EDISON

Phoenix Spree Deutschland

Robust valuations and sales progress

Business update

Real estate

29 July 2026

Phoenix Spree Deutschland (PSD) has published its H126 portfolio valuation update. Overall valuations were robust on a like-for-like basis (-0.3%), rising for the condominium sales portfolio (+1.1%) but lower for rental properties (-1.2%). Condominium notarisations are on track to meet the company's 2026 target of at least €55m, and the values achieved provide additional evidence of the resilience of the valuation process. PSD expects the updated Berlin Mietspiegel (rent table), announced in May, to support low-single-digit like-for-like rental growth across the portfolio. As previously announced, £17.5m of capital was returned to shareholders in July by way of a compulsory redemption of shares at a price of £2.56 per share, funded by the net proceeds from its ongoing managed portfolio wind-down strategy. Further distributions will be reviewed semi-annually.

Year end	Net rental income (€m)	PBT (€m)	EPS (€)	NAV/share (€)	P/NAV (x)
12/22	15.7	(17.5)	(0.17)	4.50	0.41
12/23	16.5	(111.8)	(1.07)	3.43	0.54
12/24	16.7	(39.5)	(0.42)	3.01	0.62
12/25	11.6	(13.6)	(0.07)	2.94	0.63

Note: All data shown on an IFRS basis.

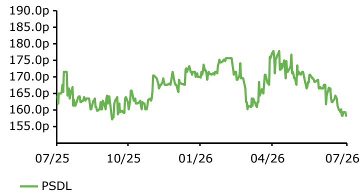
PSD continues to make progress with its accelerated condominium sales programme. In the first half of 2026, 93 condominiums were notarised (15 in June alone), with an aggregate value of €28.1m consistent with PSD's full year target of at least €55m (2025: €36m). The step up is supported by the increased number of units made available for sale and, a thus far, continuing robust market despite macroeconomic uncertainty and recently increased interest rates. A fifth tranche, comprising eight properties and 227 units, was added to the sales pool in H1, and PSD has expanded its brokerage panel to widen distribution. Together, the company expects this to support sales activity through the remainder of 2026, despite the seasonal summer lull in July and August.

The H1 average notarised price was €4,433 per sqm, an average 2% premium to the latest balance sheet carrying values. Vacant units consistently achieve materially higher prices than occupied units, reflecting broader buyer appeal. Notarised vacant units in H1 achieved an average price of €4,705 per sqm, an average 15% premium to carrying values, while occupied units achieved an average price of €4,264 per sqm, a 5% discount. Optimising the balance between the speed of sale and the mix of vacant units to occupied units is core to maximising value achieved through the managed realisation strategy. PSD cannot require or encourage tenants to vacate and must rely on natural churn. Historically, tenant turnover across the portfolio has averaged c 8–10% per year. With units made available for sale offered initially to existing tenants, there has been a skew of sales towards occupied units (37% by value in H1), but across the sales process PSD expects this to be 40–50%.

PSD intends to make regular distributions of cash as it becomes available. From the gross proceeds of condominium sales, c 50% will be used to repay debt and fund capex to support the sales programme. From the remaining proceeds, after sales costs and the crystallisation of historically deferred tax on accumulated property revaluation gains, we expect c one-third of gross sale proceeds to be available for distribution.

Price	**159.00p**
Market cap	**£146m**
	£1/€1.15
Net (debt) as at 31 December 2025	€(222.0)m
Shares in issue	91.8m
Code	PSDL
Primary exchange	LSE
Secondary exchange	N/A

Share price performance



Business description

Phoenix Spree Deutschland was established as a long-term investor in mid-market residential property in Berlin, targeting reliable income and capital growth. In response to changes in market conditions since interest rates increased, and a persistent discount to NAV, the company has adopted a wind-down strategy, seeking to dispose of assets in an orderly manner, repay borrowings and return capital to shareholders.

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