

An aerial photograph of a city street scene. The central focus is a tall, modern skyscraper with a distinctive orange and black facade. To its left is a white building with a 'Ladzie' sign. To its right is a large mural on a building facade depicting a fantastical scene with a dragon and a castle. In the foreground, there are older, multi-story buildings, one of which has a 'PUBLIKA' sign. The sky is blue with light clouds.

warimpex

**WARIMPEX**  
*Report on the  
First Half of  
2023*

## WARIMPEX GROUP

*Key Figures*

in EUR '000	1-6/2023	Change	1-6/2022
Investment Properties revenues	19,415	32%	14,691
Hotels revenues	5,914	55%	3,826
Development and Services revenues	929	-41%	1,585
<i>Total revenues</i>	26,258	31%	20,101
Expenses directly attributable to revenues	-9,004	25%	-7,207
<i>Gross income from revenues</i>	17,254	34%	12,895
Gains or losses from the disposal of properties	-	-	2,821
EBITDA	11,264	5%	10,741
Depreciation, amortisation, and remeasurement	-4,825	-	5,993
EBIT	6,440	-62%	16,733
Financial result	-5,208	-	947
Profit or loss for the period	214	-98%	13,421
Net cash flow from operating activities	16,565	162%	6,324
Equity and liabilities	416,074	-16%	495,055
Equity	149,085	-16%	176,713
Equity ratio	36%	-	36%
Number of shares	54,000,000	-	54,000,000
Earnings per share in EUR	0.00	-	0.26
Number of treasury shares	1,939,280	-	1,939,280
Number of office and commercial properties	9	1	8
Lettable office space	126,300 m <sup>2</sup>	21,600 m <sup>2</sup>	104,700 m <sup>2</sup>
m <sup>2</sup> with sustainability certificates	75,400 m <sup>2</sup>	18,600 m <sup>2</sup>	56,800 m <sup>2</sup>
In % of the total floor area	60%	6 pp	54%
Number of hotels	4	-	4
Number of rooms	831	-	831
	<b>30/6/2023</b>	<b>Change</b>	<b>31/12/2022</b>
Gross asset value (GAV) in EUR millions	393.9	-8%	429.3
NNNAV per share in EUR	3.33	-12%	3.78
EPRA NTA per share in EUR	3.16	-12%	3.59
End-of-period share price in EUR	0.78	20%	0.65

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MC55 Office  
Białystok, PL

## FOREWORD BY THE CHAIRMAN OF THE MANAGEMENT BOARD

*Dear Shareholders,*

For Warimpex, the first half of 2023 was characterised by a further improvement in revenues and EBITDA and the progression of the construction activities in Krakow as planned. At the same time, we are still experiencing elevated interest rates, increased volatility for property valuations, and currency fluctuations for the Russian rouble, which depreciated compared with the prior-year period. We anticipated this and aligned our financing strategy accordingly. Therefore, we are able to report a positive result at the half-year mark despite declines in property values, losses in the financial result, and a lack of sales proceeds.

**Strong operational performance**

Total revenues improved by 31 per cent to EUR 26.3 million in the first half of 2023. This can be attributed to increased revenues from the rental of office properties in Poland, from Avior Tower in St. Petersburg, which has been fully occupied since January 2023, and a further recovery in the Hotels segment, where the results for 2022 were still stunted by the COVID-19 pandemic. Although no real estate transactions were completed in the first half of 2023 – the B52 property in Budapest was sold at a profit in the first half of 2022 – EBITDA rose by 5 per cent to EUR 11.3 million thanks to the revenue increases.

The changes in economic conditions are reflected in EBIT, which declined by EUR 10.3 million from EUR 16.7 million to EUR 6.4 million due to a negative result from property valuations. This includes measurement losses of EUR 5.5 million as well as write-ups of EUR 1.9 million, whereas a measurement gain of EUR 7.3 million was generated in the prior-year period. The financial result went from EUR 0.9 million to minus EUR 5.2 million, primarily due to changes in foreign exchange rates. In total, this resulted in a slight profit for the period of EUR 0.2 million, down from EUR 13.4 million in the prior-year period.

**Office developments with a focus on sustainability**

We are sticking to our strategy when it comes to our development projects: The focus is on office developments targeted at obtaining the optimal sustainability certification for the given property that also meets the requirements of the new EU Taxonomy.

Accordingly, Mogilska 35 Office in Krakow with 11,900 square metres of net floor space and BREEAM – Excellent certification is nearing completion. The office space at Red Tower in Łódź spanning 12,400 square metres is being modernised on a step-by-step basis while the letting process continues to progress. Innovative concepts are also being implemented at the property: In May, for example, a second coworking space was opened that offers new possibilities for flexible working models and is being received well.

Building permits have been secured for further Polish office developments in Krakow (Chopin Office with roughly 21,200 square metres) and Białystok (MC 55 with roughly 38,500 square metres). In the German city of Darmstadt, planning for the West Yard 29 office building with roughly 13,800 square metres of space is at an advanced stage. There are still no new developments planned in Russia.

**Outlook for 2023**

We continue to monitor the geopolitical developments related to the conflict in Ukraine, the resulting inflation trend, and the elevated key interest rates very closely. In our industry, we are seeing a rise in the cost of project financing. As a listed, family-run company, we are oriented towards the long term and – not least thanks to strong cash flows from our existing properties – have the flexibility to take advantage of economically favourable time windows to push ahead with development projects on our property reserves and execute transactions.

With strong operating business and solid occupancy rates in our portfolio of modern existing properties, we expect the positive development of our business to continue for the current financial year despite the uncertain economic conditions.

Vienna, August 2023

Franz Jurkowsch



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*Franz  
Furkowitsch*

CHAIRMAN OF THE MANAGEMENT BOARD

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# Semi-Annual Consolidated Management Report

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2023

## Economic Environment

### Ukraine crisis

Attention continued to be focused on the geopolitical developments in the first half of 2023. On 24 February 2022, Russian troops invaded Ukraine, thus starting a conflict that has resulted in significant economic upheavals due to the international sanctions imposed against Russia as well as the reactions in Russia and will most likely continue to have an impact for some time. The rouble, which had stabilised again starting in April 2022 following the initial substantial depreciation, weakened again in the first half of 2023.

In addition, inflation rose significantly in the Eurozone in 2022. The ECB reacted by raising the key interest rate in

multiple steps starting in July 2022, including the most recent hike to 4 per cent in June 2023.

For information about the impact of the Ukraine conflict on the Group, please refer to the information in the consolidated interim financial statements as at 30 June 2023, section 2.2., and the section “Outlook” in the semi-annual consolidated management report.

### COVID-19

While the first quarter of 2022 was still in part impacted by restrictions due to the pandemic, no effects related to the coronavirus were discernible during the reporting period.

## Markets

### POLAND

#### Existing portfolio: 4 office properties, 1 hotel

Warimpex bought the Red Tower in Łódź at the end of June 2022. Renovations were started during the reporting period and are continuously progressing. The Red Tower is located in the heart of Łódź, is 80 metres high, and offers a gorgeous panoramic view as one of the highest office buildings in the city. The property was built in 1978 and completely modernised from 2006 to 2008. With more than 12,400 square metres of lettable space, the Red Tower offers office space with flexible partitioning and layouts. A typical storey has an area of around 650 square metres with large windows and light wells that ensure that all workstations are well lit. Around 29 per cent of the space of the office building was occupied as at the reporting date.

Ogrodowa Office was opened in Łódź at the beginning of October 2018. The building is a state-of-the-art office property located directly in the Łódź city centre near the Manufaktura shopping centre. The tenants include Orange Polska, PwC Poland, and Harman Connected Services. Ogrodowa Office was awarded BREEAM In-Use – Excellent certification and is classified as Taxonomy-aligned according to the EU Taxonomy Regulation. Around 91 per cent of the space at the office building was occupied as at 30 June 2023.

Mogilska 43 Office was completed in early April 2019. A full 100 per cent of the office space was occupied as at 30 June 2023. Mogilska 43 Office is an ultra-modern, class A office building that encompasses a total of 12,900 square metres over nine floors. Large glass surfaces provide natural lighting for the offices, and the efficient climate control system ensures the optimal temperature and humidity. Green balconies and terraces can be accessed directly from the office level. The building’s ground floor contains retail and service spaces, and the two-storey garage offers 203 parking spaces as well as bike racks, changing rooms, and showers. Mogilska 43 Office meets the highest environmental standards and has been awarded BREEAM In-Use – Excellent certification. The office property is classified as Taxonomy-aligned according to the Taxonomy Regulation.

An office building in Krakow (Mogilska 41 Office) with roughly 5,100 square metres of space was acquired in 2017, renovated, and handed over to the new tenant in September 2019. The building has been fully occupied since then.

Warimpex has been 50 per cent leaseholder of the five-star InterContinental in Warsaw since the end of December 2012. As part of a lease agreement, the hotel is being leased back at a fixed rate and managed under the InterContinental brand until 2040.

Occupancy at the InterContinental hotel increased from 70 per cent in the prior year to 78 per cent and the average room rate in euros advanced by roughly 20 per cent.

**Under development: 3 office buildings, reserve properties**

Construction started on Mogilska 35 Office, a modern office building with roughly 11,900 square metres of space, in November 2021. The building is nearing completion. BREEAM certification is planned for the building. Based on the environmental standards that were taken into account in the development of the property, it was preliminarily classified as Taxonomy-aligned in accordance with the EU Taxonomy Regulation.

In recent years, Warimpex has acquired smaller, partially developed properties adjacent to the two existing Mogilska office buildings and the Mogilska 35 project. The Mogilska Phase IV project will subsequently be built on these properties. The initial demolition work has already been completed.

Warimpex is also the owner of a development property next to the Chopin Hotel in Krakow, on which an office building with around 21,200 square metres of space is to be built. A building permit has already been issued.

Warimpex owns a development property in Białystok. Three office buildings with roughly 33,400 square metres of office space and 5,000 square metres of commercial space are to be built. A building permit was issued in March 2021.

## HUNGARY

**Existing portfolio: 1 office property**

In Budapest, Warimpex owns the Erzsébet office building, which has a total net floor space of around 14,400 square metres.

Roughly 95 per cent of the space at Erzsébet Office was let out on the reporting date; 12,700 square metres (of 14,400 square metres) are let to the insurance company Groupama Biztosító zRT, a Hungarian branch of the international Groupama Group.

The B52 office building with over 5,200 square metres of net floor space was sold at a profit to Semmelweis University in June 2022.

## AUSTRIA

**Existing portfolio: 1 hotel**

In Vienna, Warimpex has a stake of around 10 per cent in the company holding the Palais Hansen Kempinski hotel. The other shareholders are Wiener Städtische Versicherung / Vienna Insurance Group and UBM Development AG. The hotel is Warimpex's first project in Austria and was opened in March 2013.

## RUSSIA

**Existing portfolio:**

**3 office properties, 1 multi-use building, 1 hotel**

In St. Petersburg, Warimpex holds 100 per cent of AIRPORTCITY St. Petersburg. In the first phase of the project, a four-star Crowne Plaza hotel (InterContinental Hotel Group) and two office towers (Jupiter 1 + 2) with 16,800 square metres of lettable space were opened at the end of December 2011. AIRPORTCITY St. Petersburg was developed by the project company AO AVIELEN A.G. and is located in close proximity to the Pulkovo international airport in St. Petersburg. AIRPORTCITY is the first premium-class business centre in the region and is a key infrastructure project in the economic centre of St. Petersburg.

The Zeppelin office building with 15,500 square metres of lettable space was completed at AIRPORTCITY at the end of June 2015. The tower is completely let out. Zeppelin meets the highest environmental standards and has been awarded LEED – Gold certification. In addition, Warimpex owns the Bykovskaya multi-use building (with parking spaces for around 450 vehicles and roughly 2,200 square metres of office and 2,500 square metres of archive space), which has been fully occupied since it was completed in May 2017.

The construction of an office tower (Avior Tower 1) with roughly 18,600 square metres of lettable office space began in the fourth quarter of 2019. The building was completed in the third quarter of 2022. Avior Tower 1 has been fully occupied since January 2023.

The Airportcity Plaza hotel achieved occupancy of 49 per cent (1–6 2022: 49 per cent) while the average room rate in euros rose by 10 per cent versus the prior-year period.

**Under development: Reserve properties**

There are property reserves for around 150,000 square metres of office space at AIRPORTCITY St. Petersburg.

## GERMANY

### Existing portfolio: 1 hotel

In April 2019, Warimpex acquired a hotel property in Darmstadt and reopened it under the name greet hotel. Cycas Hospitality was tasked with managing the three-star superior conference hotel. Following the pandemic-related restrictions and extensive renovation, the hotel is once again welcoming more guests. With a total of 330 hotel and long-stay rooms and 37 conference, event, and project rooms spanning more than 4,500 square metres of conference, event, and exhibition space, as well as 1,000 square metres of office space that can

also be rented on a short-term basis, the hotel is one of the biggest conference and event centres in the Rhine-Main region. The hotel's occupancy was 51 per cent during the reporting period (1–6 2022: 30 per cent). The average room rate increased by roughly 15 per cent year on year.

### Under development: Development properties

The 30,000 square metre hotel property also offers property reserves for the development of further premium office and commercial space. The preparation of a new development plan and the permit planning for the first office building (West Yard 29 with roughly 13,800 square metres) are already at an advanced stage.

# Assets, Financial Position, and Earnings Situation

## Earnings situation

### Development of revenues

The rise in revenues from the rental of office properties (Investment Properties revenues) from EUR 14.7 million to EUR 19.4 million is due to the higher occupancy rate of the Polish office properties as well as additional revenues from Avior Tower, which has been fully occupied since the beginning of 2023.

In the first half of 2023, revenues in the Hotels segment increased to EUR 5.9 million, which represents an increase of 55 per cent compared with the prior-year period. The development of revenues in the first half of 2022 was still stunted by the COVID-19 pandemic.

Total revenues improved by 31 per cent to EUR 26.3 million, while the expenses directly attributable to revenues increased by 25 per cent to EUR 9.0 million. This led to a 34 per cent increase in gross income from revenues to EUR 17.3 million (2022: EUR 12.9 million).

### Gains or losses from the disposal of properties

The Group conducted no real estate transactions in the first half of 2023. The B52 office property in Budapest was sold at a profit in the first half of 2022.

### EBITDA – EBIT

EBITDA (earnings before interest, taxes, depreciation, amortisation, and gains/losses on the remeasurement of investment properties) rose from EUR 10.7 million to EUR 11.3 million, primarily due to the increase in revenues.

EBIT fell from EUR 16.7 million to EUR 6.4 million, mainly due to the negative result from property valuations in the amount of minus EUR 5.5 million (2022: measurement gain of EUR 7.3 million).

### Financial result

The financial result (including earnings from joint ventures) went from EUR 0.9 million to minus EUR 5.2 million, primarily due to lower exchange rate gains.

### Profit or loss for the period

The result for the period for the Warimpex Group went from EUR 13.4 million in the prior-year period to EUR 0.2 million.



## Segment analysis

The Warimpex Group has defined the business segments of: Investment Properties, Hotels, and Development and Services. The Investment Properties segment contains the income and expenses from the rental of office properties as well as the gains/losses on the remeasurement of the properties. The results from the operation of the hotel properties owned by the Group are shown in the Hotels segment. The Development and Services segment covers development services, activities of the Group parent, and profit contributions from the sale of properties.

### Investment Properties segment

in EUR '000	1-6/2023	1-6/2022
Revenues for the Group	19,415	14,691
Segment EBITDA	14,887	7,432
Property remeasurement result	-2,627	1,820

The higher revenues and the EBITDA for the Investment Properties segment are primarily due to the additional earnings contributions from the Avior office tower and higher occupancy rates in Poland.

### Hotels segment

in EUR '000	1-6/2023	1-6/2022
Revenues for the Group	5,914	3,826
Segment EBITDA	1,177	1,324
Depreciation, amortisation, and impairments/impairment reversals	1,034	-926

The development of revenues in the first half of 2022 was still stunted by the COVID-19 pandemic, while no such restrictions were in place during the reporting period.

### Development and Services segment

in EUR '000	1-6/2023	1-6/2022
Revenues for the Group	929	1,585
Gains or losses from the disposal of properties	–	2,821
Segment EBITDA	-4,800	1,985
Remeasurement result	-2,869	5,487

The results in this segment typically depend heavily on the sale of real estate holdings (share deals) and properties (asset deals) and are subject to significant year-on-year fluctuation.

## Real Estate Assets

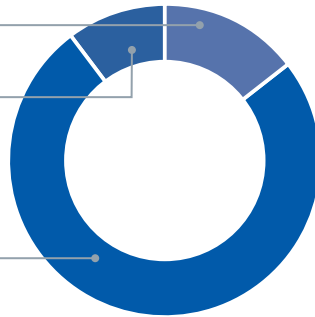
On 30 June 2023, the real estate portfolio of the Warimpex Group comprised four hotels with roughly 1,000 rooms (800 rooms when adjusted for the proportionate share of ownership), plus nine office properties with total lettable office and commercial space of roughly 126,300 square metres.

### PROPERTY ASSETS IN MILLIONS

57.4 Development projects

39.5 Existing hotel assets

297.0 Existing office assets



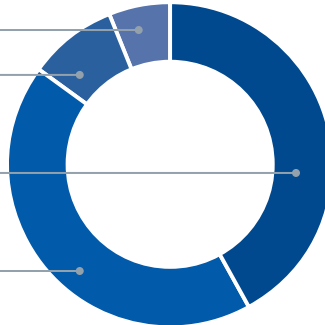
### GAV BY COUNTRY

6% Hungary

9% Germany

43% Russia

42% Poland



#### Calculation of gross asset value and triple net asset value in EUR millions

Warimpex recognises its property, plant, and equipment such as hotel properties at cost less depreciation according to IAS 16, as is required for owner-operated hotels in IAS 40.12. Changes in the value of investment properties (primarily office buildings) are recognised through profit or loss according to the fair value model in IAS 40.56.

The majority of the properties and development projects are valued twice annually (on 30 June and 31 December) by independent real estate appraisers.

On 30 June 2023, the following experts appraised Warimpex's portfolio:

Appraiser	Fair values as at 30/6/2023	in %
	in EUR millions	
Maris (formerly CBRE)	151	39%
Knight Frank	162	41%
CB Richard Ellis	61	15%
Other	17	4%
Internal	2	1%
	<b>394</b>	<b>100%</b>

The fair values are determined in accordance with the valuation standards of the Royal Institute of Chartered Surveyors (RICS). The fair value is the price that would be paid for the transfer of an asset or a liability in a transaction at arm's length terms on the reporting date. The real estate appraisers use an income-based approach (investment method or discounted cash flow method) to calculate the fair values of developed properties, and the comparative method for reserve properties. Development projects are generally measured using the residual value method, taking a developer's profit into account.

For information on the yield used to calculate the fair value, please see section 7.1.3. (investment properties) and section 7.2.2. (hotels) in the notes to the consolidated financial statements as at 31 December 2022.

The gross asset value (GAV) of all Warimpex properties (based on proportionate ownership) came in at EUR 393.9 million at 30 June 2023 (31 December 2022: EUR 429.3 million). This decline was primarily due to the weaker rouble exchange rate, offset against additions due to construction activity. The Group's triple net asset value (NNNAV) fell from EUR 196.9 million as at 31 December 2022 to EUR 173.6 million as at 30 June 2023.

The triple net asset value (NNNAV) and the EPRA Net Asset Value are calculated as follows:

in EUR millions	30/6/2023		31/12/2022	
Equity before non-controlling interests		148.9		170.2
Deferred tax assets	-1.2		-1.7	
Deferred tax liabilities	17.1	15.9	19.8	18.1
Carrying amount of existing hotel assets	-30.7		-33.3	
Fair value of existing hotel assets	39.5	8.8	41.9	8.6
<b>Triple net asset value</b>		<b>173.6</b>		<b>196.9</b>
Total number of shares		54.0		54.0
Treasury shares		-1.9		-1.9
Fully diluted number of shares		52.1		52.1
<b>NNNAV per share in EUR</b>		<b>3.33</b>		<b>3.78</b>

EPRA Net Asset Value Metrics	30/6/2023 EPRA NRV	30/6/2023 EPRA NTA	30/6/2023 EPRA NDV
in EUR '000			
<b>IFRS Equity attributable to shareholders</b>	148,944	148,944	148,944
<b>Include:</b>			
ii.c) Revaluation of other non-current investments	8,571	8,571	8,571
<b>Diluted NAV at Fair Value</b>	<b>157,515</b>	<b>157,515</b>	<b>157,515</b>
<b>Exclude:</b>			
v) Deferred tax in relation to fair value gains of IP	14,737	7,368	
vi) Fair value of financial instruments	-23	-23	
viii.b) Intangibles as per the IFRS balance sheet		-33	
<b>Include:</b>			
ix) Fair value of fixed interest rate debt			41,768
xi) Real estate transfer tax	8,820	0	
<b>NAV</b>	<b>181,049</b>	<b>164,827</b>	<b>199,283</b>
Fully diluted number of shares	52,100	52,100	52,100
<b>NAV per share</b>	<b>€3.48</b>	<b>€3.16</b>	<b>€3.83</b>

EPRA Net Asset Value Metrics	31/12/2022 EPRA NRV	31/12/2022 EPRA NTA	31/12/2022 EPRA NDV
in EUR '000			
<b>IFRS Equity attributable to shareholders</b>	170,164	170,164	170,164
<b>Include:</b>			
ii.c) Revaluation of other non-current investments	8,236	8,236	8,236
<b>Diluted NAV at Fair Value</b>	<b>178,400</b>	<b>178,400</b>	<b>178,400</b>
<b>Exclude:</b>			
v) Deferred tax in relation to fair value gains of IP	17,215	8,607	
vi) Fair value of financial instruments	-85	-85	
viii.b) Intangibles as per the IFRS balance sheet		-47	
<b>Include:</b>			
ix) Fair value of fixed interest rate debt			-22,960
xi) Real estate transfer tax	8,648	0	
<b>NAV</b>	<b>204,178</b>	<b>186,875</b>	<b>155,440</b>
Fully diluted number of shares	52,100	52,100	52,100
<b>NAV per share</b>	<b>€3.92</b>	<b>€3.59</b>	<b>€2.98</b>

# *Material Risks and Uncertainties to Which the Group is Exposed and Risk Management*

As an international group, Warimpex is exposed to various economic and financial risks as part of its daily operations.

## **a) General**

As part of its risk management system, Warimpex has set internal risk management targets for the Management Board and Company staff and adapts these targets to the prevailing market conditions. These risk management targets include special regulations and define responsibilities for risk assessment, control mechanisms, monitoring, information management, and communication within the Company and with external parties.

There is a clearly defined organisation within Warimpex and especially within the Management Board that governs responsibilities and authorisations in this connection to enable risks to be identified at an early stage and appropriate action to be taken. The Management Board's guidelines and the guidelines for the Supervisory Board define the responsibilities and obligations of the Company's boards and officers.

## **b) Operating risks**

In the Investment Properties segment, Warimpex is exposed to the risk that it will be unable to let out spaces, that rents will decline, and that tenants will default on their payments. Rental risk is closely linked to the general economic conditions in the individual markets and is thus subject to corresponding planning uncertainties. There is always a certain degree of rental risk due to the different political and economic developments in the various markets. The competition between property owners for well-known, attractive tenants can also impact occupancy rates and lease extensions, especially amidst lower demand for space due to new workplace models. Depending on the economic development in the various markets, rents can come under pressure. In particular, this may make it necessary to accept rents that are lower than originally projected.

In the Hotels segment, Warimpex is exposed to the general risks inherent to the tourism industry such as economic fluctuations, political risks, increasing fear of terrorist attacks, and travel restrictions related to pandemics or due to changes in geopolitical circumstances. There is the risk that competitors may enter the Group's target markets, thereby increasing the number of beds available.

The Group is exposed to finance and currency risks, interest rate risks, market entry risks, and the risk of delays in the completion of construction work on real estate projects. In addition, there are risks of rent default which may impact both on the current cash flow and on property values.

The Group invests in real estate in a limited number of countries, and is therefore exposed to increased risk that local conditions such as an excess supply of properties can affect the development of business. Owing to its focus on property development and property holdings, the Group's performance is heavily dependent on the current situation in the real estate markets. Price declines in the real estate market could therefore affect the Group significantly and also influence real estate financing.

Real estate maintenance is a key aspect in the sustainable economic development of the Warimpex Group. Asset management staff therefore submit status reports to the Management Board at regular intervals together with projections for the optimum maintenance of the properties.

## **c) Capital market risk**

Refinancing on the capital market is of high strategic importance for Warimpex. To avoid risks of insufficient capital market compliance, Warimpex has enacted a compliance guideline that ensures adherence to the capital market regulations and that especially prevents the abuse or sharing of insider information. A permanent confidentiality area has been set up for all employees in Vienna, and temporary confidentiality areas are set up and waiting periods and trading prohibitions enacted on a project basis.

## **d) Legal risks**

As an internationally active company, Warimpex is exposed to a wide range of legal risks. These include risks related to the purchase and sale of properties and legal disputes with tenants or joint venture partners.

At the time that the financial statements were prepared, no material legal disputes were known

## e) Political risks

Along with operating and legal risks, the activities of Warimpex are subject to (geo)political risks, particularly with regard to the office properties and the hotel in St. Petersburg at the moment. As demonstrated by the developments in connection with the conflict in Ukraine and the sanctions imposed against Russia in response, legal and economic conditions can change drastically at very short notice due to unforeseeable geopolitical events. Such developments are very volatile, and the full scope of the microeconomic and macroeconomic effects is difficult to estimate. The Management Board is monitoring the developments very closely in order to be able to react swiftly and adapt its strategy as quickly as possible if necessary.

## f) Climate-related risks

Warimpex sees the sustainability of its properties as an important success factor and reinforces this with corresponding certifications for the majority of the property portfolio. In some cases, such certifications have already been issued and in other cases, the Company plans to pursue certification in the future. Nevertheless, the Company is exposed to climate-related risks.

Climate-friendly construction and the climate-friendly operation of office properties or hotels can lead to higher construction and operating costs. There is a risk that these costs will not be able to be passed on to the tenants or guests or that lower proceeds will be generated in the event of a sale.

In addition, there are risks in connection with the EU's Green Deal and the EU Taxonomy that is based on it, including the defined environmental targets. According to the EU Taxonomy, office properties are generally Taxonomy-eligible.

In this context, there is a risk that the requirements for Taxonomy alignment will be met to a lesser extent in the future due to older existing properties and/or new technical standards. This could make it more expensive and/or more difficult to secure loans. In addition, the demand for properties that are not Taxonomy-aligned may decline among buyers or tenants, thus leading to a decrease in the value of such properties.

Warimpex assesses climate-related risks on an ongoing basis, but does not expect any carrying amount adjustments to become necessary in this context in the next financial year

based on the fact that the majority of its economic activities are Taxonomy-eligible.

Only a few properties have the best certifications that are necessary to contribute to meeting the climate targets. In general, certifications are planned for all new developments with a minimum standard of LEED – Gold, BREEAM – Excellent, or DGNB – Gold, for example the Avior Tower that was completed in St. Petersburg in 2022 with LEED – Gold certification and Mogilska 35 Office that is under construction in Krakow, for which BREEAM – Excellent certification is planned.

There is a risk that property appraisers will apply a “brown discount” of up to one-third of the property value for properties that are not energy-efficient (i.e. unsustainable) in the future. In addition, there is a risk that the financing costs for properties that cause higher emissions will be higher and the rents lower.

## g) Risk and risk management related to financial instruments

Aside from derivative forms of financing, the most significant financial instruments used by the Group are current account and bank loans, bonds and convertible bonds, cash and cash equivalents, and short-term deposits. The main purpose of these financial instruments is to provide funds for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables which arise directly from its operations.

The Group also occasionally enters into derivatives transactions that are intended to minimise the Group's exposure to interest rate and currency risk. The Group's risk management policies provide for a risk-oriented relationship between fixed-rate and variable-rate financial liabilities. All significant financial transactions are subject to approval by the Management Board and, when required, also approval by the Supervisory Board.

Further information on financial risk management, in particular quantitative disclosures, can be found in the notes to the consolidated financial statements as at 31 December 2022 in section 8.2.

### 1. Interest rate risk

The risk of fluctuations in market interest rates (usually the three-month EURIBOR for bank loans) to which the Group is

exposed results primarily from its variable-rate long-term financial liabilities.

Interest rate hikes can impact the Group's result by causing higher interest expenses for existing variable-rate financing. In the case of variable-rate financing, a change in the interest rate has an immediate effect on the Company's financial result.

Warimpex limits the risk of rising interest rates that would lead to higher interest expenses and a worsening of the financial result in part through the arrangement of fixed-rate financing and in part through the use of derivative financial instruments (especially interest rate swaps). As at the reporting date, only around 19 per cent of the Group's interest-bearing financial liabilities were subject to variable interest rates, so interest rate risk should remain manageable for Warimpex.

## 2. Currency risk

Currency risk results primarily from financial liabilities denominated in currencies other than the functional currency. For Group companies that have the euro as their functional currency, this is primarily financial liabilities in a local or other foreign currency (such as PLN), or for foreign Group companies with the local currency as their functional currency, financial liabilities in a foreign currency (EUR). In recent years, all EUR loans of subsidiaries that have the rouble as their functional currency were gradually refinanced in local currency, so there were no longer any such EUR loans as at the reporting date, meaning that the associated currency risk has been eliminated.

There are no natural hedges, and the Group does not systematically use derivative financial instruments to hedge its exposure to foreign currency risk. When needed, cross currency swaps or currency forwards concluded for a maximum of one year in relation to specific future payments in foreign currencies are employed to hedge the currency risk.

## 3. Default risk

The amounts stated as assets on the face of the consolidated statement of financial position represent the maximum credit risk and default risk, since there are no general settlement agreements.

The default risk pertaining to trade receivables in the Investment Properties segment correlates to the creditworthiness of the tenants. Tenants' creditworthiness can deteriorate on a short- or medium-term basis, particularly during an economic downturn. In addition, the risk can emerge that a tenant will become insolvent or is otherwise incapable of meeting the payment obligations defined in the lease. The risk of rent default can be reduced further through targeted

monitoring and proactive measures (e.g. requiring collateral, assessing tenants' creditworthiness and reputation).

The default risk associated with trade receivables can be considered moderate in the Hotels segment because receivables are generally paid either in advance or immediately on site. Longer payment terms are generally only accepted for receivables from travel agencies.

The Group is in a position to influence the default risk on loans to joint ventures or associates through its involvement in the management of the respective companies, but there are still default risks arising from operational risks.

The default risk associated with cash and short-term deposits can be considered negligible since the Group only works with financial institutions which can demonstrate sound creditworthiness. The default risk for other receivables is relatively low, as attention is paid to working with contract partners that have good credit ratings. The Group recognises impairments where necessary.

Please also see section 8.2.3. in the notes to the consolidated financial statements as at 31 December 2022.

## 4. Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans for project financing. Refinancing on the capital market is also of high strategic importance for Warimpex.

Significant fluctuations on the capital markets can hamper the raising of equity and debt capital. To limit refinancing risk, Warimpex maintains a balanced combination of equity and debt capital and of different terms for bank and capital market financing.

Liquidity risks are also minimised through a medium-term 18-month plan, an annual budget planned in monthly blocks, and revolving monthly liquidity planning. Daily liquidity management ensures that all operational obligations are met and that cash is invested optimally. Free liquidity resulting from the sale of properties is primarily used to repay operating credit lines and to finance acquisitions and the development of new projects.

Warimpex continuously monitors budget compliance and progress for development projects and maintenance work to prevent cost overruns and an associated increased outflow of liquidity.

Please also see section 8.2.4. in the notes to the consolidated financial statements as at 31 December 2022.

#### **h) Reporting on key characteristics of the internal control system and the risk management system as relevant for the accounting process**

The Management Board bears overall responsibility for the Group's risk management system, while operational responsibility lies with the managers of the respective business units.

This makes the internal reports that are submitted to Group headquarters particularly important in ensuring that risks are recognised at an early stage so that suitable countermeasures can be taken. To this end, the operating units submit weekly and monthly reports to the Management Board with all necessary information.

The internal reports that are prepared by the subsidiaries are subjected to plausibility reviews at the Group headquarters and are compared with the planning calculations to ensure that suitable countermeasures can be taken in the event of deviations. To this end, the companies are required to submit annual budgets and medium-term plans, which must be approved by the Management Board.

The correctness of the accounts at the subsidiaries is monitored by the local management as well as by the Group holding company, particularly on the basis of the input from and the reporting to the Group accounting department. This is intended to prevent risks that lead to incomplete or erroneous financial reporting.

In addition to the measures taken under the internal control system, the annual financial statements of all operational property companies are also reviewed by external financial auditors, so the consolidated financial statements are largely based on audited local figures.

The risk management system is primarily monitored by the Management Board, and compliance with the prescribed risk management targets and methods in the preparation of quarterly and annual financial statements is ensured by the following units and individuals:

- Management Board, especially the Chief Financial Officer
- Group accounting department
- Audit Committee (for annual and consolidated financial statements)

The current development of business and foreseeable opportunities and risks are discussed at regular meetings between the Management Board and local managers.

Quarterly financial statements are prepared by the Group accounting department in orientation towards IAS 34, Interim Financial Reporting, reviewed by the Chief Financial Officer, and then approved for publication by the Management Board. The annual financial statements and consolidated annual financial statements are studied by the Supervisory Board and by the Audit Committee before they are published.

## *Events after the Reporting Date*

There are no significant events after the reporting date.

## *Outlook*

The following development projects are currently under construction or development:

- Mogilska 35 Office with roughly 11,900 square metres of space, Krakow (under construction)
- MC 55 office building in Białystok with roughly 38,500 square metres of space (currently being planned, building permit issued)
- Chopin office building with roughly 21,200 square metres of space, Krakow (currently being planned, building permit issued)
- West Yard 29 office building in Darmstadt with roughly 13,800 square metres of space (currently being planned)

Our operational focus continues to be on making preparations for construction and obtaining building permits for our development projects as well as continuing ongoing construction. Mogilska 35 Office in Krakow, which was still under construction as at 30 June 2023, is nearing completion.

Since the beginning of the conflict in Ukraine, management has continuously focused on the related geopolitical developments. The Management Board is monitoring the economic and legal developments in Russia very closely in coordination with the Supervisory Board in order to be able to react quickly to current events if necessary. At present, it is possible to continue the operational activities (letting of office properties and operation of a hotel) in Russia without significant restrictions; new projects are not planned at this time.

The Group owns properties in St. Petersburg (one hotel, three office properties, one multi-use building) with a value of roughly EUR 169 million, which make up roughly 43 per cent of its property assets. The office properties are fully occupied. The revenue attributable to Russia in the first half of 2023 came to EUR 16.7 million. As at the reporting date, there are bank deposits of Russian subsidiaries equivalent to EUR 7.5

million that the Group can only access to a limited extent due to the applicable restrictions on the movement of capital, as there are monthly limits per company for transfers from Russia to the EU. Other financial effects on the consolidated financial statements due to the investments in Russia (see also section 3.4.1. in the notes to the consolidated financial statements as at 31 December 2022 as well as section 2.2 in the consolidated interim financial statements) are possible depending on the duration of the conflict, but cannot be reliably estimated at present. Warimpex expects the development of the rouble exchange rate to remain volatile.

The increase in the cost of project financing resulting from the inflation trend and the higher key rates as well as the rise in yields for properties, which in turn could lead to lower property values, are still key topics in the real estate industry in 2023. As at the reporting date, only around 19 per cent of the Group's interest-bearing financial liabilities were subject to variable interest rates, so interest rate risk should remain manageable for Warimpex.

Based on the budget figures for the current financial year, the Group expects positive development of its operational activities in the second half of the year. Market conditions are expected to remain challenging due to the conflict in Ukraine and the higher prices and interest rates, but Warimpex is optimally prepared to meet these challenges with its experienced and crisis-tested team.

In addition, the topic of sustainability is becoming an increasingly important focus. Sustainability has long since become more than a peripheral topic and now shapes the thinking and actions of the majority of the population. Sustainability and climate protection are gaining even more significance due to the initial application of the EU Taxonomy, which is aimed at promoting environmentally sustainable economic activities. Throughout the Group, the goal is to



confirm the implementation of sustainability concepts at our properties by obtaining appropriate certifications for our property portfolio. Several of our properties have already been classified as Taxonomy-aligned and thus as environmentally sustainable. This course will be continued in the future.

Vienna, 29 August 2023



**Franz Jurkowitsch**  
Chairman  
of the Management Board



**Daniel Folian**  
Deputy Chairman  
of the Management Board



**Alexander Jurkowitsch**  
Member of the  
Management Board



**Florian Petrowsky**  
Member of the  
Management Board

# *Condensed Consolidated Interim Financial Statements*

AS AT 30 JUNE 2023

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**Ogrodowa 8 Office**  
Łódź, PL

# Condensed Consolidated Income Statement

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2023 – UNAUDITED

in EUR '000	Note	1–6/2023	4–6/2023	1–6/2022	4–6/2022
Investment Properties revenues		19,415	9,397	14,691	8,169
Hotels revenues		5,914	3,490	3,826	2,664
Development and Services revenues		929	425	1,585	745
<b>Revenues</b>	6.1.	<b>26,258</b>	<b>13,312</b>	<b>20,101</b>	<b>11,578</b>
Expenses from the operation of investment properties		(3,582)	(1,834)	(2,816)	(1,648)
Expenses from the operation of hotels		(4,640)	(2,488)	(2,967)	(1,586)
Expenses directly attributable to development and services		(783)	(440)	(1,424)	(697)
<b>Expenses directly attributable to revenues</b>		<b>(9,004)</b>	<b>(4,763)</b>	<b>(7,207)</b>	<b>(3,931)</b>
<b>Gross income from revenues</b>		<b>17,254</b>	<b>8,549</b>	<b>12,895</b>	<b>7,648</b>
<b>Gains or losses from the disposal of properties</b>	5	–	–	<b>2,821</b>	<b>2,821</b>
<b>Other operating income</b>		<b>157</b>	<b>106</b>	<b>1,262</b>	<b>1,245</b>
<b>Administrative expenses</b>	6.2.	<b>(5,441)</b>	<b>(2,741)</b>	<b>(5,060)</b>	<b>(2,845)</b>
<b>Other expenses</b>	6.3.	<b>(706)</b>	<b>(248)</b>	<b>(1,178)</b>	<b>(1,040)</b>
<b>Earnings before interest, taxes, depreciation, amortisation, and remeasurement (EBITDA)</b>		<b>11,264</b>	<b>5,666</b>	<b>10,741</b>	<b>7,829</b>
Scheduled depreciation and amortisation on property, plant, and equipment and intangible assets		(935)	(470)	(1,086)	(717)
Scheduled depreciation on right-of-use assets		(174)	(90)	(203)	(104)
Impairment of property, plant, and equipment		(152)	(152)	(26)	(26)
Reversals of impairment on property, plant, and equipment		1,931	1,749	–	(140)
Gains/losses on remeasurement of investment property		(5,496)	(5,540)	7,307	11,152
<b>Depreciation, amortisation, and remeasurement</b>	6.4.	<b>(4,825)</b>	<b>(4,502)</b>	<b>5,993</b>	<b>10,165</b>
<b>Earnings before interest and taxes (EBIT)</b>		<b>6,440</b>	<b>1,163</b>	<b>16,733</b>	<b>17,995</b>
Interest revenue		287	151	275	159
Other finance income		–	–	–	(761)
Finance expenses	6.5.	(6,868)	(3,341)	(5,511)	(3,200)
Changes in foreign exchange rates		1,361	1,182	5,858	7,276
Result from joint ventures (equity method) after taxes	7.3.	11	16	325	327
<b>Financial result</b>		<b>(5,208)</b>	<b>(1,992)</b>	<b>947</b>	<b>3,801</b>
<b>Earnings before taxes</b>		<b>1,231</b>	<b>(828)</b>	<b>17,681</b>	<b>21,796</b>
Current income taxes		(783)	(454)	(290)	(141)
Deferred income taxes		(235)	146	(3,970)	(4,047)
<b>Taxes</b>		<b>(1,018)</b>	<b>(308)</b>	<b>(4,260)</b>	<b>(4,187)</b>
<b>Profit or loss for the period</b>		<b>214</b>	<b>(1,137)</b>	<b>13,421</b>	<b>17,609</b>
thereof profit or loss of non-controlling interests		2	(22)	11	(1)
<b>thereof profit or loss of shareholders of the parent</b>		<b>212</b>	<b>(1,114)</b>	<b>13,410</b>	<b>17,610</b>
<b>Earnings per share:</b>					
Undiluted earnings per share in EUR		0.00	-0.02	0.26	0.34
Diluted earnings per share in EUR		0.00	-0.02	0.26	0.34

# Condensed Consolidated Statement of Comprehensive Income

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2023 – UNAUDITED

in EUR '000	Note	1–6/2023	4–6/2023	1–6/2022	4–6/2022
<b>Profit or loss for the period</b>		<b>214</b>	<b>(1,137)</b>	<b>13,421</b>	<b>17,609</b>
Foreign exchange differences		(24,002)	(12,060)	40,157	48,460
<i>thereof reclassified to the income statement</i>		129	129	–	–
(Deferred) taxes in other comprehensive income	6.6.	2,475	1,304	(1,628)	(1,743)
<b>Other comprehensive income (reclassified to profit or loss in subsequent periods)</b>		<b>(21,527)</b>	<b>(10,756)</b>	<b>38,529</b>	<b>46,718</b>
Gains/losses from financial assets measured at fair value through other comprehensive income		110	53	61	22
(Deferred) taxes in other comprehensive income	6.6.	–	–	(15)	(15)
<b>Other comprehensive income (not reclassified to profit or loss in subsequent periods)</b>		<b>110</b>	<b>53</b>	<b>46</b>	<b>7</b>
<b>Other comprehensive income</b>		<b>(21,417)</b>	<b>(10,703)</b>	<b>38,575</b>	<b>46,724</b>
<b>Total comprehensive income for the period</b>		<b>(21,204)</b>	<b>(11,839)</b>	<b>51,996</b>	<b>64,333</b>
thereof profit or loss of non-controlling interests		17	(9)	7	(2)
<b>thereof profit or loss of shareholders of the parent</b>		<b>(21,220)</b>	<b>(11,830)</b>	<b>51,989</b>	<b>64,335</b>

# Condensed Consolidated Statement of Financial Position

AS AT 30 JUNE 2023 – UNAUDITED

in EUR '000	Note	30/6/2023	31/12/2022	30/6/2022
<b>ASSETS</b>				
Investment properties	7.1.	355,461	388,463	406,751
Property, plant, and equipment	7.2.	33,887	36,408	46,587
Other intangible assets		33	47	62
Net investments in joint ventures (equity method)	7.3.	25	410	418
Financial assets measured at fair value through other comprehensive income		5,331	5,221	5,565
Derivative financial instruments		–	85	666
Other assets		1,448	1,782	2,573
Deferred tax assets		1,188	1,666	1,120
<b>Non-current assets</b>		<b>397,373</b>	<b>434,081</b>	<b>463,742</b>
Inventories		204	189	230
Trade and other receivables	7.4.	5,762	4,873	8,876
Derivative financial instruments		23	–	–
Cash and cash equivalents		12,712	15,924	22,208
<b>Current assets</b>		<b>18,701</b>	<b>20,986</b>	<b>31,314</b>
<b>TOTAL ASSETS</b>		<b>416,074</b>	<b>455,068</b>	<b>495,055</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital		54,000	54,000	54,000
Retained earnings	7.5.	128,981	128,659	99,559
Treasury shares		(2,991)	(2,991)	(2,991)
Other reserves		(31,046)	(9,505)	26,033
<b>Equity attributable to shareholders of the parent</b>		<b>148,944</b>	<b>170,164</b>	<b>176,601</b>
Non-controlling interests		142	125	111
<b>Equity</b>		<b>149,085</b>	<b>170,289</b>	<b>176,713</b>
Bonds	7.5.	10,858	10,785	11,660
Other financial liabilities	7.5.	190,738	203,630	233,551
Lease liabilities	7.5.	1,682	1,737	1,895
Other liabilities		10,912	8,408	8,719
Provisions		2,402	2,344	2,605
Deferred tax liabilities		17,114	19,831	17,249
Deferred income		29	41	64
<b>Non-current liabilities</b>		<b>233,736</b>	<b>246,775</b>	<b>275,745</b>
Bonds	7.5.	1,966	1,842	1,907
Other financial liabilities	7.5.	20,204	26,577	27,384
Derivative financial instruments		–	–	41
Lease liabilities	7.5.	527	400	373
Trade and other payables		10,484	9,048	10,565
Provisions		10	98	2,304
Income tax liabilities		39	17	–
Deferred income		23	23	23
<b>Current liabilities</b>		<b>33,253</b>	<b>38,004</b>	<b>42,598</b>
<b>Liabilities</b>		<b>266,989</b>	<b>284,779</b>	<b>318,343</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>416,074</b>	<b>455,068</b>	<b>495,055</b>

# Condensed Consolidated Statement of Cash Flows

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2023 – UNAUDITED

in EUR '000	Note	1–6/2023	4–6/2023	1–6/2022	4–6/2022
<b>Cash receipts</b>					
from letting and hotel operations		31,887	14,226	20,826	12,111
from real estate development projects and other		837	440	1,375	1,165
from interest income		155	59	195	119
<b>Cash receipts from operating activities</b>		<b>32,879</b>	<b>14,725</b>	<b>22,397</b>	<b>13,395</b>
<b>Cash payments</b>					
for real estate development projects		(267)	(110)	(119)	(64)
for materials and services received		(8,055)	(4,541)	(7,066)	(4,283)
for personnel expenses		(5,158)	(2,435)	(4,436)	(2,480)
for other administrative expenses		(2,140)	(657)	(3,835)	(2,284)
for income taxes		(695)	(620)	(618)	(170)
<b>Cash payments for operating activities</b>		<b>(16,314)</b>	<b>(8,362)</b>	<b>(16,073)</b>	<b>(9,282)</b>
<b>Net cash flows from operating activities</b>		<b>16,565</b>	<b>6,362</b>	<b>6,324</b>	<b>4,114</b>
<b>Cash receipts from investing activities</b>					
the sale of disposal groups and property	5	–	–	12,518	12,518
less outflow of cash and cash equivalents from disposal groups sold	5	–	–	(366)	(366)
purchase price payments from sales in previous periods		125	–	125	–
the sale of property, plant, and equipment		–	–	70	46
other financial assets		2	2	–	–
returns on joint ventures		396	396	322	72
<b>Cash receipts from investing activities</b>		<b>523</b>	<b>398</b>	<b>12,668</b>	<b>12,270</b>
<b>Cash payments for investing activities</b>					
investments in investment property		(8,389)	(5,336)	(13,856)	(10,451)
investments in property, plant, and equipment		(684)	(471)	(748)	(496)
other financial assets		(1,013)	(988)	(69)	3
<b>Cash payments for investing activities</b>		<b>(10,086)</b>	<b>(6,795)</b>	<b>(14,673)</b>	<b>(10,943)</b>
<b>Net cash flows for investing activities</b>		<b>(9,563)</b>	<b>(6,397)</b>	<b>(2,005)</b>	<b>1,326</b>
<b>Cash flows from financing activities</b>					
Cash received from the issue of bonds		–	–	13,424	13,424
Payments received from loans and borrowing		9,421	4,561	11,501	4,648
Repayment of loans and borrowing		(10,748)	(2,445)	(16,304)	(11,982)
Payments of lease liabilities		(107)	8	(109)	(56)
Paid interest (for loans and borrowing)		(6,645)	(3,590)	(4,862)	(2,896)
Paid interest (for bonds)		(243)	(243)	–	–
Paid financing expenses		(103)	(52)	(959)	(847)
<b>Net cash flows from financing activities</b>		<b>(8,425)</b>	<b>(1,762)</b>	<b>2,692</b>	<b>2,291</b>
<b>Net change in cash and cash equivalents</b>		<b>(1,424)</b>	<b>(1,796)</b>	<b>7,011</b>	<b>7,731</b>
<b>Foreign exchange rate changes</b>					
Foreign exchange rate changes in cash and cash equivalents		50	43	(30)	(22)
Foreign exchange rate changes from other comprehensive income		(1,838)	(879)	4,035	4,834
Cash and cash equivalents at the beginning of the period		15,924	15,344	11,192	9,665
<b>Cash and cash equivalents as at 30 June</b>		<b>12,712</b>	<b>12,712</b>	<b>22,208</b>	<b>22,208</b>
<b>Cash and cash equivalents at the end of the period consist of:</b>					
Cash and cash equivalents of the Group		<b>12,712</b>	<b>12,712</b>	<b>22,208</b>	<b>22,208</b>

# Condensed Consolidated Statement of Changes in Equity

AS AT 30 JUNE 2023 – UNAUDITED

in EUR '000	Equity attributable to shareholders of the parent					Non-controlling interests	Total equity
	Share capital	Retained earnings	Treasury shares	Other reserves	Total		
<b>As at 1 January 2022</b>	<b>54,000</b>	<b>86,103</b>	<b>(2,991)</b>	<b>(12,500)</b>	<b>124,612</b>	<b>105</b>	<b>124,717</b>
Total comprehensive income for the period	–	13,456	–	38,533	<b>51,989</b>	7	<b>51,996</b>
<i>thereof profit or loss for the period</i>	–	13,410	–	–	<b>13,410</b>	11	<b>13,421</b>
<i>thereof other comprehensive income</i>	–	46	–	38,533	<b>38,579</b>	(4)	<b>38,575</b>
<b>As at 30 June 2022</b>	<b>54,000</b>	<b>99,559</b>	<b>(2,991)</b>	<b>26,033</b>	<b>176,601</b>	<b>111</b>	<b>176,713</b>
<b>As at 1 January 2023</b>	<b>54,000</b>	<b>128,659</b>	<b>(2,991)</b>	<b>(9,505)</b>	<b>170,164</b>	<b>125</b>	<b>170,289</b>
Total comprehensive income for the period	–	322	–	(21,542)	<b>(21,220)</b>	17	<b>(21,204)</b>
<i>thereof profit or loss for the period</i>	–	212	–	–	<b>212</b>	2	<b>214</b>
<i>thereof other comprehensive income</i>	–	110	–	(21,542)	<b>(21,432)</b>	15	<b>(21,417)</b>
<b>As at 30 June 2023</b>	<b>54,000</b>	<b>128,981</b>	<b>(2,991)</b>	<b>(31,046)</b>	<b>148,944</b>	<b>142</b>	<b>149,085</b>

# Notes to the Condensed Consolidated Interim Financial Statements

FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2023 – UNAUDITED

## [01] Corporate Information

Warimpex Finanz- und Beteiligungs AG (“the Company” or “Warimpex”) is registered with the Commercial Court of Vienna under the number FN 78485w. The Company’s registered address is Floridsdorfer Hauptstrasse 1, A-1210 Vienna, Austria.

The condensed consolidated interim financial statements of Warimpex Finanz- und Beteiligungs AG as at 30 June 2023 were released for publication by the Management Board of Warimpex Finanz- und Beteiligungs AG on 29 August 2023.

## [02] Basis for preparation of the interim financial statements and accounting policies

### 2.1. General

The consolidated interim financial statements for the period ended 30 June 2023 were prepared in accordance with IAS 34. Interim financial statements do not contain all information and notes included in annual financial statements; they should therefore be read in conjunction with the consolidated financial statements as at 31 December 2022.

The consolidated interim financial statements as at 30 June 2023 were not audited and were not reviewed by an independent financial auditor.

The accounting policies and measurement methods applied in preparing the consolidated interim financial statements as at 30 June 2023 have not changed compared with the consolidated financial statements as at 31 December 2022.

By their very nature, consolidated interim financial statements are based on estimates to a greater extent than consolidated annual financial statements. In addition to the principal estimation uncertainties identified in the consolidated annual financial statements, the interim financial statements are affected by estimation uncertainties resulting from the timing of asset impairments or reversals.

### 2.2. Impact of the conflict in Ukraine

In February 2022, Russian troops invaded Ukraine, thus starting an armed conflict that has resulted in significant economic upheavals due to the international sanctions imposed against Russia as well as the reactions in Russia and will most likely continue to have an impact for some time. The rouble continuously depreciated against the euro in the first half of 2023. As at 30 June 2023, the exchange rate was 95.1052 RUB

per EUR, compared to 53.858 as at 30 June 2022 and 75.6553 as at 31 December 2022. The key interest rate in Russia, which had temporarily been raised to 20 per cent in 2022, remained constant at 7.5 per cent in the first half of 2023 and was increased to 8.5 per cent in July 2023. In August 2023, the key rate saw another substantial hike to 12 per cent following the further depreciation of the rouble.

The Group owns properties in St. Petersburg (one hotel, three office properties, and one multi-use building) with a value of roughly EUR 168,682 thousand (31 December 2022: roughly EUR 209,156 thousand). These properties are fully occupied and make up roughly 43 per cent of the Group’s property assets as at 30 June 2023 (31 December 2022: roughly 49 per cent), largely due to the weakness of the rouble as at the reporting date. The financing for these properties was arranged through Russian banks and is entirely denominated in roubles. Fixed interest rates or interest rate ceilings are defined in the credit agreements. Warimpex is represented in St. Petersburg by local employees working at local subsidiaries that manage the business operations in the country independent of Warimpex. Apart from capital injections completed in the past and liabilities for loans secured by mortgages, there are no financial links or ongoing business relationships between the Russian subsidiaries and the Group parent company or other Group companies. New developments that were originally planned in St. Petersburg are not being pursued further at this time. As at 30 June 2023, there were bank deposits of Russian subsidiaries equivalent to EUR 7,537 thousand (31 December 2022: EUR 5,726 thousand) that the Group can only access to a limited extent due to the applicable restrictions on the movement of capital, as there are monthly limits per company for transfers from Russia to the EU. The Management Board is monitoring the economic and legal developments in Russia very closely in coordination with the Supervisory Board in order to be able to react quickly to current events if necessary.

At present, it is possible to continue the operational activities in Russia without significant restrictions. The revenue attributable to Russia in the first half of 2023 came to EUR 16,672 thousand (H1 2022: EUR 12,161 thousand). Russian hotel revenues increased by roughly 12 per cent versus the prior-year period despite the withdrawal of the former hotel manager, InterContinental Group (IHG), in July 2022. In addition, measurement gains from Russian properties in the amount of roughly EUR 502 thousand (H1 2022: EUR 3,090 thousand) and net impairment reversals in the amount of EUR 1,780 thousand (H1 2022: none) were recognised in the first half of 2023. Atypical financial effects on the consolidated financial statements are possible in future depending on the



duration of the conflict and the sanction regime, but still cannot be reliably estimated.

### 2.3. Impact of the COVID-19 pandemic

The COVID-19 pandemic did not have any discernible impact on the Group in the first half of 2023. The COVID-19 pandemic has no longer been classified as an international health emergency according to the World Health Organization (WHO) since May 2023.

The Group received coronavirus aid from the government in the first half of 2022. These aid measures primarily consisted of assistance from the interim aid package for the Greet hotel in Darmstadt as well as short-time work aid and property tax reductions.

	1–6/2022	Thereof interim aid 1–3/2022
<b>Overview of coronavirus aid:</b>		
Expenses from the operation of hotels	184	75
Other operating income	101	77
Administrative expenses	91	73
Other expenses	21	18
Finance expenses	41	29
	<b>437</b>	<b>271</b>

As at 31 December 2022, there were still receivables related to coronavirus aid measures in the amount of EUR 348 thousand, which were received in the first half of 2023.

### [03] Seasonal fluctuations in earnings

The rental of office properties is not subject to seasonal earnings fluctuations. Owing to seasonal fluctuations in tourism, in particular city tourism, earnings contributions in the Hotels segment are generally higher in the second half of the year. By contrast, no determinable pattern can be identified with regard to contributions from the sale of properties, subsidiaries, or business combinations.

### [04] Information on the business segments

The operations of Warimpex Group are divided into three business segments: Investment Properties, Hotels, and Development and Services. The individual segments are identified on the basis of their different products and services. Individual hotels and individual managed properties also represent individual business segments based on the Group's reporting structure and are consolidated under the Hotels and Investment Properties segments as appropriate in accordance with IFRS 8.12.

## CONDENSED CONSOLIDATED SEGMENT INFORMATION

Transactions between business segments contain the recharging of intragroup services and project development services at arm's length terms. The segment information includes information on the income and results of the Group's business segments for the period from 1 January to 30 June 2023.

in EUR '000	Investment Properties		Hotels		Development & Services		Segment total 1 January – 30 June	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>SEGMENT OVERVIEW – PROFIT OR LOSS FOR THE PERIOD</b>								
External revenues	19,415	14,691	5,914	3,826	929	1,585	<b>26,258</b>	20,101
Intragroup services	–	–	–	–	1,212	620	<b>1,212</b>	620
Expenses directly attributable to revenues	(3,582)	(2,816)	(4,640)	(2,967)	(783)	(1,424)	<b>(9,004)</b>	(7,207)
<b>Gross income from revenues</b>	<b>15,834</b>	<b>11,875</b>	<b>1,274</b>	<b>859</b>	<b>1,358</b>	<b>782</b>	<b>18,466</b>	<b>13,515</b>
Gains or losses from the disposal of properties	–	–	–	–	–	2,821	–	2,821
Other operating income	69	163	64	701	24	398	<b>157</b>	1,262
Expenses for development projects	–	–	–	(15)	(139)	(101)	<b>(139)</b>	(116)
Personnel expenses	(589)	(184)	–	(8)	(3,208)	(2,707)	<b>(3,797)</b>	(2,899)
Other/miscellaneous expenses	785	(3,801)	(162)	(213)	(2,835)	792	<b>(2,211)</b>	(3,222)
Intragroup services	(1,212)	(620)	–	–	–	–	<b>(1,212)</b>	(620)
<b>Segment EBITDA</b>	<b>14,887</b>	<b>7,432</b>	<b>1,177</b>	<b>1,324</b>	<b>(4,800)</b>	<b>1,985</b>	<b>11,264</b>	<b>10,741</b>
Scheduled depreciation and amortisation on property, plant, and equipment and intangible assets	(142)	(55)	(746)	(900)	(47)	(131)	<b>(935)</b>	(1,086)
Scheduled depreciation on right-of-use assets	(22)	(37)	–	–	(152)	(166)	<b>(174)</b>	(203)
Impairment of property, plant, and equipment	–	–	(152)	(26)	–	–	<b>(152)</b>	(26)
Impairment reversals	–	–	1,931	–	–	–	<b>1,931</b>	–
Measurement gains	2,068	11,430	–	–	692	7,345	<b>2,760</b>	18,775
Measurement losses	(4,695)	(9,610)	–	–	(3,561)	(1,858)	<b>(8,256)</b>	(11,468)
<b>Segment EBIT</b>	<b>12,097</b>	<b>9,160</b>	<b>2,211</b>	<b>398</b>	<b>(7,868)</b>	<b>7,175</b>	<b>6,440</b>	<b>16,733</b>
Finance income	170	91	–	–	117	184	<b>287</b>	275
Finance expenses	(5,007)	(3,875)	(736)	(387)	(1,124)	(1,248)	<b>(6,868)</b>	(5,511)
Changes in foreign exchange rates	308	–	–	5,858	1,053	–	<b>1,361</b>	5,858
Earnings from joint ventures	–	–	–	–	11	325	<b>11</b>	325
Current income taxes	(646)	(300)	(28)	–	(109)	10	<b>(783)</b>	(290)
Deferred income taxes	(328)	(1,941)	127	13	(34)	(2,043)	<b>(235)</b>	(3,970)
<b>Segment overview – profit or loss for the period</b>	<b>6,594</b>	<b>3,135</b>	<b>1,574</b>	<b>5,883</b>	<b>(7,954)</b>	<b>4,403</b>	<b>214</b>	<b>13,421</b>

## [05] Property sales and changes in the scope of consolidation

### 5.1. Changes in the scope of consolidation

An ancillary company in Poland was liquidated in the first half of 2023.

The sale of B52 Office in Budapest (share deal, see section 5.2.) in June 2022 resulted in corresponding carrying amount disposals in the Group in the first half of 2022. The Group also acquired a new ancillary company in Czechia in the first half of 2022 in connection with the financing of the Red Tower office property in Łódź that was purchased in June 2022.

### 5.2. Property sales

There were no property sales during the reporting period. The stake in Hamzsa-Office Kft., the owner and lessor of B52 Office in Budapest, was sold under a share deal in the first half of 2022.

Effects of property/interest sales on the consolidated financial statements as at 30 June 2022:

Consolidated statement of financial position:	Assets	30/6/2022 Equity and liabilities
Payments for the purchase of equity interests	(9,949)	–
Other receivables	(15)	–
Payments for the repayment of loans and borrowing	(366)	–
Deferred tax liabilities	–	252
Other non-current liabilities (discharged shareholder loans)	–	3,500
Other current liabilities	–	29
	<b>(10,330)</b>	<b>3,781</b>
<b>Carrying amount of the disposed net assets</b>	<b>(6,549)</b>	

Consolidated income statement:	1–6/2022
Agreed (net) purchase price for the property/interests	9,427
Carrying amount of the proportionate net assets of the sold property/interests	(6,549)
Directly allocable expenses in connection with the sale of interests and properties	(58)
<b>Net result from the sale</b>	<b>2,821</b>

Consolidated cash flow:	
Agreed (net) purchase price for the property/interests	9,427
Purchase price for discharge of shareholder loans	3,500
less directly allocable expenses in connection with the sale of interests and properties	(58)
less open purchase price claim	(352)
	<b>12,518</b>
less outflow of cash and cash equivalents	(366)
<b>Cash flow</b>	<b>12,151</b>

## [06] Notes to the consolidated income statement

### 6.1. Revenues

The following table breaks revenues down into revenues according to IFRS 15 and other revenues:

	1 January to 30 June 2022			Total
	Investment Properties	Hotels	Development and Services	
Geographical composition:				
Russia	1,083	2,550	4	3,638
Poland	648	–	1,549	2,198
Germany	–	1,023	–	1,023
Hungary	224	–	22	246
Austria	–	–	9	9
Revenues according to IFRS 15	<b>1,955</b>	<b>3,573</b>	<b>1,585</b>	<b>7,114</b>
Russia	8,522	–	–	8,522
Poland	2,962	–	–	2,962
Germany	–	252	–	252
Hungary	1,251	–	–	1,251
Revenues according to IFRS 16 (rental revenue)	<b>12,736</b>	<b>252</b>	–	<b>12,988</b>
Total revenues	<b>14,691</b>	<b>3,826</b>	<b>1,585</b>	<b>20,101</b>

	1 January to 30 June 2023			Total
	Investment Properties	Hotels	Development and Services	
Geographical composition:				
Russia	2,092	2,867	8	4,967
Poland	753	–	887	1,641
Germany	–	2,408	–	2,408
Hungary	127	–	24	152
Austria	–	–	10	10
Revenues according to IFRS 15	<b>2,973</b>	<b>5,275</b>	<b>929</b>	<b>9,177</b>
Russia	11,706	–	–	11,706
Poland	3,836	–	–	3,836
Germany	–	639	–	639
Hungary	901	–	–	901
Revenues according to IFRS 16 (rental revenue)	<b>16,443</b>	<b>639</b>	–	<b>17,082</b>
Total revenues	<b>19,415</b>	<b>5,914</b>	<b>929</b>	<b>26,258</b>

**6.2. Administrative expenses**

	1 January to 30 June	
	2023	2022

## Composition:

Other personnel expenses	(3,797)	(2,899)
Other administrative expenses	(1,645)	(2,160)
	<b>(5,441)</b>	<b>(5,060)</b>

**6.3. Other expenses**

The other expenses include lease expenses for short-term leases in the amount of EUR 7 thousand and for low-value leased assets in the amount of EUR 14 thousand.

**6.4. Depreciation, amortisation, and remeasurement**

	1 January to 30 June	
	2023	2022

## Composition:

Scheduled depreciation and amortisation on property, plant, and equipment	(935)	(1,086)
Scheduled depreciation on right-of-use assets	(174)	(203)
Impairment of property, plant, and equipment	(152)	(26)
Reversals of impairment on property, plant, and equipment	1,931	–
Measurement gains (from investment properties)	2,760	18,775
Measurement losses (from investment properties)	(8,256)	(11,468)
	<b>(4,825)</b>	<b>5,993</b>

The reversal of impairment on property, plant, and equipment is the result of the measurement of the Airportcity Plaza hotel.

The measurement gains in the Investment Properties segment pertain above all to the Jupiter office property in St. Petersburg and Red Tower office property in Łódź due to rising rental revenue. In the Development and Services segment, measurement gains were posted primarily for the Mogilska Phase IV development project due to the progress made on the project.

The measurement losses occurred in the Investment Properties and Development and Services segments in all markets (Russia, Poland, Germany, and Hungary) due to higher discount rates and lower expected rental revenue.

**6.5. Finance expenses**

	1 January to 30 June	
	2023	2022

## Composition:

Interest on short-term borrowings, project loans, and other loans	(6,163)	(4,564)
Coronavirus aid for interest expenses	–	41
Interest on bonds	(318)	(56)
Interest on loans from minority shareholders	(9)	(4)
Interest on lease liabilities	(43)	(37)
Other finance expenses	(283)	(205)
Unrealised losses on derivative financial instruments	(51)	(685)
	<b>(6,868)</b>	<b>(5,511)</b>

**6.6. Income taxes in other comprehensive income**

	1 January to 30 June	
	2023	2022

## The income taxes in other comprehensive income consist of:

Foreign exchange differences	2,475	(1,628)
Taxes on other comprehensive income (reclassified to profit or loss in subsequent periods)	<b>2,475</b>	<b>(1,628)</b>
Gains/losses from financial assets measured at fair value through other comprehensive income	–	(15)
Taxes on other comprehensive income (not reclassified to profit or loss in subsequent periods)	–	<b>(15)</b>
<b>Total income taxes in other comprehensive income</b>	<b>2,475</b>	<b>(1,643)</b>

**[07] Notes to the statement of financial position****7.1. Investment properties**

	Developed properties	Development properties	Reserve properties	Total
<b>Changes in 2022:</b>				
Carrying amounts at 1 January	257,555	48,729	18,313	324,596
Changes in the scope of consolidation	(9,949)	–	–	(9,949)
Additions/investments	6,590	6,401	52	13,042
Capitalised borrowing costs	–	723	–	723
Reclassification	–	(1,227)	1,227	–
Disposals	(375)	–	–	(375)
Net measurement result	2,805	2,001	3,363	8,170
Exchange adjustments	51,830	15,892	2,820	70,543
<b>Carrying amounts at 30 June</b>	<b>308,457</b>	<b>72,518</b>	<b>25,775</b>	<b>406,751</b>
<b>Changes in 2023:</b>				
Carrying amounts at 1 January	336,835	30,128	21,500	388,463
Additions/investments	882	7,195	589	8,666
Capitalised borrowing costs	–	442	–	442
Disposals	(252)	–	–	(252)
Net measurement result	(2,627)	(2,976)	107	(5,496)
Exchange adjustments	(36,561)	1,595	(1,397)	(36,363)
<b>Carrying amounts at 30 June</b>	<b>298,277</b>	<b>36,385</b>	<b>20,799</b>	<b>355,461</b>

The additions to the development properties primarily pertain to the construction progress on Mogilska 35 Office in Krakow, while the investments in developed properties mainly relate to tenant adaptations. The changes in the scope of consolidation in the prior year resulted from the sale of B52 Office in Budapest (see section 5.2.). The investments in the prior-year period pertained to the acquisition of the Red Tower in Łódź as a developed property and the construction progress on Avior Tower in St. Petersburg and Mogilska 35 Office in Krakow.

**7.2. Property, plant, and equipment**

	Hotels	Right-of-use assets	Other property, plant, and equipment	Total
<b>Changes in 2022:</b>				
Carrying amounts at 1 January	33,276	1,128	2,186	36,590
Additions	520	50	147	718
Disposals	(67)	–	–	(67)
Scheduled depreciation and amortisation	(896)	(193)	(182)	(1,270)
Impairment charges	(19)	–	–	(19)
Exchange adjustments	10,503	22	111	10,635
<b>Carrying amounts at 30 June</b>	<b>43,318</b>	<b>1,008</b>	<b>2,262</b>	<b>46,587</b>
<b>Composition as at 30/6/2022:</b>				
Acquisition or production cost	76,644	1,198	3,535	81,376
Cumulated write-downs	(33,326)	(190)	(1,273)	(34,789)
	<b>43,318</b>	<b>1,008</b>	<b>2,262</b>	<b>46,587</b>
<b>Changes in 2023:</b>				
Carrying amounts at 1 January	33,362	896	2,149	36,408
Additions	291	185	381	857
Disposals	(7)	–	–	(7)
Scheduled depreciation and amortisation	(743)	(164)	(188)	(1,095)
Impairment charges	(152)	–	–	(152)
Impairment reversals	1,931	–	–	1,931
Exchange adjustments	(4,142)	6	81	(4,056)
<b>Carrying amounts at 30 June</b>	<b>30,541</b>	<b>923</b>	<b>2,423</b>	<b>33,887</b>
<b>Composition as at 30/6/2023:</b>				
Acquisition or production cost	49,952	1,082	3,752	54,786
Cumulated write-downs	(19,412)	(159)	(1,329)	(20,899)
	<b>30,541</b>	<b>923</b>	<b>2,423</b>	<b>33,887</b>

The right-of-use assets pertain to other property, plant, and equipment.

**7.3. Net investments in joint ventures (equity method)**

	2023	2022
Development:		
Carrying amounts at 1 January	410	415
Extension (+) / repayment (-) of loans	(396)	–
Earnings allocation from profit/loss for the period	11	3
<b>Carrying amounts at 30 June</b>	<b>25</b>	<b>418</b>

**7.4. Trade and other receivables (current)**

	30/6/2023	31/12/2022
Composition:		
Purchase price claims relating to property/interest sales	125	125
Trade receivables	1,016	894
Receivables due from joint ventures	6	6
Receivables due from related parties	13	–
<b>Subtotal of contract balances according to IFRS 15</b>	<b>1,161</b>	<b>1,025</b>
Receivables from tax authorities	1,746	1,527
Other current receivables	1,090	172
Advance payments made	429	633
Receivables related to leases	293	425
Receivables related to coronavirus aid measures	–	348
Deferred expenses	1,044	742
	<b>5,762</b>	<b>4,873</b>



### 7.5. Liabilities arising from financing activities

The liabilities arising from financing activities (interest-bearing financial liabilities) consist of bonds, other financial liabilities, lease liabilities, and, if applicable, financial liabilities in connection with disposal groups classified as available for sale (according to IFRS 5).

The change in and composition of these liabilities can be broken down as follows:

	Project loans	Working capital loans	Bonds	Loans from minorities and others	Lease liabilities	Total
<b>Changes in 2022:</b>						
As at 1 January	196,399	17,676	7,221	2,675	2,163	226,134
Borrowing (cash flow)	11,389	91	6,924	6,522	–	24,925
Repayment (cash flow)	(9,409)	(4,228)	–	–	(109)	(13,745)
Change in accumulated interest	(503)	–	(634)	166	19	(952)
Changes in foreign exchange rates	38,897	–	–	1,316	49	40,262
Other changes	–	–	–	–	147	147
<b>As at 30 June</b>	<b>236,774</b>	<b>13,539</b>	<b>13,511</b>	<b>10,679</b>	<b>2,269</b>	<b>276,772</b>
<i>thereof current (due &lt; 1 year)</i>	<i>12,269</i>	<i>13,539</i>	<i>1,851</i>	<i>1,632</i>	<i>373</i>	<i>29,665</i>
<i>thereof non-current (due &gt; 1 year)</i>	<i>224,504</i>	<i>–</i>	<i>11,660</i>	<i>9,047</i>	<i>1,895</i>	<i>247,107</i>
<b>Changes in 2023:</b>						
As at 1 January	206,753	14,556	12,627	8,897	2,136	244,970
Borrowing (cash flow)	9,421	–	–	–	–	9,421
Repayment (cash flow)	(4,798)	(3,949)	–	(2,000)	(105)	(10,852)
Change in accumulated interest	179	–	197	(130)	16	263
Changes in foreign exchange rates	(17,648)	–	–	(339)	(7)	(17,994)
Other changes	–	–	–	–	168	168
<b>As at 30 June</b>	<b>193,907</b>	<b>10,607</b>	<b>12,824</b>	<b>6,429</b>	<b>2,209</b>	<b>225,976</b>
<i>thereof current (due &lt; 1 year)</i>	<i>9,710</i>	<i>4,988</i>	<i>1,966</i>	<i>5,506</i>	<i>527</i>	<i>22,697</i>
<i>thereof non-current (due &gt; 1 year)</i>	<i>184,197</i>	<i>5,618</i>	<i>10,858</i>	<i>923</i>	<i>1,682</i>	<i>203,279</i>

The borrowings related to project loans pertain largely to credit line utilisation to finance the Mogilska 35 Office project that is under construction in Krakow. In the first half of 2022, credit lines were used for the construction of both Mogilska 35 Office and the Avior Tower in St. Petersburg. During the reporting period, project loans were repaid in accordance with the loan agreements, while in the prior-year period the repayments included the repayment of the project loan for B52 Office in Budapest in the context of the sale of the holding company (see section 5.2.).

In May 2022, subordinated notes in the amount of EUR 6,500 thousand were issued, which were reported as bonds in the consolidated interim statement of financial position as at 30 June 2022. The Group evaluated this presentation and determined that it is more accurate to recognise these instruments as subordinated notes under other financial liabilities (other loans). Therefore, the comparative figures as at 30 June 2022 were adjusted in the present financial statements by reclassifying the amount of EUR 6,500 thousand from non-current bonds to other non-current financial liabilities. The repayment in the amount of EUR 2,000 thousand pertains to this loan.

## [08] Information about financial instruments

### 8.1. Carrying amounts and fair values according to class and measurement category

The following table contains information on the carrying amounts and fair values of financial instruments, broken down into categories.

Measurement category as per IFRS 9	IFRS 13 level	Carrying amount 30/6/2023	Fair value 30/6/2023	Carrying amount 31/12/2022	Fair value 31/12/2022
<b>Assets – categories</b>					
FVTPL	Other financial assets – derivative	3	–	85	85
FAAC	Other financial assets – other		924	1,048	1,048
FVOCI	Financial assets measured at fair value through other comprehensive income	3	5,331	5,221	5,221
	Other non-current assets		391,118	427,727	
	<b>Total non-current assets</b>		<b>397,373</b>	<b>434,081</b>	
FAAC	Receivables		2,544	1,623	1,623
FAAC	Cash and cash equivalents		12,712	15,924	15,924
FVTPL	Other financial assets – derivative		23		
	Other current assets		3,422	3,439	
	<b>Total current assets</b>		<b>18,701</b>	<b>20,986</b>	
	<b>Total assets</b>		<b>416,074</b>	<b>455,068</b>	
<b>Liabilities – classes</b>					
FLAC	Fixed-rate bonds	3	10,858	10,785	10,785
FLAC	Fixed-rate loans	3	155,392	173,151	150,852
FLAC	Variable-rate loans	3	35,346	30,478	33,032
FLAC	Lease liabilities		1,682	n/a	n/a
FLAC	Other non-current financial liabilities	3	8,989	6,020	6,020
	Other non-current liabilities		21,469	24,604	
	<b>Total non-current liabilities</b>		<b>233,736</b>	<b>246,775</b>	
FLAC	Fixed-rate bonds	3	1,966	1,842	1,779
FLAC	Fixed-rate loans	3	12,938	9,691	9,031
FLAC	Variable-rate loans	3	7,266	16,886	16,146
FLAC	Lease liabilities		526	n/a	n/a
FLAC	Other current financial liabilities	3	8,013	7,098	7,098
	Other current liabilities		2,543	2,087	
	<b>Total current liabilities</b>		<b>33,253</b>	<b>38,004</b>	
	<b>Total liabilities</b>		<b>266,989</b>	<b>284,779</b>	

30/6/2023 31/12/2022

Summary of carrying amounts by category for financial assets and liabilities:

FAAC	Financial assets at amortised cost	16,179	18,595
FVOCI	At fair value through OCI	5,331	5,221
FLAC	Financial liabilities at amortised cost	242,977	258,088
FVTPL	At fair value through profit or loss	23	85

The method of fair value measurement is the same as at 31 December 2022.

**8.2. Reconciliation of level 3 measurement (recurring fair value measurement)**

The financial instruments that are subject to recurring fair value measurement can be broken down as follows:

	1 January to 30 June		1 January to 30 June	
	2023	2022	2023	2022
<b>Changes in assets:</b>				
Carrying amounts at 1 January	5,306	5,903	–	–
Additions	–	–	–	–
Disposals	–	–	–	–
Gains/losses on remeasurement in profit or loss	(51)	(648)	–	37
Gains/losses on remeasurement in other comprehensive income	100	976	–	4
<b>Carrying amounts at 30 June</b>	<b>5,354</b>	<b>6,231</b>	<b>–</b>	<b>41</b>

**8.3. Measurement methods and inputs (recurring fair value measurement)**

The following table shows the measurement method and input parameters relating to the recurring fair value measurement of financial instruments:

Level	Class	Measurement method	Material inputs
3	Financial assets measured at fair value through other comprehensive income	Income-based	Exit yield, cash flows

No changes were made to the measurement methods in the reporting period.

The following is quantitative information about material, unobservable inputs that were used in the measurement of fair value.

Level	Class	Material inputs	Weighted average
<b>31/12/2022:</b>			
3	Financial assets measured at fair value through other comprehensive income	Exit yield	4.15%
3	Financial assets measured at fair value through other comprehensive income	Cash flow (year one) in EUR '000	3,638
<b>30/6/2023:</b>			
3	Financial assets measured at fair value through other comprehensive income	Exit yield	4.15%
3	Financial assets measured at fair value through other comprehensive income	Cash flow (year one) in EUR '00	3,665

**8.4. Sensitivity analysis for changes in unobservable material inputs (recurring measurement)**

The following is quantitative information about material, unobservable inputs that were used in the measurement of fair value. The cumulated, discounted expected payment flows correspond to the fair values.

Level	Input	Change of assumption	Change in the result before taxes	
			30/6/23	31/12/22
3	Financial assets measured at fair value through other comprehensive income			
	Exit yield	+50 bp	(877)	(1,027)
	Exit yield	-50 bp	1,097	1,347
	Cash flow (year one)	+5%	531	528
	Cash flow (year one)	-5%	(531)	(528)

## [09] Other disclosures

### 9.1. Related party transactions

#### 9.1.1. Transactions with Ambo GmbH

	1 January to 30 June	
	2023	2022
Income from performance management	11	10
	<b>30/6/23</b>	<b>31/12/22</b>
Receivable from Ambo GmbH	13	35

#### 9.1.2. Transactions with Georg Folian

	1 January to 30 June	
	2023	2022
Expenses for fee charged by Mr Folian	(3)	(2)
Income from clerical activities for Mr Folian	10	9
	<b>7</b>	<b>7</b>
	<b>30/6/23</b>	<b>31/12/22</b>
Receivables from Mr Folian as at 30 June	3	3

#### 9.1.3. Transactions with Management Board members

	1 January to 30 June	
	2023	2022
Expenses for Management Board compensation	(641)	(288)
Income from fees charged to Franz Jurkowitsch	–	17
	<b>(641)</b>	<b>(271)</b>
	<b>30/6/23</b>	<b>31/12/22</b>
Liabilities to Management Board members	1,928	1,928

#### 9.1.4. Transactions with Supervisory Board members

	1 January to 30 June	
	2023	2022
Expenses for Supervisory Board fees	(105)	(107)
	<b>30/6/23</b>	<b>31/12/22</b>
Liabilities to Supervisory Board members	93	106

#### 9.1.5. Transactions with joint ventures

	1 January to 30 June	
	2023	2022
Income from transactions	91	186
	<b>30/6/23</b>	<b>31/12/22</b>
Receivables due from joint ventures	6	6
Payables due to joint ventures	4,033	4,114

### 9.3. Events after the reporting date

There are no significant events after the reporting date.

Vienna, 29 August 2023



**Franz Jurkowitsch**  
Chairman  
of the Management Board



**Daniel Folian**  
Deputy Chairman  
of the Management Board



**Alexander Jurkowitsch**  
Member of the  
Management Board



**Florian Petrowsky**  
Member of the  
Management Board

## *Declaration by the Management Board*

We confirm to the best of our knowledge that the condensed consolidated interim financial statements, which were prepared in accordance with the applicable accounting standards, give a true and fair view of the asset, financial, and earnings position of the Group and that the semi-annual consolidated management report of the Group gives a true and fair view of the asset, financial, and earnings position of the Group in terms of the material events during the first six months of the financial year and their effects on the condensed consolidated interim financial statements, in terms of the material risks and uncertainties in the remaining six months of the financial year, and in terms of the material related party transactions that must be disclosed.



**Franz Jurkowitsch**  
*Chairman of the Management Board*  
Responsibilities:  
Strategy and  
corporate communication



**Daniel Folian**  
*Deputy Chairman of the Management Board*  
Responsibilities:  
Finances and accounting,  
financial management, and investor relations



**Alexander Jurkowitsch**  
*Member of the Management Board*  
Responsibilities:  
Planning, construction,  
information management, and IT



**Florian Petrowsky**  
*Member of the Management Board*  
Responsibilities:  
Transaction management, organisation,  
human resources, and legal issues



**MC55 Office**  
Białystok, PL

# Financial Calendar

2023

**29 November 2023**

*Publication of the results  
for the first three quarters of 2023*

**NOTES**

We have compiled this report and checked the data with the greatest possible care.

Nonetheless, rounding, typographical, and printing errors cannot be ruled out.

The summation of rounded amounts and percentages may result in rounding differences.

Statements referring to people are intended to be gender neutral.

This report was prepared in German, English, and Polish. In cases of doubt, the German version is authoritative.

**PUBLICATION DETAILS**

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