

P R E S S R E L E A S E

Warimpex generates positive result for third quarter

- **Positive result of EUR 0.8 million in third quarter (2020: minus EUR 9.4 million)**
- **Result for first three quarters climbs into positive territory, rising from minus EUR 31.2 million to EUR 2.5 million due to improved operating result and elimination of losses from property valuation and currency translation**
- **Operational performance: gross income from revenues up 16 per cent, 5 per cent decline in revenues from office properties due to lower rouble exchange rate, increase in hotel revenues by 10 per cent, EBITDA improves to EUR 7.9 million**
- **Progress continues on current office developments, new leases in Hungary and Poland, construction start in Krakow**

Vienna/Warsaw, 29 November 2021 – The Warimpex Group achieved a solid operational performance in the first three quarters of 2021. The hotel segment in particular recovered versus the previous year and there are also successes to report on the office and development side, with two new lease agreements and the start of construction on a property. The Group's result for the period improved from a loss of EUR 31.2 million to a gain of EUR 2.5 million. The result for the third quarter alone also climbed into positive territory, rising from minus EUR 9.4 million to EUR 0.8 million.

"In Budapest, we recently signed a lease for roughly 1,370 square metres of space at B52 Office. We also concluded leases for the remaining space at Mogilska 43 Office in Krakow. Both buildings are now fully occupied. On the development side, we are making progress on our projects. In Krakow, we started construction on Mogilska 35 Office and in Darmstadt, the newly renovated greet hotel is welcoming more guests again following the restrictions due to the pandemic. With a total of 194 rooms and 37 conference, event, and project rooms spanning more than 4,500 square metres of conference space, the hotel is one of the biggest conference and event locations in the Rhine-Main region," explained Warimpex CEO Franz Jurkowitsch.

Positive result for the first three quarters of 2021

Revenues from the rental of office properties declined by 5 per cent to EUR 14.9 million compared with the first three quarters of 2020. This can be attributed to annualised average depreciation of the rouble by 12 per cent versus the prior-year period. Following a difficult year in 2020, which was dominated by hotel closures and revenue declines due to the pandemic, the hotel segment enjoyed positive developments again: Revenues increased by 10 per cent to EUR 3.3 million. Total revenues dropped by 2 per cent to EUR 19.2 million, while the expenses directly attributable to revenues were reduced by 23 per cent to EUR 6.9 million, in part due to coronavirus aid measures. This results in gross income from revenues of EUR 12.2 million, which represents an increase of 16 per cent versus the prior year.

EBITDA increased from EUR 1.8 million to EUR 7.9 million due to the higher gross income and lower administrative expenses. EBIT improved considerably, climbing from minus EUR 8.9 million to EUR 8.3 million. Along with the higher operating result, this can be attributed to a positive result from property valuations, compared with a measurement loss in the prior-year period.

Finance income (including earnings from joint ventures) went from minus EUR 20.2 million to minus EUR 5.4 million. This includes gains from currency translation in the amount of EUR 0.9 million (2020: loss of EUR 8.9 million) and losses from joint ventures of EUR 0.5 million (2020: loss of EUR 5.1 million) in connection with negative hotel results.

Overall, this led to an improvement in the result for the period for the Warimpex Group from minus EUR 31.2 million to EUR 2.5 million in the first three quarters of 2021.

Office developments in Poland, Russia, and Germany

Warimpex is currently focusing on making progress on ongoing development projects. In Krakow, construction has begun on Mogilska 35 Office, which will offer roughly 12,000 square metres of lettable space. A building permit has been issued for the office project in Bialystok. In line with the company's strategy, construction will start as soon as an appropriate level of tenant interest has been secured. Also in Krakow, an office building with a total lettable floor area of roughly 21,000 square metres is being planned next to the Chopin Hotel.

At AIRPORTCITY St. Petersburg, the building shell for Avior Tower 1 – which will offer roughly 16,000 square metres of lettable office space – has been completed. The building is scheduled to open in the second quarter of 2022.

Warimpex is planning an office building with roughly 13,800 square metres of lettable space next to the greet hotel Darmstadt, which was recently opened under a new brand. It will be very much in line with the current trends with regard to sustainability criteria. The preparation of a new development plan and the permit planning are already at an advanced stage.

Outlook

The focus for the remainder of 2021 will continue to be on making preparations for construction, obtaining building permits, and continuing ongoing construction activities. Warimpex places particular emphasis on the topic of sustainability in the construction and operation of all of its properties, with a focus on energy efficiency, the use of renewable energy sources, and the reduction of carbon dioxide emissions. With this in mind, the company will continue striving to obtain sustainability certifications in the future. In Poland, the two office buildings Mogilska 43 Office in Krakow and Ogródowa 8 Office in Łódź have been awarded BREEAM In-Use – Excellent certification, which confirms the properties' high environmental standards.

“Due to the coronavirus situation, it remains difficult to make forecasts, especially with regard to the hotel sector. However, we expect stable development for the office segment. Warimpex is on solid financial footing and we

are still confident that we will generate a profit from our operational activities for the 2021 financial year. We believe that we are in a solid position for the coming tasks and look forward to continuing the realisation of our projects,” commented Jurkowitsch.

Key financial figures for the first three quarters of 2021 at a glance:

in EUR '000	1–9/2021	Change	1–9/2020
Investment Properties revenues	14,904	-5%	15,742
Hotels revenues	3,258	10%	2,956
Development and Services revenues	1,030	23%	834
<i>Total revenues</i>	<i>19,192</i>	<i>-2%</i>	<i>19,533</i>
Expenses directly attributable to revenues	-6,943	-23%	-9,004
<i>Gross income from revenues</i>	<i>12,249</i>	<i>16%</i>	<i>10,529</i>
Gains or losses from the disposal of properties	-	-	-
EBITDA	7,867	345%	1,770
Depreciation, amortisation, and remeasurement	477	-	-10,675
EBIT	8,344	-	-8,905
Earnings from joint ventures	-509	-	-5,140
Financial result	-5,393	-73%	-20,158
Profit or loss for the period	2,522	-	-31,161
Profit or loss for the period (shareholders of the parent)	2,457	-	-29,423
Net cash flow from operating activities	4,128	135%	1,760
Segment information (including joint ventures on a proportionate basis):			
Investment Properties revenues	17,534	-6%	18,663
Investment Properties EBITDA	11,992	-6%	12,779
Hotels revenues	5,989	-6%	6,387
Hotels net operating profit (NOP)	643	-	-1,758
NOP per available room in EUR	901	-	-2,441
Development and Services revenues	1,030	23%	834
Gains or losses from the disposal of properties	-	-	-
Development and Services EBITDA	-1,600	-	-6,628
	30/6/2021	Change	31/12/2020
Gross asset value (GAV) in EUR millions	314.2	4%	301.8
NNNAV per share in EUR	2.56	4%	2.46

Warimpex Finanz- und Beteiligungs AG at a glance

Warimpex is a real estate development and investment company that was founded in 1959. The firm is headquartered in Vienna and is listed on the stock exchanges in Vienna and Warsaw. Warimpex develops properties and operates them itself until the time at which the highest added value can be realised through sale. The company optimally combines the long-term strategic planning and short decision-making channels of a family-run business with the transparency and financial flexibility of a listed firm. In addition, Warimpex has more than 60 years of business experience in Central and Eastern Europe, where it serves as a true pioneer, for example with the development of the region's first design hotel. Warimpex has developed properties worth more than one billion euros over the past 40 years and is deeply anchored in Poland, Russia, Hungary, Germany, and Austria to this day.

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