

# Instone Real Estate Group SE

Investor presentation  
November 2022

*Developing real estate with passion*

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# Key Investment Highlights

# Investment Highlights

## 1. Leading German residential developer as key beneficiary of structural housing shortage

- **Leading trading developer** on basis of nationwide platform: attractive land bank with focus on the Top 8 cities and surrounding areas
- Strong in-house expertise and coverage of entire value chain (from acquisition to construction management) as competitive edge, reflected in **industry leading gross margins** (25.8% in 9M 2022)

## 2. High share of pre-sold units under construction provides high degree of cash flow visibility

- Gross development value (GDV) of €7.8bn (thereof €3.2bn under or pre-construction, €2.9bn already sold) **provides sound basis for visible revenues in the coming years**
- Project worth €2.7bn are under construction and thereof €2.6bn (97%) are pre-sold. **From projects under construction near term de-risked free cash flows of more than €600m are expected to be realised** over the coming years

## 3. New innovative nyoo product (valuehome) promises mid term step change in growth

- Market entrance in the mid-market segment, a significantly **undersupplied market with huge growth potential (incl. political support)**
- Innovative, highly scalable product based on propriety planning technology with **unrivalled low production costs**
- Major driver for mid-term growth

## 4. Strong balance sheet (Net debt/adj. EBITDA: 2.2x) is risk mitigating factor and foundation for mid-term growth

## 5. Strong commitment to ambitious ESG goals

- SBTI compliant target: **Net zero climate neutrality** by 2045
- Strong **ESG rating** by Sustainalytics (top 2% of global developers)

# Proven track record of >30 years

**>1 million sqm**

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Successfully developed and marketed since 1991

**Management team**

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with a proven track record of >40 years of value generation

**~€7.8bn**

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GDV project portfolio as of 30/09/2022

**8 branches + HQ**

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Presence in all German metropolitan regions

**493 employees**

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as of 30/09/2022



**First mover in building up a nationwide residential developer platform** in Germany

Focus on developing **modern, urban, multi-family, residential buildings**

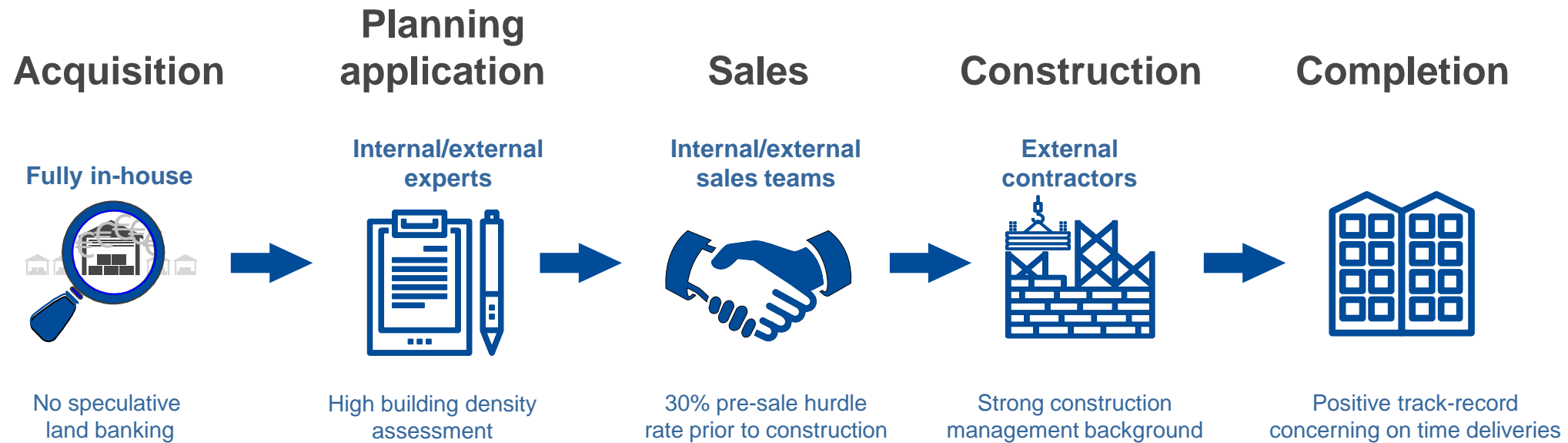
Established operating platform with **ability to achieve further scale gains**

**Attractive project portfolio and identified acquisition opportunities** underpinning strong and profitable growth

**Prudent approach to risk management**  
Proprietary and tailored management information system

**Diligent site selection** criteria leading to **attractive and consistent returns**

# Covering the Entire Value Chain with Deeply Rooted Construction Expertise



# We strive to become the No.1 German homebuilder with a view to industrialising products and processes



# Q3 2022 Highlights



# Highlights

## Significant pre-sales drive revenues and cash flows in otherwise demanding markets

### Operational Highlights

- ✓ **Projects equivalent to €2.7bn of GDV under construction, thereof €2.6bn pre-sold** provide robust basis for revenues and cash flow in otherwise uncertain markets
- ✓ **2023E Revenues of around €550m** already secured based on construction progress only (assuming no incremental sales)
- ✓ **Sales:** Slowdown in retail demand to below long-term mean; institutional buyers in 'wait and see' mode
  - ✓ Two smaller institutional deals successfully closed
  - ✓ New build properties are preferred sub-asset class investment market (energy efficiency, ESG, positive rental outlook)
- ✓ **Pricing:** No Instone price concessions for projects under construction or pre-construction
- ✓ **Building materials:** Improved availability of material however, shortages persist; material price inflation receding

## Q3 results in line with expectations - still attractive margins

### 9M 2022 Results

- ✓ Adjusted revenues: €441.9m (9M 2021: €405.6m, +8.9%)
- ✓ Adjusted gross profit margin: 25.8% (9M 2021: 29.8%)
- ✓ Adjusted EBIT: €60.9m (9M 2021: €65.3m, -6.7%)
- ✓ Adjusted earnings after tax (EAT): €34.0m (9M 2021: €40.3m, -15.6%)

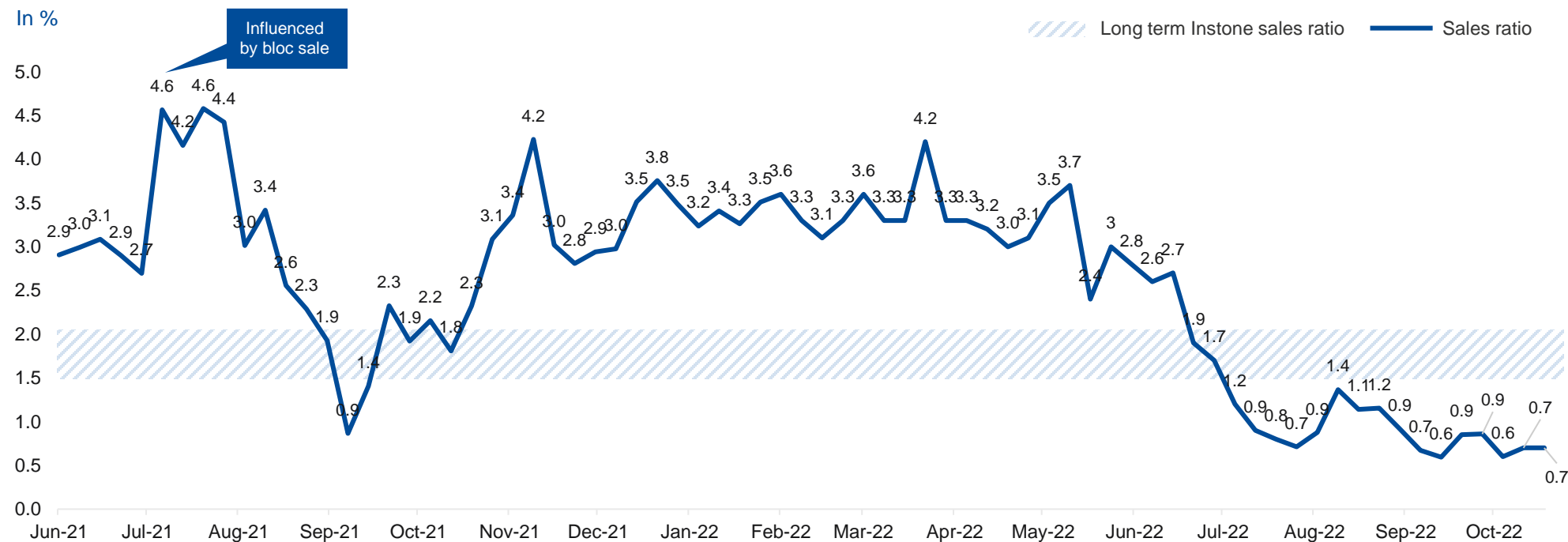
## Guidance 2022 reiterated

### Outlook

- ✓ Adj. revenues of €600-675m
- ✓ Adj. gross margin of at least 25%
- ✓ Adj. EAT of €40-50m
- ✓ Expect positive 2022 operating cash flow

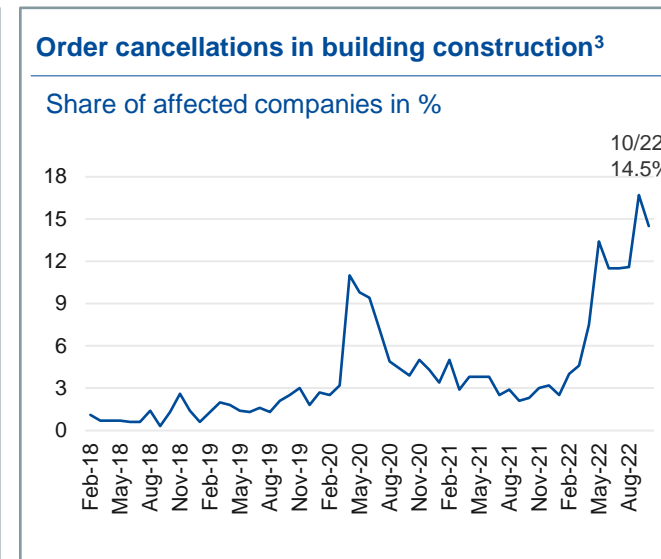
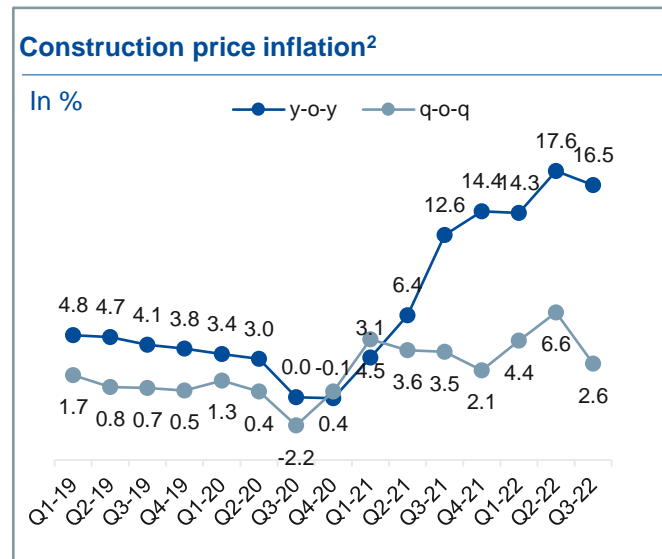
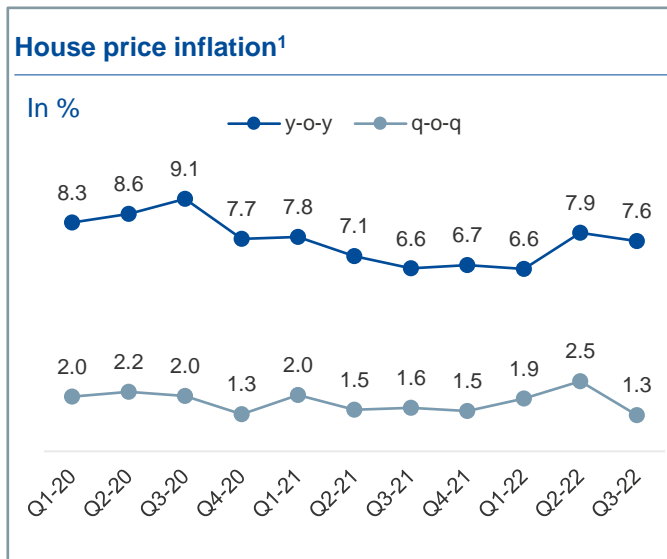
# Retail demand remains muted

## Sales ratio



- ✓ Uncertain macro environment weighs on investor demand (retail and institutional)
- ✓ Following a moderate recovery in August, the strong jump in interest rates in September triggered another setback
- ✓ Higher share of buyers with moderate leverage

# House prices remain stable, CPI growth decelerating



- ✓ New-build condo prices remained robust overall in Q3; however transaction volumes depressed
- ✓ Rise in construction costs of +15% y-o-y expected; recently first indications of easing inflationary pressure (e.g. decreasing costs for construction steel and timber)
- ✓ Material shortages for various building materials persist, weighing on construction speed
- ✓ Cancellation/postponement of new development projects will lead to massive supply reduction

1 bulwiengesa data: quarterly data condo prices in top 7 cities (new build)

2 Statistisches Bundesamt

3 ifo Institute, Business Survey amongst German construction companies, 11 October 2022

# Expected future cash flows suggest significant upside<sup>1</sup>

## Fundamental Instone value rests on three distinct pillars

- 1 Pre-sold projects**
  - **c.€2.7bn** currently under construction
    - t/o **c.€2.6bn** pre-sold (97%)
    - in addition **c.€300m** pre-construction already pre-sold
  - tangible and substantially de-risked cash-flow profile
  
- 2 Land bank**
  - Residual unsold and paid land bank recognised at cost of **c.€440m**
  - substantial incremental value
  
- 3 Future potential**
  - Ability to source new projects
  - Highly attractive opportunities likely to materialise within 12-24 months

(As of 30 Sep 2022; in EUR million)

De-risked free cash flow from projects under construction <sup>1</sup>	>600m
Unsold land bank at cost	440
<b>Notional gross asset value<sup>2</sup></b>	<b>1,040</b>
Net debt	-340
<b>Notional value to shareholders<sup>3</sup></b>	<b>&gt;700m</b>

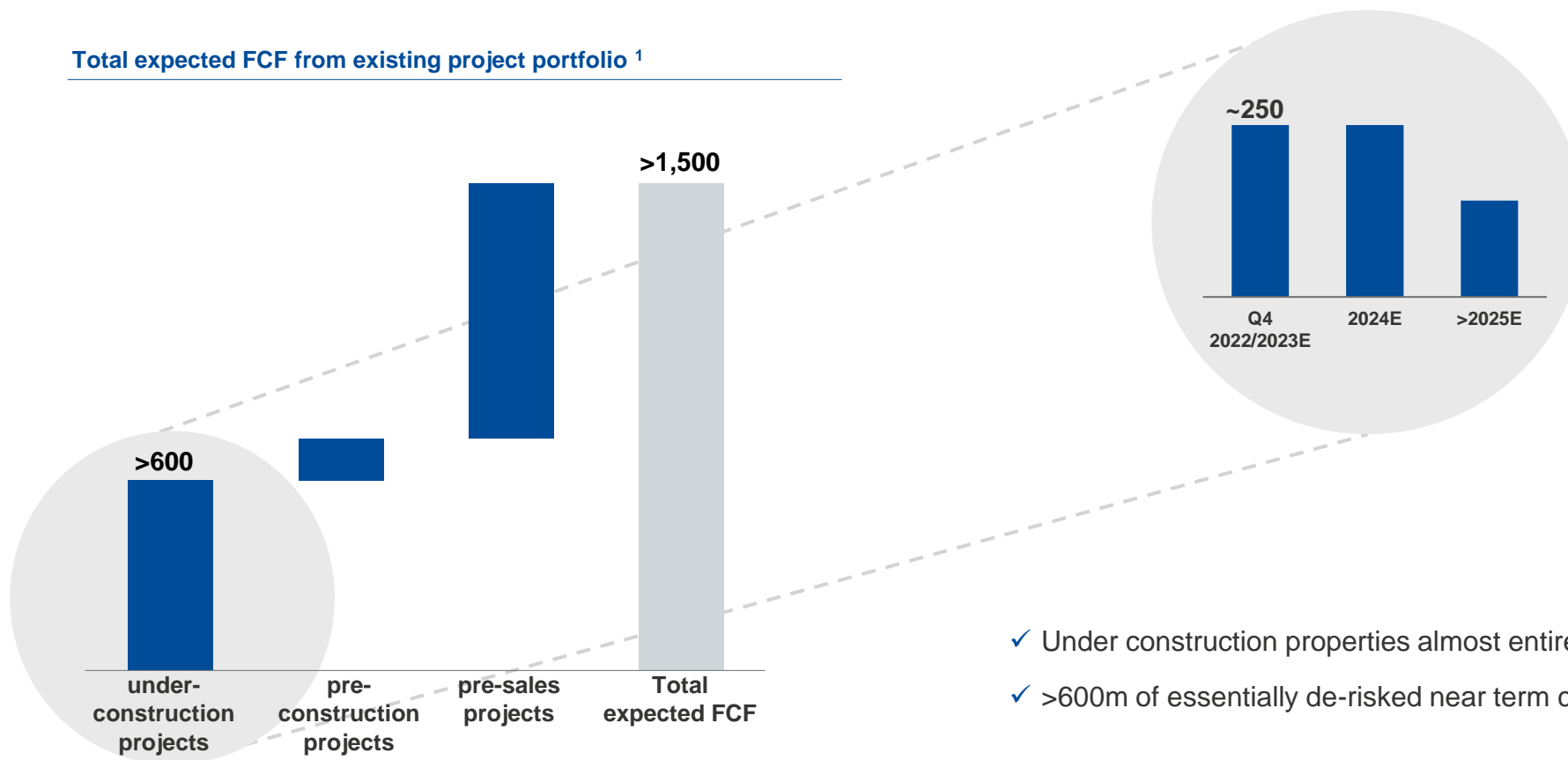
1) Free cash flow post platform cost and taxes

2) Incl. proportionate share of at-equity JVs

3) Note: 45.016m shares issued and outstanding (excluding Treasury shares) as of 30 September 2022

# Highly visible Free Cash Flow of >€600m from projects already under construction

Total expected FCF from existing project portfolio <sup>1</sup>



- ✓ Under construction properties almost entirely pre-sold (97%)
- ✓ >600m of essentially de-risked near term cash flows

# New build properties offer high energy efficiency and strong inflation protection

## New build properties in good locations offer strong inflation protection

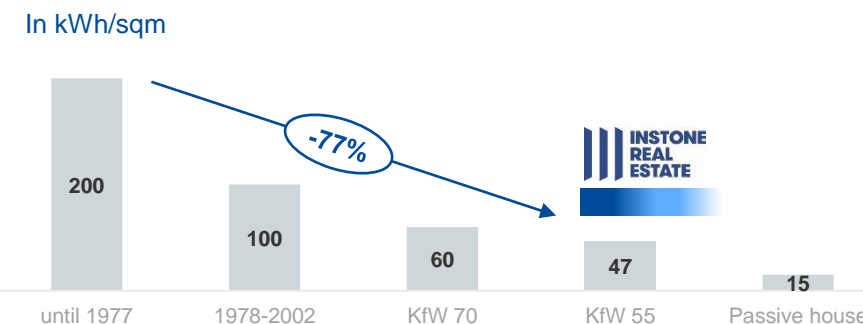
- ✓ New build properties in good locations offer opportunity for index-linked or staggered lease contracts
- ✓ In Munich (larger district) 60-70% of all new leases (40% of total leases) are index-linked rents, in Hamburg 50% of new leases are index-linked or staggered lease contracts <sup>2</sup>
- ✓ Real yields of around 3% remain an attractive investment product in an inflationary environment

## Instone with leading position for energy efficient buildings

- ✓ Approx. 82% of INS project portfolio meet energy standard NZEB-10% (EU Taxonomy compliant)
- ✓ Natural gas accounts for less than 2% of direct energy supply of INS's projects
- ✓ Unlike existing housing stock no capex backlog for energy or other investments, energy consumption for new properties is ~80% below average German buildings

**➔ Lower energy bill clear competitive edge**

### Annual energy consumption by construction year <sup>1</sup>



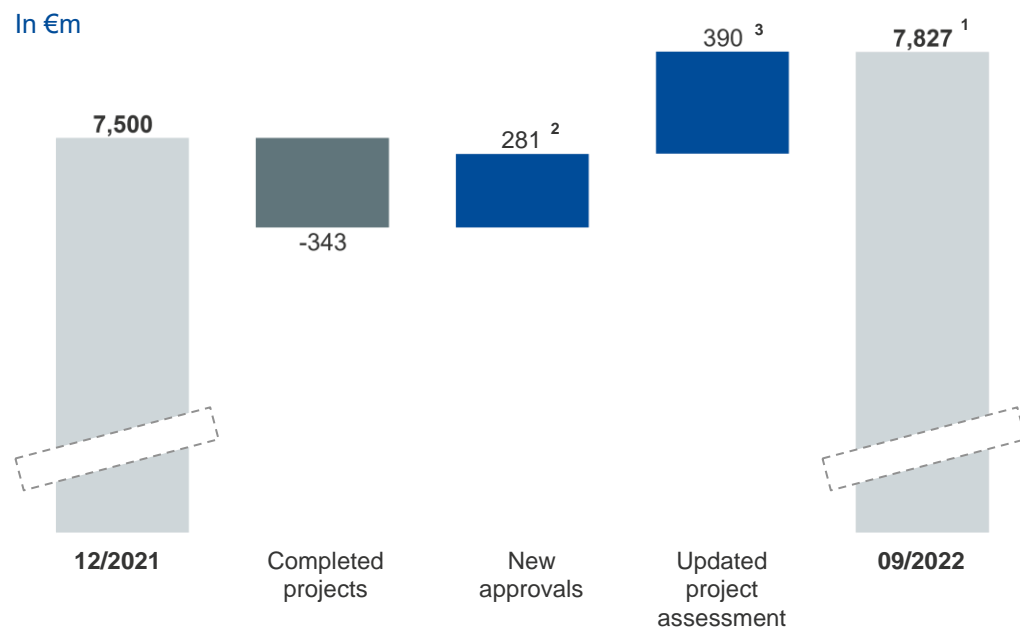
<sup>1</sup> Source: effizienzhaus-online.de

<sup>2</sup> Source: Association of Landlords / Tenant Association

# Portfolio Update

# Significant pipeline supports visibility for coming years

## Project portfolio development (GDV)



New project approvals		Exp. sales volume (€m)	Exp. units
<b>YTD 2022</b>			
Metropolitan area Nuremberg	Q1	85	140
Metropolitan area Berlin	Q2	145	361
Metropolitan area NRW	Q3	51	114
<b>Total</b>		<b>281</b>	<b>615</b>

1) Excluding GDV of at-equity JVs

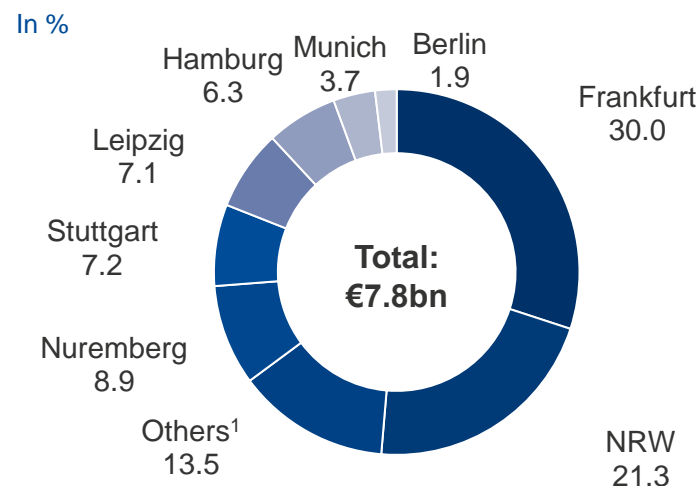
2) Net of no longer pursued previously approved projects

3) Includes increased density, index based pre-agreed sales price adjustments and re-assessed sales prices of certain pre construction projects

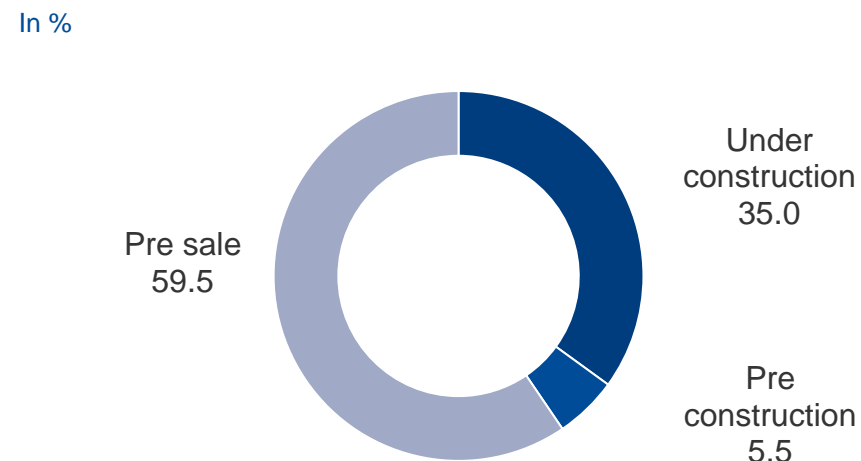


# Pre-sold units provide cash flow visibility in tougher markets

Project portfolio as of 30/09/2022 by region (GDV)



Project portfolio as of 30/09/2022 by development (GDV)



- ✓ 53 projects / 16,580 units
- ✓ 86% in metropolitan regions
- ✓ ~80 average sqm / unit
- ✓ ~€5,645 ASP / sqm
- ✓ Additional three JV projects (INS share of GDV: ~€500m)

- ✓ €3.2bn GDV in “pre-construction” or “under construction” of which 93% (€2.9bn) already sold
- ✓ Of the €2.9bn pre-sold volume as of the reporting date €1.7bn have been recognised in revenues

# Q3 2022 Financial Performance

# Adjusted Results of Operations

High profitability maintained

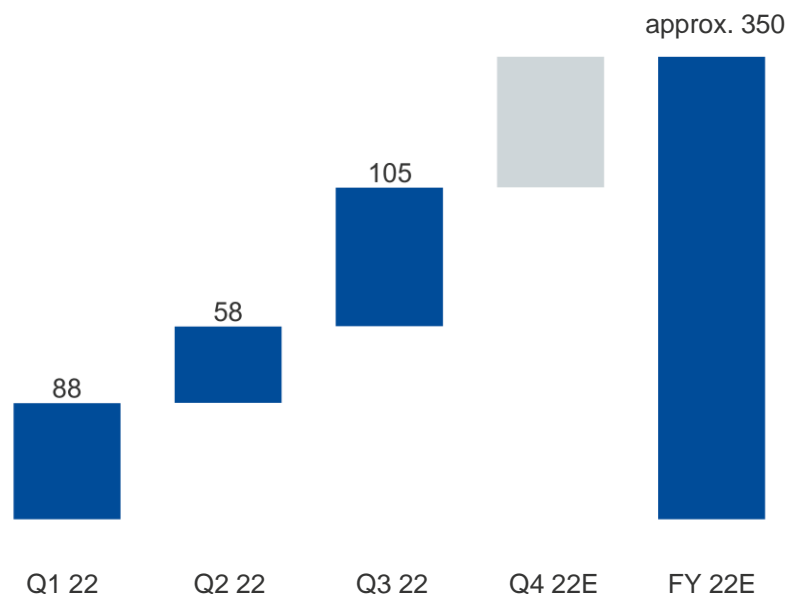
€m	Q3 2022	Q3 2021	Change	9M 2022	9M 2021	Change
<b>Revenues</b>	<b>173.9</b>	<b>145.1</b>	<b>19.8%</b>	<b>441.9</b>	<b>405.6</b>	<b>8.9%</b>
Project cost	-129.0	-100.8	28.0%	-328.2	-284.6	15.3%
<b>Gross profit</b>	<b>45.0</b>	<b>44.3</b>	<b>1.6%</b>	<b>113.8</b>	<b>121.0</b>	<b>-6.0%</b>
<i>Gross Margin</i>	25.9%	30.5%		25.8%	29.8%	
Platform cost	-20.7	-20.2	2.5%	-55.1	-58.3	-5.5%
Share of results of joint ventures	0.7	0.1		2.2	2.6	
<b>EBIT</b>	<b>25.0</b>	<b>24.2</b>	<b>3.3%</b>	<b>60.9</b>	<b>65.3</b>	<b>-6.7%</b>
<i>EBIT Margin</i>	14.4%	16.7%		13.8%	16.1%	
Financial and other results	-4.1	-2.6		-11.6	-10.1	
<b>EBT</b>	<b>20.8</b>	<b>21.7</b>	<b>-4.1%</b>	<b>49.3</b>	<b>55.2</b>	<b>-10.7%</b>
<i>EBT Margin</i>	12.0%	15.0%		11.2%	13.6%	
Taxes	-6.4	-4.8		-15.3	-14.9	
<i>Tax rate</i>	30.7%	22.2%		31.0%	27.0%	
<b>EAT</b>	<b>14.4</b>	<b>16.9</b>	<b>-14.8%</b>	<b>34.0</b>	<b>40.3</b>	<b>-15.6%</b>
<i>EAT Margin</i>	8.3%	11.6%		7.7%	9.9%	
<b>EAT post minorities</b>	<b>14.5</b>	<b>17.9</b>	<b>-19.1%</b>	<b>35.0</b>	<b>42.8</b>	<b>-18.2%</b>
<b>EPS<sup>1</sup></b>	<b>0.31</b>	<b>0.38</b>	<b>-18.1%</b>	<b>0.76</b>	<b>0.91</b>	<b>-17.0%</b>

- ✓ Moderate top line growth supported by strong pre-sales levels and construction progress; Q3 increase (yoy) supported by smaller institutional deals
- ✓ Resilient 9M gross margin despite construction price inflation
- ✓ Platform costs continue to be scrutinized
  - ✓ Strict review of new hires
  - ✓ Non-project related/admin expenses
  - ✓ Variable compensation
- Target 2022: stable platform costs of ~€80m

# 2022 adj. revenues target has almost logged in

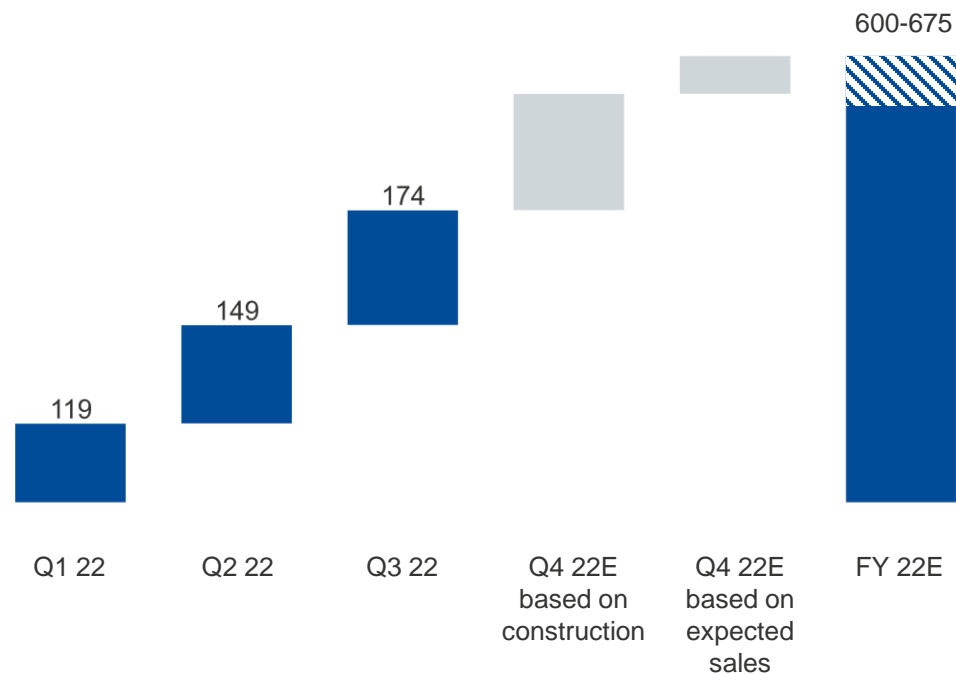
Concluded sales contracts – expected development in 2022

In €m



Adj. Revenues – expected development in 2022

In €m



# Strong balance sheet is key strength in current environment

€m	30/09/2022	31/12/2021
Corporate debt	177.8	199.1
Project debt	321.3	191.4
<b>Financial debt</b>	<b>499.1</b>	<b>390.5</b>
Cash and cash equivalents and term deposits	-155.0	-151.0
<b>Net financial debt</b>	<b>344.1</b>	<b>239.5</b>
Inventories and contract asset / liabilities	1,322.4	1,190.1
<b>LTC<sup>1</sup></b>	<b>26.0%</b>	<b>20.1%</b>
Adjusted EBIT (LTM) <sup>2</sup>	151.2	155.7
Adjusted EBITDA (LTM) <sup>2</sup>	156.1	160.3
<b>Net financial debt / adjusted EBITDA</b>	<b>2.2x</b>	<b>1.5x</b>

- ✓ Moderate 26.0% LTC
  - ✓ Reminder: inventories are recorded at historical costs
  - ✓ Significant hidden reserves (c.€113m according to BNP appraisal report) provide additional downside cushion;
- ✓ Net debt/adjusted EBITDA of 2.2x remains moderate
- ✓ Balance sheet and liquidity provide for downside protection as well as financial flexibility

# Financially strong position

Cash Flow (€m)	Q3 2022	Q3 2021	9M 2022	9M 2021
EBITDA adj.	26.3	25,4	64.6	68.7
Other non-cash items	-3.6	-4,7	-12.7	-11.6
Taxes paid	-2.0	-0,6	-2.9	-8.0
Change in working capital	-66.7	-54,4	-75.6	62.8
<b>Operating cash flow</b>	<b>-46.2</b>	<b>-34,3</b>	<b>-26.7</b>	<b>112.0</b>
Land plot acquisition payments (incl. RETT) <sup>1</sup>	3.4	27,3	74.1	73.1
<b>Operating cash flow excl. investments</b>	<b>-42.8</b>	<b>-7.0</b>	<b>47.4</b>	<b>185.0</b>

- ✓ Expect still positive FY 2022 operating cash flow post land plot payments

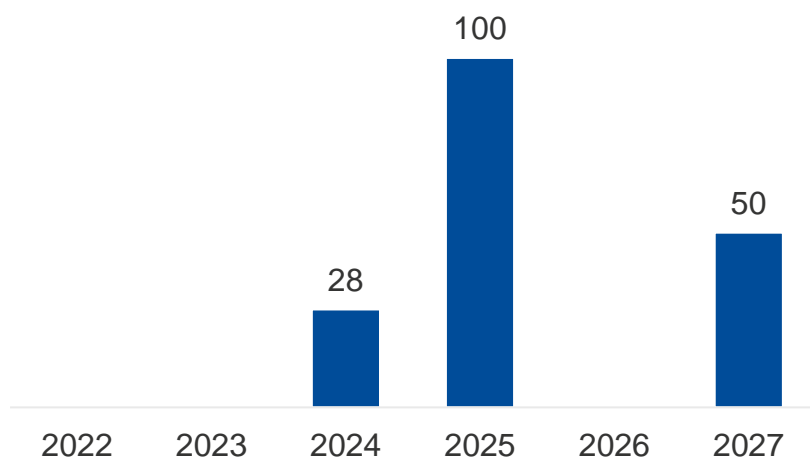
Liquidity (€m)	Total	t/o drawn	t/o available
<b>Corporate debt</b>			
Promissory notes	178.0	178.0	0.0
Revolving Credit Facilities	170.0	0.0	170.0
<b>Total</b>	<b>348.0</b>	<b>178.0</b>	<b>170.0</b>
Cash and cash equivalents and term deposits			155.0
<b>Total corporate funds available</b>			<b>325.0</b>
<b>Project debt</b>			
<b>Project finance<sup>2</sup></b>	<b>555.8</b>	<b>320.3</b>	<b>235.6</b>

- ✓ Well funded to weather the downturn
- ✓ Ample cash and available funding to benefit from attractive distressed opportunities once markets stabilise
- ✓ Strong continued cash flow generation based on significant pre-sales

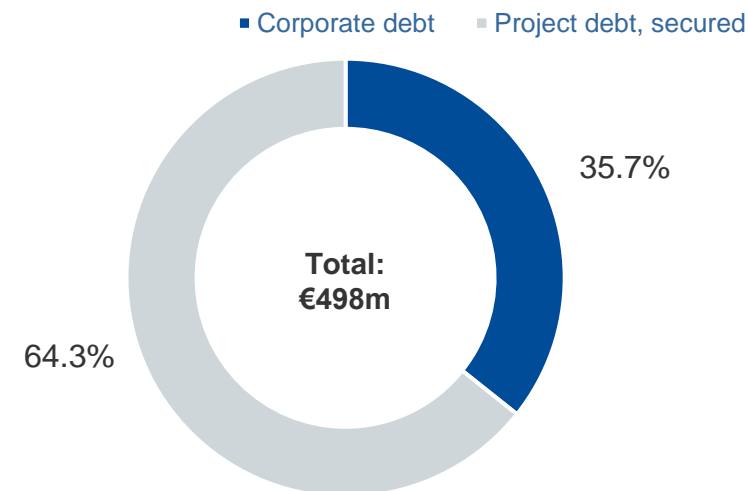
# Well balanced financing structure at attractive terms

Maturity profile (corporate debt) as of 30/09/2022

In €m



Secured/unsecured as of 30/09/2022



Weighted average corporate debt maturity	3.3 years
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Weighted average corporate interest costs	4.07%
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Share of corporate debt with floating interest	7.0%
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## Q3 achievements:

- ✓ Successfully termed out debt maturities
- ✓ €50m, 2027, 4.5% promissory note placed with group of pension funds
- ✓ No significant remaining debt maturities until 2025

# Share buy back will be continued

## Programme 2022/I – CLOSED

- March 18, 2022 – October 24, 2022
- Total volume spent: EUR 25.4 million from budgeted EUR 50 million
- A total number of 2,349,416 shares bought c.5.0% of the share capital<sup>1</sup>

## Programme 2022/II – ONGOING

- October 26, 2022 – March 31, 2023
- Maximum volume: EUR 25 million
- Maximum amount of shares: 1,349,417  
= c.2.87% of the share capital



**Return of capital to shareholders – Shareholder oriented capital allocation strategy**



# Outlook

# Outlook confirmed

€m	Outlook 2022
Revenues (adjusted)	600-675
Gross profit margin (adjusted)	≥ 25%
EAT (adjusted)	40-50
Volume of concluded sales contracts	~350

## Key assumptions:

- ✓ Muted investor appetite to continue in the coming months
- ✓ Larger institutional sales excluded in 2022
- ✓ 2022 cost price inflation of +15% (y-o-y)

# Valuehome/nyoo: Growth Perspective

# Mid to long-term opportunity: valuehome/nyoo

Midmarket segment and most underserved residential market in Germany

## Instone's approach

Adding a new pillar to the existing Instone platform based on standardisation, digital processes and significant scale potential with game changing implications for production costs and pricing

### Elements

- Modular planning: move from prototyping to standardisation
- Reduce complexities throughout the construction process; introduce lean construction management
- Digital platform including digital distribution channel and configurator standardising client optionality
- Focus on essentials: highly efficient floor plans, minimise costly underground construction
- Maintain high architectural standards with modern designs and strong sustainability marks
- Target increasingly attractive locations in B cities and in the commuter belts

### Target customer

- Price points targeted to “lower mid markets” - between social housing and Instone's core business
- Focus on institutional investors including municipal housing company's and professional landlords

### Key benefits

- Substantially expand Instone's addressable market
- Enter less competitive land market
- Highly scalable, less complex low risk product with significant mid to long-term growth potential
- Improve Instone's economics for existing “social housing” demands and competitive position in the current core business
- Generate strong margins and highly attractive capital return

# First projects confirm INS's competitive edge

## Project running according to plan and within budget

### DUS 19, Düsseldorf (Unterbach)

- 100% sold to LEG
- Land plot ~5,300 sqm
- Living space: ~5,000 sqm
- 66 units (52 publicly subsidized)
- Energy efficiency standard 55
- Acquisition 04/16 and 11/16, completion ~Q3/23



### DUI 76, Duisburg (Buchholz)

- 100% sold to Danish Pension fund
- Land plot ~5,400 sqm
- Living space: ~6,200 sqm
- 78 units (46-125 sqm)
- Energy efficiency standard 55, green roofs
- Acquisition 12/19, completion ~Q4/23



### MG 400, Mönchengladbach (Lürrip)<sup>1</sup>

- Joint project with INS Development (core product). nyoo part includes:
- Land plot ~15.500 sqm
  - Living space ~16,300 sqm
  - ~110 apartments
  - ~50 town houses
  - ~300 sqm business unit
  - High energy efficiency standard, green roofs

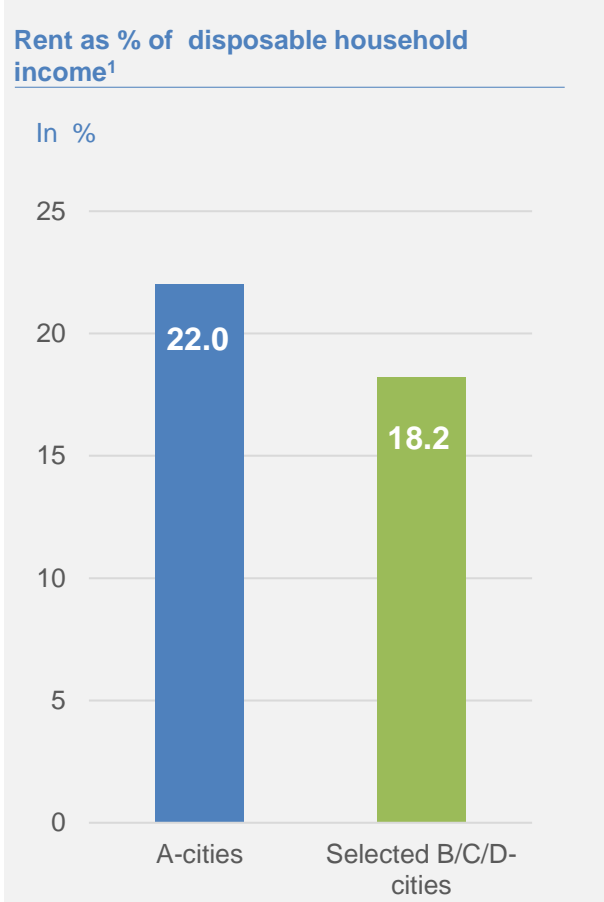
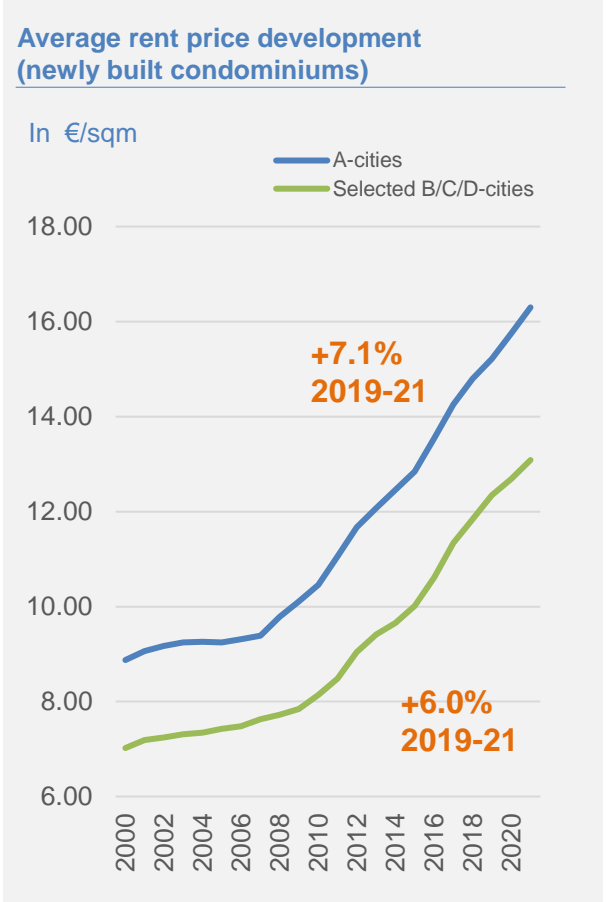
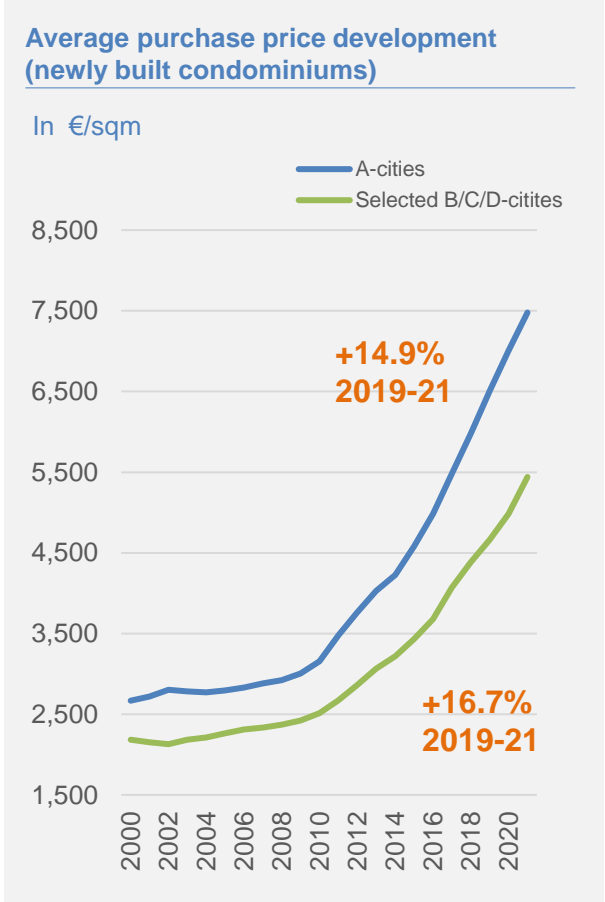


### DUI 06, Duisburg (Wedau)

- Land plot ~15,800 sqm
- Living space ~16,000 sqm
- 155 apartments
- 26 town houses
- High energy efficiency standard, green roofs
- Acquisition 08/22, completion ~Q4/26



# Focus on B-markets with high affordability and catch-up potential



1) Affordability calculation based on 65 sqm flat (existing apartments, new rental contracts)

# Demanding challenges for cost-effective housing solutions

## Cost efficiency requirements

Simplification of Product

Standardisation of Planning

“Industrialisation” of  
Development and Construction

## Key challenges

Highly **fragmented** market

General building law and social housing pre-requisites are regulated on **state level**

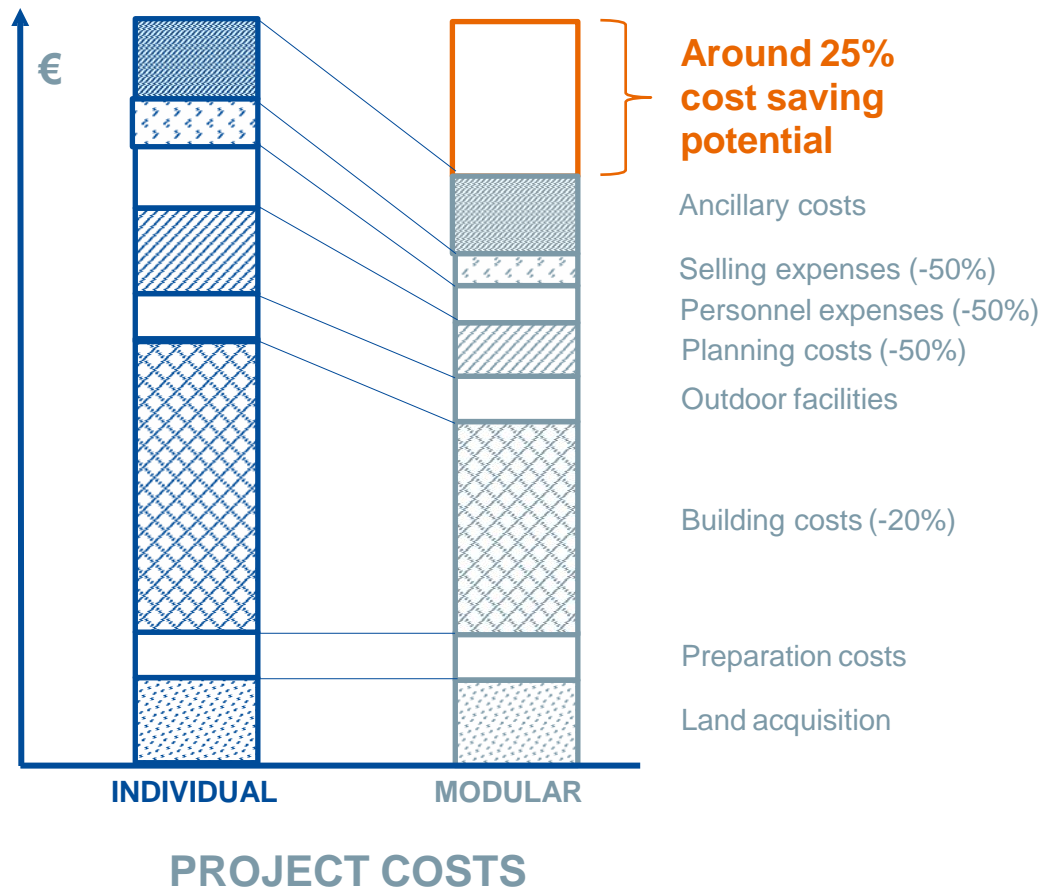
Additional **municipal** statutes exist in each city (e.g. parking spaces)

Highly qualified staff required due to **individual** prototyping, complex construction process and customer individualisation

**Low innovation** spirit of construction industry

▶ Instone’s nationwide platform with long-term experience and in-depth development expertise offers opportunity to fill demand gap for valuehome product

# Unrivalled 2,200€/m<sup>2</sup> total production costs achievable



## Around 25% cost saving potential

- Reduction of total production cost including planning, marketing, sales etc. from ~ 3,100€/m<sup>2</sup> to c. 2,200€/m<sup>2</sup> - 2,500€/m<sup>2</sup>

## Cost savings by standardisation

- ~50% of selling expenses
- ~50% of personnel expenses
- ~50% of planning costs

## ~20% reduction of building costs

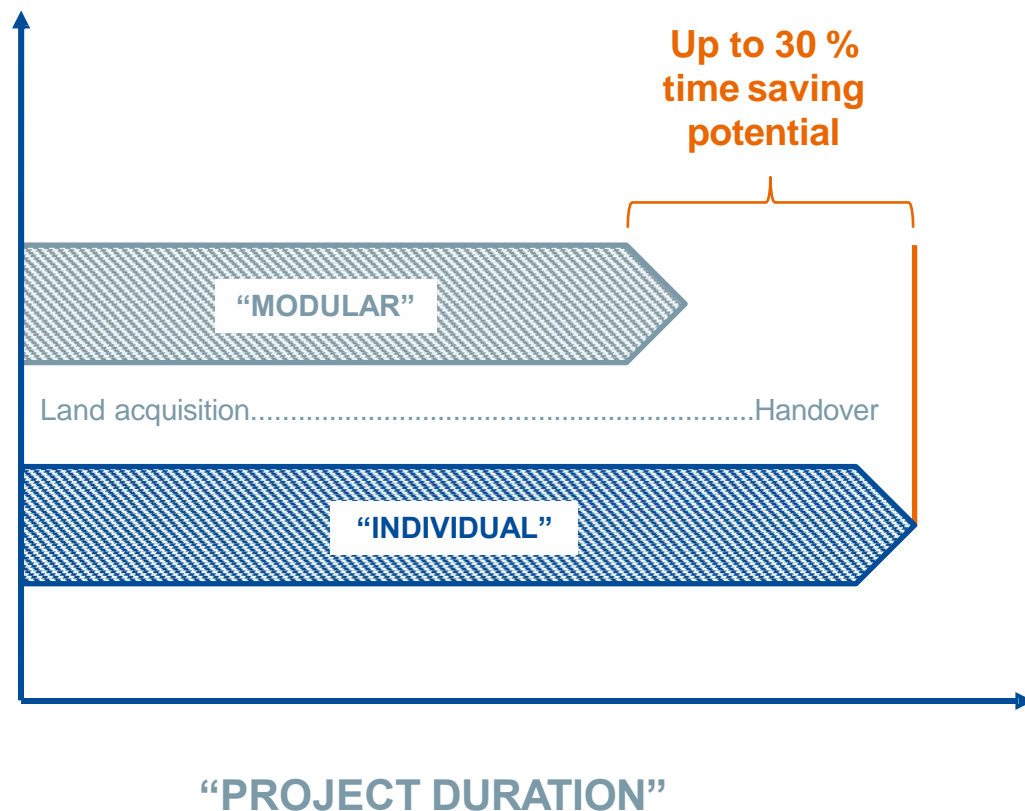
- Reducing underground construction
- Optimised floor planning
- Standardisation of materials

## Further potential

- Prefabrication
- Scalability potential



# Considerable savings in project duration resulting in superior project IRR



## Time savings

- ~ 6m of planning and approval process
- Up to 12m of construction process

## Additional potential

- Prefabrication / industrialisation reaching critical mass in scale
- Type approval

# Highly attractive project economics

## Project related economics

<b>Project Size</b>	<ul style="list-style-type: none"> <li>▪ €30-50m</li> </ul>
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- Standardised planning and simplified execution provides for attractive economics in smaller size projects

<b>Target gross margin</b>	<ul style="list-style-type: none"> <li>▪ ~20%</li> </ul>
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- Projects gross margins expected to be lower compared to target margins for INS core product
- Lower margin reflects reduced capital intensity and risk profile of valuehome product

<b>Target EBIT margin</b>	<ul style="list-style-type: none"> <li>▪ In line with core product</li> </ul>
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- EBIT margin in line with core product
- Standardised planning and more efficient / repetitive construction works allow for leaner valuehome platform vs INS core product

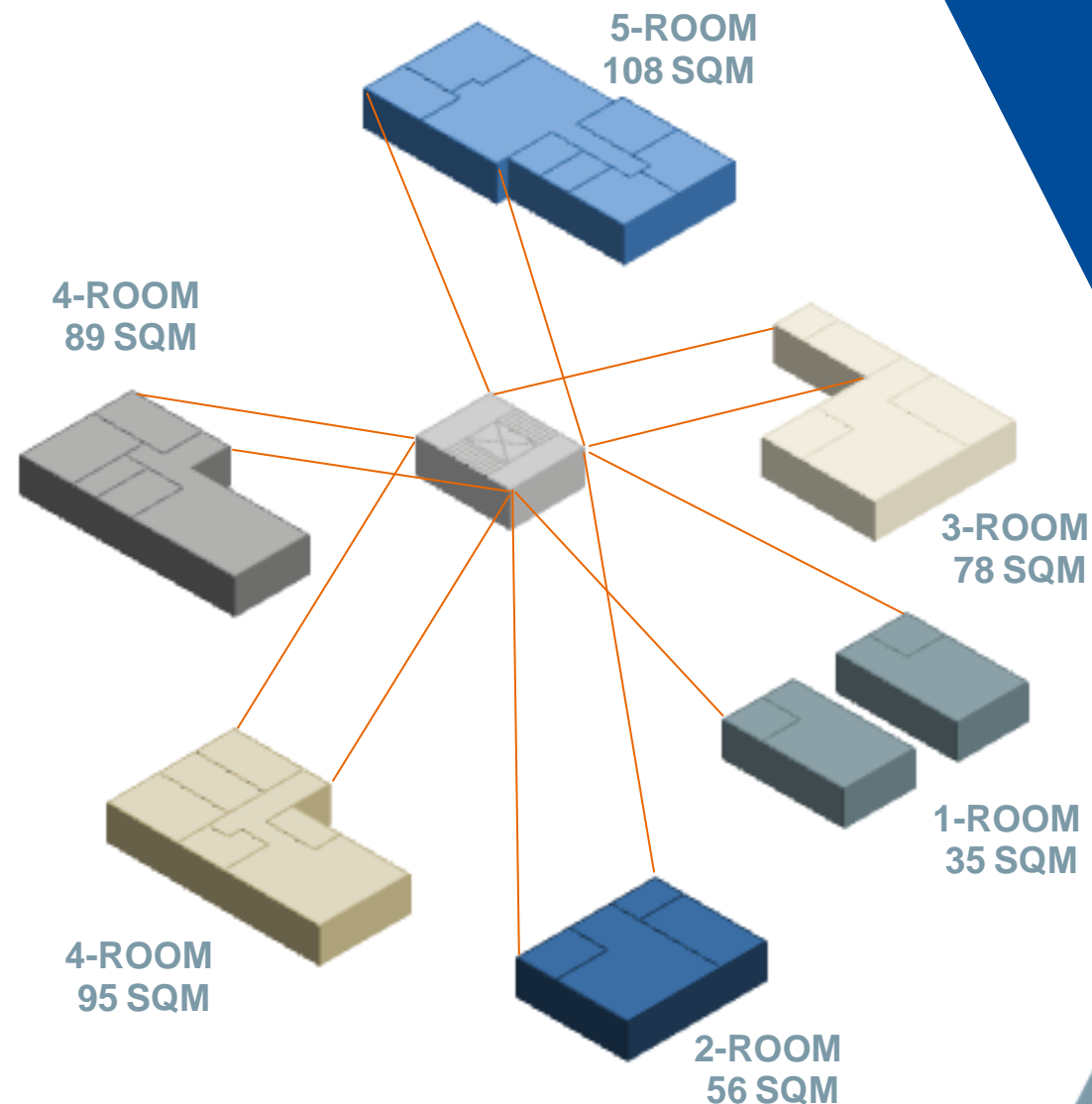
<b>Target IRR/ ROCE</b>	<ul style="list-style-type: none"> <li>▪ Exceeding core product</li> </ul>
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- Accelerated planning, reduced complexity, minimized underground construction as well as sales more geared towards institutions result in improved project IRR and superior ROCE

Notes:  
\* Excluding corporate overhead allocation

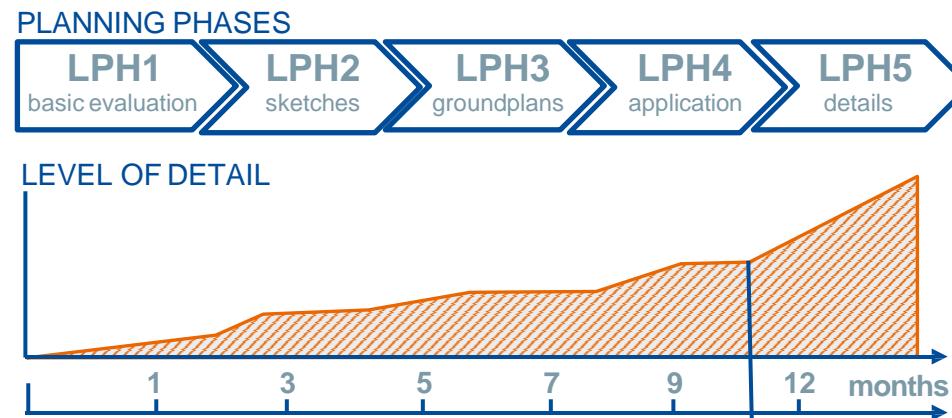
# Innovative modular and highly standardised planning concept

- Modular housing groundplan kit
  - Gapless BIM-based planning process
  - Fully integrated technical planning
  - Realtime mass and cost calculation
  - Standardised tender documents
  - Digital interface to fit-out configurator
- ▶ Exceptionally rapid and highly efficient planning process with consistent quality



# The modular planning process is the foundation of our new product

Illustrative simulation of modular planning approach applied to Project Rottenburg



6m Building permit

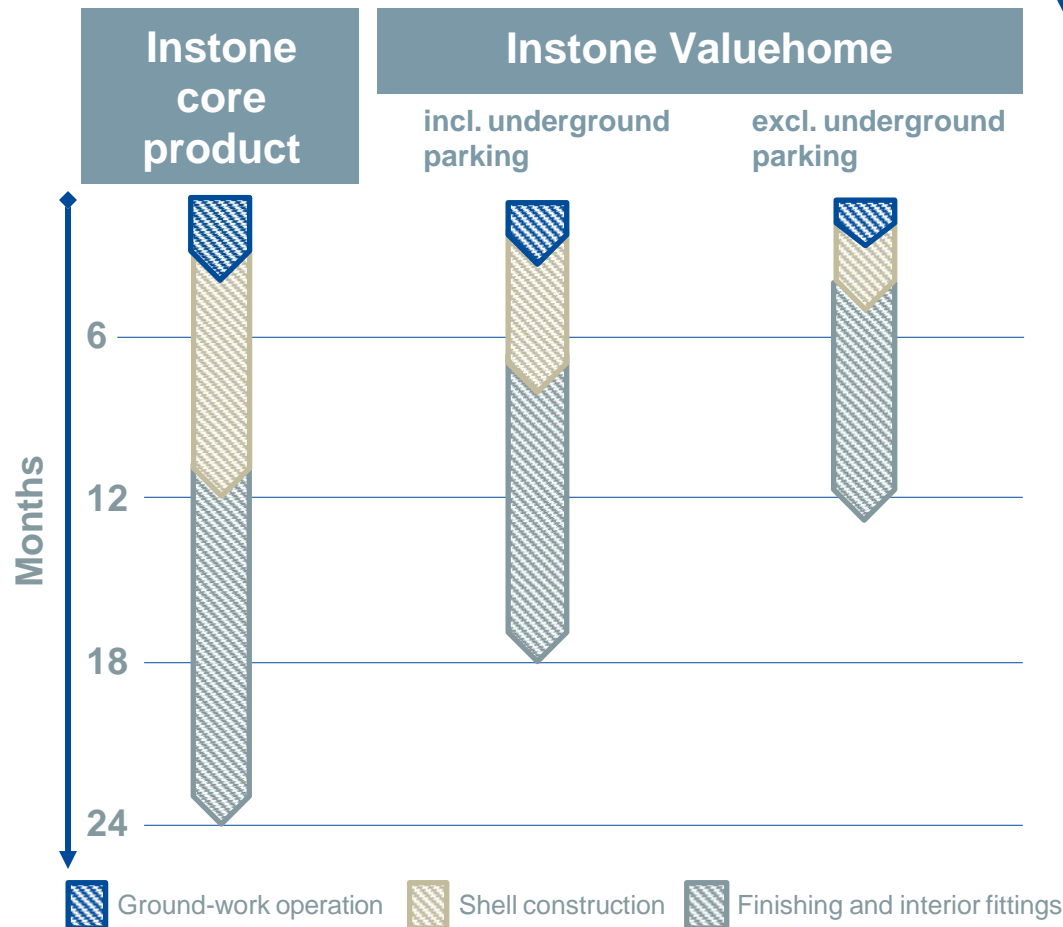


6m Building permit

▶ INS Modular product uses BIM based standardized planning to reduce time and costs

# More easily scalable construction and potential for industrialized production processes

- Lean construction process  
→ increase of efficiency
- Lower cost risks due to standardisation
- Standardised product leads to continuous improvement process
- Reduction of complexity leads to lower personnel expenses (also after-sale)



# Comparison of products

	Traditional Instone Product	Instone Valuehome
Price	<ul style="list-style-type: none"> <li>Mid to high price segment</li> <li>No Luxury</li> <li>Selling price €4,000/sqm – 9,000/sqm</li> </ul>	<ul style="list-style-type: none"> <li>Lower to mid-price segment</li> <li>Positioning between social housing and Instone core product</li> <li>Selling price up €3,000/sqm – 5,000/sqm</li> </ul>
Complexity	<ul style="list-style-type: none"> <li>Highly customised</li> <li>Typically includes substantial underground construction (e.g. parking space)</li> <li>Medium to high level of customer optionality</li> </ul>	<ul style="list-style-type: none"> <li>Highly standardised</li> <li>Minimising costly underground construction (e.g. parking space)</li> <li>Low level of customer optionality</li> </ul>
Location	<ul style="list-style-type: none"> <li>Focused on largest and fastest growing metropolitan areas (A cities and attractive B cities)</li> <li>Mainly targeting coveted inner-city locations</li> </ul>	<ul style="list-style-type: none"> <li>Focused on B locations in and around metropolitan areas</li> <li>Certain B cities in commuter belts</li> <li>Typically well-connected suburban locations</li> </ul>
Project size	<ul style="list-style-type: none"> <li>Project size &gt;€50m</li> <li>Preference for development of entire residential quarters; typically including masterplanning process</li> </ul>	<ul style="list-style-type: none"> <li>Project size &gt;€20m</li> <li>Less complex projects; lower share of masterplanning processes</li> </ul>
Target Customer	<ul style="list-style-type: none"> <li>Mid- to high income owner occupiers</li> <li>Affluent buy-to-let investors</li> <li>Institutional investors</li> </ul>	<ul style="list-style-type: none"> <li>Municipal housing companies</li> <li>Institutional investors</li> <li>Professional landlords</li> <li>Affluent buy-to-let investors</li> <li>To a lesser extent owner occupiers</li> </ul>

# ESG Strategy

# 2021 ESG achievements and disclosures



## Environment

- Scope 1, 2 and 3 GHG<sup>1</sup> emissions according to TCFD<sup>3</sup> guidelines
- SBTI<sup>2</sup> compliant net zero targets (Net zero climate neutrality by 2045)
- Qualitative climate-scenario analysis
- Declared membership of German Sustainable Building Council (DGNB), pre-certification of pilot project nyoo in platinum (requirement for series certification)



## Social

- Completed first stakeholder survey, initiated platform for continuous dialogue
- Started construction of first two affordable housing projects under Instone innovative “nyoo” brand
- Confirmed Instone’s position as an attractive employer
- Re-iterated affirmative diversity policy
- Confirmed Instone’s responsibility for work standards at our contractors



## Governance

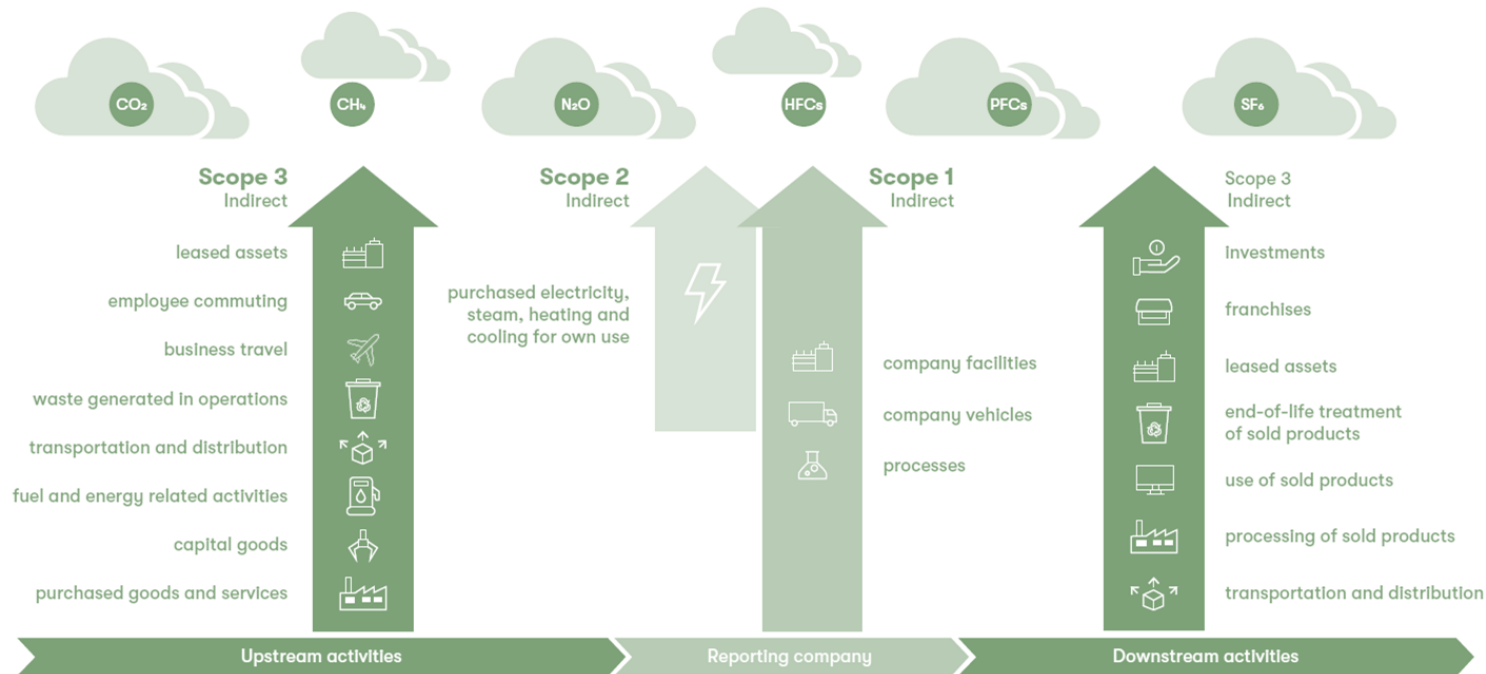
- Established first independent ESG rating by Sustainalytics; ranked top 2% among global developers
- Strengthened ESG governance structure
  - Established 3 people strong dedicated ESG team
  - Established sustainability targets in management compensation scheme
- Launched ESG website

1) GHG=Greenhouse gas emissions / Scope 1-3: classification of emissions (direct and indirect) according to GHG Protocol  
 2) SBTI=Science-Based Targets Initiative / New approach for setting emissions reduction targets with focus on the amount of emissions that have to be reduced in order to meet the goals of the Paris Agreement, limiting global warming to 1.5°C  
 3) Task Force on Climate Related Financial Disclosures



# Clear commitment for ambitious CO<sub>2</sub> targets

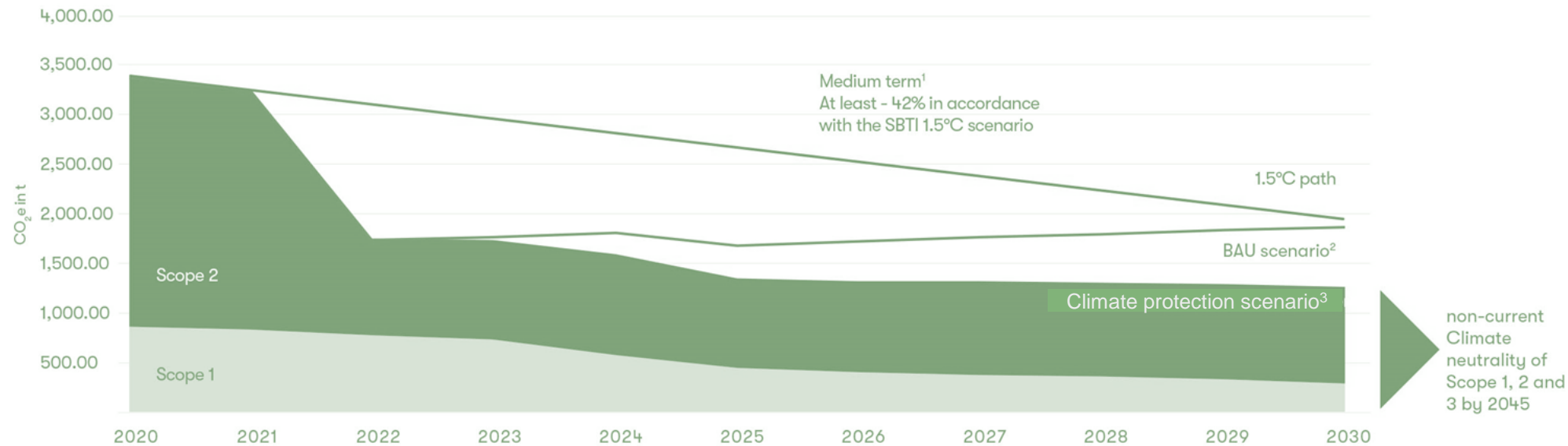
GHG overall emissions analysis <sup>1</sup> (intensity)	2020	2021	Target
Scope 1 and 2	0.024 t CO <sub>2</sub> e/sqm	0.010 t CO <sub>2</sub> e/sqm	At least -42% reduction by 2030 (base 2020)
Scope 3	0.766 t CO <sub>2</sub> e/sqm	0.416 t CO <sub>2</sub> e/sqm	Net-zero-climate neutrality by 2045



1) Overall emissions analysis: The Scope 3 emissions that have actually arisen during the building construction process are included in the overall analysis. Completed buildings are accounted for with their complete downstream value chain in the year of handover.

# Instone's Net Zero Path

## Decarbonisation cure and climate targets



1. The progression of Scope 1 and 2 emissions is based on the projections of planned measures and taking into account the planned growth.
2. BAU scenario: Scope 2 emissions calculated based on the assumption that the decarbonisation of the energy sector only progresses moderately (based on BMWi, 2021).
3. Climate protection scenario: Scope 2 emissions are calculated based on the assumption that the decarbonisation of the energy sector will achieve climate neutrality by 2045 (based on Prognos et al., 2021).

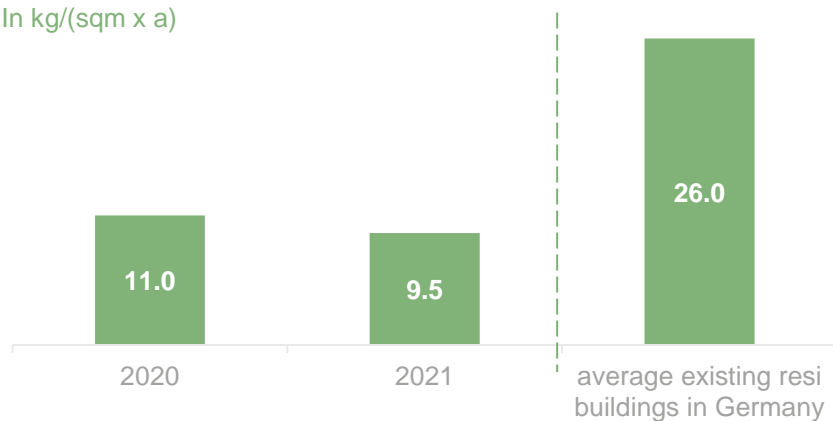
# Major ESG-KPIs – achievements and targets

	Major KPIs	2020	2021	Targets
E	Expected GHG emissions of portfolio in use	11 kg CO <sub>2</sub> e/m <sup>2</sup>	9.5 kg CO <sub>2</sub> e/m <sup>2</sup>	-50% (2030 vs. 2020)
	Share of projects with renewable energy supply	~14%	~22%	At least 40% (2030)
	Share of projects with energy requirements at least NZEB -10%	~79.6%	~82.5%	100% of project portfolio in 2030
	GHG emissions / scope 1 and 2 abs.	3,387 t CO <sub>2</sub> e	3,456 t CO <sub>2</sub> e	-42% (2030 vs. 2020)
	GHG emissions / scope 1 and 2 Intensity	0.024 t CO <sub>2</sub> e/sqm	0.010 t CO <sub>2</sub> e/sqm	-42% (2030 vs. 2020)
	GHG emissions / scope 3 abs.	110,058 t CO <sub>2</sub> e	147.849 t CO <sub>2</sub> e	Net zero climate neutrality (2045)
	GHG emissions / scope 3 Intensity	0.766 t CO <sub>2</sub> e/sqm	0.416 t CO <sub>2</sub> e/sqm	Net zero climate neutrality (2045)
	Charging stations for EVs	~330	~734	From 2025, 100% of projects in construction to provide charging stations
	Brownfield developments (land plot size)	833.746sqm	690,204sqm	Acquisition focus on brownfield projects
Collection of environmental KPIs (e.g. environmental diversity, waste, water and recycling)	/	ongoing	100% data delivered by 2025	
S	Shares of affordable housing: social / subsidized / privately financed (incl. nyoo)	15% / 2% / 83%	17% / 1.5% / 81.5%	at least 50% share of revenues with affordable housing (social / subsidized / nyoo) by 2030
	Share of female employees in management positions (below C-level)	25% (1 <sup>st</sup> )* / 22% (2 <sup>nd</sup> )	25% (1 <sup>st</sup> )* / 23% (2 <sup>nd</sup> )	at least stable
	Employee satisfaction and loyalty	75%	70% / 76%	75% / 80%
	Code of Conduct for employees and contractors (UN Charter)	100%	100%	100%
G	Employee compliance and data protection training	96%	99%	100%
	Compliance cases (suspected)	2	0	0
	Independent Supervisory Board	100%	100%	100%
	Integration of ESG targets into management compensation scheme (1 <sup>st</sup> management level)	Implemented	Implemented	Continuous evaluation and adoption

# GHG emissions of the INS portfolio significantly below German average

## GHG emissions Instone portfolio<sup>1</sup>

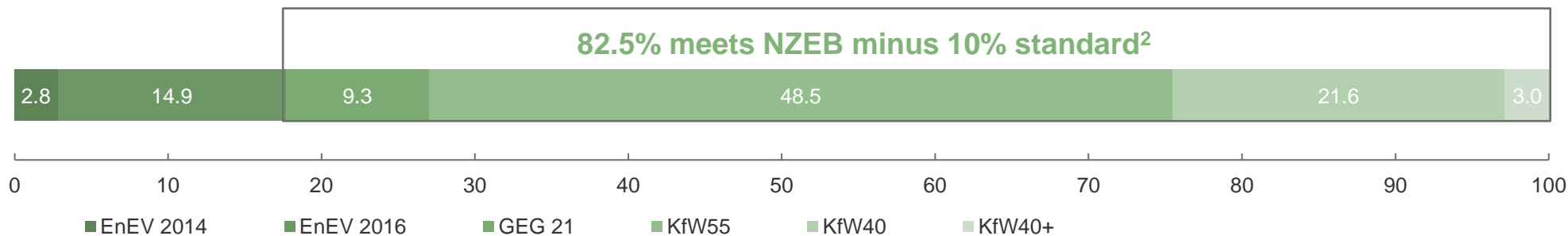
In kg/(sqm x a)



- ✓ High-quality insulation and modern heating technology lead to significantly reduced GHG emissions for Instone projects compared to average of existing resi buildings in Germany
- ✓ Instone targets share of buildings with primary energy demand of less than 90% compared to NZEB<sup>2</sup> (NZEB -10%) by 2030 of 100%

## Project portfolio per energy efficiency standard (as of 31/12/2021)<sup>3</sup>

In %



1) Diagram refers to the entire Instone portfolio based on the planned energy efficiency during usage (operational carbon only)  
 2) As defined as of December 31, 2021  
 3) Based on share of surface area / Portfolio: All buildings planned, under construction and completed in 2021

# ESG: Strong initial rating underscores commitment to industry leadership

## Instone Real Estate Group SE

Real Estate Development Germany ETR:INS

### ESG Risk Rating

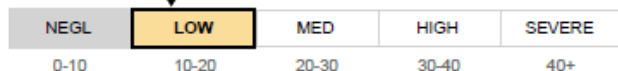
**13.2**

Updated Nov 12, 2021

Not available

Momentum

**Low Risk**



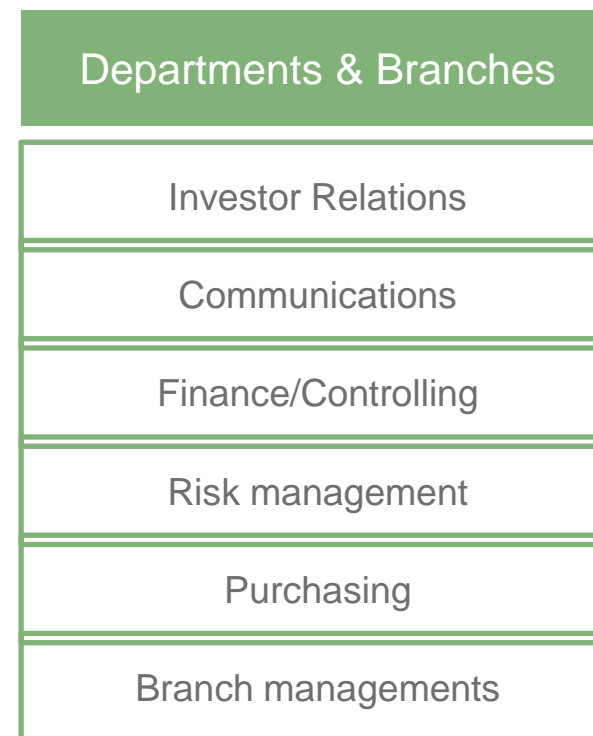
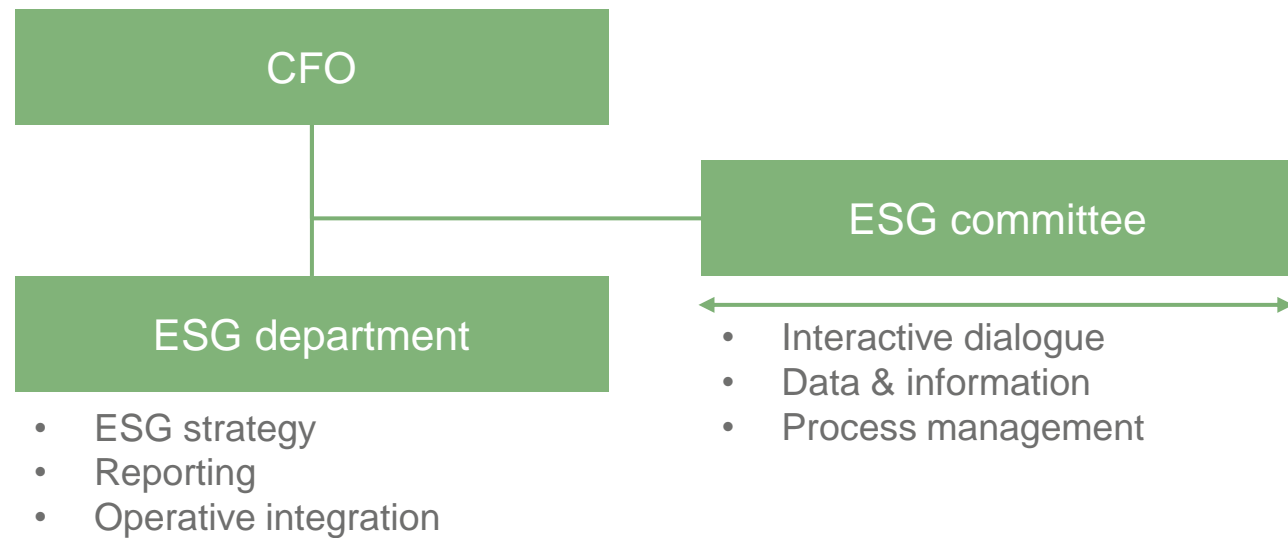
### ESG Risk Rating Ranking

UNIVERSE	RANK (1 <sup>st</sup> = lowest risk)	PERCENTILE (1 <sup>st</sup> = lowest risk)
Global Universe	702/14640	6th
Real Estate INDUSTRY	148/1043	15th
Real Estate Development SUBINDUSTRY	4/284	2nd











- ✓ INS among the top 2% of the 284 global real estate development companies
- ✓ Top 6% across all sectors
- ✓ Clear commitment to improve ratings in the future

# Strengthened ESG governance structure



# Our contribution to our main fields of action, measurements and the UN SDGs

Key action areas	Measures	Affected UN SDGs
<b>Environment</b>	<ul style="list-style-type: none"> <li>Determining the status quo of greenhouse gas data within the Company</li> <li>Initiating a continuous LCA process → leveraging potential for optimisation in planning and building materials</li> <li>Committing to greenhouse gas emission-reduction targets based on SBTi, TCFD and the GHG protocol</li> <li>Reviewing the use of recyclable and recycled materials</li> <li>Gradually converting the vehicle fleet to hybrid/electric cars</li> <li>Making changes to business travel, mainly rail travel within Germany</li> <li>Considering and developing mobility concepts for neighbourhoods developed by Instone</li> </ul>	   
<b>Employees</b>	<ul style="list-style-type: none"> <li>Improving opportunities for education on specialist topics, soft skills and digital tools Expanding recruitment measures (new recruiting formats in social media, lectures at universities, podcasts on job profiles, vlogs/online options for job applications, speed dating)</li> <li>Greater information and integration of possible career paths for employees</li> <li>Expanding our internal and external communication on diversity with the help of examples and our mission statement</li> <li>Establishing continuous diversity monitoring</li> <li>Annual employee surveys and regional and national processing of potential improvements and feedback</li> <li>Continuous, sustained and transparent communication (regular broadcasts by the Management Board, the intranet, regular regional-office meetings, dialogue at function level)</li> <li>Extending mobile working from one to two days a week</li> <li>Flexible office use</li> <li>Exploiting the potential for optimisation from the analysis of client surveys</li> </ul>	   

# Our contribution to our main fields of action, measurements and the UN SDGs

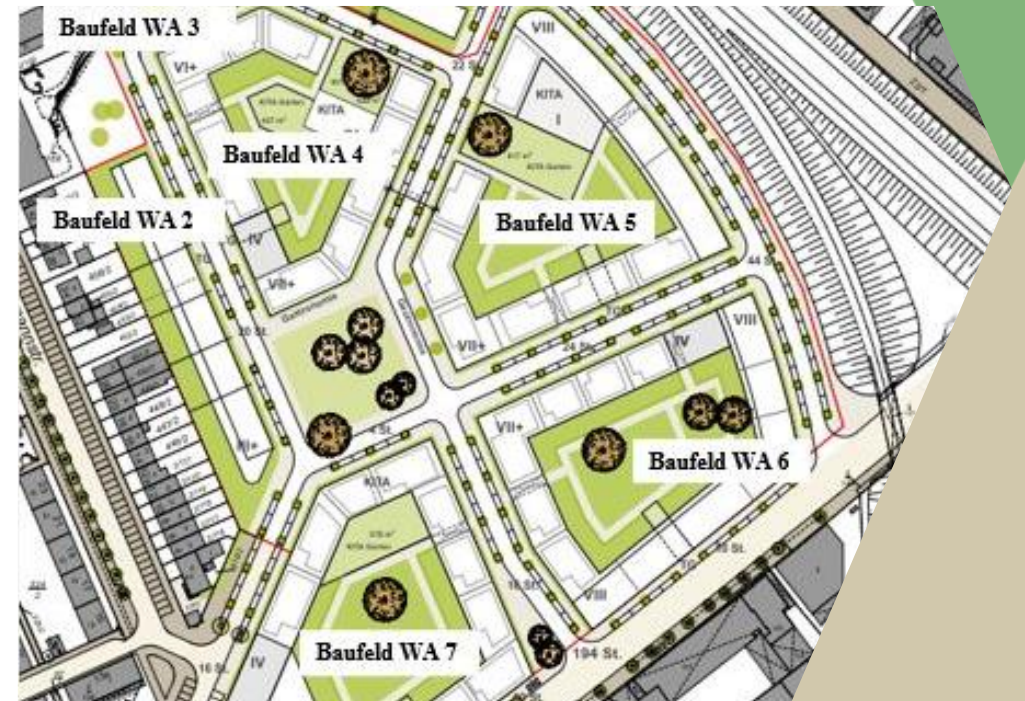
Key action areas	Measures	Affected UN SDGs
<b>Social</b>	<ul style="list-style-type: none"> <li>Continuing to develop social impact guidelines within the Company and integrating them into projects/neighbourhoods               <ul style="list-style-type: none"> <li>Improving participation opportunities (e.g. citizen workshops while obtaining planning permission, on-site and online informational events)</li> <li>Building long-term partnerships that sustainably support the residents of the neighbourhoods to improve the quality of life in the neighbourhood (e.g. neighbourhood managers, DHL parcel service points, neighbourhood initiatives, education services)</li> <li>Improving joint services and social infrastructure</li> <li>Creating balanced housing and neighbourhood mixes</li> <li>Creating areas to increase the quality of life in the neighbourhood (e.g. play areas, green spaces, meeting areas, cycle paths and pedestrian footpaths)</li> </ul> </li> <li>Increasing traffic safety</li> <li>Promoting the construction of subsidised and cut-price residential housing and expanding partnerships</li> <li>Further expanding the construction of affordable residential housing in B and C locations with the help of the new subsidiary</li> <li>Supporting local authorities with the timely implementation of urban development goals</li> <li>Establishing of digital customer satisfaction analysis and deriving measures</li> </ul>	
<b>Protection of Human Rights</b>	<ul style="list-style-type: none"> <li>Continual review of our processes to ensure adherence to human rights compliance requirements</li> <li>Informing and training our employees regarding corruption and bribery</li> <li>Reviewing the processes of our implemented systems for reporting corruption and bribery</li> </ul>	 
<b>Measures to combat bribery/corruption</b>		



# Westville, Frankfurt am Main

Realizing an innovative energy concept

- Former industrial site turned into an attractive living quarter for more than 3,000 people
- ~1,300 apartments, thereof 380 subsidized
- Three child care facilities
- Large green areas incl. six playgrounds
- Specially designed heat pumps for waste heat recovery from nearby data center
- 100 % energy standard KfW 55
- ▶ Attractive living quarter combined with a highly innovative, sustainable energy concept



# Niederkasseler Lohweg, Düsseldorf

Creating living quarters on former industrial sites

- Brownfield redevelopment incl. deconstruction and recycling of a seven-storey office building
- Mix of 221 subsidized and privately financed apartments plus local square, 430 sqm playground and child care facility
- Construction of a two-storey underground car park, incl. underground backwater vessels
- 10% of the parking lots equipped with charging stations for e-cars
- Nesting aids for bats and swifts
- Planting of several mid-size trees



# Neckar.Au, Rottenburg

## Social Impact for the society and the newly developed quarter

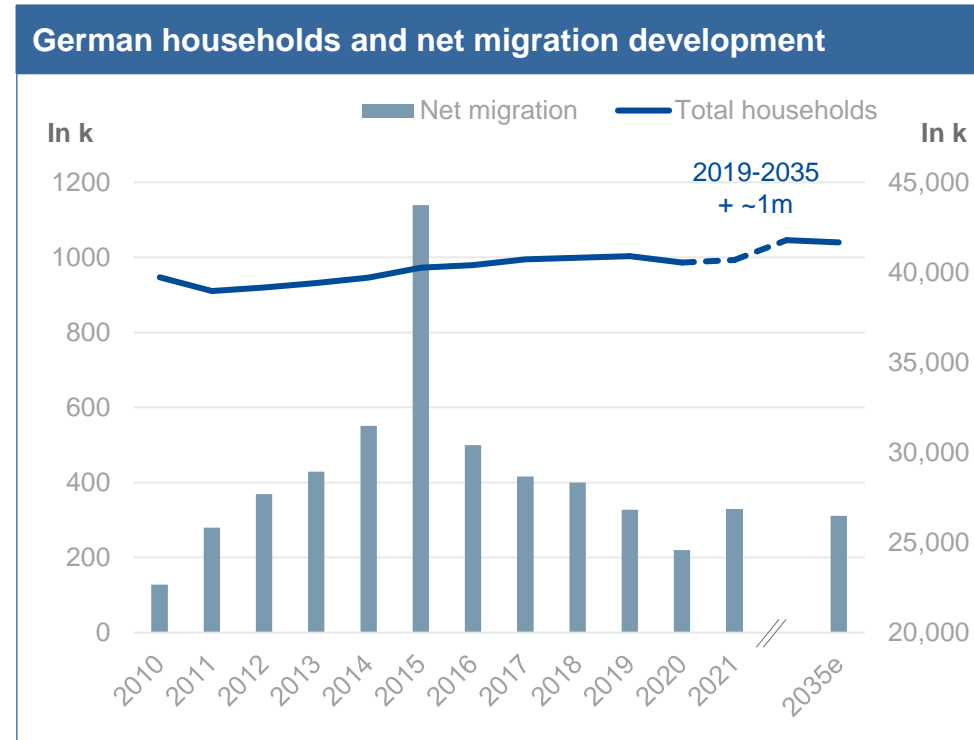
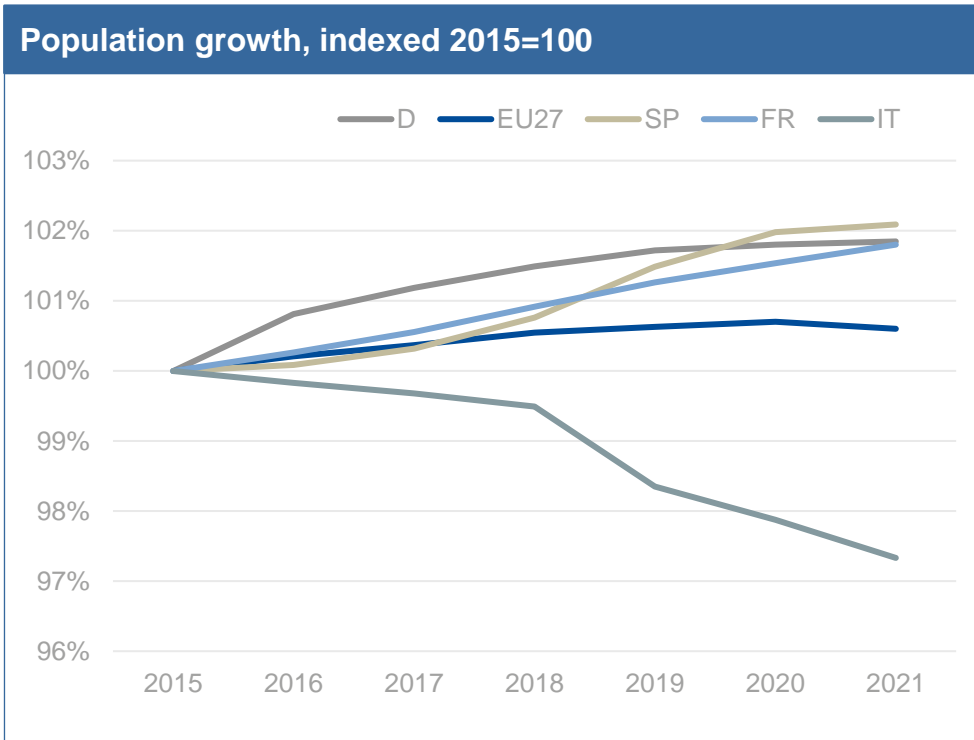
- Reduction of sealing by converting a former commercial area into a residential area
- Five construction sites with around 480 apartments
- Extensive (roof) greening to improve the quality of stay
- Around 11,300 sqm for playgrounds and green spaces and around 420 bicycle parking spaces
- Implementation of 4 residential groups with 24 places for people with mental and/or physical disabilities in cooperation with the Liebenau Foundation in cooperation with FUNKE e.V.

▶ Highly liveable quarters with great social impact



# Market Environment

# Structural demand growth supported by net immigration



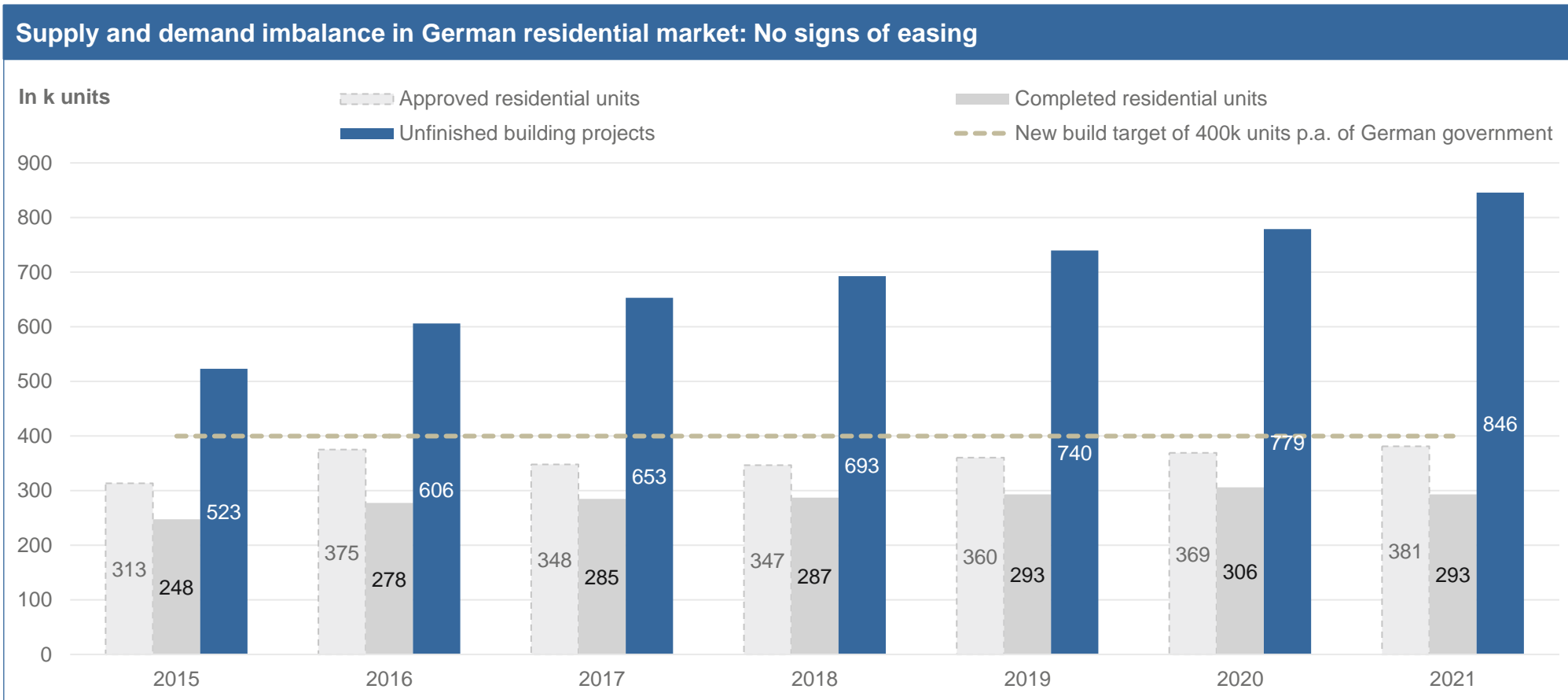
✓ Germany outperforms the EU27 average

✓ Number of households with positive underlying trend due to further net migration and increase in number of single-person households

Source: Eurostat

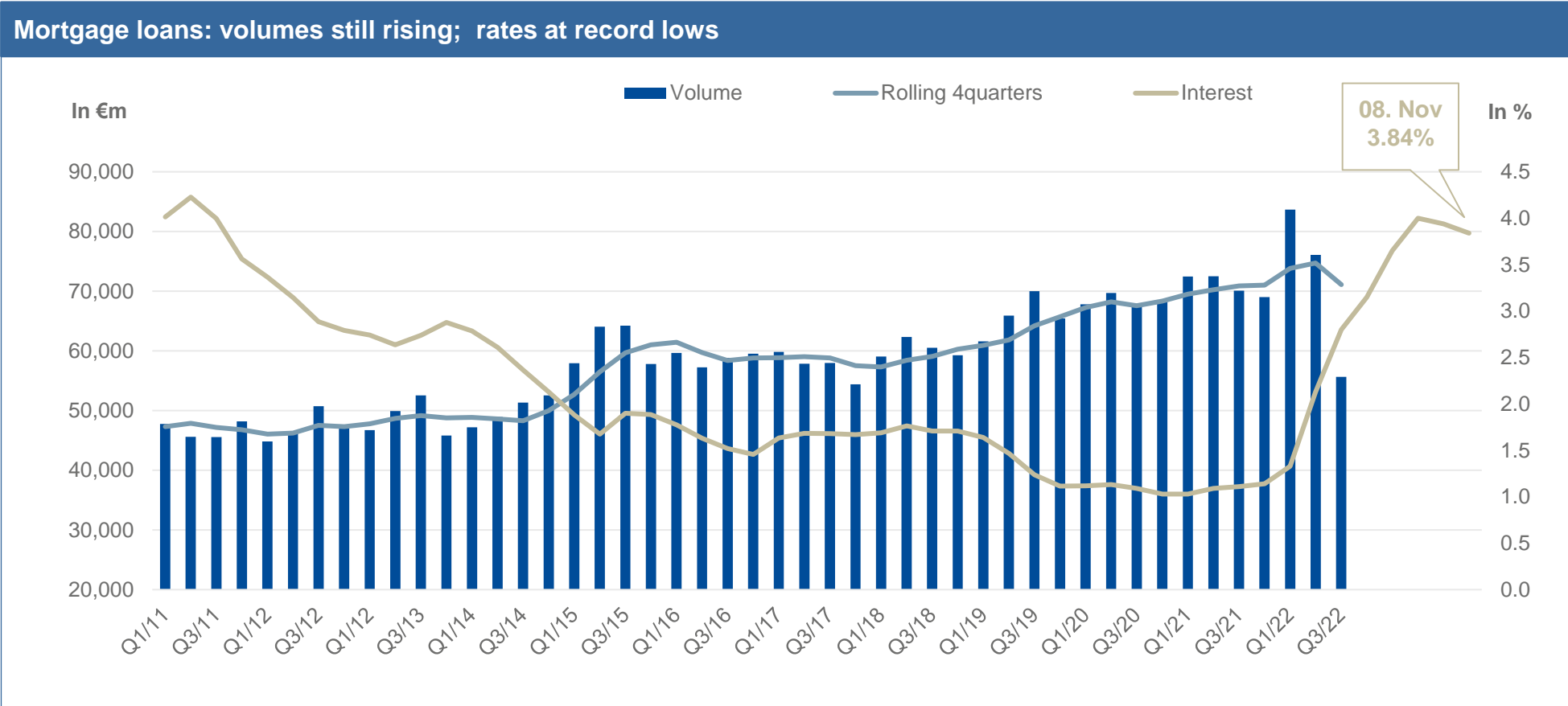
Source: destatis, DB Research

# Backlog of undersupply is further building up

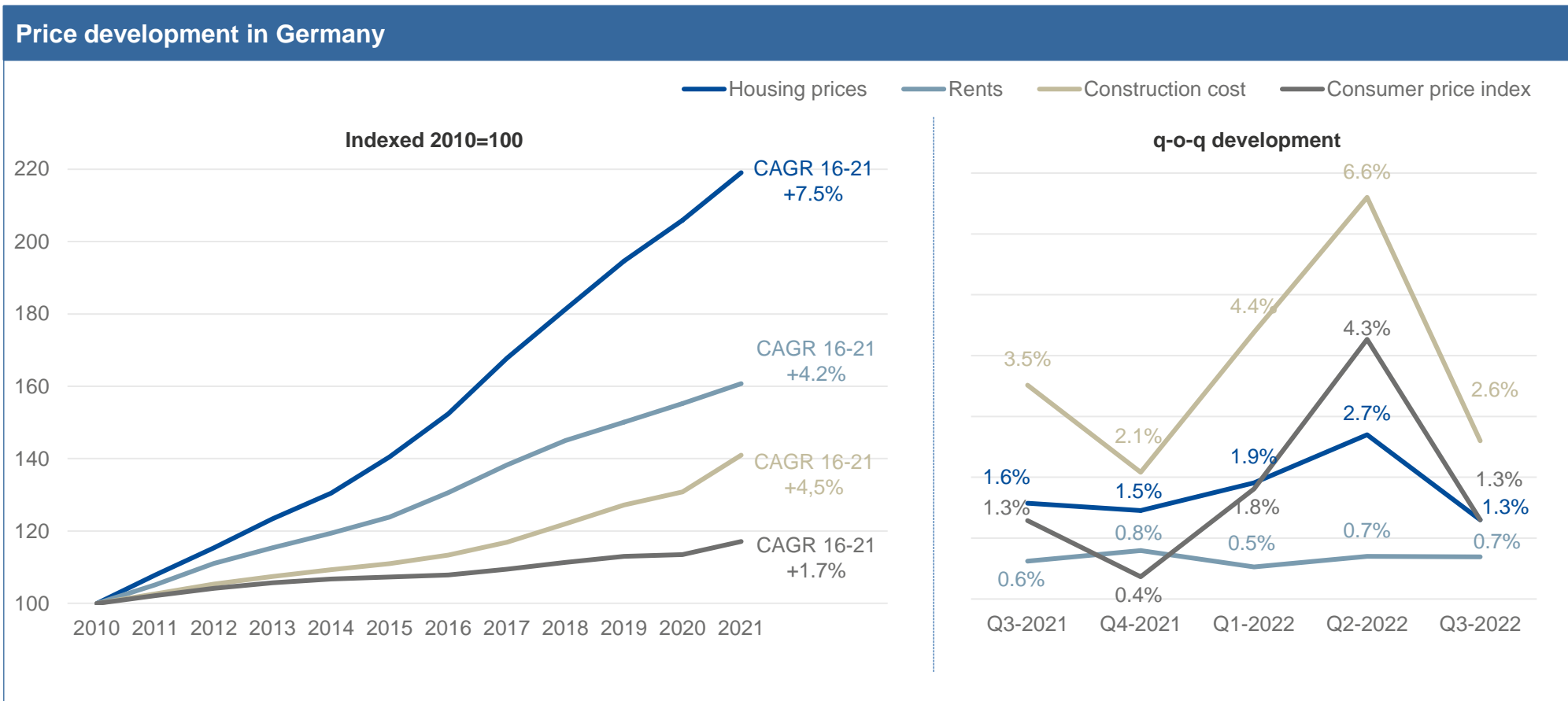


Source: destatis

# Still high availability of mortgage financing



# Significant short-term price inflation impacting INS business



Source: Bulwiengesa house price index (12/2021) for annual house prices and rents for new flats in Germany, A-cities average for q-o-q development / destatis (11/22)



# Appendix

# Appraisal report / NAV calculation (as of March 2022)

*in EUR million*

IFRS Equity attributable to shareholders

Diluted NAV

**Diluted NAV per share (EUR/share)**

Revaluation of trading properties<sup>1</sup>

Revaluation of other non-current investments<sup>2</sup>

Diluted NAV at Fair Value

Deferred Tax in relation to fair value gains of development property<sup>3</sup>

Goodwill as a result of deferred tax

Intangibles as per IFRS balance sheet

NAV

*Shares Outstanding as of 31 March 2022 (million)*

**NAV per share (EUR/share)**

EPRA NTA	
	596.5
	596.5
	<b>12.72</b>
	112.7
	0.8
	710.0
	- 35.8
	- 6.1
	- 1.3
	666.8
	46.9
	<b>14.21</b>

*in EUR million*

<b>Net BNP Valuation</b>		<b>2,458.0</b>
Market Value JVs	-	330.7
Book Value Projects	-	1,841.9
t/o Inventories	-	876.2
t/o Contract assets (gross)	-	965.8
Committed payouts for projects pre recognition -		165.6
Minority Interest in Consolidated JVs	-	7.1
<b>Delta   Book to Fair Value</b>		<b>112.7</b>

- ✓ Appraisal report sees hidden reserves of c. €113m corresponding to value uplift to reported book values of inventories of approx. +13%
- ✓ NAV calculation based on EPRA's Best-Practice recommendation
- ✓ Share price at significant discount to Fair Value of inventories
- ✓ Significant additional value upside from 'production' activity

<sup>1</sup> Difference in value between the carrying amount of inventories plus gross contract assets and the fair value according to the valuation report of fully consolidated projects adjusted for minority interest.

<sup>2</sup> Difference in value between the carrying amount of inventories plus gross contract assets in at-equity companies and the fair value according to the valuation report.

<sup>3</sup> Deferred taxes related to the revaluation of all projects.

# Total value of project portfolio exceeds reported book values by some €113m

## Appraisal report / NAV calculation (as of March 2022)

<i>in EUR million</i>	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	596.5	596.5	596.5
<hr/>	<hr/>	<hr/>	<hr/>
Diluted NAV	596.5	596.5	596.5
<hr/>	<hr/>	<hr/>	<hr/>
<b>Diluted NAV per share (EUR/share)</b>	<b>12.72</b>	<b>12.72</b>	<b>12.72</b>
<hr/>	<hr/>	<hr/>	<hr/>
Revaluation of trading properties <sup>1</sup>	112.7	112.7	112.7
Revaluation of other non-current investments <sup>2</sup>	0.8	0.8	0.8
<hr/>	<hr/>	<hr/>	<hr/>
Diluted NAV at Fair Value	710.0	710.0	710.0
<hr/>	<hr/>	<hr/>	<hr/>
Deferred Tax in relation to fair value gains of development property <sup>3</sup>	40.8	- 35.8	- 35.8
Goodwill as a result of deferred tax	- 6.1	- 6.1	- 6.1
Intangibles as per IFRS balance sheet		- 1.3	
<hr/>	<hr/>	<hr/>	<hr/>
Fair value of fixed interest rate debt			- 0.3
Purchasers Cost (Land transfer tax, notary fee & brokerage) <sup>4</sup>	103.2		
<hr/>	<hr/>	<hr/>	<hr/>
NAV	847.9	666.8	667.9
<hr/>	<hr/>	<hr/>	<hr/>
<i>Shares Outstanding as of 31 March 2022 (million)</i>	46.9	46.9	46.9
<hr/>	<hr/>	<hr/>	<hr/>
<b>NAV per share (EUR/share)</b>	<b>18.07</b>	<b>14.21</b>	<b>14.24</b>

1 Difference in value between the carrying amount of inventories plus gross contract assets and the fair value according to the valuation report of fully consolidated projects adjusted for minority interest.

2 Difference in value between the carrying amount of inventories plus gross contract assets in at-equity companies and the fair value according to the valuation report.

3 Deferred taxes related to the revaluation of all projects.

4 Incidental acquisition costs comprise the incidental costs recognized in the valuation report.

# Illustrative Residual Value Calculation as per BNP Valuation approach

## Illustrative Residual Value Calculation as per BNP Valuation approach

Valuation date	31. Mrz. 22	Planning period (months)
Start of Construction		Construction period
Date of Completion		Remaining construction period
		Development status (% of total costs invested)
		Disposal status (% of total contractually secured sales)

Calculation of Land Value "as is"	Comments
-----------------------------------	----------

### A. Capital value from project estimate

Assessed expected sales price of the development according to "direct capitalisation method" (commercial and rental housing parts) or "comparison method" (condo's and parking units)

Alternatively contractually agreed and secured sales prices have been used where relevant

### B. Investment costs

Prepare development	
Construction costs (DIN 300/400)	
Outdoor facilities (DIN 500)	
Equipment (DIN 600)	
Construction soft costs (DIN 700) (% of 300-500)	
Contingency (% of construction costs)	5%
<b>Construction costs excluding site</b>	

All project investments costs excluding land site costs have been considered and reflect price levels as of 30 March 2022

**All costs have been inflated by a 5% "safety margin" on top of prevailing price levels**

Adj construction costs excl. Site and Marketing according to completion status  
Marketing costs according to sales status

Construction costs have been adjusted to reflect the development status of the project so that effectively only the remaining portion of construction costs is deducted from the Capital value

Adjusted Financing costs of construction excl. site (months remaining construction)

Reflects the financing costs for the remaining period to completion of the property

### C. Gross residual value

Gross residual value before profit and risk	
BNP assessment of required profit and risk share	
<b>Gross residual value before financing of land</b>	
Land financing costs during remaining construction	
<b>Gross residual value after construction and land financing</b>	

Difference between Capital Value and Adjusted construction, Marketing and Financing costs  
**Project specific BNP assessment of required risk adjusted development profit depending on the development status as of the valuation date**

Purchaser's costs

Reflects RETT and other costs incurred by a buyer when purchasing land

### D. Net residual value as is

Market value of any Instone development project "as is", ie reflecting the development status

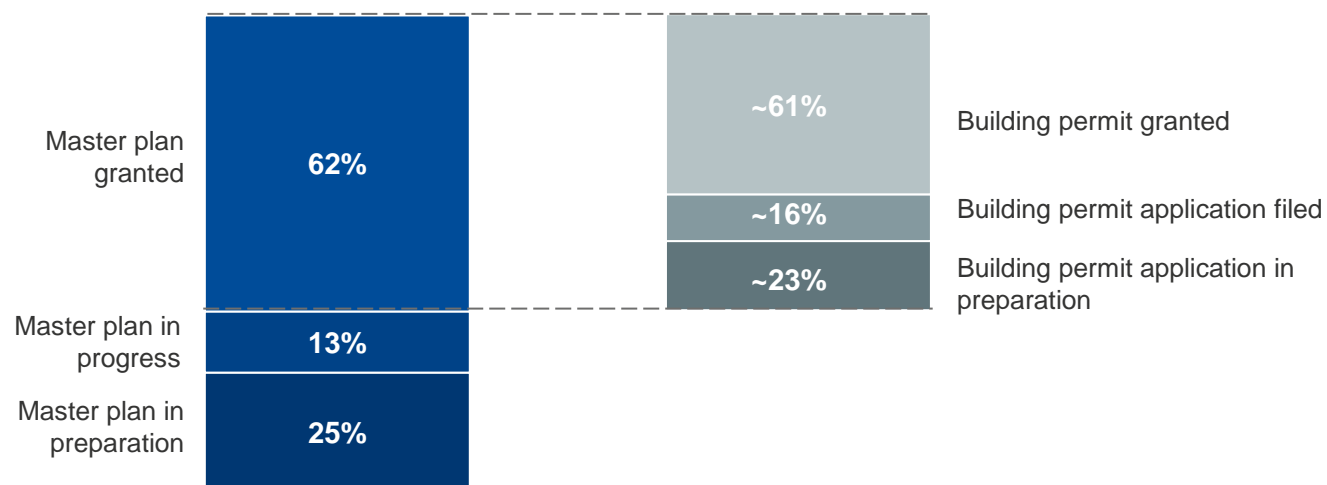
# New subsidies scheme for new construction planned for April 2023

- German government plans to invest 1bn to support owner-occupier (help-to-buy) and new build of rental apartments (planning status as of October 2022)
- The law needs to be passed by the German Parliament

<b>Volume</b>	<ul style="list-style-type: none"> <li>• EUR 350 million</li> </ul>	<ul style="list-style-type: none"> <li>• EUR 650 million</li> </ul>
<b>Recipient</b>	<ul style="list-style-type: none"> <li>• <b>Families</b> with children &lt;18 yrs</li> <li>• Household income of max. €60,000 plus €10,000 per child               <ul style="list-style-type: none"> <li>→ Potentially 75% of German households</li> <li>→ Promotion of 13,000-15,000 households p.a.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Resi landlords, other private investors</li> </ul>
<b>Objective</b>	<ul style="list-style-type: none"> <li>• <b>Help-to-buy:</b> Build or buy new home/condominium for own use (for at least 10 years)</li> <li>• <b>Energy efficiency</b> (minimum energy standard KfW 55)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>New build</b> of rental apartments</li> <li>• <b>Energy efficiency</b> (minimum energy standard KfW 40)</li> </ul>
<b>Promotion</b>	<ul style="list-style-type: none"> <li>• No direct grant</li> <li>• Subsidized mortgages, reduced interest costs (by 2-4%) by federal KfW Bank               <ul style="list-style-type: none"> <li>→ Will be accepted as equity substitute</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• To be defined</li> </ul>

# Status of Building Rights

Project portfolio as of 30/09/2022 by building right status (GDV)



# Project Portfolio Key Figures

€m	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Volume of sales contracts	104.6	58.0	87.6	761.7	170.7	89.1	118.6**	246.0	94.9
Project Portfolio	7,827.4	7,727.4	7,567.7	7,500.0	7,154.9	6,268.1	6,054.2	6,053.6	5,937.5
<i>thereof already sold</i>	2,945.4	2,891.4	3,070.1	3,038.9	2,308.7	2,444.0	2,360.5	2,328.8	2,108.6
<i>thereof already realized revenues</i>	1,721.0	1,597.1	1,684.0	1,621.0	1,276.2	1,436.1	1,307.8	1,265.5	n.a.
Units	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Volume of sales contracts	199	96	191	1,906	468	169	372**	708	128
Project Portfolio	16,580	16,644	16,607	16,418	15,913	14,338	13,678	13,561	13,374
<i>thereof already sold</i>	7,265	7,179	7,404	7,215	5,401	5,679	5,510	5,381	4,770

(Unless otherwise stated, the figures are quarterly values)

\*Of which €24.3m (303 units) from updated business plan of already sold project Westville.

\*\*Of which €6.3m (186 units) from updated business plan of already sold project part in "Schönhof-Viertel", Frankfurt.

# Project Portfolio as of 30/09/2022

(projects > €30m sales volume, representing total: ~ €7.8bn)

Project	Location	Sales volume (expected)	Land plot acquired	Building right obtained	Sales started	Construction started
<b><u>Hamburg</u></b>						
HH - Schulterblatt "Amanda"	Hamburg	96 Mio. €	●	●	●	●
SE - Kösliner Weg	Norderstedt-Garstedt	101 Mio. €	●	●		
H - Sportplatz Bult	Hannover	120 Mio. €				
HH - RBO	Hamburg	215 Mio. €	●	●	◐	◐
H - Büntekamp	Hannover	163 Mio. €	●	◐		
HH - Saseler Chaussee	Hamburg	84 Mio. €	●	●		
<b><u>Berlin</u></b>						
HVL - Nauen	Nauen	152 Mio. €		●		
P - Fontane Gärten	Potsdam	67 Mio. €	●	●	●	●
<b><u>NRW</u></b>						
D - Niederkasseler Lohweg	Düsseldorf	N/A	●	●	●	●
D - Unterbach	Düsseldorf	200 Mio. €	●	●	◐	◐
E - Literaturquartier	Essen	N/A	●	●	●	
MG - REME	Mönchengladbach	121 Mio. €		◐		
BN - west.side	Bonn	202 Mio. €	●	●	●	◐
DO - Gartenstadtquartier	Dortmund	122 Mio. €	●	◐		
K - Bickendorf	Köln	716 Mio. €	●			
DU - 6-Seen Wedau	Duisburg	72 Mio. €		●		
NRW	NRW	51 Mio. €				
DU - Düsseldorfer Landstr.	Duisburg-Buchholz	26 Mio. €	●	●	●	●

Semi-filled circle means that the milestone has already been achieved for sections of the project (land plot acquisition, start of sales or construction). Concerning the building rights the semi-filled circle means that the zoning process has been initiated. No circle for "land plot acquired" means that the land has not yet been purchased but secured by contract.



# Project Portfolio as of 30/09/2022

(projects > €30m sales volume, representing total: ~ €7.8bn)

Project	Location	Sales volume (expected)	Land plot acquired	Building right obtained	Sales started	Construction started
<b><u>Rhine-Main</u></b>						
WI - Delkenheim	Wiesbaden	111 Mio. €	●	●	●	●
F - Schönhof-Viertel	Frankfurt am Main	610 Mio. €	●	●	◐	◐
F - Friedberger Landstr.	Frankfurt am Main	306 Mio. €		◐		
F - Elisabethenareal	Frankfurt am Main	90 Mio. €	●	●		
F - Steinbacher Hohl	Frankfurt am Main	56 Mio. €	●	●	●	
F - Gallus	Frankfurt am Main	41 Mio. €	●	●		
F - Westville	Frankfurt am Main	N/A	●	●	●	●
WI - Aukamm	Wiesbaden	200 Mio. €	●		◐	
OF - Heusenstamm	Heusenstamm	191 Mio. €	●			
MKK - Kesselstädter	Maintal	237 Mio. €	●			
MTK - Polaris	Hofheim	75 Mio. €	●	◐		
WI - Rheinblick	Wiesbaden	305 Mio. €	●			
MKK- Eichenheege	Maintal	108 Mio. €	●			
<b><u>Leipzig</u></b>						
L - Semmelweis 9	Leipzig	121 Mio. €	●	●		
L - Parkresidenz	Leipzig	285 Mio. €	●	●	◐	◐
L - Rosa-Luxemburg	Leipzig	111 Mio. €	●	●		
HAL - Heide Süd	Halle (Saale)	41 Mio. €	●	◐		

Semi-filled circle means that the milestone has already been achieved for sections of the project (land plot acquisition, start of sales or construction). Concerning the building rights the semi-filled circle means that the zoning process has been initiated. No circle for "land plot acquired" means that the land has not yet been purchased but secured by contract.

# Project Portfolio as of 30/09/2022

(projects > €30m sales volume, representing total: ~ €7.8bn)

Project	Location	Sales volume (expected)	Land plot acquired	Building right obtained	Sales started	Construction started
<b><u>Baden-Württemberg</u></b>						
S - City-Prag	Stuttgart	134 Mio. €	●	●	●	●
WN - Schorndorf	Schorndorf	N/A	●	●	●	●
TÜ - Rottenburg	Rottenburg	176 Mio. €	●	●	◐	◐
S - Herrenberg Schäferlinde	Herrenberg	82 Mio. €	●	◐		
BB - Herrenberg II	Herrenberg	83 Mio. €	●	◐		
<b><u>Bavaria South</u></b>						
M - Ottobrunner	München	118 Mio. €	●	●		
A - Beethovenpark	Augsburg	N/A	●	●	●	●
<b><u>Bavaria North</u></b>						
N - Eslamer Straße	Nürnberg	64 Mio. €	●	●		
RO - Bahnhofsareal Nord	Rosenheim	26 Mio. €	●	●	●	●
BA - Lagarde	Bamberg	88 Mio. €	●	●	◐	
N - Schopenhauer	Nürnberg	68 Mio. €	●	●	●	●
N - Stephanstr.	Nürnberg	N/A	●	●	●	●
N - Seetor	Nürnberg	114 Mio. €	●	●	●	●
R - Marina Bricks	Regensburg	30 Mio. €	●	●	●	●
N - Boxdorf	Nürnberg	70 Mio. €	●	●	●	
N - Thumenberger	Nürnberg	132 Mio. €	●	●		
N - Worzeldorf	Nürnberg	68 Mio. €	●			
N - Lichtenreuth	Nürnberg	87 Mio. €	●	●		

Semi-filled circle means that the milestone has already been achieved for sections of the project (land plot acquisition, start of sales or construction). Concerning the building rights the semi-filled circle means that the zoning process has been initiated. No circle for "land plot acquired" means that the land has not yet been purchased but secured by contract.

# Approvals/Acquisition Strategy

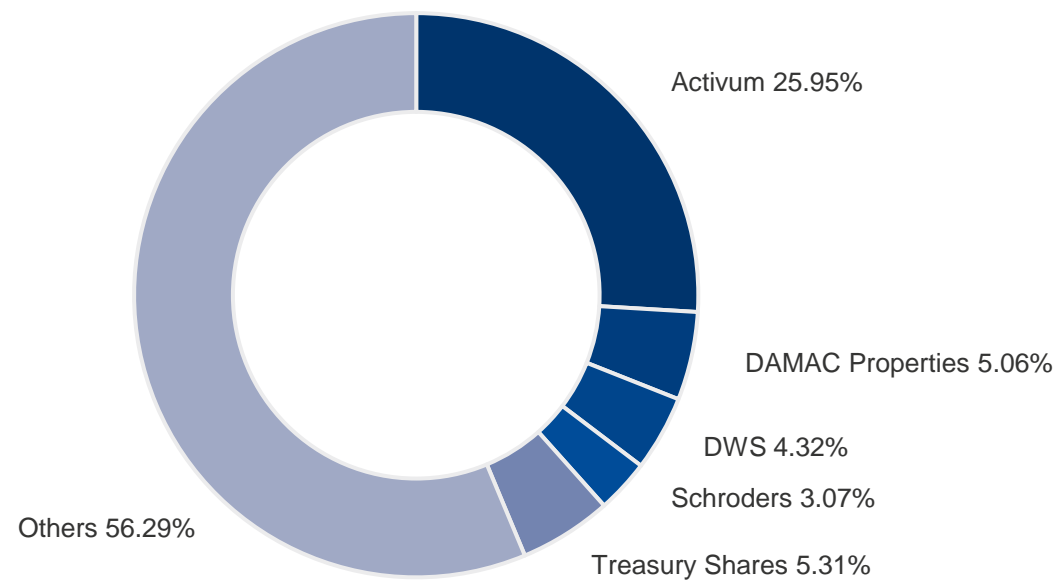
	Projects without need for zoning processes		Projects with zoning processes
	Masterplan in place	No requirement due to §34 BauGB (building code)	Brownfield projects
	<ul style="list-style-type: none"> <li>Generally less attractive for INS due to higher competition</li> </ul>	<ul style="list-style-type: none"> <li>Within built-up districts</li> <li>Insertion rule within settlement</li> <li>No precise predefinition of building character (negotiation with municipality)</li> </ul>	<ul style="list-style-type: none"> <li>Close cooperation with municipalities and other stakeholders</li> <li>Development of new city districts</li> <li>Focus on off-market deals</li> <li>Tender processes: Only deals where INS has a special angle</li> </ul>
<b>Value potential</b>	⊕	⊕ ⊕	⊕ ⊕ ⊕
<b>Duration</b>	6 months	6 months	Avg. approx. 2 – 5 years

# Instone Share

## Basic data

- ISIN: DE000A2NBX80
- Ticker symbol: INS
- No of shares: 46,988,336
- Index: SDAX
- Market cap\*: €379m
- Average daily trading volume: €1.2m
- Market segment: Prime Standard, Frankfurt

## Shareholder structure (November 2022)



# Financial Calendar

## 2022

<b>November</b>	10	Quarterly Statement for the first nine months of 2022
<b>November</b>	15	Roadshow Germany, Deutsche Bank
<b>November</b>	22	Roadshow UK, Deutsche Bank
<b>November</b>	30	UBS Global Real Estate Conference, London

## 2023

<b>January</b>	09	ODDO BHF Forum, virtual
<b>January</b>	12	Barclays Real Estate Conference, London
<b>January</b>	17	UniCredit Kepler Cheuvreux German Corporate Conference, Frankfurt
<b>March</b>	16	Annual Report 2022
<b>May</b>	11	Quarterly Statement for the first quarter of 2023
<b>June</b>	14	Annual General Meeting
<b>August</b>	10	Group Interim Report for the first half of 2023
<b>November</b>	09	Quarterly Statement for the first nine months of 2023

# The Instone Management Board

**Kruno Crepulja**  
CEO



- ✓ CEO since 2008 (of Instone's predecessor formart)
- ✓ Comprehensive experience as an engineer, site manager and project developer
- ✓ 17-year career on the management boards of large development companies

**Dr. Foruhar Madjlessi**  
CFO



- ✓ CFO since 2019
- ✓ Recognized capital market expert with extensive expertise in the field of corporate finance
- ✓ 20-year career in investment banking with various management positions at Deutsche Bank and Merrill Lynch

**Andreas Gräf**  
COO



- ✓ COO since 2008 (of Instone's predecessor formart)
- ✓ Established the residential development as a standalone business model at HOCHTIEF
- ✓ Working in the construction and real estate sector for 30 years

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