

PRESS RELEASE

EPH European Property Holdings Ltd announces Interim Unaudited Results for the Six Months Ended 30 June 2020

30 September 2020, Road Town, Tortola, BVI

EPH European Property Holdings Ltd (EPH), the real estate investment company, today announces interim unaudited results for the first half of 2020.

Net asset value of US\$ 36.82 per share decreased from US\$ 40.73 at YE2019. Net profit attributable to the shareholders is US\$ 9.85 million vs US\$ 27.41 million for the same period of the last year.

The main factors influencing NAV and the financial result are:

- Net rental income declined from US\$ 37.77 million for HY 2019 to US\$ 29.05 for 6 months of 2020. Decrease is mainly attributable to Russian properties and caused mainly by compression of US\$ values of RUR-denominated revenues resulting from RUR depreciation (by 14% during the reporting period), as well as by revision of certain leases. COVID-19 implications are well managed by the management – only short-term impact is expected.
- Newly acquired property STRAL 3 (nhow hotel building), acquired on 2 April 2020, contributed US\$ 1.07 million to the net rental income of the Group.
- Decrease in revenue streams in Russia was compensated by the gain from sale of Arbat properties - US\$ 12.45 million (US\$ 3.08 million in HY2019).
- US\$ 57.34 million decrease in investment property valuations in US\$ equivalent – result of the same factors as for the income decline plus some changes in the market assumptions due to potential risks arising from coronavirus pandemic (gain of US\$ 36.24 million in HY2019).
- Impact of exchange rate fluctuations in the reporting period (overall positive effect of US\$ 1.18 million): net foreign exchange income recognized in the income statement is almost overlapped by the negative change in CTA

The Company's investment properties held at fair value are US\$ 1,138.3 million (31 December 2019: US\$ 1,007.5 million). The increase is caused by the acquisition of 89.9% interest in STRAL 3 property and 100% interest in LASS 1 property in the first half of 2020.

Full Report

The full Semi-Annual Results 2020, including the Interim Condensed Consolidated Financial Information for EPH is available on the company's website <https://europeanpropertyholdings.com>.

CONFERENCE CALL WITH MANAGEMENT

Thursday, 1 October 2020 at 10:00 am (CEST)

Dial in: +41 58 262 07 22

Access Code: 937300

EPH European Property Holdings Ltd. is an investment company listed on SIX Stock Exchange which holds an extensive property portfolio with a total value of around EUR 1.3 billion. As part of its geographical diversification and strategic intentions to stabilise values and cash flows, the company currently invests exclusively in Western Europe. EPH is managed by Valartis International Ltd. a wholly-owned subsidiary of Valartis Group AG. Additional information on EPH European Property Holdings is available by contacting Anna Bernhart Tel: +41 44 503 5400 or at contact@europeanpropertyholdings.com.