Phoenix Spree Deutschland Limited

(the "Company", the “Group” or “PSD”)

Financial results for the year ended 31 December 2022

Phoenix Spree Deutschland Limited (LSE: PSDL.LN), the UK listed investment company specialising in Berlin residential real estate, announces its full year audited results for the financial year ended 31 December 2022.

Financial Highlights

	Year to 31 December 2022	Year to 31 December 2021	2022 v 2021 % change
Income Statement			
Gross rental income (€m)	25.9	25.8	0.6
(Loss) / Profit before tax (€m)	(17.5)	45.3	(138.8)
Dividend per share in respect of the period (€ cents (£ pence))	2.35 (2.09)	7.50 (6.38)	
Balance Sheet			
Portfolio valuation (€m) [1]	775.9	801.5	(3.2)
Like-for-like valuation (decrease) / increase (%)	(3.1)	6.3	-
IFRS NAV per share (€)	4.50	4.74	(5.1)
IFRS NAV per share (£)[2]	3.99	3.98	0.3
EPRA NTA per share (€)	5.10	5.65	(9.7)
EPRA NTA per share (£)[2]	4.52	4.74	(4.6)
EPRA NTA per share total return (€%)	(8.4)	8.4	
Net LTV[3] (%)	39.1	34.7	
Operational Statistics			
Portfolio valuation per sqm (€)	4,082	4,225	(3.4)
Annual like-for-like rent per sqm growth (%)	3.9	3.9	
EPRA vacancy (%)	2.4	3.1	
Condominium sales notarised (€m)	4.7	15.2	(69.1)

1 - Portfolio valuation includes investment properties under construction.

2 - Calculated at FX rate GBP/EUR 1:1.128 as at 31 December 2022 (2021: GBP/EUR 1:1.191)

3 - Net LTV uses nominal loan balances (note 22) rather than the loan balances on the Consolidated Statement of Financial Position which include Capitalised Finance Arrangement Fees.

Further increase in rental levels, resilient reletting premium

- Like-for-like rental income per sqm increased by 3.9 per cent versus prior year.
- New leases in Berlin signed at an average 32.3 per cent premium to passing rents.

- 320 new leases signed during the year, with the average rent of all new lettings increasing to €13.0 per sqm, a 6.6 per cent increase on the prior year.
- EPRA vacancy of 2.4 per cent as at 31 December 2022 remains at historically low level, reflecting ongoing structural undersupply of available rental property.

Portfolio valuation impacted by interest rate rises and yield expansion

- Like-for-like Portfolio value, adjusted for acquisitions and disposals, decreased by 3.1 per cent versus 2021, reflecting an increase in market yields.
- Including investment properties under construction valued at €5.3 million, the Portfolio was valued at €775.9 million as at 31 December 2022, compared to €801.5 million as at 31 December 2021.
- EPRA NTA per share down 9.7 per cent versus 2022 to €5.10.
- EPRA NTA per share total return of (8.4) per cent.

Condominium sales at a premium to carrying value, reduced volumes

- Condominiums notarised for sale during 2022 of €4.7 million, (2021 €15.2 million), reflecting deterioration in buyer sentiment and the difficulty in selling tenanted units.
- Average achieved value per sqm of €5,502 for residential units, a 22.4 per cent premium to trailing carrying value of each property.
- Since the financial year end, a further three condominiums have been notarised for sale, for a total consideration of €0.8 million, at an average 62 per cent premium to carrying value as at 31 December 2022.
- Reservations for three additional units, with a combined value of €0.6million, and an average 80.0 per cent premium to carrying value, have recently been received and are pending notarisation.
- 77 per cent of Portfolio assets legally split into condominiums, up from 75 per cent as at 31 December 2021.
- A number of new condominium projects are being brought to market, resulting in a significant increase in vacant apartments offered for sale.

Portfolio management

- Sales agreed on three non-core properties during the financial year for an aggregate consideration of €12.1 million and at an average 6 per cent discount to December 2021 carrying value.
- Although the Company has been actively marketing both individual assets and portfolios, and continues to do so, liquidity in Berlin has been, and remains, limited.
- The majority of offers received during the last six months have been significantly below carrying value, at levels where the Property Advisor considers that sale is not in shareholders' interests.
- Approximately €16.4 million of capital investment was made into the Portfolio during the financial year for refurbishment of apartments and bringing new residential condominium projects to market.
- This investment is expected to be recouped from 2023 onwards through significant rental uplifts.
- It is expected that total capital investment will be materially lower in 2023.

Dividend suspended, investment in Portfolio prioritised

- Under PSD's business model, cash to pay dividends is substantially dependent on condominium and/or other asset sales.
- Priority for use of available cash is to continue to invest in the Portfolio, underpinning our core reversionary rental business which continues to thrive.

- In light of this, and the persistent very low level of liquidity in the Berlin market, and in line with its peer group, the Company has suspended dividend payments to preserve cash and support its core business.
- Net LTV remains conservative at 39.1 per cent (31 December 2021: 34.7 per cent).
- €42.4 million of Berliner Sparkasse debt successfully refinanced during financial year.

Outlook

- **Supply-demand imbalances within Berlin PRS provide support for rental values:**
  - Rental growth remains strongly underpinned, with new letting rental values expected to continue to be at significant premia to average in-place rents across the Portfolio.
  - Rising cost of home ownership forcing potential buyers to remain within the rental system for longer.
  - Urban housing shortage further exacerbated by anticipated net inward migration of almost one million from Ukraine to Germany.
  - Rising cost of construction further limiting new-build development.

- **Transaction activity and asset values**
  - Ongoing impact of 2022's interest rate rises continues to weigh on buyer sentiment.
  - Further declines in property values driven by macro factors such as higher medium-term interest rates are likely in H1 2023.
  - The Company continues to market actively both individual properties and portfolios for sale. The Portfolio remains under continuous review and additional properties will be put up for sale. Disposals at a discount to carrying value will be considered, but only at levels which the Board considers to be in shareholders' interests.
  - Plans to bring additional condominium properties to market have been accelerated and bulk condominium sales are under active consideration.

- **Balance sheet and dividend**
  - The Board considers the current level of gearing and cash balances to be appropriate at this stage in the real estate cycle.
  - The Company remains conservatively financed with its first loan maturity not due until September 2026.
  - The Company intends to reinstate dividends as soon as practical to do so.
  - Any surplus cash generated over amounts required to reinvest in core Portfolio and reinstate dividends on a sustainable basis will, so long as share price discount to NAV persists, be used for share buy-backs and not to acquire further properties.

Robert Hingley, Chairman of Phoenix Spree Deutschland, commented:
"During 2022, the real estate industry has had to adjust to the combined effects of global inflationary pressures and higher interest rates, both of which have weighed on industry transaction volumes and asset values. Although our core rental business continues to thrive, PSD has not been immune from these broader trends, and the Board has therefore taken the decision to suspend the dividend. Rental values remain well supported and the Company has a strong balance sheet and conservative financing. Whilst the speed of recovery in transaction volumes and buyer sentiment is uncertain, the Company will seek to resume dividends as soon as the outlook becomes clearer."

Annual Report and Accounts

The full Annual Report and Accounts will shortly be available to download from the Company's webpage www.phoenixspree.com. All page references in this announcement refer to page numbers in the Annual Report and Accounts.

The Company will submit its Annual Report and Accounts to the National Storage Mechanism in the required format in due course, and it will be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

For further information, please contact:

Phoenix Spree Deutschland Limited Stuart Young	+44 (0)20 3937 8760
Numis Securities Limited (Corporate Broker) David Benda	+44 (0)20 3100 2222
Tulchan Communications (Financial PR) Olivia Peters James Anderson Faye Callow	+44 (0)20 7353 4200

CHAIRMAN'S STATEMENT

Since the onset of the war in Ukraine, the European real estate industry has faced a number of headwinds which have impacted investor confidence, transaction volumes and real estate pricing across much of Europe. In particular, the industry has had to adjust to the combined effects of global inflationary pressures and higher interest rates. PSD has not been immune from these broader trends and so has reported the first decline in the value of its Portfolio.

Financial performance and dividend

As at 31 December 2022, the Portfolio was valued at €775.9 million, a like-for-like annual decline of 3.1 per cent. Reflecting this decline, the Euro EPRA NTA total return per share was (8.4) per cent over the year and the sterling return was (3.2) per cent.

Although our core rental business continues to thrive, condominium sales volumes have been impacted by a significant deterioration in buyer sentiment in the light of more challenging economic circumstances. With cash to pay dividends substantially dependent on revenues generated from condominium and other sales, the Board has taken the difficult decision to suspend the dividend.

Further details relating to the Company's financial and operating performance can be found in the Report of the Property Advisor.

Our tenants and their homes

We recognise that the current cost of living crisis presents challenges for a number of our tenants, and, at all times, their health and wellbeing remain foremost in our minds. We are committed to providing good-quality affordable homes with a reliable, friendly rental service and continue to work constructively with those in greatest need, wherever we can. Where necessary, the Company endeavours to support its tenants who are experiencing financial hardship.

The Company has continued with its programme of investment to improve the overall standard of our tenanted accommodation and provide a platform for rental growth. To this end, over 80 per cent of the Company's net rental income was reinvested into the Portfolio during the financial year.

"Better Futures"

The Board acknowledges the significance of conducting business with integrity, transparency, and accountability towards shareholders, tenants, and other key stakeholders. We recognize that being a responsible company, balancing the needs of our stakeholders, and addressing our environmental and social impacts, is critical to the success and longevity of our business.

To achieve this, our "Better Futures" Corporate Responsibility (CR) Plan provides a framework to monitor and improve our current activities. The plan has five key pillars that are integrated throughout our business operations: Protecting the Environment; Respecting People; Valuing our Tenants; Investing in our Communities, and Governance.

Protecting our environment

The Board recognises that the nature of our business has environmental and social impacts and that we have a responsibility to consider and minimise these impacts, where possible. As a member of EPRA, we want to contribute to greater transparency in reporting. We have strengthened our commitment to delivering against our environmental and social impacts by introducing EPRA's Sustainability Best Practices Recommendations and capturing our ESG measurements within their framework.

I am therefore delighted to report that this commitment has been recognised in the EPRA Sustainability Awards 2022, with PSD receiving a Gold award in recognition of the Company's commitment to best practice in its reporting. This recognition further encourages us to continue to approach the future in a consistent, ethical, safe and environmentally friendly way.

Our charities

The Company continues to provide financial support to two charities in Berlin: The Intercultural Initiative, a refuge that helps women and children affected by domestic violence, and Laughing Hearts, which provides assistance to children living in children's homes and under social care.

QSix, our Property Advisor, continues to provide support to two charities in London: SPEAR and SHP. Both organisations work with homeless people. SPEAR receives funding to run an outreach service that provides accommodation to rough sleepers and addresses their health and social care needs. SHP supports an employability programme that helps homeless people or those at high risk of homelessness to find jobs and secure sustainable income. During 2022, QSix additionally agreed funding for Home-Start, a UK community network of trained volunteers and expert support helping families with young children.

Ukrainian Crisis

The tragic humanitarian toll caused by Russia's invasion of Ukraine remains foremost in our minds. The war in Ukraine has caused unimaginable hardship and displaced millions from their homes and, in recognition of this, PSD made available a number of apartments on a rent-free basis for Ukrainian refugees. I am pleased to report that these tenants have transitioned into long-term tenancies with the costs covered by the Berlin district of Teltow Fläming.

Our Board

The Board acknowledges the significance of a robust corporate governance culture and adheres to the principles of good corporate governance as outlined in the Association of Investment Companies Code of Corporate Governance ("AIC Code"). More information on how the Company has implemented the provisions of and adhered to the AIC Code can be found in the Directors' Report.

The death of Greg Branch in August has deeply saddened us, and we express our gratitude for his exceptional service during his tenure on the Board. Greg brought a wealth of knowledge from over 30 years in financial services and real estate. He is greatly missed as a colleague and friend by current and former Directors of the Company, QSix investment professionals, and those in the broader business community who had the opportunity to work with him.

As previously announced, Isabel Robins was appointed as a non-executive Director, effective 14 March 2022. Isabel brings over 23 years of expertise in offshore real estate structures, including property funds, investments, and developments. Her extensive real estate background and knowledge will provide valuable insight and complement the skillset of the Board. She takes the place of Monique O'Keefe, who resigned as Senior Independent Director to accept a senior executive role at another company.

The Board was pleased to announce the appointment of Steven Wilderspin as a non-executive Director in January 2023. A resident of Jersey, Steven has had extensive experience as an independent director for multiple public and private investment funds and commercial companies since 2007.

Outlook

European real estate markets continue to adjust to more challenging economic conditions, particularly higher inflation and interest rates, with consequential impacts on transaction volumes and real asset pricing.

Whilst it is still too early to predict when the current real estate cycle will bottom out, PSD remains well positioned, with a strong balance sheet and conservative debt financing. Moreover, our core rental business continues to thrive, with rental values well supported by the positive demographic trends that continue to exist within the Berlin residential property market. This, combined with the ongoing programme of investment into our buildings, underpins the future reversionary potential that exists within the Portfolio.

The Board and Property Advisor remain fully focussed on delivering the best possible outcome for the Company's stakeholders. We recognise the importance of dividends to our shareholders, and the resumption of dividend payments is a priority, once market conditions and the outlook for future condominium sales become clearer.

Robert Hingley

Chairman
28 March 2023

REPORT OF THE PROPERTY ADVISOR

Financial highlights for the twelve-month period to 31 December 2022

€ million (unless otherwise stated)	Year to 31-Dec-22	Year to 31-Dec-21
Gross rental income	25.9	25.8
Investment property fair value (loss) / gain	(42.2)	38.0
(Loss) / gain before tax (PBT)	(17.5)	45.3
Reported EPS (€)	(0.17)	0.39
Investment property value	775.9	801.5
Net debt (Nominal balances)[1]	303.3	278.0
Net LTV (%)	39.1	34.7
IFRS NAV per share (€)	4.50	4.74
IFRS NAV per share (£)[2]	3.99	3.98
EPRA NTA per share (€)[3]	5.10	5.65
EPRA NTA per share (£)[2]	4.52	4.74
Dividend per share in respect of the period (€ cents)	2.35	7.50
Dividend per share in respect of the period (£ pence)	2.09	6.38
€ EPRA NTA per share total return for period (%)	(8.4)	8.4
£ EPRA NTA per share total return for period (%)[2]	(3.2)	1.0

1 – Nominal loan balances as per note 22 rather than the loan balances on the Consolidated Statement of Financial Position which consider Capitalised Finance Arrangement Fees in the balance as per IAS 23.

2 – Calculated at FX rate GBP/EUR 1:1.128 (2021: GBP/EUR 1: 1.191)

3 – Further EPRA Net Asset Measures can be found in note 29.

Financial results

Revenue for the financial year to 31 December 2022 was €25.9 million (31 December 2021: €25.8 million). The Company recorded a loss before tax of €17.5 million (31 December 2021: profit before tax €45.3 million), reflecting the non-cash impact of a revaluation loss of €42.2 million (31 December 2021: revaluation gain of €38.0 million).

Property expenses rose by 6.4 per cent over the year, due primarily to service charge increases and related energy/utility price movements. Administration costs and legal and professional fees were marginally down over the year, with slightly higher legal costs from transactional activity offset by a drop in other professional costs. Reported earnings per share for the period were (0.17) € cents (31 December 2021: 0.39 € cents).

Reported EPRA NTA per share declined by 9.7 per cent in the period to €5.10 (£4.52) (31 December 2021: €5.65 (£4.74)). After accounting for dividends paid during 2022 of 7.5 € cents (6.45 £ pence), which were paid in June and October 2022, the Euro EPRA NTA total return for the period was (8.4) per cent (2021: 8.4 per cent). The sterling EPRA NAV per share total return was (3.2) per cent (31 December 2021: 1.0 per cent), reflecting the decline in the value of sterling versus the Euro during the financial year.

Dividend and share buybacks

The Company has taken the difficult decision to suspend dividend payments. Although the performance of the Company's core rental business remains strong and its balance sheet and financing remain conservative, this is considered the appropriate course of action in the light of ongoing weakness in buyer confidence, asset pricing and condominium and other sales.

The dividend has always been paid from operating cash flows, including the disposal proceeds from condominium projects and other properties. Subject to the cash requirements of the business, and after full consideration of the impact that the economic and operating environment may have on the portfolio of assets owned by the Company, it is the intention to resume dividends once the outlook is clearer.

In the light of the decision not to pay a final dividend and taking into account the interim dividend paid in October 2022, the total dividend for the financial year to 31 December 2022 is 2.35 € cents per share (2.09 £ pence per share) (31 December 2021: 7.5 € cents, 6.38 £ pence).

During the financial year ended 31 December 2022, the Company bought back a further 974,754 ordinary shares, representing 1.0 per cent of the ordinary share capital, for a total consideration of £3.5 million. The average price paid represents a 20.9 per cent discount to EPRA NTA per share as at 31 December 2022.

Although the Company recognises that PSD's share price remains at a material discount to EPRA NTA, it did not buy-back shares in the second half of the financial year. This reflected a decline in the proceeds from condominium sales and uncertainty on the transaction market for other asset disposals.

The Company will continue to keep its cash commitments under close review and will prioritise continued investment in the core Portfolio. Any surplus cash generated over the amounts required to reinvest in the core Portfolio and reinstate dividends on a sustainable basis will, so long as share price discount to NAV persists, be used for share buy-backs and not to acquire additional properties.

Table: Portfolio valuation and breakdown

	31 December 2022	**31 December 2021**
Total sqm ('000)	188.8	189.7
Valuation (€m)	775.9	801.5
Like-for-like valuation (decline)/growth (%)	(3.1)	6.3
Value per sqm (€)[1]	4,082	4,225
Fully occupied gross yield (%)	3.0	2.8
Number of buildings	96	97
Residential units	2,553	2,569
Commercial units	135	138
Total units	2,688	2,707

1 – Value per sqm provided by JLL based on portfolio valuation excluding assets under construction of €5.3 million

Like-for-like decline in Portfolio Valuation of 3.1 per cent

Pricing in the Berlin residential property market weakened in the second half of the financial year, with higher inflation and interest rates adversely affecting buyer sentiment and, consequently, transaction volumes. Market sales volumes in 2022 were at a 10-year low, reflecting a widening gap between buyer and seller price expectations. These weaker market conditions have impacted the valuation of the Portfolio.

JLL has conducted a full RICS Red Book property-by-property analysis, tied back to comparable transactions in the Berlin market, and provided a portfolio valuation on this basis. As at 31 December 2022, the Portfolio, including investment properties under construction, was valued at €775.9 million (31 December 2021: €801.5 million). Investment properties under construction totalling €5.3 million were valued by the Board on a discounted cost basis (see note 16 of the financial statements for further detail). Across the Portfolio, this represents a 3.2 per cent decline over the year, reflecting an increase in market yields and the subsequent impact on real estate asset valuations.

On a like-for-like basis, after adjusting for the impact of acquisitions net of disposals, the Portfolio valuation declined by 3.1 per cent in the year to 31 December 2022, and by 5.2 per cent in the second half of the financial year.

The valuation as at 31 December 2022 represents an average value per square metre of €4,082 (31 December 2021: €4,225) and a gross fully-occupied yield of 3.0 per cent (31 December 2021: 2.8 per cent). Included within the Portfolio are six multi-family properties valued as condominiums, with an aggregate value of €30.1 million (31 December 2021: eight properties; €38.8 million).

Table: Rental income and vacancy rate

	31 Dec 2022	31 Dec 2021
Total sqm ('000)	188.8	189.7
Annualised Net Rental Income (€m)	21.4	20.3
Net Cold Rent per sqm (€)	10.0	9.6
Like-for-like rent per sqm growth (%)	3.9	3.9
Vacancy %	6.2	8.4
EPRA Vacancy %	2.4	3.1

Like-for-like rental income per square metre growth of 3.9 per cent

After considering the impact of acquisitions and disposals, like-for-like rental income per square metre grew 3.9 per cent compared with 31 December 2021. Like-for-like rental income grew 6.0 per cent over the same period. Net cold rent was €10.00 per sqm as at 31 December 2022, an increase from €9.64 per sqm as at 31 December 2021.

The Company recognises the challenges that tenants are facing as a direct consequence of inflation, particularly higher fuel prices. Notwithstanding current cost of living pressures, rent collection levels have remained stable. The Company has always managed rent-to-income multiples for new tenants conservatively. Given this customer demographic, combined with German Federal support initiatives to help mitigate the financial impact of rising fuel costs, the Company expects rent collection levels to remain resilient.

EPRA vacancy remains low

Reported vacancy at 31 December 2022 was 6.2 per cent (31 December 2021: 8.4 per cent). On an EPRA basis, which adjusts for units undergoing development, the vacancy rate was 2.4 per cent (31 December 2021: 3.1 per cent).

Reversionary re-letting premium rises to 29 per cent

During the year to 31 December 2022, 320 new leases were signed (2021: 240 new leases), representing a letting rate of approximately 12.9 per cent of occupied units. The average rent achieved on all new lettings was €13.0 per sqm, a 6.6 per cent increase on the prior year, and an average premium of 29.1 per cent to passing rents, excluding condominium assets. This compares to a 26.8 per cent premium in the period to 31 December 2021.

The reversionary premium for the Portfolio is affected by the inclusion of re-lettings from the acquisition in Brandenburg in 2022, where rents are lower than those achieved in central Berlin. Looking solely at the Berlin portfolio assets held for rental, which represents 90.3 per cent of total lettable space, the reversionary premium achieved was 32.3 per cent, comparable to the prior year (33.8 per cent).

Table: EPRA Net Initial Yield (NIY)

All figures in € million unless otherwise stated

	31 Dec 2022	**31 Dec 2021**
Investment property	775.9	801.5
Reduction for NCI share and property under development	(12.3)	(12.8)
Completed property portfolio	**763.6**	**788.7**
Estimated purchasers' costs	63.2	65.1
Gross up completed property portfolio valuation	**826.8**	**853.8**
Annualised cash passing collected rental income	21.4	20.3
Property outgoings	(3.6)	(3.4)
Annualised collected net rents	**17.8**	**16.8**
EPRA NIY (%)	**2.1**	**2.0**

Portfolio investment

During the year to 31 December 2022, €16.4 million was invested across the Portfolio (31 December 2021: €9.5 million). These items are recorded as capital expenditure in the financial statements. A further €1.5 million (31 December 2021: €1.7 million) was spent on maintaining the assets and is expensed through profit or loss.

The year-on-year increase in capital expenditure reflects the intensification in renovation and modernisation activity resulting from the repeal of the Mietendeckel rent cap in April 2021 (which made it economically viable for the Company to resume its programme of vacant apartment improvements), alongside increased renovation expenditure on the asset in Brandenburg and further work on bringing assets into a position to be sold as condominiums. This investment is expected to be recouped in 2023 and beyond through condominium sales and rental uplifts.

In the light of current weaker market conditions and reflecting that future expenditure on the Brandenburg asset will be lower, it is anticipated that total discretionary capital investment will be materially lower in 2023.

Table: EPRA Capital Expenditure

All figures in €million unless otherwise stated

	31 December 2022	**31 December 2021**
Acquisitions	11.6	-
Like-for-like portfolio	7.4	4.7
Development	8.5	4.4
Other	0.5	0.4

Total Capital Expenditure	**28.0**	**9.5**

Disposals
In September 2022, the Company announced that it had exchanged contracts to sell two non-core properties for an aggregate consideration of €8.6million. These buildings were acquired in 2008 and 2017 respectively, for an aggregate purchase price of €3.9 million and had a carrying value of €9.0 million as at December 2021.

The Company exchanged contracts to sell a further property deemed to be non-core in December 2022 for €3.5 million. This building was acquired in 2008 for €1.0 million and had a carrying value of €3.9 million as at 31 December 2021.

Since the financial year end, a number of additional properties have been placed on the market. However, the market for asset disposals has been challenging in 2023 to date, with offers significantly below carrying value, and at prices that would release limited cash after repayment of associated debt. Although the Company has and will consider asset disposals at a discount to carrying value, it will only do so in instances where disposal is clearly in shareholders' interests.

Acquisitions
On 21 March 2022, the Company announced that it has exchanged contracts to acquire a portfolio of 17 new-build, semi-detached, residential properties (34 units) for a total agreed purchase price of €18.5 million. This new-build has been forward-funded, with construction expected to complete in the second half of 2024. The projected fully-occupied rental income generated by the property is €0.7 million per annum, equivalent to 3.1 per cent of the Portfolio gross in-place rent as at 31 December 2022. Based on the price paid of €4,323 per sqm, this represents an estimated prospective gross yield of 3.5 per cent.

On 5 May 2022, the Company exchanged contracts to acquire four multi-family houses consisting of 24 residential units for a purchase price of €6.3 million. These properties are located in Hoppegarten and Neuenhagen, Berlin. Built in 1995 and 1998, they are in good technical condition and offer significant reversionary potential, having benefited from recent positive demographic changes.

On 22 September 2022, the Company exchanged contracts to acquire a multi-family house with 22 residential units and 3 commercial units for €4.9million. This property is located in Berlin-Neukölln, is well maintained, and offers significant reversionary and attic potential. The property was acquired for a price of €2,312 per sqm, a level which the Property Advisor believes is below market value. The purchase is due to complete in Q2 2023.

Acquisitions are financed using the Natixis loan facility. No further acquisitions are planned for 2023, pending an improvement in market conditions, the resumption of dividend payments and a significant narrowing of the Company's discount to EPRA Net Tangible Assets.

Condominium sales
Condominium sales during 2022 were heavily impacted by concerns over increases in the cost of living, higher borrowing costs and uncertainty surrounding the macro-economic environment caused by the crisis in Ukraine. These factors led to a significant deterioration in buyer sentiment and reduced volumes.

During the financial year, 13 condominium units were notarised for sale for an aggregate value of €4.7 million (2021: €15.2 million). The average achieved notarised value per sqm for the residential units was €5,502, representing a gross premium of 22.4 per cent to carrying value and a 34.8 per cent premium to PSD's average Berlin residential portfolio value as at 31 December 2022.

Since the financial year end, a further three condominiums have been notarised for a total consideration of €0.8 million, at an average 62 per cent premium to carrying value. Reservations for a further three units, with a combined value of €0.6million, and an average 80 per cent premium to carrying value have recently been received and are pending notarisation. These condominiums were smaller than the average across the portfolio of condominium assets, and the premium achieved should not be viewed as representative of future condominium valuations.

Buyer confidence in the condominium market remains very fragile, particularly for occupied units. The Company is therefore focussing on plans to bring additional unoccupied condominium properties to market and bulk condominium sales are under active consideration.

German Federal Government legislation enacted in 2022 has placed significant restrictions on the ability of landlords to split their properties into condominiums. This legislation is, however, not retrospective and does not impact assets that have already been split into condominiums. These measures will inevitably increase the scarcity of condominiums available for sale in the future, further exacerbating the supply-demand imbalance which currently exists. With 76.6 per cent of its Portfolio already legally split in the land registry, the Company is well placed to benefit from this trend over the longer term.

Condominium construction

As previously reported, a condominium construction project has commenced in an existing asset bought in 2007, involving the building-out of the attic and renovating existing commercial units to create seven new residential units. Construction on this project started in the second half of 2021, and the first unit has been notarised for sale, with more units being made available throughout 2023. The total construction budget for this project is €4.5 million, a 15 per cent increase from initial budget due to an industry-wide cost increase in building costs.

The Company also has building permits for another 20 existing assets to create a further 49 attic units for sale as condominiums or as rental stock. This investment will be considered as and when market conditions permit.

Debt and gearing

PSD has loan facilities with two principal bankers, Natixis Pfandbriefbank AG and Berliner Sparkasse, with an average remaining duration of the loan book exceeding three years and none of the Company's debt reaching maturity until September 2026. Despite interest rate rises during 2022, the Company's interest rate hedging policy has largely negated the impact on our cash borrowing costs. The Board considers the current level of gearing and cash balances to be appropriate at this stage in the real estate cycle and will not look to materially increase debt levels until such time as the market outlook becomes more stable.

As at 31 December 2022, PSD had gross borrowings of €315.8 million (31 December 2021: €288.4 million) and cash balances of €12.5 million (31 December 2021: €10.4 million), resulting in net debt of €303.3 million (31 December 2021: €278.0 million) and a net loan-to-value ratio on the Portfolio of 39.1 per cent (31 December 2021: 34.7 per cent).

The change in gross debt in the period results from an additional drawdown from the Natixis facility, which includes borrowings for further capital expenditure, previously announced acquisitions and a tranche of debt related to the new-build project in Erkner. Partly offsetting the drawdowns are repayments of debt on the sale of whole assets and condominiums, alongside amortisation of debt held with Berliner Sparkasse.

The majority of PSD's debt effectively has a fixed interest rate through hedging. As at 31 December 2022, the blended interest rate of PSD's loan book was 2.2 per cent (31 December 2021: 2.0 per cent).

Sustainability

The European Union has set a target of achieving carbon neutrality by 2050 and the real estate sector will play a crucial role in meeting this goal. The broad thrust of government policy is to reduce carbon emissions and incentivize investments in low-carbon and environmentally sustainable solutions.

Most climate related regulation as it affects the Berlin residential sector has the objective of reducing and de-carbonising the heat consumption of buildings. PSD regularly receives updates from third-party experts on environmental legislative developments in Europe, Germany, and Berlin to ensure compliance and plan for future capital expenditure.

One example is green leases. Whilst currently predominantly used in commercial real estate, they are likely to become increasingly popular in the residential sector. Currently, residential landlords in Germany do not have sight of the utility consumption in tenants' homes, as the information is controlled by the tenant. Green leases may eventually be helpful in encouraging landlords and tenants to work together to understand where there can potentially be reciprocal value in working towards shared environmental goals.

Under a green lease, the landlord and tenant may agree to undertake measures such as improving the building's energy efficiency, using renewable energy sources, reducing water consumption and implementing waste management practices. Tenants are encouraged to make changes to their own operations and behaviour, such as using energy-efficient equipment, reducing waste, and conserving resources.

The Property Advisor is monitoring the feasibility of smart metering. Although it is expected that there will soon be an obligatory rollout of smart metering infrastructure in Germany for electricity, it is understood that the responsibility for the implementation of this may reside with the respective meter operators.

The Company has additionally mandated external consultants to begin the process of establishing the carbon footprint of the Portfolio. This work will initially commence on a representative sample of five buildings within the Portfolio. It is anticipated that the outputs of this exercise will help further clarify the processes and any associated capital expenditure required to comply with medium to long-term German residential emissions targets. Any associated carbon emissions that occur as a result of remedial works would also be considered.

The Company remains committed to best practice in ESG reporting and will publish a separate EPRA Sustainability report in the second half of 2023. The Company has additionally committed to making its first Global Real Estate Sustainability Benchmark (GRESB) submission with a view to obtaining full accreditation in 2023.

EPRA Best Practice Financial Reporting Metrics

PSD fully supports the European Public Real Estate Association (EPRA) best practice recommendations (BPR) for financial disclosures by public real estate companies which are designed to improve the quality and comparability of information for investors.

The following table sets out PSD's EPRA KPIs from the released BPR dated February 2022 and references where more detailed calculations supporting the KPIs can be found in the report.

Table: EPRA Metrics

Metric	Balance	Note reference
EPRA Earnings (€m)	(2.8)	28
EPRA Net Tangible Assets / share (NTA) (€)	5.10	29
EPRA Net Reinvestment Value / share (NRV) (€)	5.79	29
EPRA Net Disposal Value / share (NDV) (€)	4.53	29
EPRA Capital Expenditure (€m)	28.0	N/A
EPRA Net Initial Yield (%)	2.1	N/A
EPRA Vacancy (%)	2.4	N/A
EPRA Like-for-Like rent per sqm growth (%)	3.9	N/A

Outlook

With the publication of the 2022 interim results, the Property Advisor cautioned that there had been a deterioration in buyer sentiment leading to reduced transaction volumes and that the outlook for the German property market in the second half was uncertain. Ultimately, the steep upward movement in interest rates has triggered a price correction in real estate markets. Uncertainty about the extent and duration of the correction led to many investors withdrawing from the market. In instances where portfolios of properties were placed on the market, pricing did not match vendor expectations. Effectively, the bid-offer spread widened to an extent that most potential transactions did not complete, and transaction activity fell to a 10-year low.

This process of adjustment has yet to complete and the outlook for property values in the first half of 2023 is likely to remain challenging. Further declines in property values driven by higher medium-term interest rates cannot be discounted. This risk is already being reflected in the share prices of listed German residential companies, all of which currently trade at a significant discount to net asset value.

The Property Advisor retains a wide network of industry practitioners, including potential buyers of assets. Since the beginning of 2023, a significant number of larger participants, that had temporarily withdrawn from the market, have now begun to indicate an appetite for acquiring German residential property again. Although this is an important first step in narrowing the bid-offer spread, it remains uncertain as to when or whether renewed interest is priced at a level that matches vendor expectations.

Whilst there remains uncertainty about real asset values, supply-demand imbalances within the Berlin residential market remain supportive of rental values, underpinning our core rental business. Demand for rental properties continues to rise as higher home ownership costs force potential buyers to remain within the rental system for longer. Demand has been further increased by inward migration in excess of one million refugees into Germany from Ukraine during 2022, placing further pressure on residential vacancy levels, which are already at historically low levels.

At the same time, higher funding, labour and construction costs represent significant headwinds to new-build construction, limiting the future supply of rental accommodation. Set against an annual target set by the German Federal Government of 400,000 new completions per year, less than 250,000 are estimated to have completed in 2022, with forecasts for 2023 and 2024 lower still. Future rental growth should therefore continue to be underpinned, and there remains significant reversionary re-letting potential across PSD's Portfolio.

It remains too early to predict the timing of any industry upswing in sales volumes in the condominium market. Buyer confidence remains fragile, particularly for occupied units. Longer term, Federal Government legislation enacted in 2022 has placed significant restrictions on the ability of landlords to split their properties into condominiums and these measures will inevitably increase the scarcity of stock available for sale in the future, further exacerbating the supply-demand imbalance which currently exists. With 76.6 per cent of its Portfolio already legally split in the land registry, the Company should be well placed to benefit from this trend in the longer term.

With a net LTV of 39.1 per cent and no loans maturing until September 2026, the Company remains conservatively financed. The current level of gearing and cash balances is considered to be appropriate at this stage in the real estate cycle and the Company will not seek to undertake further acquisitions or increase debt levels until such time as the market outlook becomes more stable. Historically, excessive leverage at this stage in a real estate cycle has not been well rewarded by equity and debt capital markets and the Company will therefore continue to seek opportunities to dispose of further assets where appropriate.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board recognises that effective risk evaluation and management needs to be foremost in the strategic planning and the decision-making process. In conjunction with the Property Advisor, key risks and risk mitigation measures are reviewed by the Board on a regular basis and discussed formally during Board meetings.

RISK	IMPACT	MITIGATION	MOVEMENT
Economic and political risk	The global economic and political environment remains uncertain, heightened by the ongoing conflict in Ukraine. Economic, political, fiscal and legal issues can have a negative effect on property valuations. A decline in the Company's property valuations could negatively impact the ability of the Company to sell properties within the Portfolio at valuations which satisfy the Company's investment objective. The ongoing war in Ukraine has negatively impacted gas, energy and raw material supplies to Germany and the rest of Europe. This has led to, and could lead to, further rises in overall costs both for the Company and its tenants. Rising inflation has directly impacted the cost of building materials and the construction workforce, which could negatively impact the Company's	Although the Board and Property Advisor cannot control external macro-economic risks, economic indicators are constantly monitored by both the Board and Property Advisor and Company strategy is tailored accordingly. The Company reviews and monitors emerging policy and legislation to ensure that appropriate steps are taken to ensure compliance. The Company monitors costs and cash balances closely at all times and plans budgets for capital expenditure that take into consideration the potential for cost inflation. The Company has suspended dividend payments to preserve cash. The Company rigorously checks the credit worthiness of new tenants and has always set strict income to rent criteria for incoming tenants. The Company engages with external advisors to advise on potential policy and regulatory implications of political events.	Increased

	development, renovation and modernisation projects. The Federal Government has introduced new laws which would allow States to block the partitioning of apartment blocks into condominiums. The Berlin Government has adopted these proposals.	Blocking the ability of landlords to split assets at the land registry would likely be a net positive for the Company since the supply of condominiums would be materially reduced, increasing the value of the existing stock. With 76.6 per cent of the Company's Portfolio already split in the land registry as condominiums, the Company is likely to benefit from this.	
Financial and interest rate risk	Inadequate management of financing risks could lead to insufficient funds for sustaining business operations and timely repayment of existing debt facilities. These risks encompass reduced availability of financing, rising financing costs, higher than planned leverage and breaches of borrowing facility covenants. A fall in revenue or asset values could also lead to the Company being unable to restart and maintain dividend payments to investors.	The Company seeks to manage its loan to value ratio through the property cycle to ensure that, in the event of a significant decline in property values, its financial position remains robust. Interest rate risk is managed through the use of derivative instruments with matching maturity or fixed-rate debt. At least 80 per cent of drawn loan facilities are hedged. The Company continues to model expected revenues, property values and covenant levels, and these are reported to the Board as part of its annual Viability Assessment. The Company took on new covenants when signing its facility with Natixis in January 2022: Interest coverage ratio (ICR), debt yield and loan-to-value covenants. Only the debt yield and ICR covenants are "hard" covenants, resulting in an event of default in case of breach. The loan-to-value covenant is a "cash trap" covenant (the requirement to hold all related rental income in Natixis accounts until sufficient debt is repaid to return within the covenant level), with no event of default. The Company carried out extensive sensitivity analysis prior to signing this facility and, even in the most stressed rent scenarios, no covenants were breached. The Company is in regular contact with its financing partners and regularly reviews its financing covenants. They are subject to biannual valuations which were last carried out at the end of 2022. At that time, the Company retained substantial headroom on all covenants. Acquisition and disposal activity within the Portfolio is closely monitored in the light of underlying property market conditions to ensure that the Company's loan to value ratio and debt refinancing schedules remain appropriate. In the light of weak current market demand, the Company has suspended dividend payments to preserve cash. Berlin residential rental values have historically been relatively resilient during times of economic stress, and this is not expected to change due to supply constraints.	Increased

Inability to sell properties including condominiums	During the 2022 financial year, there has been a significant deterioration in investor and consumer confidence in reaction to inflationary pressures and consequential interest rate rises. A higher cost of financing has seen investor appetite for German residential assets weaken, and, during the second half of the financial year, pricing has weakened. In parallel with this, a number of larger market participants are now net sellers of assets as they seek to reduce leverage. As pricing expectations between buyers and sellers have differed, transaction volumes have dropped. Higher mortgage rates combined with economic and geopolitical uncertainty has negatively impacted buyer sentiment for condominiums. Under PSD's business model, cash to pay dividends is substantially dependent on condominium and/or other asset sales.	The Company continually monitors the portfolio of assets to ascertain the potential for disposals of buildings. The Company regularly reviews whether any current or future changes in the property market outlook present risks which should be reflected in the execution of its asset management and capital position. The Company maintains a strong relationship with its independent valuers who provide regular assessments of the property market outlook. The Property Advisor maintains a strong network of investors active in the market and actively monitors valuation and liquidity trends in the Berlin residential market. In the light of weak current market demand, the Company has suspended dividend payments to preserve cash.	Increased
Tenant and tenancy law risk	Property laws remain under constant review by both the Federal Government and the coalition government in Berlin. Further tightening of the Mietpreisbremse laws, which limit the amount that landlords can increase rent in apartments in certain zoned areas, could negatively impact the Company's reversionary reletting strategy. During the 2022 financial year, there has been increasing use of online platforms by tenants in order to ascertain if rents prescribed by landlords are compliant with all tenancy laws and regulations. A significant increase in the cost of living has reduced net disposable income and placed more pressure on vulnerable tenants, which could lead to defaults on rents. This, in turn, could place financial pressure on the Company.	The Company has historically been able to adapt its business model to accommodate new rent regulations. The Property Advisor regularly monitors the impact that existing and proposed laws or regulations could have on future rental values and property planning applications. The Property Advisor maintains regular contact with a broad network of professional advisors and industry participants to ensure that it is kept up to date on property tenancy laws and regulations, both current and future. The Property Advisor is in constant dialogue with the Company's property manager (Core Immobilien) to ensure that tenants are notified on a timely basis of any changes to tenancy laws and rental levels. The Company, through its Property Advisor and Property Manager, maintains close contact with tenants. To date, few concerns have been raised, either through online platforms or elsewhere in relation to non-compliance with tenancy laws and regulations. The Company rigorously checks the credit worthiness of new tenants and has always set	Increased

		strict income to rent criterial for incoming tenants. The Company has in place a Vulnerable Tenant Policy which it will continue to monitor and apply to relevant tenants. The Property Advisor closely monitors vulnerable tenants and those unable to afford their rents. A vulnerable tenants list is reviewed by the Company Board. In instances of hardship the Company seeks to support its tenants, both residential and commercial, by agreeing, on a case-by-case basis, the payment of monthly rents or deferring rental payments.	
IT and Cyber Security risk	The Company is dependent on network and information systems of various service providers – mainly the Property Advisor, Property Manager and Administrator, and is therefore exposed to the risk of cyber-crimes and loss of data. As cyber-crime remains prevalent, this is considered a significant risk by the Company. A breach could lead to the illegal access of commercially sensitive information and the potential to impact investor, supplier, and tenant confidentiality and to disrupt the business of the Company. The Russian state has been linked to cyber-attacks on government and international infrastructure and the risk of an increase in these attacks is highly likely now that the Russian state is subject to international sanctions due to its invasion of Ukraine.	There is a constant review of IT systems and infrastructure in place for the Company to ensure these are robust. Service providers are required to report to the Board on request, and at least annually, on their IT controls and procedures. A detailed review has been undertaken of the cyber security of the Company and its outsourced processes. As part of this review, the Company has required all its key service providers to confirm to the Company their procedures and protocols around cyber security on an annual basis. Additionally, the Company has requested that all service providers carry out cyber penetration testing and report back to the Board with any significant observations. No material concerns have arisen from these reviews. Service providers are also required to hold detailed risk and control registers regarding their IT systems. The Property Advisor and the Board review service organisations' IT reports as part of Board meetings each year. No material concerns have arisen from these reviews. The Board believes that, while the risk of cyber-attacks has increased due to the sanctions imposed on Russia, the risk to its service providers directly remains relatively low. The secondary risk from cyber-attacks on digital infrastructure, such as payment systems, remains high and the Board, and the Property Advisor, will continue to monitor the situation.	Increased
Lack of Investment opportunity	Availability of potential investments which meet the Company's investment objective can be negatively affected by supply and demand dynamics within the market for German residential property and the state of the German economy and financial markets more generally. Decreased financial liquidity has resulted in reduced acquisition opportunities available to the Company.	The Property Advisor has been active in the German residential property market since 2006. It has specialised acquisition personnel and an extensive network of industry contacts, including property agents, industry consultants and the principals of other investment funds. The Company's shares are currently valued at a significant discount to Net Asset Value. Given this, the Company has undertaken to not commit to further acquisitions until such time as this discount narrows. Any future acquisitions will be subject to rigorous checks to ensure that they meet financial and environmental targets. Acquisitions are benchmarked against the alternative of share buy-backs.	Unchanged

Outsourcing risk	The Company's future performance depends on the success of its outsourced third-party suppliers, particularly the Property Advisor, QSix, but also its outsourced property management, IFRS (International Financial Reporting Standards) and German GAAP accountants and its administrative functions. The departure of one or more key third-party providers may have an adverse effect on the performance of the Company.	Since the Company listed on the London Stock Exchange, the Property Advisor has expanded headcount through the recruitment of several additional experienced London and Berlin-based personnel. Additionally, senior Property Advisor personnel and their families retain a significant stake in the Company, aligning their interests with other key stakeholders. The key third parties responsible for property management, accounting and administration are continually monitored by the Property Advisor and must provide responses annually to a Board assessment questionnaire regarding their internal controls and performance. These questionnaires are reviewed annually by the Board.	Unchanged
ESG risk	A failure to anticipate and respond to environmental risks and take proactive measures could damage the Company's reputation and disrupt its operations. Unplanned capital expenditure from the cost of complying with energy performance and climate legislation with specific energy performance and/or building requirements could negatively impact on operational cashflow. Future investor expectations for ESG compliance could result in diminished asset values and/or illiquidity in the resale market if assets are not deemed suitably ESG compliant.	All investment in the modernisation of assets is undertaken with a view to the energy efficiency impact and is performed on an asset-by-asset basis. The Company maintains its own dedicated ESG consultant to advise and assist in the implementation of ESG related activity. The Company has instructed a leading law firm to provide a watching brief on current and future climate and energy performance related legislation as they affect German residential properties. The Company has recently secured the services of a carbon mapping consultancy to advise on the carbon footprint of five buildings that are representative of the Portfolio. ESG considerations are reviewed by the Company Board on a quarterly basis. The Company seeks to ensure accurate reporting of its ESG related activities and, in 2022, was awarded a gold medal for its sustainability reporting by the European Public Real Estate Association (EPRA).	Increased

Going concern

The Directors have reviewed projections for the period up to March 2024, using assumptions which the Directors consider to be appropriate to the current financial position of the Group with regard to revenues, its cost base, the Group's investments, borrowing and debt repayment plans. These projections show that the Group should be able to operate within the level of its current resources and expects to manage all debt covenants for a period of at least 12 months from the date of approval of the financial statements. The Group's business activities, together with the factors likely to affect its future development and the Group's objectives, policies and processes from managing its capital and its risks, are set out in the Strategic Report.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in the preparation of these financial statements.

Viability Statement

The Directors have assessed the viability of the Group over a three-year period to 31 December 2025. The Directors have chosen three years because that is the period that fits within the strategic planning cycle of the business. The Viability Statement is based on a robust assessment of those risks that would threaten the business model, future performance, solvency or liquidity of the Group, as set out in the assessment of principal risks in this document on pages 35 to 39. For the purposes of the Viability Statement, the Directors have considered, in particular, the impact of the following factors affecting the projections of cash flows for the three-year period ending 31 December 2025:

a) the potential operating cash flow requirements of the Group;
b) the method of payment of the performance fee due to the Property Advisor;
c) seasonal fluctuations in working capital requirements;
d) property vacancy rates;
e) rent arrears and bad debts;
f) capital and corporate expenditure;
g) proceeds from the sale of condominiums and other assets;
h) dividends and share buybacks; and
i) asset acquisitions.

This model assumes stresses to each of a) through to i) in the above list.

Financial modelling and stress testing were carried out on the Group's cashflows, taking into account the following assumptions, which the Directors believe to reflect the conditions present in a reasonable 'worst case' scenario over the forecast period;

- increased regulation of rent levels of tenancies in the Berlin and Brandenburg markets leads to a fall in rental income of 20 per cent;
- projected condominium sales are reduced by 20 per cent as a result of continuing weak market conditions and/or response to the Berlin and/or Federal authorities attempting to slow down condominium sales;
- whole asset sales are not economically viable and therefore reduced by 100 per cent;
- changes in climate related and energy performance legislation lead to a mandated 20 per cent increase in capital expenditure to reach the required regulatory level. This includes a 20 per cent increase in the costs of the forward funding development acquisition in Erkner; and
- a 20 per cent reduction in the debt available for future capital expenditure projects.

After applying the assumptions above, individually and collectively, there was no scenario in which the viability of the Company over the next 12 months was brought into doubt from a cashflow perspective. Under the stresses set out above, cashflow mitigation may be required in 2024 and headroom could be obtained in the following ways:

- cancellation of larger capital expenditure projects;
- continuing the suspension of the dividend.

Under these stressed assumptions, the Group remains able to manage all banking covenant obligations during the period using the available liquidity to reduce debt levels, as appropriate.

The projected cash flows include the impact of already contracted property acquisitions. On the basis of this assessment, and assuming the principal risks are managed or mitigated as expected, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment.

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2022

	Notes	Year ended 31 December 2022 €'000	Year ended 31 December 2021 €'000
Continuing operations			
Revenue	6	25,934	25,790
Property expenses	7	(17,119)	(16,082)
Gross profit		8,815	9,708
Administrative expenses	8	(3,264)	(3,447)
(Loss) / gain on disposal of investment property (including investment property held for sale)	10	(185)	1,518
Investment property fair value (loss) / gain	11	(42,241)	37,983
Performance fee due to property advisor	25	343	(343)
Operating (loss) / profit		(36,532)	45,419
Net finance charge (before gain / (loss) on interest rate swaps)	12	(7,937)	(7,482)
Gain on interest rate swaps	12	26,920	7,313
(Loss) / profit before taxation		(17,549)	45,250
Income tax credit / (expense)	13	1,739	(7,882)
(Loss) / profit after taxation		(15,810)	37,368
Other comprehensive income		-	-
Total comprehensive (loss) / income for the year		**(15,810)**	**37,368**
Total comprehensive income attributable to:			
Owners of the parent		(15,435)	37,311
Non-controlling interests		(375)	57
		(15,810)	**37,368**
Earnings per share attributable to the owners of the parent:			
From continuing operations			
Basic (€)	28	(0.17)	0.39
Diluted (€)	28	(0.17)	0.39

Consolidated Statement of Financial Position
At 31 December 2022

	Notes	As at 31 December 2022 €'000	As at 31 December 2021 €'000
ASSETS			
Non-current assets			
Investment properties	16	761,377	759,830
Property, plant and equipment	18	12	20
Other financial assets at amortised cost	19	828	926
Derivative financial instruments	24	16,036	-
Deferred tax asset	13	-	1,722
		778,253	762,498
Current assets			
Investment properties - held for sale	17	14,527	41,631
Trade and other receivables	20	10,068	11,699
Cash and cash equivalents	21	12,485	10,441
		37,080	63,771
Total assets		**815,333**	**826,269**
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings	22	820	922
Trade and other payables	23	15,130	11,893
Current tax	13	808	512
		16,758	13,327
Non-current liabilities			
Borrowings	22	311,264	283,233
Derivative financial instruments	24	-	10,884
Deferred tax liability	13	70,920	75,198
		382,184	369,315
Total liabilities		**398,942**	**382,642**
Equity			
Stated capital	26	196,578	196,578
Treasury shares	26	(37,448)	(33,275)
Share based payment reserve	25	-	343
Retained earnings		254,049	276,394
Equity attributable to owners of the parent		413,179	440,040
Non-controlling interest	27	3,212	3,587
Total equity		**416,391**	**443,627**
Total equity and liabilities		**815,333**	**826,269**

Consolidated Statement of Changes in Equity
For the year ended 31 December 2022

	Attributable to the owners of the parent						
	Stated capital €'000	Treasury shares €'000	Share based payment reserve €'000	Retained earnings €'000	Total €'000	Non-controlling interest €'000	Total equity €'000
Balance at 1 January 2021	**196,578**	**(17,206)**	**6,369**	**244,685**	**430,426**	**3,530**	**433,956**
Comprehensive income:							
Profit for the year	-	-	-	37,311	37,311	57	**37,368**
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**37,311**	**37,311**	**57**	**37,368**
Transactions with owners - recognised directly in equity:							
Dividends paid	-	-	-	(7,435)	**(7,435)**	-	**(7,435)**
Performance fee	-	-	343	-	**343**	-	**343**
Settlement of performance fee using treasury shares	-	4,536	(6,369)	1,833	**-**	-	**-**
Acquisition of treasury shares	-	(20,605)	-	-	**(20,605)**	-	**(20,605)**
Balance at 31 December 2021	**196,578**	**(33,275)**	**343**	**276,394**	**440,040**	**3,587**	**443,627**
Comprehensive income:							
Loss for the year	-	-	-	(15,435)	(15,435)	(375)	**(15,810)**
Other comprehensive income	-	-	-	-	-	-	-

Total comprehensive income for the year	-	-	-	**(15,435)**	**(15,435)**	**(375)**	**(15,810)**
Transactions with owners - recognised directly in equity:							
Dividends paid	-	-	-	(6,910)	**(6,910)**	-	**(6,910)**
Performance fee	-	-	(343)	-	**(343)**	-	**(343)**
Acquisition of treasury shares	-	(4,173)	-	-	**(4,173)**	-	**(4,173)**
Balance at 31 December 2022	**196,578**	**(37,448)**	**-**	**254,049**	**413,179**	**3,212**	**416,391**

Consolidated Statement of Cash Flows
For the year ended 31 December 2022

	Year ended 31 December 2022 €'000	Year ended 31 December 2021 €'000
(Loss) / profit before taxation	**(17,549)**	**45,250**
Adjustments for:		
Net finance charge	(18,983)	169
Loss /(gain) on disposal of investment property	185	(1,518)
Investment property revaluation loss / (gain)	42,241	(37,983)
Depreciation	8	8
Performance fee due to property advisor (share based payment)	(343)	343
Operating cash flows before movements in working capital	**5,559**	**6,269**
Increase in receivables	(2,882)	(1,320)
(Decrease) / increase in payables	(463)	2,875
Cash generated from operating activities	**2,214**	**7,824**
Income tax (paid) / received	(521)	163
Net cash generated from operating activities	**1,693**	**7,987**
Cash flow from investing activities		
Proceeds on disposal of investment property (net of disposal costs)	21,010	13,758
Interest received	474	1
Capital expenditure on investment property	(16,437)	(9,477)
Property additions	(13,229)	-
Disposals of property, plant and equipment	-	14
Net cash (used in) / generated from investing activities	**(8,182)**	**4,296**
Cash flow from financing activities		
Interest paid on bank loans	(7,296)	(6,699)
Loan arrangement fees paid	(499)	(1,044)
Repayment of bank loans	(6,354)	(4,059)
Drawdown on bank loan facilities	33,765	900
Dividends paid	(6,910)	(7,435)
Acquisition of treasury shares	(4,173)	(20,501)
Net cash generated from / (used in) financing activities	**8,533**	**(38,838)**
Net increase in cash and cash equivalents	**2,044**	**(26,555)**
Cash and cash equivalents at beginning of year	**10,441**	**36,996**
Exchange (losses) / gains on cash and cash equivalents	-	-
Cash and cash equivalents at end of year	**12,485**	**10,441**

Reconciliation of Net Cash Flow to Movement in Debt
For the year ended 31 December 2022

	Notes	Year ended 31 December 2022 €'000	Year ended 31 December 2021 €'000
Cashflow from increase / (decrease) in debt financing		27,411	(3,159)
Loan arrangement fees paid		(499)	(1,044)
Non-cash changes from increase / (decrease) in debt financing		1,017	809
Change in net debt resulting from cash flows		27,929	(3,394)
Movement in debt in the year		**27,929**	**(3,394)**
Debt at the start of the year		284,155	287,549
Debt at the end of the year	22	312,084	284,155

Notes to the Financial Statements
For the year ended 31 December 2022

1 - General information
The Group consists of a Parent Company, Phoenix Spree Deutschland Limited ('the Company'), incorporated in Jersey, Channel Islands and all its subsidiaries ('the Group') which are incorporated and domiciled in and operate out of Jersey and Germany. Phoenix Spree Deutschland Limited is listed on the premium segment of the Main Market of the London Stock Exchange.

The Group invests in residential and commercial property in Berlin, Germany.

The registered office is at 12 Castle Street, St Helier, Jersey, JE2 3RT, Channel Islands.

2 - Summary of significant accounting policies
The principal accounting policies adopted are set out below.

2.1 Basis of preparation
The consolidated financial statements have been prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and UK adopted international accounting standards.

The consolidated financial statements are presented to the nearest €1,000.

In accordance with Section 105 of the Companies (Jersey) Law 1991, the Group confirms that the financial information for the year ended 31 December 2022 is derived from the Group's audited financial statements and that these are not statutory accounts and, as such do not contain all information required to be disclosed in the financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

The statutory accounts for the year ended 31 December 2022 have been audited but have not yet been filed.

The Group's audited financial statements for the period ended 31 December 2022 received an unqualified audit opinion and the auditor's report contained no statement under Section 113B (3) and (6) of The Companies (Jersey) Law 1991.

The financial information contained within this preliminary statement was approved and authorised for issue by the Board on 28 March 2023.

2.2 Going concern
The Directors have prepared projections for three years from the signing of this report. These projections have been prepared using assumptions which the Directors consider to be appropriate to the current financial position of the Group as regards to current expected revenues and its cost base and the Group's investments, borrowing and debt repayment plans and show that the Group should be able to operate within the level of its current resources and expects to comply with all covenants for the foreseeable future. The Group's business activities together with the factors likely to affect its future development and the Group's objectives, policies and processes for managing its capital and its risks are set out in the Strategic Report and in notes 3 and 30. After making enquiries the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group has considered the current economic environment alongside its principal risks in its going concern assessment. Further information can be found in the viability statement on page 46 to 47. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.3 Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The Company controls an entity when the Group is exposed to, or has rights to, variable returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Profit or loss and each component of other comprehensive income are attributable to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributable to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Accounting policies of subsidiaries which differ from Group accounting policies are adjusted on consolidation. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

2.4 Revenue recognition
Revenue includes rental income, service charges and other amounts directly recoverable from tenants. Rental income and service charges from operating leases are recognised as income on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives are recognised over the lease term, on a straight-line basis, as a reduction of rental income.

2.5 Foreign currencies
(a) Functional and presentation currency
The currency of the primary economic environment in which the Group operates ('the functional currency') is the Euro (€). The presentational currency of the consolidated financial statements is also the Euro (€).

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses resulting from such transactions are recognised in the consolidated statement of comprehensive income.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.6 Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating-decision maker. The chief operating-decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Board has identified the operations of the Group as a whole as the only operating segment.

2.7 Operating profit
Operating profit is stated before the Group's gain or loss on its financial assets and after the revaluation gains or losses for the year in respect of investment properties and after gains or losses on the disposal of investment properties.

2.8 Administrative and property expenses
All expenses are accounted for on an accruals basis and are charged to the consolidated statement of comprehensive income in the period in which they are incurred. Service charge costs, to the extent that they are not recoverable from tenants, are accounted for on an accruals basis and included in property expenses.

2.9 Separately disclosed items
Certain items are disclosed separately in the consolidated financial statements where this provides further understanding of the financial performance of the Group, due to their significance in terms of nature or amount.

2.10 Property Advisor fees
The element of Property Advisor fees for management services provided are accounted for on an accruals basis and are charged to the Consolidated Statement of Comprehensive Income. These fees are detailed in note 7 and classified under 'Property advisors' fees and expenses. The settlement of the Property Advisor performance fees is detailed in note 25. Due to the nature of the settlement of the performance fee, any movement in the amount payable at the year-end is reflected within the share-based payment reserve in the consolidated statement of financial position.

2.11 Investment property
Property that is held for long-term rental yields or for capital appreciation, or both, which is not occupied by the Group, is classified as investment property.

Investment property is measured initially at cost, including related transaction costs. After initial recognition, investment property is carried at fair value, based on market value.

The change in fair values is recognised in the consolidated statement of comprehensive income for the year.

A valuation exercise is undertaken by the Group's independent valuer, Jones Lang LaSalle GmbH ('JLL'), at each reporting date in accordance with the methodology described in note 16 on a building-by-building basis. Such estimates are inherently subjective and actual values can only be determined in a sales transaction. The valuations have been prepared by JLL on a consistent basis at each reporting date.

Subsequent expenditure is added to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred. Changes in fair values are recorded in the consolidated statement of comprehensive income for the year.

Purchases and sales of investment properties are recognised on legal completion.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset, where the carrying amount is the higher of cost or fair value) is included in the Consolidated Statement of Comprehensive Income in the period in which the property is derecognised.

2.12 Current assets held for sale - investment property
Current assets (and disposal groups) classified as held for sale are measured at the most recent valuation.

Current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The Group recognises an asset in this category once the Board has committed to the sale of an asset and marketing has commenced.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

If an asset held for sale is unsold within one year of being classified as such, it will continue to be classified as held for sale if:

(a) at the date the Company commits itself to a plan to sell a non-current asset (or disposal group) it reasonably expects that others (not a buyer) will impose conditions on the transfer of the asset that will extend the period required to complete the sale, and actions necessary to respond to those conditions cannot be initiated until after a firm purchase commitment is obtained, and a firm purchase commitment is highly probable within one year;

(b) the Company obtains a firm purchase commitment and, as a result, a buyer or others unexpectedly impose conditions on the transfer of a non-current asset (or disposal group) previously classified as held for sale that will extend the period required to complete the sale, and timely actions necessary to respond to the conditions have been taken, and a favourable resolution of the delaying factors is expected;

(c) during the initial one-year period, circumstances arise that were previously considered unlikely and, as a result, a non-current asset previously classified as held for sale is not sold by the end of that period, and during the initial one-year period the Company took action necessary to respond to the change in circumstances, and the non-current asset is being actively marketed at a price that is reasonable, given the change in circumstances, and the criteria above are met;
(d) otherwise, it will be transferred back to investment property.

2.13 Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is charged so as to write off the costs of assets to their residual values over their estimated useful lives, on the following basis:

Equipment – 4.50% to 25% per annum, straight line.

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of comprehensive income.

2.14 Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of comprehensive income in the period in which they are incurred.

2.15 Tenants deposits
Tenants' deposits are held off the consolidated statement of financial position in a separate bank account in accordance with German legal requirements, and the funds are not accessible to the Group. Accordingly, neither an asset nor a liability is recognised.

2.16 Financial instruments
Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade and other receivables
Trade receivables are amounts due from tenants for rents and service charges and are initially recognised at the amount of the consideration that is unconditional and subsequently carried at amortised cost as the Group's business model is to collect the contractual cash flows due from tenants. Provision is made based on the expected credit loss model which reflects the Company's historical credit loss experience over the past three years but also reflects the lifetime expected credit loss.

Cash and cash equivalents
Cash and cash equivalents are defined as cash and short-term deposits, including any bank overdrafts, with an original maturity of three months or less, measured at amortised cost.

Trade and other payables
Trade payables are recognised and carried at their invoiced value inclusive of any VAT that may be applicable, and subsequently at amortised cost using the effective interest method.

Borrowings
All loans and borrowings are initially measured at fair value less directly attributable transaction costs. After initial recognition, all interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest method.

The interest due within the next twelve months is accrued at the end of the year and presented as a current liability within borrowings.

Treasury shares
When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity at the weighted average cost of treasury shares up to the date of repurchase. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within retained earnings.

Interest-rate swaps
The Group uses interest-rate swaps to manage its market risk. The Group does not hold or issue derivatives for trading purposes.

The interest-rate swaps are recognised in the Consolidated Statement of Financial Position at fair value, based on counterparty quotes. The gain or loss on the swaps is recognised in the Consolidated Statement of Comprehensive Income and detailed in note 12.

The interest-rate swaps are valued by an independent third-party specialist. The market value calculation is based on the present value of the counterparty payments, the fixed interest, and the present value of the payments to be received, the floating interest.

Fixed interest rates on the swaps range from 0.775% to 1.287% with the floating interest based on 3-month Euribor.

2.17 Current and deferred income tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current tax
The current tax charge is based on taxable profit for the year. Taxable profit differs from net profit reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the accounting date.

(b) Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is charged or credited in the consolidated statement of comprehensive income except when it relates to items credited or charged directly in equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is calculated at the tax rates and laws that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the accounting date.

The carrying amount of deferred tax assets is reviewed at each accounting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.18 New standards and interpretations
The following relevant new standards, amendments to standards and interpretations have been issued, and are effective for the financial year beginning on 1 January 2022, as adopted by the European Union and United Kingdom:

Title	**As issued by the IASB, mandatory for accounting periods starting on or after**
Amendments to IFRS 16 Leasing - Covid-19 Related Rent Concessions	Accounting periods beginning on or after 1 April 2021
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	Accounting periods beginning on or after 1 January 2022
Annual Improvements to IFRS Standards 2018-2020	Accounting periods beginning on or after 1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	Accounting periods beginning on or after 1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	Accounting periods beginning on or after 1 January 2022

Amendments to IFRS 16 Leasing - Covid-19 Related Rent Concessions
In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16). The pronouncement amended IFRS 16 Leases to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021.

An extension was issued on 31 March 2021 which permits a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021).

The amendments do not impact on the current financial statements as no Covid-19 related rent concessions have been recognised.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
Following the withdrawal of IAS 11 Construction Contracts, companies apply the requirements in IAS 37 when determining whether a contract is onerous. These requirements specify that a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it – outweigh the economic benefits.

The amendments clarify that the 'costs of fulfilling a contract' comprise both:
- the incremental costs – e.g., direct labour and materials; and
- an allocation of other direct costs – e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

The amendments do not impact on the current financial statements as no onerous contracts exist during the reporting period.

Annual Improvements to IFRS Standards 2018-2020
IFRS 1 First-time Adoption of International Financial Reporting Standards: This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent

IFRS 9 Financial Instruments: This amendment clarifies that – for the purpose of performing the '10 per cent test' for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

IFRS 16 Leases, Illustrative Example 13: The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive. The amendments will help to remove the potential for confusion in identifying lease incentives in a common real estate fact pattern.

IAS 41 Agriculture: This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

The amendments to IFRS Standards 2018-2020 do not impact on the current financial statements.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
Under the amendments, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.
Companies will therefore need to distinguish between:
- costs associated with producing and selling items before the item of PPE is available for use; and
- costs associated with making the item of PPE available for its intended use.

Making this allocation of costs may require significant estimation and judgement. Companies in the extractive industry may need to monitor costs at a more granular level.

The amendments to IAS 16 do not impact on the current financial statements.

Reference to the Conceptual Framework (Amendments to IFRS 3)
In a May 2019 exposure draft, the IASB identified three possible amendments to IFRS 3 that would update IFRS 3 without significantly changing its requirements. These amendments have now been finalised.
- update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
- add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments to IFRS 3 do not impact on the current financial statements.

New and revised IFRS Standards in issue but not yet effective and not early adopted
The following standards have been issued by the IASB and adopted by the EU:

Title	**As issued by the IASB, mandatory for accounting periods starting on or after**
IFRS 17 Insurance Contracts	Accounting periods beginning on or after 1 January 2023
Amendments to IFRS 17	Accounting periods beginning on or after 1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	Accounting periods beginning on or after 1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	Accounting periods beginning on or after 1 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes	Accounting periods beginning on or after 1 January 2023
Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17)	Accounting periods beginning on or after 1 January 2023

There are no anticipated material impacts to the Group from the above new and revised IFRS Standards.

3. Financial risk management

3.1 Financial risk factors
The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Risk Committee under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

3.2 Market risk
Market risk is the risk of loss that may arise from changes in market factors such as foreign exchange rates, interest rates and general property market risk.

(a) Foreign exchange risk
The Group operates in Germany and is exposed to foreign exchange risk arising from currency exposures, primarily with respect to Sterling against the Euro arising from the costs which are incurred in Sterling. Foreign exchange risk arises from future commercial transactions, and recognised monetary assets and liabilities denominated in currencies other than the Euro.

The Group's policy is not to enter into any currency hedging transactions, as the majority of transactions are in Euros, which is the primary currency of the environment in which the Group operates. Therefore, any currency fluctuations are minimal.

(b) Interest rate risk
The Group has exposure to interest rate risk. It has external borrowings at a number of different variable interest rates. The Group is also exposed to interest rate risk on some of its financial assets, being its cash at bank balances. Details of actual interest rates paid or accrued during each period can be found in note 22 to the consolidated financial statements.

The Group's policy is to manage its interest rate risk by entering into a suitable hedging arrangement, either caps or swaps, in order to limit exposure to borrowings at variable rates.

(c) General property market risk
Through its investment in property, the Group is subject to other risks which can affect the value of property. The Group seeks to minimise the impact of these risks by review of economic trends and property markets in order to anticipate major changes affecting property values.

(d) Market risk - Rent legislation
Through its policy of investing in Berlin, the Group is subject to the risk of changing rental legislation which could affect both the rental income, and the value of property. The Group seeks to mitigate any effect of the changing legislations using strategies set out in the principal risks and uncertainties on pages 35 to 39.

(e) Market risk - Ukraine
Although the Company has no direct exposure to either Russia or Ukraine, it is expected that the continuing conflict will cause an impact on the global economy. These include the possible effects of higher energy prices, the possible knock-on impact of inflation, recession and increasing cyber-attacks. Additionally, These circumstances have created a degree of uncertainty across global equity markets. The conflict in Ukraine, and the introduction of sanctions against Russia and Belarus, as well as possible secondary derivative impacts are being closely monitored by the Board and the Property Advisor. Further information regarding the risk to the Company from the crisis in Ukraine can be found in the principal risks and uncertainties on page 35.

3.3 Credit risk
The risk of financial loss due to a counterparty's failure to honour their obligations arises principally in connection with property leases and the investment of surplus cash.
The Group has policies in place to ensure that rental contracts are made with customers with an appropriate credit history. Tenant rent payments are monitored regularly, and appropriate action taken to recover monies owed, or if necessary, to terminate the lease.

Cash transactions are limited to financial institutions with a high credit rating.

3.4 Liquidity risk
The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans secured on the Group's properties. The terms of the borrowings entitle the lender to require early repayment should the Group be in default with significant payments for more than one month.

3.5 Capital management
The prime objective of the Group's capital management is to ensure that it maintains the financial flexibility needed to allow for value-creating investments as well as healthy balance sheet ratios.

The capital structure of the Group consists of net debt (borrowings disclosed in note 22 after deducting cash and cash equivalents) and equity of the Group (comprising stated capital (excluding treasury shares), reserves and retained earnings).

In order to manage the capital structure, the Group can adjust the amount of dividend paid to shareholders, issue or repurchase shares or sell assets to reduce debt.

When reviewing the capital structure, the Group considers the cost of capital and the risks associated with each class of capital. The Group reviews the gearing ratio which is determined as the proportion of net debt to equity. In comparison with comparable companies operating within the property sector the Board considers the gearing ratios to be reasonable.

The gearing ratios for the reporting periods are as follows:

	As at 31 December 2022 €'000	**As at 31 December 2021 €'000**
Borrowings	(312,084)	(284,155)
Cash and cash equivalents	12,485	10,441
Net debt	(299,599)	(273,714)
Equity	416,391	443,627
Net debt to equity ratio	72%	62%

4. Critical accounting estimates and judgements
The preparation of consolidated financial statements in conformity with IFRS requires the Group to make certain critical accounting estimates and judgements. In the process of applying the Group's accounting policies, management has decided the following estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year:

i) Estimate of fair value of investment properties (€775,904,000)
The valuation of the Group's property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location and condition, and expected future rentals. The valuation as at 31 December 2022 is based on the rules, regulations and market as at that date. The fair value estimates of investments properties are detailed in note 16.

The best evidence of fair value is current prices in an active market of investment properties with similar leases and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its estimate, the Group considers information from a variety of sources, including:

a) Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

b) Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences.

c) Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

The Directors remain ultimately responsible for ensuring that the valuers are adequately qualified, competent and base their results on reasonable and realistic assumptions. The Directors have appointed JLL as the real estate valuation experts who determine the fair value of investment properties using recognised valuation techniques and the principles of IFRS 13. Further information on the valuation process can be found in note 16.

ii) Judgment in relation to the recognition of assets held for sale
Management has made an assumption in respect of the likelihood of investment properties - held for sale, being sold within 12 months, in accordance with the requirement of IFRS 5. Management considers that based on historical and current experience that the properties can be reasonably expected to sell within 12 months.

5. Segmental information
The Group's principal reportable segments under IFRS 8 were as follows:

- Residential; and
- Commercial

The Group is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet the following specified criteria:

- its reported revenue, from both external customers and intersegment sales or transfers, is 10 per cent or more of the combined revenue, internal and external, of all operating segments, or
- the absolute measure of its reported profit or loss is 10 per cent or more of the greater, in absolute amount, of (i) the combined reported profit of all operating segments that did not report a loss and (ii) the combined reported loss of all operating segments that reported a loss, or

- its assets are 10 per cent or more of the combined assets of all operating segments.

Management have applied the above criteria to the commercial segment and the commercial segment is not more than 10% of any of the above criteria. The Group does not own any wholly commercial buildings nor does management report directly on the commercial results. The Board considers that the non-residential element of the portfolio is incidental to the Group's activities. Therefore, the Group has not included any further segmental analysis within these consolidated audited financial statements.

6. Revenue

	31 December 2022 €'000	31 December 2021 €'000
Rental income	20,289	20,624
Service charge income	5,645	5,166
	25,934	25,790

The total future annual minimum rentals receivable under non-cancellable operating leases are as follows:

	31 December 2022 €'000	31 December 2021 €'000
Within 1 year	1,201	1,224
1 - 2 years	1,201	1,177
2 - 3 years	917	979
3 - 4 years	648	875
4 - 5 years	543	663
Later than 5 years	417	562
	4,927	5,480

Revenue comprises rental income earned from residential and commercial property in Germany. There are no individual tenants that account for greater than 10% of revenue during any of the reporting periods.

The leasing arrangements for residential property are with individual tenants, with three months' notice from tenants to cancel the lease in most cases.

The commercial leases are non-cancellable, with an average lease period of 3 years.

7. Property expenses

	31 December 2022 €'000	31 December 2021 €'000
Property management expenses	1,233	1,195
Repairs and maintenance	1,525	1,731
Impairment charge – trade receivables	868	420
Service charges paid on behalf of tenants	6,631	6,014
Property advisors' fees and expenses	6,862	6,722
	17,119	16,082

8. Administrative expenses

	31 December 2022 €'000	31 December 2021 €'000
Secretarial and administration fees	651	609
Legal and professional fees	2,261	2,405
Directors' fees	275	287
Bank charges	74	62
Loss on foreign exchange	5	82
Depreciation	8	8

Other income	(10)	(6)
	3,264	3,447

Further details of the Directors' fees are set out in the Directors' Remuneration Report on page 73.

9. Auditor's remuneration

An analysis of the fees charged by the auditor and its associates is as follows:

	31 December 2022 €'000	31 December 2021 €'000
Fees payable to the Group's auditor and its associates for the audit of the consolidated financial statements	231	237
Fees payable to the Group's auditor and its associates for other services		
- Agreed upon procedures - half year report	33	31
	264	268

10. (Loss) / gain on disposal of investment property (including investment property held for sale)

	31 December 2022 €'000	31 December 2021 €'000
Disposal proceeds	13,754	16,667
Book value of disposals	(12,982)	(14,309)
Disposal costs	(957)	(840)
	(185)	1,518

11. Investment property fair value (loss) / gain

	31 December 2022 €'000	31 December 2021 €'000
Investment property fair value (loss) / gain	(42,241)	37,983

Further information on investment properties is shown in note 16.

12. Net finance charge

	31 December 2022 €'000	31 December 2021 €'000
Interest income	(376)	(26)
Finance expense on bank borrowings	8,313	7,508
Net finance charge before gain on interest rate swap	7,937	7,482
Gain on interest rate swaps	(26,920)	(7,313)
	(18,983)	169

13. Income tax expense

The tax charge for the period is as follows:	31 December 2022 €'000	31 December 2021 €'000
Current tax charge / (credit)	817	(201)
Deferred tax (credit) / charge - origination and reversal of temporary differences	(2,556)	8,083
	(1,739)	7,882

The tax credit for the year can be reconciled to the theoretical tax credit on the loss in the Consolidated Statement of Comprehensive Income as follows:

	31 December 2022 €'000	31 December 2021 €'000
(Loss) / profit before tax	**(17,549)**	**45,250**
Tax at German income tax rate of 15.8% (2021: 15.8%)	(2,773)	7,150
Expenses not deductible / (income not taxable)	29	(240)
Losses carried forward not recognised	1,005	972
Total tax (credit) / charge for the year	(1,739)	7,882

Reconciliation of current tax liabilities

	31 December 2022 €'000	31 December 2021 €'000
Balance at beginning of year	512	550
Tax (paid) / received during the year	(521)	163
Current tax charge / (credit)	817	(201)

Balance at end of year	808	512

Reconciliation of deferred tax

	Capital gains on properties €'000 (Liabilities)	Interest rate swaps €'000 (Liabilities)	Total €'000 (Net liabilities)
Balance at 1 January 2021	(68,273)	2,880	(65,393)
Charged to the statement of comprehensive income	(6,925)	(1,158)	(8,083)
Deferred tax (liability) / asset at 31 December 2021	(75,198)	1,722	(73,476)
Credited / (Charged) to the statement of comprehensive income	6,816	(4,260)	2,556
Deferred tax liability at 31 December 2022	(68,382)	(2,538)	(70,920)

Jersey income tax
The Group is liable to Jersey income tax at 0%.

German tax
As a result of the Group's operations in Germany, the Group is subject to German Corporate Income Tax ('CIT') - the effective rate for Phoenix Spree Deutschland Limited for 2022 was 15.8% (2021: 15.8%).

Factors affecting future tax charges
The Group has accumulated tax losses of approximately €42 million (2021: €35 million) in Germany, which will be available to set against suitable future profits should they arise, subject to the criteria for relief. These losses are offset against the deferred taxable gain to give the deferred tax liability set out above.

14. Dividends

	31 December 2022 €'000	31 December 2021 €'000
Amounts recognised as distributions to equity holders in the period:		
Interim dividend for the year ended 31 December 2022 of €2.35 cents (2.09p) declared 29 September 2022, paid 28 October 2022 (2021: €2.35 cents (2.02p)) per share.	2,158	2,228
Dividend for the year ended 31 December 2021 of €5.15 cents (4.36p) declared 30 March 2022, paid 9 June 2022 (2021: €5.15 cents (4.65p)) per share.	4,752	5,207

15. Subsidiaries

The Group consists of a Parent Company, Phoenix Spree Deutschland Limited, incorporated in Jersey, Channel Islands and a number of subsidiaries held directly by Phoenix Spree Deutschland Limited, which are incorporated in and operated out of Jersey and Germany.

Further details are given below:

	Country of incorporation	% Holding	Nature of business
Phoenix Spree Deutschland I Limited	Jersey	100	Investment property
Phoenix Spree Deutschland III Limited (Liquidated on 4 October 2022)	Jersey	100	Liquidated
Phoenix Spree Deutschland VII Limited	Jersey	100	Investment property
Phoenix Spree Deutschland X Limited	Jersey	100	Finance vehicle
Phoenix Spree Deutschland XI Limited	Jersey	100	Investment property
Phoenix Spree Deutschland XII Limited	Jersey	100	Investment property
Phoenix Property Holding GmbH & Co.KG	Germany	100	Holding Company
Phoenix Spree Mueller GmbH	Germany	94.9	Investment property
Phoenix Spree Gottlieb GmbH	Germany	94.9	Investment property
PSPF Holdings GmbH	Germany	100	Holding Company
Jühnsdorfer Weg Immobilien GmbH	Germany	94.9	Investment property
Phoenix Spree Property Fund Ltd & Co. KG (PSPF)	Germany	100	Investment property
PSPF General Partner (Jersey) Limited	Jersey	100	Management of PSPF

16. Investment properties

Fair value	2022 €'000	2021 €'000
At 1 January	801,461	768,310
Capital expenditure	16,437	9,477
Property additions	13,229	-
Disposals	(12,982)	(14,309)
Fair value (loss) / gain	(42,241)	37,983
Investment properties at fair value	775,904	801,461
Assets classified as "Held for Sale" (Note 17)	(14,527)	(41,631)
At 31 December	**761,377**	**759,830**

The property Portfolio (other than the assets held at directors' valuation as noted below) was valued at 31 December 2022 by Jones Lang LaSalle GmbH ("JLL"), in accordance with the methodology described below. The valuations were performed in accordance with the current Appraisal and Valuation Standards, 8th edition (the 'Red Book') published by the Royal Institution of Chartered Surveyors (RICS).

The valuation is performed on a building-by-building basis from source information on the properties including current rent levels, void rates, capital expenditure, maintenance costs and non-recoverable costs provided to JLL by the Property Advisors QSix Residential Limited. JLL use their own assumptions with respect to rental growth, and adjustments to non-recoverable costs. JLL also uses data from comparable market transactions where these are available alongside their own assumptions.

The valuation by JLL uses the discounted cash flow methodology. Such valuation estimates using this methodology, however, are inherently subjective and values that would have been achieved in an actual sales transaction involving the individual property at the reporting date are likely to differ from the estimated valuation.

All properties are valued as Level 3 measurements under the fair value hierarchy (see note 30) as the inputs to the discounted cash flow methodology which have a significant effect on the recorded fair value are not observable. Additionally, JLL perform reference checks back to comparable market transactions to confirm the valuation model.

The unrealised fair value (loss) / gain in respect of investment property is disclosed in the Consolidated Statement of Comprehensive Income as 'Investment property fair value (loss) / gain'.

Valuations are undertaken using the discounted cash flow valuation technique as described below and with the inputs set out below.

Discounted cash flow methodology ("DCF")
The fair value of investment properties is determined using the DCF methodology.

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. The DCF valuation by JLL used ten-year projections of a series of cash flows of each property interest. The cash flows used in the valuation reflect the known conditions existing at the reporting date.

To this projected cash flow series, an appropriate, market derived discount rate is applied to establish the present value of the cash flows associated with each property. The discount rate of the individual properties is adjusted to provide an individual property value that is consistent with comparable market transactions. For properties without a comparable market transaction JLL use the data from market transactions to adjust the discount rate to reflect differences in the location of the property, its condition, its tenants and rent.

The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related lease up periods, re-letting, redevelopment, or refurbishment.

Periodic cash flow includes cash flows relating to gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating cash flows, along with an estimate of the terminal value anticipated at the end of the ten-year projection period, is then discounted.

Where an individual property has the legal and practical ability to be converted into individual apartments (condominiums) for sale as a condominium, dependent upon the stage of the legal permissions, the additional value created by the conversion is reflected via a lower discount rate applied.

Included within Investment Properties is an investment property under construction which has been valued by the Directors using a methodology that the Directors deem appropriate to represent the fair value of this asset. The fair value of the investment property under construction has been calculated as the Red Book value of the completed asset minus the present value of cashflows required to achieve the finished asset. The Red Book value has been provided by JLL based on the same valuation methodology as the rest of the portfolio. The present value of cashflows required to achieve the finished asset has been derived using a discounted cashflow using the remaining contractual payments and the same discount rate as JLL have applied to cashflows post completion. The subjectivities surrounding the present value of future payments are deemed to be the finished asset value, the discount rate and the timing of payments.

The principal inputs to the valuation are as follows:	**Year ended 31 December 2022 Range**	**Year ended 31 December 2021 Range**
Residential Properties		
Market Rent		
Rental Value (€ per sq. p.m.)	9.75 - 15.50	9.25 - 14.75
Stabilised residency vacancy (% per year)	1 - 10	1 - 3
Tenancy vacancy fluctuation (% per year)	4 - 10	4 - 9.5
Commercial Properties		
Market Rent		
Rental Value (€ per sq. p.m.)	4.6 - 35.4	4.6 - 34
Stabilised commercial vacancy (% per year)	0.5 - 89.3	0 - 67
Estimated Rental Value (ERV)		
ERV per year per property (€'000)	54 - 2,553	23 - 2,366
ERV (€ per sq.)	9.75 - 15.50	9.25 - 14.75
Financial Rates - blended average		
Discount rate (%)	4.1	3.1
Portfolio Gross yield (%)	2.8	2.4

Having reviewed the JLL report, the Directors are of the opinion that this represents a fair and reasonable valuation of the properties and have consequently adopted this valuation in the preparation of the consolidated financial statements.

The valuations have been prepared by JLL on a consistent basis at each reporting date and the methodology is consistent and in accordance with IFRS which requires that the 'highest and best use' value is taken into account where that use is physically possible, legally permissible and financially feasible for the property concerned, and irrespective of the current or intended use.

Sensitivity
Changes in the key assumptions and inputs to the valuation models used would impact the valuations as follows:

Vacancy: A change in vacancy by 1% would not materially affect the investment property fair value assessment.

Discount rate: An increase of 0.25% in the discount rate would reduce the investment property fair value by €72 million, and a decrease in the discount rate of 0.25% would increase the investment property fair value by €88.8 million.

There are, however, inter-relationships between unobservable inputs as they are determined by market conditions. The existence of an increase of more than one unobservable input could amplify the impact on the valuation. Conversely, changes on unobservable inputs moving in opposite directions could cancel each other out or lessen the overall effect.

The Group values all investment properties in one of three ways;

Rental Scenario

Where properties have been valued under the DCF methodology and are intended to be held by the Group for the foreseeable future, they are valued under the "Rental Scenario".

Condominium Scenario
Where properties have the potential or the benefit of all relevant permissions required to sell apartments individually (condominiums) and have been approved for sale by the Board, then we refer to these as a 'condominium scenario'. Properties expected to be sold in the coming year from these assets are considered held for sale under IFRS 5 and can be seen in note 17. The additional value is reflected by using a lower discount rate under the DCF methodology.

Disposal Scenario
Where properties have been notarised for sale prior to the reporting date but have not completed; they are held at their notarised disposal value. These assets are considered held for sale under IFRS 5 and can be seen in note 17.

The table below sets out the assets valued using these 3 scenarios:

	31 December 2022 €'000	31 December 2021 €'000
Rental scenario	738,554	762,690
Condominium scenario	28,470	33,050
Disposal scenario	8,880	5,721
Total	775,904	801,461

The movement in the fair value of investment properties is included in the Consolidated Statement of Comprehensive Income as 'investment property fair value loss' and comprises:

	31 December 2022 €'000	31 December 2021 €'000
Investment properties	(41,647)	37,817
Investment properties held for sale (see note 17)	(594)	166
	(42,241)	37,983

17. Investment properties - held for sale

	2022 €'000	2021 €'000
Fair value - held for sale investment properties		
At 1 January	41,631	19,302
Transferred (to) / from investment properties	(14,566)	35,886
Capital expenditure	1,038	586
Properties sold	(12,982)	(14,309)
Valuation (loss) / gain on properties held for sale	(594)	166
At 31 December	14,527	41,631

Investment properties are re-classified as current assets and described as 'held for sale' in three different situations: Properties notarised for sale at the reporting date, Properties where at the reporting date the group has obtained and implemented all relevant permissions required to sell individual apartment units, and efforts are being made to dispose of the assets (condominium); and Properties which are being marketed for sale but have currently not been notarised.

Properties which no longer satisfy the criteria for recognition as held for sale are transferred back to investment properties at fair value.

Properties notarised for sale by the reporting date are valued at their disposal price (disposal scenario), and other properties are valued using the rental and condominium scenarios (see note 16) as appropriate.

Investment properties held for sale are all expected to be sold within 12 months of the reporting date based on management knowledge of current and historic market conditions. While whole properties have been valued under a condominium scenario in note 16, only units expected to be sold have been transferred to assets held for sale.

The investment properties held for sale have debt of €6.9m (2021: €13.0m) that is repayable upon sale of those investment properties.

18. Property, plant and equipment

	Equipment €'000
Cost or valuation	
As at 1 January 2021	123
Disposals	(14)
As at 31 December 2021	109
Disposals	-
As at 31 December 2022	**109**
Accumulated depreciation and impairment	
As at 1 January 2021	81
Charge for the year	8
As at 31 December 2021	89
Charge for the year	8
As at 31 December 2022	97
Carrying amount	
As at 31 December 2021	20
As at 31 December 2022	12

19. Other financial assets at amortised cost

	31 December 2022	31 December 2021
Non-current	€'000	€'000

At 1 January	926	901
Repayments	(122)	-
Accrued interest	24	25
At 31 December	**828**	**926**

The Company entered into a loan agreement with the minority interest of Accentro Real Estate AG in relation to the acquisition of the assets as share deals. This loan bears interest at 3% per annum.

These assets are considered to have low credit risk and any loss allowance would be immaterial.

20. Trade and other receivables

	31 December 2022 €'000	31 December 2021 €'000
Current		
Trade receivables	932	827
Less: impairment provision	(373)	(315)
Net receivables	559	512
Prepayments and accrued income	68	514
Investment property disposal proceeds receivable	-	4,513
Service charges receivable	6,192	5,562
Other receivables	3,249	598
	10,068	**11,699**

Other receivables include €1.2m of Capex incurred prior to the completion of the contract of sale regarding Margareten str, and payable by the acquiror.

Ageing analysis of trade receivables

	31 December 2022 €'000	31 December 2021 €'000
Up to 12 months	540	511
Between 1 year and 2 years	19	-
Over 3 years	-	1
	559	512

Impairment of trade and service charge receivables

The Group calculates lifetime expected credit losses for trade and service charge receivables using a portfolio approach. Receivables are grouped based on the credit terms offered and the type of lease. The probability of default is determined at the year-end based on the aging of the receivables, and historical data about default rates. That data is adjusted if the Group determines that historical data is not reflective of expected future conditions due to changes in the nature of its tenants and how they are affected by external factors such as economic and market conditions.

On this basis, the loss allowance as at 31 December 2022, and on 31 December 2021 was determined as set out below.

No provision for expected credit losses is made against service charge receivables on the basis that it would be immaterial.

The Group applies the following loss rates to trade receivables.

As noted below, a loss allowance of 50% (2021: 50%) has been recognised for trade receivables that are more than 60 days past due except for any receivables relating to the Mietendeckel which are expected to be recovered in full. Any receivables where the tenant is no longer resident in the property are provided for in full.

Trade receivables:	0-60 days	Aging Over 60 days	Non-current tenant	Total 2022
Expected loss rate (%)	0%	50%	100%	
Gross carrying amount (€'000)	328	462	142	932
Loss allowance provision (€'000)	-	(231)	(142)	(373)

Trade receivables:	0-60 days	Aging Over 60 days	Non-current tenant	Total 2021
Expected loss rate (%)	0%	36%	100%	
Gross carrying amount (€'000)	274	371	182	827
Loss allowance provision (€'000)	-	(133)	(182)	(315)

Movements in the impairment provision against trade receivables are as follows:

	31 December 2022 €'000	31 December 2021 €'000
Balance at the beginning of the year	315	222
Impairment losses recognised	868	420
Amounts written off as uncollectable	(810)	(327)
Balance at the end of the year	373	315

All impairment losses relate to the receivables arising from tenants.

21. Cash and cash equivalents

	31 December 2022 €'000	31 December 2021 €'000

	2022	2021
Cash at banks	11,156	9,120
Cash at agents	1,329	1,321
Cash and cash equivalents	12,485	10,441

22. Borrowings

	31 December 2022		31 December 2021	
	Nominal value	Book value	Nominal value	Book value
	€'000	€'000	€'000	€'000
Current liabilities				
Accrued interest - NATIXIS Pfandbriefbank AG	1,031	19	1,026	121
Bank loans - Berliner Sparkasse	801	801	801	801
	1,832	820	1,827	922
Non-current liabilities				
Bank loans - NATIXIS Pfandbriefbank AG	253,602	250,872	237,678	234,328
Bank loans - Berliner Sparkasse	60,392	60,392	48,905	48,905
	313,994	311,264	286,583	283,233
	315,826	312,084	288,410	284,155

The difference between book values and nominal values in the table above relates to unamortised transaction cost.

The Group has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting periods.

Financial covenants relating to the Natixis Pfandbriefbank AG loans include a projected interest cover of at least 150%, minimum debt yield of 4.3% and a maximum loan to value of 67.5%.

There are no financial covenants relating to the Berliner Sparkasse loans.

The Natixis Pfandbriefbank AG loans mature on 11 September 2026 and the Berliner Sparkasse loans mature between 31 December 2026 and 31 October 2027.

All borrowings are secured against the investment properties of the Group. As at 31 December 2022, the Group had undrawn debt facilities of €39.0m (2021: €59.1m).

Interest rate risk concentration

Interest rate basis	Fixed Interest %	Fixed Interest %	Floating Interest %	Total loans	Hedged against floating rate loans
Interest rate range	**1-2%**	**2-3%**	**Euribor**		
	€'000	€'000	€'000	€'000	€'000
NATIXIS Pfandbriefbank AG	-	-	250,872	250,872	203,000
Berliner Sparkasse	40,388	3,800	17,005	61,193	11,879
Total	40,388	3,800	267,877	312,065	214,879

23. Trade and other payables

	31 December 2022	31 December 2021
	€'000	€'000
Trade payables	4,525	2,758
Accrued liabilities	1,485	1,472
Service charges payable	5,394	5,203
Advanced payment received on account	3,700	2,437
Deferred income	26	23
	15,130	11,893

Advanced payment received on account relates to disposal proceeds received prior to the statement of financial position date for units that proceeded to change ownership in the first quarter of the following financial year.

24. Derivative financial instruments

	31 December 2022	31 December 2021
	€'000	€'000
Interest rate swaps - carried at fair value through profit or loss		
Balance at 1 January	(10,884)	(18,197)
Fair value movement through profit or loss	26,920	7,313
Balance at 31 December	16,036	(10,884)

The notional principal amounts of the outstanding interest rate swap contracts as at 31 December 2022 were €214,878,750 (2021: €204,073,750). At 31 December 2022 the fixed interest rates vary from 0.775% to 1.287% (2021: 0.775% to 1.24%) and mature between September 2026 and February 2027.

The interest-rate swaps are valued by an independent third-party specialist. The market value calculation is based on the present value of the counterparty payments, the fixed interest, and the present value of the payments to be received, the floating interest.

Maturity analysis of interest rate swaps

	31 December 2022	31 December 2021
	€'000	€'000

Less than 1 year	-	-
Between 1 and 2 years	-	-
Between 2 and 5 years	16,036	(10,405)
More than 5 years	-	(479)
	16,036	**(10,884)**

Analysis of contractual cashflows under interest rate swaps as of 31 December 2022

Year	Pay Fixed	Receive Floating	Net
	€'000	€'000	€'000
2023	(2,567)	7,160	4,593
2024	(2,140)	6,947	4,807
2025	(2,071)	5,992	3,920
2026	(1,432)	4,113	2,681
2027	(12)	46	35
Total	**(8,222)**	**24,258**	**16,036**

25. Share based payment reserve

	Performance fee €'000
Balance at 1 January 2021	6,369
Fee charge for the year	343
Settlement of performance fee	(6,369)
Balance at 31 December 2021	343
Fee charge for the year	(343)
Balance at 31 December 2022	-

The share-based payment reserve was established in relation to the issue of shares for the payment of the performance fee to the property advisor.

Property Advisor performance fee
The Property Advisor is entitled to an asset and estate management performance fee, measured over consecutive three-year periods, equal to 15% of the excess by which the annual EPRA NTA total return of the Group exceeds 8% per annum, compounding (the 'Performance Fee'). The Performance Fee is subject to a high watermark, being the higher of:

(i) EPRA NTA per share at 1 January 2021; and
(ii) the EPRA NTA per share at the end of a Performance Period in relation to which a performance fee was earned in accordance with the provisions contained with the Property Advisor and Investor Relations Agreement.

Should a fee be due, the fee will be settled shortly after the release of the 2023 annual report in shares of the Company and being determined by reference to an equity-based formula, meets the definition of a share based payment arrangement. There is no fee due to be settled for the current period.

26. Stated capital

	31 December 2022 €'000	31 December 2021 €'000
Issued and fully paid:		
At 1 January	196,578	196,578
At 31 December	**196,578**	**196,578**

The number of shares in issue at 31 December 2022 was 100,751,410 (31 December 2021: 100,751,410).

Treasury shares
The reserve for the Company's treasury shares comprises the cost of the Company's shares held by the Group. At 31 December 2022, the Group held 8,924,047 of the Company's shares (2021: 7,949,293). During the year a further 974,754 shares were purchased in the market.

27. Non-controlling interests

	Non-controlling interest %	31 December 2022 €'000	31 December 2021 €'000
Phoenix Spree Mueller GmbH	5.1%	1,571	1,475
Phoenix Spree Gottlieb GmbH	5.1%	1,307	1,342
Jühnsdorfer Weg Immobilien GmbH	5.1%	334	770
		3,212	**3,587**

28. Earnings per share and EPRA earnings per share

	31 December 2022	31 December 2021
Earnings per share		
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the parent (€'000)	(15,435)	37,311
Weighted average number of ordinary shares for the purposes of basic earnings per share (Number)	92,139,098	94,973,655
Effect of dilutive potential ordinary shares (Number)	-	72,433
Weighted average number of ordinary shares for the purposes of diluted earnings per share (Number)	92,139,098	95,046,088

Earnings per share (€)	(0.17)	0.39
Diluted earnings per share (€)	(0.17)	0.39

	31 December 2022	31 December 2021
EPRA earnings per share		
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the parent (€'000)	(15,435)	37,311
Changes in value of investment properties	42,241	(37,983)
Profit or loss on disposal on investment properties	185	(1,518)
Changes in fair value of financial instruments	(27,263)	(6,970)
Deferred tax adjustments	(2,556)	8,083
Change in Non-controlling interest	(13)	240
EPRA Earnings	(2,841)	(837)
Weighted average number of ordinary shares for the purposes of basic earnings per share (Number)	92,139,098	94,973,655
EPRA Earnings per Share (€)	(0.03)	(0.01)
Diluted EPRA Earnings per Share (€)	(0.03)	(0.01)

29. Net asset value per share and EPRA net asset value

	31 December 2022	31 December 2021
Net assets (€'000)	413,179	440,040
Number of participating ordinary shares	91,827,363	92,802,117
Net asset value per share (€)	4.50	4.74

EPRA NRV (Net Reinstatement Value) - this includes transfer duties of the property assets.
EPRA NTA (Net Tangible Assets) - the Company buys and sells assets leading to taking account of certain liabilities.
EPRA NDV (Net Disposal Value) - the value for the shareholder in the event of a liquidation.

The net asset value calculation is based on the Group's shareholders' equity which includes the fair value of investment properties, properties held for sale as well as financial instruments.

The number of diluted shares does not include treasury shares.

	EPRA NRV €'000	EPRA NTA €'000	EPRA NDV €'000
At 31 December 2022			
IFRS Equity attributable to shareholders	413,179	413,179	413,179
Include / Exclude:*			
Hybrid instruments	-	-	-
Diluted NAV	**413,179**	**413,179**	**413,179**
Include:*			
Revaluation of Investment Property	-	-	-
Revaluation of Investment Property under Construction	-	-	-
Revaluation of other non-current investments	-	-	-
Revaluation of tenant leases held as finance leases	-	-	-
Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	**413,179**	**413,179**	**413,179**
Exclude:*			
Deferred tax in relation to fair value gains of Investment Property and derivatives	70,920	70,920	
Fair value of financial instruments	(16,036)	(16,036)	
Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	-	-	-
Intangibles as per the IFRS balance sheet	-	-	-
Include:*			
Fair value of fixed interest rate debt			2,829
Revaluation of intangibles to fair value	-		
Real estate transfer tax	63,176	-	
NAV	**531,239**	**468,063**	**416,008**
Fully diluted number of shares	91,827,363	91,827,363	91,827,363
NAV per share (€)	**5.79**	**5.10**	**4.53**
At 31 December 2021			
IFRS Equity attributable to shareholders	440,040	440,040	440,040
Include / Exclude:			
Hybrid instruments	(343)	(343)	(343)
Diluted NAV	**439,697**	**439,697**	**439,697**
Include:*			
Revaluation of Investment Property	-	-	-
Revaluation of Investment Property under Construction	-	-	-
Revaluation of other non-current investments	-	-	-
Revaluation of tenant leases held as finance leases	-	-	-
Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	**439,697**	**439,697**	**439,697**
Exclude:			
Deferred tax in relation to fair value gains of Investment Property and derivatives	73,476	73,476	
Fair value of financial instruments	10,884	10,884	

Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	-	-	-
Intangibles as per the IFRS balance sheet	-	-	-
Include:			
Fair value of fixed interest rate debt			3,051
Revaluation of intangibles to fair value	-		
Real estate transfer tax	65,072	-	
NAV	**589,129**	**524,057**	**442,748**
Fully diluted number of shares	92,802,117	92,802,117	92,802,117
NAV per share (€)	**6.35**	**5.65**	**4.77**

30. Financial instruments

The Group is exposed to the risks that arise from its use of financial instruments. This note describes the objectives, policies and processes of the Group for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the consolidated financial statements.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Cash and cash equivalents
- Trade and other receivables
- Other financial assets
- Trade and other payables
- Borrowings
- Derivative financial instruments

The Group held the following financial assets at each reporting date:

	31 December 2022 €'000	31 December 2021 €'000
At Amortised cost		
Trade and other receivables - current	10,000	11,185
Cash and cash equivalents	12,485	10,441
Other financial assets at amortised cost	828	926
	23,313	**22,552**
Fair value through profit or loss		
Derivative financial asset - interest rate swaps	16,036	-
	16,036	**-**
	39,349	**22,552**

The Group held the following financial liabilities at each reporting date:

	31 December 2022 €'000	31 December 2021 €'000
At amortised cost		
Borrowings payable: current	820	922
Borrowings payable: non-current	311,264	283,233
Trade and other payables	15,130	11,893
	327,214	**296,048**
Fair value through profit or loss		
Derivative financial liability - interest rate swaps	-	10,884
	-	**10,884**
	327,214	**306,932**

Fair value of financial instruments

The fair values of the financial assets and liabilities are not materially different to their carrying values due to the short-term nature of the current assets and liabilities or due to the commercial variable rates applied to the long term liabilities.

The interest rate swap was valued by the respective counterparty banks by comparison with the market price for the relevant date.

The interest rate swaps are expected to mature between September 2026 and February 2027.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During each of the reporting periods, there were no transfers between valuation levels.

Group Fair Values

Financial assets/ (liabilities)	31 December 2022 €'000	31 December 2021 €'000
Interest rate swaps - Level 2 - current	-	-
Interest rate swaps - Level 2 - non-current	16,036	(10,884)
	16,036	**(10,884)**

Financial risk management
The Group is exposed through its operations to the following financial risks:

- Interest rate risk
- Foreign exchange risk
- Credit risk
- Liquidity risk

The Group's policies for financial risk management are outlined below.

Interest rate risk
The Group's interest rate risk arises from certain of its borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group is also exposed to interest rate risk on cash and cash equivalents.

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the issued variable rate debt held.

Sensitivity analysis has not been performed as most variable rate borrowings have been swapped to fixed interest rates, and potential movements on cash at bank balances are immaterial.

The Group gives careful consideration to interest rates when considering its borrowing requirements and where to hold its excess cash. The Directors believe that the interest rate risk is at an acceptable level.

Foreign exchange risk
The Group is exposed to foreign exchange risk on sales, purchases, and translation of assets and liabilities that are in a currency other than the functional currency (Euros).

The Group does not enter into any currency hedging transactions and the Directors believe that the foreign exchange rate risk is at an acceptable level.

The carrying amount of the Group's foreign currency (non-Euro) denominated monetary assets and liabilities are shown below, all the amounts are for Sterling balances only:

	31 December 2022 €'000	31 December 2021 €'000
Financial assets		
Cash and cash equivalents	75	563
Financial liabilities		
Trade and other payables	(494)	(494)
Net position	**(419)**	**69**

At each reporting date, if the Euro had strengthened or weakened by 10% against GBP with all other variables held constant, post-tax profit for the year would have increased/(decreased) by:

	Weakened by 10% Increase/(decrease) in post-tax profit and impact on equity €'000	**Strengthened by 10%** Increase/(decrease) in post-tax profit and impact on equity €'000
31 December 2022	(42)	42
31 December 2021	7	(7)

Credit risk management
Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises principally from the Group's trade and other receivables and its cash balances. The Group gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk. The Group has an established credit policy under which each new tenant is analysed for creditworthiness and each tenant is required to pay a two-month deposit.

At each reporting date the Group had no tenants with outstanding balances over 10% of the total trade receivables balance.

The Group holds cash at the following banks: Barclays Private Clients International Jersey Ltd, Deutsche Bank AG, Berliner Sparkasse, UniCredit Bank AG and Hausbank. The split of cash held at each of the banks respectively at 31 December 2022 was 36% / 50% / 7% / 2% / 5% (31 December 2021: Barclays Private Clients International Jersey Ltd, Deutsche Bank AG, Berliner Sparkasse and Hausbank the split was 26% / 57% / 10% / 7%). Barclays and Deutsche Bank have credit ratings of A and A- respectively, Berliner Sparkasse has a credit rating of A+.

The Group holds no collateral as security against any financial asset. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

Details of receivables from tenants in arrears at each reporting date can be found in note 20 as can details of the receivables that were impaired during each period.

An allowance for impairment is made using an expected credit loss model based on previous experience. Management considers the above measures to be sufficient to control the credit risk exposure.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk as no collateral or other credit enhancements are held.

Liquidity risk management
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Group's reputation.

The Directors manage liquidity risk by regularly reviewing cash requirements by reference to short term cash flow forecasts and medium term working capital projections prepared by management.

The Group maintains good relationships with its banks, which have high credit ratings.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed maturity periods. The table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest payable and principal cash flows.

Maturity analysis for financial liabilities

	Less than 1 year €'000	Between 1 - 2 years €'000	Between 2 - 5 years €'000	More than 5 years €'000	Total €'000
At 31 December 2022					
Borrowings payable: current	820	-	-	-	820
Borrowings payable: non-current	-	-	311,264	-	311,264
Trade and other payables	15,130	-	-	-	15,130
	15,950	**-**	**311,264**	**-**	**327,214**

	Less than 1 year €'000	Between 1 - 2 years €'000	Between 2 - 5 years €'000	More than 5 years €'000	Total €'000
At 31 December 2021					
Borrowings payable: current	922	-	-	-	922
Borrowings payable: non-current	-	-	-	283,233	283,233
Trade and other payables	11,893	-	-	-	11,893
	12,815	**-**	**-**	**283,233**	**296,048**

Loans are due to mature in September 2026 for the Natixis loan facility and October 2027 for the Berliner Sparkasse loan facility.

31. Capital commitments

	31 December 2022 €'000	31 December 2021 €'000
Contracted capital commitments at the end of the year	**26,750**	**-**

Capital commitments include contracted obligations in respect of the acquisition, enhancement, construction, development and repair of the Group's properties.

32. Related party transactions

Related party transactions not disclosed elsewhere are as follows:

Property Advisor Fees
In November 2018 the Company signed a new contract with the Property Advisor, which superseded the previous property advisor agreement. Under the Property Advisory Agreement for providing property advisory services, the Property Advisor will be entitled to a Portfolio and Asset Management Fee as follows:

(i) 1.2% of the EPRA NTA of the Group where EPRA NTA of the Group is equal to or less than €500 million; and
(ii) 1% of the EPRA NTA of the Group greater than €500 million.

The Property Advisor is entitled to receive a finance fee equal to:

(i) 0.1% of the value of any borrowing arrangement which the Property Advisor has negotiated and/or supervised; and
(ii) a fixed fee of £1,000 in respect of any borrowing arrangement which the Property Advisor has renegotiated or varied.

The management fee will be reduced by the aggregate amount of any transaction fees and finance fees payable to the Property Advisor in respect of that calendar year.

The Property Advisor is entitled to a capex monitoring fee equal to 7% of any capital expenditure incurred by any Subsidiary which the Property Advisor is responsible for managing.

The Property Advisor is entitled to receive a transaction fee fixed at £1,000 in respect of any acquisition or disposal of property by any Subsidiary.

The Property Advisor shall be entitled to a fee for Investor Relations Services at the annual rate of £75,000 payable quarterly in arrears.

QSix Residential Limited is the Group's appointed Property Advisor. Partners of QSix Residential Limited formerly sat on the Board of PSD and retain a shareholding in the Group. During the year ended 31 December 2022, an amount of €6,861,680 (€6,773,608 Management Fees and €88,072 Other expenses and fees) (2021: €6,722,029 (€6,653,493 Management Fees and €90,437 Other expenses and fees)) was payable to QSix Residential Limited. At 31 December 2022 €1,584,505 (2021: €977,260) was outstanding. Fees payable to the Property Advisor in relation to overseeing capital expenditure during the year of €492,859 (2021: €397,440) have been capitalised.

The Property Advisor is also entitled to an asset and estate management performance fee. The charge for the period in respect of the performance fee was € Nil (2021: Accrual of €343,000 reversed in 2022). Please refer to note 25 for more details.

Apex Financial Services (Alternative Funds) Limited, the Company's administrator provided administration and company secretarial services. During the period, fees of €651,000 were charged (2021: €609,000) with €Nil (2021: €154,000) outstanding.

Fees payable to Directors during the year amounted to €275,000 (2021: €287,000).

Dividends paid to directors in their capacity as a shareholder amounted to €937 (2021: €2,976).

33. Events after the reporting date

In September 2022, the Company exchanged contracts to acquire a multi-family house with 22 residential units and 3 commercial units in Berlin-Neukölln for €4.9 million. The completion is expected in Q2 2023.

In H2 2022, the Company exchanged contracts to dispose of two non-core assets for the total consideration of €7.3 million. The two sales completed in Q1 2023.

The Company had exchanged contracts for the sale of one residential, one commercial and one attic units in Berlin with aggregated consideration of €1.6 million prior to the reporting date. The sale of these is expecting completion in 2023.

In Q1 2023 the Company exchanged contracts for the sale of three condominiums in Berlin for the aggregated consideration of €0.8 million. All of them are still awaiting completion.

Professional Advisors

Property Advisor	QSix Residential Limited 54-56 Jermyn Street London SW1Y 6LX
Administrator, Company Secretary and Registered Office	Apex Financial Services (Alternative Funds) Limited 12 Castle Street St Helier Jersey JE2 3RT
Registrar	Link Asset Services (Jersey) Limited 12 Castle Street St. Helier Jersey JE2 3RT
Principal Banker	Barclays Bank Plc, Jersey Branch 13 Library Place St. Helier Jersey JE4 8NE
UK Legal Advisor	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
Jersey Legal Advisor	Mourant 22 Grenville St. St. Helier Jersey JE4 8PX
German Legal Advisor as to property law	Mittelstein Rechtsanwälte Alsterarkaden 20 20354 Hamburg Germany
German Legal Advisor as to German partnership law	Taylor Wessing Partnerschaftsgesellschaft mbB Thurn-und-Taxis-Platz 6 60313 Frankfurt a.M. Germany
Sponsor and Broker	Numis Securities Limited 45 Gresham Street 10 Paternoster Square London EC2V 7BF
Independent Property Valuer	Jones Lang LaSalle GmbH Rahel-Hirsch-Strasse 10 10557 Berlin Germany
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB