

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

Warimpex generates positive result for H1 2021

- **Result for period increases from minus EUR 21.7 million to EUR 1.7 million due to cost reductions, positive results from property valuation, and improved financial result**
- **Operational performance: gross income from revenues up 17 per cent despite 9 per cent decline in revenues from office properties due to lower rouble exchange rate and pandemic-related drop in hotel revenues by 9 per cent – EBITDA increases to EUR 5.0 million**
- **Progress continues on office developments – newly renovated greet hotel Darmstadt opens today**

Vienna/Warsaw, 30 August 2021 – The Warimpex Group remained on solid financial footing in the first half of 2021, its operational performance is improving, and the development projects in the office segment are proceeding according to plan. The newly renovated greet hotel in Darmstadt is also celebrating its opening. The Group's result for the period climbed into positive territory in the first half of 2021, rising from minus 21.7 million in the prior-year period to EUR 1.7 million.

“According to the forecasts of the International Monetary Fund, the global economy is recovering from the COVID-19 pandemic. Many restrictions aimed at containing the pandemic have been lifted as a result of the vaccination progress, and the growth outlook improved again in July as compared with the projections published in April. This is also benefiting the markets in which we operate, which makes us optimistic for the current financial year,” explained Franz Jurkowitsch, CEO of Warimpex.

Solid earnings development

Operating business remained positive in the first half of 2021. Revenues from the rental of office properties declined by 9 per cent to EUR 9.7 million due to the depreciation of the Russian rouble by roughly 20 per cent compared with the first half of 2020. Overall, revenues in the hotel segment fell by 9 per cent to EUR 2.2 million as a result of the pandemic. In the second quarter, however, revenues from hotels improved to EUR 1.5 million (Q2 2020: EUR 0.2 million). Total revenues dropped by 7 per cent to EUR 12.8 million, while the expenses directly attributable to revenues were reduced by 33 per cent to EUR 4.4 million. This results in gross income from revenues of EUR 8.4 million, which represents an increase of 17 per cent versus the prior-year period.

EBITDA improved from EUR 0.3 million to EUR 5.0 million due to the higher gross income and lower administrative expenses. EBIT climbed into positive territory, increasing from minus EUR 9.2 million to EUR 5.9 million. Along with the improved operating result, this can be attributed to a positive result from property valuations (EUR 2.0 million), compared with a measurement loss of EUR 5.4 million in the prior-year period.

Finance income (including earnings from joint ventures) went from minus EUR 10.6 million to minus EUR 3.6 million. This includes gains from currency translation in the amount of EUR 0.7 million (2020: loss of EUR 4.7

million) and losses from joint ventures of EUR 0.9 million (2020: loss of EUR 2.5 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 21.7 million to EUR 1.7 million in the first half of 2021. The triple net asset value also increased from EUR 2.46 per share to EUR 2.56 per share.

Development projects in the office and hotel segments – opening of greet hotel in Darmstadt

In the development segment, further progress is being made on current projects. In Poland, building permits were issued for both the Mogilska Phase III office development in Krakow and the office development project in Białystok. In line with Warimpex'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, work is under way on the completion of Avior Tower 1, which will offer roughly 16,000 square metres of lettable office space. The building shell is already complete, and the opening is scheduled for the second quarter of 2022.

In the German city of Darmstadt, the newly renovated hotel is being opened under the name greet hotel Darmstadt today, 30 August. Warimpex acquired the hotel in 2019 and refurbished and adapted it to the Accor brand "greet" while it was closed due to the pandemic. With a total of 330 hotel and long-stay rooms, over 4,500 square metres of conference, event, and exhibition space, as well as 800 square metres of office space that can also be rented on a short-term basis, the greet hotel Darmstadt is one of the biggest conference and event centres in the Rhine-Main region. An office building with roughly 13,800 square metres of lettable space is also to be built next to the greet hotel. 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

In 2021, Warimpex's activities will focus on making preparations for construction for its development projects, obtaining building permits, and continuing ongoing construction. The topic of sustainability is playing an increasingly important role here. After all, energy efficiency, the use of renewable energy sources, and the reduction of carbon dioxide emissions are key requirements for the construction and operation of buildings. Therefore, Warimpex aims to obtain further sustainability certifications for the property portfolio. In Poland, for example, the two office buildings Mogilska 43 Office in Krakow and Ogrodowa Office in Łódź have been awarded BREEAM In-Use – Excellent certification, which confirms the properties' high environmental standards.

In closing, Franz Jurkowitsch had the following comment: *"Following the lifting of many of the coronavirus measures, we expect to see an upward trend in the hotel segment and continued stable development in the office segment in the second half of 2021. Based on our positive half-year results – despite hotel closures and*

pandemic-related restrictions – Warimpex expects to generate a profit from its operational activities for the 2021 financial year as a whole. We believe that we are in a solid position for the coming tasks, both financially and in terms of our personnel, and look forward to continuing the realisation of our projects.”

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

in EUR '000	1–6/2021	Change	1–6/2020
Investment Properties revenues	9,672	- 9 %	10,597
Hotels revenues	2,158	- 9 %	2,379
Development and Services revenues	920	38 %	665
<i>Total revenues</i>	<i>12,750</i>	<i>- 7 %</i>	<i>13,642</i>
Expenses directly attributable to revenues	- 4,368	- 33 %	- 6,506
<i>Gross income from revenues</i>	<i>8,382</i>	<i>17 %</i>	<i>7,136</i>
Gains or losses from the disposal of properties	-	-	-
EBITDA	5,006	1,350 %	345
Depreciation, amortisation, and remeasurement	932	-	- 9,580
EBIT	5,938	-	- 9,235
Earnings from joint ventures	- 900	-	- 2,520
Financial result	- 3,610	-	- 10,563
Profit or loss for the period	1,724	-	- 21,731
Profit or loss for the period (shareholders of the parent)	1,721	-	- 20,543
Net cash flow from operating activities	2,504	655 %	332
Segment information (including joint ventures on a proportionate basis):			
Investment Properties revenues	11,402	- 10 %	12,617
Investment Properties EBITDA	7,686	- 10 %	8,498
Hotels revenues	2,913	- 35 %	4,460
Hotels net operating profit (NOP)	380	-	- 1,116
NOP per available room in EUR	538	-	- 1,496
Development and Services revenues	920	38 %	665
Gains or losses from the disposal of properties	-	-	-
Development and Services EBITDA	- 2,412	-	- 5,223
	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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