

PRESS RELEASE

Athens, 21st November, 2023

PRODEA INVESTMENTS

MAIN FINANCIAL FIGURES FOR THE NINE-MONTH 2023

PRODEA Investments announces the main financial figures for the nine-month period of 2023.

- **14.4% increase in group's revenue: €127.4mn** in the nine-month period of 2023 compared to €111.4mn in the corresponding period of 2022. This increase comes mainly as a result of the progress of development projects, new investments in income producing properties and new leases in the context of the company's investment strategy with the aim to optimize the composition of the investment portfolio and the qualitative characteristics of the real estate properties, with emphasis on sustainability with the principles of Environment – Society – Governance (ESG).
- **18.1% increase in adjusted operating profit**, excluding the fair value adjustment of property and non-recurring items: **€89.5mn** in nine-month period of 2023 compared to €75.8mn in the corresponding period of 2022.
- **24.3% increase in Earnings before interest, taxes, depreciation, amortization, fair value adjustment of property and nonrecurring items (adjusted EBITDA): €95.2mn** compared to €76.6mn in the corresponding period of 2022.
- The group's **Net Asset Value (NAV)** as of September 30, 2023 amounted to **€1,500.5mn or €5.87 per share** compared to €1,475.2mn and €5.77 per share, respectively, as of December 31, 2022.
- The group's **Assets Under Management (AUM)¹** amounted to **€2,834.5mn** compared to €2,809.1mn as of December 31, 2022.

FINANCIAL POSITION OF THE GROUP

On September 30, 2023, the group's real estate portfolio consisted of **376** (December 31, 2022: 381) properties (mainly retail and offices) of a total leasable area of approximately **1,447** thousand sq.m. Three hundred and twenty-three (323) of these properties are located in Greece, most of which are located in prime areas. In addition, twenty-four (24) properties are located in Cyprus, twenty-five (25) properties in Italy, two (2) properties in Bulgaria and two (2) properties in Romania.

The fair value of the group's investment property as of September 30, 2023 amounted to **€2,574.8mn** (December 31, 2022: €2,566.7mn), including the fair value of the company's owner-occupied property (September 30, 2023: **€10.9mn**, December 31, 2022: €10.1mn), of inventory property (September 30, 2023: **€30.3mn**, December 31, 2022: €19.0mn) and investment properties which have been classified as assets held for sale as all the criteria of IFRS 5 are met (September 30, 2023: **€208.4mn**, December 31, 2022: €46.3mn).

¹ *The fair value of the properties of the investments in joint ventures has been calculated based on Prodea's stake in each company.*

MAIN FINANCIAL FIGURES

Amount is million €	30.09.2023	30.09.2022
Revenue	€127.4	€111.4
Adjusted Operating Profit	€89.5	€75.8
Adjusted EBITDA	€95.2	€76.6
FFO	€32.2	€42.2

In comparison to the nine-month period of 2022:

Revenue increased to **€127.4mn** compared to €111.4mn in nine-month period of 2022, an increase by 14.4%. **Adjusted EBITDA** also presented a significant increase of **24.3%** to **€95.2mn** compared to €76.6mn in the corresponding period of the previous year, mainly due to the increase in revenue as a result of the new investments concluded by the group within 2022 and during the current period and due to indexation of leases affected by the increase in the Consumer Price Index (CPI). Funds from Operations (FFO) amounted to **€32.2mn** compared to €42.2mn in the corresponding period of the previous year, affected mainly by the impact of the increase of finance expenses (deriving from the increase of Euribor) and the increase of REIC tax due to its link to the ECB reference rate.

INVESTMENTS

On February 22, 2023, the Company acquired the 100% of the shares of the company THETIS KTIMATI KI – EMPORIKI S.M.S.A. (hereinafter "THETIS"), which owns a complex of four properties that are used as Storage and Distribution Centers. The consideration for the acquisition of THETIS shares was calculated based on the net assets of the company on the date of the acquisition and amounted to €26.2mn.

On June 22, 2023, the subsidiary Sygchrono Katoikein S.M.S.A proceeded with the acquisition of plot of land located at 7, Kanari street in Pefki, Attica, with a total area of approximately 2.1 thousand sq.m., in which residential properties for sale will be developed. The consideration for the acquisition of the property amounted to €1.7mn while the fair value at the date of the acquisition, according to the valuation performed by the independent statutory valuers, amounted to €1.9mn.

On September 7, 2023, the subsidiary Sygchrono Katoikein S.M.S.A proceeded with the acquisition of a land plot located at 41, Pontou street, in Nea Erythraia with a total area of approximately 4.2 thousand sq.m., in which residential properties for sale will be developed. The consideration for the acquisition of the properties amounted to €5.7mn while their fair value at the date of the acquisition, according to the valuation performed by the independent statutory valuers, amounted to €5.8mn.

OTHER EVENTS

On September 28, 2023, the Company has announced the full lease of Karela Business Park, its largest office complex, to MYTILINEOS. The new lease to MYTILINEOS, a top-tier company with a leading position, international presence, and continuous growth, has 15 year duration with a minimum tenure of 12 years. Karela Business Park, a complex of 6 office buildings with a total structure above ground of 29 thousand sq.m. and 1,100 parking spaces, is Greece's first LEED GOLD-certified green building.

OTHER INFORMATION - MEMORANDUM OF AGREEMENT WITH THE NATIONAL BANK OF GREECE

The Company continues to implement its existing investment strategy in a consistent manner by strengthening the composition of its investment portfolio with more sustainable properties and divesting from smaller properties with mainly bank branch use and extended geographical dispersion. The main goals of this strategy is to improve the portfolio's quality and the predictability of the company's revenues over time.

In this context, the Company signed a Memorandum - Private Agreement with " The NATIONAL BANK OF GREECE ANONYMOUS BANKING COMPANY" (NBG) regarding the properties currently leased by the Company to NBG, and in particular, on the one hand, the sale of properties to NBG for a total price of €237.3mn, and the amendment of certain terms of the lease between the parties for the remaining properties which will not be sold and will remain leased to the NBG. On June 30, 2023, the first sale occurred, involving a property, located at Gargitou and Porou streets in Gerakas, Attica, with a value of €83.3mn. On August 7, 2023, the modification of the lease agreement with NBG was signed while the completion of the remaining agreement is expected to take place by 31.12.2023.

The Company will use a significant portion of the proceeds from the sale for the repayment of existing debt, while the remaining will be used for the implementation of its investment program.

If the aforementioned transaction with NBG had been completed by September 30, 2023, the key portfolio metrics would be as follows:

Amounts in million euros (€)	30.09.2023
Number of Properties	335
Total Leasable Area (GLA)	1,380 th. sq.m.
Fair Value of Investment Property (GAV)	€2,420.6
Fair Value of Assets under Management (AUM)	€2,680.3
WAULT (Weighted Average Unexpired Lease Term)	10.8 years
GWault (Guaranteed Weighted Average Unexpired Lease Term)	8.6 years

Through its successful active asset management, the company continues to boast long term leases including an impressive average lease term without the possibility of early termination.

INFORMATION ON CURRENT GEOPOLITICAL DEVELOPMENTS AND GENERAL INTERNATIONAL ECONOMIC TRENDS

Regarding the ongoing geopolitical instability, the Company's Management closely monitors and evaluates the developments in order to implement any necessary measures and adjust its business plan (if so required) in order to ensure business continuity and the limitation of any adverse effects.

The Company recognizes the increase in the construction cost of real estate and the increase of Euribor as the main points of concern. However, the Group has limited exposure to real estate development projects concerning the total size of the investment portfolio, with the majority of those projects being in an advanced stage of completion. At the same time, there has been an increasing trend in the levels of rents in the sectors of the Greek real estate market in which the Company and the Group operate; as a result any increase in construction costs is expected to be balanced to a certain extent by the increased rental income. Therefore, the impact is not expected to be material to the Group's overall performance.

Regarding the increase in Euribor, the Group has already entered into an interest rate risk hedging contract for an amount of €575mn. On September 30, 2023 the percentage of the Group's borrowings with fixed interest rates or for which interest rate risk hedging contracts have already been concluded amounts to 65%.

Regarding the inflationary pressure, the Company's rental income is mostly linked to an adjustment (rent review) clause concerning the change in the consumer price index.

Further information is provided in the Company Presentation, with a reference date of September 30, 2023 and is available on the Company's website: www.prodea.gr.