

**COMPANY'S RESULTS
FOR SIX MONTHS ENDED 30 JUNE 2023**

BUSINESS HIGHLIGHTS

- ▶ In April 2023 the Group completed the sale of the Russian portfolio, following the Extraordinary General Meeting (held on 1 November 2022) at which the shareholders of EPH authorised the Board of Directors to sell EPH Group's entire Russian property portfolio by way of a management buyout. This decision represented a strategic step for our continued stable growth in Europe.
- ▶ EPH's real estate portfolio now consists of nine core assets with the total appraised value of EUR 852 mln in prime locations in Vienna (Austria) and in four major markets in Germany (Berlin, Hamburg, Stuttgart and Dresden). All properties are let on long-term leases to tenants with strong credit ratings. Due to the quality of the properties and the professional asset management, the Group's European portfolio performed above expectations during the reporting period, despite the ongoing market environment challenges.
- ▶ Due to the active asset management, the Group was able to quickly re-let in its majority the space that had become vacant in our office property Work Life Center in Hamburg. We are convinced that also the remaining vacant space can be let at suitable terms in the near future and full occupancy of the building's more than 12,000 square metres will be reached again.
- ▶ Another milestone in the operating business was the full completion of the LASS 1 refurbishment project in Vienna and the realisation of initial rental income. After the construction work on the office building was finished at the end of 2022, the outdoor facilities were also completed in the first half of 2023. The property is located near the city centre of Vienna in the promising, up-and-coming 2nd district and has a total area of almost 45,000 square metres.
- ▶ Our high-quality properties satisfy high standards in terms of sustainability, as confirmed by their numerous Green Building Certifications and low carbon footprints. We are convinced that the demand for modern and sustainable space will continue to increase in the future. And sustainability will continue to play an important role in value preservation.
- ▶ Following the end of the reporting period, another significant step of the Group was restructuring of the debt financing in September: On the one hand, we have agreed with bondholders holding approx. EUR 250 million of the Company's debt to extend the term by another 5 years until September 2028 at an interest rate of 4.5% p.a. And on the other hand, we have taken the decision to repay bank financing in the total amount of approx. EUR 150 mln at the level of the subsidiaries in Austria while realizing positive swap values of approx. EUR 18.2 mln.



FINANCIAL HIGHLIGHTS

- ▶ NAV is EUR 36.49 per share – slightly increased from EUR 36.08 at YE2022.
- ▶ As of 30 June 2023, the total assets of the Group amounted to EUR 1,162.35 mln compared to EUR 1,706.31 mln as of the end of the previous year. However, as of 31 December 2022, the total assets still included the Russian portfolio, which has since been sold, with a value of EUR 546.55 mln.
- ▶ Net loss for the period is EUR 132.14 mln vs net loss of EUR 37.14 mln reported for HY2022. Net loss for six months of 2023 includes EUR 35.15 mln of loss from continuing operations.
- ▶ The total loss incurred is mainly attributable to the reclassification of the Currency Translation Adjustment reserve (CTA), related to the Russian segment in the amount EUR 162.7 mln, to the Profit or Loss statement made upon the sale of the segment in April 2023. The gain on the sale before reclassification adjustment amounted to EUR 67.6 mln. After the sale, the Group recognizes remaining 10-year loans and receivables from the former subsidiaries for appx. EUR 90 mln, net of impairment allowance (expected credit loss).
- ▶ In the reporting period the Group also recognised a loss on revaluation of investment properties in Europe in the amount of EUR 45.8 mln. The decrease in values is caused by the negative change in the market assumptions reflecting the current macroeconomic situation in Europe.
- ▶ Operating performance of the continuing operations is encouraging. The properties that started operations in 2021 – 2022 after construction works (QBC 1,2,7 and LASS 1) expectedly increase their income and are main contributors to the growth in net rental income, whereas other properties demonstrate stable rental flows (also growing for most of the properties due to the high inflation rates led to substantial rent indexation).



KEY PERFORMANCE INDICATORS

in EUR	30.06.2023	30.06.2022	30.06.2021
Continuing operations			
Net rental income	15,633,138	11,528,552	8,461,547
Management fees	- 817,894	- 709,907	- 678,506
Administrative expenses	- 1,717,486	- 1,121,894	- 1,072,566
Net other operating income	921,750	21,049	339,303
Operating Income	14,019,508	9,717,800	7,049,778
Finance costs	- 6,037,071	- 9,428,035	- 10,266,177
Current tax expense	- 203,951	- 59,053	- 50,120
Earnings from operational activity	7,778,486	230,712	- 3,266,519
Earnings from operational activity per share	0.54	0.02	- 0.23
Revaluation of investment properties	- 45,767,478	17,077,118	28,324,854
Deferred tax benefit/(expense)	5,327,149	- 4,028,683	- 6,785,874
Other extraordinary items	-	43,382	1,013,515
Total before foreign exchange movements	- 32,661,843	13,322,529	19,285,976
Net foreign exchange loss	- 831,826	- 3,518,076	- 8,712,602
Net (loss)/profit for the period before result of discontinued operations and (losses)/gains related to measurement of receivables and loans from them	- 33,493,669	9,804,453	10,573,374
Discontinued operations			
Net loss from discontinued operations (attributable to equity holders of the Company)	- 96,992,841	- 46,940,258	- 1,496,451
Release of impairment allowance for loans and receivables related to the assets sold	4,619,593	-	-
Fair value adjustment on financial instruments	- 6,273,690	-	-
Result of discontinued operations and (losses)/gains related to measurement of receivables and loans from them	- 98,646,938	- 46,940,258	- 1,496,451
Total net (loss)/profit for the period	- 132,140,607	- 37,135,805	9,076,923
		as of	
	30.06.2023	31.12.2022	31.12.2021
Number of investment properties in Europe	9	9	9
Fair value of investment properties in Europe	851,984,566	895,119,207	843,108,577
Total Assets (31.12.2022: excluding assets held for sale)	1,162,347,173	1,159,759,414	1,566,462,809
Borrowings	593,277,151	592,885,395	933,758,626
Loan-to-value	51%	51%	60%



INVESTMENT PROPERTIES

in EUR	30.06.2023	31.12.2022
Assets		
Non-current assets		
Investment properties	851 984 566	895 119 207
Goodwill	23 952 472	23 952 472
Loans and accounts receivable	93 283 595	41 987 170
Deferred tax assets	-	25 264
Furniture and equipment	10 702	12 071
Total non-current assets	969 231 335	961 096 184
Current assets		
Accounts receivable	4 056 739	4 500 563
Prepayments	547 860	304 655
Prepaid taxes	788 251	2 564 491
Cash & cash equivalents	187 722 988	191 293 521
	193 115 838	198 663 230
Assets classified as held for sale	-	546 550 309
Total current assets	193 115 838	745 213 539
Total assets	1 162 347 173	1 706 309 723

in kEUR	30.06.2023	31.12.2022	Change
Asset			
City Gate	125 600	132 300	-5,06%
Work Life Center	85 400	91 700	-6,87%
STRAL 3(Nhow)	89 000	94 900	-6,22%
SALZ 4 (Innside)	45 332	48 632	-6,79%
QBC 1	54 170	56 120	-3,47%
QBC 2	178 961	187 040	-4,32%
QBC 4	109 500	113 800	-3,78%
QBC 7	20 500	21 200	-3,30%
LASS 1	143 522	149 427	-3,95%
TOTAL	851 985	895 119	-4,82%

- ▶ Fair values of investment properties decreased by 5-7% for German properties and by 3-4% for Austrian properties. The positive impact of indexation of actual rental rates was overlapped by increase in capitalisation and discount rates made to reflect changes in market environment (for 0.2 – 0.3% for German properties; for 0.2 – 0.45% for Austrian properties). Estimated rental values remained basically on the same level.
- ▶ In the reporting period, additions in LASS 1's final works on refurbishment amounted to EUR 2.3 mln.

ACCOUNTS RECEIVABLE

in EUR	30.06.2023	31.12.2022	in EUR	30.06.2023	31.12.2022
Assets			Non-current loans and accounts receivable		
Non-current assets			Loans given to and receivables from the former Russian segment		
Investment properties	851 984 566	895 119 207	Receivable from sellers of investment properties	1 388 819	1 910 075
Goodwill	23 952 472	23 952 472	Eurobonds	1 544 892	1 543 565
Loans and accounts receivable	93 283 595	41 987 170	Total	93 283 595	41 987 170
Deferred tax assets	-	25 264	Current accounts receivable		
Furniture and equipment	10 702	12 071	Rental receivable	2 246 466	2 827 065
Total non-current assets	969 231 335	961 096 184	Receivable from sellers of investment properties	1 256 615	1 470 718
Current assets			Receivable from the former Russian segment	481 542	-
Accounts receivable	4 056 739	4 500 563	Other receivable	72 116	202 780
Prepayments	547 860	304 655	Total	4 056 739	4 500 563
Prepaid taxes	788 251	2 564 491	Total accounts receivable		
Cash & cash equivalents	187 722 988	191 293 521		97 340 334	46 487 733
	193 115 838	198 663 230			
Assets classified as held for sale	-	546 550 309			
Total current assets	193 115 838	745 213 539			
Total assets	1 162 347 173	1 706 309 723			

- ▶ Loans given and receivables from the former subsidiaries sold in December 2022 and April 2023 were recognized as third party loans and receivables in the consolidated accounts upon disposal of the subsidiaries. At recognition, the value of the interest-free receivables was discounted at market rate on similar instruments. The assets are subsequently accounted for at amortised cost less impairment allowance.
- ▶ The Group assesses the expected credit loss on these loans and receivables for the amount EUR 17.98 mln. The nominal amount of the loans is EUR 114.37 mln as of 30 June 2023 of which EUR 15 mln has been already repaid subsequently.

CASH & CASH EQUIVALENTS

in EUR	30.06.2023	31.12.2022
Assets		
Non-current assets		
Investment properties	851 984 566	895 119 207
Goodwill	23 952 472	23 952 472
Loans and accounts receivable	93 283 595	41 987 170
Deferred tax assets	-	25 264
Furniture and equipment	10 702	12 071
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Current assets		
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Assets classified as held for sale	-	546 550 309
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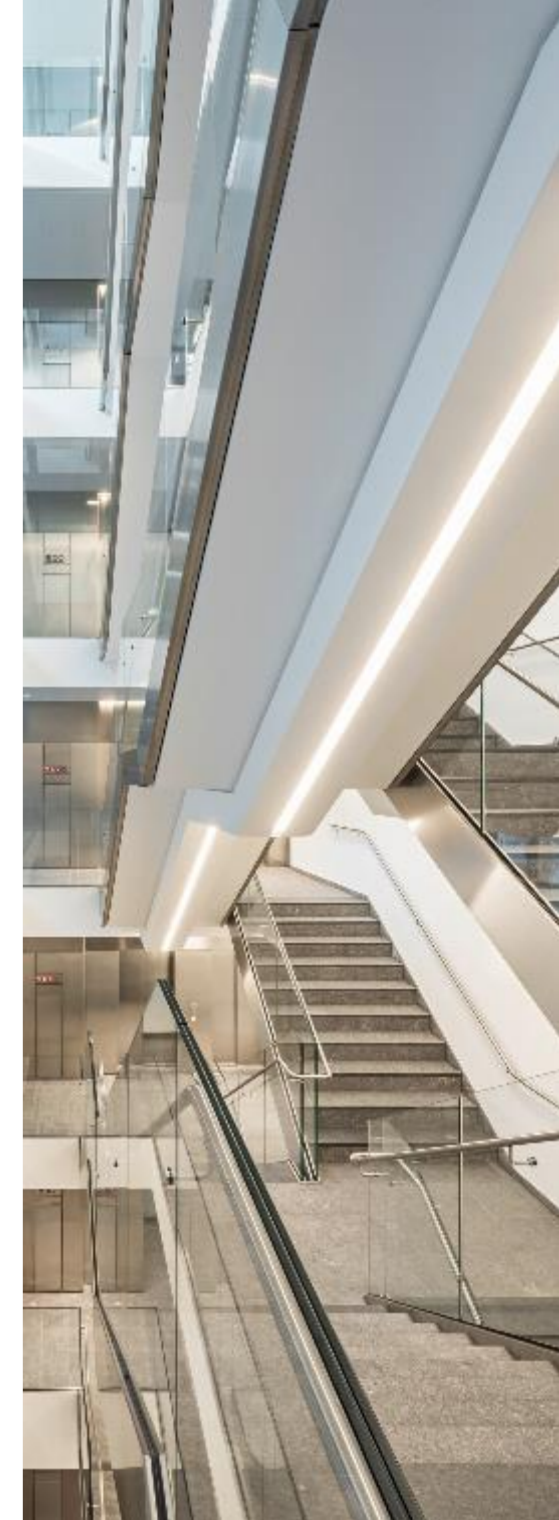
Main Inflows

- ▶ Net rental income from Rental Properties
- ▶ Repayment of loans provided to the former Russian subsidiary Redhill

Main Outflows

- ▶ Further construction of LASS 1
- ▶ Repayment of notes payable
- ▶ Interest payments on bonds and loans

in EUR	30.06.2023	31.12.2022
Cash at bank	186 592 202	190 161 794
Cash and cash equivalents available	186 592 202	190 161 794
Bank overdrafts	(632)	(417)
Total cash and cash equivalents available with bank overdrafts	186 591 570	190 161 377
Restricted cash: tenants deposits	997 215	998 156
Restricted cash: escrow accounts	133 571	133 571
Total cash and cash equivalents with bank overdrafts	187 722 356	191 293 104



BORROWINGS

in EUR	30.06.2023	31.12.2022
Liabilities		
Non-current liabilities		
Borrowings	170 650 719	343 885 954
Deferred tax liabilities	30 764 344	36 117 580
Other non-current liabilities	1 388 140	1 383 206
Total non-current liabilities	202 803 203	381 386 740
Current liabilities		
Accounts payable and accrued expenses	3 883 135	4 950 067
Advances received	667 308	262 362
Taxes payable	1 147 006	737 788
Borrowings	422 626 432	248 999 441
	428 323 881	254 949 658
Liabilities directly associated with assets classified as held for sale	-	543 408 809
Total current liabilities	428 323 881	798 358 467
Equity		
Share capital	13 400 390	13 400 390
Share premium	668 715 693	668 715 693
Treasury shares	(2 351 285)	(2 295 952)
Accumulated deficit	(158 028 916)	(27 073 120)
Other reserves	(32 250)	(28 383)
Cumulative translation adjustment	753 876	(136 101 939)
Shareholders' equity attributable to the holders of the Company	522 457 508	516 616 689
Non-controlling interest	8 762 581	9 947 827
Total equity	531 220 089	526 564 516
Total equity and liabilities	1 162 347 173	1 706 309 723

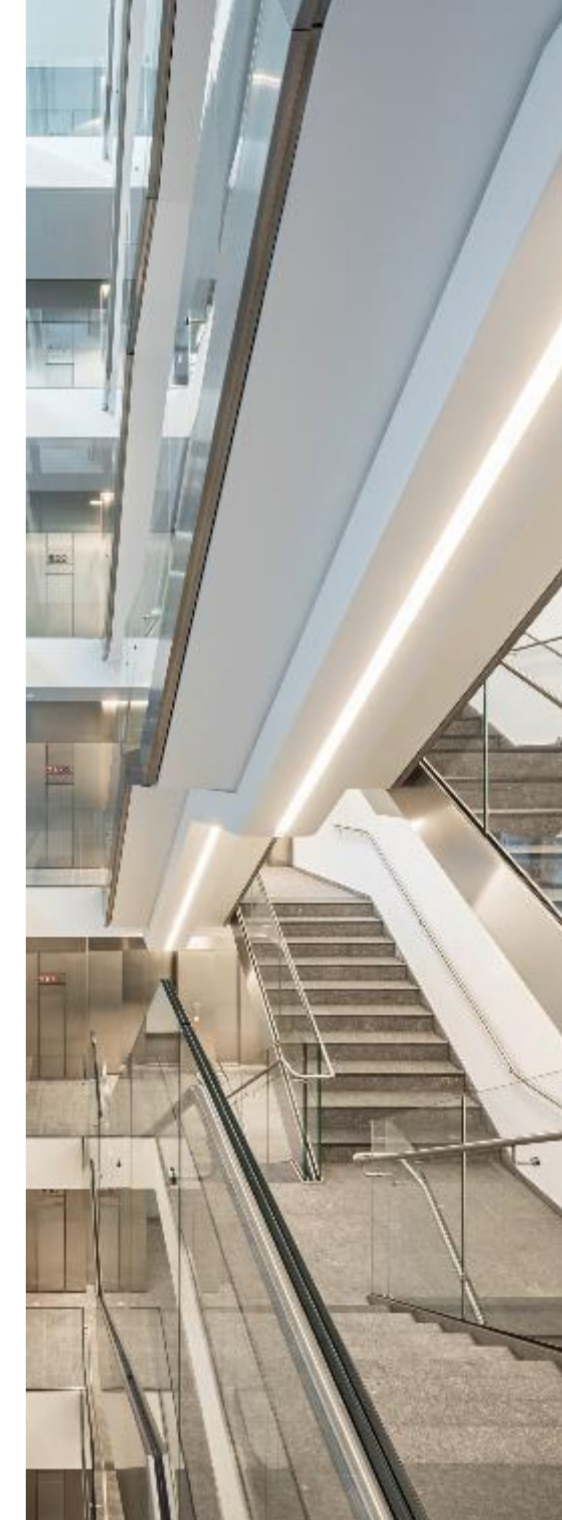
in EUR	30.06.2023	31.12.2022
Borrowings (non-current)		
Bonds issued	45 250 000	167 425 000
Bank loans	115 142 615	166 279 021
Other loans	10 258 104	10 181 933
Total	170 650 719	343 885 954
Borrowings (current)		
Bonds issued	367 746 750	247 455 420
Bank loans	51 564 220	987 346
Other loans	3 314 830	556 258
Bank overdrafts	632	417
Total	422 626 432	248 999 441
Total Borrowings	593 277 151	592 885 395

- ▶ Current part of the bonds issued for the amount EUR 367.75 mln have maturity in September 2023 and May 2024. On 8 September 2023, the bondholders agreed on the extension of the bonds for the amount EUR 244.35 for 5 years and increase of interest rate from 2% to 4.5% p.a., effective from 1 October 2023.
- ▶ Bank loans represent loans from UniCredit Bank provided to the entities holding QBC 1,2,4 and SALZ 4 properties. On 21 September 2023, the Group early repaid the loans of QBC 1,2,4 for EUR 150 mln (EUR 50 mln current as of 30 June 2023). Upon repayment, the Group received compensation for the termination of the attached interest SWAP agreement for EUR 18 mln. In IFRS accounts, the amount will be recognized as one-off income at the receipt of cash in September.
- ▶ Other loans include borrowings from the former Russian segment for EUR 2.8 mln. Management plans to set them off with the loans given on the short run.

EQUITY

in EUR	30.06.2023	31.12.2022
Liabilities		
Non-current liabilities		
Borrowings	170 650 719	343 885 954
Deferred tax liabilities	30 764 344	36 117 580
Other non-current liabilities	1 388 140	1 383 206
Total non-current liabilities	202 803 203	381 386 740
Current liabilities		
Accounts payable and accrued expenses	3 883 135	4 950 067
Advances received	667 308	262 362
Taxes payable	1 147 006	737 788
Borrowings	422 626 432	248 999 441
	428 323 881	254 949 658
Liabilities directly associated with assets classified as held for sale	-	543 408 809
Total current liabilities	428 323 881	798 358 467
Equity		
Share capital	13 400 390	13 400 390
Share premium	668 715 693	668 715 693
Treasury shares	(2 351 285)	(2 295 952)
Accumulated deficit	(158 028 916)	(27 073 120)
Other reserves	(32 250)	(28 383)
Cumulative translation adjustment	753 876	(136 101 939)
Shareholders' equity attributable to the holders of the Company	522 457 508	516 616 689
Non-controlling interest	8 762 581	9 947 827
Total equity	531 220 089	526 564 516
Total equity and liabilities	1 162 347 173	1 706 309 723

- ▶ On disposal of the Russian segment of the Group in the reporting period and in December 2022, the cumulative amount of the exchange differences relating to the segment, recognised in other comprehensive income and accumulated in the CTA, was reclassified from equity to profit or loss (as a reclassification adjustment), when the loss related to disposal was recognized in the amount EUR 162.76 mln. Remaining CTA balance as of 30 June 2023 of EUR 0.76 mln represents translation difference recognised on the change in the functional currency of the parent Company from US\$ to EUR as of 1 January 2022 and related to investment in European subsidiaries of the Group.
- ▶ Other reserves reflect FV and impairment adjustment for Eurobonds that were acquired in 2021.



RENTAL INCOME

in EUR	for six months ended	
	30.06.2023	30.06.2022
Continuing operations		
Rental income		
Gross rental income	16 357 293	12 587 415
Service charge income	5 017 014	2 909 181
Property operating and maintenance expenses	(5 741 169)	(3 968 044)
Net rental income	15 633 138	11 528 552
Management fees	(817 894)	(709 907)
Administrative expenses	(1 717 486)	(1 121 894)
Release of impairment allowance for loans and receivables	4 619 593	-
Other income	311 646	305 237
Other expenses	(286 838)	(246 504)
Revaluation of investment properties	(45 767 478)	17 077 118
Net operating profit/(loss)	(28 025 319)	26 832 602

Net Rental Income, EUR	6 m 2023	6 m 2022
City Gate	2 452 587	2 384 986
WLC	1 365 564	1 554 576
STRAL 3 (NHow hotel)	2 162 938	1 786 977
SALZ 4 (Innside hotel)	1 231 625	1 126 996
QBC 1	1 011 460	812 948
QBC 2	3 473 316	1 781 025
QBC 4	2 131 618	1 873 405
QBC7	142 999	207 639
LASS 1	1 661 031	-
Total	15 633 138	11 528 552

- ▶ Major increase relates to QBC 1 and 2 properties (by EUR 1.9 mln) which started operating at full capacity in the second half of 2022 (when rent-free period for the tenants expired) and LASS 1 that started operations in the fourth quarter of 2022.
- ▶ Increase in rental income of other properties are explained by indexation of rental rates primarily.
- ▶ Shortfall in revenue of WLC is related to the remaining unlet areas after termination of some leases at the end of 2022 (vacancy rate 13.8% vs 0% on 30 June 2022).



IMPAIRMENT LOSS ON LOANS

in EUR	for six months ended	
	30.06.2023	30.06.2022
Continuing operations		
Rental income		
Gross rental income	16 357 293	12 587 415
Service charge income	5 017 014	2 909 181
Property operating and maintenance expenses	(5 741 169)	(3 968 044)
Net rental income	15 633 138	11 528 552
Management fees	(817 894)	(709 907)
Administrative expenses	(1 717 486)	(1 121 894)
Release of impairment allowance for loans and receivables	4 619 593	-
Other income	311 646	305 237
Other expenses	(286 838)	(246 504)
Revaluation of investment properties	(45 767 478)	17 077 118
Net operating profit/(loss)	(28 025 319)	26 832 602

- ▶ In the reporting period, the Group released part of the impairment allowance created on 31 December 2022 on loan provided to the former subsidiary Redhill for EUR 7.8 mln (the impairment for EUR 22.6 mln was recognized at YE2022) mainly because of the re-consideration of the impairment approach and taking into account the current progress with the repayment.
- ▶ The Group recognized impairment allowance on the loans and receivables from the former Russian segment, sold in April 2023, for the amount of EUR 3.18 million (with respect to deferred sales consideration and loan provided to Lenbury).
- ▶ Impairment allowance was recognized for the amount of expected credit losses, determined in accordance with IFRS 9.



REVALUATION OF INVESTMENT PROPERTIES

in EUR	for six months ended	
	30.06.2023	30.06.2022
Continuing operations		
Rental income		
Gross rental income	16 357 293	12 587 415
Service charge income	5 017 014	2 909 181
Property operating and maintenance expenses	(5 741 169)	(3 968 044)
Net rental income	15 633 138	11 528 552
Management fees	(817 894)	(709 907)
Administrative expenses	(1 717 486)	(1 121 894)
Release of impairment allowance for loans and receivables	4 619 593	-
Other income	311 646	305 237
Other expenses	(286 838)	(246 504)
Revaluation of investment properties	(45 767 478)	17 077 118
Net operating profit/(loss)	(28 025 319)	26 832 602

- ▶ In the current period, all properties were devaluated primarily due to negative correction of market assumptions, as discussed earlier (Germany – by EUR 22.5 mln; Austria – by EUR 23.3 mln).



FAIR VALUE ADJUSTMENT ON FINANCIAL INSTRUMENTS

in EUR	for six months ended	
	30.06.2023	30.06.2022
Continuing operations		
Net operating profit/(loss)	(28 025 319)	26 832 602
Interest income	896 942	5 698
Fair value adjustment on financial instruments	(6 273 690)	-
Finance cost	(6 037 071)	(9 428 035)
Net foreign exchange (loss)/ gain	(831 827)	(3 518 076)
(Loss)/profit before tax	(40 270 965)	13 892 189
Income taxes	5 123 198	(4 087 736)
Net (loss)/profit from continuing operations	(35 147 767)	9 804 453
Net loss from discontinued operations (attributable to equity holders of the Company)	(96 992 840)	(46 940 258)
Total loss for the year	(132 140 607)	(37 135 805)

- ▶ Fair value adjustment of EUR 6.27 million represents the effect of time value of money for the interest-free receivable recognized on disposal of the Russian segment (deferred sales consideration). The receivable is initially recognized at present value using market interest rate for similar instruments. It will be subsequently amortised over the loan term with the interest income recognized using effective interest method.



FINANCE COSTS

in EUR	for six months ended		in EUR	for six months ended	
	30.06.2023	30.06.2022		30.06.2023	30.06.2022
Continuing operations					
Net operating profit/(loss)	(28 025 319)	26 832 602			
Interest income	896 942	5 698	Interests on bonds issued	4 327 031	8 876 384
Fair value adjustment on financial instruments	(6 273 690)	-	Interest on notes payable	1 501 913	3 975 948
Finance cost	(6 037 071)	(9 428 035)	Interest on loans payable	2 091 711	208 895
Net foreign exchange (loss)/ gain	(831 827)	(3 518 076)	Interest on bank loans	1 320 053	1 333 474
			Bank charges	185 036	405 081
(Loss)/profit before tax	(40 270 965)	13 892 189	Other finance cost	6 293	26 232
Income taxes	5 123 198	(4 087 736)	Allocation of interest on corporate debt to discontinued operations	-	-5 397 979
			Finance cost directly attributable to discontinued operations	-3 394 966	-
Net (loss)/profit from continuing operations	(35 147 767)	9 804 453	Total	6 037 071	9 428 035
Net loss from discontinued operations (attributable to equity holders of the Company)	(96 992 840)	(46 940 258)			
Total loss for the year	(132 140 607)	(37 135 805)			

- ▶ Interest on bonds decreased as a result of decrease in the interest rates starting from 1 April 2022 (from 5.5% - 7.5% to 2.0% -2.25%).
- ▶ Interest on notes payable was incurred by the disposal group on the notes issued to EPH shareholders and refinanced by the third parties just before the sale of the Russian portfolio.
- ▶ Interest on loans payable in the reporting period includes interest on loans of the disposal group of EUR 1.8 mln incurred until the date of disposal of the segment, 19 April 2023.



INCOME TAX

in EUR	for six months ended	
	30.06.2023	30.06.2022
Continuing operations		
Net operating profit/(loss)	(28 025 319)	26 832 602
Interest income	896 942	5 698
Fair value adjustment on financial instruments	(6 273 690)	-
Finance cost	(6 037 071)	(9 428 035)
Net foreign exchange (loss)/ gain	(831 827)	(3 518 076)
(Loss)/profit before tax	(40 270 965)	13 892 189
Income taxes	5 123 198	(4 087 736)
Net (loss)/profit from continuing operations	(35 147 767)	9 804 453
Net loss from discontinued operations (attributable to equity holders of the Company)	(96 992 840)	(46 940 258)
Total loss for the year	(132 140 607)	(37 135 805)

in EUR	for six months ended	
	30.06.2023	30.06.2022
Current income tax expense	(203 951)	(59 053)
Deferred income tax benefit/(expense)	5 327 149	(4 028 683)
	5 123 198	(4 087 736)

- ▶ Current income tax expense includes income taxes paid by EPH Plc and Cyprus sub-holding companies.
- ▶ Deferred tax benefit resulted from the negative property revaluation adjustment, as the taxable difference between the fair values and the tax values of the properties also decreased.



DISPOSAL GROUP

BALANCE SHEET

in EUR	19.04.2023
Investment property	448 140 334
Goodwill	41 521 136
Loans given to EPH Group	2 831 177
Loans and accounts receivable	16 977 921
Other assets	2 399 062
Cash & cash equivalents	6 588 905
Total assets	518 458 536
Borrowings	409 902 969
Borrowings and payables owed to EPH Group	75 745 441
Payables	21 054 467
Deferred tax liability	79 306 083
Total liabilities	586 008 961
Net liabilities	(67 550 425)
Net liabilities excluding balances with the Group	5 363 839

P&L STATEMENT

in EUR	for the period 1 January 2023 - 19 April 2023	for six months ended 30.06.2023
Net rental income	10 640 238	21 791 314
Net gain arising from the sales of properties	-	741 276
Other expenses	(628 164)	(2 780 513)
Revaluation of investment properties	25 816 820	(107 133 621)
Other income	32 180	996 836
Net operating (loss)/profit from discontinued operation	35 861 074	(86 384 708)
Interest income	178 378	522 676
Finance cost	(3 394 966)	(6 249 660)
Net foreign exchange gain/(loss)	(27 281 743)	24 980 370
(Loss)/Profit before tax	5 362 743	(67 131 322)
Income taxes	(7 175 842)	20 191 061
Net (loss)/profit after income tax of discontinued operations	(1 813 099)	(46 940 261)
Loss on sale of the subsidiary after income tax	(95 179 742)	-
Net loss for the period from discontinued operations	(96 992 841)	(46 940 261)

- ▶ The Russian segment was sold on 19 April 2023 (except for Redhill that was sold in December 2022). As a part of consideration, Lenbury replaced EPH PLC as a borrower on the notes issued to shareholders for the amount EUR 426.1 mln. Remaining consideration amounts to US\$ 46.5 mln payable over 10 years.
- ▶ The remaining balances with the former subsidiaries (loans, receivables and borrowings, as discussed here earlier) were recognized as external in the consolidated balance sheet of the Group upon disposal.
- ▶ In the reporting period, the operations of the disposal group were consolidated for the period until their sale (19 April 2023);
- ▶ The independent valuation of investment properties carried on 30 June 2022 was accepted by the parties of the sale as best estimate for the sale consideration. Accordingly, further revaluations of the properties at YE 2022 and HY 2023 were not performed with the exception of reflection of US\$ exchange rate difference for Berlin House and Geneva House, that had US\$ denominated fair values.
- ▶ Gain on the sale of the disposal group represents gain on disposal of the net liabilities of the subsidiary (EUR 67.6 mln) decreased by the negative translation difference reclassified from CTA (EUR 162.7 mln).

SUBSEQUENT EVENTS

- ▶ As per 8 September 2023, the holders of the bonds expiring in September 2023 with the nominal value EUR 244.35 mln agreed to the amendments of the bond terms, suggested by the Company: extension of the bonds until 30 September 2028 and increase of interest rate from 2.2% to 4.5% p.a. The amendments will become effective on 1st October 2023.
- ▶ Subsequently to the period-end, the Group received EUR 15 mln as a partial repayment of the loan granted to the former subsidiary Lenbury.
- ▶ On 21 September 2023, the Group early repaid the loans provided by UniCredit bank to subsidiaries holding properties QBC 1,2 and 4. On repayment, the Group paid a business distance fee of EUR 0.81 mln and received compensation for the termination of the interest SWAP, attached to the respective loans, at fair value, net of fees, for the amount appx. EUR 18 mln.



