

LAMDA Development S.A.



**Condensed separate and consolidated financial statements for
the period 1 January – 31 March 2021**

G.E.M.I.: 3379701000

*37A Kifissias Ave
15123, Maroussi*

Condensed separate and consolidated financial statements
1st quarter 2021

Statement of financial position (Company and Consolidated)

	GROUP		COMPANY	
	31.03.2021	31.12.2020	31.03.2021	31.12.2020
<i>all amounts in € thousands</i>				
ASSETS				
Non-current assets				
Investment property	1.007.075	1.002.228	1.840	1.840
Right-of-use assets	102.862	104.033	9.087	7.087
Property, plant and equipment	51.703	50.869	6.170	5.175
Intangible assets	16.528	16.645	-	-
Investments in subsidiaries	-	-	318.362	310.562
Investments in joint ventures and associates	6.088	34.859	4.037	3.737
Deferred tax assets	5.547	5.066	5.246	4.765
Receivables	29.408	29.479	9.891	9.882
	1.219.212	1.243.179	354.635	343.049
Current assets				
Inventories	81.126	7.416	-	-
Trade and other receivables	64.577	50.704	55.527	49.501
Current tax assets	3.128	3.108	3.109	3.088
Cash and cash equivalents	839.830	883.155	794.057	829.352
	988.660	944.383	852.692	881.942
Total assets	2.207.872	2.187.562	1.207.328	1.224.991
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital and share premium	1.024.576	1.024.576	1.024.576	1.024.576
Other reserves	10.265	8.329	4.721	2.936
Retained earnings/(Accumulated losses)	(33.814)	(26.995)	(216.119)	(203.660)
	1.001.027	1.005.909	813.178	823.852
Non-controlling interests	96.418	94.663	-	-
Total equity	1.097.445	1.100.572	813.178	823.852
LIABILITIES				
Non-current liabilities				
Borrowings	732.647	699.399	313.382	313.162
Lease liability	180.165	182.797	7.613	6.351
Deferred tax liabilities	118.017	116.338	-	-
Derivative financial instruments	2.347	2.251	-	-
Employee benefit obligations	2.308	2.308	1.285	1.285
Other non-current liabilities	16.137	16.655	-	-
	1.051.621	1.019.747	322.280	320.797
Current liabilities				
Borrowings	14.992	14.106	-	-
Lease liability	958	2.358	1.554	769
Trade and other payables	41.457	49.931	70.316	79.572
Current tax liabilities	1.399	848	-	-
	58.807	67.243	71.870	80.341
Total liabilities	1.110.427	1.086.990	394.150	401.139
Total equity and liabilities	2.207.872	2.187.562	1.207.328	1.224.991

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Income statement (Company and Consolidated)

	GROUP		COMPANY	
	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020
<i>all amounts in € thousands</i>				
Revenue	13.922	19.514	333	340
Net gain/(loss) from fair value adjustment on investment property	4.547	(12.817)	-	-
Other direct property operating expenses	(126)	(2.169)	-	-
Expenses related to the development of the Hellinikon site	(5.983)	(1.172)	(5.983)	(1.172)
Employee benefits expense	(4.092)	(2.593)	(2.849)	(1.523)
Depreciation	(2.015)	(733)	(511)	(246)
Provision for impairment of receivables from subsidiaries	-	-	(209)	(275)
Other operating income / (expenses) - net	(92)	(2.057)	(493)	(933)
Operating profit/(loss)	6.161	(2.027)	(9.711)	(3.809)
Finance income	111	258	315	576
Finance costs	(8.840)	(6.896)	(3.545)	(1.954)
Share of net profit of investments accounted for using the equity method	(418)	7.361	-	-
Loss before income tax	(2.986)	(1.304)	(12.941)	(5.187)
Income tax expense	(2.149)	1.689	482	950
Profit/(loss) for the period	(5.134)	386	(12.459)	(4.237)
Profit/(loss) attributable to:				
Equity holders of the parent	(6.818)	1.169	(12.459)	(4.237)
Non-controlling interests	1.684	(783)	-	-
	(5.134)	386	(12.459)	(4.237)

Statement of comprehensive income (Company and Consolidated)

	GROUP		COMPANY	
	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020
<i>all amounts in € thousands</i>				
Profit/(loss) for the period	(5.134)	386	(12.459)	(4.237)
Cash flow hedges, after tax	228	(250)	-	-
Currency translation differences	(5)	-	-	-
Items that may be subsequently reclassified to profit or loss	223	(250)	-	-
Total comprehensive income for the period	(4.912)	136	(12.459)	(4.237)
Profit/(loss) attributable to:				
Equity holders of the parent	(6.667)	998	(12.459)	(4.237)
Non-controlling interests	1.755	(862)	-	-
	(4.912)	136	(12.459)	(4.237)

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Statement of changes in equity (Consolidated)

<i>all amounts in € thousands</i>	Attributable to equity holders of the parent				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings / (Accumulated)	Total		
GROUP						
1 January 2020	1.023.856	6.891	26.593	1.057.340	85.746	1.143.086
Total Income:						
Profit for the period	-	-	1.169	1.169	(783)	386
Other comprehensive income for the period:						
Cash flow hedges, after tax	-	(171)	-	(171)	(79)	(250)
Total comprehensive income for the period	-	(171)	1.169	998	(862)	136
Transactions with the shareholders:						
Other reserves	-	1.413	(1.413)	-	-	-
Business combinations	-	(8)	-	(8)	13.762	13.753
	-	1.404	(1.413)	(8)	13.762	13.753
31 March 2020	1.023.856	8.125	26.349	1.058.329	98.646	1.156.975
1 January 2021	1.024.576	8.329	(26.995)	1.005.909	94.663	1.100.572
Total Income:						
Loss for the period	-	-	(6.818)	(6.818)	1.684	(5.134)
Other comprehensive income for the period:						
Cash flow hedges, after tax	-	156	-	156	71	228
Currency translation differences	-	(5)	-	(5)	-	(5)
Total comprehensive income for the period	-	151	(6.818)	(6.667)	1.755	(4.912)
Transactions with the shareholders:						
Employees share option scheme	-	1.785	-	1.785	-	1.785
	-	1.785	-	1.785	-	1.785
31 March 2021	1.024.576	10.265	(33.814)	1.001.027	96.418	1.097.445

Statement of changes in equity (Company)

<i>all amounts in € thousands</i>	Attributable to equity holders of the parent			Total equity
	Share capital	Other reserves	Retained earnings / (Accumulated)	
COMPANY				
1 January 2020	1.023.856	2.852	(202.147)	824.561
Total Income:				
Loss for the period	-	-	(4.237)	(4.237)
Total comprehensive income for the period	-	-	(4.237)	(4.237)
31 March 2020	1.023.856	2.852	(206.384)	820.324
1 January 2021	1.024.576	2.936	(203.660)	823.852
Total Income:				
Loss for the period	-	-	(12.459)	(12.459)
Total comprehensive income for the period	-	-	(12.459)	(12.459)
Transactions with the shareholders:				
Employees share option scheme	-	1.785	-	1.785
	-	1.785	-	1.785
31 March 2021	1.024.576	4.721	(216.119)	813.178

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Cash Flow Statement (Company and Consolidated)

	GROUP		COMPANY	
	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020	01.01.2021 to 31.03.2021	01.01.2020 to 31.03.2020
<i>all amounts in € thousands</i>				
Cash flows from operating activities				
Cash generated from / (used in) operations	(17.371)	(5.218)	(19.748)	(16.615)
Interest paid and interest related finance cost	(9.090)	(6.494)	(5.933)	(1.957)
Interest expense on lease liabilities	(1.924)	(1.309)	(91)	(8)
Income taxes paid	(445)	129	(0)	(39)
Net cash inflow (outflow) from operating activities	(28.831)	(12.892)	(25.680)	(18.611)
Cash flows from investing activities				
Purchase of property, plant and equipment and investment property	(1.701)	(1.749)	(1.073)	(381)
Dividends/pre-dividends received	203	-	203	-
Interest received	144	464	135	294
Payments of consideration for the acquisition of interest held in participation minus cash equivalents at the date of the acquisition	(6.888)	(7.230)	(388)	(12.781)
(Increase)/decrease in the share capital of participations	(300)	(1.680)	(8.100)	(1.680)
Net cash inflow (outflow) from investing activities	(8.542)	(10.195)	(9.222)	(14.548)
Cash flows from financing activities				
Share capital increase	-	-	-	-
Loans received/repayment of loans from related parties	-	(10.000)	(90)	(10.093)
Borrowings received	870	-	-	-
Repayment of borrowings	(4.794)	(11.720)	-	(8.000)
Repayment of lease liabilities	(2.028)	(1.902)	(303)	(209)
Borrowings transaction costs	-	(11)	-	-
Net cash inflow (outflow) from financing activities	(5.952)	(27.372)	(393)	(22.042)
Net increase (decrease) in cash and cash equivalents	(43.325)	(50.458)	(35.296)	(55.201)
Cash and cash equivalents at the beginning of the period	883.155	702.776	829.352	651.664
Cash and cash equivalents at end of period	839.830	652.318	794.057	596.463

ALTERNATIVE PERFORMANCE MEASURES (APMs)

The Group uses certain Alternative Performance Measures (APMs) due to certain special features of the business category which are as follows compared to the period of 2020:

<i>(all amounts in € thousands)</i>	31.03.2021	31.12.2020	Variation
Net Asset Value (NAV) <i>(as exported by the internal information of the Group)</i>	1.097.084	1.101.067	-0,4%
Shareholders' Equity	1.001.027	1.005.909	-0,5%
	01.01.2021- 31.03.2021	01.01.2020- 31.03.2020	Variation
Total Group operating results (EBITDA) before valuations and other adjustments <i>(as exported by the internal information of the Group)</i>	9.194	11.573	-20,6%
Fair Value Gains from investment property	4.547	-12.817	-
Group operating results (EBITDA)	7.758	6.067	+27,9%
Profit/losses before tax	-2.986	-1.304	-
Net profit after tax & non-controlling interests	-6.818	1.169	-
Turnover	13.922	19.514	-28,7%

According to the legislative content act, the Company provided a discount on the rent concessions by 40% throughout the first quarter of 2021 (compared to 40% only for March 2020). The impact on the total net results after tax and non-controlling interests of the Shopping Centers for the first quarter of 2021 amounts to approximately €3.0m or €0.017 per share. Taking into account conditions under a full and unhindered operation of the Shopping Centers (compared to those during the first quarter of 2019), the total impact of the pandemic for the first quarter of 2021 on the total net results after tax and non-controlling interests amounts to €5.9m or €0.0033 per share.

During this reporting period, Group's shopping centers total EBITDA (Retail EBITDA) reached €9.7m showing a decrease by €4.8m compared to the respective period of 2020. Specifically, "The Mall Athens" showed a decrease in EBITDA by 35% reaching €4.1m. Mediterranean Cosmos" in Pylaia Thessaloniki showed a decrease in EBITDA by 25% reaching €3.0m. "Golden Hall" showed a decrease by 38% at €2.5m.

The Company monitors the performance of the shopping centers through indicators, out of which the primary according to the international standards, are the footfall and the tenant (shopkeeper) sales which present the proportionate change between the current and the comparative period.

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Indicator 2021 vs 2020	The Mall Athens	Golden Hall	Mediterranean Cosmos	Total
Tenant (shopkeeper) sales	-78%	-71%	-70%	-73%
Footfall	-90%	-82%	-79%	-83%

The comparison of the primary indicators of the Shopping Centers between the first of quarter of 2021 and 2020, is not only difficult but it has also become devoid of purpose since the Shopping Centers remained closed for most of the first quarter of 2021 whereas they operated without restrictions in January and February 2020. Therefore, the comparison of these indicators does not allow to draw safe conclusions.

Despite the unprecedented adverse conditions, the average occupancy of the Shopping Centers remained unchanged at approximately 99%. Finally, the Company, in the midst of the pandemic crisis, negotiated new or renewable commercial cooperation agreements with financial terms that were in force before the pandemic crisis, thus preserving the value of the shopping centers.

The Group's financial ratios DEBT / TOTAL ASSETS and DEBT / EQUITY reached 68.9% and 68.1% accordingly. It is noted that at 31.03.2021 the Group cash and cash equivalents exceed its debt and therefore the term that is used is Debt instead of Net Debt.

Definitions (APMs):

1. **Net Asset Value:** Group Equity adjusted by the deferred tax liability and asset attributable to the Group's shareholders.
2. **Total Group operating results (EBITDA) before valuations and other adjustments:** Group operating results (EBITDA) without taking into account the fair value gains/losses that occur from the valuations of the investment property, the impairment losses of inventory, the profit or loss from acquisition/disposal of participation in investments, result from disposal of inventory – land and other extraordinary valuation gains/losses and costs, as well as other adjustments such as Expenses related to the the development in the Hellinikon area
3. **Total Group operating results (EBITDA):** Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).
4. **Retail EBITDA:** Sum of each EBITDA of the shopping centers Golden Hall, Mediterranean Cosmos and The Mall Athens.
5. **EBITDA of the shopping centers (The Mall Athens, Mediterranean Cosmos, Golden Hall): Individual EBITDA of the companies LOV SMSA, PYLAIA SMSA and LAMDA DOMI SMSA, which are involved in the exploitation of the shopping centers The Mall Athens, Mediterranean Cosmos and Golden Hall respectively.**
6. **Change in EBITDA of the shopping centers (The Mall Athens, Mediterranean Cosmos, Golden Hall):** Percentage change of the current year vs last year.
7. **Net Debt / Total Assets:** (Debt minus Cash and cash equivalents minus Financial instruments held at fair value through profit or loss) over (Investment property plus Property, plant and equipment plus Investment in joint ventures and associates plus Inventories).
8. **Net Debt / Equity:** (Debt minus Cash and cash equivalents minus Financial instruments held at fair value through profit or loss) over Equity.