

H1

2022

Results presentation

30 August 2022



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Recent Events

Corporate Governance Update

Making progress but some issues still have to be resolved

Audit

The tender process was started immediately after the annual General Meeting, has now been completed and has not led to any result. Therefore, individual auditing companies are currently being approached directly

Appointment of Thomas Echelmeyer as permanent CFO

The Board of Directors has appointed Thomas Echelmeyer as Chief Financial Officer (CFO). With his expertise, especially in the real estate industry, he is exactly the right man at the right time for Adler. The appointment was preceded by a structured search process, which resulted in the interest of other very good candidates for Adler

Strategy

The Board of Directors, together with the management, started the announced strategy review process. As announced several times, the Board of Directors expects to present results from the process with or around the publication of the consolidated results for the third quarter at the end of November 2022

Numerous Steps Taken to Reshape the Group and Improve its Corporate Governance in 2022

CORPORATE GOVERNANCE



- 21 April: Publication of the outcomes of the **special investigation by KPMG** – no evidence for systematic fraudulent and looting transactions with allegedly related parties
- 17 May: Corporate governance update presented and Thomas Echelmeyer appointed **as interim CFO** on a consultancy basis. On 29 August, Thomas Echelmeyer appointed as **permanent CFO** of Adler Group S.A.
- 29 June: **AGM** adopts all proposed resolutions and **endorses the Board of Directors**
- 29 June: Audit tender did not lead to results. **Individual approaches** ongoing
- August: ADLER Real Estate appeals against **BaFin's** decision in relation to an alleged error in ADLER Real Estate's 2019 accounts

GROUP REORGANISATION



- 17 April: **Repayment of €400m ADLER Real Estate bonds**
- 17 May: **Consus** announces a notice of a loss. **Restructuring measures** are being jointly developed by Consus and Adler Group
- 21 June: **Consus resolves to delist its shares**. Delisting to become effective year-end¹
- 23 June: Initiation of **squeeze-out of ADLER Real Estate**
- 24 June: Sale of Adler Group's **€326m Berlin portfolio to ADLER Real Estate**
- 12 August: Consus AGM approves new Supervisory Board

PORTFOLIO DISPOSALS



- 30 June: Adler Group sells **1,200 units in Berlin** (Waypoint portfolio) with **cash** inflows of c. **€170m**
- 3 August: **LEG** announces to **refrain from acquiring further shares in BCP** from ADLER Real Estate
- **KKR/Velero** transaction is **97% completed**, final legal and tax steps to be taken with closing at year-end

H1 2022 Overview

Key Highlights

Robust operational performance, adequate liquidity position

PORTFOLIO PERFORMANCE



- **2.3%** like-for-like **rental growth**¹
- Avg. residential **rent €7.47/sqm/month**
- **+2.3%** like-for-like **fair value uplift** in the yielding portfolio compared to FY 2021
- **Vacancy** decreased to **1.6%**, from 3.8% last year¹

FINANCIAL PERFORMANCE



- Lower NRI and FFO 1 on the back of the disposal of assets:
 - NRI: -25% to **€131m**¹
 - FFO 1: -26% to **€50m**¹
- NTA per share stands at **€30.08**
- LTV stands at **58.0%**
- Average cost of debt at **2.2%**
- Cash position of **€771m** at H2 2022²
- ICR decreased from 2.2x³ to 0.7x, no event of default triggered

DEVELOPMENT PROGRESS



- €166m cash proceeds received regarding the sale of Ostend Quartier and LEA B
- Sale of Quartier Kreuzstraße signed and proceeds amounting to c. €17m received in Q2 2022
- Sale of Neues Korallusviertel signed in Q3 2022
- Exclusivity or LOI for NewFrankfurt Tower VauVau, Vitopia-Kampus Kaiserlei Residential and Commercial, and COL III
- €438m GAV in development projects with offer received / LOI / exclusivity

✓ **Strong rental growth drives valuation uplift**
2.3% LFL rent increase during the first half of the year

✓ **Adequate cash position**
Cash reserve amounting to €771m by end of June 2022²

✓ **Adequate liquidity to service upcoming debt obligations**
Upcoming maturities consisting of €120m Consus convertible, BCP and Consus debt

✓ **Guidance updated**
NRI full-year guidance of €233-242m (vs €203-212m), FFO 1 of €84-88m (vs €73-76m)⁴

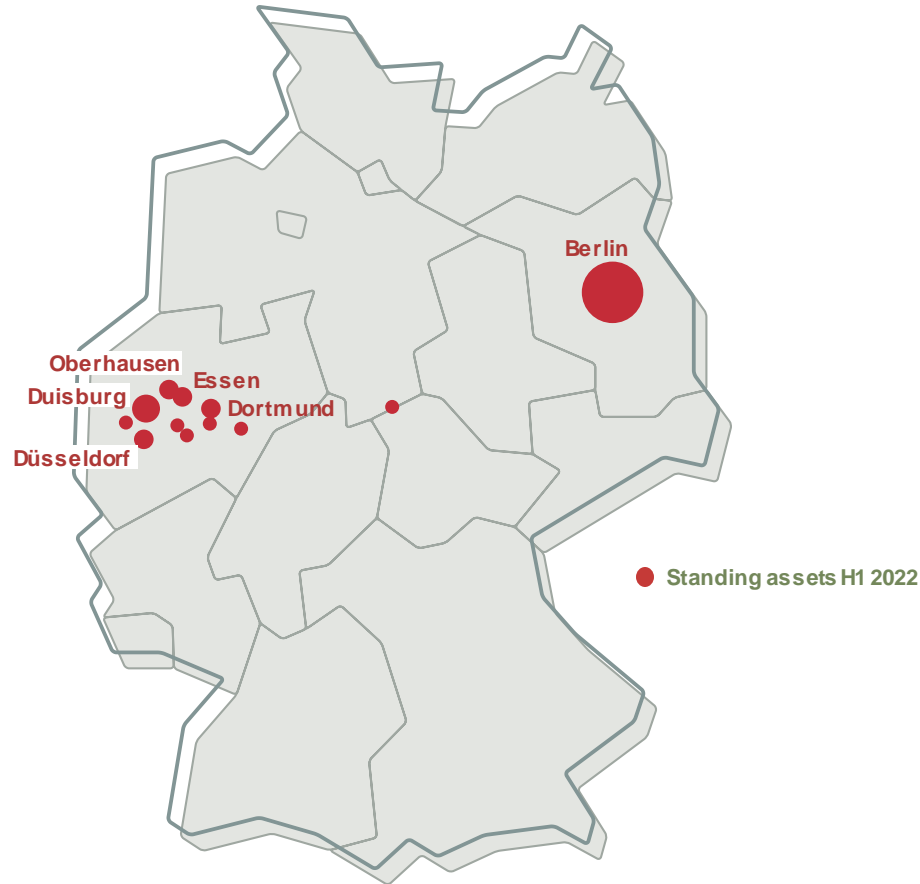
1. Compared to H1 2021; 2. Excludes cash BCP which is classified as assets held for sale; 3. As per Q1 2022; 4. Compared to previous guidance.

Portfolio & Operational Performance

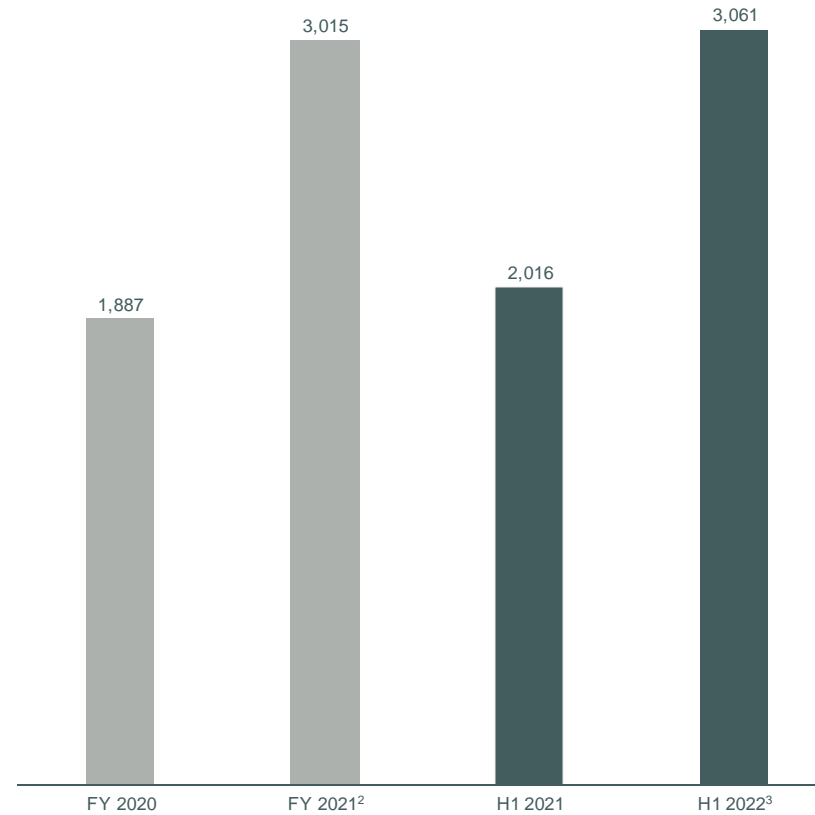
Continuous Increase in Portfolio Quality

Post non-strategic disposals, a high-quality portfolio remains anchored in Berlin

Standing assets as per H1 2022¹



Fair value (€/sqm)



GAV

€5.4bn

standing assets³

LFL fair value growth

2.3%

YTD H1 2022³

Total number of units³

26,243

of which

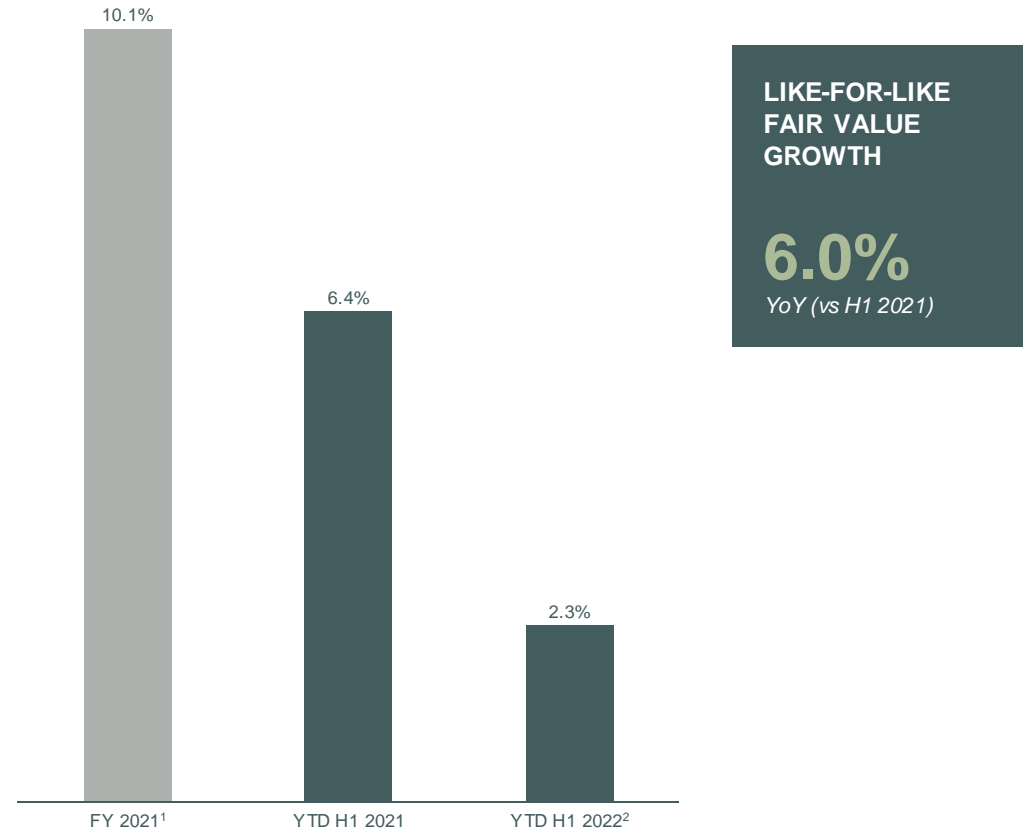
18,604

in Berlin

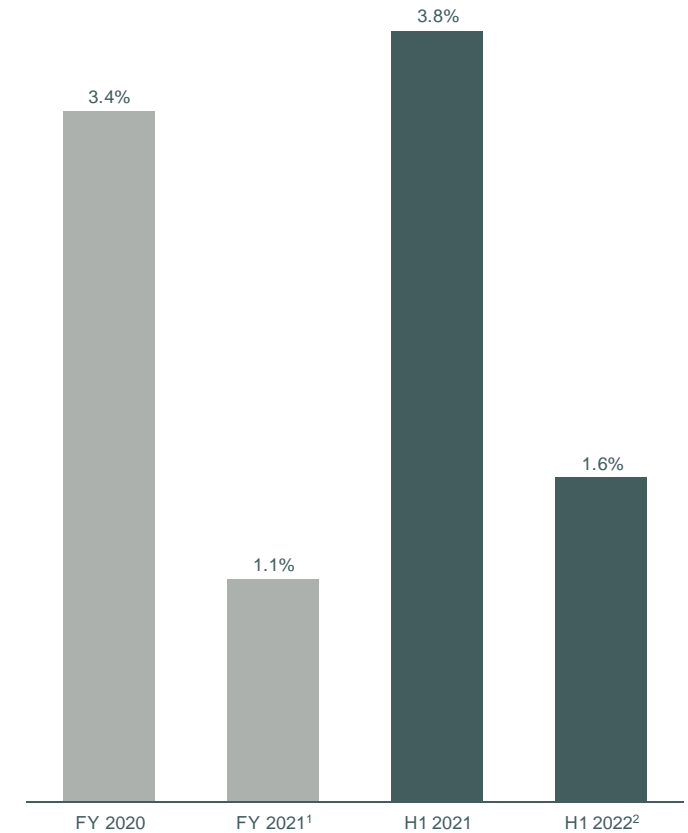
1. Includes current locations with at least 100 rental units; 2. Following Velero/KKR completion and excluding BCP; 3. Following Waypoint completion.

Reshaping the Portfolio Decreases Vacancy...

Like-for-like fair value growth (%)



Yielding portfolio operational vacancy rate³ (%)

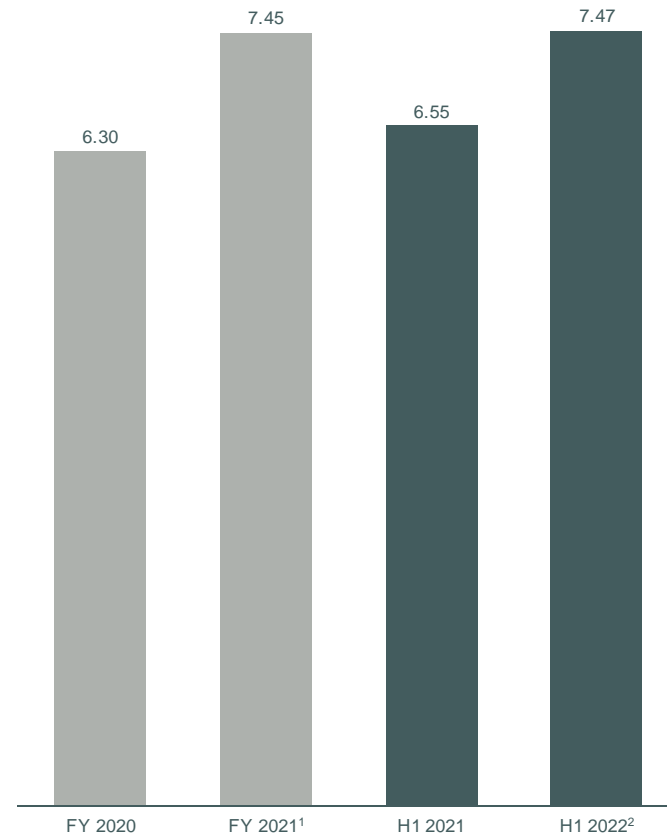


Portfolio & Operational Performance

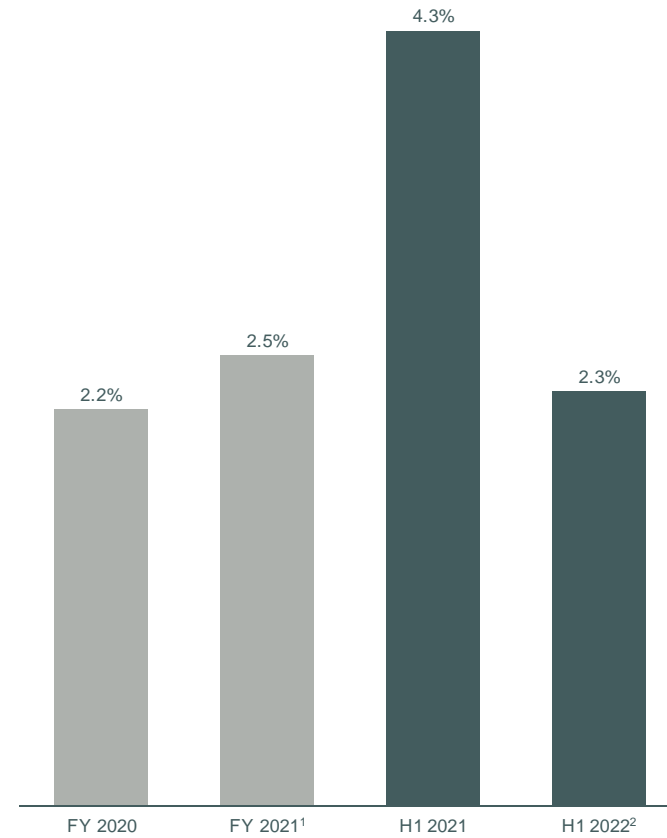
1. Following Velero/KKR completion and excluding BCP; 2. Following Waypoint completion; 3. Total vacancy rate amounting to 28%, operational vacancy excludes unavailable units i.e. units under refurbishment and decommissioned units.

... and Increases the Average Monthly In-Place Rent

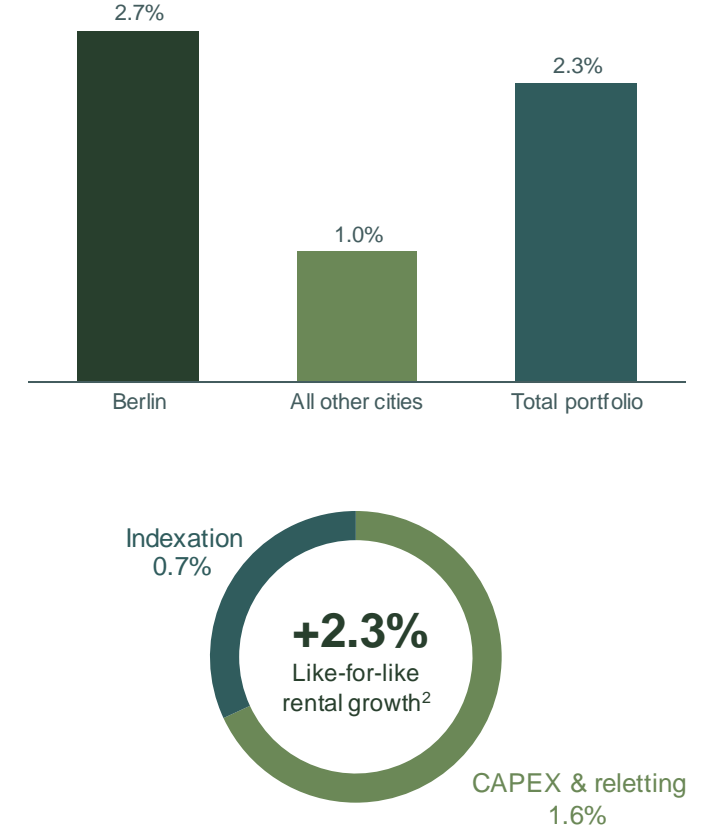
Residential and commercial average rent (€/sqm/m)



Like-for-like residential rental growth (%)



Like-for-like rental growth breakdown² (%)



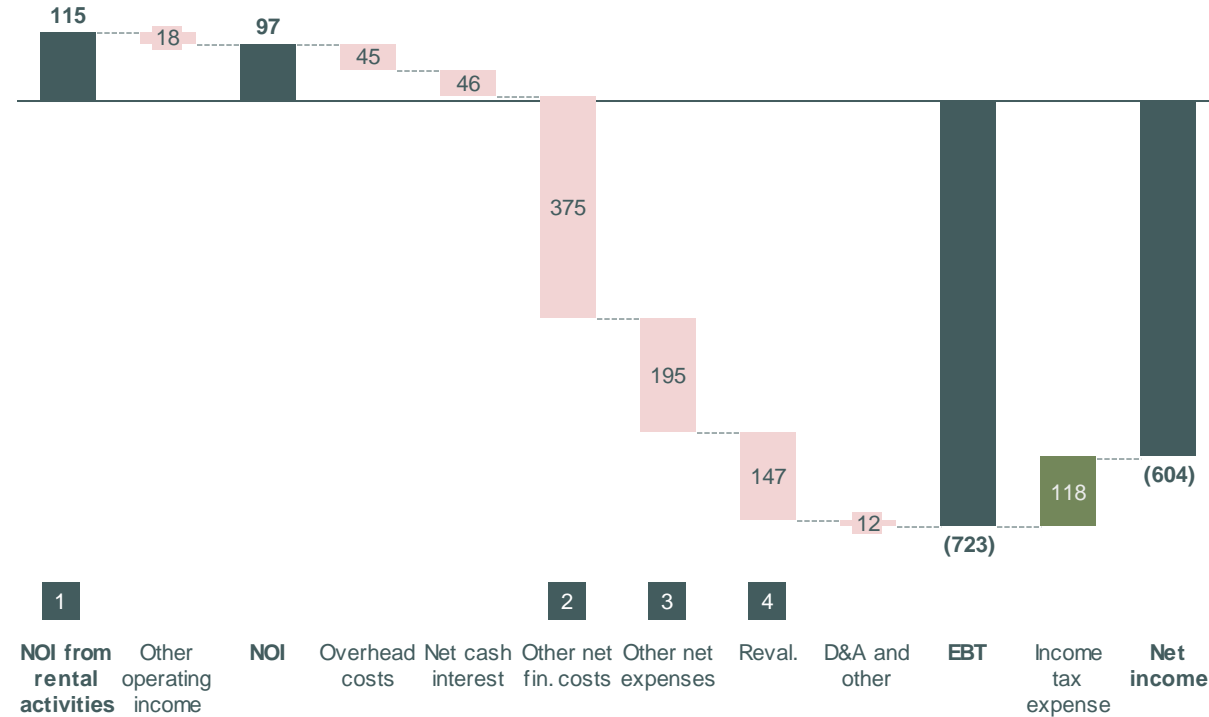
General notes: KPIs presented on this page include ground level commercial units and exclude units under renovation and development projects.
 1. Following Velero/KKR completion and excluding BCP; 2. Following Waypoint completion.

Financial Performance

One-off Non-Cash Impairments Impact the Group's Earnings

Including impairment of receivables and negative revaluation of development projects

Net income H1 2022 (€m)



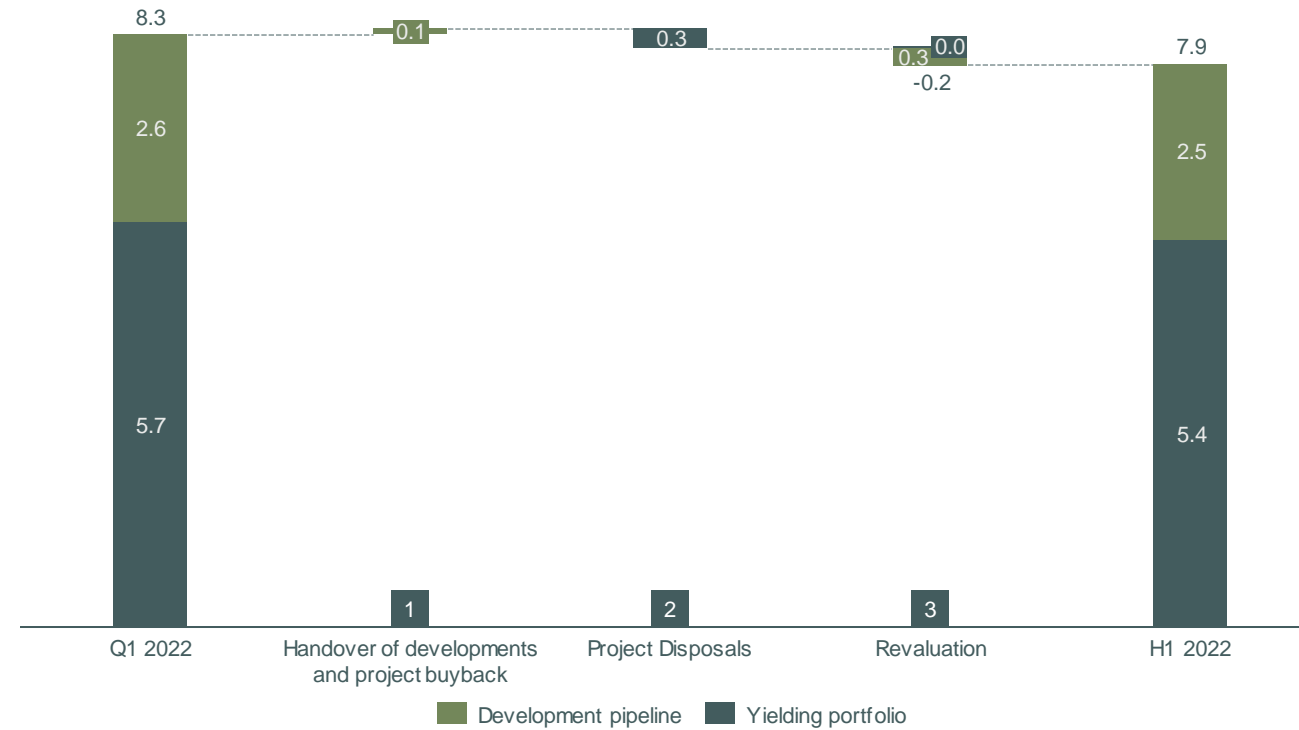
Comments

- Net operating income from rental activities totals €195m and consists of net rental income of €131m, income from facility services and recharged utilities costs of €65m, less costs from rental activities of €80m
- Other net financial costs include one-off impairments on receivables (€338m) and other selected financial assets (€37m) which have been reassessed in a constant monitoring process
- Other expenses principally relate to the impairment of Consus goodwill for an amount of €91m, devaluation of forward sale projects of (€66m) driven by construction cost increases, €20m RETT provision at BCP and is netted by the profit of the portfolio sale of Waypoint for an amount of €19m
- Positive value changes on the back of revaluation of the yielding portfolio offset by the impairment of development projects driven by construction cost increases and extended construction times

Total GAV Decreased to €7.9bn

Further sale of yielding assets and impairment of development projects decreased the Group's balance sheet

GAV excluding BCP (€bn)^{1,2}



Comments

- 1 Kreuzstraße development project has been sold in April 2022

The sale of New Frankfurt Towers and Vitopia Kaiserlei Residential & Commercial projects were cancelled in Q2 2022

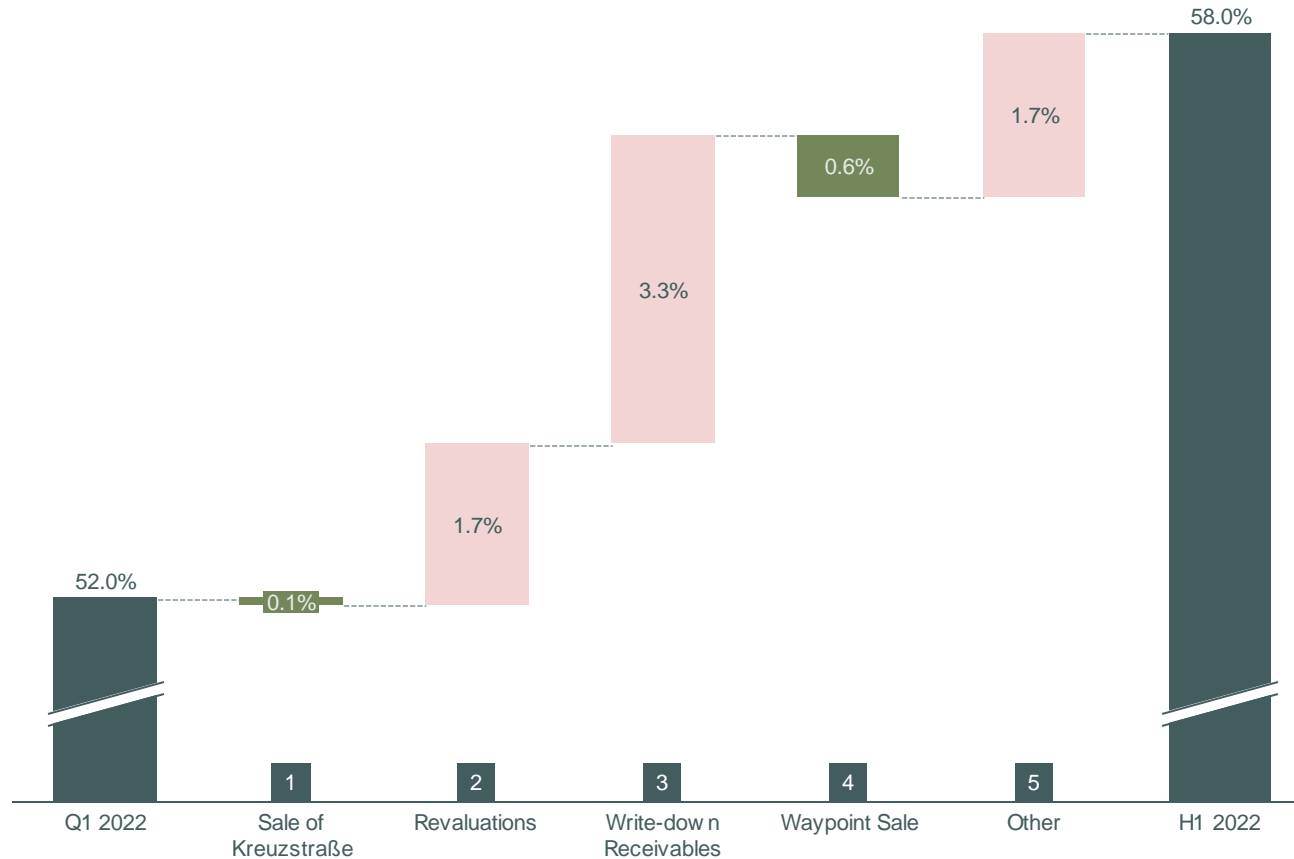
- 2 Sale of the Waypoint portfolio, consisting of c. 1,200 units in Berlin, resulting in a positive net cash inflow

- 3 Positive value changes on the back of revaluation of the yielding portfolio offset by the impairment of development projects driven by construction cost increases and extended construction times

1. Following Velero/KKR completion and excluding BCP; 2. Based on appraised values and can result in minor difference with accounting values.

Increasing LTV in Q2 on the back of One-off, Non-Cash Impairments

LTV evolution^{1,2} (% , incl. convertibles)



Comments

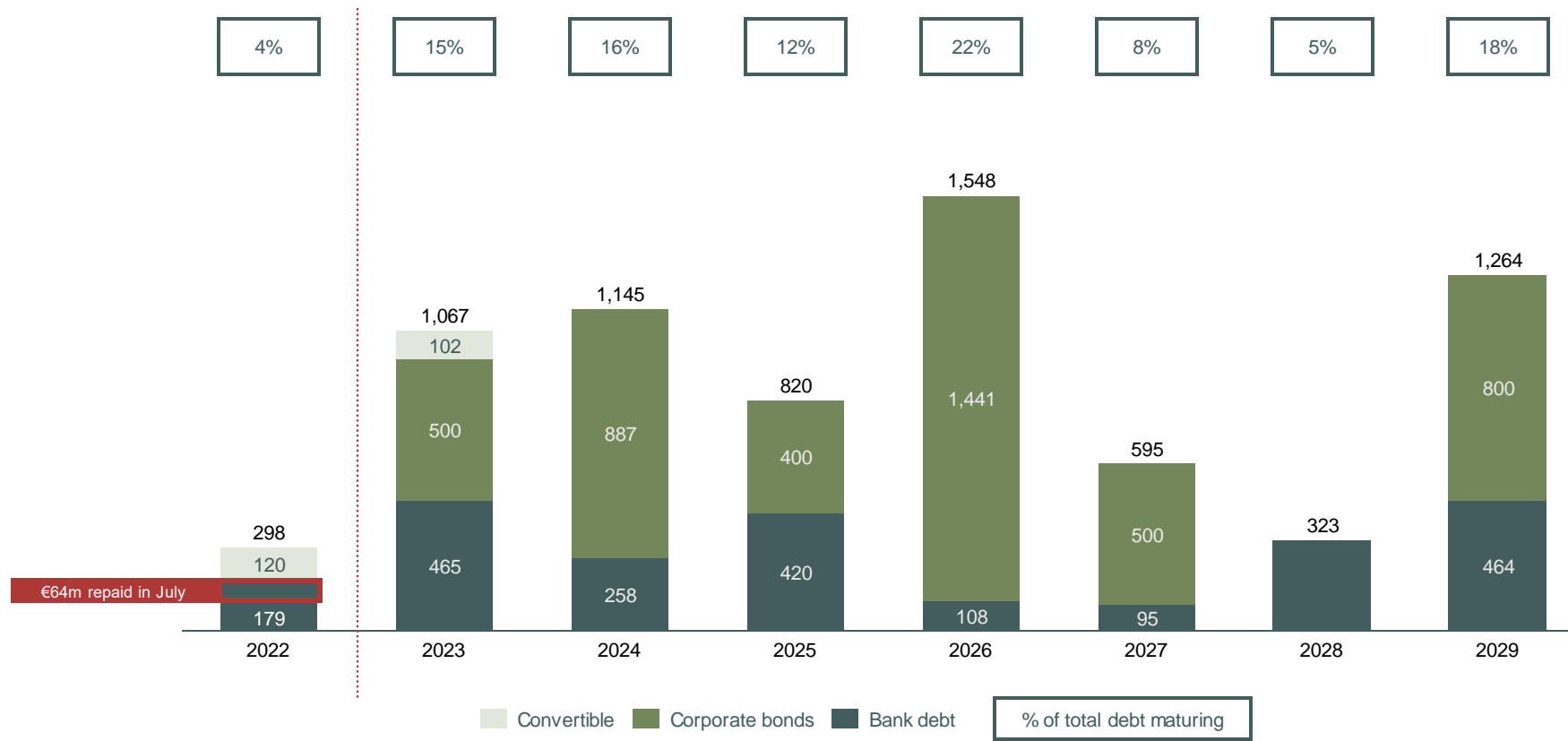
- 1 Kreuzstraße development project has been sold in April 2022
- 2 Positive value changes on the back of revaluation of the yielding portfolio offset by the impairment of development projects driven by construction cost increases and extended construction times
- 3 Selected financial assets have been reduced mainly due to one-off impairments on receivables (€338m) and other selected financial assets (€37m) which have been reassessed in a constant monitoring process
- 4 Sale of the Waypoint portfolio, consisting of c. 1,200 units in Berlin, resulting in a positive net cash inflow
- 5 Other refers mainly to proceeds used for general corporate purposes including interest payments of c. €49m, minorities interests buyback of €19m, development capex of €20m, among others

1. BCP IFRS 5 adjustment to assets/liabilities held for sale and corresponding line items reversed into respective balance sheet positions for reporting purposes; 2. GAV for LTV purposes includes investment properties and inventories at their fair value, advance paid in respect to investment properties, property plant and equipment used for energy and property management services at its book value at reporting date

Balanced Debt Maturity Schedule

Upcoming maturities covered by cash at hand and active disposals

Overview of debt maturities¹ incl. BCP (€m)



Comments

Upcoming maturities are covered through a combination of **€901m² cash on hand** as per H1 2022 and **active capital recycling measures** including the recently announced transactions

The **€400m ADLER Real Estate 2019/2022 bond** was repaid in April, while a **€64m Consus debt** was fully repaid in July 2022 following the disposal of a development project

Remaining maturities for 2022 total **€234m** and consist of a **€120m convertible bond** at Consus level maturing in November, as well as **€115m bank loans** related to BCP and Consus projects

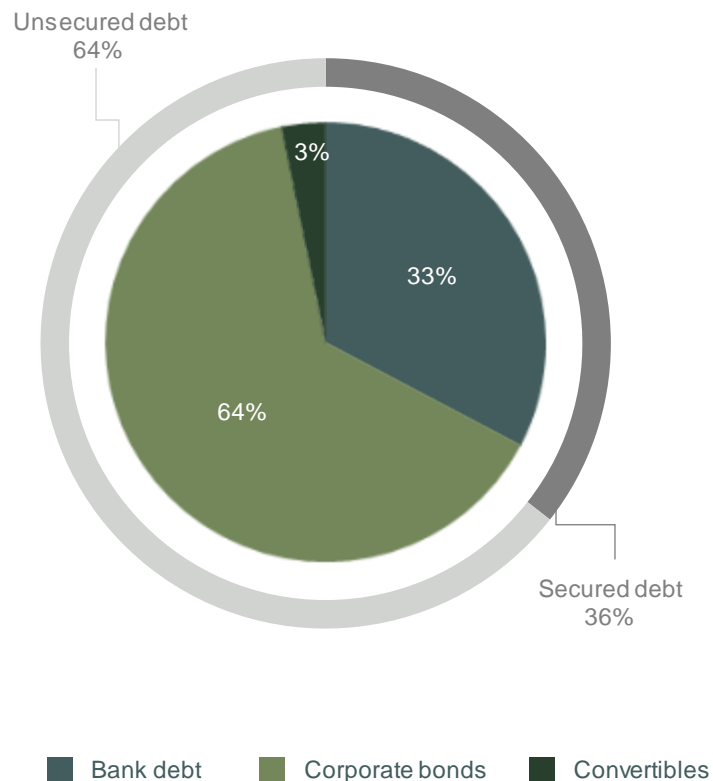
1. Figures based on nominal values as per 30 June 2022; 2. Includes cash held at BCP level which is classified as assets held for sale at Group level.

Overview of Debt KPIs as per H1 2022

Debt KPIs for H1 2022

Total nominal interest-bearing debt (€m)	7,061
Net LTV	58.0% ^{1,2}
ICR (x)	0.7 ²
Fixed / hedged debt	98.5%
Unsecured debt	64.4%
Weighted average cost of debt	2.2%
Weighted average maturity	3.7
Corporate rating S&P	CCC/Negative
Bond rating S&P	CCC

Sources of funding



Bond covenants

Incurrence-based covenants	Required level	H1 2022	FY 2021	
LTV (Financial indebtedness / total assets)	<60%	53.0 ²	54.5% ²	✓
Secured LTV (Secured debt / total assets)	<45%	21.4 ²	21.3% ²	✓
ICR (LTM adj. EBITDA / LTM net cash interest)	>1.8x	0.7x	2.1x	⏏
Unencumbered assets ³ (Unencumbered assets / unsecured debt)	>125%	107.0%	114.5%	⏏

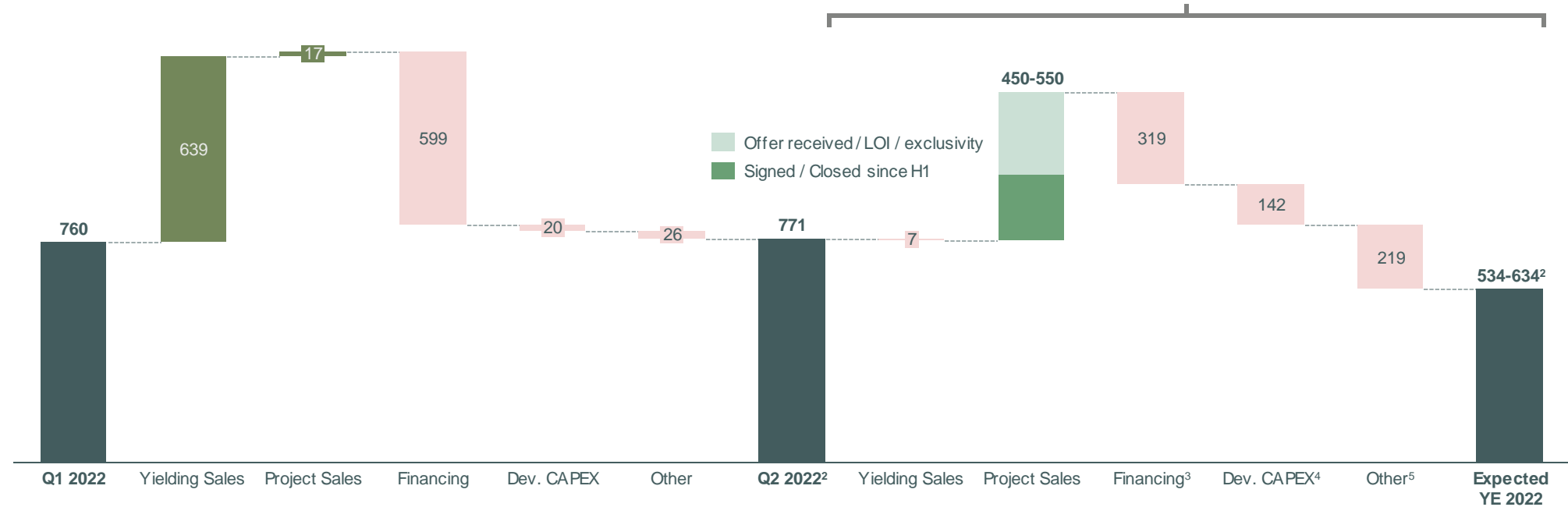
1. Includes convertibles; 2. BCP IFRS 5 adjustment to assets/liabilities held for sale and corresponding line items reversed into respective balance sheet positions for reporting purposes; 3. Applies only to the following instruments: Adler Group S.A. bond (€400m, 1.5% coupon, maturity 26 July 2024) and Adler Group S.A. promissory note tranches (total volume €24.5m, maturity 2023–2028, WACD 2.30%).

Development of Cash Position

€771m cash position; €534-634m expected by YE 2022²

Cash position excluding BCP cash (€m)¹

Expected cash in and outflows for the remainder of 2022



1. Pro forma gross cash position development based on anticipated transactions, expected CAPEX and repayment of bond maturities; 2. Excludes €130m cash held at BCP level which is classified as assets held for sale at Group level; 3. Includes €120m Consus convertible bond, €64m Consus debt and other maturities, amortisations and interest; 4. Committed development capex amounts to c. €100m; 5. Includes i.a. operational cashflow, receivables recovery, project buybacks, cash guarantees, squeeze-out of ADLER Real Estate

Guidance

Guidance for 2022 Updated

Objectives

Full-year 2022 guidance¹

Net rental
income (€m)

€233-242m

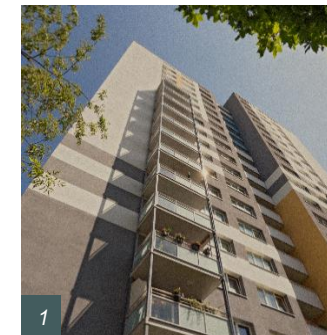
FFO 1 (€m)

€84-88m

For reasons of prudence, the Board of Directors has previously decided not to submit a dividend proposal to the shareholders of the Adler Group until an unqualified audit opinion has been issued and will therefore not make any forward-looking statement on the dividend until further notice

Concluding remarks

- ✓ Yielding asset portfolio value increased by €124m resulting in a **+2.3% LFL value uplift** during the first half of 2022 on the back of a +2.3% LFL rent increase
- ✓ **Operational vacancy** of the total portfolio at a structurally low level of **1.6%**
- ✓ **Adequate financial position**: c. €771m² cash balance as per end of June 2022 and upcoming maturities well covered
- ✓ In process of **approaching individual auditing companies**
- ✓ Continued determination to improve corporate governance: reshaping and improvement of the Group with numerous steps already taken
- ✓ **Strategy update** on the Company's future perspective expected around **Q3 2022 results**



1



2

1 Arendsweg, Berlin

2 Alte Schönhauser Straße, Berlin

Q&A

Appendix

H1 2022 – Changing Company KPIs

Balance sheet reshaping results in a focused, higher quality portfolio

	H1 2022	H1 2021	Delta YoY (%)	Comments	
Balance sheet	GAV – Yielding Assets (€m)	5,443	8,885	(38.7)	<ul style="list-style-type: none"> c. €3.9bn of non-strategic disposals and BCP¹ c. €0.4bn revaluation of the yielding assets
	GAV – Developments (€m)	2,467	3,685	(33.1)	<ul style="list-style-type: none"> c. €0.6bn sales with c. €0.5bn of development projects reversed and c. €0.4bn of development projects handed over c. €0.7bn of negative revaluations
	GAV – Total (€m)	7,910	12,570	(37.1)	<ul style="list-style-type: none"> Reduced portfolio post non-strategic disposals of the yielding assets and changes in the development projects
	Gross Debt (€m)	6,935	7,657	(9.4)	<ul style="list-style-type: none"> €234m maturities until FY 2022 €400m bond repaid in April; €64m project debt repaid in July
	Cash (€m)	771 ²	370	108.3	<ul style="list-style-type: none"> Additional €130m at BCP level
	Net Debt (€m) ³	5,524	6,924	(20.2)	<ul style="list-style-type: none"> Decrease following repayment of debt and increase of cash
	LTV (%)	58.0	54.7	3.3	<ul style="list-style-type: none"> Increase attributable to the impairment of receivables, goodwill and the negative revaluation of the development pipeline
Yielding Portfolio	Net Rental Income (YTD – €m)	131	174	(24.8)	<ul style="list-style-type: none"> Impacted by disposal of non-core assets
	Run-rate Net Rental Income (€m)	158 ¹	334	(52.6)	<ul style="list-style-type: none"> Impacted by disposal of non-core assets
	Average Residential rent (€/sqm/m)	7.47	6.55	14.2	<ul style="list-style-type: none"> 2.3% like-for-like rent increase
	Fair value (€/sqm)	3,061	2,016	51.8	<ul style="list-style-type: none"> 6.0% like-for-like fair value increase
	Vacancy (%)	1.6	3.8	(2.2)	<ul style="list-style-type: none"> Strong operational performance of the current portfolio

1. Following Velero/KKR and Waypoint completion and includes BCP classified as assets held for sale; 2. Excludes cash BCP which is classified as assets held for sale; 3. Gross debt corrected for cash and cash equivalents, selected financial assets, net contract assets and assets classified as held for sale.

Profit and Loss Statement

P&L statement

<i>In € million</i>	H1 2022	H1 2021 ¹
Net rental income	131 ¹	174
Income from facility services and recharged utilities costs	65	56
Income from property development	10	59
Other revenue	26 ²	228
Revenue	231	518
Costs of operations	(219) ²	(400)
Gross profit	12	118
General and administrative expenses	(73)	(61)
Other expenses	(138) ³	(12)
Other income	42	39
Changes in fair value of investment properties	(147) ⁴	540
Results from operating activities	(303)	623
Net finance income / (costs)	(420) ⁵	(157)
Net income from investments in associated companies	1	(0)
Income tax expense	118	(110)
Profit (loss) for the period	(604)	355

Comments

- 1** Compared to H1 2021, net rental income in H1 2022 have decreased to €131m mainly due to the reshaping of the yielding assets following the disposal of the Northern portfolio to LEG and the Eastern portfolio to Velero/KKR
- 2** The Group's other revenue and cost of operations have decreased compared to last year mainly due to the fact that H1 2021 included the sale of several development projects to Partners Immobilien Capital Management
- 3** Other expenses principally relate to the impairment of the remaining goodwill attributable to Consus for an amount of €91m and a €20m RETT provision at BCP
- 4** Changes in the fair value of investment properties for H1 2022 amount to (€147m) and mainly relate to the revaluation losses of development projects on the back of construction cost increases and extended construction times
- 5** Other net financial costs include one-off impairments on receivables (€375m) which have been reassessed in a constant monitoring process

EBITDA from Rental Activities and EBITDA Total

EBITDA from rental activities

<i>In € million</i>	H1 2022	H1 2021
Net rental income	131	174
Income from facility services and recharged utilities costs	65	56
Income from rental activities	195	231
Costs from rental activities	(80)	(90)
Net operating income (NOI) from rental activities	115	141
Overhead costs from rental activities	(30)	(28)
EBITDA from rental activities	86	113

1 EBITDA from rental activities decreased mainly on the back of the disposal of the Northern portfolio to LEG and the Eastern portfolio to Velerio/KKR as well as due to the effect of rising energy prices and increases in price levels of non-rechargeable expenses

EBITDA Total

<i>In € million</i>	H1 2022	H1 2021 ¹
Income from rental activities	195	231
Income from property development	10	59
Income from other services	8	5
Income from real estate inventory disposed of	17	219
Income from sale of trading properties	1	5
Revenue	231	518
Cost from rental activities	(80)	(90)
Other operational costs from development and privatisation sales	(54)	(319)
Net operating income (NOI)	97	109
Overhead costs from rental activities	(30)	(28)
Overhead costs from development and privatisation sales	(16)	(10)
Fair value gain from build-to-hold development ²	(62)	39
EBITDA Total	(10)	110

FFO 1 and FFO 2

FFO 1 calculation

<i>In € million, except per share data</i>	H1 2022	H1 2021
Net rental income	131	174
Income from facility services and recharged utilities costs	65	56
Income from rental activities	195	231
Costs from rental activities	(80)	(90)
Net operating income (NOI) from rental activities	115	141
Overhead costs from rental activities	(30)	(28)
EBITDA from rental activities	86 ¹	113
Net cash interest	(27)	(38)
Current income taxes	(4)	(3)
Interest of minority shareholders	(5)	(4)
FFO 1 (from rental activities)	50 ²	68
No. of shares*	118	118
FFO 1 per share	0.42 ²	0.58

*The number of shares is calculated as weighted average for the reported period.

FFO 2 calculation

<i>In € million, except per share data</i>	H1 2022	H1 2021 ¹
EBITDA total	(10) ¹	110
Net cash interest	(45)	(55)
Current income taxes	(7)	(14)
Interest of minority shareholders	(5)	(4)
FFO 2	(67) ²	37
No. of shares*	118	118
FFO 2 per share	(0.57) ²	0.32

*The number of shares is calculated as weighted average for the reported period.

- 1** EBITDA from rental activities declined mainly on the back of a reduction in net rental income due to the decreased size of the portfolio
- 2** As per 30 June 2022, the FFO 1 amounts to €50m and translates into a per share basis of €0.42, whereas the FFO 2 accounts for (€67m) and (€0.57) per share

Balance Sheet

Balance sheet

<i>In € million</i>	H1 2022		FY 2021
Investment properties including advances	6,834	1	7,116
Goodwill	–	2	91
Other non-current assets	347		246
Non-current assets	7,182		7,453
Cash and cash equivalents ¹	771		556
Inventories	1,067		1,093
Other current assets	387	3	917
Current assets	2,225	4	2,566
Non-current assets held for sale	2,019	5	3,018
Total assets	11,426		13,036
Interest-bearing debts	6,257	6	7,003
Other liabilities	718		731
Deferred tax liabilities	520		760
Liabilities classified as available for sale	897		849
Total liabilities	8,391		9,343
Total equity attributable to owners of the Company	2,389		2,990
Non-controlling interests	646		703
Total equity	3,035	7	3,693
Total equity and liabilities	11,426		13,036

Comments

- 1 The decrease in fair values of the build-to-hold project developments and the yielding investment properties reflects the disposal of Waypoint and the development value reduction and was partly offset by the impact of positive revaluation of the yielding portfolio
- 2 Impairment of the remaining goodwill attributable to Consus in an amount of €91m predominantly triggered by higher construction costs and current market environment
- 3 Other current assets has reduced with €530m compared to FY 2021 figures mainly on the back of one-off impairments on receivables (€338m) and other selected financial assets (€37m) which have been reassessed in a constant monitoring process
- 4 Apart from the cash item, current assets contains inventories relating to the Group's privatisation assets and build-to-sell project developments. The remaining refers to restricted bank deposits, receivables and contract assets, among others
- 5 Non-current assets held for sale has decreased following the completion of the Velero/KKR transaction and currently comprises the assets in the BCP transaction as well as a number of non-strategic assets
- 6 Interest-bearing debts decreased with €747m compared to FY 2021 on the back of the repayment of the €400m ADLER Real Estate 2019/2022 bond and repayment of bank debt
- 7 The Group's total equity has decreased by €659m compared to FY 2021 figures due to one-off impairments and development value reduction

EPRA Metrics

EPRA metrics calculation

In € million, except per share data	H1 2022 ¹				FY 2021 ¹			
	NAV	NRV	NTA	NDV	NAV	NRV	NTA	NDV
EPRA metrics								
Total equity attributable to owners of the Company	2,389	2,389	2,389	2,389	2,990	2,990	2,990	2,990
Revaluation of inventories	(100)	(100)	(100)	(100)	8	8	8	8
Deferred tax	809	809	763	–	948	948	857	–
Goodwill	–	–	–	–	–	–	(91)	(91)
Fair value of financial instruments	0	0	0	–	2	2	2	–
Fair value of fixed interest rate debt	–	–	–	1,798	–	–	–	435
Real estate transfer tax	–	675	483	–	–	701	502	–
Total	3,098	3,772	3,535	4,086	3,949	4,649	4,269	3,343
No. of shares	118	118	118	118	118	118	118	118
Total per share	26.36 ¹	32.10 ¹	30.08 ²	34.77 ²	33.60	39.57	36.33	28.45
Convertibles	100	100	100	100	99	99	99	99
Total fully diluted	3,197	3,872	3,634	4,186	4,048	4,748	4,368	3,442
No. of shares (diluted)	119	119	119	119	119	119	119	119
Total per share fully diluted	26.94	32.62	30.62	35.27	34.10	40.01	36.80	29.00

¹ As per 30 June 2022, EPRA NAV amounts to €3,098m or €26.36 per share and EPRA NRV amounts to €3,772m or €32.10 per share

² The two NAV and NRV KPIs are complemented by EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). The EPRA NTA assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability, whereas EPRA NDV represents the value under a disposal scenario, net of any resulting tax

Net LTV

LTV calculation

<i>In € million</i>	H1 2022 ¹		FY 2021 ¹
Corporate bonds and other loans and borrowings	6,717		7,440
Convertible bonds	219		217
Cash and cash equivalents ²	(901)		(581)
Selected financial assets	(354)	1	(745)
Net contract assets	(34)	2	(46)
Assets and liabilities classified as held for sale	(123)		(1,193)
Net financial liabilities	5,524		5,091
Fair value of properties (including advances)	9,501	3	9,965
Investment in real estate companies	29		32
Gross asset value (GAV)	9,529		9,998
Net loan-to-value	58.0%	4	50.9%
Net loan-to-value excluding convertibles	55.7%		48.8%

Comments

- 1 The selected financial assets have declined to (€354m) and contain purchase price receivables amongst others. They include 1) netted financial receivables (€262m), 2) trade receivables from the sale of real estate investments (€20m) and 3) other financial assets (€72m)
- 2 In relation to the Group's development activities, an adjustment is made for the net position of contract assets and liabilities, principally representing the Group's right to the remaining net consideration for the services and goods transferred under the forward sale and condominium contracts with customers
- 3 In H1 2022, fair value of properties (including advances) decreased to €9,501m, reflecting the disposal of Waypoint and the development value reduction
- 4 As of 30 June 2022, our loan-to-value (LTV) incl. convertibles amounts to 58.0%

Covenants Overview: Adler Group

All Adler Group covenants are incurrence-based covenants

1 LTV: Defined as net debt / total assets (<60%)

In € million	H1 2022	Pro forma ³
Consolidated net financial indebtedness	6,053	8,060
Total assets	11,426	13,433
LTV	53.0%	60.0%
Covenant threshold	60.0%	60.0%
Implied headroom		2,007

1 Implied headroom: Additional debt that Adler Group could incur on the balance sheet with proceeds fully deployed for investments².

2 Secured LTV: Defined as secured debt / total assets (<45%)

In € million	H1 2022	Pro forma ³	Secured debt Pro forma ^{3,4}
Secured loans and borrowings	2,443	7,350	5,142
Total assets	11,426	16,332	11,426
Secured LTV	21.4%	45.0%	45.0%
Covenant threshold	45.0%	45.0%	45.0%
Implied headroom		4,906	2,698

2 Implied headroom: Additional debt that Adler Group could incur on the balance sheet with proceeds fully deployed for investments².

3 Unencumbered asset ratio: Defined as unencumbered assets / unsecured financial debt (>125%)¹

In € million	H1 2022	Pro forma ³
Unencumbered assets	4,578	5,348
Unsecured financial debt	4,278	4,278
Unencumbered asset ratio	107.0%	125.0%
Covenant threshold	125.0%	125.0%
Implied shortfall		770

3 Implied shortfall: unencumbered assets needs to increase by €770 in order to increase the Unencumbered Asset Ratio covenant to 125%.

4 Interest coverage ratio (ICR): Defined as consolidated EBITDA / net cash interest (>1.8x)¹

In € million	H1 2022	Pro forma ³
Consolidated EBITDA	61	167
Net cash interest	93	93
ICR	0.7x	1.8x
Covenant threshold	1.8x	1.8x
Implied shortfall		106

4 Implied shortfall: Additional EBITDA required to bring ICR to covenant threshold assuming constant net cash interest.

1. Applies only to the following instruments: Adler Group S.A. bond (€400m, 1.5% coupon, maturity 26 July 2024) and Adler Group S.A. promissory note tranches (total volume €24.5m, maturity 2023–2028, WACD 2.30%); 2. Excludes a scenario where new debt raised is used to e.g. pay dividends, and thereby increase net debt whilst keeping the same asset base; 3. Pro forma figures illustrate the financial position necessary to reach the covenant threshold and, thus, the corresponding implied headroom/shortfall; 4. Assumes that total assets remain constant.

Covenants Overview: ADLER Real Estate

All ADLER RE covenants are incurrence-based covenants except the ICR which is a maintenance-based covenant

1 LTV: Defined as net debt / total assets (<60%)

In € million	H1 2022	Pro forma ²
Consolidated net financial indebtedness	1,827	4,160
Total assets	4,601	6,934
LTV	39.7%	60.0%
Covenant threshold	60.0%	60.0%
Implied headroom		2,333

1 Implied headroom: Additional debt that Adler Group could incur on the balance sheet with proceeds fully deployed for investments¹.

2 Secured LTV: Defined as secured debt / total assets (<40%)

In € million	H1 2022	Pro forma ²	Secured debt Pro forma ^{2,3}
Secured loans and borrowings	1,087	2,342	1,840
Total assets	4,601	5,855	4,601
Secured LTV	23.6%	40.0%	40.0%
Covenant threshold	40.0%	40.0%	40.0%
Implied headroom		1,255	753

2 Implied headroom: Additional debt that Adler Group could incur on the balance sheet with proceeds fully deployed for investments¹.

3 Interest coverage ratio (ICR): Defined as consolidated EBITDA / net cash interest (>1.8x)

In € million	H1 2022	Pro forma ²
Consolidated EBITDA	157	88
Net cash interest	49	49
ICR	3.2x	1.8x
Covenant threshold	1.8x	1.8x
Implied headroom		69

3 Implied headroom: Assumed loss of EBITDA due to disposals, with no repayment of debt. €2.7bn of disposals required to reduce EBITDA by €69m (assumed at 3.9% yield and 66% EBITDA margin).

1. Excludes a scenario where new debt raised is used to e.g. pay dividends, and thereby increase net debt whilst keeping the same asset base; 2. Pro forma figures illustrate the financial position necessary to reach the covenant threshold and, thus, the corresponding implied headroom; 3. Assuming total assets is held constant

Breakdown of Debt Maturities

	Volume (€m)	IFRS (€m)	Maturity	Nominal interest rate	Other comments	Premature redemption	Rate, at which premature redemption is possible
ADLER Real Estate Bonds (unsecured)							
2017/24	300	294	6 Feb 24	2.10%		Anytime	Under condition of make w hole
2018/23	500	496	28 Apr 23	1.90%		Anytime	Under condition of make w hole
2018/26	300	288	27 Apr 26	3.00%		Anytime	Under condition of make w hole
Total	1,100	1,078	1.9 years	2.22%			
BCP Bonds (secured)							
Debenture B	187	190	1 Dec 24	3.29%		Permitted	Under condition of make w hole
Debenture C	41	38	1 Jul 26	3.30%		Permitted	Under condition of make w hole
Total	228	228	2.7 years	3.25%			
Adler Group Bonds (unsecured)							
2017/24	400	399	26 Jul 24	1.50%		Permitted	Under condition of make w hole
2020/25	400	394	5 Aug 25	3.25%		Permitted	Under condition of make w hole
2020/26	400	392	13 Nov 26	2.75%		Permitted	Under condition of make w hole
2021/26	700	688	14 Jan 26	1.88%		Permitted	Under condition of make w hole
2021/27	500	491	27 Apr 27	2.25%		Permitted	Under condition of make w hole
2021/29	800	780	14 Jan 29	2.25%		Permitted	Under condition of make w hole
Total	3,200	3,144	4.4 years	2.23%			
Convertibles¹							
Consus 2018/22	120	119	29 Nov 22	4.00%	Strike price of €8.79		At face value, if trading at more than 130% of strike price for at least 20 out of 30 trading days
Adler Group 2018/23	102	100	23 Nov 23	2.00%	Strike price of €53.16	Conversion from 14 Dec 2021	At face value, if trading at more than 130% of strike price for at least 20 out of 30 trading days
Total	222	219	0.9 years	3.04%			
Bank debt	2,312	2,257	4.0 years	1.90%			
Total interest-bearing debt	7,061	6,926	3.7 years	2.18%			

1. Conversions are reflected.

Reassessment of Receivables to Pave Path for the Future

Adler Group continues its efforts to materialise these financial assets

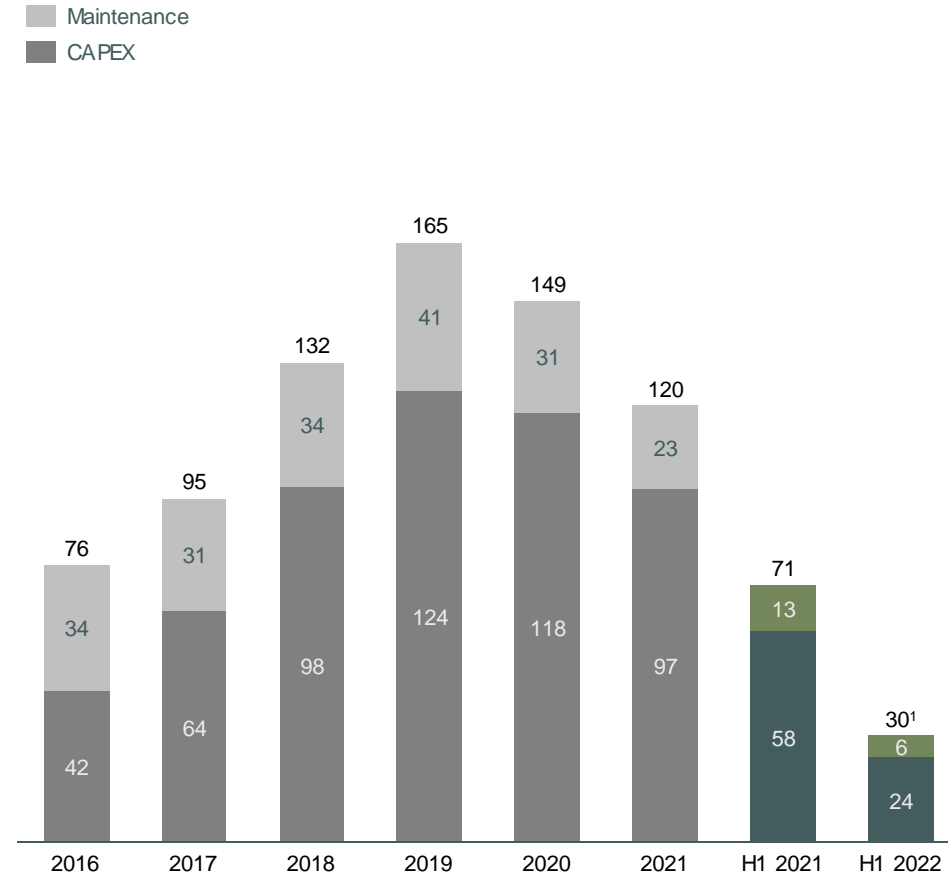
Overview of selected financial assets

#	Description	Type	Right of withdrawal / security	Receivables (€m) per H1 2022	Receivables (€m) per Q1 2022	Delta (€m)	Comment on delta
1	Certain minority shareholders hold 10.1% of the shares in Adler Group companies, partly financed by vendor loans granted by Adler Group and/or its affiliated companies and minority stake in SPVs sold to third parties	RETT Blocker	✓	233	245	(12)	Loan receivables paid by minorities interest
2	Legacy receivables and call options	Other	✓	30	60	(30)	Mainly related to the impairment of the Aggregate loan receivable (€21m)
3	ADLER Real Estate AG sold shares in Accentro in 2017, w hich has been extended	Disposals	✓	23	59	(36)	Depreciation of part of the outstanding amount
4	Gröner Group bought 17 non-strategic development projects w ith a GAV of €0.6bn in 2020	Disposals	✓	20	76	(57)	Adler Group received €10m from Gröner Group during Q2 2022 . Depreciation of part of the outstanding amount totals €47m
5	Other financial assets and deposits to avoid negative interest rates	Deposit	✓	18	44	(26)	Mainly related to overpaid prepayment penalties recouped for an amount of €17m and the impairment of the Aggregate Bond for €6m
6	Mainly other disposals w ith minor residual receivables outstanding	Disposals	✓	13	33	(20)	Depreciation of part of the PICM ² receivables among others
7	In 2018, ADLER Real Estate AG sold c.2,300 rental units to AB Immobilien , a joint venture w ith Benson Elliot Capital Management, in w hich Adler holds a 25% stake	Disposals	✓	11	16	(5)	Depreciation to reflect low er sales proceeds than originally expected
8	In 2018, ADLER Real Estate AG sold c.1,400 rental units at c.€65m to Caesar JV Immobilienbesitz und Verwaltungs Gm bH , in w hich Adler holds a 25% interest	Disposals	✓	6	28	(22)	Depreciation to reflect low er sales proceeds than originally expected
9	Partners Immobilien Capital Management bought non-strategic development projects	Disposals	✓	0	165	(165)	Reversal of the sale cancelled. Full w rite-off of the receivable
Total				354	726	(372)¹	

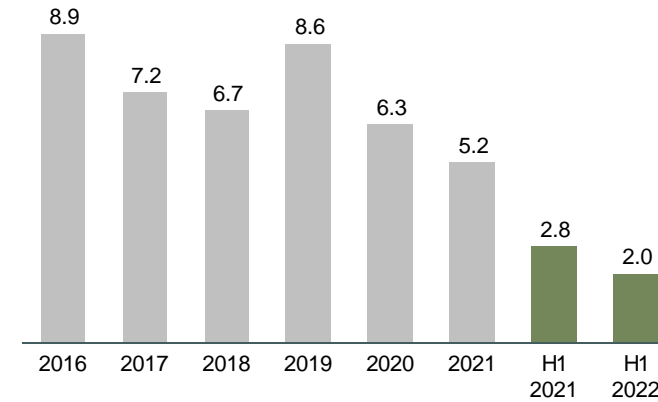
1. Out of the €372m total delta, €322m refers to depreciation of financial assets ;2. Partners Immobilien Capital Management.

CAPEX and Maintenance in H1 2022

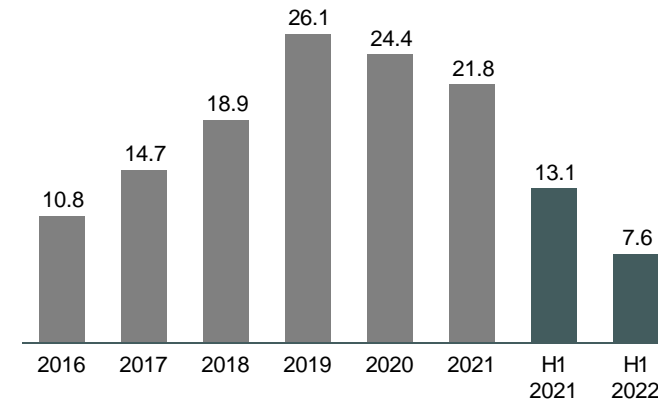
Total CAPEX and maintenance (€m)



Maintenance expense (€/sqm)



CAPEX invested (€/sqm)



PROCUREMENT
OPTIMISATION
AND INCREASED
SCALE

CAPEX &
RELETING
DRIVING

+1.6%
LFL rental growth

Maintenance
CAPEX

Please note that the numbers for the years 2015-2019 are provided for your convenience and serve for illustrative purposes of combining ADO Properties and ADLER Real Estate only. Metrics have been computed by using weighted averages on the back of publicly available information; 1. The total CAPEX and maintenance for Q1 2022 have been restated to €15m.

Build-to-Hold Projects

Two projects under construction

#	Project name ^{1,2}	City	Construc. period	Zoning	Building permit	Construc. started	Land plot (k sqm)	Area (k sqm)	Land value (€m)	Construc. CAPEX spent (€m)	GAV ³ (€m)	Total remaining construc. CAPEX (€m)	GDV (€m)	YoC (%)
1	Wasserstadt Kornversuchsspeicher	Berlin	2018 - 2022	✓	✓	✓	2	2	7	15	25	1	27	3.9%
2	SLT 107 Schwabenlandtower	Stuttgart	2019 - 2023	✓	✓	✓	8	16	37	26	60	42	119	4.1%
3	Holsten Quartier	Hamburg	2023 - 2027	*	*	*	87	149	167	35	308	421	932	3.9%
4	VAICampus Stuttgart-Vaihingen (incl. Eiermann)	Stuttgart	2023 - 2028	*	*	*	195	181	41	15	265	596	1,076	4.0%
5	Grand Central DD	Düsseldorf	2024 - 2029	✓	✓	*	34	76	165	3	145	329	575	3.0%
Total							325	424	416	94	803	1,390	2,729	3.7%

1. BCP has been excluded from the data (projects: Gerresheim, Grafental II WA 12, III WA 13 social); 2. Classification is based on the build-to-hold strategy, therefore the balance sheet figures differ due to the accounting-based definition of investment properties; 3. Based on Q2 2022 appraisal valuations.

Upfront Sale Projects

Eleven projects under construction

#	Project name ¹	City	Construc. period	Zoning	Building permit	Construc. started	Land plot (k sqm)	Area (k sqm)
1	Ostend Quartier ²	Frankfurt	2023 - 2027	*	*	*	12	44
2	Westend Ensemble - Upper West - LEA B ²	Frankfurt	2019 - 2023	✓	*	✓	14	20
3	Späthstraße ²	Berlin	n.a.	*	*	*	49	–
4	Quartier Kreuzstraße ³	Leipzig	2021 - 2023	✓	✓	✓	7	13
5	Arthur-Hoffmann-Straße ²	Leipzig	2023 - 2024	✓	*	*	1	2
6	Neues Korallusviertel ⁴	Hamburg	2022 - 2024	✓	✓	*	24	34
7	Parkhaus, Weg beim Jäger 206	Hamburg	Complete	✓	✓	Complete	7	n.a.
8	New Frankfurt Towers VauVau	Offenbach	2018 - 2024	✓	✓	✓	12	38
9	Vitopia-Kampus Kaiserlei Residential	Offenbach	2018 - 2024	✓	✓	✓	7	14
10	UpperNord Tower VauVau	Düsseldorf	2018 - 2024	✓	✓	✓	3	25
11	COL III (Windmühlenquartier)	Köln	2023 - 2025	*	*	*	7	24
12	Eurohaus	Frankfurt	2022 - 2025	✓	✓	✓	11	19
13	Schönefeld Nord Residential & Commercial	Berlin	2024 - 2030	*	*	*	305	181
14	Vitopia-Kampus Kaiserlei Commercial	Offenbach	2019 - 2025	✓	✓	✓	14	36
15	No.1 Mannheim	Mannheim	Complete	✓	✓	Complete	–	19
16	CologneApart VauVau	Köln	2018 - 2023	✓	✓	✓	11	23
17	UpperNord Office	Düsseldorf	2018 - 2024	✓	✓	✓	2	5
18	Mensa FLI	Leipzig	2023 - 2025	✓	*	*	4	2
19	The Wilhelm	Berlin	2018 - 2025	✓	✓	✓	4	17
20	Steglitzer Kreisel Parkdeck + Sockel	Berlin	2023 - 2025	✓	*	*	13	49
21	Staytion - Forum Pankow	Berlin	2022 - 2025	✓	✓	*	23	39
22	Covent Garden	München	2023 - 2026	*	*	*	8	26
23	UpperNord Quarter	Düsseldorf	2024 - 2026	*	*	*	11	23
24	Benrather Gärten	Düsseldorf	2023 - 2029	*	*	*	148	131
25	Hufewiesen (Trachau)	Dresden	n.a.	*	*	*	108	n.a.
26	FourLiving Vau Vaus	Leipzig	2018 - 2024	✓	✓	✓	11	20
27	Wasserstadt Building 7 (Tankstelle) ⁶	Berlin	2023 - 2025	✓	*	*	3	9
Total							821	813

PROJECTS SOLD

€247m⁵

GROSS PROCEEDS

OFFER RECEIVED/
LOI/EXCLUSIVITY

€438m

GAV⁷

OTHER

€844m

GAV⁷

1. BCP has been excluded from the data (project: Tuchmacherviertel); 2. Classified as trade receivable in the balance sheet as per 2Q22; 3. Proceeds of Quartier Kreuzstraße are received on 6 April 2022; 4. Neues Korallusviertel has been signed on 7 July 2022; 5. Total gross proceeds amounting to €247m regarding the sale of Ostend Quartier, Westend Ensemble- Upper West - LEA B, Späthstraße, Quartier Kreuzstraße, Arthur-Hoffmann-Straße and Neues Korallusviertel; 6. For accounting purposes, this project is classified as part of investment properties; 7. Based on Q2 2022 appraisal valuations.

Forward Sale Projects

Four projects under construction

#	Project name	City	Construc. period	Zoning	Building permit	Construc. started	Land plot (k sqm)	Area (k sqm)	GAV ¹ (€m)	Total remaining construc. CAPEX (€m)	GDV (€m)
1	Quartier Bundesallee und Momente	Berlin	2016 - 2022	✓	✓	✓	3	7	33	13	46
2	Königshöfe im Barockviertel	Dresden	2019 - 2022	✓	✓	✓	7	15	61	10	71
3	Quartier Hoym	Dresden	2018 - 2023	✓	✓	✓	9	28	60	65	142
4	Ostforum	Leipzig	2019 - 2023	✓	✓	✓	9	18	19	43	72
Total							29	68	174	131	331

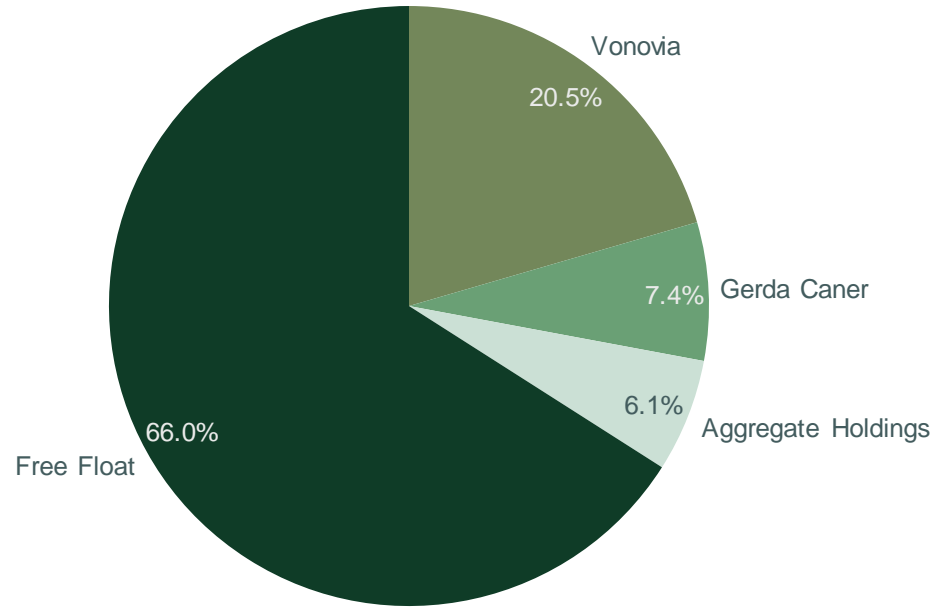
Condominium Projects

Two projects under construction

#	Project name ¹	City	Construc. period	Zoning	Building permit	Construc. started	Land plot (k sqm)	Area (k sqm)	GAV ² (€m)	Total remaining construc. CAPEX (€m)	GDV (€m)
1	Westend Ensemble - Grand Ouest - LEA A	Frankfurt	2017 - 2022	✓	✓	✓	14	9	75	18	92
2	Steglitzer Kreisel Tower	Berlin	2017 - 2024	✓	✓	✓	5	24	92	116	241
Total							19	34	167	134	334

Shareholder Structure

Largest shareholders



Overview of the Composition of the Board

Current composition of the Board



Prof. Dr. A. Stefan Kirsten
Chairman of the Board
Chairman of the Nomination & Compensation Committee



Thierry Beaudemoulin
Chief Executive Officer
Member of Senior Management
Chairman of the Ad Hoc Committee



Thilo Schmid
Director
Chairman of the Audit Committee



Thomas Zinnöcker
Director
Chairman of the Investment & Financing Committee

Remarks

- ✓ **Re-appointment** of each Board member until 2025 during the AGM on June 2022 underpinning Shareholders' endorsement
- ✓ Appointment of Thomas Echelmeyer as **permanent CFO**
- ✓ The Board of Directors will propose to the next Annual General Meeting or Extraordinary General Meeting to appoint Thomas Echelmeyer as an **additional member to the Board of Directors**

Corporate Agenda

Adler Group S.A. financial calendar 2022

29 August 2022	Publication Q2 2022 results
29 November 2022	Publication Q3 2022 results
30 November 2022	German Equity Forum

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