

PRESS RELEASE

EPH European Property Holdings Ltd announces Third Quarter 2021 Financial Update

30 November 2021, Road Town, Tortola, BVI | Ad hoc announcement pursuant to Art. 53 LR

- In Q3 2021, there were no significant changes in the Company's financial position and/or structure of its balance sheet in comparison to the published semi-annual report, given that fair value of investment properties was not revaluated as of 30 September 2021.
- In Q3 2021, the Company demonstrated stable performance compared to the last year. The rental properties continued generating sufficient cash to cover the Company's operating expenses, service the debt and partially finance its investment program. The net rental income (NRI) increased from US\$45.33 mln in the first 9 months of 2020 to US\$ 49.38 mln for 9 months of 2021. Thereof, European properties acquired during 2020 generated a total NRI of US\$ 7.48 mln (9 months of 2020: US\$ 2.67 mln). The performance of the other European properties, as well as Russian properties remained almost unchanged as compared to the same period of 2020.
- During Q3 2021 EPH sold a few more apartments and parking lots in Arbat mixed-use properties. The profit on such sales in the first 9 months 2021 amounted to US\$ 4 mln (9 months of 2020: US\$11.5 mln, including US\$10.8 mln of one-off profit on sale of commercial area).
- The Company continues refurbishment of LASS 1 property (office building) in Austria acquired in 2020. Additional investments into construction for 9 months of 2021 amounted to EUR 13.7 mln, including borrowing costs of EUR 2.4 mln. The completion of the refurbishment is expected for June 2022. The most part of the leasable area is already leased out to tenants and will be occupied after completion of the construction.
- The volatility of RUB and EUR, the two major currencies of the Group's operations, continues to influence the Company's operating results and net asset value in its presentation currency (US\$). The overall negative impact of exchange rate fluctuations for 9 months of 2021 amounts to US\$ 26.07 mln: net loss from foreign exchange movements recognized in the income statement was partially overlapped by positive change in currency translation adjustment recognized directly in equity.

***EPH European Property Holdings Ltd.** is an investment company listed on SIX Swiss Stock Exchange which holds an extensive property portfolio with a total value of around EUR 1.5 billion. As part of its geographical diversification and strategic intentions to stabilise values and cash flows, the company currently invests exclusively in Central Europe. EPH is managed by Valartis Group AG and its subsidiaries. Additional information on EPH European Property Holdings Ltd. is available by contacting Anna Bernhart Tel: +41 44 503 5400 or at contact@europeanpropertyholdings.com.*