



Press Release

Luxembourg, 30 November 2021

CPI FIM SA

Reports financial results for the third quarter of 2021

CPI FIM SA (hereinafter “CPI FIM”, the “Company” or together with its subsidiaries the “Group”), a real estate group with a property portfolio primarily located in the Czech Republic and Poland, hereby publishes unaudited financial results for the third quarter of 2021.

Financial highlights

Performance		Q1-Q3 21	Q1-Q3 20	Change
Gross rental income	€ thousands	26,160	24,644	6%
Total revenues	€ thousands	49,895	43,171	16%
Operating result	€ thousands	191,536	23,317	721%
Net profit / (loss) for the period	€ thousands	233,259	(67,339)	446%

Assets		30-Sep-21	31-Dec-20	Change
Total assets	€ thousands	7,120,216	6,504,366	9%
EPRA NRV	€ thousands	1,227,318	978,749	25%
Property Portfolio	€ thousands	1,458,000	1,367,000	7%
Gross leasable area	sqm	174,000	221,000	(21%)
Occupancy in %	%	91.4%	82.7%	8.7 p.p.
Land bank area	sqm	18,033,000	18,042,000	(0.05%)
Total number of properties	No.	7	8	(13%)

Financing structure		30-Sep-21	31-Dec-20	Change
Total equity	€ thousands	1,356,606	1,103,572	23%
Equity ratio	%	19%	17%	2 p.p.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT*

Income statement for the nine-month period ended on 30 September 2021 and 2020 is as follows:

€ thousands	30-Sep-21	30-Sep-20
Gross rental income	26,160	24,644
Sale of services	23,664	18,527
Cost of service charges	(7,754)	(7,786)
Property operating expenses	(2,085)	(2,788)
Net rental income	39,985	32,597
Hotel revenue	71	-
Hotel operating expenses	(105)	-
Net hotel income	(34)	-
Total revenues	49,895	43,171
Total direct business operating expenses	(9,944)	(10,574)
Net business income	39,951	32,597
Net valuation gain on investment property	153,543	-
Net gain / (loss) on the disposal of investment property, subsidiaries and other investments	7,443	(582)
Amortization, depreciation and impairments	(651)	(615)
Administrative expenses	(8,657)	(8,757)
Other operating income	383	256
Other operating expenses	(476)	418
Operating result	191,536	23,317
Interest income	158,613	120,220
Interest expense	(122,362)	(105,753)
Other net financial result	43,211	(82,575)
Net finance income	79,462	(68,108)
Share of loss of equity-accounted investees (net of tax)	(586)	(614)
Profit / (Loss) before income tax	270,412	(45,405)
Income tax expense	(37,153)	(21,934)
Net profit / (loss) for the period	233,259	(67,339)

*The presented financial statements do not represent a full set of interim financial statements as if prepared in accordance with IAS 34

Sale of services

In Q1-Q3 2021, service revenue increased due to services provided by CPI FIM fees to related parties (higher by €5.5 million) compared to Q1-Q3 2020.

Net valuation gain on investment property

Valuation gain in Q1-Q3 2021 was realized by two landbanks in Prague (€130 million) and selected offices in Warsaw (€23 million).

Net gain on the disposal of investment property, subsidiaries and other investments

Gain on the disposal of investment property, subsidiaries and other investments primarily in Q1-Q3 2021 reflects primarily gain of €6.2 million from sale of CPI PG shares.

Net finance income

The increase in interest income (by €38.4 million) and interest expenses (by €16.6 million) reflects primarily the increase in loans provided and loans received between the Company and related parties.

Other net financial result increased by €125.8 million in Q1-Q3 2021. Increase was mainly driven by retranslation of loans denominated in non-EUR currencies (primarily CZK and PLN).

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION*

€ thousands	30-Sep-21	31-Dec-20
NON-CURRENT ASSETS		
Intangible assets	500	15
Investment property	1,437,099	1,367,184
Property, plant and equipment	19,768	662
Equity accounted investees	6,458	7,044
Other investments	48,873	188,884
Loans provided	5,034,598	4,234,093
Trade and other receivables	1	-
Deferred tax assets	141,097	142,019
Total non-current assets	6,688,394	5,939,901
CURRENT ASSETS		
Inventories	346	300
Income tax receivables	209	81
Derivative instruments	1,415	1,694
Trade receivables	4,224	6,511
Loans provided	108,249	115,168
Cash and cash equivalents	98,072	249,190
Other current assets	219,307	191,521
Total current assets	431,822	564,465
TOTAL ASSETS	7,120,216	6,504,366
EQUITY		
Equity attributable to owners of the Company	1,116,280	899,041
Non-controlling interests	240,326	204,531
Total equity	1,356,606	1,103,572
NON-CURRENT LIABILITIES		
Financial debts	5,316,048	4,855,740
Deferred tax liabilities	115,146	78,500
Other financial liabilities	4,933	8,904
Total non-current liabilities	5,436,127	4,943,144
CURRENT LIABILITIES		
Financial debts	257,260	376,179
Trade payables	1,465	8,618
Income tax liabilities	418	20
Other current liabilities	68,340	72,833
Total current liabilities	327,483	457,650
TOTAL EQUITY AND LIABILITIES	7,120,216	6,504,366

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Total assets and total liabilities

Total assets increased by €615.9 million to €7,120.2 million as at 30 September 2021 primarily due to increase of long-term loans provided to entities within the CPI PG Group.

Non-current and current liabilities increased in total by €362.8 million compared to 31 December 2020 primarily because of additional drawdown of loans received from CPI PG.

Equity, EPRA NRV and EPRA NDV

In Q1-Q3 2021, consolidated equity increased by €217.2 million primarily due to profit to the owners of €197.5 million, the increase of translation reserve by €10.1 million and revaluation reserve by €9.6 million.

EPRA NRV per share amounts to €0.93 as at 30 September 2021 compared to €0.74 as at 31 December 2020.

EPRA NDV per share amounts to €0.85 as at 30 September 2021 compared to €0.68 as at 31 December 2020.

	30 September 2021	31 December 2020
Consolidated equity	1,116,280	899,041
Deferred taxes on revaluations	111,038	79,708
EPRA NRV	1,227,318	978,749
Number of shares (in thousands)	1,314,508	1,314,508
NRV per share (in €)	0.93	0.74
EPRA NRV	1,227,318	978,749
Deferred taxes on revaluations	(111,038)	(79,708)
EPRA NDV	1,116,280	899,041
Diluted number of shares (in thousand)	1,314,508	1,314,508
NDV per share (in €)	0.85	0.68

For more information please refer to our website at www.cpifimsa.com.

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Glossary

Alternative Performance Measures

The Company presents alternative performance measures (APMs). The APMs used in our report are commonly referred to and analysed amongst professionals participating in the Real Estate Sector to reflect the underlying business performance and to enhance comparability both between different companies in the sector and between different financial periods. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS. The presentation of APMs in the Real Estate Sector is considered advantageous by various participants, including banks, analysts, bondholders and other users of financial information:

- APMs provide additional helpful and useful information in a concise and practical manner.
- APMs are commonly used by senior management and Board of Directors for their decisions and setting of mid and long-term strategy of the Group and assist in discussion with outside parties.
- APMs in some cases might better reflect key trends in the Group's performance which are specific to that sector, i.e. APMs are a way for the management to highlight the key value drivers within the business that may not be obvious in the consolidated financial statements..

For new definitions of measures or reasons for their change, see below.

EPRA NRV (former EPRA NAV)

EPRA NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity. The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

The performance indicator has been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide, available on EPRA's website (www.epra.com).

EPRA NRV per share

EPRA NRV divided by the diluted number of shares at the period end.

EPRA NDV (former EPRA NNAV)

EPRA NDV represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. The objective of the EPRA NDV measure is to report net asset value including fair value adjustments in respect of all material balance sheet items which are not reported at their fair value as part of the EPRA NRV.

The performance indicator has been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide, available on EPRA's website (www.epra.com).

EPRA NDV per share

EPRA NDV divided by the diluted number of shares at the period end.

EPRA NAV and EPRA NAV per share

The Group no longer provides the calculation of these measures, since they were replaced by the calculation of EPRA NRV and EPRA NRV per share.

EPRA NNAV and EPRA NNAV per share

The Group no longer provides the calculation of these measures, since they were replaced by the calculation of EPRA NDV and EPRA NDV per share.

Equity ratio

Equity ratio is a measure that provides a general assessment of financial risk undertaken and is calculated as total equity as reported divided by total assets as reported.

Other definitions**EPRA**

European Public Real Estate Association

Gross Asset Value (GAV) or Fair value of Property portfolio or Property portfolio value

The sum of fair value of all real estate assets held by the Group on the basis of the consolidation scope and real estate financial investments (being shares in real estate funds, loans to third parties active in real estate or shares in non-consolidated real estate companies).

Gross Leasable Area (GLA)

GLA is the amount of floor space available to be rented. GLA is the area for which tenants pay rent, and thus the area that produces income for the property owner

Occupancy rate

The ratio of leased premises to leasable premises

APM reconciliation

Equity ratio reconciliation (€ thousands)	30-Sep-21	31-Dec-20
Total equity	1,356,606	1,103,572
Total assets	7,120,216	6,504,366
Equity ratio	19%	17%