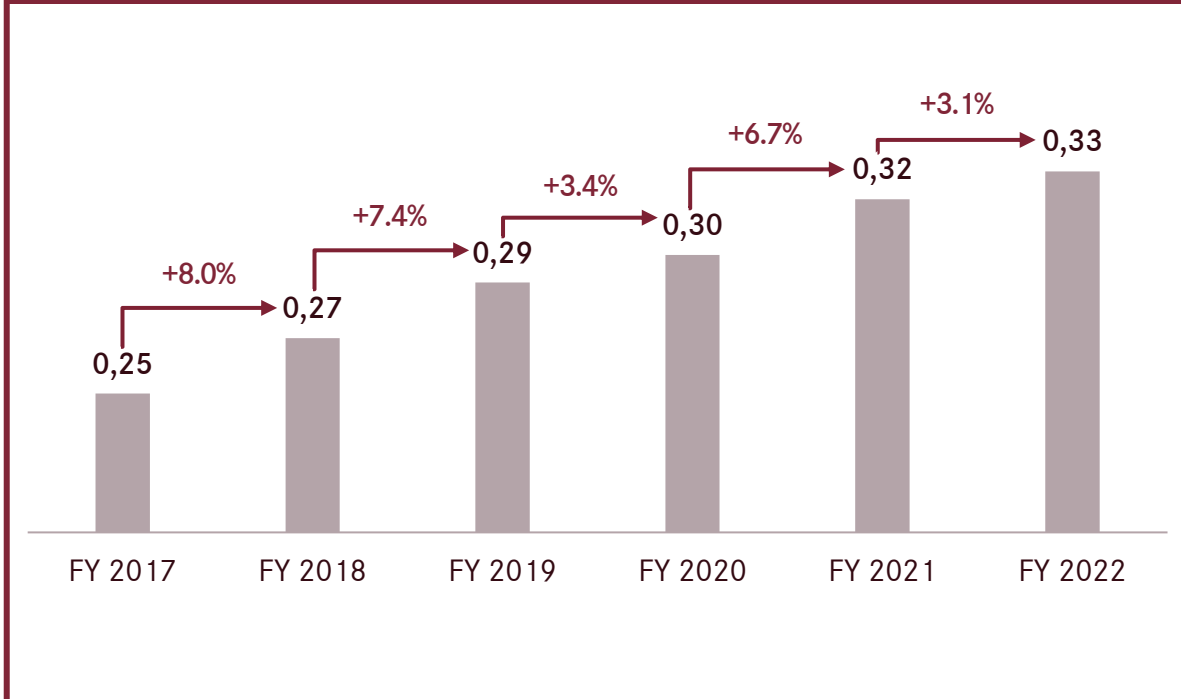
- **Continued strong balance sheet ratios and capital structure** to facilitate further profitable growth
- **Net cash** used for active capital deployment, in terms of co-investments and share-buyback programme during FY 2022
- **Available liquidity** enables further active capital deployment, e.g. co-investments and M&A
- **PATRIZIA increased co-investments activity** (into own products to boost their growth) during FY 2022
- **Treasury shares** amount to 6,176,119 worth EUR 63.9m as at 31.12.2022, which can be used as M&A currency (among other things)

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

² Excluding PATRIZIA treasury shares with a value of EUR 63.9m as at 31.12.2022

Dividend | Strong operating cash flow enables fifth increase in dividend per share

Increase in dividend per share by
3.1% y-o-y to EUR 0.33 for FY 2022



- Increase in dividend per share by 3.1% y-o-y to EUR 0.33 for FY 2022
- Testament to robust business model, solid balance sheet and solid cash flow generation
- Cash flow from operating activities of EUR 120.9m (+310% y-o-y) in FY 2022
- General adherence to dividend policy:
Annual growth rates in management fees and assets under management form the basis for the dividend proposal

Guidance for FY 2023 | Taking moderately optimistic stance vis-à-vis 2023

Prel. results
FY 2022

Guidance
FY 2023e

AUM (in EUR bn)

59.1

60.0 – 65.0

EBITDA (in EUR m)

78.9

50.0 – 90.0

EBITDA margin

24.0%

15.6% - 24.3%

- **Overall:** Cautiously positive view on FY 2023 with investment activity rather picking up during H2 2023 – timing of market revival the big unknown
- **AUM:** With >EUR 4bn firepower in funds, AUM guidance is driven by organic growth across sectors and geographies vs some but limited expected AUM valuation pressure
- **EBITDA:** Management fee growth to continue but performance fee expectation level reduced due to limited market visibility
- **Opportunistic investment opportunities vs client activity** drive transaction fee expectation and hence guidance range bandwidth



Appendix

FY 2022

Financial performance indicators & supporting parameters

Preliminary, unaudited Financial Results FY 2022

EUR m	2022	2021 ¹	Change
Management fees	241.0	209.1	15.3%
Transaction fees	22.5	51.4	-56.3%
Performance fees	61.2	81.9	-25.3%
Total service fee income	324.7	342.4	-5.2%
Net sales revenues and co-investment income	4.3	11.2	-61.4%
Net operating expenses	-250.1	-224.7	11.3%
EBITDA	78.9	128.9	-38.8%
EBIT	35.6	93.3	-61.9%
EBT	20.8	87.7	-76.3%

¹ The previous year's figures were restated in line with the new structure in the year under review

EUR bn	2022	2021	Change
Assets under Management	59.1	48.6	21.6%
EBITDA margin	24.0%	36.5%	-12.5 PP

PP = percentage points

EUR bn	2022	2021	Change
Equity raised	2.0	2.6	-24.2%
Transaction volume - signed	6.0	6.8	-10.7%
Transaction volume - closed	6.1	5.9	4.0%

Financial calendar 2023

23 MAR	2022 FY Annual Report
12 MAY	2023 3M Interim Statement with investor and analyst conference call
25 MAY	2023 Annual General Meeting, virtual
11 AUG	2023 H1 Financial Report with investor and analyst conference call
14 NOV	2023 FY Interim Statement with investor and analyst conference call



Further events:

www.patrizia.ag/en/shareholders/events-for-shareholders/financial-calendar




Latest publications:

www.patrizia.ag/en/shareholders/most-recent-publications



Newsletter:

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Contact



CHRISTOPH GLASER
Executive Director | CFO

PATRIZIA SE
Fuggerstrasse 26
86150 Augsburg, Germany



MARTIN PRAUM
Senior Managing Director
Head of Investor Relations & Group Reporting

T +49 69 643505-1114
M +49 151 19685445
investor.relations@patrizia.ag



SEBASTIAN WEIS
Associate Director | Investor Relations

T +49 69 643505-1138
M +49 151 72904116
investor.relations@patrizia.ag



JANINA ROCHELL
Associate Director | Investor Relations

T + 49 69 643505-1229
M + 49 151 64085881
investor.relations@patrizia.ag



VERENA SCHOPP DE ALVARENGA
Senior Associate | Investor Relations

T +49 821 50910-403
M +49 151 58339292
investor.relations@patrizia.ag

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

27 February 2023, PATRIZIA SE