Aggregate Holdings S.A.

Q3 2021 Update

16 December 2021

aggregateholdings.com

Key updates since H1 2021

Strategy

- Aggregate further increased its strategic focus reflecting the strength of its **prime assets in Berlin, excellent development platform in Portugal, and strategic stake in Adler**
- In light of recent market developments, **Aggregate has refocussed on its core strategy and is accelerating the disposal processes for non-core assets to reduce leverage**

Operational

- Construction of Build & Hold assets of **Quartier Heidestrasse and Fürst in Berlin progressing well**
- VIC Properties continues to sell apartments at **premium prices** capitalising on the strong market backdrop, with advanced **negotiations with a luxury hotel brand for Pinheirinho**

Financial

- Net debt at end Q3 was **c.€4,060m (€3,785m H1 2021) and LTV at 53.9% (52.5% in H1 2021)**
  - Includes capex spent on all projects, and **does not include any revaluations of investment properties or other balance sheet items since H1 2021,** which will be conducted at 2021 year end
- **Over €900m of debt has been refinanced since H1 2021**

Disposals

- Signed sale agreement **for a non-core asset above book value**
- Stakes in **S IMMO and Corestate divested**
- Ongoing discussions over other non-core assets with **further significant sales expected in H1 2022**

Adler

- In October, **Vonovia was granted a call option to acquire 13.3% stake in Adler** to support its long-term growth
- Adler **demonstrated the strength of its balance sheet** through announced disposals of its non-core residential portfolio **at a premium to its book value expected to generate €1.7bn of net cash proceeds**

A Build & Hold

Project update

Quartier Heidestrasse, Berlin

- Construction completion increasing from **51% at the end of Q2 to 57% at the end of Q3,** based on total costs
- NRI on completion **expected to be higher than €75m p.a.**
- **Update on segments:**
  - **"QH Core":** Almost fully let, generating an annualised NRI of c. €8m
  - **'QH Track':** SAP is scheduled to move in first phase by August 2022
  - **'QH Spring':** completion is expected by Q2 2022
  - **QH Crown 1,** accounting for 9% of sqm, is due to complete in Q1 2024
  - **All other phases on track**

€2.4bn GDV JLL appraisal as of H1 21	**232,000 sqm lettable area**
€1.6bn residual value JLL appraisal as of H1 21	**>€75m NRI/year run-rate**

Fürst, Berlin

- Fürst project on Kurfürstendamm also **making good progress**, with construction completion increasing from **38% at the end of Q2 to 43% at the end of Q3,** based on total costs
- The project is **on track to be completed by end of 2023**
- NRI is expected to be **c. €50m p.a.**
- Currently contracted **net rent amounts to c. €8m p.a.**
- Further letting negotiations are progressing, with advanced negotiations with a **Grade A hotel operator expected to complete in Q1 2022**

€1.6bn GDV JLL appraisal as of H1 21	**108,000 sqm lettable area**
€1.1bn residual value JLL appraisal as of H1 21	**c.€50m NRI/year run-rate**

Walter and Green Living, Berlin

- The Walter (Schönefeld) and Green Living (Treptow) projects are currently **continuing development planning preparations**
- Aggregate is reviewing options to **further optimise the projects,** according to various configuration and time profiles
- Remaining 8 non-core projects acquired as part of the same transaction **will be disposed of, target H1 2022**

Walter: €1.3bn GDV **Green L.: €1.2bn GDV** Bulwiengesa as of H1 21	**Walter: 241,000 sqm** **Green L: 285,000 sqm** **lettable area**
Walter: €384m **Green L.: €308m** **residual value** Bulwiengesa as of H1 21	**Walter: c.€58m** **Green L.: c.€42m** **NRI/year run-rate**

B Build & Sell

VIC Properties, Lisbon

VIC Properties: strong sales momentum

- **Prata flagship progressing well**
  - **75% completion for plot 2 and 52% for plot 2A**
  - Licencing process submitted to **start construction for plot 6 and 3**
  - Construction of all **129k sqm fully funded**
  - Average achieved **sales price of above €6,000/sqm, >10% higher than revised budget**
  - **Last phase of Prata** is now planned to be constructed by end of 2024**,** with the revised schedule due to supply chain disruptions plus delayed international sales rebound from COVID, expected to **further strengthen prices**
- **Matinha's urbanisation plan to be approved by end Q1 2022**
  - Site preparation for construction of 255k sqm GCA ongoing
  - **Architecture plan to be finalised by mid-2022** and building permit is expected to be received **in Q3 2022**
  - Given proximity of Matinha to Prata, **capitalize on efficiency gains regarding construction and development of the zone**
- **Pinheirinho project benefitting from strong pricing dynamics**
  - Second home focussed **project in increasingly strong market environment**
  - **95% of infrastructure works completed** with building permit received, and architectural plans being finalised
  - Project is in advanced negotiations with **a top luxury hotel brand to anchor the project**
  - **Construction start expected in 2022**

Prata

€607m GDV
JLL appraisal as of H1 21

129,000 sqm GCA

€343m residual value
JLL appraisal as of H1 21

Construction completion 2024

Matinha

€1.2bn GDV
JLL appraisal as of H1 21

246,000 sqm GCA

€364m residual value
JLL appraisal as of H1 21

First completions 2024

Pinheirinho

€929m GDV
JLL appraisal as of H1 21

197,000 sqm GCA

€368 residual value
JLL appraisal as of H1 21

First completions 2023

C Financial real estate and other assets

Strategic stakes and Financial assets

Strategic stake in Adler

- **Largest shareholder in Adler Group with 26.6% stake**
- In October, **Vonovia was granted a call option to acquire 13.3% stake,** with a maximum of c.15%, in Adler to support its long-term growth
- Aggregate strongly believes in **Adler's long-term growth prospects** and continues to see **very significant value in Adler** at its current materially undervalued share price
- Adler has **demonstrated the strength of its balance sheet** through disposal of its non-core residential portfolio across multiple tranches, all **at a premium to its existing book value generating €1.7bn of net cash proceeds**

Liquid financial assets

- c.€74m at Q3 2021 (c.€36m end Nov' 21) with **liquid shares, bonds and funds investments**
- Adler stake is not included in liquid financial assets

Other financial assets

- **c. €532m at Q3 2021, including:**
  - Minority stakes in unlisted companies
  - Loan portfolio with returns of c.10% p.a., and helps provide **strategic insight into German markets**

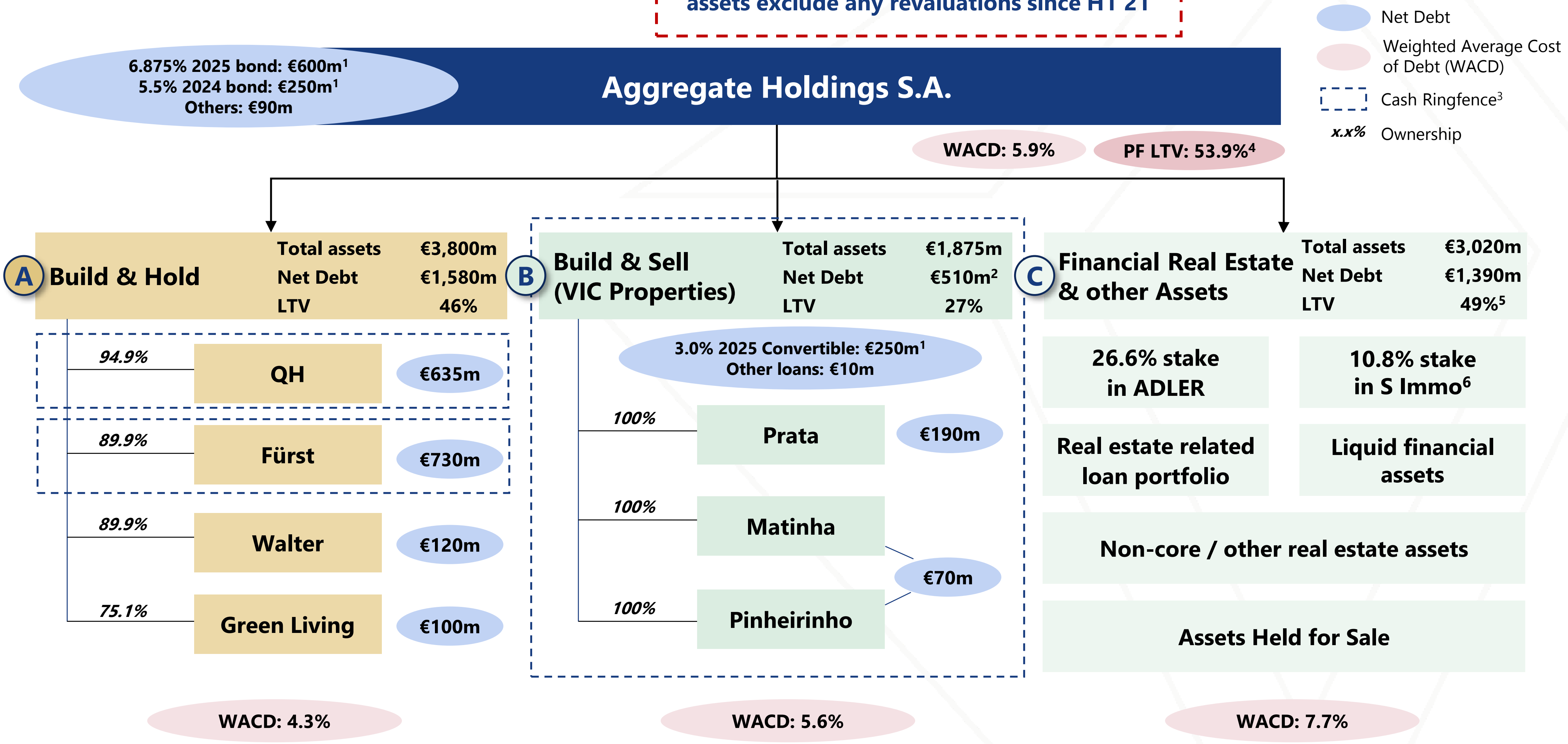
Non-core assets

- Existing three assets as of FY 20, and **8 assets acquired in 2021 at very attractive pricing**
- **Strong start to the disposal program**, with stakes in S IMMO and Corestate divested and having signed the sale agreement for a non-core asset above book value
- Discussions ongoing over the various non-core assets with **further significant sales expected in H1 2022**

Aggregate Holdings – Group debt structure overview

Net Debt breakdown as at 30 September, 2021

LTV based on Net Debt as of Q3'21 and Total assets exclude any revaluations since H1'21



Net Debt

Weighted Average Cost of Debt (WACD)

Cash Ringfence[3]

x.x% Ownership

6.875% 2025 bond: €600m[1]
5.5% 2024 bond: €250m[1]
Others: €90m

Aggregate Holdings S.A.

WACD: 5.9%

PF LTV: 53.9%[4]

A Build & Hold

Total assets	**€3,800m**
Net Debt	**€1,580m**
LTV	**46%**

Ownership	Entity	Net Debt
94.9%	**QH**	**€635m**
89.9%	**Fürst**	**€730m**
89.9%	**Walter**	**€120m**
75.1%	**Green Living**	**€100m**

WACD: 4.3%

B Build & Sell (VIC Properties)

Total assets	**€1,875m**
Net Debt	**€510m[2]**
LTV	**27%**

3.0% 2025 Convertible: €250m[1]
Other loans: €10m

Ownership	Entity	Net Debt
100%	**Prata**	**€190m**
100%	**Matinha**	**€70m**
100%	**Pinheirinho**	

WACD: 5.6%

C Financial Real Estate & other Assets

Total assets	**€3,020m**
Net Debt	**€1,390m**
LTV	**49%[5]**

26.6% stake in ADLER

10.8% stake in S Immo[6]

Real estate related loan portfolio

Liquid financial assets

Non-core / other real estate assets

Assets Held for Sale

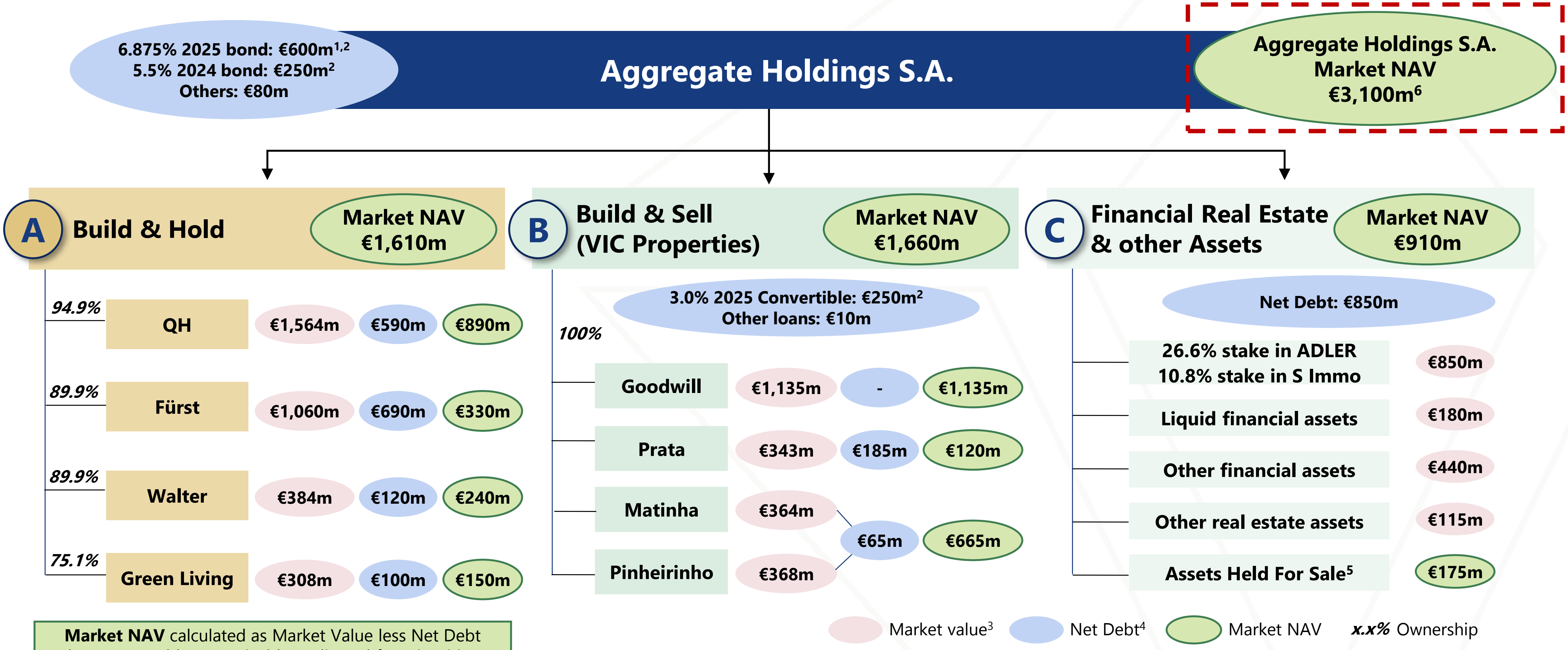
WACD: 7.7%

Note: Net Debt analysis is based on reported net debt as of Q3 2021, adjusted for (i) bonds recorded at nominal value ii) 5.5% €330m 2025 mandatory convertible, 2.0% €130m 2024 mandatory convertible, 4.5% €150mm hybrid not included, although €69m of debt liability is in accounts related to interest portion of mandatory convertible. All numbers have been rounded for ease of reference. PF LTV excludes assets and liabilities held for sale. 1 Nominal value of issuance; 2 Net debt reflect nominal value of convertible and cash of €28m at VIC Properties; 3 Corporate entities with cash upstreaming prohibited during development phases; 4 LTV of 55.3% including assets and liabilities held for sale; 5 Includes asset and liabilities held for sale; 6 Stake of 10.8% in S Immo sold in December 2021

Aggregate – divisional Market NAV breakdown

Based on H1’ 21

Divisional breakdown (Based on net debt and appraised value as of H1 2021)



6.875% 2025 bond: €600m[1,2]
5.5% 2024 bond: €250m[2]
Others: €80m

Aggregate Holdings S.A.

Aggregate Holdings S.A. Market NAV €3,100m[6]

A Build & Hold – Market NAV €1,610m

94.9%	**QH**	€1,564m	€590m	€890m
89.9%	**Fürst**	€1,060m	€690m	€330m
89.9%	**Walter**	€384m	€120m	€240m
75.1%	**Green Living**	€308m	€100m	€150m

B Build & Sell (VIC Properties) – Market NAV €1,660m

3.0% 2025 Convertible: €250m[2]
Other loans: €10m

100%

Goodwill	€1,135m	-	€1,135m
Prata	€343m	€185m	€120m
Matinha	€364m	€65m	€665m
Pinheirinho	€368m		

C Financial Real Estate & other Assets – Market NAV €910m

Net Debt: €850m

26.6% stake in ADLER 10.8% stake in S Immo	€850m
Liquid financial assets	€180m
Other financial assets	€440m
Other real estate assets	€115m
Assets Held For Sale[5]	€175m

Market value[3] Net Debt[4] Market NAV *x.x%* Ownership

Market NAV calculated as Market Value less Net Debt less net payables / receivables, adjusted for minorities

Strong asset base supports Aggregate Holdings securities

Note: All numbers have been rounded for ease of reference; Appraised values as of 30 June 2021 - QH, Fürst and Build & Sell based on JLL residual valuation, and Walter, Green Living and AHFS based on Bulwiengesa
1 Adjusted to reflect €100m tap as of August 2021 and repayment of 5.5% €70m 2021 unsecured notes; 2 Reflects nominal value of issuance; 3 Market value reflects balance sheet value, except for Inventory which reflects appraised valuation as of 30 June, and Adler Group and S IMMO stakes which reflects market value as of 30 June; 4 Basis of net debt analysis is reported net debt as of H1 2021, adjusted for i) bonds recorded at nominal value, ii) 2024 bond shown at Aggregate Holding level versus allocated to Build & Hold and Financial Real Estate & Other Assets in accounts, iii) Matinha and Pinheirinho acquisition debt allocated to Build & Sell division versus allocated to Financial Real Estate & Other Assets in accounts, iv) €330m 2025 mandatory convertible not included as subordinated to Aggregate Holding bonds; 5 Net value of Assets Held for Sale – Assets (€619m) and Liabilities (€443m); 6 Adjusted for net debt at Aggregate Holdings SA including 4.5% €150mm hybrid instruments structurally below Aggregate Holdings SA

Multiple sources of liquidity for operations and refinancing

Clear path to strong cash flow

Future cashflow backed by current liquid asset base

Cash-flow from Build & Hold	**>€125m NRI run-rate from QH + Fürst** (achieved early '24) – phased ramp-up as sections complete – €225m when including Walter/ Green Living – >€16m NRI (annually) in completed phases QH+F
Income from Financing	**FY21 €30m** – expected income from real estate related loan portfolio with short-term maturities – Significant cash inflow as loans mature/ repaid
Dividends	**c.€18m** – dividend expected from ADLER in 2022
Liquid, opportunistic Financial RE Assets	**c.€74m** – Q3 21 liquid, tradeable securities (c.€36m end Nov '21) **c.€532m** – Q3 21 other financial real estate assets
Liquid, strategic stake	**€958m** book value of **26.6% ADLER** stake (H1 '21)

Successful refinancing AGGH core competence

Adler stake refinancing	- Strategic loan provided by Vonovia at attractive terms to refinance margin loan related to its strategic stake in Adler Group
€100m '25 bond tap (Aug 21)	- Private placement from reverse enquiry - General corporate purposes, including refinancing and acquisitions
Refinancing	- Successfully financed and refinanced over €900m of debt
VIC convertible refinancing	Key options being evaluated: - VIC HoldCo level refinancing (<50% LTV based on current appraised market value) - Potential for asset sales

Aggregate's proven access to private and capital markets provides alternative sources of liquidity

Aggregate Holdings – Group cash flow drivers (Q3 ‘21 / Q3 ‘22)

Aggregate interest costs and overhead to be covered by expected income, liquid securities and interest reserves

Aggregate refinancing
- ✓ Significant refinancing capacity
- ✓ QH and Fürst in advanced stages
- ✓ VIC c.27% LTV

Aggregate Holdings S.A.

VIC refinancing options
- ✓ HoldCo Level Refinancing
- ✓ Potential for asset sales

A Build & Hold (Germany)

Quartier Heidestrasse
- Fully funded construction (debt drawdown)
- Interest reserves

Fürst
- Fully funded construction
- Capex reserve
- Interest reserves

Walter & Green Living
- Interest plus minimal costs paid from funds in entities
- Fully funded financing to be implemented pre-construction

B Build & Sell (VIC Properties)

VIC Properties 3% €250m convertible
- Interest reserve account in place to 5/22

Prata
- Fully funded construction from debt and ongoing sales
- Interest reserve to 5/22

Matinha & Pinheirinho
- Land financing; interest reserve to 4/24
- Construction will be financed from sales and new project debt

Development financings have been structured to finance construction costs and include interest reserves for debt service prior to income generation

C Financial Real Estate & other Assets

Income & liquid securities (Q3’21/Q3’22)
- Adler Dividends = c.€18m
- Interest income from loans = c.€30m
- Short term loan maturities = €44m
- Liquid securities = €37m (As of Nov ‘21)
- Proceeds from Assets sales = c.€148m[1]
- **Total = €277m**

Costs p.a. (incl. HoldCo)
- FREA: €1.1bn debt[2] @ 7.7% WACD[3] = €84m
- AGGH[4] Debt: c.€940m @ 6.5%[5] = €61m
- Hybrids: €150m hybrid @ 4.5% and two MCBs €330m and €130m @2.0% = €16m
- Run-rate Overhead costs = €20m
- **Total = €181m**

Interest and overhead costs covered by expected income and liquid securities

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1 NAV after minorities; 2 Debt related to Assets Held for Sale (€434m at 7% WACD) not included as expected to be sold in next 6 - 12 months; 3 WACD Weighted Average Cost of Debt; 4 AGGH = Aggregate Holdings SA, the group holding company; 5 Other debt at AGGH assumed normalized interest costs of 6.875%

Robust Credit Profile

Strong and stable cash flows in the medium term to reduce Aggregate's risk profile

1 **De-risked path to substantial cash flow:** key Build & Hold projects well-advanced and already yielding; **c.€125m NRI run-rate mostly by end '23**

2 **Exposed to favorable macro conditions:** Undersupplied residential and prime commercial market in Europe's strongest economy (Germany) and residential in one of most dynamic residential real estate markets in Europe (Portugal)

3 Track record of **identifying and sourcing undervalued assets** via deep relationships and a focus on off-market transactions in **value-creating transactions**

4 **LTV Guidance of 60-65% for FY 2021, and target of below 50% in the medium term,** combined with strong institutional approach to the capital markets

5 **Large strategic stake in Adler with meaningful upside**

6 **Proven operational and capital markets track record across management team:** Superior real estate know-how through multiple platforms and asset classes

Aggregate