

Branicks



Q1 2025 Results Conference Call

8 May 2025



We continue to deliver on our promises and have a solid plan

Major milestone in financial consolidation in Q1; successful management of maturity profile:



- Early repayment of EUR 115 million already in Q1 of the promissory note loans due for repayment in 2025, next promissory note repayments expected for summer 2025
- Repayment of bank debts and successful refinancing of maturing real estate financing
- Debt reduction remains a high priority – full compliance with covenants

Well filled disposal pipeline in transaction-wise traditionally weak first quarter:



- Sale of 1 logistics object (COP) signed in Q1, closing expected until end of June 2025
- Transaction focus traditionally in the 2nd and 4th quarters
- Confidence in reaching the guidance of 600 to 800 million euros

Commercial portfolio as sustainable cash flow provider:



- Stable and solid rent development (due to high quality portfolio and rent indexations) deliver constant and predictable cash flows
- Ongoing portfolio optimization shows like-for-like rental growth of 0.1 % due to expired lease agreements
- Continuing strategic focus on office and logistic properties (83% of market value; as of 31 March 2025)
- Increase of the average rent from EUR 8.96/sqm prior year to EUR 10.19/sqm as of 31 March 2025

Institutional Business continues to be a stabilising factor:



- Focus on assets under management (EUR 8.4 billion; as of 31 March 2025)
- Like-for-like rental growth of 0.6%
- Strong and solid setup; ready for market upswing (especially with regards to transaction fees)

On track with cost discipline:

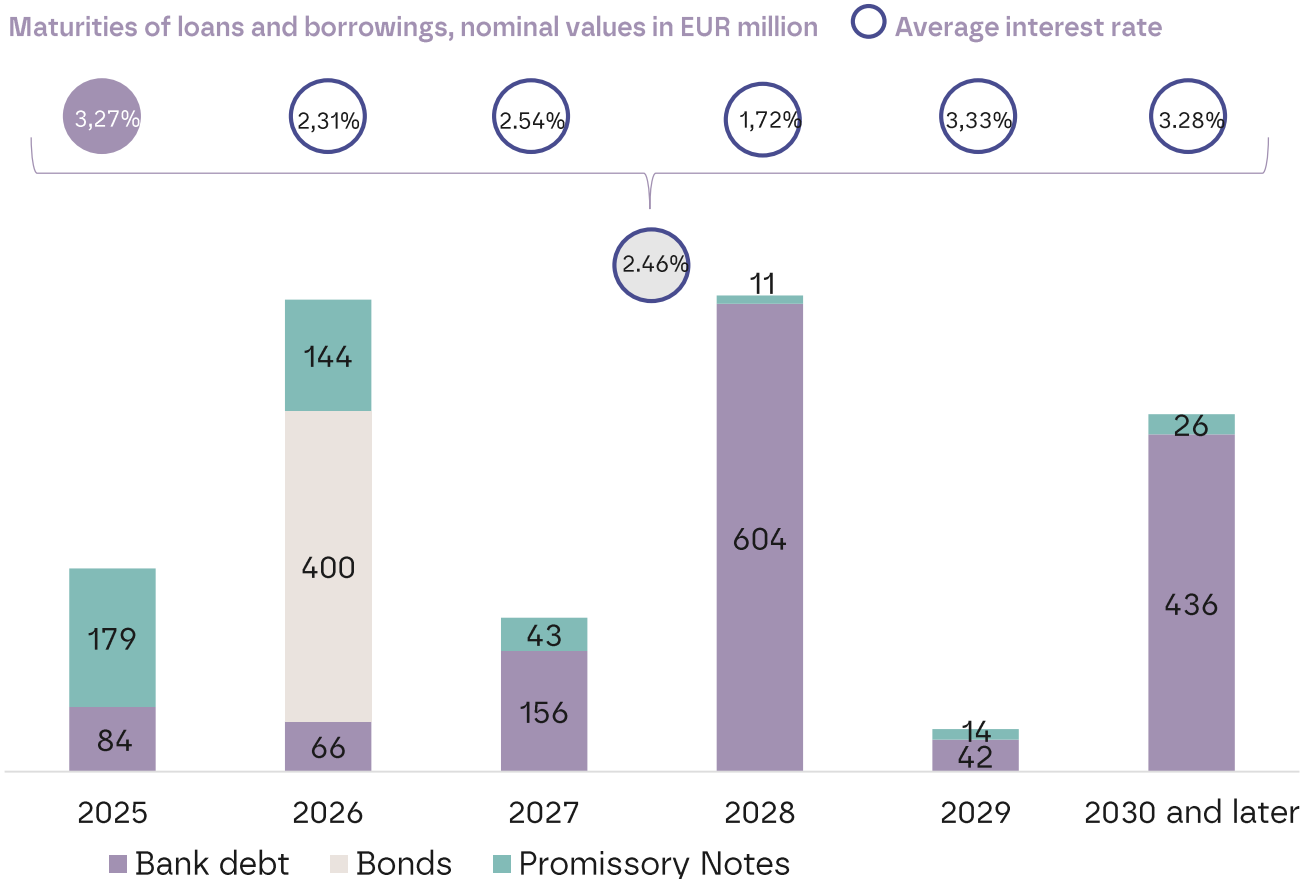


- Significantly reduced cost base due to various measures; continued cost discipline
- OPEX reduced by yoy 12% as of 31 March 2025



Financial profile substantially improved

As of 31 March 2025



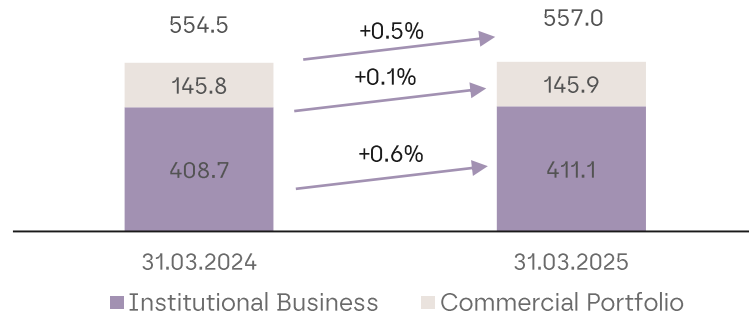
- **Continued focus on deleveraging while monitoring covenants**
- **Bond covenants** as of 31 March 2025 with sufficient headroom remaining:
 - Bond LTV 58.2% (covenant level <60.0%)¹
 - Secured LTV 35.0% (covenant level <45.0%)¹
 - Bond ICR 2.1x (covenant level >1.8x)²
- **All covenants** in 3M 2025 in line with expectation and are expected to improve due to disposals and redemption of promissory notes until end of 2025 and beyond
- **Prepayment of bridge and promissory notes** improves average interest rate by 90 bps to 2.46% compared to 3.36% at Q1 2024



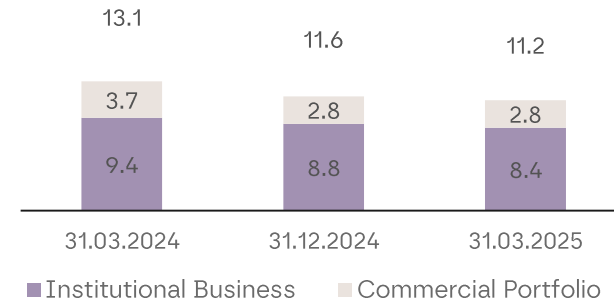
3M 2025: Solid performance in challenging environment anchored by a strong real estate platform

Like-for-like rental growth continues with +0.5%

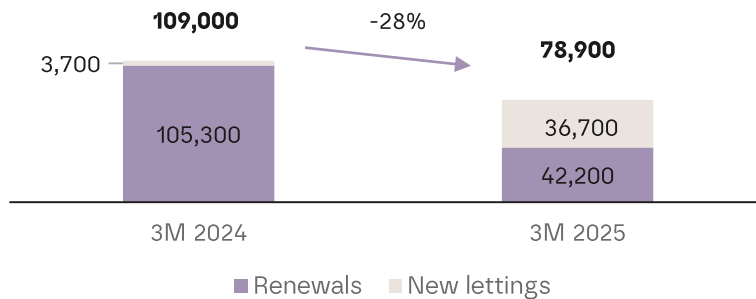
Like-for-like rental income annualised in EUR million



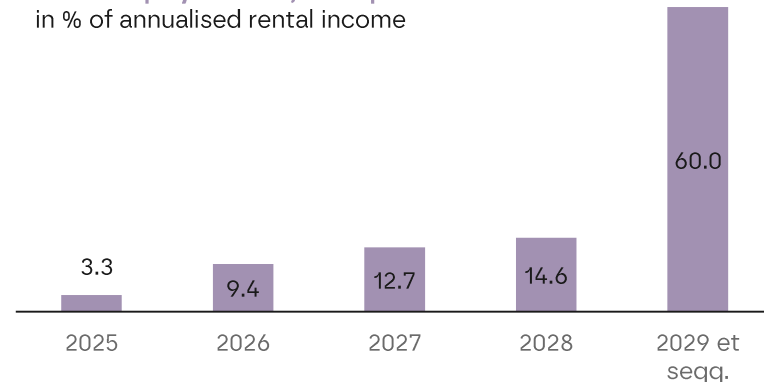
Assets under Management in EUR billion



Letting performance in sqm



Lease expiry volume, total platform in % of annualised rental income

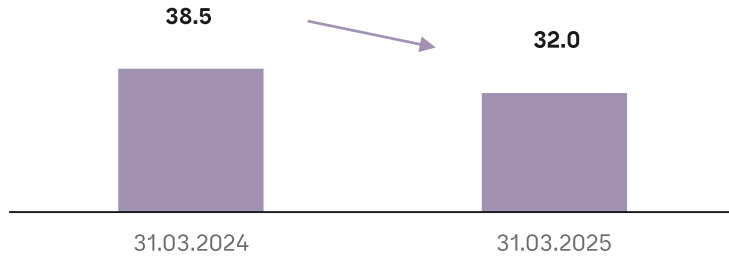




3M 2025: Stable contribution from directly held portfolio

Solid recurring income results

Net rental income

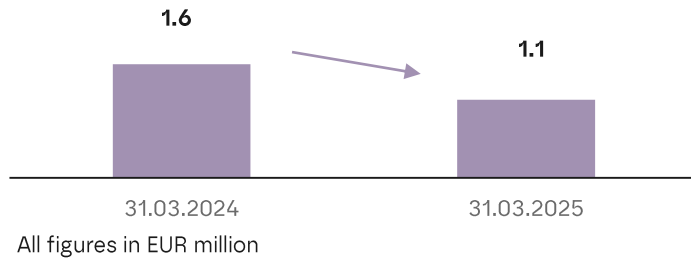


Real estate management fees

Include recurring Asset-, Property- and Development-Fees and Transaction- and Performance Fees, prior year only recurring fees

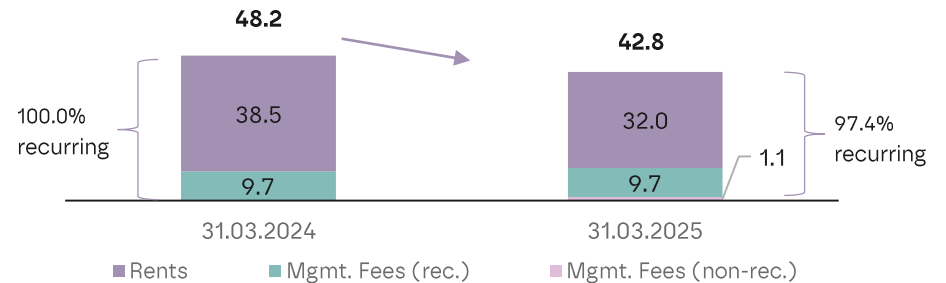


Income from associated companies



Recurring income

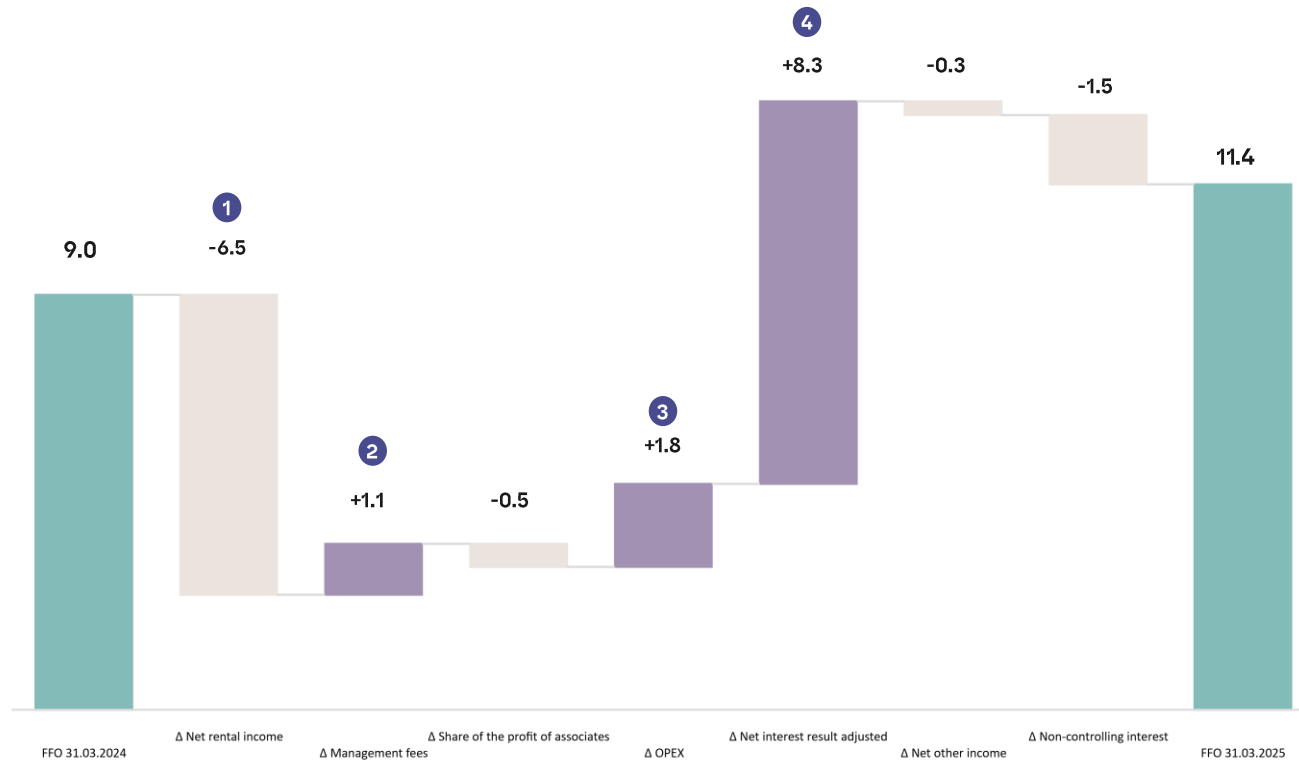
Rents and Management Fees





3M 2025: Funds from Operations (FFO)¹ up due to OPEX upside and increased management fees

Financials



- 1 **Net rental income** reduced mainly due to transactions
- 2 Management fees include increase in performance fees
- 3 OPEX shows result of „Performance 2024“
- 4 Increase of **net interest result** adjusted by non-recurring expenses mainly due to repayment of liabilities

¹ Excluding non-controlling interest (NCI), before taxes



Guidance 2025

Gross rental income	EUR 125 – 135 million
Real estate management fees	EUR 50 – 60 million
FFO I (after minorities and before taxes)	EUR 40 – 55 million
Acquisitions	EUR 100-200 million Only Institutional Business
Disposals	EUR 600 – 800 million, thereof: Commercial Portfolio: EUR 500 - 600 million Institutional Business: EUR 100 - 200 million



Mid-term ambition confirmed: Transformation towards a profitable, ESG-focussed and value-generating asset expert

Expansion of value chain in an extended asset spectrum will sustainably strengthen cashflows and financial position

Ambitions

Substantially **improve Group earnings**

Return to net profit in 2026

Earnings from **ESG** expertise will surpass earnings contribution from traditional real estate management

Substantial **debt reduction** and strengthened headroom for financial covenants

ICR increases generally remaining **above 2.0x**

LTV <50% latest until the beginning of 2026

Secured LTV around 30% by end of 2026



Q & A

Investor Relations

Contact and Financial Calendar



Jasmin Dentz

Investor Relations

Tel +49 69 94 54 858-1492

Fax +49 69 94 54 858-9399

ir@branicks.com



Financial calendar 2025

14.05.	Publication Sustainability Report 2024
20.08.	Annual General Meeting 2025
27.08.	Publication Half-Year Report 2025
06.11.	Publication Quarterly Statement Q3 2025

More information on
branicks.com/en/ir

Branicks



Appendix

More facts and figures



3M 2025: P&L – Commercial Portfolio segment

FFO slightly up, costs down

Commercial Portfolio (COP)

- **Net rental income** at EUR 32.0 million decreased by EUR 6.5 million year-on-year (previous year: EUR 38.5 million), mainly due to sales closed in 2024.
- Due to the sale of VIB Retail Balance I in the previous year, the **share of the profit or loss of associates** in the reporting period no longer includes any income (previous year: EUR 0.9 million)
- **Depreciation and amortisation** of EUR 24.8 million includes sales-related impairment losses of EUR 12.3 million
- **Operating expenses** in this segment were around 15% lower than the previous year (previous year: EUR 5.9 million), contributing to the decline in connection with our “Performance 2024” programme
- The **net interest result** improved to EUR – 20.2 million (previous year: EUR – 23.9 million), mainly due to the bridging loan of EUR 200 million repaid in the previous year
- The **segment's FFO contribution** after deducting minority interests increased overall to EUR 9.1 million (previous year: EUR 8.9 million) due to successful cost reduction and an improved net interest result

Segment reporting

in EUR million	3M 2025			3M 2024		
	COP	IBU	Total	COP	IBU	Total
Gross rental income (GRI)	36.4		36.4	44.4		44.4
Net rental income (NRI)	32.0		32.0	38.5		38.5
Profits on property disposals	0.0		0.0	0.0		0.0
Real estate mgmt. fees		10.8	10.8		9.7	9.7
Share of the profit or loss of associates	0.0	1.1	1.1	0.9	0.7	1.6
Depreciation and amortisation	-24.8	-1.9	-26.7	-17.9	-2.4	-20.3
Net other income	-0.1	0.1	0.0	0.2	0.1	0.3
Net interest result	-20.2	-0.3	-20.5	-23.9	-0.1	-24.0
Operational expenditure (OPEX)	-5.0	-8.8	-13.8	-5.9	-9.7	-15.6
– of which admin costs	-2.1	-3.3	-5.4	-2.7	-3.5	-6.2
– of which personnel costs	-2.9	-5.5	-8.4	-3.2	-6.2	-9.4
Other adjustments	6.6	0.0	6.6	1.7	0.0	1.7
Non-controlling interests	4.1	0.6	4.7	2.6	0.6	3.2
Funds from operations (FFO) after non-controlling interests	9.1	2.3	11.4	8.9	0.1	9.0
Funds from operations II (FFO II) after non-controlling interests	9.1	2.3	11.4	8.9	0.1	9.0



3M 2025: P&L – Institutional Business segment

Increase in FFO and management fees

Institutional Business (IBU)

- **Real estate management fees** at EUR 10.8 million were up EUR 1.1 million or around 11% year-on-year (previous year: EUR 9.7 million) mainly due to performance fees collected in connection with successful lets, capex measures and sales. In the prior-year period, real estate management fees solely comprised recurring asset, property and development fees
- **The share of the profit or loss of associates** increased by EUR 0.4 million to EUR 1.1 million (previous year: EUR 0.7 million)
- **Operating expenses** fell by EUR 0.9 million or around 9% to EUR 8.8 million overall on account of the “Performance 2024” programme
- The **segment’s FFO contribution** after minority interests is significantly up year-on-year at EUR 2.3 million (previous year: EUR 0.1 million) due to higher real estate management fees on the one hand and significantly lower costs on the other hand

Segment reporting

in EUR million	3M 2025			3M 2024		
	COP	IBU	Total	COP	IBU	Total
Gross rental income (GRI)	36.4		36.4	44.4		44.4
Net rental income (NRI)	32.0		32.0	38.5		38.5
Profits on property disposals	0.0		0.0	0.0		0.0
Real estate mgmt. fees		10.8	10.8		9.7	9.7
Share of the profit or loss of associates	0.0	1.1	1.1	0.9	0.7	1.6
Depreciation and amortisation	-24.8	-1.9	-26.7	-17.9	-2.4	-20.3
Net other income	-0.1	0.1	0.0	0.2	0.1	0.3
Net interest result	-20.2	-0.3	-20.5	-23.9	-0.1	-24.0
Operational expenditure (OPEX)	-5.0	-8.8	-13.8	-5.9	-9.7	-15.6
– of which admin costs	-2.1	-3.3	-5.4	-2.7	-3.5	-6.2
– of which personnel costs	-2.9	-5.5	-8.4	-3.2	-6.2	-9.4
Other adjustments	6.6	0.0	6.6	1.7	0.0	1.7
Non-controlling interests	4.1	0.6	4.7	2.6	0.6	3.2
Funds from operations (FFO) after non-controlling interests	9.1	2.3	11.4	8.9	0.1	9.0
Funds from operations II (FFO II) after non-controlling interests	9.1	2.3	11.4	8.9	0.1	9.0



3M 2025: Balance sheet structure

Dominated by loan repayments

- 1 As at 31 March 2025, **total assets** decreased by EUR 155.6 million compared to the end of 2024 due to loan repayments in particular.
- 2 The slight decrease in **non-current assets** by EUR 51.7 million compared to 31 December 2024 is primarily attributable to the reclassification to Assets held for sale of one property, for which the purchase agreement was notarised in March.
- 3 The decrease in **current assets** by EUR 103.9 million compared to 31 December 2024 is mainly attributable to the reduction in cash and cash equivalents by EUR 145.4 million, primarily caused by the partial repayment of promissory note loans totalling EUR 115.0 million.
- 4 **Equity** was EUR 21.4 million lower as of 31 March 2025 than at the end of 2024. The main factor here was the loss for the year of EUR – 15.3 million (previous year: profit for the year of EUR – 8.8 million). At a solid 30.9%, the **equity ratio** slightly exceeded the figure of 30.2% recorded at year-end 2024.
- 5 **Liabilities** declined by a total of EUR 134.2 million compared with the end of 2024. While the reduction in non-current liabilities is primarily attributable to the reclassification of expiring property financing, the decline in current liabilities is mainly attributable to the partial repayment of the promissory note loans due in 2025 in the amount of EUR 115.0 million.

Balance sheet overview

in EUR million	31.03.2025		31.12.2024
Total assets	3,586.0	1	3,741.6
Total non-current assets	3,217.1	2	3,268.8
- thereof goodwill	190.2		190.2
Total current assets	368.9	3	472.8
Equity	1,107.1	4	1,128.5
Total non-current financial liabilities	1,799.8		1,824.0
Total current financial liabilities	346.5		444.8
Other liabilities	332.6		344.3
Total liabilities	2,478.9	5	2,613.1
Balance sheet equity ratio	30.9%	4	30.2%

Disclaimer



This publication constitutes neither an offer to sell nor a solicitation to buy or subscribe to any securities. In case of an offer of securities the information legally required to be provided to investors will be contained only in a securities prospectus as approved by the competent authority. The information contained herein is not for distribution, directly or indirectly, in or into the United States of America (including its territories and possessions of any State of the United States of America or the District of Columbia) and must not be distributed to U.S. persons (as defined in Regulation S of the U.S. Securities Act of 1933, as amended ("Securities Act")) or publications with a general circulation in the United States of America. This publication constitutes neither an offer to sell nor a solicitation to buy or subscribe to any securities in the United States of America. None of the securities of Branicks Group AG have been registered under the Securities Act and may not be offered or sold in the United States of America absent registration or an exemption from registration under the Securities Act.

This publication is only addressed to and directed at persons in member states of the European Economic Area who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Directive (Directive 2003/71/EC as amended) ("Qualified Investors"). In addition, in the United Kingdom, this publication is being distributed only to, and is directed only at, Qualified Investors who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) are high net worth entities falling within Articles 49(2)(a) to (d) of the Order, or (iii) are other persons to whom it may otherwise lawfully be communicated. This presentation should not be regarded by the recipient as a substitute for the exercise of its own judgment. Nothing contained herein is, or shall be relied upon as, a promise or representation as to the past or future. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this presentation. Neither Branicks Group AG nor any of its advisors or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this presentation.

This presentation speaks as at the date hereof (unless an earlier date is otherwise indicated in the presentation) and in giving this presentation, no obligation is undertaken and nor is any representation or undertaking given by any person to provide the recipient with additional information or to update, revise or reaffirm the information contained in this presentation or to correct any inaccuracies therein which may become apparent. This presentation may contain certain forward-looking statements, forecasts, estimates, strategic targets, projections and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. Actual future results and operations could vary materially from the Forward Statements. Similarly, no representation is given that the assumptions disclosed in this presentation upon which Forward Statements may be based are reasonable.

UNLESS EXPRESSLY STATED OTHERWISE, ALL INFORMATION, DATA, VIEWS AND FORWARD-LOOKING STATEMENTS CONTAINED IN THIS COMPANY PRESENTATION ARE BASED ON INFORMATION, DATA AND FORECASTS AVAILABLE TO THE COMPANY AT THE TIME OF THE PUBLICATION OF THIS COMPANY PRESENTATION. THE COMPANY IS NOT OBLIGED TO UPDATE THIS COMPANY PRESENTATION UNDER RELEVANT LAWS AND THEREFORE WILL NOT UPDATE THIS COMPANY PRESENTATION WHATSOEVER. ALL INFORMATION AND DATA CONTAINED IN THIS COMPANY PRESENTATION ARE BASED ON INFORMATION AND DATA, WHICH WAS PREVIOUSLY PUBLISHED BY THE COMPANY IN CONNECTION WITH ITS CONTINUOUS REPORTING OBLIGATIONS UNDER RELEVANT FINANCIAL OR SECURITIES LAWS.

For computational reasons, rounding differences from the exact mathematical values calculated (in EUR thousand, %, etc.) may occur in tables and cross-references.

Presentation as of May 2025