

Aggregate Holdings S.A. :Half year results 2021

Luxembourg, 07 September 2021

Aggregate Holdings S.A. reports strong H1 2021 results underpinned by highly accretive acquisitions and strong operational performance

- **Total Assets increased to €8.3bn following strategic acquisitions**
- **Build & Hold: €1.7bn of acquisitions to generate additional c.€150m NRI**
- **Build & Sell: strong sales momentum with prices >10% above revised budget**
- **Financial RE Assets: robust results across portfolio led by Adler Group**
- **Active capital markets presence with multiple financings successfully executed**
- **NAV grew to €2.9bn given accretive acquisitions and underlying performance**
- **LTV Guidance confirmed sub 50% mid-term, with pro-forma 52.5% LTV at H1 21**

Luxembourg, 07 September 2021 - Aggregate Holdings S.A. ("Aggregate") has published its H1 2021 results demonstrating robust financial and operational results across the various business lines.

During the first half of the year 2021, Aggregate successfully accelerated its core strategy of acquiring, developing and retaining high-quality mixed-use real estate assets across the top cities of Germany. These assets provide the company with strong organic growth and reliable future cash-flow profile from future c.€225m net rental income ("NRI"). In Build & Sell, VIC Properties completed phase 2 and achieved a strong increase in the market value of the properties to €1.1bn. Aggregate's 26.6% stake in Adler Group in Financial Real Estate and Other Assets division remains a core long-term strategic holding, based on Adler's asset quality and growth trajectory of the platform.

Aggregate's Total Assets increased to €8,279m (72% increase vs. FY20 €4,814m) and Net Asset Value (total equity minus minorities) increasing to €2,909m (44% increase vs. FY20 €2,027m). Group Reported EBITDA for the first six months of the year reached €822m. LTV Guidance re-confirmed at below 50% medium term, with LTV of 52.5% pro forma for planned asset disposals, and LTV including all assets of 54.0%.

"Aggregate has made significant strategic progress across its business lines, more than doubling the size of its core Build-to-Hold division while enhancing the sales performance of its Build-to-Sell division. In the first half of 2021, Aggregate has again demonstrated its ability to acquire high quality projects below market prices. Over the second half of the year, we will continue to further advance our existing development projects whilst disposing non-strategic assets and further progressing our ESG agenda" commented Benjamin Lee, CFO & Managing Director.



Build & Hold division (“B&H”): Three significant acquisitions tripled future rental income, with Quartier Heidestrasse and Fürst having first phases completed and let

B&H division more than doubled in size to total assets reaching €3,807m (FY20: €1,474m), with planned future net rental income increasing from c.€75m to c.€225m per annum.

In H1 2021, Aggregate acquired three major projects in Berlin that re-shaped and strengthened the profile of its B&H division:

- The Fürst project on Kurfürstendamm, central Berlin, has a gross construction area (“GCA”) of 183,000 sqm (c.60% is office, with the remainder a hotel, retail and leisure). With refurbishment & redevelopment already ongoing, the project will be one of Berlin’s premier office complexes
- Walter (Schönefeld) and Green Living (Treptow) projects have a combined GCA of 620,000 sqm, with Walter being 100% commercial and Green Living almost 100% residential

The Build & Hold projects under construction made strong progress in H1 2021. Quartier Heidestrasse has almost fully let out its completed Phase 1 ‘Core’ and continues to make good progress on signing leases for the remainder of the project. The percentage of construction completed has increased to c.50% of planned capex. Fürst is under construction, well advanced and significantly de-risked as c.30% of total capex has been undertaken, with nearly 20% of the total rental space either already occupied or pre-let.

Build & Sell Division (“B&S”): Significant progress across projects, with pricing achieved above plan, leading to significant portfolio value increase

The B&S division has registered a resilient performance during the reporting period. A strong pricing environment has resulted in an increased independent market valuation of our three projects to a total of €1.1bn from €825m. Total inventories valued at cost were €709m in H1 21 (vs. FY20 €682m), reflecting net construction additions and apartment sales.

There were significant sales price developments given strong demand dynamics, with Prata Riverside Village (Lisbon) completing phase two sales at >10% above revised budget. Full completion of Prata is targeted for end 2023 and construction is fully funded. The adjacent Matinha project is planned to start construction in Q1 2022, reflecting expected permit timing, with site preparation works ongoing. Pinheiro project, located in the Comporta region, is expected to start construction by end 2021.

Financial Real Estate and Other Assets (“FRE”): Strategic stake of 26.6% in Adler Group and 10.8% in S IMMO

Adler Group S.A. (“Adler Group”) is a strategic long-term holding for Aggregate, having delivered a strong operating performance in H1 21, highlighting the excellent development pipeline within its overall portfolio. Aggregate received a €14.5m inaugural dividend from Adler in H1. Additionally, Aggregate acquired a 10.8% stake in S IMMO AG, a business which it believes has significant potential and an attractive German asset portfolio.



The Financial Real Estate and Other Assets division had liquid securities of c.€180m (FY20: €165m), with other financial assets totalling c.€440m (FY20: €285m) with the growth reflecting attractive shorter-term opportunities.

Environmental, Social and Governance (“ESG”): Progressing our sustainability agenda

As part of its initiative to address climate change and conduct itself as a responsible business, Aggregate completed an in-depth materiality assessment to define its approach to ESG and sustainability. Aggregate will set out a range of existing measures and short and medium term plans in its first ever sustainability report to be released in Q3 21.

Financing: Refinancing and financing secured at attractive terms

In H1 2021, the company successfully refinanced the Quartier Heidestrasse bank debt to provide bank financing for full construction of the project. In addition, the company successfully raised the financing package for the Fürst acquisition, which also included the private placement of a €250m 2024 bond at 5.5% coupon. In March 2021, the company issued a mandatory convertible bond worth €330m, as consideration for the purchase of the remaining 32% minority of VIC Properties.

In August 2021, the company tapped its €500m 2025 existing bond by €100m at par via a private placement, demonstrating strong demand from investors.

Outlook: Strong momentum in the second half of 2021 expected to continue

The enhanced Build & Hold division provides a clear path to significant yield and cash flow generation. The residential real estate holdings in Germany and Portugal have proven to be extremely resilient throughout the Coronavirus pandemic, and prime mixed use real estate is performing strongly. Aggregate will remain focused on the German and German-speaking markets which continues to provide significant scaleable opportunities.

Aggregate continues to target its LTV at below 50% in the medium-term. The focus in H2 2021 will be the disposal of non-core assets and integration of recent acquisitions.

The H1 2021 results presentation as well as the H1 2021 financial report have been published on the website of the company under investors/ financial reports and presentations:

<https://www.aggregateholdings.com/en/investors#financial-reports>

Aggregate Holdings S.A. : Invitation to conference call on 07 September, 2021, 15:00 (CEST)

Aggregate Holdings invites all bond investors to the presentation of H1 2021 results in a telephone conference on 07 September 2021 at 3:00 PM CET.

For the conference call, please use the dial-in numbers listed below:

Location	Phone Number
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Germany	+4969201744220
Luxembourg	+35227302111
United Kingdom	+442030092470
United States	+18774230830

PIN: 34828701#

When prompted, please provide the PIN number to dial-in.

You will be greeted by an operator and put through to the conference after giving your name. Please make use of the early dial-in opportunity (10 minutes before the start of the event) so that we can start the event on time.

The presentation will also be broadcasted live via webcast. Please use the link:

[Aggregate Holdings SA - Half Year Results \(webcast-eqs.com\)](https://www.aggregateholdings.com/webcast-eqs.com)

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About Aggregate Holdings

Aggregate Holdings SA ("Aggregate") is a predominantly German-focused real estate investment company, with interests also in Portugal. The company has €8.3bn of assets and a project portfolio with €9.5bn Gross Development Value. In its Build & Hold division, Aggregate owns Quartier Heidestrasse, the largest mixed use real estate development project in central Berlin with c.295,000 sqm of gross construction area ("GCA"), Fürst, the prime commercial asset located on Kurfürstendamm in central Berlin with c. 183,000 sqm of GCA, and Walter and Green Living projects in Berlin with a combined GCA of 620,000 sqm. Aggregate also owns in its Build & Sell division VIC Properties, the largest real estate developer in Portugal with c.570,000 sqm of GCA and €2.8bn Gross Development Value. Additionally, Aggregate holds the 26.6% strategic stake in Adler Group SA, one of Europe's largest residential players, and a 10.8% stake in S Immo, a German focused listed commercial company, among other investments.