

Press release

## ESPG AG publishes the Annual Report 2022 and looks back on an extraordinarily successful year

- Publication of the unqualified annual financial statements 2022
- Figures are in line with published preliminary figures and demonstrate strong performance of ESGP Science Park portfolio
- Earnings before taxes (EBT) with a significant jump to 3.6 million euros
- Reduction of the secured LTV to 56.6 percent continues successful optimisation of the financing structure
- Further repayments of loans and granting of shareholder funds committed
- Daniel Grosch will step down as board member in the near future
- Next milestone: refinancing of the corporate bond 2018/2023

**Cologne, 6 June 2023:** ESGP AG, a real estate company specialising in science parks, today published its audited annual financial statements for 2022, which have been issued with an unqualified audit opinion by the auditor. The annual report fully confirms the preliminary figures communicated on 8 May 2023 and illustrates the excellent performance of the Science Park portfolio in an overall difficult real estate market.

**Dr Ralf Nöcker, CEO of ESGP AG:** "The financial year 2022 was extremely successful for ESGP, its investors and shareholders. We have illustrated the resilience of the portfolio and the performance of our company with a pre-tax result of 3.6 million euros. In addition, the LTV of secured financing was reduced from 59.9 per cent to 56.6 per cent and further commitments were made by the shareholders, enabling us to reduce the leverage ratio even further in the short term. This is an important signal, especially in view of the challenging environment. As a result, we were able to show a very positive performance and make big steps in optimising our financing structure."

### Dynamic earnings growth with strong Science Park portfolio

Due to new lettings and the increase in existing rents, sales revenues, which correspond to gross rental income, rose by around 6 percent to 12.5 million euros

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(previous year: 11.8 million euros). A particularly dynamic development was seen in the key earnings figures. Earnings before interest and taxes (EBIT) amounted to 11.8 million euros and thus rose by about 191 percent compared to the previous year (previous year: 4.1 million euros). In addition, earnings before taxes (EBT) turned clearly positive at 3.6 million euros after a negative EBT of -4.0 million euros in the previous year.

The science park real estate segment in Germany continues to show positive development in an overall volatile real estate market. As a specialised asset manager in this segment, ESGP is benefiting directly from this trend. This is confirmed not least by the recently communicated lease extensions, with which the average term of the leases rises to 5.4 years. In view of the continuing high demand, the positive development of results should continue in the current financial year.

### **Stable value development of the Science Parks and progress in optimising the financing structure**

The positive development of earnings and results is also reflected in the development of the net asset value of the Science Park portfolio. The audited market value of the investment properties increased by about 11 percent to 228.5 million euros (previous year: 205.8 million euros). The Science Park portfolio consists of a total of 16 science parks with a total area of more than 126,000 square metres. These are proving to be extremely stable in value in the generally volatile real estate sector. Negative market effects were compensated for by the positive performance on the income side and targeted investments in the properties.

**Markus Drews, CEO of ESGP AG, is confident about the 2023 financial year:** "The steady growth in revenue, the significant improvement in earnings and the successes in optimising our financing structure demonstrate stability and continuity. We have made great progress in the area of letting and have been able to attract exciting tenants, for example from the 'green technologies' sector. We have recently made

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great progress in the continued reduction of our debt, with the support of the shareholder base. With these strong figures behind us, I see us strengthened for the next milestone: the refinancing of our corporate bond 2018/2023. Our ambition is to develop ESPG into a market leader for science parks in Europe together with our investors."

Daniel Grosch, member of the Executive Board and co-founder, will leave the Executive Board of ESPG AG at his own request for personal reasons. Colleagues and the members of the Supervisory Board and the Executive Board would like to thank Daniel Grosch for the successful cooperation and the impetus he has always provided. The company wishes him all the best for the new tasks he would like to take on.

## **About ESPG**

The European Science Park Group (ESPG) is a real estate company specialising in science parks. The company focuses on the development of science parks, predominantly characterised by tenants from future-oriented industries such as life sciences, green technologies or digital transformation, which benefit from the proximity to each other and the direct vicinity to universities, hospitals or research locations. ESPG's portfolio already includes 16 science parks across Europe with a total area of 126,000 square metres and a balance sheet value of around 244 million euros. The sites are generally located outside metropolitan areas, in areas that are considered science clusters or have a high concentration of innovative companies.

### **Press contact:**

Jan Hutterer  
T +49 40 60 91 86 65  
M +49 172 346 28 31  
[espg@kirchhoff.de](mailto:espg@kirchhoff.de)