

# *Instone Real Estate Group SE*

Investor presentation  
May 2025

# Agenda

1. Key Investment Highlights
2. Q1 2025 Highlights
3. Q1 2025 Financial Performance & Outlook
4. Market Environment
5. nyoo: Growth Perspective
6. ESG Strategy
7. Appendix

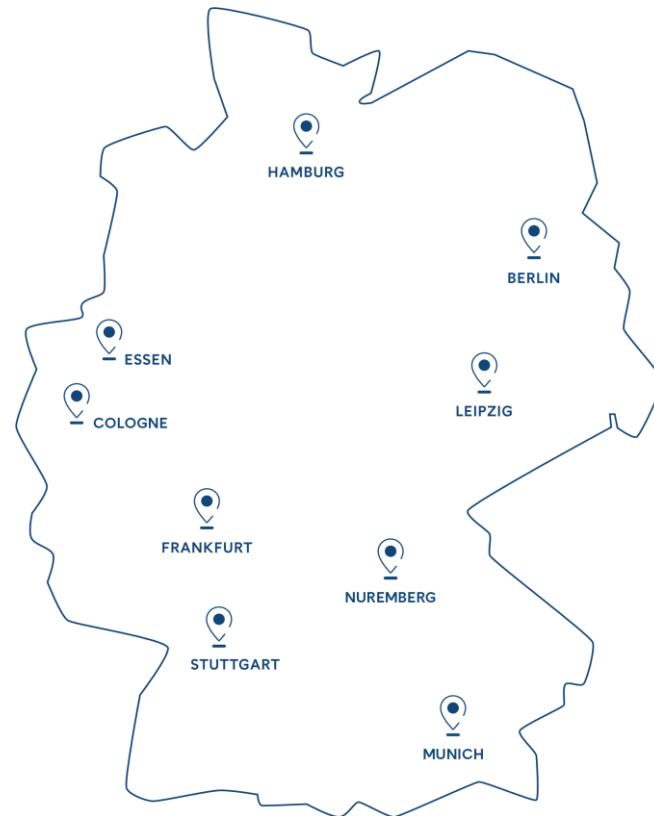
# Key Investment Highlights

# Instone is a Leading Residential Developer in Germany

## Instone at a Glance

- ✓ **Leading homebuilding developing platform** in Germany
- ✓ Addressing **fundamental structural undersupply** in German real estate market
- ✓ **Comprehensive product portfolio** from custom apartments and single houses in prime metropolitan areas to affordable housing units (nyoo)
- ✓ **Attractive business model** based on covering entire real estate development value chain, from land acquisition to sales

## Proven track record of >30 years



>1m sqm

Successfully developed and marketed since 1991+



~€7.0bn

GDV project portfolio as of 31/03/2025



**Management team**

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



**409 employees**

As of 31/03/2025



**8 branches + HQ**

Presence in all German metropolitan regions

# Investment highlights

1



Leading German residential developer supported by long-term housing shortage trends

2



Very solid profitability also during downturn; well prepared for upward new upward cycle

3



Innovative and scalable nyoo product as key driver for growth in the mid-term

4



Strong balance sheet and sound cash generation as foundation for sustainable growth

5



Strong commitment to ambitious ESG goals

# Covering the entire value chain with deeply rooted construction expertise

## Acquisition

Fully in-house



No speculative land banking

## Planning application

Internal/external experts



High building density assessment

## Sales

Internal/external sales teams



30% pre-sale hurdle rate prior to construction

## Construction

External contractors



Strong construction management background

## Completion



Positive track-record concerning on time deliveries

6-12 months

12-48 months

Dependent on project size



# Q1 2025 Highlights

# Q1 highlights & outlook

Strong sales momentum in B2C business despite macro headwinds



## Operational Highlights

- **Strong momentum in retail business in past weeks with support from new sales starts and more to come**
  - Retail: Strong demand for new products which are ideally tailored to tax incentives schemes for buy-to-let investors; no tangible impact from temporary turmoil in financial markets (Q1-retail sales: +52% yoy);
  - Institutional: in talks with investors for several transactions (timeline for closing: H2-25 as expected)
- **Acquisitions: Increase in opportunities in the market; several land acquisitions in advanced stages of negotiations**

Q1-2025 results: Solid start to the year



## Q1-2025 Results<sup>1</sup>

- **Revenues:** €105.0m (-12.1% yoy)
- **Gross profit margin:** 26.8% (Q1-2024: 27.4%)
- **EAT:** €7.5m (-21.9% yoy)
- **Sales:** €41.6m (-52.7% yoy - Q1-24 including a larger institutional sale)

Outlook for 2025 confirmed

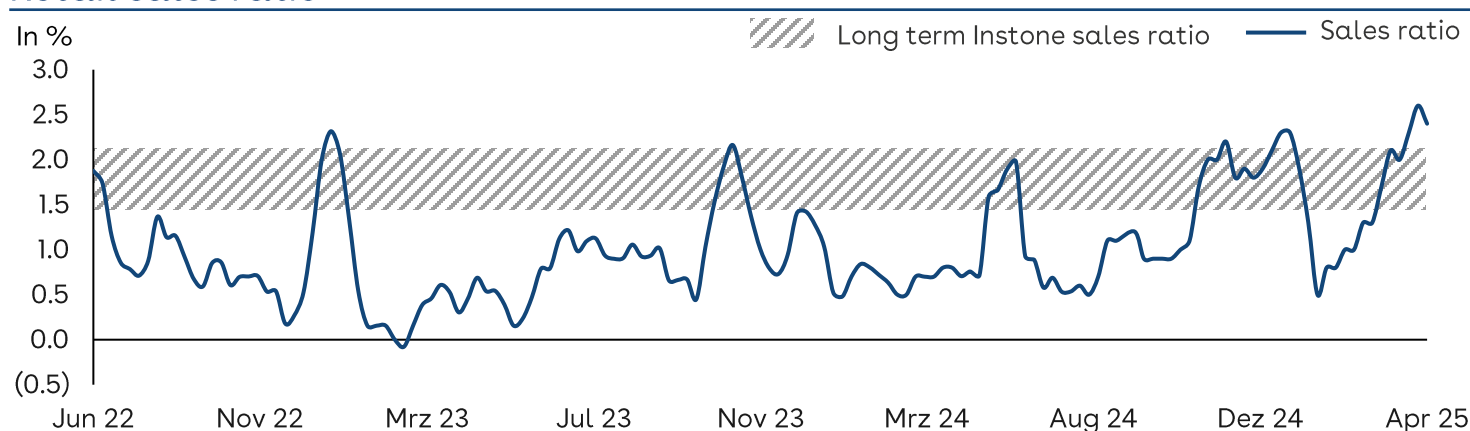


## Outlook<sup>1</sup>

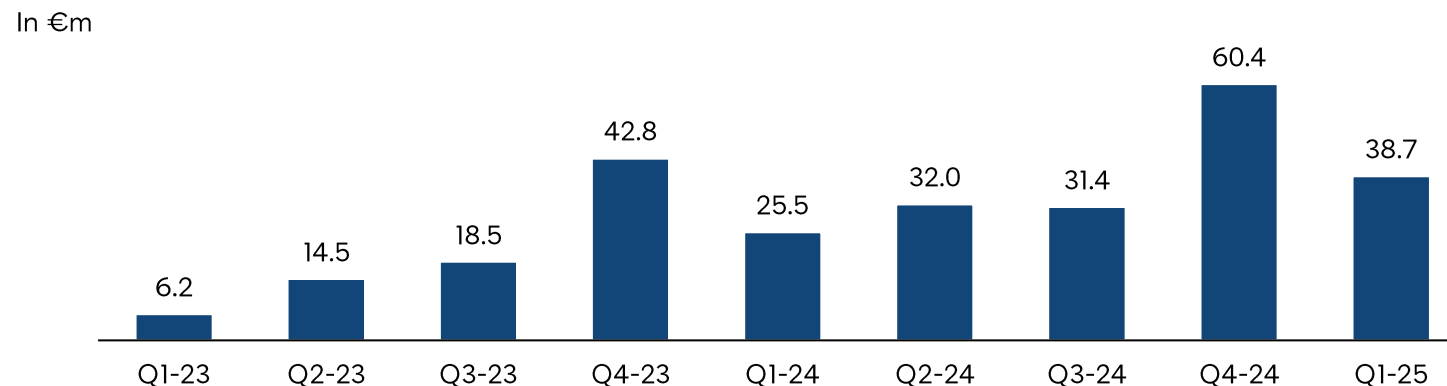
- **Revenues:** €500-600m
- **Gross profit margin:** ~23%
- **EAT:** €25-35m
- **Sales:** >€500m

# Retail sales: New sales starts showing strong momentum

## Retail sales ratio<sup>1</sup>



## Quarterly development of retail sales



- Continued sales recovery (private sales up from €25.5m to €38.7m in Q1-2025, +52% yoy) despite temporary hike in rates confirms stable upward trend
- New sales starts very well received by the market - major sales driver
- Positive momentum continued also in April (sales €22.2m)
- Sales ratio: 2.4% (16 CW), 13.25 avg. weekly number of units sold / 541 avg. number of units on offer; above LT mean**
- Institutional market: in talks for several deals – signings expected in H2-2025

# New sales starts in 2025: Boost in demand due to attractive post tax-returns

Official sales start, once final building permit has been granted (expected in second half of May)



Lahnwarte (Frankfurt)\*

- Total apartments: 149
- Apartments in sales process: 149
- Reservations: 10
- Notary appointments: 4
- Sold: 14



Nyoo Berry (Duisburg)\*

- Total apartments: 186
- Apartments in sales process: 101
- Reservations: 17
- Notary appointments: 13
- Sold: 35



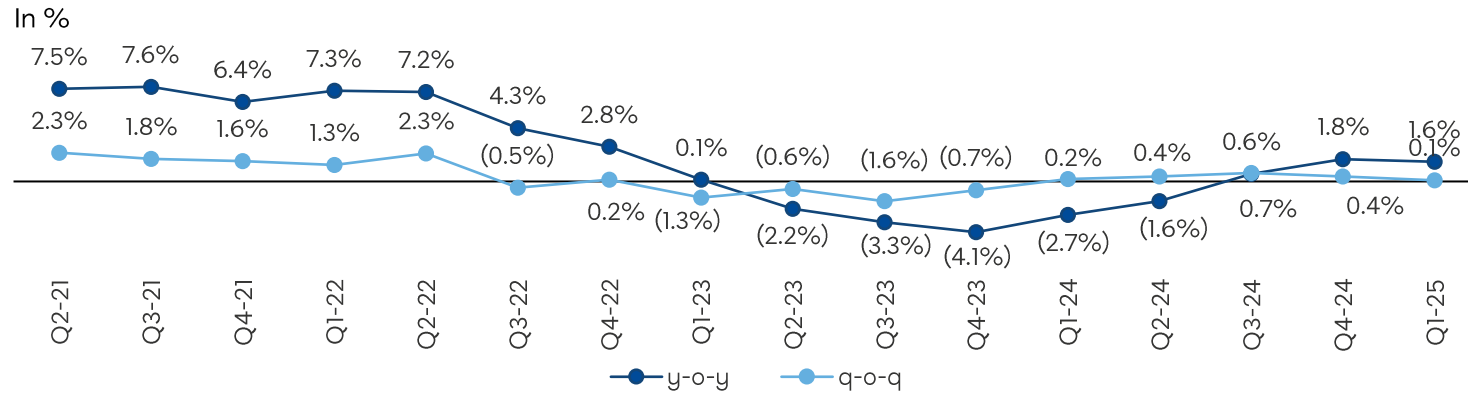
Gefylde (Stuttgart)\*

- Total apartments: 177
- Apartments in pre-sales process: 81
- Reservations: 40
- Notary appointments: 0
- Sold: 0
- Due to approval process notary appointments will start in May

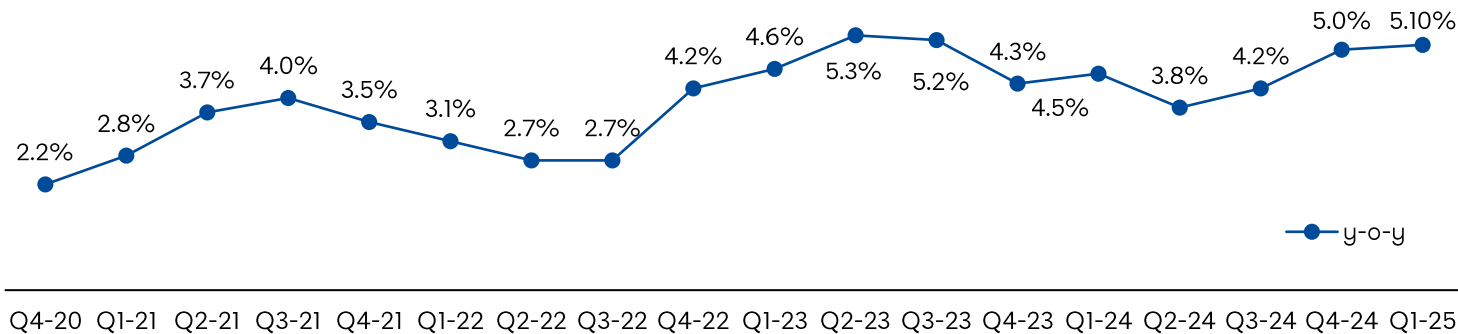
- INS new products are ideally tailored to the support schemes of the Growth Opportunities Act ("Wachstumchancengesetz") with 5% degressive tax depreciation + 5% linear tax depreciation for energy efficient buildings ("QNG 40" standard)
- Further sales starts catered to buy-to-let investors planned for the coming months

# Prices withstand macro headwinds; dynamic rent growth persists

## House price inflation (new builds)<sup>1</sup>



## New-build rent development – Accelerating positive momentum<sup>1</sup>

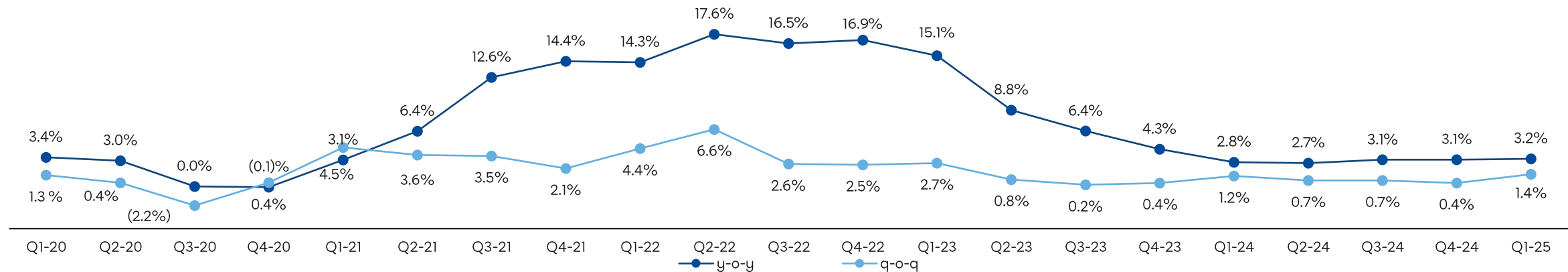


- Stable prices in Q1 in spite of a more volatile environment as further sign of strength

- Rent growth remains at elevated levels due to rising scarcity for energy efficient apartments in good quality locations

# Moderate CPI growth – INS with unrivalled low construction costs

## Construction price inflation<sup>1</sup>

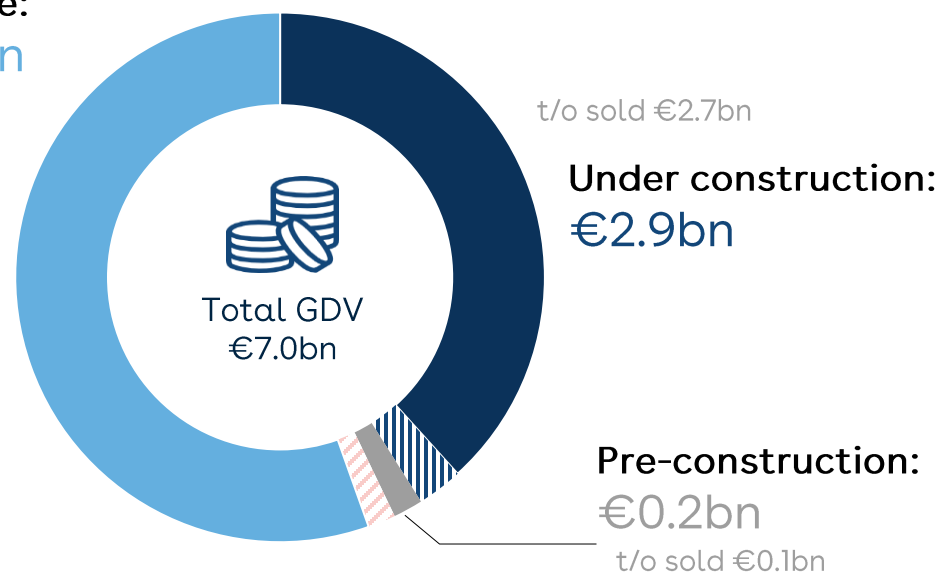


- Overall construction price inflation rather stable at moderate levels
- CPI for larger projects is even lower due to rising competition - costs largely stable for Instone

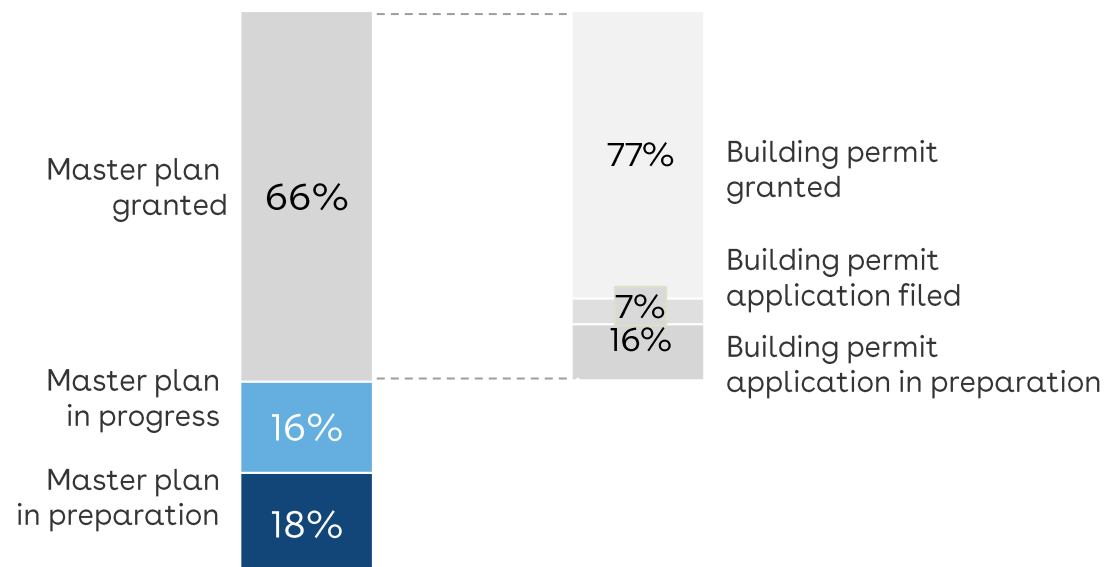
# Under construction projects de-risked with 93% sold

Project portfolio as of 31/03/2025 by development (GDV)

Pre-sale:  
€3.9bn



Project portfolio as of 31/03/2025 by building right status (GDV)



- Projects with GDV of c.€2.9bn are “under construction” of which 93% already sold
- Of the c.€2.8bn sold volume as of the reporting date c.€2.4bn has been recognised in revenues
- Some €1.6bn of land bank with zoning rights obtained
- Land value c.€470m + outstanding land payment c.€80m (accounting for c.15% of pre-sales GDV)

# *Q1 2025 Financial Performance & Outlook*

# Adjusted results of operations: Solid profitability maintained

€m		Q1 2025	Q1 2024	Change
<b>Revenues</b>	1	105.0	119.5	(12.1%)
Project cost		(76.9)	(86.9)	(11.5%)
<b>Gross profit</b>		28.1	32.7	(14.1%)
Gross Margin	2	26.8%	27.4%	
Platform cost	3	(17.7)	(17.7)	0%
Share of results of JVs	4	2.6	0.9	
<b>EBIT</b>		12.9	15.8	(18.4%)
EBIT Margin		12.3%	13.2%	
Financial & other results	5	(2.7)	(3.2)	
<b>EBT</b>		10.2	12.6	(19.0%)
EBT Margin		9.7%	10.5%	
Taxes		(2.8)	(3.1)	
Tax rate	6	27.1%	24.4%	
<b>EAT</b>		7.5	9.6	(21.9%)
EAT Margin		7.1%	8.0%	
<b>EAT post minorities</b>		7.3	9.3	(22.3%)
<b>EPS<sup>1</sup></b>		0.17	0.22	(22.3%)

- 1 Lower construction output, in line with expectations – bulk of revenues is still derived from pre-sold units under construction
- 2 Sustained high margin level reflects quality of projects and cost control with inhouse construction management - lower margin in coming quarters expected (as planned)
- 3 Platform costs: Stable costs despite cost inflation
- 4 Increase in JV result reflects positive contribution of Berlin JV
- 5 Improved financial result mainly due to a reduction in net debt (-€65.3m in Q1 yoy)
- 6 Slightly higher tax rate due to lower expected earnings contribution in FY-2025 from completed Berlin JV project in 2025

# Very strong balance sheet

€m	31/03/2025	31/12/2024
Corporate debt	139.1	
Project debt <sup>1</sup>	267.4	
Financial debt <sup>1</sup>	406.4	389.7
Cash and cash equivalents and term deposits <sup>1</sup>	252.2	
Net financial debt <sup>1</sup>	153.5	132.5
Inventories and contract asset / liabilities	1,308.4	
LTC <sup>1,2</sup>	11.8%	10.5%
Adjusted EBIT (LTM) <sup>3</sup>	54.6	
Adjusted EBITDA (LTM) <sup>3</sup>	59.3	
Net financial debt <sup>1</sup> / adjusted EBITDA	2.6x	2.1x

- LTC (loan-to-cost ratio) stays at a very low level of 11.8%
- ... and a very solid net debt/adjusted EBITDA of 2.6x at the trough of the cycle
- Balance sheet offers ample headroom for growth investments in a buyers' market for land

# Financially very strong position - Firepower for future growth

Cash Flow (€m)	Q1 2025	Q1 2024
EBITDA adj.	13.9	17.1
Other non-cash items	2.5	(5.9)
Taxes paid	(3.4)	(3.4)
Change in working capital	(29.9)	(35.5)
Operating cash flow	(16.9)	(27.7)
Land plot acquisition payments (incl. RETT) <sup>1</sup>	12.7	0.7
Operating cash flow excl. investments	(4.2)	(27.0)

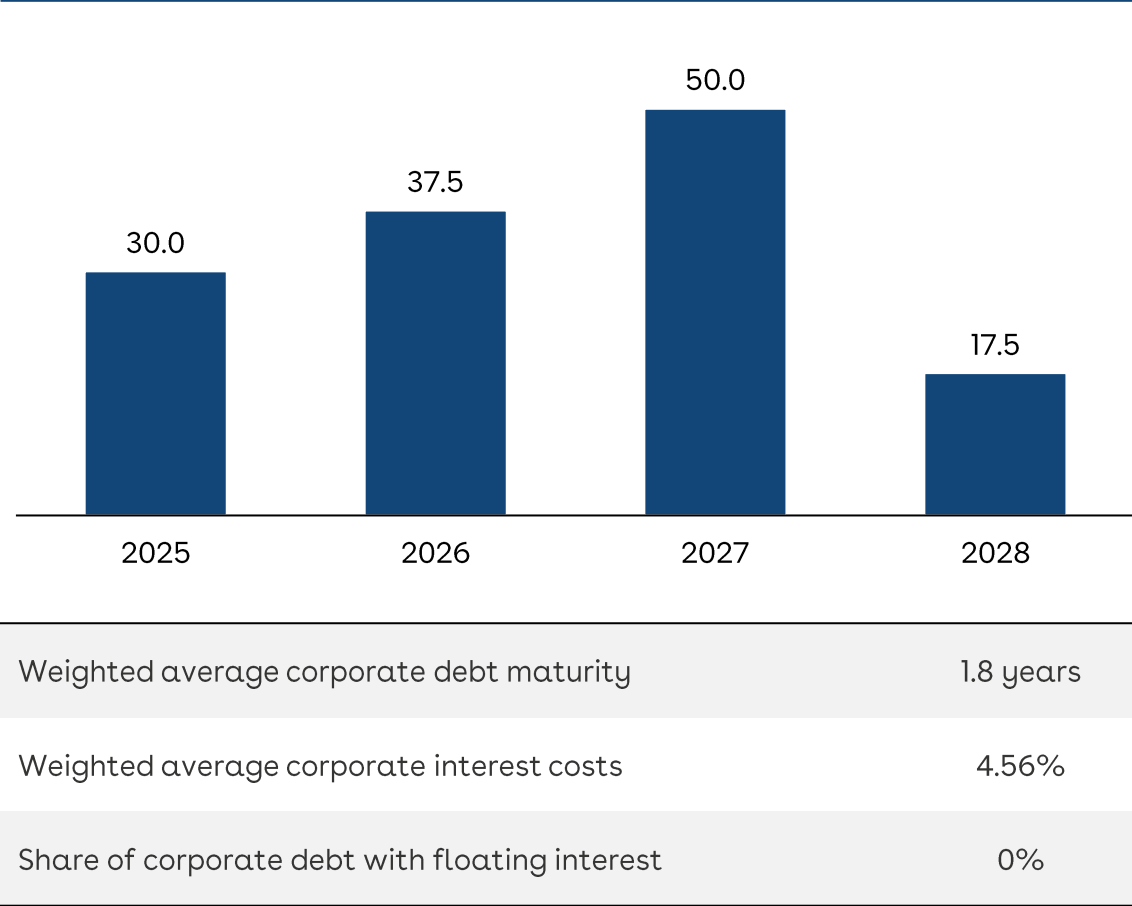
- Very strong cash generation in 2023 & 2024 (total operating CF of approx. €210m) has created significant scope for growth investments
- Acquisition payments include deferred payments for Lahnwarte project, in Frankfurt which was purchased last year and is now already in the sales process

Liquidity (€m)	Total	t/o drawn	t/o available
Corporate debt			
Promissory notes	135.0	135.0	-
Revolving Credit Facilities	141.6	-	141.6
Cash and cash equivalents and term deposits <sup>2</sup>			252.5
<b>Total corporate funds available</b>			<b>394.1</b>
Project debt <sup>2</sup>			
Project finance <sup>2,3</sup>	404.9	242.6	<b>162.3</b>

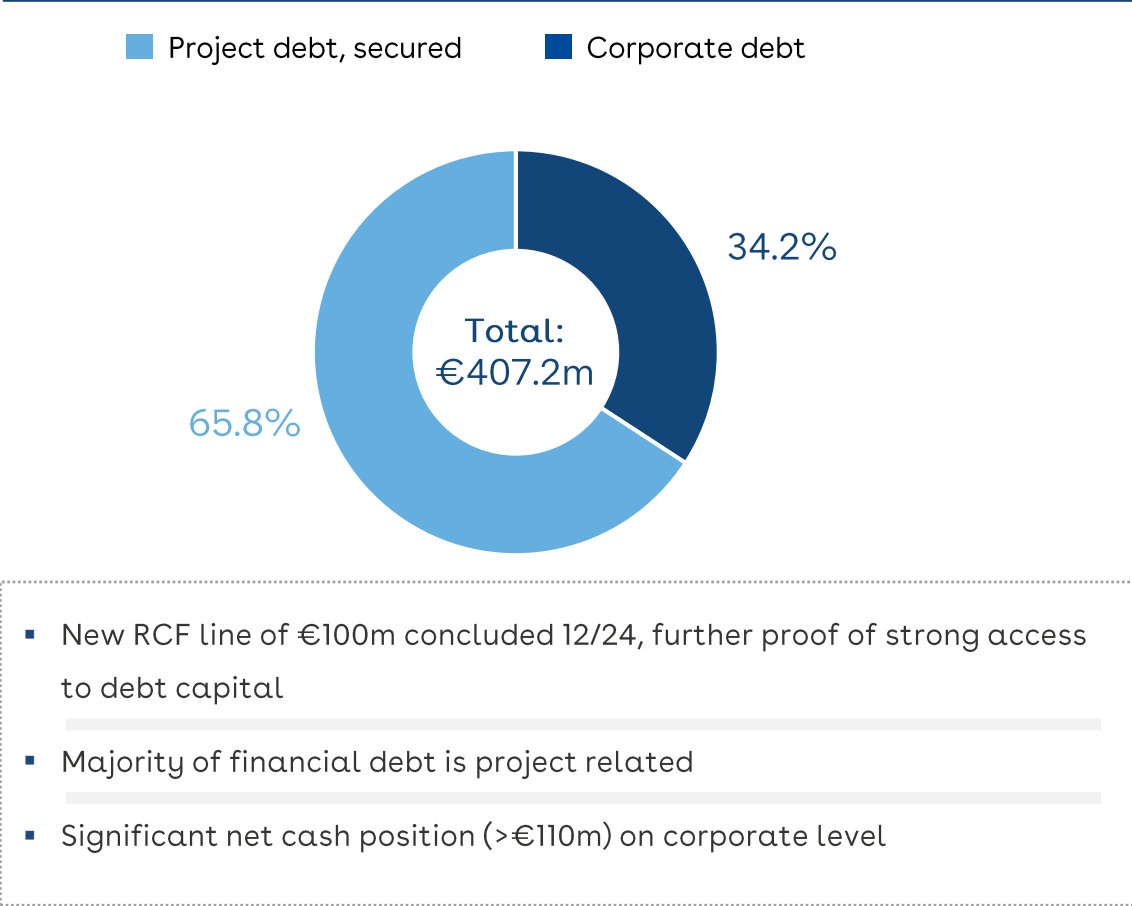
- Liquidity: Significant net cash position on corporate level (>€250m) plus c. 140m RCF provides significant financial flexibility providing Instone a major competitive advantage in market consolidation phase
- Significant acquisition pipeline: Several deals in advanced negotiation process (>500m under exclusivity); Increase in supply of acquisition opportunities in the past months

# Financing: Strong access to debt financing in tough markets

Maturity profile (corporate debt) as of 31/03/2025



Secured/unsecured as of 31/03/2025



## Outlook: Full year targets confirmed

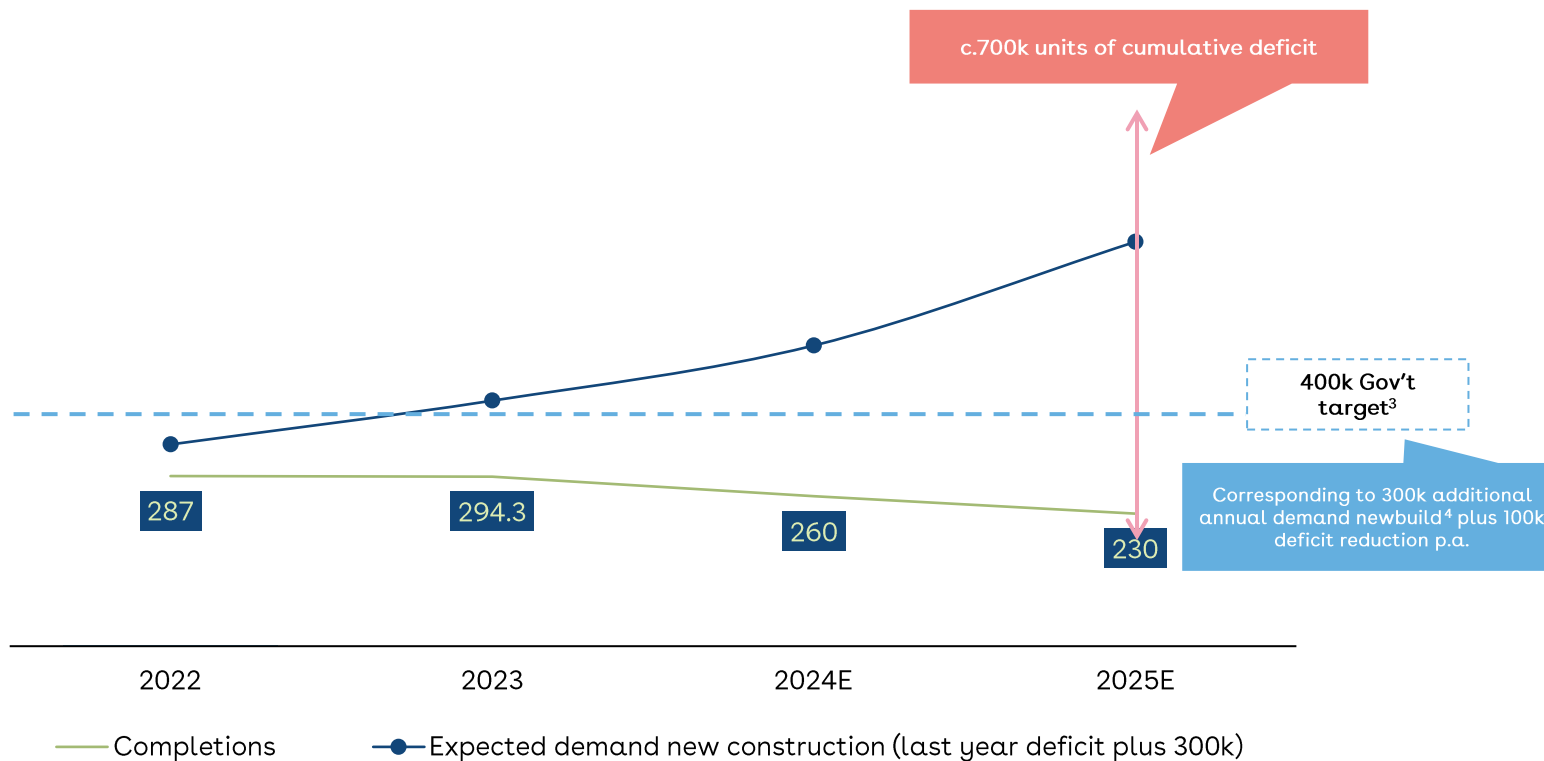
€m	Forecast 2025
Revenues (adjusted)	500-600
Gross profit margin (adjusted)	~23%
EAT (adjusted)	25-35
Volume of concluded sales contracts	>500

# *Market Environment*

# Structural supply shortage in German resi continues to widen

## Expected increase in the structural housing shortage

German housing shortage<sup>1,2</sup>



Continued growth in demand for residential space



Expected increase of 600,000 households driven by continued migration especially from Ukraine (fuelling 1.45m population growth in 2022-2023)



New housing completions consistently below government target; 22% drop in new housing expected between 2023-2025

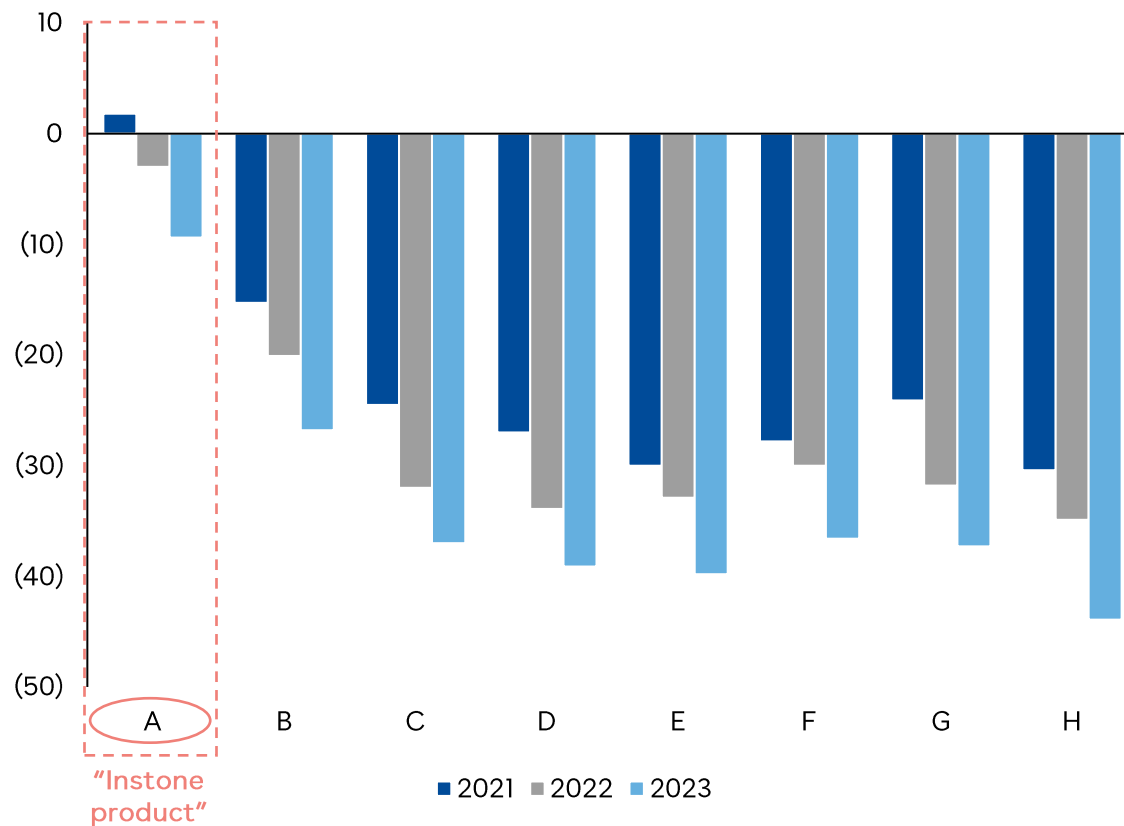


Forecasted cumulative deficit building up to c. 700k cumulative units in 2025E

# New-builds steadily gaining relative attractiveness

## Offer prices for multi-family homes: discounts per energy efficiency category<sup>1</sup>


Discounts vs. reference category in %



## Further widening of price differential according to energy efficiency

- Stronger expected price drops for non-renovated existing buildings
- Price premium for energy-certified properties continues to increase yoy (label H vs. A+ ~45% lower) – even higher for new builds
- Investors can benefit from the strong German ESG regulation

## Instone with leading position for energy efficient buildings



100%  
Buildings EU Taxonomy  
compliant in terms of energy  
consumption<sup>2</sup>



~80%+  
Below German avg. carbon  
emissions of existing properties

# Upcoming market consolidation offers vast opportunities

## Instone well positioned to exploit market opportunities

- ✓ Industry leading gross margins (c.23% in 2024)
- ✓ Low production costs vs. peers also due to strong inhouse construction expertise
- ✓ Affordable selling prices (c.2,900 €/sqm) for third party turnkey developments (incl. margin, VAT, high KfW40 energy standard)
- ✓ Robust balance sheet (LTC 11.8%), strong cash position
- ✓ Strong cash generation from projects under construction (~ EUR 220m)
- ✓ Approx. 93% of units under construction (EUR 2.9bn) are already sold
- ✓ Avg. holding period of unsold land plots > 4 years. Value creation from land development book value ps: EUR 13.39
- ✓ First project acquired in 2024 with GDV of c.€300m at a significant discount to previous price expectations due to very low competition

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



Players with **weak balance sheet** and/or **lower margins** are suffering most



Many players bought land at peak of cycle with **high financial leverage** (land ready for construction without operational upside)

# *nyoo: Growth Perspective*

# Mid to long-term opportunity: nyoo

Instone's nationwide platform and innovative approach for affordable housing offer opportunity to fill demand gap

## Key challenges for reduced construction costs

- 1 Highly fragmented market
- 2 Government requisites for building and social housing
- 3 Federal states with their individual housing regulations (and also municipalities)
- 4 Highly qualified staff required due to construction complexity and customer individualisation
- 5 Low innovation spirit

## Key pathways for cost-efficiency

Simplification of product

Standardisation of planning

Industrialisation of development and construction

## Solutions—How does Instone do it?

- ✓ Standardisation
- ✓ Digital modular planning process
- ✓ High architectural and ESG standards
- ✓ Target locations in B cities
- ✓ Target lower-mid markets—between social housing and core business

## Benefits



Expand addressable market



Scalability & growth potential



Competitive positioning



Strong margins & capital returns

# First projects confirm INS's competitive edge

## Affordable housing segment – recent track record

### DUS 19, Düsseldorf (Unterbach)

- Land plot ~5,300 sqm
- Living space: ~5,000 sqm
- 66 units (52 publicly subsidized)
- Energy efficiency standard KfW 55



Completed in May 2023



### DUI 76, Duisburg (Buchholz)

- Land plot ~5,400 sqm
- Living space: ~6,200 sqm
- 78 units (46-125 sqm)
- Energy efficiency standard KfW 55, green roofs



Completed in September 2023



### Grafental, Düsseldorf (Flingern Nord)

- Joint project with INS Development (core product). nyoo part includes:
  - Land plot ~5,760 sqm
  - Living space ~12,470 sqm
  - 167 units (49-103 sqm)
  - High energy efficiency standard Effizienzhaus-NH-40



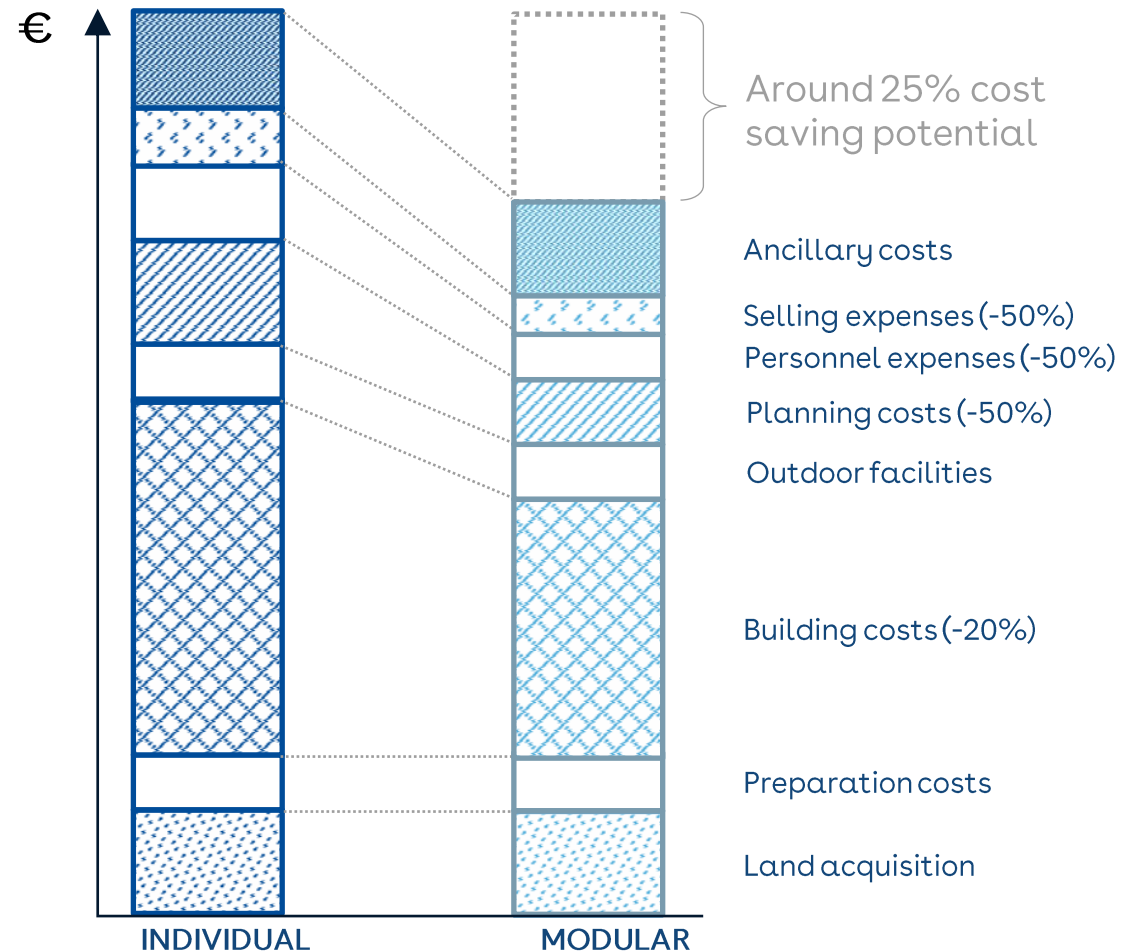
### DUI 06, Duisburg (Wedau)

- Land plot ~15,800 sqm
- Living space ~16,000 sqm
- 155 apartments, 26 town houses
- High energy efficiency standard Effizienzhaus-NH-40, green roofs



# Unrivalled low production costs achievable

## PROJECT COSTS



### Around 25% cost saving potential

- Reduction of total production cost including planning, marketing, sales etc.

### Cost savings by standardisation

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

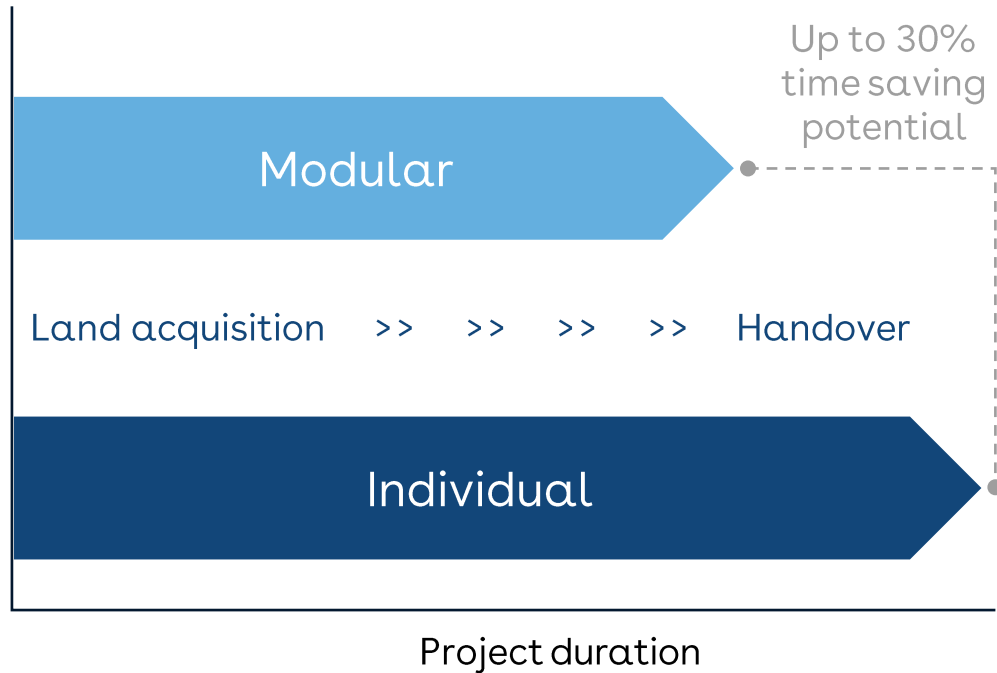
### ~20% reduction of building costs

- 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

Project size	€20-50m
Target gross margin	~20%
Target EBIT margin	In line with core product
Target IRR/ ROCE	Exceeding core product

- Standardised planning and simplified execution provides for attractive economics in smaller size projects
- 
- Projects gross margins expected to be lower compared to target margins for INS core product
  - Lower margin reflects reduced capital intensity, platform costs and risk profile of nyoo product
- 
- EBIT margin in line with core product
  - Standardised planning and more efficient / repetitive construction works allow for leaner nyoo platform costs vs INS core product
- 
- Accelerated planning, reduced complexity, minimized underground construction as well as sales more geared towards institutions result in improved project IRR and superior ROCE

# Comparison of products

	Traditional Instone Product	Instone nyoo
 Price	<ul style="list-style-type: none"><li>▪ Mid to high price segment</li><li>▪ €5,000/sqm–9,000/sqm</li></ul>	<ul style="list-style-type: none"><li>▪ <b>Lower to mid-price segment</b> (between social housing and Instone core product)</li><li>▪ Approx. €4,000/sqm–5,000/sqm</li></ul>
 Complexity	<ul style="list-style-type: none"><li>▪ Customization and optionality</li><li>▪ Includes underground construction</li></ul>	<ul style="list-style-type: none"><li>▪ <b>Standardisation</b> and low optionality</li><li>▪ Minimising underground construction</li></ul>
 Location	<ul style="list-style-type: none"><li>▪ Focused on largest metropolitan areas</li></ul>	<ul style="list-style-type: none"><li>▪ Focused on well-connected <b>B locations</b></li></ul>
 Project size	<ul style="list-style-type: none"><li>▪ &gt;€50m</li><li>▪ Development of entire residential quarters; including master planning process</li></ul>	<ul style="list-style-type: none"><li>▪ &gt;€20m</li><li>▪ Less complex projects</li></ul>
 Target customer	<ul style="list-style-type: none"><li>▪ Mid-high income owner occupiers and buy-to-let investors</li><li>▪ Institutional investors</li></ul>	<ul style="list-style-type: none"><li>▪ Municipal housing companies</li><li>▪ Professional landlords; less owner occupiers</li><li>▪ Institutional investors</li></ul>

# ESG Strategy

# Driving sustainable success: how value creation is linked to sustainability

## Major ESG-KPIs achievements



- EU Taxonomy-compliant revenues: **94.7% in 2024** (up from 90% in 2023)
- *Share of projects/objects with energy requirements at **least NZEB - 10%: 100%***
- GHG emissions **scope 1 and 2 reduced by 62.3%** from the base year 2020, in line with SBTi
- *Implementation of **7 working groups** with focus on ESG topics (predominantly reduction Scope 3 emissions) comprising 30 employees*
- **Social impact scoring model** which is applied to each project
- *On track with implementation of voluntary **CSRD/ESRS reporting***

## Key objectives



Predominantly EU taxonomy-compliant



100% of project/object portfolio with energy requirements of NZEB-10% **by 2030**



GHG emissions **scope 1 and 2 reduction target of 42% reached.**

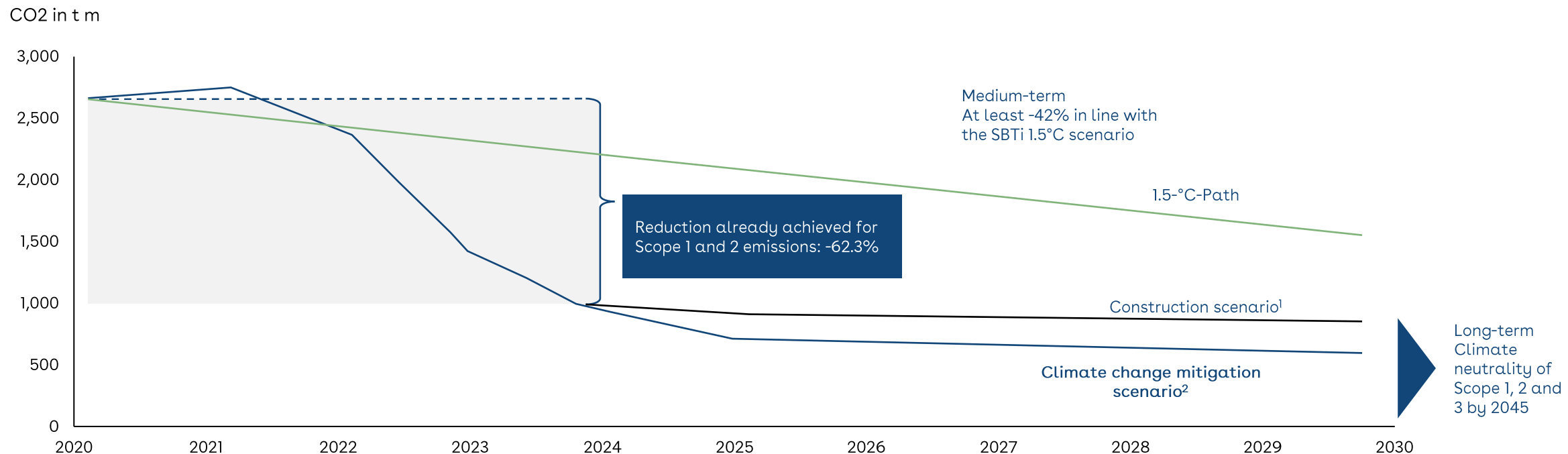


**Net Zero** climate neutrality **by 2045**

Continuous expansion of ESG governance

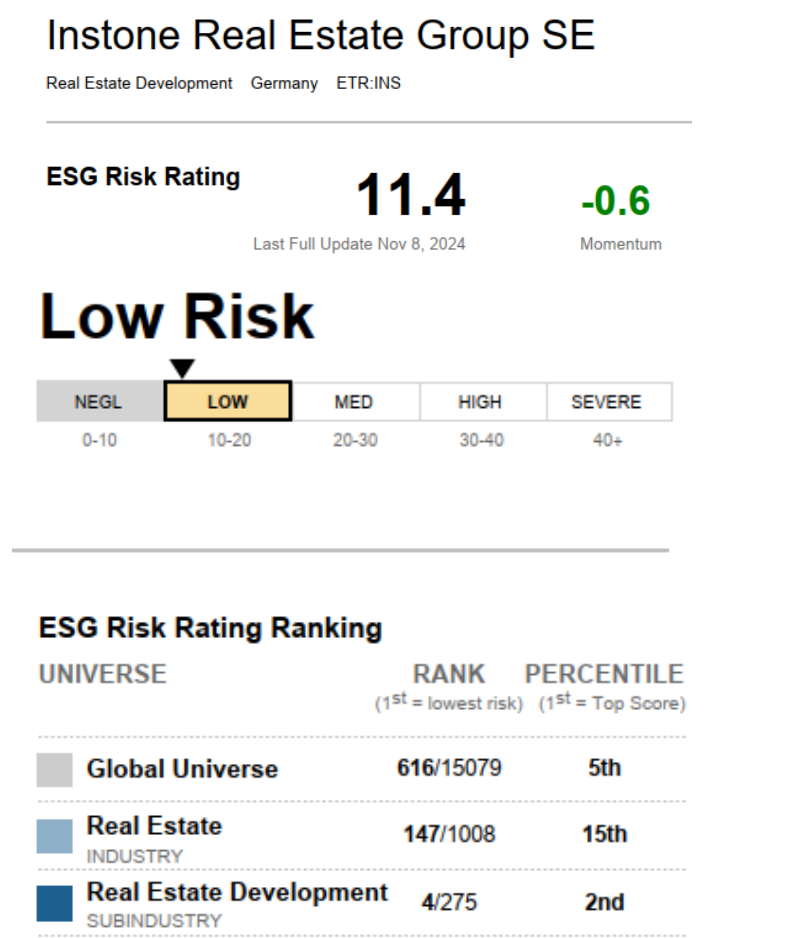
# Clear pathway to reduce GHG emissions scope 1 to 3

## Scope 1 & 2 emissions: projected vs. achieved



- Scope 1 and 2 emissions reduced by 62.3% in 2024 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 1-3 emissions, a reduction of 10.6% in 2024 compared to the previous year

# ESG: Top rating underscores commitment to industry leadership



- Instone among the top 2% of the 275 global real estate development companies, improved score vs. 2023
- Top 5% across all sectors

# Major ESG-KPIs – achievements

Major KPIs		2024	2023
E	Taxonomy-compliant revenues (in %)	94.7	90.0
	GHG emissions / scope 1 - 3 abs.	178.174 t CO <sub>2</sub> e	197,657 t CO <sub>2</sub> e
	GHG emissions / scope 1 - 2 abs.	1,001 t CO <sub>2</sub> e	1,437 t CO <sub>2</sub> e
S	Share of female employees in management positions (below C-level)	16.7% (1st) / 33.3% (2nd)/	20% (1st) / 28% (2nd)/
	Code of Conduct for employees and contractors (UN Charter)	100%	100%
G	Employee compliance and data protection training	100%	100%
	Compliance cases (suspected)	0	0

# 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
- Use of CO2 reduced concrete
- 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



# Appendix

## Project portfolio key figures

€m	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Volume of sales contracts	41.6	173.6	34.7	33.9	88.0	120.1	20.2	18.4	52.7
Project Portfolio	6,971.4	6,891.1	7,111.0	7,124.9	6,885.8	6,972.0	7,015.5	7,182.6	7,600.4
<i>thereof already sold</i>	<i>2,796.4</i>	<i>2,755.0</i>	<i>2,675.8</i>	<i>2,784.8</i>	<i>2,781.1</i>	<i>2,693.4</i>	<i>2,822.7</i>	<i>2,868.8</i>	<i>2,958.7</i>
<i>thereof already realized revenues</i>	<i>2,385.2</i>	<i>2,281.8</i>	<i>2,231.6</i>	<i>2,246.3</i>	<i>2,140.7</i>	<i>2,022.5</i>	<i>2,089.4</i>	<i>2,002.2</i>	<i>1,944.7</i>

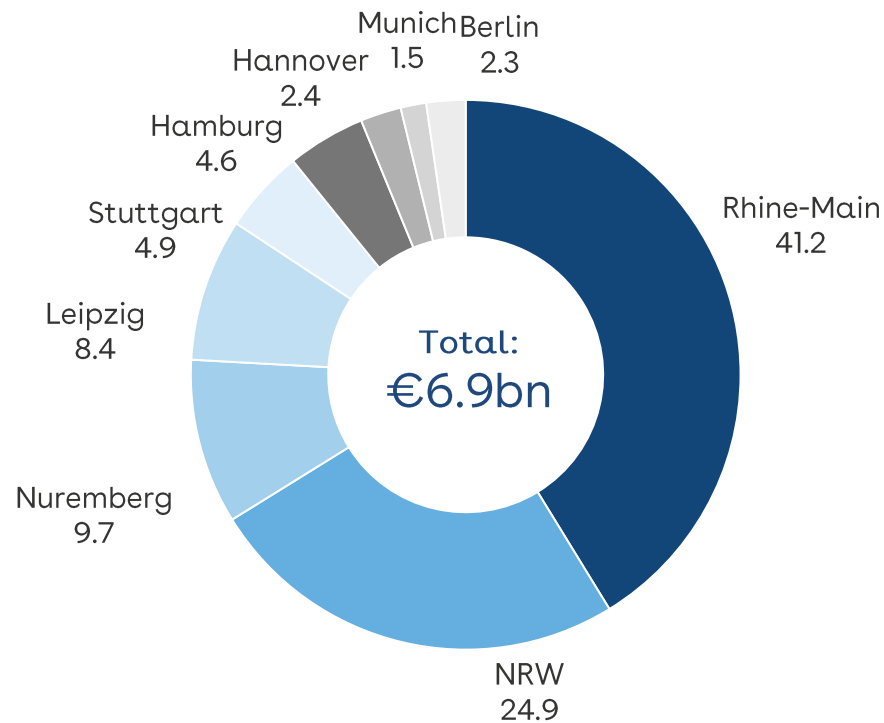
Units	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Volume of sales contracts	76	366	55	68	213	195	37	28	110
Project Portfolio	14,236	14,243	14,650	14,760	14,252	14,252	14,269	15,148	16,107
<i>thereof already sold</i>	<i>6,264</i>	<i>6,188</i>	<i>6,074</i>	<i>6,448</i>	<i>6,430</i>	<i>6,217</i>	<i>6,588</i>	<i>7,017</i>	<i>7,198</i>

(Unless otherwise stated, the figures are quarterly values)

# Diversified project portfolio across most attractive German regions

Project portfolio as of 31/03/2025 by region (GDV)

In %



- 43 projects / 14,236 units / ~1,285m sqm of saleable space
- 100% in metropolitan regions
- ~79 average sqm / unit
- ~€5,730 ASP / sqm
- Additional four JV projects (Instone share of GDV: ~€630m)

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

## Fundamental Instone value rests on three distinct pillars

### 1 Pre-sold projects

- c.€2.9bn currently under construction
    - t/o c.€2.7bn pre-sold (93%)
  - In addition c.€130m 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<sup>2</sup> of ~€470m
- Substantial incremental value

### 3 Upside from construction starts and acquisitions

- CF potential from new construction starts which will increase as of H2-25 in particular
- Ability to source new projects with very attractive future CF potential
- Highly attractive acquisition opportunities likely to materialise within 12-24 months

(As of 31 March 2025; in €m)

De-risked free cash flow from projects under construction<sup>1</sup> ~220m

Unsold land bank at cost<sup>2</sup> ~470m

Notional gross asset value<sup>2</sup> >690m

Net debt -153.5

Notional value to shareholders<sup>3</sup> ~540m

# Growth Opportunities Act with attractive tax incentives for new-build properties (scenario analysis)

Model assumptions	
Price /sqm	5,700 €
Lettable space	85 sqm
Purchase price	484,500 €
Ancillary costs	38,760 €
Land (18% of total purchase price)	94,187 €
Buidling costs	429,073 €
Buidling costs per sqm	5,048 €
Rental yield	4%
Rental growth p.a.	2.5%
Equity ratio (30%)	156,978 €
Debt interest rate	3.5%
Income tax	44%

- Tax incentives allow for fast payback of capital and highly attractive inflation protected post tax returns for buy-to-let investors
- Tax free disposal gains after 10 years
- Growth Opportunities Act:
  - 5% degressive depreciation on new build properties

Payback of capital from tax incentives		
	4 years	10 years
Total depreciation	142,658 €	218,532 €
Depreciation as % of total purchase price	27.3%	41.8%
Tax incentive	63,212 €	96,831 €
Tax incentive as % of total purchase price	12.1%	18.5%
Tax incentive as % of equity	40.3%	62%

Attractive post tax returns		
Average RoE (cash returns)	12.8%	9.5%
Tax free disposal gains after 10 years		

- plus additional 5% linear depreciation over 4 years (according to § 7 EstG) if tax relevant building costs are <5,200 €/sqm and energy standard of QNG 40 certification is met
- > 90% of Instone project pipeline ready for construction meets relevant criteria

# Project portfolio as of 31/03/2025

Projects > €30m sales volume, representing total: ~ €7.0bn – JVs are not included

Project	Location	Sales volume (expected)	Lettable space (sqm)	Land plot acquired	Planning right obtained	Sales start	Construction started
<b>Hamburg</b>							
Kösliner Weg	Norderstedt	101m €	24,539	●	●	2025	
RBO	Hamburg	219m €	29,876	●	●	●	●
Büntekamp	Hanover	169m €	25,044	●	◐	2026	
<b>Berlin</b>							
Nauen	Nauen	163m €	28,686	●	●	2026	
<b>NRW</b>							
Unterbach	Düsseldorf	190m €	40,229	●	●	◐	●
Literaturquartier	Essen	N/A	18,178	●	●	●	●
REME	Mönchengladbach	128m €	28,315		◐	2030	
west.side	Bonn	204m €	63,794	●	●	●	●
Gartenstadtquartier	Dortmund	95m €	25,514	●	◐	2025	
Bickendorf	Cologne	650m €	146,713	●		2028	
6-Seen Wedau	Duisburg	81m €	16,589	●	●	◐	
Kempen	Kempen	50m €	11,103	●	◐	2026	
Grafental	Düsseldorf	189m €	29,765	●	●	◐	
Tußmannstraße	Düsseldorf	71m €	8,375		●	2026	

# Project portfolio as of 31/03/2025

Projects > €30m sales volume, representing total: ~ €7.0bn – JVs are not included

Project	Location	Sales volume (expected)	Lettable space (sqm)	Land plot acquired	Planning right obtained	Sales start	Construction started
<b>Rhine-Main</b>							
Delkenheim	Wiesbaden	114m €	51,395	●	●	●	●
Schönhof-Viertel	Frankfurt	619m €	91,399	●	●	●	●
Friedberger Landstr.	Frankfurt	308m €	38,241		●	2027	
Elisabethenareal	Frankfurt	85m €	9,989	●	●	2026	
Steinbacher Hohl	Frankfurt	N/A	13,746	●	●	●	●
Westville	Frankfurt	N/A	101,224	●	●	●	●
Heusenstamm	Heusenstamm	173m €	39,364	●		2026	
Kesselstädter	Maintal	232m €	38,315	●	●	2026	
Polaris	Hofheim	67m €	10,215	●	●	2025	
Rheinblick	Wiesbaden	315m €	51,751	●		2027	
Eichenheege	Maintal	118m €	18,055	●		2028	
Lahnstraße	Frankfurt	80m €	10,489	●	●	●	
<b>Leipzig</b>							
Parkresidenz	Leipzig	289m €	66,209	●	●	●	●
Semmelweis 9	Leipzig	69m €	24,216	●	●	2025	
Rosa-Luxemburg	Leipzig	170m €	26,656	●	●	2025	
Heide Süd	Halle	59m €	10,521	●	●	2026	

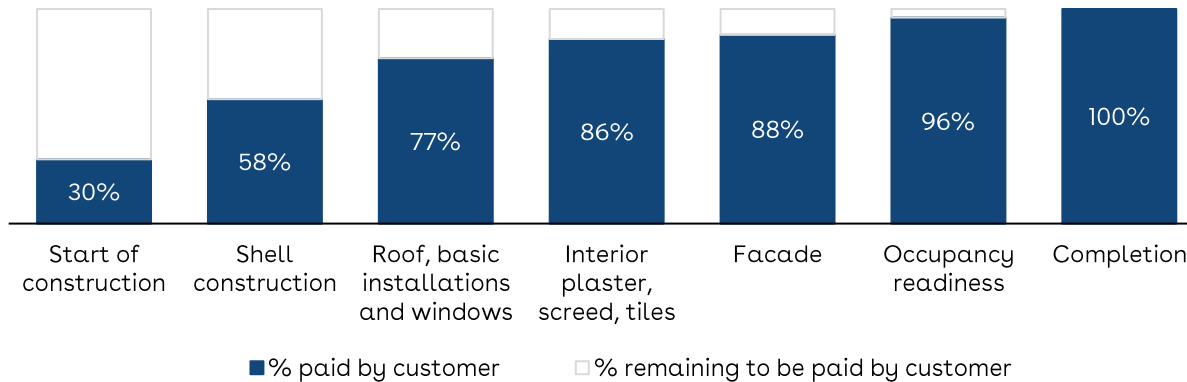
# Project portfolio as of 31/03/2025

Projects > €30m sales volume, representing total: ~ €7.0bn – JVs are not included

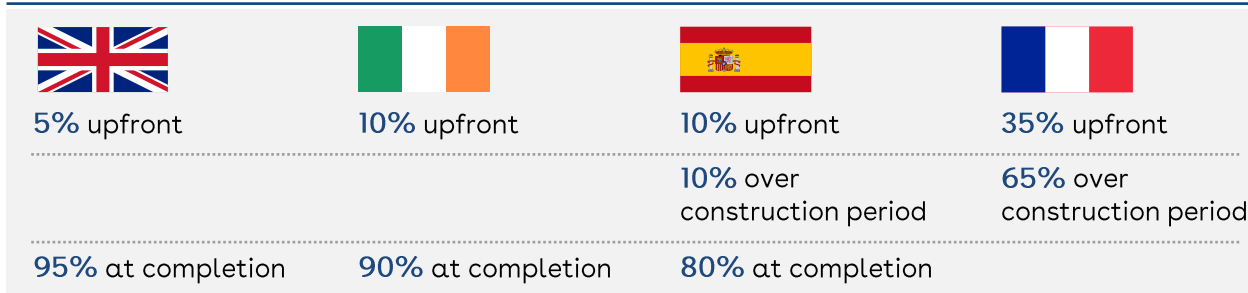
Project	Location	Sales volume (expected)	Lettable space (sqm)	Land plot acquired	Planning right obtained	Sales start	Construction started
<b>Baden-Württemberg</b>							
Rottenburg	Rottenburg	172m €	33,932	●	●	●	●
Herrenberg III, Schäferlinde	Herrenberg	80m €	13,963	●	◐	2026	
Herrenberg II, Zeppelinstraße (	Herrenberg	89m €	14,987	●	●	2025	
<b>Bavaria South</b>							
Ottobrunner	Munich	105m €	10,870	●	●	2025	
<b>Bavaria North</b>							
Eslarner Straße	Nuremberg	N/A	12,570	●	●	●	●
Lagarde	Bamberg	90m €	17,773	●	●	●	●
Schopenhauer	Nuremberg	65m €	11,206	●	●	●	●
Seetor	Nuremberg	112m €	16,134	●	●	●	●
Boxdorf	Nuremberg	68m €	10,098	●	●	●	●
Thumenberger	Nuremberg	126m €	16,548	●	●	2025	
Worzeldorf	Nuremberg	69m €	11,428	●	◐	2026	
Lichtenreuth	Nuremberg	87m €	11,558	●	●	2026	

# Favourable regulatory framework leading to attractive cash flow profile

Private Customer's Payment Profile for German residential development projects



German regulatory framework for customer payments compared to other European markets

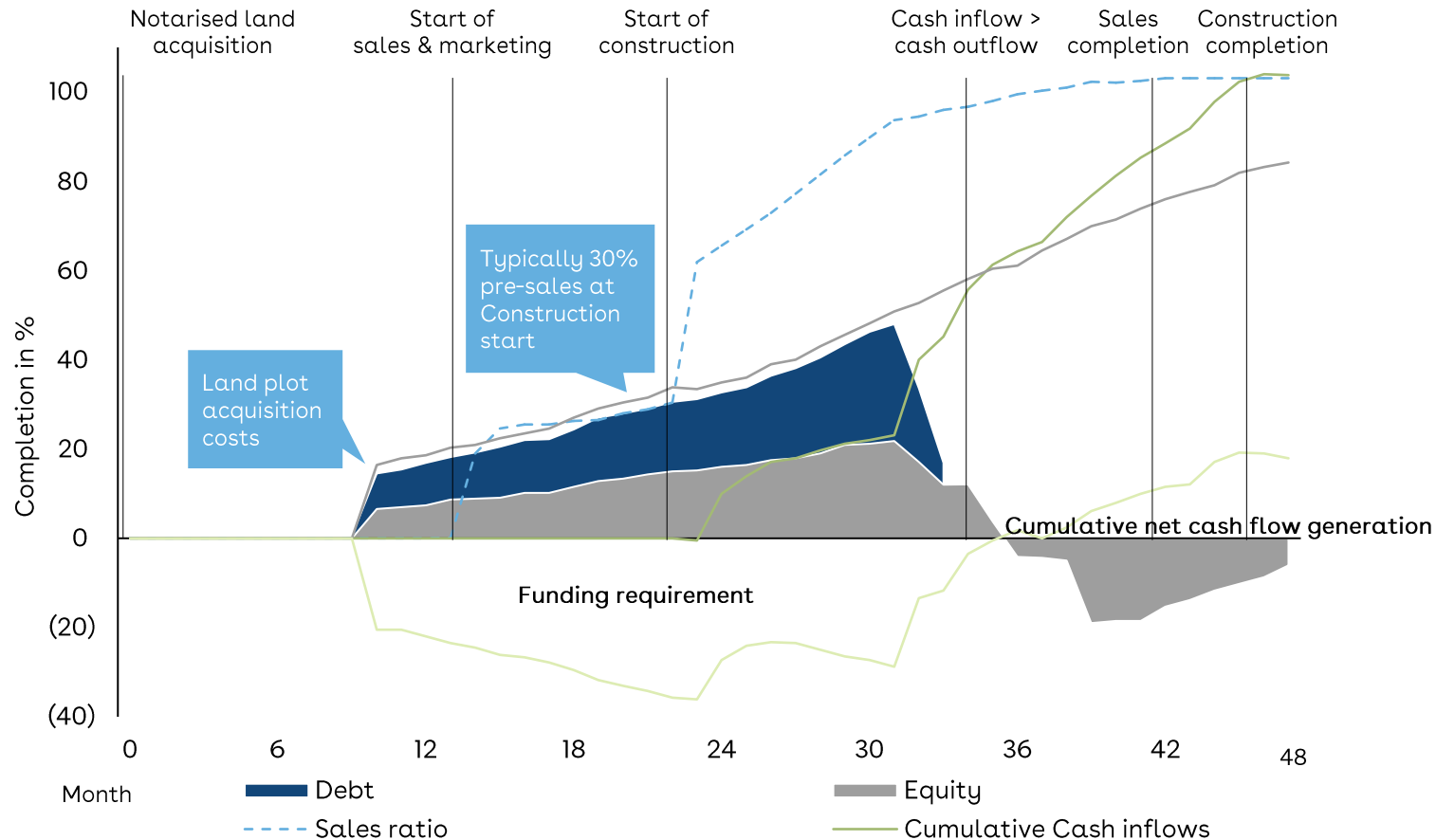


- **De risked:** B2C development process per se low-risk via regulatory framework ("MaBV")<sup>1</sup>
- **Certainty:** No cancellation possibilities
- **Capital-light:** Predefined payment schedule limiting equity requirement from Instone
- **Very favourable payment schedules** vs. other European countries, particularly UK, Ireland and Spain

Significant amount of construction costs covered by customers' regular payments

# Funding requirements minimized due to high pre-sales levels

Illustrative cumulative financing profile of a typical B2C Instone project



- Debt financing land c.50% (with zoning c.75%)
- Debt financing construction up to c.80%
- Revenue recognition:  $GDV \times Sales\ Progress\ (\%) \times Construction\ Progress\ (\%)$

# Supportive German subsidy schemes

## Key positives from new subsidy scheme

The German government increases tax depreciation and invests >€1bn p.a. to support owner-occupiers (help-to-buy) and new build of rental apartments

Programme details	<ul style="list-style-type: none"> <li>Name: Social housing subsidies</li> <li>Budget: €3.15bn in 2024 (€18.15bn total volume until 2027)</li> <li>40% of investment born by the federal states (additionally)</li> </ul>	<ul style="list-style-type: none"> <li>Name: Degressive Depreciation (Growth Opportunities Act)</li> <li>Volume: 5% depreciation p.a.; can be combined with 5% special depreciation (§ 7 EstG) if tax relevant selling price excl. land is below €5,200 / sqm (QNG criteria must be met)</li> </ul>	<ul style="list-style-type: none"> <li>Name: "Wohneigentum für Familien" = homes for families</li> <li>Volume: €350m</li> <li>Start: 16/10/2023</li> </ul>	<ul style="list-style-type: none"> <li>Name: "Klimafreundlicher Neubau" = climate friendly new-build</li> <li>Volume: €0.76bn (KFN)<sup>2</sup></li> <li>Start: 2023; Renewal: February-2024</li> </ul>	<ul style="list-style-type: none"> <li>Name: "Klimafreundlicher Neubau im Niedrigpreissegment" = climate friendly new-build in the affordable segment</li> <li>Volume: €2bn</li> <li>Start: Oct-24 - Dec-25</li> </ul>
Recipient	<ul style="list-style-type: none"> <li>Beneficiary: Housing companies, institutional and private investors</li> <li>Eligibility: <ul style="list-style-type: none"> <li>New construction, extension or conversion of new living space</li> <li>Modernisation of existing space</li> <li>Social rental apartments or owner-occupied residential properties</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Buy-to-let investors</li> <li>For newly built residential properties</li> </ul>	<ul style="list-style-type: none"> <li>Families with at least 1 child &lt;18 years living in their household</li> <li>Household income of max. €90,000 (up from €60,000 previously) plus €10,000 per child</li> <li>Required to own at least 50% of the building (as only home in Germany)</li> </ul>	<ul style="list-style-type: none"> <li>Resi landlords, other institutional or private investors</li> </ul>	<ul style="list-style-type: none"> <li>Private investor, corporates or other investors</li> </ul>
Objective	<ul style="list-style-type: none"> <li>Support the construction and modernisation of social housing</li> </ul>	<ul style="list-style-type: none"> <li>Expected to have a positive impact on the return expectations</li> <li>Increased willingness to pay from private buy-to-let investors (due to full tax deductibility from personal income)</li> <li>Boost construction of rental apartments</li> </ul>	<ul style="list-style-type: none"> <li>Help-to-buy: Build or buy new home/condominium for own use for the first time (for at least 10 years)</li> <li>Energy efficiency: <ul style="list-style-type: none"> <li>At least energy standard KfW40 (plus additional requirements regarding GHG emissions defined in regulation "Qualitätssiegel Nachhaltiges Gebäude")</li> <li>Higher subsidies possible with the additional certificate for sustainable buildings "QNG"</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>New build of energy efficient buildings</li> <li>Energy efficiency <ul style="list-style-type: none"> <li>At least energy standard KfW40 (plus additional requirements regarding GHG emissions defined in regulation "Qualitätssiegel Nachhaltiges Gebäude")</li> <li>Higher subsidies possible with additional certificate for sustainable buildings "QNG"</li> <li>Use of fossil fuels not allowed</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Increase supply in the affordable rental segment (space efficient and climate friendly)</li> <li>Energy efficiency: <ul style="list-style-type: none"> <li>Energy standard 55 (no fossil fuels)</li> <li>Emission targets over the life cycle have to be met (including construction) – QNG</li> </ul> </li> <li>Cap for construction costs and floor space</li> </ul>
Subsidies	<ul style="list-style-type: none"> <li>Loan per apartment: €200k</li> <li>Amortisation discount: 30-35%</li> <li>Interest rate: 0-0.5%</li> <li>Required minimum energy standard of 55</li> </ul>	<ul style="list-style-type: none"> <li>Increase of depreciation on newly built residential properties from (currently) 3% linear to 5% degressive p.a.; threshold for special depreciation from €4,800 to 5,200 / sqm</li> </ul>	<ul style="list-style-type: none"> <li>No direct grant; max. one housing unit</li> <li>Subsidized mortgages, reduced interest costs (0.34%-3.43%) by federal KfW Bank <ul style="list-style-type: none"> <li>€90-270k loan volume (with QNG certificate)</li> <li>Will be accepted as equity substitute</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>No direct grant</li> <li>Subsidized mortgages (2.33%- 3.00%) by federal KfW Bank (volumes per unit) <ul style="list-style-type: none"> <li>Max. €100,000 loan volume</li> <li>Up to €150,000 with QNG certificate</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>No direct grant</li> <li>Subsidized loans <ul style="list-style-type: none"> <li>€100,000 per apartment</li> <li>Different durations (e.g. 1.13% for 10 yrs)</li> </ul> </li> </ul>

## Coalition agreement of new German government contains positive elements

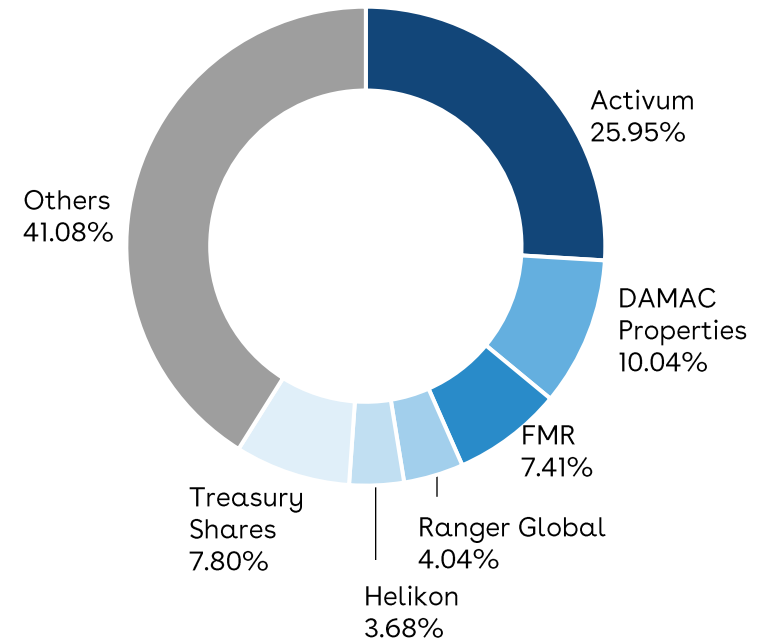
- Agreement contains ideas for new construction that point in the right direction:
  - Introduction of "housing construction turbo" within the first 100 days => Reform to speed up construction processes
  - Building standards are planned to be simplified and the "building type E" will be legally secured => Political target to reduce construction costs (incl. modular and serial construction)
  - Subsidies for owner occupiers: Tax incentives, equity-replacing measures and state guarantees for mortgages will be examined
  - Increase in investments in social housing
  - Support of new construction of municipal housing companies (equity replacing measures)
  - Temporary reintroduction of subsidies for KfW55 standard

# Instone share

## Basic data

- ISIN: DE000A2NBX80
- Ticker symbol: INS
- No of shares: 46,988,336
- Market cap: €377m
- Average daily trading volume: €0.1m
- Market segment: Prime Standard, Frankfurt

## Shareholder structure (May 2025)



# Financial calendar

2025

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08	May	2025	Quarterly Statement for the first three months of 2025
12	May	2025	Roadshow London, Deutsche Bank
11	June	2025	Annual General Meeting, Essen
12	June	2025	Warburg Highlights Conference, Hamburg
07	August	2025	Group Interim Report for the first half of 2025

# 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
- Appointed until 31 December 2025

David Dreyfus

CFO



- CFO, since September 1, 2023
- >28 years of experience in corporate finance and capital markets, including as Director with Lazard and Senior Partner of Lilja & Co.
- Mr. Dreyfus already advised Instone in preparation and execution of its IPO in 2017 and 2018
- Appointed until 31 December 2027

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
- Appointed until 31 December 2025

# Investor Relations Contact

Burkhard Sawazki



Head of IR and Capital Market Communication & Strategy

T +49 201 45355-137

M +49 173 2606034

[burkhard.sawazki@instone.de](mailto:burkhard.sawazki@instone.de)

Tania Hanson

Roadshows & Investor Events

T +49 201 45355-311

M +49 152 53033602

[tania.hanson@instone.de](mailto:tania.hanson@instone.de)

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*Thank you*

Instone Real Estate Group SE  
Grugaplatz 2-4, 45131 Essen  
E-Mail: [investorrelations@instone.de](mailto:investorrelations@instone.de)  
Internet: [instone-group.de/en](http://instone-group.de/en)