

## FAVOURABLE FIRST QUARTER PERFORMANCE LEADS TO IMPROVED KEY METRICS, FITCH CONFIRMS BB+ RATING

REVENUES FROM RENTAL ACTIVITIES	FFO I	NET LTV	OCCUPANCY	CASH/ CASH & ESCROW
<b>€46M</b>	<b>€19M</b>	<b>48.1%</b>	<b>86%</b>	<b>€122M/€149M</b>

### Q1 2024 FINANCIAL HIGHLIGHTS

- **Revenues from rental activity** up 7% to €46m in Q1 2024 (€43m in Q1 2023); Like-for-like rental revenue growth of 7%
- **Gross margin from rental activity** up 9% to €32m in Q1 2024 (€30m in Q1 2023)
- **FFO I** at €19m in Q1 2024 (€16m in Q1 2023), FFO per share at €0.03
- **EPRA NTA** at €1,247m as of 31 March 2024 (€1,232m as of 31 December 2023) EPRA NTA per share at €2.17 (PLN 9.34)
- **Net LTV** at 48.1%<sup>1</sup> (49.3%<sup>1</sup> as of 31 December 2023); Net LTV adjusted for cash on escrow accounts at 47.0%
- **Cash of €122m**; cash on the escrow accounts of €27m.

### Q1 2024 PORTFOLIO HIGHLIGHTS

- **Occupancy** at 86% as of 31 March 2024 (87% as of 31 December 2023)
- **Leasing** activity reached 19,000 sq m in Q1 2024 (24,300 sq m in Q1 2023)
- Average weighted lease term at 3.4 yrs.
- 87% of real estate portfolio is recurring income-producing
- 65% of recurring income-producing portfolio is office
- **92% of assets green certified**

“We had a very good first quarter. Our revenues were again boosted by indexation and grew 7%. Our FFO also showed a significant growth and was, along-side the funds drawn under the new loan agreement, a positive driver for our comfortable cash position of EUR 122 million and a decrease in LTV to 48.1%.” – commented **Gyula Nagy**, GTC’s President of the Management Board.

“We are closely monitoring debt capital markets and are pleased with their recovery reflected in several successful real estate exchange offers and new bonds issuances. Based on these positive tailwinds, we, together with our financial advisers, are working on a financing strategy to address the bond maturities in 2026. We are committed to stay at the debt capital market and therefore committed to keep our public rating which Fitch recently affirmed as BB+ stable,” – **added Nagy**.

<sup>1</sup> Includes non-current financial assets

## OPERATING ACHIEVEMENTS IN Q1 2024

<b>Office sector</b>	<ul style="list-style-type: none"><li>• <b>Occupancy</b> at 83% as of 31 March 2024 (84% in December 2023)</li><li>• <b>Average weighted lease term</b> of 3.4 yrs. (3.5 yrs. in December 2023)</li><li>• <b>Leasing activity reached 11,300 sq m in Q1 2024 (20,800 sq m in Q1 2023):</b><ul style="list-style-type: none"><li>○ Prolongation of AHOP in Francuska Office Centre, Katowice (c. 1,800 sq m)</li><li>○ Match Trade Technologies chose Pixel, Poznań (c. 1,300 sq m)</li><li>○ Nickel Development chose Pixel, Poznań (c. 1,300 sq m)</li><li>○ Prolongation of Arup lease in Korona Office Complex, Krakow (c. 900 sq m)</li><li>○ Gyms4U chose Matrix C, Zagreb (c. 550 sq m)</li><li>○ Prolongation of Takeda Pharma in Duna Tower, Budapest (c. 500 sq m)</li></ul></li></ul>
<b>Retail sector</b>	<ul style="list-style-type: none"><li>• <b>Occupancy</b> at 96% as of 31 March 2024 (96% as of 31 December 2023)</li><li>• <b>Average weighted lease term</b> of 3.2 yrs. (3.5 yrs. in December 2023)</li><li>• <b>Leasing activity reached 7,700 sq m in Q1 2024 (3,500 sq m in Q1 2023):</b><ul style="list-style-type: none"><li>○ Prolongation of LC Waikiki in Ada Mall, Belgrade (c. 1,200 sq m)</li><li>○ Prolongation of LPP brands in Galeria Jurajska, Czestochowa (c. 1,200 sq m)</li><li>○ Prolongation of New Yorker in Galeria Jurajska, Czestochowa (c. 700 sq m)</li><li>○ Super Dr. Max chose Ada Mall, Belgrade (c. 600 sq m)</li><li>○ Prolongation of Douglas in Galeria Północna, Warsaw (c. 300 sq m)</li></ul></li></ul>

## FINANCIALS

<b>Rental and service revenues</b>	<ul style="list-style-type: none"><li>• <b>Up 7% to €46m</b> in Q1 2024 as compared to €43m in Q1 2023</li></ul> <p>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.</p>
<b>Gross margin from operations</b>	<ul style="list-style-type: none"><li>• <b>At €32m</b> in Q1 2024 as compared to €30m in Q1 2023</li></ul> <p>Mainly due to an increase in rental and service revenues partially offset by an increase in the service charge cost due to inflation.</p>
<b>Administrative expenses</b>	<ul style="list-style-type: none"><li>• <b>At €4.5m</b> as compared to €3.9m in Q1 2023</li></ul> <p>Mainly due to recognition of one-off payments related to the severance payments, an increase in remuneration fees and other advisory expenses.</p>
<b>Profit /(loss) from revaluation of investment properties</b>	<ul style="list-style-type: none"><li>• <b>Loss of €6m</b> as compared to €3m loss in Q1 2023</li></ul> <p>Loss in the three-month period ended 31 March 2024, is mainly a result of capitalized expenditures on completed buildings.</p>

<b>Financial expenses, net</b>	<ul style="list-style-type: none"> <li>• <b>Financial expenses, net at €8.5m</b> as compared to €7.6m in Q1 2023</li> <li>• <b>Average interest rate at 2.58%.</b></li> </ul>
<b>Tax</b>	<ul style="list-style-type: none"> <li>• <b>Corporate income tax amounted to €3m</b> as compared to €3m tax in Q1 2023</li> <li>• Taxation consists mainly of €1.7m of current tax expenses and €1.5m of deferred tax.</li> </ul>
<b>Adjusted EBITDA and net profit /(loss)</b>	<ul style="list-style-type: none"> <li>• <b>Adjusted EBITDA was at €27m</b> (€24m in Q1 2023). <b>Net profit amounted to €10m in Q1 2024</b> (€12m profit in Q1 2023). The decrease mainly resulted from the loss from revaluation.</li> </ul>
<b>Funds From Operations (FFO I)</b>	<ul style="list-style-type: none"> <li>• <b>At €19m</b> as compared to €16m in Q1 2023, FFO I per share at €0.03.</li> </ul>
<b>Total investments and GAV</b>	<ul style="list-style-type: none"> <li>• <b>Total investments, including non-current financial assets, at €2,434m as of 31 March 2024</b> (€2,416m as of 31 December 2023) and <b>GAV at €2,298m as of 31 March 2024</b> (€2,281m as of 31 December 2023), mainly due to investments into assets under construction of €22m and recognized increase in the right-of-use (and corresponding increase in lease liabilities) due to new annual perpetual usufruct payments of €24m. This increase was partially offset by loss from revaluation related to investment properties of €6m.</li> </ul>
<b>EPRA NTA / share</b>	<ul style="list-style-type: none"> <li>• <b>At €2.17</b> compared to €2.15 on 31 December 2023</li> <li>• Corresponding to <b>EPRA NTA of €1,247m</b> compared to €1,232m as of 31 December 2023.</li> </ul>
<b>Debt and debt related indicators</b>	<ul style="list-style-type: none"> <li>• Debt at <b>€1,319m</b> compared to €1,274m as of 31 December 2023</li> <li>• Related mainly to proceeds from long-term borrowings (€56m) combined with foreign exchange differences on bonds denominated in HUF (€5m), compensated by repayments (€5m). Current portion of long-term debt increased due to reclassification of loan related to Galeria Jurajska due to upcoming maturity in Q1 2025.</li> <li>• <b>Weighted average debt maturity of 3.6 years</b> and <b>average interest rate of 2.58% p.a.</b></li> <li>• <b>Net LTV 48.1%<sup>2</sup></b> (49.3%<sup>2</sup> on 31 December 2023). Net LTV adjusted for cash transferred to the escrow accounts at 47.0%.</li> <li>• <b>Annualized consolidated coverage ratio (based on EBITDA) at 3.3x</b> (3.4x as of 31 December 2023)</li> <li>• <b>Unsecured debt</b> at 49% (52% as of 31 December 2023) and <b>unencumbered properties</b> at 41% (46% as of 31 December 2023)</li> </ul>
<b>Cash</b>	<ul style="list-style-type: none"> <li>• <b>Cash balance of €122m</b> as of 31 March 2024 (€60m as of 31 December 2023)</li> <li>• The cash balance was increased partially due to acquisition of new long-term secured loan of €56m, net cash proceeds from operating activities of €27m and change in short-term deposits designated for bonds buy back of €12m, partially offset by expenditures on investment properties of €19m, interest paid in the amount of €7m and repayment of borrowings of €5m.</li> </ul>

<sup>2</sup> Includes non-current financial assets;

(in millions of euro)

	31 March 2024 <i>unaudited</i>	31 December 2023 <i>audited</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment property	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	2.4	2.3
Non-current financial assets measured at fair value through profit or loss	136.4	135.1
Other non-current assets	0.2	0.2
Loan granted to non-controlling interest partner	11.7	11.6
	<b>2,521.0</b>	<b>2,480.7</b>
<b>Current assets</b>		
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	32.3	52.4
Derivatives	10.3	11.9
Short-term blocked deposits	17.4	17.3
Cash and cash equivalents	122.5	60.4
Assets held for sale	13.6	13.6
	<b>218.6</b>	<b>175.9</b>
<b>TOTAL ASSETS</b>	<b>2,739.6</b>	<b>2,656.6</b>

Annex 1 Consolidated Statement of Financial Position as of 31 March 2024 (cont.)  
(in millions of euro)

	<b>31 March 2024</b> <i>unaudited</i>	<b>31 December</b> <b>2023</b> <i>audited</i>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
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
	<b>1,107.0</b>	<b>1,101.9</b>
Non-controlling interest	24.8	24.3
<b>Total Equity</b>	<b>1,131.8</b>	<b>1,126.2</b>
<b>Non-current liabilities</b>		
Long-term portion of borrowings	1,157.3	1,228.7
Lease liabilities	65.2	43.2
Deposits from tenants	13.3	13.1
Long term payables	5.8	5.2
Derivatives	27.5	18.7
Deferred tax liabilities	136.4	135.1
	<b>1,405.5</b>	<b>1,444.0</b>
<b>Current liabilities</b>		
Current portion of borrowings	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
	<b>202.3</b>	<b>86.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,739.6</b>	<b>2,656.6</b>

Annex 2 Consolidated Income Statement for the 3-month period ended 31 March 2024  
(in millions of euro)

Three-month period ended

31 March

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

(in millions of euro)

	Three-month period ended 31 March 2024	Three-month period ended 31 March 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Result before tax	13.0	14.3
<b>Adjustments for:</b>		
Loss/(profit) from revaluation	5.7	3.0
Foreign exchange differences	(0.1)	(0.2)
Finance income	(0.8)	(0.2)
Finance cost	9.3	7.8
Share based payment provision revaluation	-	(0.4)
Depreciation	0.3	0.1
<b>Operating cash before working capital changes</b>	<b>27.4</b>	<b>24.4</b>
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
<b>Cash generated from operations</b>	<b>28.1</b>	<b>20.8</b>
Tax paid in the period	(1.3)	(1.2)
<b>Net cash from operating activities</b>	<b>26.8</b>	<b>19.6</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Expenditure on investment property	(19.4)	(25.3)
Sale of completed assets	-	49.2
Change in short-term deposits designated for investment	12.2	-
Expenditure on non-current financial assets	-	(1.3)
VAT/tax on purchase/sale of investment property	(0.9)	1.6
Interests received	0.2	0.1
<b>Net cash from/(used in) investing activities</b>	<b>(7.9)</b>	<b>24.3</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
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)
<b>Net cash from/(used in) financing activities</b>	<b>43.2</b>	<b>(11.8)</b>
Net foreign exchange difference, related to cash and cash equivalents	-	(0.1)
<b>Net change in cash and cash equivalents</b>	<b>62.1</b>	<b>32.0</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60.4</b>	<b>115.1</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>122.5</b>	<b>147.1</b>

## About GTC

The GTC Group is a leading real estate investor and developer focusing on Poland and capital cities in Central and Eastern Europe. During nearly 30 years of its activity, GTC has developed 82 high standard, modern office and retail properties with a total area of 1.4 million sq. m through Central and Eastern Europe.

GTC now actively manages a commercial real estate portfolio of 46 commercial buildings providing ca. 755 ths. sq m of lettable office and retail space in Poland, Hungary, Bucharest, Belgrade, Zagreb and Sofia. In addition, GTC has a development pipeline of approx. 500 ths. sq m retail and office properties in capital cities of Central and Eastern Europe, 51 ths. sq m under construction.

GTC S.A. is listed on the Warsaw Stock Exchange and inward listed on the Johannesburg Stock Exchange.

### For further information:

**Małgorzata Czaplicka**

Globe Trade Centre S.A.

M.: +48 22 166 07 10

e-mail: [malgorzata.czaplicka@gtcgroup.com](mailto:malgorzata.czaplicka@gtcgroup.com)

**Alicja Lewandowska-Wolińska**

Hill & Knowlton

M.: +48 605 120 399

e-mail: [Alicja.Lewandowska@hillandknowlton.com](mailto:Alicja.Lewandowska@hillandknowlton.com)