Results Presentation
FY 2022

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Highlights

Highlights

Well positioned to face a difficult market environment; Adj. earnings at top end of revised guidance

Operational Highlights	

	✓ **Projects equivalent to €3.3bn of GDV under construction or pre-construction, thereof 89% pre-sold,** provide robust basis for revenues and cash flow in otherwise uncertain markets
	✓ **Sales:** Significant slowdown in retail demand; institutional buyers in 'wait and see' mode,
	    ✓ Investor feedback that newly built properties remain preferred sub-asset class (energy efficiency, ESG, positive rental outlook)
	    ✓ No market recovery before H2-2023 expected
	✓ **Pricing:** No major price concessions to-date; price pressure expected to increase going forward
	✓ **Construction costs:** Material price inflation receding, expect mid single-digit construction cost increases

Strong FY 2022 results considering adverse market environment

FY 2022 Results

- ✓ Adjusted revenues: €621.0m (2021: €783.6m, -20.8%)
- ✓ Adjusted gross profit margin: 25.3% (2021: 28.3%)
- ✓ Adjusted EBIT: €88.6m (2021: €155.7m, -43.1%)
- ✓ Adjusted earnings after tax (EAT): €50.0m (2021: €96.9m, -48.4%)
- ✓ DPS proposal: €0.35 (2021: €0.62, -43.5%)

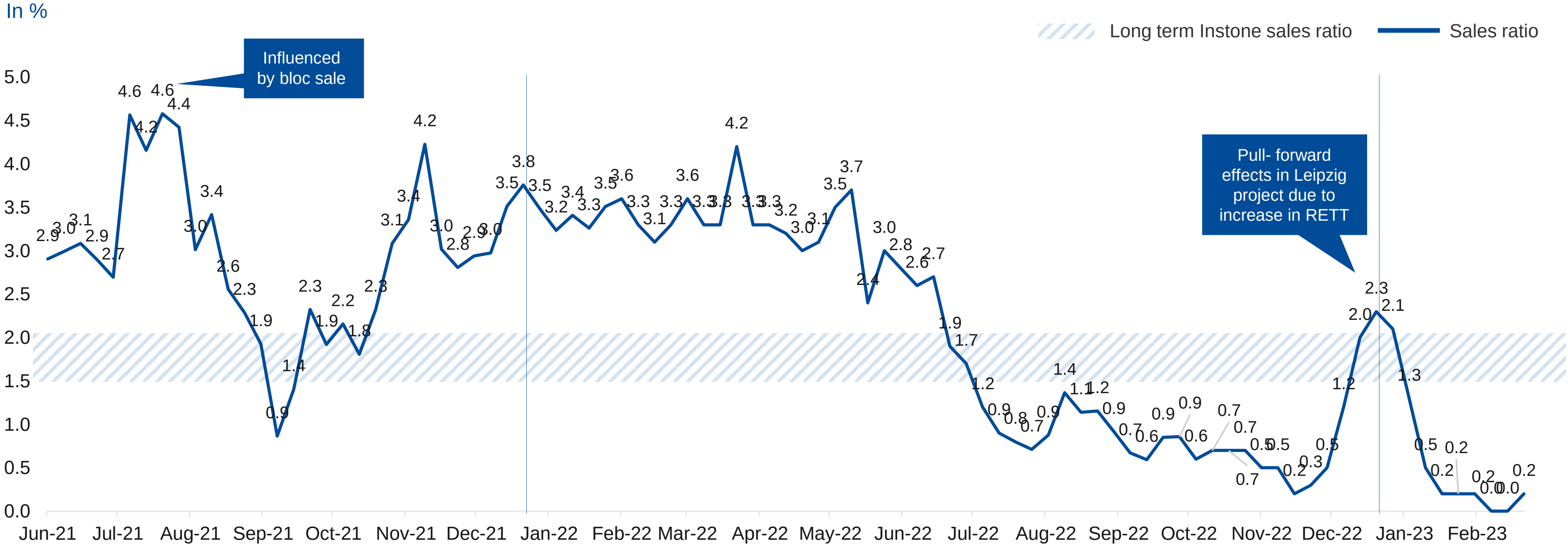
Guidance 2023 – Stable results expected

Outlook

- ✓ Adj. revenues of €600-700m
- ✓ Adj. gross margin of approx. 25%
- ✓ Adj. EAT of €40-50m
- ✓ Positive operating cash flow

Retail demand remains depressed

Sales ratio[1]

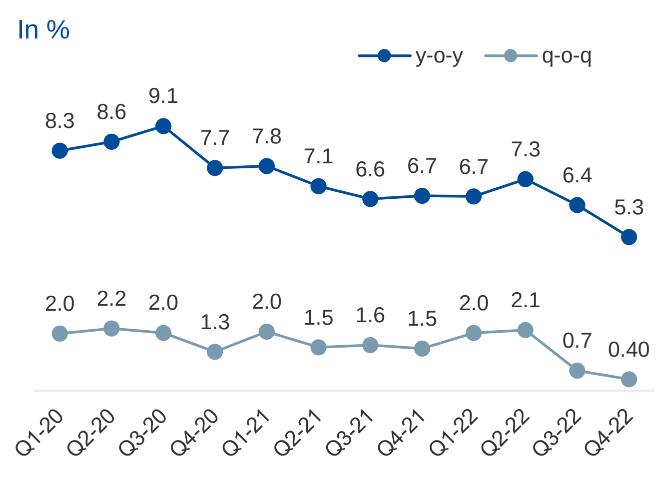


- ✓ Year-end sales ratio uplift driven by anticipated increase of real estate transfer tax in Leipzig, Saxony (effective from 1st January 2023)
- ✓ Higher share of buyers with moderate leverage
- ✓ Deliberate decision to postpone new sales starts

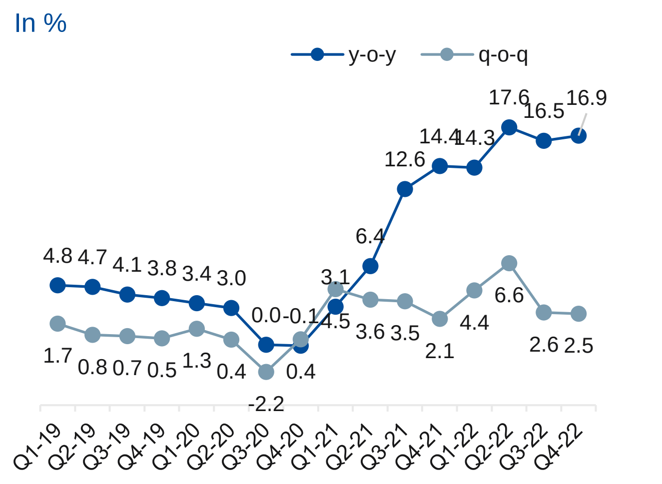
1 Retail sales ratio = weekly number of units sold/total number of units on offer (four week moving average)

New build prices expected to come under pressure; CPI inflation easing

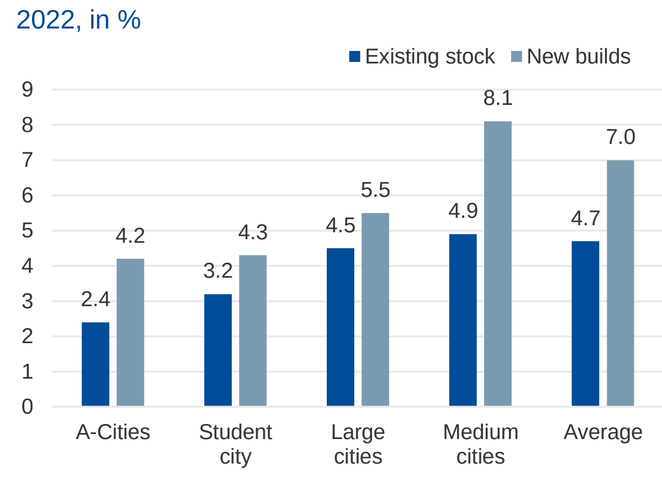
House price inflation[1]



Construction price inflation[2]



Average median rent development vs. 2021[3]



- ✓ New build condo headline prices remained robust overall in Q4 but price pressure expected to increase; transaction volumes remain depressed
- ✓ Rise in construction costs of +17% y-o-y in 2022;
  - ✓ Recently first indications of easing inflationary pressure (e.g. construction steel and timber below level of start of Ukraine war)
  - ✓ INS budgeted mid to high single-digit CPI growth appears well achievable so far
  - ✓ Negotiating power vis-à-vis construction companies has improved significantly

1 bulwiengesa data: quarterly data condo prices in top 7 cities (new build)
2 Statistisches Bundesamt
3 BNP Paribas Real Estate Report

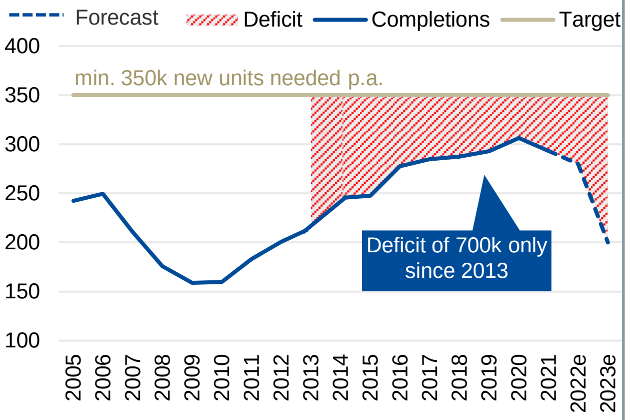
Structural supply shortage in German resi continues to worsen

Supply

Demand

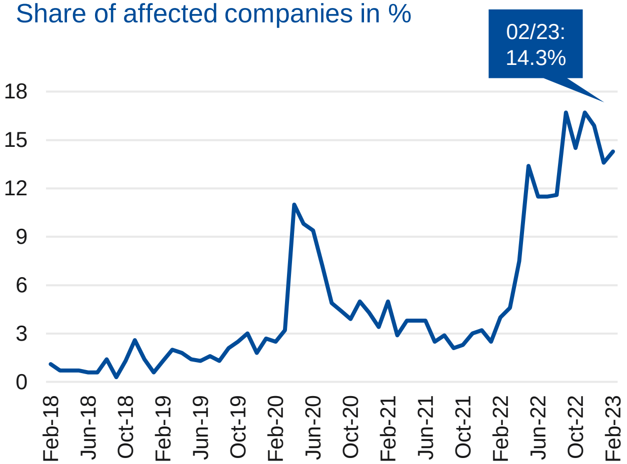
Expected decline in new supply (completions)[1]

In k units



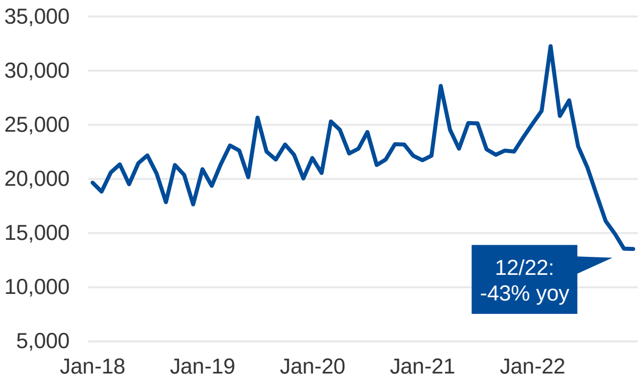
Order cancellations in building construction[2]

Share of affected companies in %



German mortgage lending down to 2011 level[3]

Volume, new business, by month, in €m



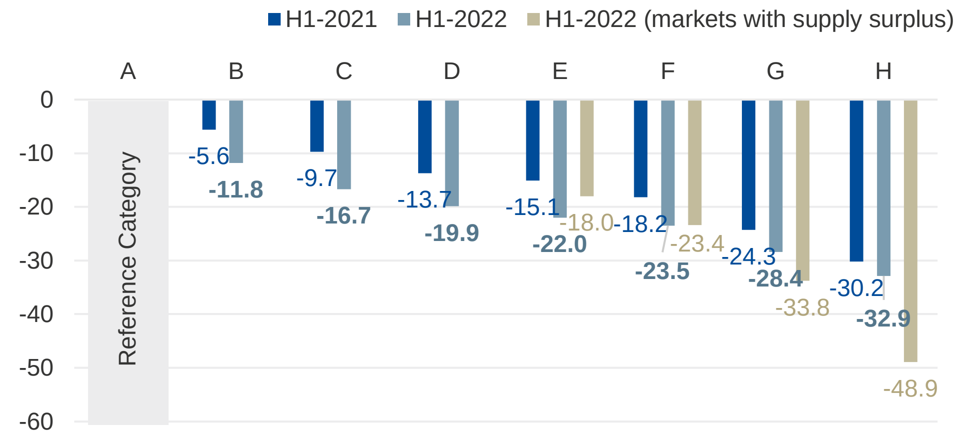
- ✓ Continued growth in demand for residential space:
  - ✓ Expected 2023 increase of 600,000 household vs. 2021 in Germany, driven by continued net migration especially from Ukraine[4]
  - ✓ Vacancy rate continuously decreasing since 2006; reaching low level of 2.8% in 2021 and 1.4% in growth regions; undersupply is growing steadily
- ✓ Order cancellations at record levels signal strong decline in supply; significant recession for residential construction in 2023 & 2024 expected
- ✓ Slump in mortgage loans also underscores current weak demand for property purchases

1 German Property Federation (ZIA) / Statistisches Bundesamt / estimated completions: German Construction Association (ZDB) and CBRE // 2 ifo Institute, Business Survey amongst German construction companies, February 2023 // 3 Deutsche Bundesbank // 4 empirica

New-builds gain relative attractiveness as investment product

Offer prices for multi-family homes: discounts per energy efficiency category[1]

Discounts vs. reference category in %



> There is a higher differentiation of the market… Price discounts are dependent on the energy standard of a building…Such price discounts have increased compared to the previous year.

Source: JLL

> Rising contact requests for leasing of new build apartments….stronger rent dynamics in A-cities for new built.

Source: Immoscout24

New build properties continue to outperform

- ✓ Opportunity for index-linked or staggered rent lease contracts
- ✓ ~30% of all new leases in metropolitan regions are index-linked rents. In top locations like Berlin and Munich even up to 70%[2]
- ✓ Massive widening of price differential of residential properties as a function of the energy standards (due to superior rent potential and capex requirements)

Instone with leading position for energy efficient buildings

- ✓ Approx. 94.2% of INS buildings currently contributing to revenues meet NZEB-10% requirement (EU Taxonomy compliant)[3]
- ✓ 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**

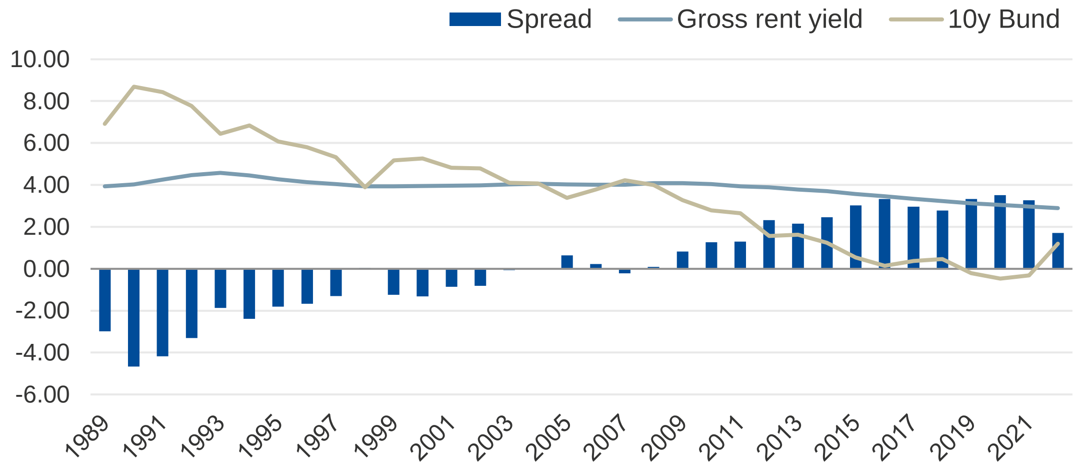
1 Source: JLL
2 Source: Tenant Association, January 2023
3 Due to change in EU Taxonomy requirements, reporting changed vs. prev. year from project view to revenue relevant objects view

Sustained positive outlook for rents will partly compensate increased rental yield requirements

House price sensitivity: price impact in different scenarios[1]

Rent Increase 2y forward	Rent Yield / Rent Multiple							
	4.0%	3.8%	3.7%	3.6%	3.4%	3.3%	3.2%	3.1%
	25x	26x	27x	28x	29x	30x	31x	32x
2%	-20%	-17%	-14%	-11%	-8%	-4%	-1%	2%
4%	-19%	-16%	-12%	-9%	-6%	-3%	1%	4%
6%	-17%	-14%	-11%	-7%	-4%	-1%	3%	6%
8%	-16%	-12%	-9%	-6%	-2%	1%	5%	8%
10%	-14%	-11%	-7%	-4%	0%	3%	7%	10%
12%	-13%	-9%	-5%	-2%	2%	5%	9%	12%
14%	-11%	-7%	-4%	0%	3%	7%	10%	14%
16%	-9%	-6%	-2%	1%	5%	9%	12%	16%
18%	-8%	-4%	0%	3%	7%	11%	14%	18%

New builds historically traded at negative yield spreads to Bunds



- ✓ Illiquid investment markets - market is still adjusting to new interest rate environment (many institutional investors in 'wait and see' mode)
- ✓ The impact of yield expansion due to higher rates is mitigated by accelerating rent growth. Price correction of 5-8% for institutional market appears realistic scenario[1]
- ✓ A positive yield spread to interest costs was historically rather the exception (due to expected rent growth/inflation)

1 Assumptions: yield shift to 3.6-3.8%; rent growth 2 years forward of 10-12%

Upcoming market consolidation offers vast opportunities

INS well positioned to weather more difficult market environment

- ✓ Industry leading gross margins (c.25% in 2023e) a key strength and competitive advantage
  - ✓ Comparatively low production costs vs. peers due to strong inhouse construction expertise
  - ✓ Selling prices start at affordable price points of approx. 4,000 €/sqm and rents of around 13 €/sqm for free financed units
- ✓ Strong balance sheet (LTC 20.8%)
- ✓ Strong cash generation from pre-sold projects (> EUR 600m)
- ✓ Approx. 91% of units under construction (EUR 3.2bn) are already sold - very low inventory risk of unsold units
- ✓ Average holding period of unsold land plots on balance sheet c. 3 years booked at cost. Value creation from land development not reflected (book value per share[1]: EUR 13.09)

Larger players are abandoning the business and many smaller players are struggling

- ✓ Players with weak balance sheet and/or lower margins are suffering most (e.g. larger players with non-core development activities)
- ✓ Many players bought land at peak of cycle with high financial leverage (land ready for construction without operational upside)

1 Q4: 43.834m shares

FY 2022 Financial Performance & ESG Considerations

2022 ESG achievements and disclosures

Environment

- *EU Taxonomy related disclosure*
  - 96.5% of Instone 2022 revenues are eligible for EU taxonomy assessment
  - 86.7% of Instone 2022 revenues are EU taxonomy aligned
  - 94.2% of individual buildings contributing to Instone 2022 revenues are taxonomy aligned
- Scope 1 and 2 emissions reduced by 19.5% vs. base year 2020 (in line with SBTI requirements) through gradual conversion from construction sites to green electricity and replacement of company vehicles with electric vehicles
- Established calculation of GHG emissions into a standard process covering the entire value chain (including life cycle analysis)
- Started considerations of concrete measures to reduce Scope 3 emissions with a view to deriving an Instone specific marginal abatement cost curve

Social

- 2022 employee survey shows further improved satisfaction rate of 75% (2021: 70%)
- Social-Impact-Initiative established five internal working groups to improve sustainability and increase social impact of projects, and share ESG best practices within the Instone Group
- Top ranking on social media employee platform reconfirms Instone as an attractive employer[1]
- First time offer of an employee share plan

Governance

- Target to increase diversity on Supervisory Board by an additional female member to be voted by the AGM in 2023
- Sustainability reporting already essentially compliant with ESRS/CSRD/Taxonomy requirements on a voluntary basis (mandatory from financial year 2024 onwards)

1 Kununu valuation tool for platform Xing

Major ESG-KPIs – achievements and targets

	Major KPIs	2021	2022	Targets
E	**Taxonomy-compliant revenues (in %)**	**n/a**	**86.7**	**Predominantly taxonomy-compliant**
	Share of projects/objects with energy requirements at least NZEB - 10%[1]	**~82.5%**	**~97.4%**	**100% of project/object portfolio in 2030**
	GHG emissions / scope 1 and 2 abs.	2,746 t CO_2e	2,147 t CO_2e	-42% (2030 vs. 2020)
	GHG emissions / scope 3 abs.	100,367 t CO_2e	429,489 t CO_2e	Net zero climate neutrality (2045)
	GHG emissions in relation to revenues	0.1316 kg CO_2e/€	0.7112 kg CO_2e/€	Net zero climate neutrality (2045)
	GHG emissions in relation to net room area	1,517 kg CO_2e/sqm	1,536 kg CO_2e/sqm	Net zero climate neutrality (2045)
	Energy consumption in relation to revenues (Offices and Construction Sites)	n/a	0.0055 kWh/€	n/a
	Water consumption in relation to reveneues[2]	n/a	0.000056 ccm/€	n/a
	Charging stations for EVs	~734	~1,433	From 2025, 100% of projects in construction to provide charging stations
	Brownfield developments (land plot size)	~645,000sqm	~532,000sqm	Acquisition focus on brownfield projects
S	Shares of affordable housing: social / subsidized / privately financed (incl. nyoo)	17% / 1.5% / 81.5%	18% / 1% / 81%	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% (1st)* / 23% (2nd)/ n/a (3rd)	20% (1st)* / 28% (2nd)/ 19% (3rd)	at least stable and growing
	Employee satisfaction and loyalty	70% / 76%	75% / 72%	75% / 80%
	Code of Conduct for employees and contractors (UN Charter)	100%	100%	100%
G	Employee compliance and data protection training	99%	100%	100%
	Compliance cases (suspected)	0	0	0
	Independent Supervisory Board	100%	100%	100%
	Client Satisfaction	n/a	1.7	< 2.4

1) In the 2021 reporting year, this value was still determined based on the number of projects. From the 2022 reporting year, this value will be determined based on the number of properties. // 2) Consideration of 24 construction sites

Adjusted Results of Operations

Attractive margins despite challenging market

€m	Q4 2022	Q4 2021	Change	FY 2022	FY 2021	Change
Revenues	**179.1**	**378.0**	**-52.6%**	**621.0**	**783.6**	**-20.7%**
Project cost	-135.6	-277.5	-51.1%	-463.8	-562.1	-17.5%
Gross profit	**43.4**	**100.5**	**-56.8%**	**157.2**	**221.5**	**-29.0%**
Gross Margin	*24.2%*	*26.6%*		*25.3%*	*28.3%*	
Platform cost	-17.4	-22.2	-21.6%	-72.5	-80.5	-9.9%
Share of results of joint ventures	1.7	12.0		3.9	14.6	
EBIT	**27.7**	**90.4**	**-69.4%**	**88.6**	**155.7**	**-43.1%**
EBIT Margin	*15.5%*	*23.9%*		*14.3%*	*19.9%*	
Financial and other results	-4.3	-9.1		-15.9	-19.2	
EBT	**23.4**	**81.3**	**-71.2%**	**72.7**	**136.5**	**-46.7%**
EBT Margin	*13.1%*	*21.5%*		*11.7%*	*17.4%*	
Taxes	-7.3	-24.7		-22.6	-39.6	
Tax rate	*31.6%*	*30.3%*		*31.2%*	*29.0%*	
EAT	**16.0**	**56.6**	**-71.7%**	**50.0**	**96.9**	**-48.4%**
EAT Margin	*8.9%*	*15.0%*		*8.1%*	*12.4%*	
EAT post minorities	**15.8**	**73.8**	**-78.6%**	**50.9**	**98.7**	**-48.5%**
EPS[1]	**0.34**	**1.57**	**-78.1%**	**1.11**	**2.10**	**-47.2%**

- ✓ Decline in revenues reflects depressed sales activity across private and institutional buyers
- ✓ Market leading gross margin despite 15% CPI
- ✓ Platform cost contained
  - ✓ Strict review of new hires
  - ✓ Non-project related/admin expenses
  - ✓ Reduction of variable compensation

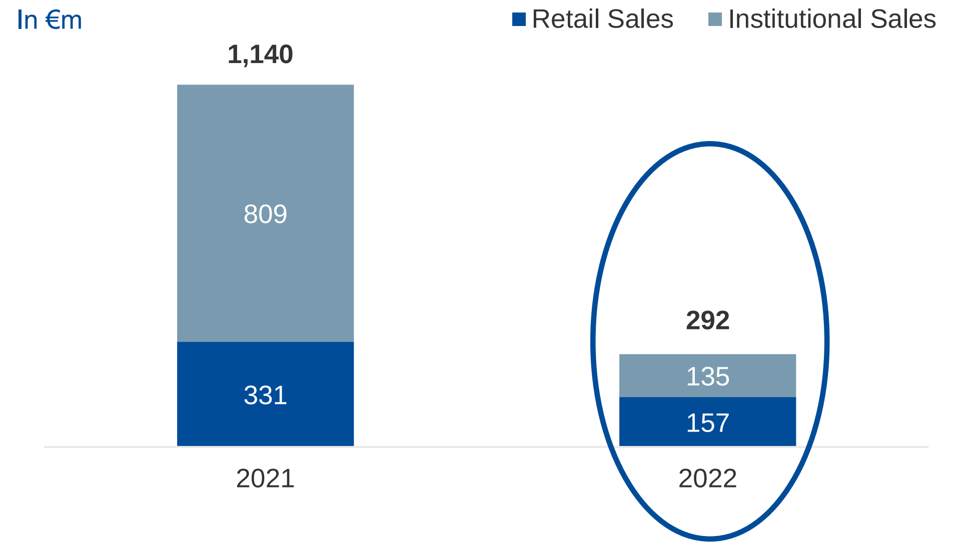
→ Cost discipline to be maintained in 2023

- ✓ EAT at top of revised guidance

1 Weighted average number of shares 45,891.4k (FY 2022) / 46,988.3k (FY 2021)

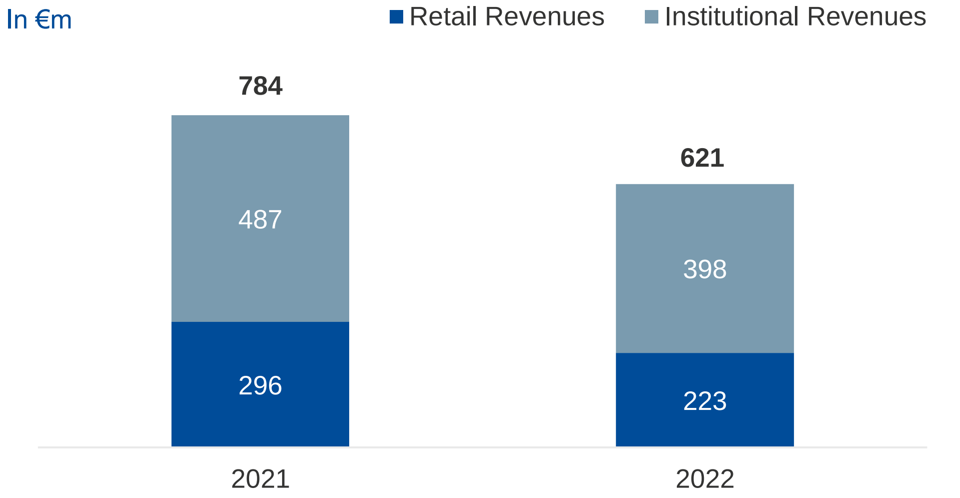
Potential restart of institutional business is key swing factor

Volume of sales contracts by customer segment



- ✓ Decline in institutional sales (-83% y-o-y) due to current ‘wait-and-see’ stance
- ✓ Restart of the institutional market could become major swing factor in 2023 but visibility on timing remains low (INS has product in place)

Adjusted revenues by customer segment



- ✓ Institutional revenues account for 64% 2022 revenues (2021: 62%), predominantly resulting from pre-sold projects

Strong balance sheet is key strength in current environment

€m	31/12/2022	31/12/2021
Corporate debt	179.7	199.1
Project debt	341.0	191.4
Financial debt	**520.6**	**390.5**
Cash and cash equivalents and term deposits	-255.6	-151.0
Net financial debt	**265.1**	**239.5**
Inventories and contract asset / liabilities	1,275,0	1,190.1
LTC[1]	**20.8%**	**20.1%**
Adjusted EBIT (LTM)[2]	88.6	155.7
Adjusted EBITDA (LTM)[2]	93.4	160.3
Net financial debt / adjusted EBITDA	**2.8x**	**1.5x**

- ✓ Moderate 20.8% LTC
    - ✓ Reminder: inventories are recorded at historical costs
- ✓ Net debt/adjusted EBITDA of 2.8x remains moderate
- ✓ Balance sheet and liquidity provide for downside protection as well as financial flexibility

1 Loan-to-Cost: Net financial debt/(Inventories + Contract assets/liabilities)
2 LTM: Last twelve months

Financially strong position

Cash Flow (€m)	Q4 2022	Q4 2021	FY 2022	FY 2021
EBITDA adj.	28.8	91.6	93.4	160.3
Other non-cash items	51.5	-25.1	-20.3	-36.6
Taxes paid	-1.6	-0.3	-4.5	-8.3
Change in working capital	77.2	-134.3	1.6	-71.5
Operating cash flow	**96.9**	**-68.1**	**70.2**	**43.9**
Land plot acquisition payments (incl. RETT)[1]	42.9	139.3	117.0	212.4
Operating cash flow excl. investments	**139.8**	**71.3**	**187.2**	**256.3**

Liquidity (€m)	Total	t/o drawn	t/o available
Corporate debt			
Promissory notes	178.0	-	-
Revolving Credit Facilities	170.0	0.0	170.0
Cash and cash equivalents and term deposits			255.6
Total corporate funds available			**425.6**
Project debt			
Project finance[2]	**653.3**	**340.2**	**313.1**

- ✓ Selective 2023 new land investments – 2022 payout mainly relates to prior year and Q1 commitments
- ✓ Focus will continue to be on cash preservation and maximising value from existing land bank
- ✓ Significant positive operating cash flow 2023e proves resilience of INS business

- ✓ Well funded to weather the downturn
- ✓ Ample cash and available funding to benefit from attractive distressed opportunities once markets stabilise

1 RETT: Real Estate Transfer Tax
2 Net available project financing

Well balanced financing structure at attractive terms

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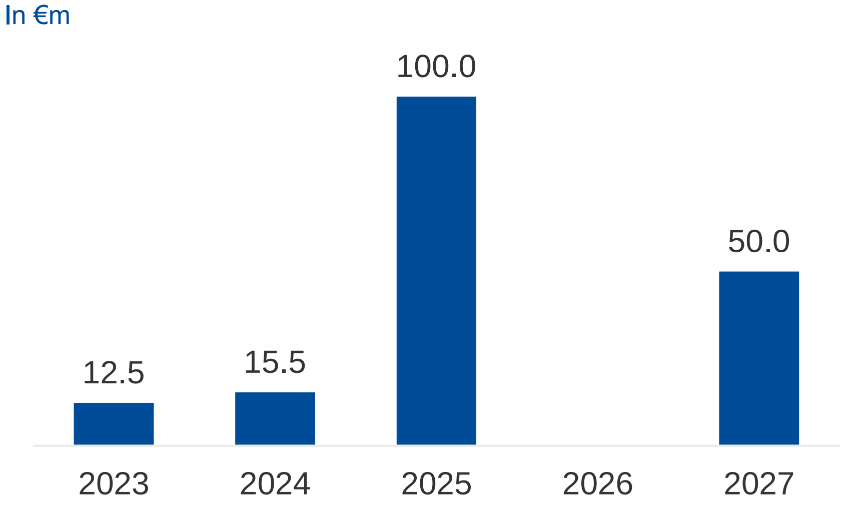
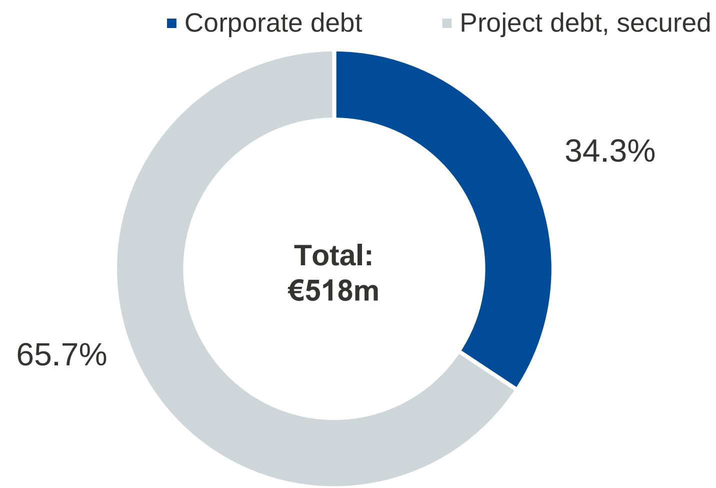
Maturity profile (corporate debt) as of 31/12/2022



Weighted average corporate debt maturity	2.9 years
Weighted average corporate interest costs	4.13%
Share of corporate debt with floating interest	7.0%

Secured/unsecured as of 31/12/2022



FY 2022 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

All calculations based on drawn values

Substantial cash return to shareholders

Share Buyback	SBB I	SBB II	Total
No. of shares[1]	2,349,416	1,349,417	**3,698,833**
Percentage of share capital (%)	*5.00*	*2.87*	***7.87***
Volume (€ million)	25.4	11.4	**36.9**
Average purchase price (€)	*10.82*	*8.48*	***9.97***

Dividends	Total
2022 payout (€ million)	**28.7**
2023E payout (€ million)	**15.2**

- ✓ Share buy back completed; used full existing authorisation
- ✓ Two consecutive programmes: 18 March 2022 – 06 February 2023
- ✓ Total cash return to shareholders will exceed EUR 80 million within 15 months including 2021 and 2022e dividends

1 Thereof 34,183 shares were used for an employee share plan

Outlook 2023: largely stable revenues and earnings

€m	Forecast 2023
Revenues (adjusted)	**600-700**
Gross profit margin (adjusted)	**~25%**
EAT (adjusted)	**40-50**
Volume of concluded sales contracts	**>150**

Key assumptions:

- ✓ Muted investor appetite expected to continue at least until second half of 2023
- ✓ No significant institutional sales included in 2023 guidance
- ✓ Expect mid-single digit construction price inflation

Appendix

Project portfolio key figures

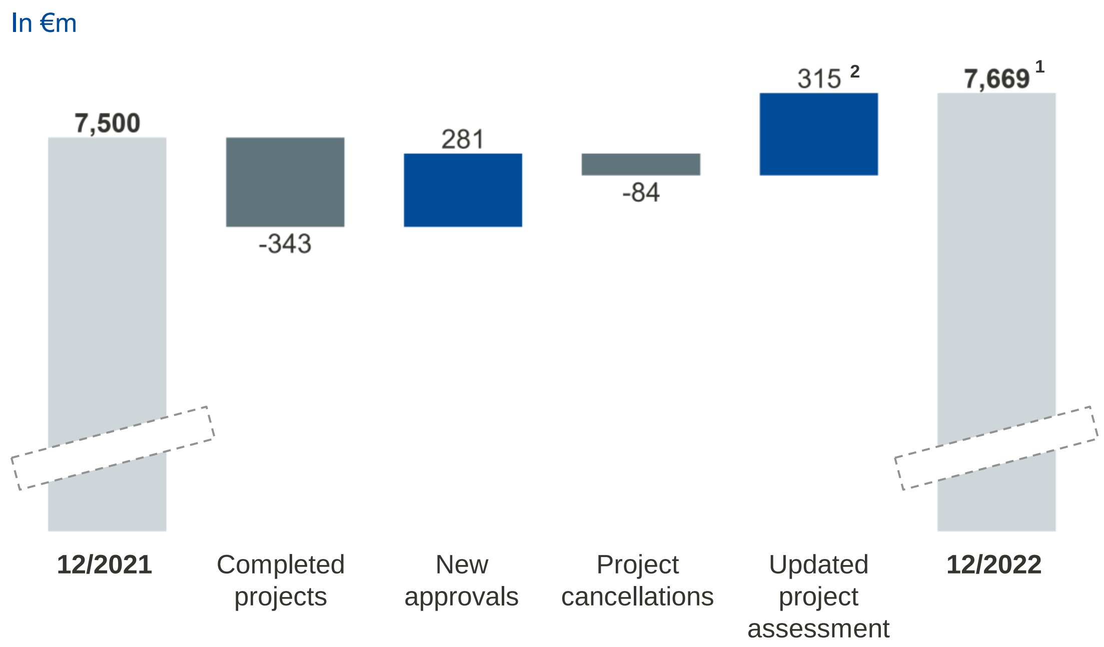
€m	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Volume of sales contracts	**42.0**	104.6	58.0	87.6	761.7	170.7	89.1	118.6[1]	246.0
Project Portfolio	**7,668.8**	7,827.4	7,727.4	7,567.7	7,500.0	7,154.9	6,268.1	6,054.2	6,053.6
thereof already sold	***2,987.3***	*2,945.4*	*2,891.4*	*3,070.1*	*3,038.9*	*2,308.7*	*2,444.0*	*2,360.5*	*2,328.8*
thereof already realized revenues	***1,902.7***	*1,721.0*	*1,597.1*	*1,684.0*	*1,621.0*	*1,276.2*	*1,436.1*	*1,307.8*	*1,265.5*
Units	**Q4 2022**	**Q3 2022**	**Q2 2022**	**Q1 2022**	**Q4 2021**	**Q3 2021**	**Q2 2021**	**Q1 2021**	**Q4 2020**
Volume of sales contracts	**44**	199	96	191	1,906	468	169	372[1]	708
Project Portfolio	**16,209**	16,580	16,644	16,607	16,418	15,913	14,338	13,678	13,561
thereof already sold	***7,309***	*7,265*	*7,179*	*7,404*	*7,215*	*5,401*	*5,679*	*5,510*	*5,381*

(Unless otherwise stated, the figures are quarterly values)

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

Significant pipeline allows opportunistic investment strategy

Project portfolio development (GDV)



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

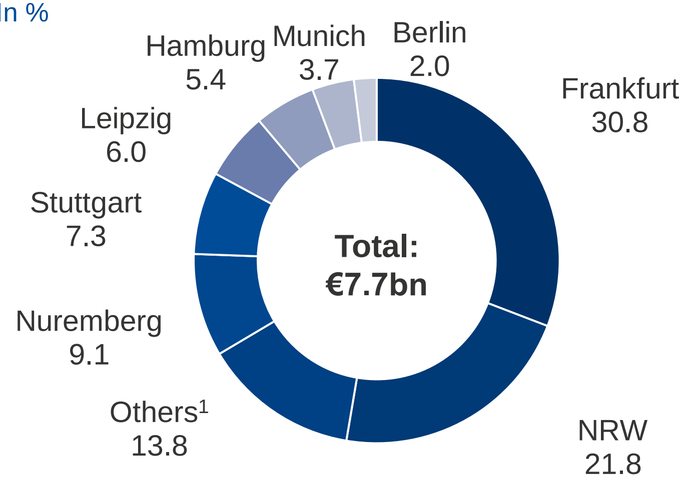
1 Excluding GDV of at-equity JVs
2 Includes increased density, index based pre-agreed sales price adjustments and re-assessed sales prices of certain pre-construction projects

Pre-sold units provide cash flow visibility in tougher markets

INSTONE REAL ESTATE

Project portfolio as of 31/12/2022 by region (GDV)

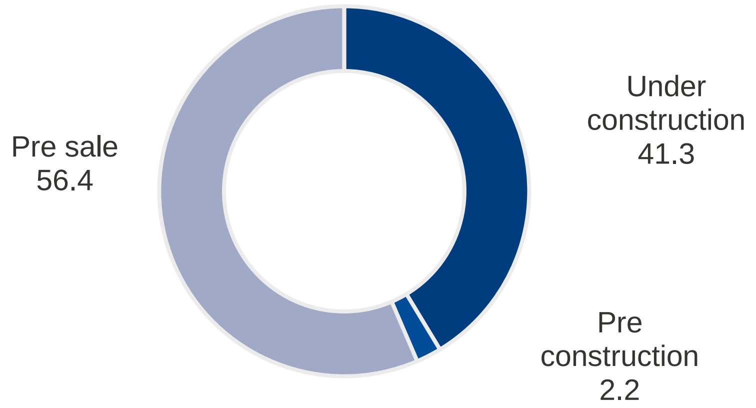
In %



- ✓ 52 projects / 16,209 units
- ✓ 86% in metropolitan regions
- ✓ ~80 average sqm / unit
- ✓ ~€5,623 ASP / sqm
- ✓ Additional three JV projects (INS share of GDV: ~€500m)

Project portfolio as of 31/12/2022 by development (GDV)

In %

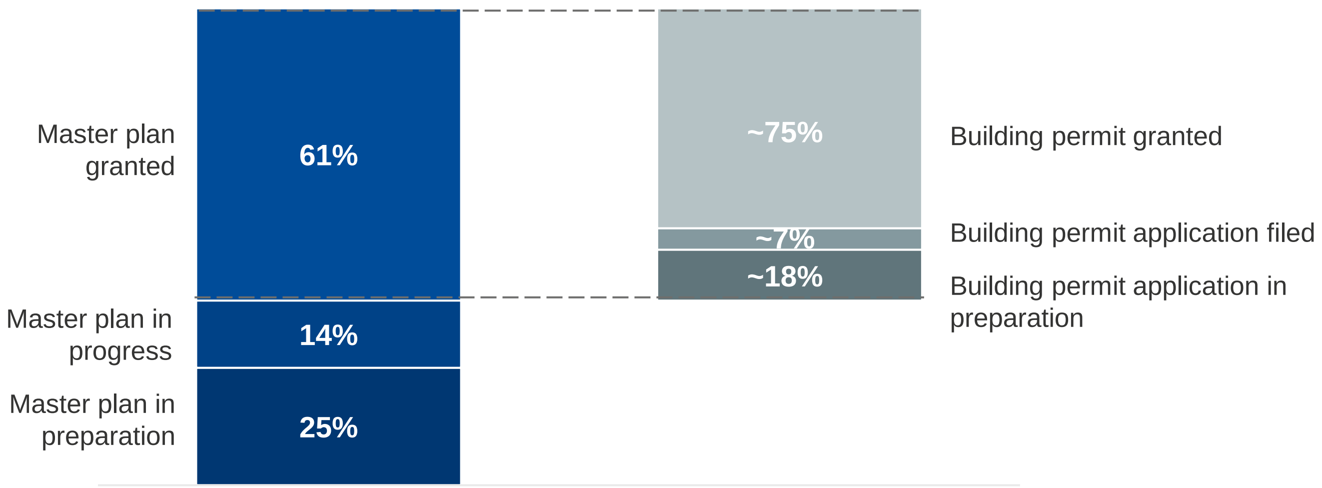


- ✓ €3.3bn GDV in "pre-construction" or "under construction" of which 89% (€3.0bn) already sold
- ✓ Of the €3.0bn pre-sold volume as of the reporting date €1.9bn has been recognised in revenues

1 "Others" include Wiesbaden, Hannover, Potsdam, Bamberg

Status of building rights

Project portfolio as of 31/12/2022 by building right status (GDV)



Project portfolio as of 31/12/2022

(projects > €30m sales volume, representing total: ~ €7.7bn)

Project	Location	Sales volume (expected)	Land plot acquired	Building right obtained	Sales started	Construction started
Hamburg						
HH - Schulterblatt "Amanda"	Hamburg	96 Mio. €	●	●	●	●
SE - Kösliner Weg	Norderstedt-Garstedt	104 Mio. €	●	●		
H - Sportplatz Bult	Hannover	120 Mio. €				
HH - RBO	Hamburg	215 Mio. €	●	●	◑	●
H - Büntekamp	Hannover	163 Mio. €	●	◑		
Berlin						
HVL - Nauen	Nauen	152 Mio. €		●		
P - Fontane Gärten	Potsdam	67 Mio. €	●	●	●	●
NRW						
D - Niederkasseler Lohweg	Düsseldorf	N/A	●	●	●	●
D - Unterbach	Düsseldorf	200 Mio. €	●	●	◑	◑
E - Literaturquartier	Essen	N/A	●	●	●	●
MG - REME	Mönchengladbach	124 Mio. €		◑		
BN - west.side	Bonn	203 Mio. €	●	●	●	●
DO - Gartenstadtquartier	Dortmund	122 Mio. €	●	◑		
K - Bickendorf	Köln	717 Mio. €	●			
DU - 6-Seen Wedau	Duisburg	74 Mio. €	●	●		
KK - Kempen	Kempen	51 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 31/12/2022

(projects > €30m sales volume, representing total: ~ €7.7bn)

Project	Location	Sales volume (expected)	Land plot acquired	Building right obtained	Sales started	Construction started
Rhine-Main						
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	69 Mio. €	●	●	●	●
F - Gallus	Frankfurt am Main	42 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	73 Mio. €	●	◑		
WI - Rheinblick	Wiesbaden	305 Mio. €	●			
MKK- Eichenheege	Maintal	108 Mio. €	●			
Leipzig						
L - Parkresidenz	Leipzig	282 Mio. €	●	●	◑	◑
L - Rosa-Luxemburg	Leipzig	115 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 31/12/2022

(projects > €30m sales volume, representing total: ~ €7.7bn)

Project	Location	Sales volume (expected)	Land plot acquired	Building right obtained	Sales started	Construction started
Baden-Wurttemberg						
S - City-Prag	Stuttgart	133 Mio. €	●	●	●	●
WN - Schorndorf	Schorndorf	N/A	●	●	●	●
TÜ - Rottenburg	Rottenburg	176 Mio. €	●	●	◑	◑
BB - Herrenberg III, Schäferlinde	Herrenberg	82 Mio. €	●	◑		
BB - Herrenberg II, Schwarzwald II	Herrenberg	83 Mio. €	●	◑		
Bavaria South						
M - Ottobrunner	München	118 Mio. €	●	●		
A - Beethovenpark	Augsburg	N/A	●	●	●	●
Bavaria North						
N - Eslarner Straße	Nürnberg	64 Mio. €	●	●		
BA - Lagarde	Bamberg	89 Mio. €	●	●	◑	
N - Schopenhauer	Nürnberg	68 Mio. €	●	●	●	●
N - Stephanstr.	Nürnberg	N/A	●	●	●	●
N - Seetor	Nürnberg	115 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.

New subsidies scheme for new builds planned for 06/2023

The German government plans to invest 1bn to support owner-occupiers (help-to-buy) and new build of rental apartments (planning status as of February 2023)

Volume	• EUR 350 million	• EUR 650 million
Recipient	• **Families** with children <18 yrs • Household income of max. €60,000 plus €10,000 per child → Potentially 75% of German households → Support of 13,000-15,000 households p.a.	• Resi landlords, other private investors
Objective	• **Help-to-buy**: Build or buy new home/condominium for own use (for at least 10 years) • **Energy efficiency** (minimum energy standard KfW 55)	• **New build** of rental apartments • **Energy efficiency** (minimum energy standard KfW 40)
Subsidies	• No direct grant • Subsidized mortgages, reduced interest costs (by 2-4%) by federal KfW Bank → Max. 240,000 EUR credit volume → Will be accepted as equity substitute	• To be defined

Source: businessinsider.de, aktion-pro-eigenheim.de

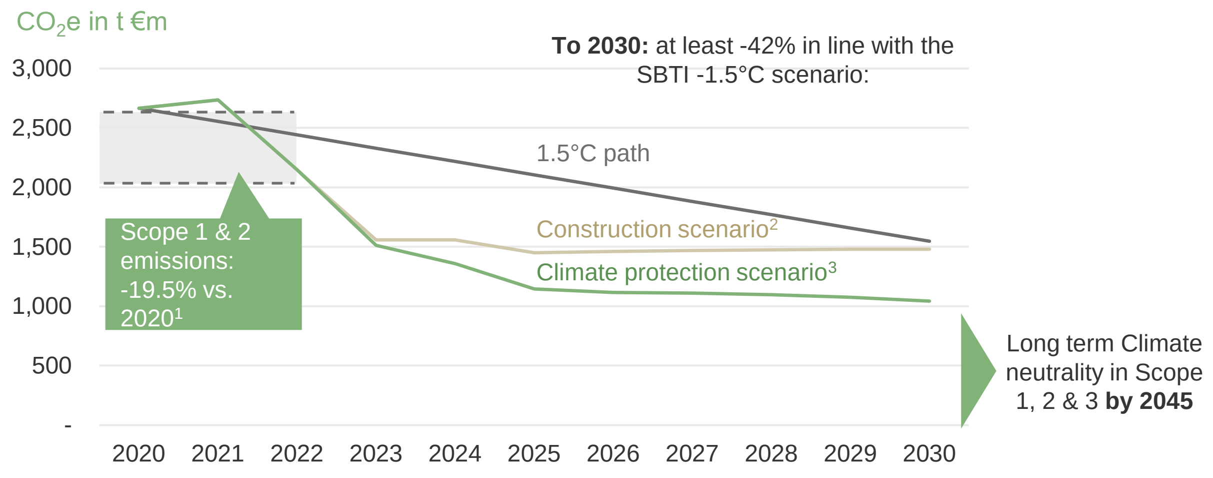
87% of revenues are compliant with EU Taxonomy

	Absolute revenue	Proportion of total revenues	Climate change mitigation	Climate change adaptation
A. Taxonomy-eligible activities				
A.1. Environmentally sustainable activities (Taxonomy-aligned)				
Activity: 7.1 New Construction (Taxonomy-aligned)	€538m	86,7%	100%	100%
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)				
Activity: 7.1 New Construction (not Taxonomy-aligned)	€61m	9,8%		
Total A.1 + A.2	**€599m**	**96,5%**		
B. Taxonomy-non-eligible activities				
Revenue of Taxonomy-non-eligible activities (B)	€22m	3,5%		
Total A + B	**€621m**	**100%**		

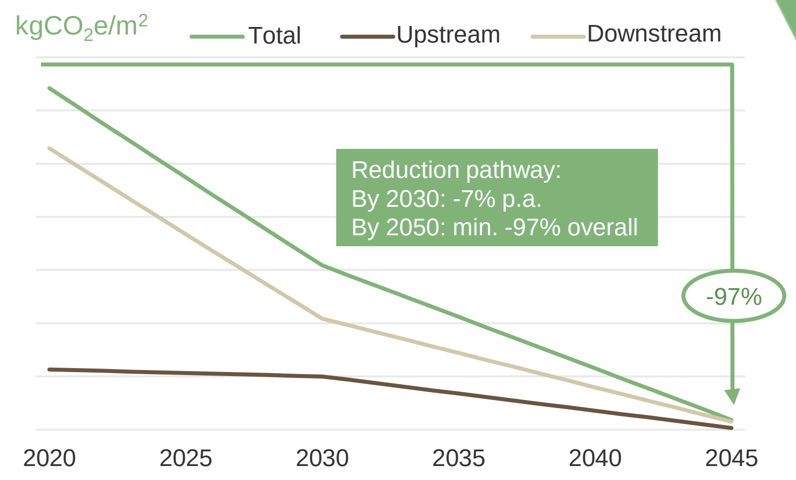
- Instone reports according to Art. 8 of the Taxonomy Ordinance on non-financial reporting according to the NFRD/HGB for the disclosure of Taxonomy-eligible and Taxonomy-aligned revenues, CapEx & OpEx
- Economic activity of Instone is the "7.1 New Construction", other possible economic activities fall under a materiality limit of 3% set by Instone, just like CapEx and OpEx
- 86.7% of INS 2022 adj. revenues are taxonomy-aligned, 100% of those contribute to the environmental goal of climate protection
  → i.e., the *Technical Screening Criteria* and *Do Not Significant Harm* criteria have already been met or will be met upon completion of construction
- 191 buildings were considered, of which 180 buildings are considered taxonomy-compliant
- Minimum safeguards are observed

Clear pathway to reduce GHG emissions scope 1 to 3

Projected versus actual climate targets



Scope 3 emissions target curve based on SBTi[4]



- ✓ Scope 1 and 2 emissions reduced by 19.5% vs. base year 2020 (in line with SBTI requirements) through gradual conversion from construction sites to green electricity and replacement of company vehicles with electric vehicles
- ✓ For scope 3 emissions (~99% of total emissions) a relative increase of 4% was recorded vs. 2021, mainly driven by a 323% increase in completed projects and share of buildings undergoing refurbishment (listed buildings)
- ✓ Based on the comparison of the portfolio of completed buildings, an average increase in energy intensity in the usage phase of 9% compared to the previous year could be determined

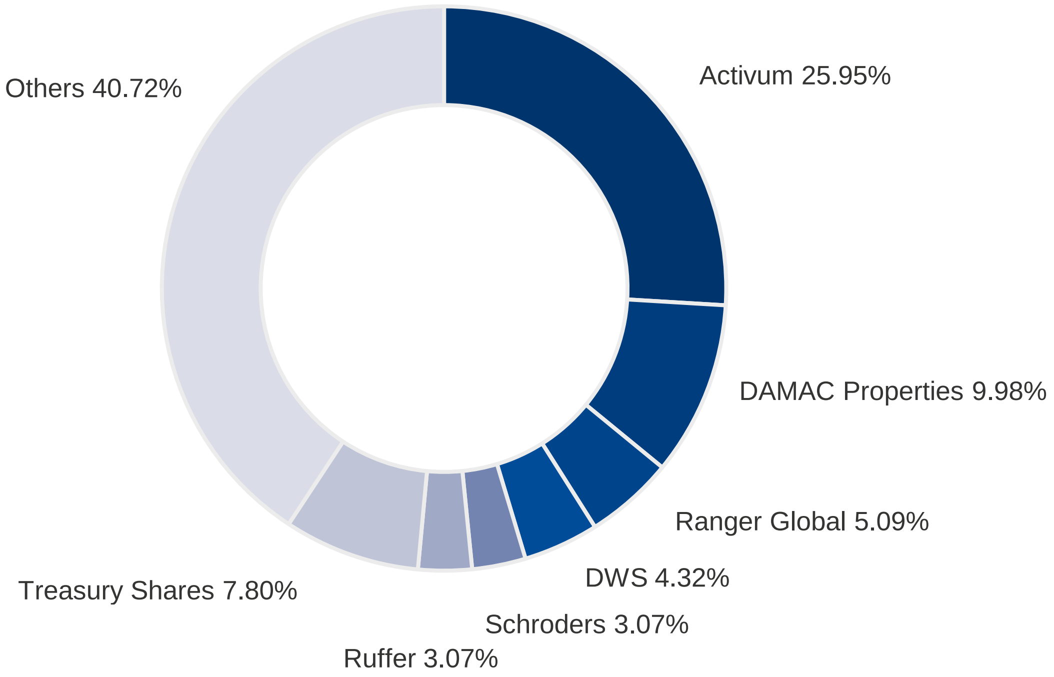
1 Baseline 2020 has changed vs. prev. report, further explanation can be found in the Annual Report // 2 BAU scenario: based on the assumption that decarbonising the energy sector is only progressing moderately // 3 Climate protection scenario: based on the assumption that decarbonising the energy sector achieves climate neutrality in 2045 // 4 Upstream emissions: cover erection of the building (incl. manufacturing of materials) / downstream emissions: largely consist of the use phase (95%) and of the demolition/disposal (5%)

Instone share

Basic data

- ISIN: DE000A2NBX80
- Ticker symbol: INS
- No of shares: 46,988,336
- Market cap[1]: €418m
- Average daily trading volume: €0.7m
- Market segment: Prime Standard, Frankfurt

Shareholder structure (March 2023)



1 Based on closing price on 28/02/2023 at €8.90

Financial calendar

2023

March	16	Annual Report 2022
March	21	Roadshow Great Britain, London (Deutsche Bank)
March	22	Roadshow France, virtual (Kepler Cheuvreux)
April	21	Roadshow Germany, Frankfurt (Deutsche Bank)
May	11	Quarterly Statement for the first quarter of 2023
June	14	Annual General Meeting
June	15	Morgan Stanley - European Real Estate Capital Markets Conference 2023, London
August	10	Group Interim Report for the first half of 2023
September	18	Berenberg and Goldman Sachs Twelfth German Corporate Conference, Munich
September	19	12th Baader Investment Conference, Munich
November	09	Quarterly Statement for the first nine months of 2023

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