

CONSOLIDATED

QUARTERLY REPORT

**OF GLOBE TRADE CENTRE S.A. CAPITAL GROUP
FOR THE THREE-MONTH PERIOD ENDED**

31 MARCH 2024

Place and date of publication: Warsaw, 28 May 2024



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MANAGEMENT BOARD'S REPORT

ON THE ACTIVITIES OF GLOBE TRADE CENTRE S.A. CAPITAL GROUP
IN THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

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1. Introduction

GTC Group is an experienced, established, and fully integrated, real estate group of companies operating in the CEE and SEE region with a primary focus on Poland and Budapest and capital cities in the SEE region including Bucharest, Belgrade, Zagreb and Sofia, where it directly acquires, develops and manages primarily high-quality office and retail real estate assets in prime locations. The Company is listed on the Warsaw Stock Exchange and inward listed on the Johannesburg Stock Exchange. The Group operates an asset management platform and is represented by local teams in each of its core markets.

GTC GROUP:

Poland
Budapest
Belgrade
Bucharest
Sofia
Zagreb

The Group's headquarters are located in Poland in Warsaw, at Komitetu Obrony Robotników 45A.

PRESENTATION OF FINANCIAL INFORMATION

Unless indicated otherwise, the financial information presented in this Report was prepared according to International Financial Reporting Standards ("IFRS") as approved for use in the European Union.

All the financial data in this Report is presented in EUR or PLN and expressed in millions unless indicated otherwise.

Certain financial information in this Report was adjusted by rounding. As a result, certain numerical figures shown as totals in this Report may not be exact arithmetic aggregations of the figures that precede them.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements relating to future expectations regarding the Group's business, financial condition, and results of operations. You can find these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate", and similar words used in this Report. By their nature, forward-looking statements are subject to numerous assumptions, risks, and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by forward-looking statements. The Group cautions you not to place undue reliance on such statements, which speak only as of this Report's date.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that the Group or persons acting on its behalf may issue. The Group does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Report.

The Group discloses essential risk factors that could cause its actual results to differ materially from its expectations under *Item 4. Operating and financial review* and elsewhere in this report as well as under *Item 17. Key risk factors* in consolidated annual report for year 2023. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on behalf of the Group. When

the Group indicates that an event, condition, or circumstance could or would have an adverse effect on the Group, it means to include effects upon its business, financial situation, and results of operations.

2. Presentation of the Group

2.1 General information about the Group

GTC Group is an experienced, established, and fully integrated real estate group of companies operating in the CEE and SEE region with a primary focus on Poland and Budapest and capital cities in the SEE region, including Bucharest, Belgrade, Zagreb, and Sofia, where it directly acquires, develops and manages primarily high-quality office and retail real estate assets in prime locations. The Company is listed on the Warsaw Stock Exchange and the Johannesburg Stock Exchange. The Group operates an asset management platform and is represented by local teams in each of its core markets.

As of 31 March 2024, the book value of the Group's total property portfolio including non-current financial assets (related to investment property) was €2,489.0.

As of 31 March 2024, the book value of the Group's property portfolio was €2,352.6. The breakdown of the Group's property portfolio was as follows:

- 46 completed commercial buildings, including 40 office buildings and 6 retail properties with a total combined commercial space of approximately 755 thousand sq m of GLA, an occupancy rate at 86% and a book value of €2,008.5 which accounts for 85% of the Group's total property portfolio;
- three office projects under construction with a total GLA of approximately 51 thousand sq m and a book value of €81.8, which accounts for 4% of the Group's total property portfolio;
- investment landbank intended for future development (including 1 land plot in Poland and 1 plot in Budapest held for sale in the amount of €13.6) with the book value of €172.9 which accounts for 7% of the Group's total property portfolio;
- residential landbank with book value of €26.2, which accounts for 1% of the Group's total property portfolio; and
- right of use of land under perpetual usufruct, including assets held for sale with value of €63.2 (including €1 from residential landbank) which accounts for 3% of the Group's total property portfolio.

46 completed buildings	755,200 sq m of GLA	3 projects under construction	€173m landbank for future development
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Additionally, GTC holds non-current financial assets in the amount of €136.4 mainly including:

- 25% of notes issued to finance Kildare Innovation Campus (technology campus) project, which currently comprises nine completed buildings with the total GLA of approximately 102 thousand sq m (the project extends over 72 ha of which 34 ha are undeveloped). Fair value of these notes as at 31 March 2024 amounted to €119.1, which accounts for 5% of the Group's total property portfolio including non-current financial assets;
- 34% of units in Regional Multi Asset Fund Compartment 2 of Trigal Alternative Investment Fund GP S.á.r.l., which holds 4 completed commercial buildings including 3 office buildings and 1 retail property with a total combined commercial space of approximately 41 thousand sq m of GLA. Fair value of these units amounted to €15.2, which accounts for 1% of the Group's total property portfolio including non-current financial assets.

2.2 Main events in the period

FINANCING

In February 2024, Dorado 1 EOOD, a wholly-owned subsidiary of the Company, has signed €55 loan agreement with DSK Bank AD and OTP Bank PLC with a maturity in March 2029. The full amount was drawn down.

In December 2023, the Company transferred €29.5 to an escrow account held with an external legal company with the purpose of acquiring green bonds issued by GTC Aurora (further "Aurora bonds"). Running the acquisition transactions was handed over to a financial expert (further the "Broker"). In first quarter of 2024 the Broker bought back 4,400 Aurora bonds and transferred to GTC Group with nominal value of €4.4 at cost of €3.9. GTC Group recognized income from buy-back of Aurora bonds in amount of €0.5.

In addition, on 13 March 2024 GTC Group decided to lower the amount on the escrow held for buy-back, €12.2 in cash was returned to GTC including the interest income accumulated. For the remaining amount of €13.8, GTC Group and the Broker signed an amendment to extend the current agreement for a further short-term period.

2.3 Structure of the Group

The Group structure is consistent with presented in the Group's annual consolidated financial statements for the year ended 31 December 2023 (see note 8 to the consolidated financial statements for 2023) except for the following change occurred in the three-month period ended 31 March 2024:

- liquidation of Riverside Apartmanok Kft. (wholly-owned subsidiary of GTC Hungary seated in Hungary).

2.4 Changes to the principal rules of the management of the Company and the Group

There were no changes to the principal rules of management of the Company and the Group.

CHANGES IN THE COMPOSITION OF THE MANAGEMENT BOARD:

- on 18 March 2024, Barbara Sikora resigned from her seat on the management board of GTC S.A.
- on 23 April 2024, Mr. Balázs Gosztanyi was appointed as a member of the management board of GTC S.A., effective as of 24 April 2024.

CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD:

- on 13 March 2024, Aletheia Investment AG appointed Mr. Leonz Meyer to the Supervisory Board of the Company,
- on 15 March 2024, GTC Dutch Holdings B.V. revoked Mr. Balázs Figura and Mr. Mariusz Grendowicz from the positions of member of the Supervisory Board of GTC S.A,
- on 15 March 2024, GTC Dutch Holdings B.V. appointed Mr. Tamás Sándor and Mr. Csaba Cservenák as members of the Supervisory Board of the Company.

3. Selected financial data

The following tables present the Group's selected historical financial data for the three-month period ended 31 March 2024 and 31 March 2023. The historical financial data should be read in conjunction with *Item 4. Operating and financial review* of this Report and the consolidated financial statements for the three-month period ended 31 March 2024 (including the notes thereto).

Selected financial data presented in PLN is derived from the consolidated interim financial statements for the three-month period ended 31 March 2024 presented in accordance with IFRS and prepared in the Polish language and Polish zloty as a presentation currency. The financial statements of the Group's companies prepared in their functional currencies are included in the consolidated financial statements by a translation into EUR or PLN using appropriate exchange rates outlined in *IAS 21 The Effects of Changes in Foreign Exchange Rates*.

The reader is advised not to view such conversions as a representation that such zloty amounts actually represent such euro amounts or could be or could have been converted into euro at the rates indicated or at any other rate.

	For the three month period ended 31 March			
	2024		2023	
(in million)	€	PLN	€	PLN
Consolidated Income Statement				
Revenues from operations	45.7	198.0	42.7	201.2
Cost of operations	(13.5)	(58.5)	(13.1)	(61.9)
Gross margin from operations	32.2	139.5	29.6	139.3
Selling expenses	(0.6)	(2.6)	(0.6)	(2.8)
Administration expenses	(4.5)	(19.5)	(3.9)	(18.3)
Loss from revaluation	(5.7)	(24.7)	(3.0)	(13.9)
Finance income/(cost), net	(8.5)	(36.8)	(7.6)	(36.1)
Net profit	9.8	42.4	11.6	54.5
Basic and diluted earnings per share (not in million)	0.02	0.07	0.02	0.09
Weighted average number of issued ordinary shares (not in million)	574,255,122	574,255,122	574,255,122	574,255,122
Consolidated Cash Flow Statement				
Net cash from operating activities	26.8	116.1	19.6	92.4
Net cash from/(used in) investing activities	(7.9)	(34.2)	24.3	114.4
Net cash from/(used in) financing activities	43.2	187.2	(11.8)	(55.7)
Cash and cash equivalents at the end of the period	122.5	526.9	147.1	687.5
	As of			
	31 March 2024		31 December 2023	
	€	PLN	€	PLN
Consolidated statement of financial position				
Investment property (completed and under construction)	2,090.3	8,990.2	2,074.9	9,021.6
Investment property landbank	159.3	685.1	158.5	689.2
Right of use (investment property)	62.2	267.5	40.0	173.9
Residential landbank	27.2	117.0	27.2	118.3
Assets held for sale	13.6	58.5	13.6	59.1
Cash and cash equivalents	122.5	526.9	60.4	262.6
Non-current financial assets measured at fair value through profit or loss	136.4	586.6	135.1	587.4
Others	128.1	551.0	146.9	638.7
Total assets	2,739.6	11,782.8	2,656.6	11,550.8
Non-current liabilities	1,405.5	6,045.0	1,444.0	6,278.5
Current liabilities including liabilities related to assets held for sale	202.3	870.1	86.4	375.6
Total Equity	1,131.8	4,867.7	1,126.2	4,896.7
Share capital	12.9	57.4	12.9	57.4

All the financial data in this Report is presented in EUR or PLN and expressed in million unless indicated otherwise

4. Operating and financial review

4.1 General factors affecting operating and financial results

GENERAL FACTORS AFFECTING OPERATING AND FINANCIAL RESULTS

Management board believes that the following factors and important market trends have significantly affected the Group's results of operations since the end of the period covered by the latest published audited financial statements, and the Group expects that such factors and trends will continue to have a significant impact on the Group's results from operations in the future.

The key factors affecting the Group's financial and operating results are pointed below:

- the economic slowdown in CEE and SEE which may slow down the general economy in the countries where the Group operates;
- availability and cost of financing;
- impact of the supply and demand on the real estate market in CEE and SEE region;
- impact of inflation (according to Eurostat, the euro area annual inflation was 2.9% in December 2023);
- impact of interest rate movements (however, as of 31 March 2024, 100% of the Group's borrowings were either based on fixed interest rate or hedged against interest rate fluctuations, mainly through interest rate swaps and cap transactions);
- impact of foreign exchange rate movements (the vast majority of the Group's lease agreements are concluded in euro and include a clause that provides for the full indexation of the rent linked to the European Index of Consumer Prices, bonds issued in other currencies than euro were hedged against foreign exchange rate movements using cross currency SWAPs).

4.2 Specific factors affecting financial and operating results

REPAYMENT OF BONDS, BANK LOAN REFINANCING AND OTHER CHANGES TO BANK LOAN AGREEMENTS

During the three month period ended 31 March 2024:

- the Group signed a €55 loan agreement with DSK Bank AD and OTP Bank PLC (Mall of Sofia and Sofia Towers). The full amount was drawn down.
- the Broker bought back 4,400 Aurora bonds and transferred to GTC Group. Group recognized income in amount of €0.5.
- In addition €12.2 in cash was returned to GTC including the interest income accumulate, for the remaining amount of €13.8, GTC Group and the Broker signed an amendment to extend the current agreement for a further short-term period.

4.3 Presentation of differences between achieved financial results and published forecasts

The Group did not publish forecasts for the first quarter of 2024 or for full year 2024.

4.4 Consolidated statement of financial position

ASSETS

Total assets increased by €83.0 (3%) to €2,739.6 as of 31 March 2024 from €2,656.6 as of 31 December 2023.

The value of investment property increased by €38.4 (2%) to €2,311.8 as of 31 March 2024 from €2,273.4 as of 31 December 2023, mainly due to investments into assets under construction of €21.9 and recognized increase in the right-of-use (and corresponding increase in lease liabilities) due to new annual perpetual usufruct payments based on received administrative decision for plot in Warsaw of €23.6. This increase was partially offset by loss from revaluation related to investment property of €5.7 mainly as a result of capitalized expenditures on completed buildings.

The value of prepayments and other receivables decreased by €20.1 (38%) to €32.3 as of 31 March 2024 from €52.4 as of 31 December 2023, mainly as a result of decrease in escrow account held for the purpose of acquiring green bonds issued by GTC Aurora (€12.2 was returned to GTC Group and €4 was used for bonds buy-back).

The value of cash and cash equivalents increased by €62.1 (103%) to €122.5 as of 31 March 2024 from €60.4 as of 31 December 2023. The cash balance was increased partially due to acquisition of new long-term secured loan of €55.9, net cash proceeds from operating activities of €26.8 and change in short-term deposits designated for bonds buy back of €12.2, partially offset by expenditures on investment properties of €19.4, interest paid in the amount of €6.5 and repayment of borrowings of €4.8.

LIABILITIES

The value of loans and bonds increased by €43.9 (3%) to €1,317.9 as of 31 March 2024 as compared to €1,274.0 as of 31 December 2023, mainly due to proceeds from long-term borrowings in the amount of €55.9 combined with foreign exchange differences on bonds denominated in HUF of €5.1, compensated by repayments during the period in the amount of €4.8. Current portion of long-term debt increased due to reclassification of loan related to Galeria Jurajska due to upcoming maturity in Q1 2025.

The value of derivatives increased by €8.8 (47%) to €27.5 as of 31 March 2024 from €18.7 as of 31 December 2023, mainly due to change in fair value of cross-currency interest rate swaps on the Hungarian bonds.

The value of lease liabilities increased by €22.0 (51%) to €65.2 as of 31 March 2024 from €43.2 as of 31 December 2023, mainly due to new annual perpetual usufruct payments based on received administrative decision for plot in Warsaw of €23.6.

EQUITY

The value of equity increased by €5.6 to €1,131.8 as of 31 March 2024 from €1,126.2 as of 31 December 2023 mainly due to recognition of profit for the period in the amount of €9.8 partially offset by €4.1 decrease in the value of hedge reserve.

4.5 Consolidated income statement

REVENUES FROM RENTAL ACTIVITY

Rental and service revenues increased by €3.0 (7%) to €45.7 in the three-month period ended 31 March 2024, compared to €42.7 in the three-month period ended 31 March 2023. The Group recognized an increase in rental revenues of €1.5 following the completion of GTC X in Belgrade, Rose Hill Business Campus in Budapest and Matrix C in Zagreb. The Group observed also an increase in an average rental rate following the indexation of its rental rates to the European CPI.

COST OF RENTAL ACTIVITY

Service costs increased by €0.4 (3%) to €13.5 in the three-month period ended 31 March 2024, as compared to €13.1 in the three-month period ended 31 March 2023. The Group recognized an increase in service costs following completion GTC X, Rose Hill Business Campus and Matrix C of €0.4 and an increase in operating costs of €0.1 coming from inflation. The increase was partially offset by a decrease in the service costs due to the sale of Forest Offices Debrecen in the first quarter of 2023 of €0.1.

GROSS MARGIN FROM OPERATIONS

Gross margin (profit) from operations increased by €2.6 (9%) to €32.2 in the three-month period ended 31 March 2024, as compared to €29.6 in the three-month period ended 31 March 2023, mainly due to an increase in rental and service revenues partially offset by an increase in the service charge cost due to inflation.

The gross margin on rental activities in the three-month period ended 31 March 2024 was 70% compared to 69% in the three-month period ended 31 March 2023.

ADMINISTRATION EXPENSES

Administration expenses increased by €0.6 (15%) to €4.5 in the three-month period ended 31 March 2024, from €3.9 in the three-month period ended 31 March 2023, mainly due to recognition of one-off payments related to the severance payments, an increase in remuneration fees and other advisory expenses.

PROFIT/(LOSS) FROM THE REVALUATION

Net loss from the revaluation of the assets amounted to €5.7 in the three-month period ended 31 March 2024, compared to a net loss of €3.0 in the three-month period ended 31 March 2023. Loss in the three-month period ended 31 March 2024, is mainly a result of capitalized expenditures on completed buildings.

FINANCE COST, NET

Finance cost, net increased by €0.9 (12%) to €8.5 in the three-month period ended 31 March 2024 as compared to €7.6 in the three-month period ended 31 March 2023. The increase was mainly due to an increase in the weighted average interest rate (including hedges) to 2.58% as of 31 March 2024 from 2.48% as of 31 December 2023.

RESULT BEFORE TAX

Profit before tax amounted to €13.0 in the three-month period ended 31 March 2024, compared to a profit before tax of €14.3 in the three-month period ended 31 March 2023. The decrease mainly resulted from the loss on revaluation of investment properties.

TAXATION

Tax amounted to €3.2 for the three-month period ended 31 March 2024, compared to €2.7 tax in the three-month period ended 31 March 2023, is a combination of current tax expense amounting to €1.7 and deferred tax amounting to €1.5.

NET PROFIT

Net profit was €9.8 in the three-month period ended 31 March 2024, compared to a net profit of €11.6 in the three-month period ended 31 March 2023. The decrease mainly resulted from loss from revaluation.

4.6 Consolidated cash flow statement

Net cash flow from operating activities was €26.8 in the three-month period ended 31 March 2024 as compared to €19.6 in the three-month period ended 31 March 2023. An increase of €7.1 was mainly due to a decrease in working capital changes by €4.3.

Net cash flow used in investing activities amounted to €7.9 in the three-month period ended 31 March 2024 compared to €24.3 cash flow from investing activities in the three-month period ended 31 March 2023. Cash flow used in investing activities is mainly composed of expenditure on investment properties of €19.4 compensated by an increase in the deposits designed for bonds buy-back of €12.2.

Net cash flow from financing activities amounted to €43.2 in the three-month period ended 31 March 2024, compared to €11.8 of cash flow used in financing activities in the three-month period ended 31 March 2023. Cash flow from financing activities is mainly composed of proceeds from long-term borrowings of €55.9, repayment of long-term borrowings of €4.8, and interest paid in the amount of €6.5.

Cash and cash equivalents as of 31 March 2024 amounted to €122.5 compared to €147.1 as of 31 March 2023.

4.7 Future liquidity and capital resources

As of 31 March 2024, the Group believes that its cash balances, cash generated from disposal of properties, cash generated from renting out of its investment properties, and cash available under its existing and future loan facilities will be sufficient to fund its needs.

The Group manages its liabilities efficiently and is constantly reviewing its funding plans related to (i) developments and acquisitions of new properties, (ii) debt acquisitions and service of its existing assets portfolio, and (iii) CAPEX in its existing properties. Any cash needs are covered from operating income, new debt acquisitions and sale of operating assets or landbank.

As of 31 March 2024, the Group's non-current liabilities amounted to €1,405.5 compared to €1,444.0 as of 31 December 2023.

The Group's total debt from long and short-term loans and borrowings as of 31 March 2024, amounted to €1,317.9, as compared to €1,274.0 as of 31 December 2023.

The Group's net loan-to-value ratio amounted to 48.1% as of 31 March 2024 as compared to 49.3% as of 31 December 2023 mainly due to a decrease in net debt combined with increase in investment property value due to capital expenditures on investment property under construction.

As of 31 March 2024, 100% of the Group's loans and bonds (by value) were based on the fixed interest rate or hedged against interest fluctuations, mainly through interest rate swaps and cap transactions.

AVAILABILITY OF FINANCING

The Management has analyzed the Groups cash flow projections based on certain hypothetical defensive assumptions to assess the reasonableness of the going concern assumption given the current developments on the market.

The Management has analysed the timing, nature and scale of potential financing needs of particular subsidiaries and believes that there are no risks for paying current financial liabilities and cash on hand, as well as, expected operating cash-flows will be sufficient to fund the Group's anticipated cash requirements for working capital purposes, for at least the next twelve months from the date of the financial statements. Consequently, the consolidated financial statements have been prepared under the assumption that the Group companies will continue as a going concern in the foreseeable future, for at least twelve months from the date of the financial statements.

The Group's principal financial liabilities comprise bank and shareholders' loans, bonds, hedging instruments, trade payables, and other long-term financial liabilities. The main purpose of these financial instruments is to finance the Group's operations. The Group has various financial assets such as trade receivables, loans granted, derivatives, cash and short-term deposits.

The main risks connected with the Group's financial instruments are interest risk, liquidity risk, foreign currency risk and credit risk.

Detailed description of financial instruments and risk management is presented under *Note 34* to the consolidated financial statements for the year 2023.

5. Information on loans granted with a particular emphasis on related entities

As of 31 March 2024, the Group did not have any long-term loans granted to its associates or joint ventures.

6. Information on granted and received guarantees with a particular emphasis on guarantees granted to related entities

In the three-month period ended 31 March 2024, the Group did not grant any material guarantees. As of 31 March 2024, and 31 December 2023 there were no guarantees given to third parties.

Additionally, the typical warranties are given in connection with the sale of assets, to guarantee construction completion and to secure construction loans (cost-overruns guarantee). The risk involved in the above warranties and guarantees is very low.

7. Shareholders who, directly or indirectly, have substantial shareholding

The following table presents the Company's shareholders, who had no less than 5% of votes at the general meeting of GTC S.A. shareholders, as of the date of 31 March 2024 and the date of the report.

As of the date of this Report the table presents the Company's shareholders, who had no less than 5% of votes at the general meeting of GTC S.A.:

Shareholder	Number of shares and rights to the shares held (not in million)	% of share capital	Number of votes (not in million)	% of votes	Change in number of shares since 31 December 2023 (not in million)
GTC Dutch Holdings B.V	337,637,591	58.80%	337,637,591	58.80%	No change
GTC Holding Zártkörűen Működő Részvénytársaság ¹	21,891,289	3.81%	21,891,289	3.81%	No change
Allianz OFE	62,330,000	10.85%	62,330,000	10.85%	No change
OFE PZU Złota Jesień	54,800,000	9.54%	54,800,000	9.54%	No change
Aletheia Investment AG	28,718,871	5.00%	28,718,871	5.00%	Increase by 28,718,871
Other shareholders	68,877,371	12.00%	68,877,371	12.00%	Decrease by 28,718,871
Total	574,255,122	100.00%	574,255,122	100.00%	No change

¹ directly holds 21,891,289 shares and indirectly through GTC Dutch Holdings B.V. (100% subsidiary of GTC Holding Zártkörűen Működő Részvénytársaság) holds 337,637,591 shares.

8. Shares in GTC held by members of the management board and the supervisory board

SHARES HELD BY MEMBERS OF THE MANAGEMENT BOARD

The following table presents shares owned directly or indirectly by members of the Company's management board and supervisory board of the date of publication of this interim report, and changes in their holdings since the date of publication of the Group's last financial report (annual report for the year ended 31 December 2023) on 24 April 2024. The information included in the table below is based on information received from members of the management board and supervisory board.

	Balance as of 27 May 2024 (not in million)	The nominal value of shares in PLN (not in million)	Change since 24 April 2024 (not in million)
Management board members			
Gyula Nagy	0	0	No change
Zsolt Farkas	0	0	No change
Balázs Gosztonyi	0	0	No change
Total Management board members	0	0	
Supervisory board members			
János Péter Bartha	0	0	No change
Csaba Cservenák	0	0	No change
Lóránt Dudás	0	0	No change
László Gut	0	0	No change
Dominik Januszewski	0	0	No change
Artur Koziejka	0	0	No change
Dr. Leonz Meyer	0	0	No change
Marcin Murawski	0	0	No change
Sławomir Niemierka	0	0	No change
Dr. Tamás Sándor	0	0	No change
Bálint Szécsényi	0	0	No change
Total Supervisory board members	0	0	

Detailed description of changes in composition of the management board and supervisory board is presented under *item 2.4* this Report.

9. Transactions with related parties concluded on terms other than market terms

The Group presents information on the material transactions that the Company, or its subsidiaries, concluded with a related party in the consolidated financial statements for the three-month period ended 31 March 2024 in Note 17 Related Party Transactions.

In three-month period ended 31 March 2024, the Group did not conduct any material transactions with the related parties.

10. Proceedings before a court or public authority involving Globe Trade Centre SA or its subsidiaries with total value of the liabilities or claims being material

There are no material individual or group proceedings before a court or public authority involving Globe Trade Centre SA or its subsidiaries.

11. Terms and abbreviations

Terms and abbreviations capitalized in this management's board Report shall have the following meanings unless the context indicates otherwise:

the Company or GTC	are to Globe Trade Centre S.A.;
the Group or GTC Group	are jointly to Globe Trade Centre S.A. and its consolidated subsidiaries;
Shares	is to the shares in Globe Trade Centre S.A., which were introduced to public trading on the Warsaw Stock Exchange in May 2004 and later and are marked under the PLGTC0000037 code and inward listed on Johannesburg Stock Exchange in August 2016;
Bonds	is to the bonds issued by Globe Trade Centre S.A. or its consolidated subsidiaries and introduced to alternative trading market and marked with the ISIN codes PLGTC0000318, HU0000360102, HU0000360284 and XS2356039268;
the Report	is to the consolidated quarterly report prepared according to art. 66 of the Decree of the Finance Minister of 29 March 2018 on current and periodical information published by issuers of securities and conditions of qualifying as equivalent the information required by the provisions of the law of a country not being a member state;
CEE	is to the Group of countries that are within the region of Central and Eastern Europe (Poland, Hungary);

SEE	is to the Group of countries that are within the region of South-Eastern Europe (Bulgaria, Croatia, Romania, and Serbia);
Net rentable area, NRA, or net leasable area, NLA	are to the metric of the area of a given property as indicated by the property appraisal experts to prepare the relevant property valuations. With respect to commercial properties, the net leasable (rentable) area is all the office or retail leasable area of a property exclusive of non-leasable space, such as hallways, building foyers, and areas devoted to heating and air conditioning installations, elevators, and other utility areas. The specific methods of calculation of NRA may vary among particular properties, which is due to different methodologies and standards applicable in the various geographic markets on which the Group operates;
Gross rentable area or gross leasable area, GLA	are to the amount of the office or retail space available to be rented in completed assets multiplied by add-on-factor. The gross leasable area is the area for which tenants pay rent, and thus the area that produces income for the Group;
Total property portfolio	is to book value of the Group's property portfolio, including: investment properties (completed, under construction and landbank), residential landbank, assets held for sale, and the rights of use of land under perpetual usufruct;
Commercial properties	is to properties with respect to which GTC Group derives revenue from rent and includes both office and retail properties;
Occupancy rate	is to average occupancy of the completed assets based on square meters ("sq m") of the gross leasable area;
Funds From Operations, FFO, FFO I	are to profit before tax less tax paid, after adjusting for non-cash transactions (such as fair value or real estate remeasurement, depreciation and amortization share base payment provision and unpaid financial expenses), the share of profit/(loss) of associates and joint ventures, and one-off items (such as FX differences and residential activity and other non-recurring items);
EPRA NTA	is a net asset value measure under the assumption that the entities buy and sell assets, thereby crystallizing certain levels of deferred tax liability. It is computed as the total equity less non-controlling interest, excluding the derivatives at fair value as well as deferred taxation on property (unless such item is related to assets held for sale);
In-place rent	is to rental income that was in place as of the reporting date. It includes headline rent from premises, income from parking, and other rental income;

Net loan to value (LTV); net loan-to-value ratio	are to net debt divided by Gross Asset Value. Net debt is calculated as total financial debt net of cash and cash equivalents and deposits and excluding loans from non-controlling interest and deferred debt issuance costs. Gross Asset Value is investment properties (excluding the right of use under land leases), residential landbank, assets held for sale, financial assets, buildings for own use, and share on equity investments. Net loan to value provides a general assessment of financial risk undertaken;
The average cost of debt; average interest rate	is calculated as a weighted average interest rate of total debt, as adjusted to reflect the impact of contracted interest rate swaps and cross-currency swaps by the Group;
EUR, € or euro	are to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time;
PLN or zloty	are to the lawful currency of Poland;
HUF	is to the lawful currency of Hungary;
JSE	is to the Johannesburg Stock Exchange.



GLOBE TRADE CENTRE S.A.

UNAUDITED CONDENSED **CONSOLIDATED**
INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD
ENDED **31 MARCH 2024**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(in millions of EUR)

	Note	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
ASSETS			
Non-current assets			
Investment property	8	2,311.8	2,273.4
Residential landbank		27.2	27.2
Property, plant and equipment		15.8	16.0
Blocked deposits		13.3	13.1
Deferred tax asset		2.2	1.8
Derivatives	9	2.4	2.3
Non-current financial assets measured at fair value through profit or loss	15	136.4	135.1
Other non-current assets		0.2	0.2
Loan granted to non-controlling interest partner	7	11.7	11.6
		2,521.0	2,480.7
Current assets			
Accounts receivables		16.6	15.7
VAT and other tax receivables		4.0	3.1
Income tax receivables		1.9	1.5
Prepayments and other receivables	1	32.3	52.4
Derivatives	9	10.3	11.9
Short-term blocked deposits		17.4	17.3
Cash and cash equivalents	14	122.5	60.4
Assets held for sale	11	13.6	13.6
		218.6	175.9
TOTAL ASSETS		2,739.6	2,656.6

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(in millions of EUR)

	Note	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		12.9	12.9
Share premium		668.9	668.9
Capital reserve		(49.3)	(49.3)
Hedge reserve		(3.4)	0.7
Foreign currency translation reserve		(2.7)	(2.6)
Accumulated profit		480.6	471.3
		1,107.0	1,101.9
Non-controlling interest	7	24.8	24.3
Total Equity		1,131.8	1,126.2
Non-current liabilities			
Long-term portion of borrowings	10	1,157.3	1,228.7
Lease liabilities	8	65.2	43.2
Deposits from tenants		13.3	13.1
Long term payables		5.8	5.2
Derivatives	9	27.5	18.7
Deferred tax liabilities		136.4	135.1
		1,405.5	1,444.0
Current liabilities			
Current portion of borrowings	10	160.6	45.3
Trade payables and provisions		33.4	34.0
Deposits from tenants		2.2	2.4
VAT and other taxes payables		2.9	1.9
Income tax payables		2.8	2.4
Liabilities related to assets held for sale		0.4	0.4
		202.3	86.4
TOTAL EQUITY AND LIABILITIES		2,739.6	2,656.6

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
(in millions of EUR)

	Note	Three-month period ended 31 March	
<i>Unaudited</i>		2024	2023
Rental revenue	5	34.3	31.1
Service charge revenue	5	11.4	11.6
Service charge costs	5	(13.5)	(13.1)
Gross margin from operations		32.2	29.6
Selling expenses		(0.6)	(0.6)
Administration expenses		(4.5)	(3.9)
Loss from revaluation	8	(5.7)	(3.0)
Other income		0.2	-
Other expenses		(0.2)	(0.4)
Net operating profit		21.4	21.7
Foreign exchange differences		0.1	0.2
Finance income		0.8	0.2
Finance cost	6	(9.3)	(7.8)
Result before tax		13.0	14.3
Taxation	12	(3.2)	(2.7)
Result for the period		9.8	11.6
Attributable to:			
Equity holders of the Parent Company		9.3	11.2
Non-controlling interest	7	0.5	0.4
Basic earnings per share (in Euro)	16	0.02	0.02

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(in millions of EUR)

<i>Unaudited</i>	Three-month period ended 31 March	
	2024	2023
Result for the period	9.8	11.6
<i>Net other comprehensive income for the period, net of tax not to be reclassified to profit or loss in subsequent periods</i>	-	-
Result on hedge transactions	(5.1)	(1.5)
Income tax	1.0	0.3
Net result on hedge transactions	(4.1)	(1.2)
Foreign currency translation	(0.1)	-
<i>Net other comprehensive income for the period, net of tax to be reclassified to profit or loss in subsequent periods</i>	(4.2)	(1.2)
Total comprehensive income for the period	5.6	10.4
Attributable to:		
Equity holders of the Parent Company	5.1	10.0
Non-controlling interest	0.5	0.4

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(in millions of EUR)

	<u>Share capital</u>	<u>Share premium</u>	<u>Capital reserve</u>	<u>Hedge reserve</u>	<u>Foreign currency translation reserve</u>	<u>Accumulated profit</u>	<u>Total</u>	<u>Non-controlling interest ("NCI")</u>	<u>Total</u>
Balance as of 1 January 2024 <i>(audited)</i>	12.9	668.9	(49.3)	0.7	(2.6)	471.3	1,101.9	24.3	1,126.2
Other comprehensive income	-	-	-	(4.1)	(0.1)	-	(4.2)	-	(4.2)
Result for the period	-	-	-	-	-	9.3	9.3	0.5	9.8
Total comprehensive result for the period	-	-	-	(4.1)	(0.1)	9.3	5.1	0.5	5.6
Balance as of 31 March 2024 <i>(unaudited)</i>	12.9	668.9	(49.3)	(3.4)	(2.7)	480.6	1,107.0	24.8	1,131.8
	<u>Share capital</u>	<u>Share premium</u>	<u>Capital reserve</u>	<u>Hedge reserve</u>	<u>Foreign currency translation reserve</u>	<u>Accumulated profit</u>	<u>Total</u>	<u>Non-controlling interest ("NCI")</u>	<u>Total</u>
Balance as of 1 January 2023 <i>(audited)</i>	12.9	668.9	(49.3)	(7.5)	(2.6)	490.5	1,112.9	22.7	1,135.6
Other comprehensive income/(loss)	-	-	-	(1.2)	-	-	(1.2)	-	(1.2)
Result for the period	-	-	-	-	-	11.2	11.2	0.4	11.6
Total comprehensive result for the period	-	-	-	(1.2)	-	11.2	10.0	0.4	10.4
Dividend paid to minority	-	-	-	-	-	-	-	(0.9)	(0.9)
Balance as of 31 March 2023 <i>(unaudited)</i>	12.9	668.9	(49.3)	(8.7)	(2.6)	501.7	1,122.9	22.2	1,145.1

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Statements

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(in millions of EUR)

<i>Unaudited</i>	Note	Three-month period ended 31 March 2024	Three-month period ended 31 March 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Result before tax		13.0	14.3
Adjustments for:			
Loss/(profit) from revaluation	8	5.7	3.0
Foreign exchange differences		(0.1)	(0.2)
Finance income		(0.8)	(0.2)
Finance cost	6	9.3	7.8
Share based payment provision revaluation		-	(0.4)
Depreciation		0.3	0.1
Operating cash before working capital changes		27.4	24.4
Increase in accounts receivables and other current assets		(0.6)	(6.1)
Increase in deposits from tenants		-	0.8
Increase / (decrease) in trade and other payables		1.3	1.7
Cash generated from operations		28.1	20.8
Tax paid in the period		(1.3)	(1.2)
Net cash from operating activities		26.8	19.6
CASH FLOWS FROM INVESTING ACTIVITIES:			
Expenditure on investment property	8	(19.4)	(25.3)
Sale of completed assets		-	49.2
Change in short-term deposits designated for investment	1	12.2	-
Expenditure on non-current financial assets	15	-	(1.3)
VAT/tax on purchase/sale of investment property		(0.9)	1.6
Interests received		0.2	0.1
Net cash from/(used in) investing activities		(7.9)	24.3
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from long-term borrowings		55.9	-
Repayment of long-term borrowings		(4.8)	(5.5)
Interest paid		(6.5)	(4.7)
Repayment of lease liability		(0.7)	(0.6)
Loan origination costs		(0.4)	-
Decrease/(increase) in short term deposits		(0.3)	(0.1)
Dividend paid to non-controlling interest		-	(0.9)
Net cash from/(used in) financing activities		43.2	(11.8)
Net foreign exchange difference, related to cash and cash equivalents		-	(0.1)
Net change in cash and cash equivalents		62.1	32.0
Cash and cash equivalents at the beginning of the period		60.4	115.1
Cash and cash equivalents at the end of the period		122.5	147.1

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

1. Principal activities

Globe Trade Centre S.A. (the “Company”, “GTC S.A.” or “GTC”) with its subsidiaries (“GTC Group” or “the Group”) is an international real estate developer and investor. The Company was registered in Warsaw on 19 December 1996. The Company’s registered office is in Warsaw (Poland) at Komitetu Obrony Robotników 45a. The Company owns, through its subsidiaries, commercial and residential real estate companies with a focus on Poland, Hungary, Bucharest, Belgrade, Zagreb and Sofia. There is no seasonality in the business of the Group companies.

As of 31 March 2024, the majority shareholder of the Company is GTC Dutch Holdings B.V. (“GTC Dutch”) who holds 337,637,591 shares in the Company representing 58.80% of the Company’s share capital, entitling to 337,637,591 votes in the Company, representing 58.80% of the total number of votes in GTC S.A. Additionally, GTC Holding Zrt. holds 21,891,289 shares, entitling to 21,891,289 votes in GTC S.A., representing 3.81% of the Company’s share capital and carrying the right to 3.81% of the total number of votes in GTC S.A. Ultimate shareholder of GTC Dutch Holding B.V. and GTC Holding Zrt. is Optimum Venture Private Equity Funds, which indirectly holds 359,528,880 shares of GTC S.A., entitling to 359,528,880 votes in the Company, representing 62.61% of the Company’s share capital and carrying the right to 62.61% of the total number of votes in GTC S.A.

The ultimate controlling party of the Group is Pallas Athéné Domus Meriti Foundation.

EVENTS IN THE PERIOD

FINANCING

In February 2024, Dorado 1 EOOD, a wholly-owned subsidiary of the Company, has signed EUR 55 loan agreement with DSK Bank AD and OTP Bank PLC with a maturity in March 2029. The full amount was drawn down.

In December 2023, the Company transferred EUR 29.5 to an escrow account held with an external legal company with the purpose of acquiring green bonds issued by GTC Aurora (further “Aurora bonds”). Running the acquisition transactions was handed over to a financial expert (further the “Broker”). In first quarter of 2024 the Broker bought back 4,400 Aurora bonds and transferred to GTC Group with nominal value of EUR 4.4 at cost of EUR 3.9. GTC Group recognized income from buy-back of Aurora bonds in amount of EUR 0.5.

In addition, on 13 March 2024 GTC Group decided to lower the amount on the escrow held for buy-back, EUR 12.2 in cash was returned to GTC including the interest income accumulated. For the remaining amount of EUR 13.8, GTC Group and the Broker signed an amendment to extend the current agreement for a further short-term period.

MEMBERS OF THE GOVERNING BODIES

On 18 March 2024, the Company entered into a mutual employment contract termination agreement with Barbara Sikora, who resigned from her seat on the Management Board of the Company. The resignation is effective at the date of the contract.

Impact of the situation in Ukraine on GTC Group

Detailed analysis of the impact of the war on the operations of the Group has been performed for the purpose of preparation of the annual consolidated financial statements.

Similarly, as at the date of these financial statements, the direct impact of the war in Ukraine on the Group’s operations is not material. However, it is not possible to estimate the scale of such impact in the future and due to high volatility, the Company monitors the situation on an ongoing basis and analyses its potential impact both from the perspective of individual projects and the entire Group and its long-term investment plans.

2. Basis of preparation

The Condensed Consolidated Interim Financial Statements for the three-month period ended 31 March 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by EU.

All the financial data is presented in EUR and expressed in millions unless indicated otherwise.

At the date of authorisation of these consolidated financial statements, taking into account the EU's ongoing process of IFRS endorsement and the nature of the Group's activities, there is no significant difference between International Financial Reporting Standards applying to these consolidated financial statements and International Financial Reporting Standards endorsed by the European Union. The new standards which have been issued but are not effective yet in the financial year beginning on 1 January 2023 have been presented in the Group's consolidated financial statements for the year ended 31 December 2023 (note 6).

The Condensed Consolidated Interim Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements and the notes there to for the year ended 31 December 2023, which were authorized for issue on 23 April 2024. The interim financial results are not necessarily indicative of the full year results.

The functional currency of GTC S.A. and most of its subsidiaries is euro, as the Group primarily generates and expends cash in euro: prices (rental income) are denominated in euro and all external borrowings are denominated in euro or hedged to euro through swap instruments.

The functional currency of some of GTC's subsidiaries is other than euro. The financial statements of those companies prepared in their functional currencies are included in the consolidated financial statements by a translation into euro using appropriate exchange rates outlined in IAS 21 *The Effects of Changes in Foreign Exchange Rates*. Assets and liabilities are translated at the period end exchange rate, while income and expenses are translated at average exchange rates for the period if it approximates actual rate. All resulting exchange differences are classified in equity as "Foreign currency translation reserve" without affecting earnings for the period.

As of 31 March 2024, the Group's net working capital (defined as current assets less current liabilities) amounted to EUR 16.3 million.

The management has analysed the timing, nature and scale of potential financing needs of particular subsidiaries and believes that there are no risks for paying current financial liabilities and cash on hand, as well as, expected operating cash-flows will be sufficient to fund the Group's anticipated cash requirements for working capital purposes, for at least the next twelve months from the date of the financial statements. Consequently, the consolidated financial statements have been prepared under the assumption that the Group companies will continue as a going concern in the foreseeable future, for at least twelve months from the date of the financial statements.

There were no other changes in significant accounting estimates and management's judgements during period.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

3. Significant accounting policies, new standards, interpretations and amendments adopted

The accounting policies adopted in the preparation of the Condensed Consolidated Interim Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023 (see note 6 to the consolidated financial statements for 2023) except for changes in the standards which became effective as of 1 January 2024:

- Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current* (issued on 23 January 2020 amended 15 July 2020 and 31 October 2023) - not yet endorsed by EU at the date of approval of these financial statements.

Other standards issued but not effective are not expected to impact the Group's financial statements.

The Group's assessment is that the above changes have no material impact on the Condensed Consolidated Interim Financial Statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. No changes to comparative data or error corrections were made.

4. Investments in subsidiaries

The Group structure is consistent with presented in the Group's annual consolidated financial statements for the year ended 31 December 2023 (see note 8 to the consolidated financial statements for 2023) except for the following change occurred in the three-month period ended 31 March 2024:

- liquidation of Riverside Apartmanok Kft. (wholly-owned subsidiary of GTC Hungary seated in Hungary).

5. Segmental analysis

The operating segments are aggregated into reportable segments, taking into consideration the nature of the business, operating markets, and other factors. Operating segments are divided into geographical zones, which have common characteristics and reflect the nature of management reporting structure: Poland, Hungary, Bucharest, Belgrade, Sofia, Zagreb and others.

Sector analysis of rental and service charge income for the three-month periods ended 31 March 2024 and 31 March 2023 is presented below:

	Three-month period ended 31 March	
	2024	2023
Rental income from office sector	21.3	18.5
Service charge revenue from office sector	6.8	6.8
Rental income from retail sector	13.0	12.6
Service charge revenue from retail sector	4.6	4.8
TOTAL	45.7	42.7

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

Segment analysis of rental income and costs for the three-month periods ended 31 March 2024 and 31 March 2023 is presented below:

Three-month period ended 31 March 2024					
Portfolio	Rental revenue	Service charge revenue	Service charge costs	Gross margin from operations	
Poland	12.9	4.4	(5.5)	11.8	
Belgrade	2.8	1.0	(0.9)	2.9	
Hungary	9.3	3.4	(4.0)	8.7	
Bucharest	2.7	0.7	(0.8)	2.6	
Zagreb	2.6	1.0	(1.1)	2.5	
Sofia	4.0	0.9	(1.2)	3.7	
Total	34.3	11.4	(13.5)	32.2	

Three-month period ended 31 March 2023					
Portfolio	Rental revenue	Service charge revenue	Service charge costs	Gross margin from operations	
Poland	12.7	5.1	(5.4)	12.3	
Belgrade	2.2	0.8	(0.9)	2.1	
Hungary	8.3	3.2	(3.7)	7.9	
Bucharest	2.3	0.6	(0.8)	2.1	
Zagreb	2.0	1.0	(1.2)	1.8	
Sofia	3.6	0.9	(1.1)	3.4	
Total	31.1	11.6	(13.1)	29.6	

Segmental analysis of assets and liabilities as of 31 March 2024:

	Real estate ¹	Cash and deposits	Other assets	Total assets	Loans, bonds and leases ²	Deferred tax liabilities	Other liabilities	Total liabilities
Poland	881.4	41.3	14.1	936.8	288.4	55.3	19.4	363.1
Belgrade	178.5	6.8	2.8	188.1	25.8	3.3	5.4	34.5
Hungary	759.3	27.2	30.9	817.4	264.9	20.3	18.5	303.7
Bucharest	177.0	4.1	1.9	183.0	6.4	12.5	2.7	21.6
Zagreb	139.2	5.2	13.4	157.8	57.9	17.2	4.0	79.1
Sofia	198.5	14.4	0.9	213.8	91.1	8.8	4.4	104.3
Other	32.5	-	0.3	32.8	2.1	-	0.2	2.3
Non allocated ³	-	54.2	155.7	209.9	653.4	19.0	26.8	699.2
Total	2,366.4	153.2	220.0	2,739.6	1,390.0	136.4	81.4	1,607.8

Segmental analysis of assets and liabilities as of 31 December 2023:

	Real estate ¹	Cash and deposits	Other assets	Total assets	Loans, bonds and leases ²	Deferred tax liabilities	Other liabilities	Total liabilities
Poland	859.0	40.6	14.2	913.8	269.9	55.5	19.2	344.6
Belgrade	177.7	5.9	2.6	186.2	25.8	2.5	5.0	33.3
Hungary	744.0	20.8	35.5	800.3	266.7	19.8	16.1	302.6
Bucharest	177.2	4.7	1.0	182.9	6.6	12.3	2.8	21.7
Zagreb	139.1	3.3	13.5	155.9	56.9	17.1	4.7	78.7
Sofia	198.5	6.3	1.6	206.4	36.1	8.7	4.0	48.8
Other	32.7	-	0.3	33.0	2.2	-	0.3	2.5
Non allocated ³	-	9.2	168.9	178.1	660.0	19.2	19.0	698.2
Total	2,328.2	90.8	237.6	2,656.6	1,324.2	135.1	71.1	1,530.4

¹ Comprise investment property, residential landbank, assets held for sale and value of buildings (including right of use).

² Excluding deferred issuance debt expenses.

³ Other assets represent mainly non-current financial assets. Loans, bonds and leases comprise mainly issued bonds. Other liabilities include mainly derivatives.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

6. Finance costs

Finance costs for the three-month period ended 31 March 2024 and 31 March 2023 comprise the following amounts:

	Three-month period ended 31 March	
	2024	2023
Interest expenses ⁴ (including hedge effect)	8.1	6.9
Finance costs related to lease liability	0.7	0.4
Other	0.5	0.5
Total	9.3	7.8

The weighted average interest rate (including hedges) on the Group's loans as of 31 March 2024 was 2.58% p.a. (2.48% p.a. as of 31 December 2023).

7. Non-controlling interest

The Company's subsidiary that holds Avenue Mall (Euro Structor d.o.o.) has granted in 2018 its shareholders a loan, pro-rata to their stake in the subsidiary. The loan principal and interest shall be repaid by 30 December 2026. In the event that Euro Structor renders a resolution for the distribution of dividend, Euro Structor has the right to set-off the dividend against the loan. In case a shareholder will sell its stake in Euro Structor, the loan shall be due for repayment upon the sale.

Summarised financial information of the material non-controlling interest as of 31 March 2024 is presented below:

	Euro Structor d.o.o.
NCI share in equity	24.8
Loans granted to NCI	11.7
Total as of 31 March 2024 (unaudited)	36.5
NCI share in profit / (loss)	0.5

8. Investment Property

Investment property that are owned by the Group are office and commercial space, including properties under construction.

Completed assets are valued using discounted cash flow (DCF) method. Completed investment properties are externally valued by independent appraisers at year end and semi-annually based on open market values (RICS Standards). For the purpose of Q1 quarterly interim condensed consolidated financial statements the Group receives letters from its external appraisers to verify if the market value of completed investment properties has not been changed comparing to previous quarter.

Investment property can be split up as follows:

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Completed investment property	2,008.5	2,007.4
Investment property under construction	81.8	67.5
Investment property landbank	159.3	158.5
Right of use of lands under perpetual usufruct (IFRS 16)	62.2	40.0
Total	2,311.8	2,273.4

⁴ Comprise interest expenses on financial liabilities that are not fair valued through profit or loss, banking costs and other charges.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

The movement in investment property for the periods ended 31 March 2024 and 31 December 2023 were as follows:

	Right of use of lands under perpetual usufruct (IFRS 16)	Completed investment property	Investment property under construction	Landbank	Total
Carrying amount as of 1 January 2023	38.9	2,002.9	51.5	150.4	2,243.7
Capitalised expenditures	-	38.7	40.1	6.3	85.1
Purchase of completed assets, investment property under construction and land	-	-	-	13.1	13.1
Reclassification ⁵	-	34.0	(21.7)	(12.3)	-
Adjustment to fair value / (impairment)	-	(66.2)	(2.4)	11.1	(57.5)
Revaluation of right of use of lands under perpetual usufruct	(0.8)	-	-	-	(0.8)
Reclassified to assets held for sale	-	-	-	(10.1)	(10.1)
Classified to assets for own use	-	(2.4)	-	-	(2.4)
Foreign exchange differences	2.0	-	-	-	2.0
Other changes	(0.1)	0.4	-	-	0.3
Carrying amount as of 31 December 2023	40.0	2,007.4	67.5	158.5	2,273.4
Capitalised expenditures	-	6.7	14.3	0.9	21.9
Prepaid right of use of lands under perpetual usufruct	(1.2)	-	-	-	(1.2)
Adjustment to fair value	-	(5.6)	-	(0.1)	(5.7)
Revaluation of right of use of lands under perpetual usufruct	(1.0)	-	-	-	(1.0)
Other changes*	23.6	-	-	-	23.6
Foreign exchange differences	0.8	-	-	-	0.8
Carrying amount as of 31 March 2024	62.2	2,008.5	81.8	159.3	2,311.8

(*) In the three-month period ended 31 March 2024 the Group recognized increase in right-of-use (and corresponding increase in lease liabilities) due to new annual perpetual usufruct fee.

⁵ Completion of Pillar building in Hungary in Q1 2022 (EUR 112m), GTC X in Serbia (EUR 50.4m) and Sofia Tower in Sofia (EUR 19.9m) in Q4 2022. Moreover, commencement of Center Point III construction (transfer from landbank to under construction).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

Profit/(loss) from revaluation consists the following:

	Three-month period ended 31 March	
	2024	2023
Adjustment to fair value of completed investment property	(5.6)	(4.1)
Adjustment to the fair value of landbank	(0.1)	(0.2)
Total adjustment to fair value / (impairment) of investment property	(5.7)	(4.3)
Adjustment to fair value of financial assets and other	1.1	1.7
Impairment of residential landbank	(0.1)	(0.2)
Revaluation of right of use of lands under perpetual usufruct (including residential landbank)	(1.0)	(0.2)
Total recognised in profit or loss	(5.7)	(3.0)

Assumptions used in the fair value valuations of completed assets as of 31 March 2024:

Portfolio	Book value	GLA thousand	Average Occupancy	Actual Average rent	Average ERV ⁶	Average Yield ⁷
	€'000 000	sqm	%	Euro/ sqm/m	Euro/ sqm/m	%
Poland office	335.4	197	73%	15.4	14.2	7.9%
Poland retail	432.6	114	94%	22.2	22.6	6.6%
Belgrade office	49.5	18	100%	18.7	18.5	7.9%
Belgrade retail	90.0	34	99%	20.6	21.7	9.3%
Hungary office	596.9	203	88%	20.1	16.8	7.2%
Hungary retail	20.3	6	96%	20.9	18.2	7.8%
Bucharest office	161.9	62	83%	19.9	18.6	7.6%
Zagreb office	43.1	18	98%	15.8	16.6	7.6%
Zagreb retail	85.0	28	98%	23.8	22.6	9.1%
Sofia office	113.1	52	84%	16.6	15.9	7.7%
Sofia retail	80.7	23	99%	25.1	25.0	8.4%
Total	2,008.5	755	86%	19.4	17.8	7.5%

⁶ ERV- Estimated Rent Value (the open market rent value that a property can be reasonably expected to attain based on characteristics such as a condition of the property, amenities, location, and local market conditions).

⁷ Average yield is calculated as in-place rent divided by fair value of asset.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

Assumptions used in the fair value valuations of completed assets as of 31 December 2023:

Portfolio	Book value	GLA thousand	Average Occupancy	Actual Average rent	Average ERV ¹	Average Yield ¹²
	€'000 000	sqm	%	Euro/ sqm/m	Euro/ sqm/m	%
Poland office	335.4	195	77%	15.5	14.3	8.3%
Poland retail	432.6	114	95%	22.1	22.6	6.6%
Belgrade office	49.5	18	100%	18.4	18.5	7.7%
Belgrade retail	90.0	34	99%	19.9	21.7	9.0%
Hungary office	595.8	203	87%	20.3	16.8	7.2%
Hungary retail	20.3	6	96%	20.9	18.2	7.8%
Bucharest office	161.9	62	77%	19.3	18.7	7.3%
Zagreb office	43.1	18	96%	15.3	15.5	7.6%
Zagreb retail	85.0	28	99%	23.8	22.6	9.1%
Sofia office	113.1	52	86%	16.5	15.9	7.8%
Sofia retail	80.7	23	99%	24.4	25.0	8.1%
Total	2,007.4	753	87%	19.3	17.9	7.5%

Information regarding investment property under construction:

	31 March 2024	31 December 2023	Estimated area (GLA) thousand sqm
Budapest (Center Point III)	53.6	41.4	36
Budapest (G-Delta Andrassy)	20.9	19.2	4
Budapest (Rose Hill Business Campus)	7.3	6.9	11
Total	81.8	67.5	51

Information regarding book value of investment property landbank for construction:

	31 March 2024	31 December 2023
Poland	53.1	53.1
Hungary	47.4	47.4
Serbia	37.0	36.2
Romania	7.5	7.5
Bulgaria	3.5	3.5
Croatia	10.8	10.8
Total	159.3	158.5

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

9. Derivatives

The Group holds instruments (i.e. IRS, CAP and cross-currency interest rate SWAP) that hedge the risk connected with fluctuations of interest rates and currencies rates. The instruments hedge interest and foreign exchange rates on loans and bonds for periods of 2-10 years.

Derivatives are presented in financial statements as below:

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Non-current assets	2.4	2.3
Current assets	10.3	11.9
Non-current liabilities	(27.5)	(18.7)
Total	(14.8)	(4.5)

The movements in derivatives for the periods ended 31 March 2024 and 31 December 2023 were as follows:

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Fair value as of the beginning of the year	(4.5)	(24.1)
Charged to other comprehensive income	(5.1)	8.0
Charged to profit or loss ⁸	(5.2)	11.6
Fair value as of the end of the period	(14.8)	(4.5)

The movements in hedge reserve presented in equity for the periods ended 31 March 2024 and 31 December 2023 were as follows:

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Hedge reserve as of the beginning of the year	0.7	(7.5)
Charged to other comprehensive income	(10.3)	19.6
Realized in the period (charged to profit or loss) ⁹	5.2	(11.6)
Total impact on other comprehensive income	(5.1)	8.0
Income tax on hedge transactions	1.0	0.2
Hedge reserve as of the end of the year	(3.4)	0.7

Derivatives are measured at fair value at each reporting date. Valuations of hedging derivatives are considered as level 2 fair value measurements. Fair value of derivatives is measured using cash flow models based on the data from publicly available sources.

The Company applies cash flow hedge accounting and uses derivatives as hedging instruments. The Group uses both qualitative and quantitative methods for assessing effectiveness of the hedge. All derivatives are measured at fair value, effective part is included in other comprehensive income and reclassified to profit or loss when hedged item affects P&L.

The Group uses IRSs and CAPs for hedging interest rate risk on loans, and cross-currency interest rate SWAPs for hedging both interest rate risk and currency risk on bonds denominated in foreign currencies.

⁸ This gain/loss mainly offsets a foreign exchange losses/gains on bonds nominated in PLN and HUF.

⁹ This gain/loss mainly offsets a foreign exchange losses/gains on bonds nominated in PLN and HUF.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

10. Long-term borrowings (loans and bonds)

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Bonds	653.3	660.0
Bank loans	671.1	620.5
Long-term borrowings' acquisition costs	(6.5)	(6.5)
Total borrowings	1,317.9	1,274.0
Of which		
Long-term borrowings	1,157.3	1,228.7
Short-term borrowings	160.6	45.3
Total borrowings	1,317.9	1,274.0

Bank loans are secured with mortgages over the assets and with security deposits together with assignment of the associated receivables and insurance rights.

In its financing agreements with banks, the Group undertakes to comply with certain financial covenants that are listed in those agreements. The main covenants are: maintaining at an agreed level Loan-to-Value and Debt Service Coverage ratios by the company that holds the project.

As at 31 March 2024, the Group complied with the financial covenants set out in the loan agreements and bonds terms.

In addition, substantially, all investment properties and investment properties under construction that were financed by lenders have been pledged. Fair value of the pledged assets exceeds the carrying value of the related loans.

Green Bonds (series maturing in 2027-2030) and green bonds (series maturing in 2028-2031) are denominated in HUF. All other bank loans and bonds are denominated in EUR.

Repayments of long-term debt and interest are scheduled as follows (the amounts are not discounted):

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
First year ¹⁰	185.3	70.2
Second year	80.0	151.3
Third year	728.5	778.6
Fourth year	87.4	80.8
Fifth year	143.6	87.2
Thereafter	192.7	203.3
Total	1,417.5	1,371.4

¹⁰ To be repaid during 12 months from the reporting date.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

11. Assets held for sale

The balances of assets held for sale as of 31 March 2024 and 31 December 2023 were as follows:

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
GTC LCHD Projekt	10.1	10.2
Landbank in Poland	3.5	3.4
Total	13.6	13.6

12. Taxation

Regulations regarding VAT, corporate income tax and social security contributions are subject to frequent changes. These frequent changes result in there being little point of reference, inconsistent interpretations and few established precedents that may be followed. The binding regulations also contain uncertainties, resulting in differences in opinion regarding the legal interpretation of tax regulations both between government bodies, and between government bodies and companies. Tax settlements and other areas of activity (e.g. customs or foreign currency related issues) may be subject to inspection by administrative bodies authorised to impose high penalties and fines, and any additional taxation liabilities calculated as a result must be paid together with high interest.

13. Capital and Reserves

Shareholders who, as at 31 March 2024, held above 5% of the Company shares were as follows:

- GTC Dutch Holdings B.V
- Otwarty Fundusz Emerytalny PZU "Złota Jesień"
- Allianz Polska Otwarty Fundusz Emerytalny
- Aletheia Investment AG.

14. Cash and cash equivalents

Cash balance mainly consists of cash at banks. Cash at banks earns interest at floating rates based on term deposits' rates. All cash and cash equivalents are available for use by the Group. GTC Group cooperates mainly with banks with investment rating above B. The major bank, where the Group deposits 41% of cash and cash equivalents and blocked deposits is a financial institution with credit rating BBB-. Second bank with major Group's deposits (10%) is an institution with credit rating BBB. The Group monitors ratings of banks and manages concentration risk by allocating deposits in multiple financial institutions (over 10).

15. Non-current financial assets measured at fair value through profit or loss

As of 31 March 2024 and 31 December 2023 the fair value of non-current financial assets were as follows:

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
Notes (Ireland)	119.1	119.1
Units (Trigal)	15.2	13.9
ACP Fund	2.1	2.1
Total	136.4	135.1

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

Non-current financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

15.1 Notes (Ireland)

On 9 August 2022, a subsidiary of the Company invested via a debt instrument into a joint investment into the innovation park in County Kildare, Ireland (further Kildare Innovation Campus or "KIC"). The idea of the project is to build a database centre with power capacity of 179 MWs. GTC's investment comprised acquiring upfront notes in the value of EUR 115 and in accordance with the investment documentations GTC is obliged to further invest up to agreed amount of ca. EUR 9 to cover the costs indicated in the business plan and comprising such costs as permitting, financing, capex as well as operating costs of the business. As of 31 March 2024 the Company has already additionally invested EUR 4, which were spent in accordance with the business plan as indicated above.

The investment was executed by acquisition of 25% of notes (debt instrument) issued by a Luxembourg securitization vehicle, a financial instrument which gives the right to return at the exit from the project and dependent on the future net available proceeds derived from the project, including a promote mechanism. The maturity date for these notes is 9 August 2032. GTC expects to execute a cash inflow from the project at the maturity date or at an early exit date.

The investment is treated as joint investment due to the following: GTC has indirect economical rights through their notes protected by the GTC's consent to the reserved matters such as material deviation from the business plan, partial or total disposal of material assets [transfer of units] etc. This debt instrument does not meet the SPPI test therefore it is measured at fair value through profit or loss.

Kildare Innovation Campus, located outside of Dublin, extends over 72 ha (of which 34 ha is undeveloped). There are nine buildings that form the campus (around 101,685 sqm): six are lettable buildings with designated uses including industrial, warehouse, manufacturing and office/lab space. In addition, there are three amenity buildings, comprising a gym, a plant area, a campus canteen, and an energy center. The KIC currently generates around EUR 3.7 gross rental income per annum from the rental of the office and warehouse space and parking spaces on the KIC grounds.

A masterplan was permitted whereby the site and the campus are planned to be converted into a Life Science and Technology campus with a total of approximately 148,000 sq m. The planning permit was issued initially on 7 September 2023 and was finalized on 22 January 2024.

In February 2024 the contract with a major client was signed which is in line with the planning permit.

The next milestones for the project include completion of site highways and infrastructure works as well as power infrastructure works by 26 February 2028 (Phase 1).

GTC's investment is protected by customary investor protection mechanisms in the case of certain significant project milestones are not achieved in a satisfactory manner.

As of 31 March 2024 the fair value of the notes were valued by Kroll Advisory (Ireland) Limited ("Kroll") in accordance with IFRS 13 *Fair Value Measurement* (fair value at level 3). Kroll estimated the range of fair value of the notes between EUR 120 and EUR 140. Taking into account no significant difference between the valuation and book value, no update to the balance as of 31 March 2024 in regards to the Ireland investment amount was presented. The project value used in the valuation of the instrument was established by Kroll Advisory (Ireland) Limited as of 31 March 2024, in accordance with the appropriate sections of the Valuation Technical and Performance Standards ("VPS") contained within the RICS Valuation – Global Standards 2022 (the "Red Book"). Key unobservable inputs used in the valuation are cost per MW, rent per KW/month and yield. Impact of changes by 2.5% or 5% in these inputs will not be higher than corresponding changes in GDV presented below.

Management concluded that the current book value of the notes represents their fair value, what is within the range estimated by Kroll.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (in millions of EUR)

The following table presents significant unobservable inputs used in the fair value measurement of the notes in the year ended 31 March 2024:

Significant unobservable inputs	Input
Estimated discount rate	35.59%
Gross Development Value (GDV)	4,300 EUR

Information regarding inter-relationship between key unobservable inputs and fair value measurements is presented below:

	Total Fair Value of financial instrument	
	Increase	Decrease
Change in estimated discount rate by 5%	114.9	123.6
Change in estimated discount rate by 10%	111.1	128.4
Change in estimated GDV by 2.5%	124.5	114.0
Change in estimated GDV by 5%	129.8	109.9

15.2 Units (Trigal)

On 28 August 2022, GTC Origine Investments Pltd., a wholly-owned subsidiary of the Company, acquired 34% of units in Regional Multi Asset Fund Compartment 2 of Trigal Alternative Investment Fund GP S.á.r.l. ("Fund") for consideration of EUR 12.6 from an entity related to the Majority shareholder. The Fund is focused on commercial real estate investments in Slovenia and Croatia with a total gross asset value of EUR 68.75. The fund expected maturity is in Q4 2028. Valuation is based on fund management report, where NAV is measured at fair value allocated to our investment share (fair value at level 2).

15.3 ACP Fund

ACP Credit I SCA SICAV-RAIF (hereinafter referred as "ACP Fund") is a reserved alternative investment fund seated in Luxemburg with 2 compartments. GTC has a total commitment of EUR 5 in ACP Fund, and total of EUR 2.2 was called up to the end of 2023. ACP Fund investment strategy is to build a portfolio of secured income-generating debt instruments in SMEs and medium-sized companies in Central Europe. Valuation is based on fund management report, where NAV is measured at fair value allocated to our investment share (fair value at level 2).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(in millions of EUR)

16. Earnings per share

Basic earnings per share were calculated as follows:

<i>Unaudited</i>	Three-month period ended 31 March	
	2024	2023
Result for the period attributable to equity holders (Euro)	9,300,000	11,154,000
Weighted average number of shares for calculating basic earnings per share	574,255,122	574,255,122
Basic earnings per share (Euro)	0.02	0.02

There have been no potentially dilutive and dilutive instruments as at 31 March 2024 and 31 March 2023.

17. Related party transactions

There were no significant related party transactions in the three-month period ended 31 March 2024 other than described in note 1 *Principal activities*.

18. Changes in commitments, contingent assets and liabilities

There were no significant changes in commitments and contingent liabilities.

There were no significant changes in litigation settlements in the current period.

19. Subsequent events

On 23 April 2024, the Supervisory Board of GTC appointed Mr. Balázs Gosztonyi as a member of the Management Board of GTC S.A. The appointment is effective 24 April 2024.

20. Approval of the financial statements

The interim condensed consolidated financial statements were authorised for the issue by the Management Board on 27 May 2024.



Independent registered auditor's report on the review of the condensed consolidated interim financial statements

To the Shareholders and the Supervisory Board of Globe Trade Centre Spółka Akcyjna

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Globe Trade Centre S.A. Group (hereinafter called "the Group"), having Globe Trade Centre S.A. as its parent company (hereinafter called "the Parent Company"), comprising the condensed consolidated interim statement of financial position as at 31 March 2024 and the condensed consolidated interim income statement for three-month period then ended, the condensed consolidated interim statement of comprehensive income for three-month period then ended, the condensed consolidated interim statement of changes in equity, the condensed consolidated interim statement of cash flows for three-month period then ended and the related explanatory notes.

The Management of the Parent's Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the National Standard on Review Engagements 2410 in the wording of the International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity as adopted by the National Council of Certified Auditors. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with National Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements have not been prepared, in all material respect, in accordance with the International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union.

Conducting the review on behalf of PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k., a company entered on the list of Registered Audit Companies with the number 144:

Piotr Wyszogrodzki

Key Registered Auditor
No. in the registry 90091

Warsaw, 27 May 2024