

## INCREASE IN REVENUES COMBINED WITH STABLE OCCUPANCY ALLOWED FOR STABLE RESULTS

REVENUES FROM RENTAL ACTIVITIES	FFO I	NET LTV	OCCUPANCY	CASH/ CASH & ESCROW
<b>€183M</b>	<b>€71M</b>	<b>49.3%</b>	<b>87%</b>	<b>€60M/€108M</b>

### 2023 FINANCIAL HIGHLIGHTS

- **Revenues from rental activity** up 10% to €183m in 2023 (€167m in 2022); Like-for-like rental revenue growth of 10%
- **Gross margin from rental activity** up 8% to €128m in 2023 (€119m in 2022)
- **FFO I** at €71m in 2023 (€68m in 2022), FFO per share at €0.12; FFO is adjusted for one-off tax and other expenses of €6m
- **EPRA NTA** at €1,232m as of 31 December 2023 (€1,273m as of 31 December 2022)  
**EPRA NTA per share** at €2.15 (PLN 9.33)
- **Net LTV** at 49.3%<sup>1</sup> (44.5%<sup>2</sup> as of 31 December 2022); Net LTV adjusted for cash transferred to the escrow accounts at 47.2% (see below)
- **Cash** of €60m; and €108m including cash transferred to the escrow account designated for acquisition of the GTC bonds of €29.5m as well as escrow accounts designated for construction activity of €19.4m.

### 2023 PORTFOLIO HIGHLIGHTS

- **Occupancy** at 87% as of 31 December 2023 (87% as of 31 December 2022)
- **Leasing** activity reached 144,200 sq m in 2023 (154,500 sq m in 2022) and 45,800 sq m in Q4 2023 (39,300 sq m in Q4 2022)
- Average weighted lease term at 3.5 yrs.
- 88% of real estate portfolio is recurring income-producing
- 65% of recurring income-producing portfolio is office
- **92% of assets green certified**
- **Proceeds from successful disposal of Forest Offices Debrecen** reinvested into development of real estate assets.

“Despite overall challenging market conditions, the 2023 showed some signs of stabilisation, we were able to maintain stable occupancy, expand our portfolio and achieve an increase in revenues. At the end of the year, we had 87% of our commercial space occupied with an average lease term of 3.5 years and our revenues boosted by indexation increased 10% to EUR 183 million and FFO reached EUR 71 million. GTC Group is open to new opportunities and challenges that 2024 brings.” commented Gyula Nagy, GTC’s President of the Management Board.

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

<sup>2</sup> Includes non-current financial assets and adjusted for disposal of Forest Offices Debrecen, concluded on 30 January 2023.

## OPERATING ACHIEVEMENTS IN 2023

<b>Office sector</b>	<ul style="list-style-type: none"><li>• <b>Occupancy</b> at 84% as of 31 December 2023 (84%<sup>3</sup> in December 2022)</li><li>• <b>Average weighted lease term</b> of 3.5 yrs. (3.7 yrs. in December 2022)</li><li>• <b>Leasing activity</b> reached 106,000 sq m in 2023 (119,500 sq m in 2022) and 34,900 sq m in Q4 2023 (33,000 sq m in Q4 2022):<ul style="list-style-type: none"><li>○ Prolongation of MBH Bank in Metro, Budapest (c. 15,700 sq m)</li><li>○ Prolongation of Concentrix in Advance Business Center (c. 11,900 sqm)</li><li>○ Nexi Croatia chose Matrix C, Zagreb (c. 5,000 sq m)</li><li>○ Prolongation of Ford lease in Vaci Greens D, Budapest (c. 4,700 sq m)</li><li>○ Czeizel chose Rose Hill Campus, Budapest (c. 3,800 sq m)</li><li>○ Prolongation of UPS in University Business Park, Łódź (c. 2,600 sq m)</li><li>○ Prolongation of Innio lease in Vaci Greens D, Budapest (c. 2,400 sq m)</li></ul></li><li>• <b>Disposal</b> of Forest Offices Debrecen, Hungary (January 2023) generated €49m which was reinvested in real estate</li><li>• <b>Completion</b> of<ul style="list-style-type: none"><li>○ 4,600 sq m in 2 office buildings in Rose Hill Campus in Budapest and</li><li>○ 10,500 sq m in Matrix C in Zagreb</li></ul></li></ul>
<b>Retail sector</b>	<ul style="list-style-type: none"><li>• <b>Occupancy</b> at 96% as of 31 December 2023 (96% as of 31 December 2022)</li><li>• <b>Average weighted lease term</b> of 3.5 yrs. (3.7 yrs. in December 2022)</li><li>• <b>Leasing activity</b> reached 38,100 sq m in 2023 (35,000 sq m in 2022) and 11,000 sq m in Q4 2023 (6,300 sq m in Q4 2022):<ul style="list-style-type: none"><li>○ Prolongation of LPP brands in Ada Mall, Belgrade (c. 5,300 sq m)</li><li>○ Prolongation of H&amp;M in Ada Mall, Belgrade (c. 2,300 sq m)</li><li>○ Prolongation of TK Maxx in Galeria Północna, Warsaw (c. 2,200 sq m)</li><li>○ Jysk chose Galeria Północna, Warsaw (c. 1,500 sq m)</li><li>○ Prolongation of Bershka in Galeria Jurajska, Czestochowa (c. 900 sq m)</li><li>○ Prolongation of Sinsey in Avenue Mall, Zagreb (c. 700 sq m)</li></ul></li></ul>

## FINANCIALS

<b>Rental and service revenues</b>	<ul style="list-style-type: none"><li>• <b>Up 10% to €183m</b> in 2023 as compared to €167m in 2022</li></ul> <p>The Group recognized an increase in rental revenues of €11.1 following the completion of Pillar in Budapest, 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. The increase was partially compensated by a decrease in rental revenues following the sale of Forest Offices Debrecen in the first quarter of 2023 as well as Cascade and Matrix office buildings in the third and fourth quarter of 2022.</p>
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<sup>3</sup> Includes assets held for sale

<b>Gross margin from operations</b>	<ul style="list-style-type: none"> <li>• <b>At €128m</b> in 2023 as compared to €119m in 2022</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 combined with a decrease in gross margin from operations resulting from the sale of office buildings in Hungary, Romania and Croatia.</p>
<b>Administrative expenses</b>	<ul style="list-style-type: none"> <li>• <b>At €20m</b> as compared to €15m in 2022</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 €56m</b> as compared to €29m loss in 2022</li> </ul> <p>Loss in the year ended 31 December 2023, is mainly due to an increase in yield combined with higher vacancy rates and changes in ERV, combined with maintenance capex expenses which were not increasing the value of the properties.</p>
<b>Financial expenses, net</b>	<ul style="list-style-type: none"> <li>• <b>Financial expenses, net at €33m</b> as compared to €32m in 2022</li> </ul> <p><b>Average interest rate at 2.48%.</b></p>
<b>Tax</b>	<ul style="list-style-type: none"> <li>• <b>Corporate income tax amounted to €2m</b> as compared to €13m tax in 2022</li> </ul> <p>Taxation consists mainly of €6.5m of current tax expenses and €4.5m of deferred tax income.</p>
<b>Adjusted EBITDA and net profit /(loss)</b>	<ul style="list-style-type: none"> <li>• <b>Adjusted EBITDA was at €102m</b> (€101m in 2022). <b>Net profit amounted to €12m in 2023</b> (€25m profit in 2022). 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 €71m</b> as compared to €68m in 2022, FFO I per share at €0.12. <b>FFO is adjusted for one-off tax and other expenses of €6m.</b></li> </ul>
<b>Total investments and GAV</b>	<ul style="list-style-type: none"> <li>• <b>Total investments, including non-current financial assets, at €2,416m as of 31 December 2023</b> (€2,418m as of 31 December 2022) and <b>GAV at €2,281m as of 31 December 2023</b> (€2,288m as of 31 December 2022), mainly due to sale of Forest Offices Debrecen of €49m and loss from revaluation related to investment property of €57m, partially offset by investments into assets under construction of €85.1m and landbank in the value of €13.1m.</li> </ul>
<b>EPRA NTA / share</b>	<ul style="list-style-type: none"> <li>• <b>At €2.15</b> compared to €2.22 on 31 December 2022</li> </ul> <p>Corresponding to <b>EPRA NTA of €1,232m</b> compared to €1,273m as of 31 December 2022.</p>
<b>Debt and debt related indicators</b>	<ul style="list-style-type: none"> <li>• Debt at <b>€1,274m</b> compared to €1,238m as of 31 December 2022</li> </ul> <p>Mainly due to new long-term loans acquired in the amount of €74.1m combined with foreign exchange differences on bonds denominated in PLN and HUF of €9.9m, compensated by repayments during the period in the amount of €48.2m.</p> <ul style="list-style-type: none"> <li>• <b>Weighted average debt maturity of 3.7 years</b> and <b>average interest rate of 2.48% p.a.</b></li> </ul>

## Cash

- **Net LTV 49.3%**<sup>4</sup> (44.5%<sup>5</sup> on 31 December 2022). Net LTV adjusted for cash transferred to the escrow accounts at 47.2%.
- **Annualized consolidated coverage ratio (based on EBITDA) at 3.4x** (3.5x as at 31 December 2022)
- **Unsecured debt** at 52% (55% as at 31 December 2022) and **unencumbered properties** at 46% (52% as of 31 December 2022)
- **Cash balance of €60m** as of 31 December 2023 (€115m as of 31 December 2022)  
The cash balance was decreased due to the following cash allocations:
  - transfer to construction escrows in the amount of €19.4m for funding of assets under construction,
  - transfer to green bonds acquisition escrow in the amount of €29.5m.

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<sup>4</sup> Includes non-current financial assets;

<sup>5</sup> Includes non-current financial assets and adjusted for disposal of Forest Offices Debrecen, concluded on 30 January 2023

Annex 1 Consolidated Statement of Financial Position as of 31 December 2023  
(in millions of euro)

	31 December 2023	31 December 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment property	2,273.4	2,243.7
Residential landbank	27.2	26.6
Property, plant and equipment	16.0	11.1
Blocked deposits	13.1	12.0
Deferred tax asset	1.8	3.2
Derivatives	2.3	17.1
Non-current financial assets measured at fair value through profit or loss	135.1	130.3
Other non-current assets	0.2	0.2
Loan granted to non-controlling interest partner	11.6	10.9
	<b>2,480.7</b>	<b>2,455.1</b>
<b>Current assets</b>		
Accounts receivables	15.7	12.3
VAT and other tax receivables	3.1	5.3
Income tax receivables	1.5	2.0
Prepayments and other receivables	52.4	7.7
Derivatives	11.9	7.8
Short-term blocked deposits	17.3	13.0
Cash and cash equivalents	60.4	115.1
Assets held for sale	13.6	51.6
	<b>175.9</b>	<b>214.8</b>
<b>TOTAL ASSETS</b>	<b>2,656.6</b>	<b>2,669.9</b>

Annex 1 Consolidated Statement of Financial Position as of 31 December 2023 (cont.)  
(in millions of euro)

	31 December 2023	31 December 2022
<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
Unregistered share capital increase	-	-
Capital reserve	(49.3)	(49.3)
Hedge reserve	0.7	(7.5)
Foreign currency translation reserve	(2.6)	(2.6)
Accumulated profit	471.3	490.5
	<b>1,101.9</b>	<b>1,112.9</b>
Non-controlling interest	24.3	22.7
<b>Total Equity</b>	<b>1,126.2</b>	<b>1,135.6</b>
<b>Non-current liabilities</b>		
Long-term portion of borrowings	1,228.7	1,189.3
Lease liabilities	43.2	41.5
Deposits from tenants	13.1	11.9
Long term payables	5.2	3.2
Derivatives	18.7	46.8
Deferred tax liabilities	135.1	141.2
	<b>1,444.0</b>	<b>1,433.9</b>
<b>Current liabilities</b>		
Current portion of borrowings	45.3	48.6
Trade payables and provisions	34.0	42.6
Deposits from tenants	2.4	1.6
VAT and other taxes payables	1.9	1.8
Income tax payables	2.4	3.6
Derivatives	-	2.2
Liabilities related to assets held for sale	0.4	-
	<b>86.4</b>	<b>100.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,656.6</b>	<b>2,669.9</b>

Annex 2 Consolidated Income Statement for the year ended 31 December 2023  
(in millions of euro)

	Year ended 31 December 2023	Year ended 31 December 2022
Rental revenue	137.2	123.6
Service charge revenue	46.2	43.0
Service charge costs	(55.2)	(47.4)
<b>Gross margin from operations</b>	<b>128.2</b>	<b>119.2</b>
Selling expenses	(2.7)	(1.8)
Administration expenses	(20.4)	(15.0)
Loss from revaluation	(56.3)	(29.4)
Other income	0.7	1.5
Other expenses	(4.2)	(3.0)
<b>Net operating profit</b>	<b>45.3</b>	<b>71.5</b>
Foreign exchange differences	2.3	(2.2)
Finance income	1.4	1.4
Finance costs	(34.6)	(33.1)
<b>Result before tax</b>	<b>14.4</b>	<b>37.6</b>
Taxation	(2.0)	(12.8)
<b>Result for the year</b>	<b>12.4</b>	<b>24.8</b>
<b>Attributable to:</b>		
Equity holders of the Parent Company	10.5	23.4
Non-controlling interest	1.9	1.4
Basic earnings per share (in Euro)	0.02	0.04
Diluted earnings per share (in Euro)	0.02	0.04

(in millions of euro)

	Year ended 31 December 2023	Year ended 31 December 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Result before tax	14.4	37.6
<b>Adjustments for:</b>		
Loss from revaluation	56.3	29.4
Foreign exchange differences	(2.3)	2.2
Finance income	(1.4)	(1.4)
Finance cost	34.6	33.1
Share based payment profit	(0.8)	(0.7)
Depreciation	1.0	0.5
<b>Operating cash before working capital changes</b>	<b>101.8</b>	<b>100.7</b>
Increase in accounts receivables and other current assets	(4.0)	(2.0)
Increase in deposits from tenants	2.0	1.2
Increase (decrease) in trade and other payables	2.7	(0.7)
<b>Cash generated from operations</b>	<b>102.5</b>	<b>99.2</b>
Tax paid in the period	(7.3)	(11.1)
<b>Net cash from operating activities</b>	<b>95.2</b>	<b>88.1</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Expenditures on investment property	(113.7)	(85.4)
Purchase of completed assets and land	(14.1)	(58.1)
Change in short term deposits designated for investment	(29.5)	-
Sale of landbank and residential landbank	-	11.2
Sale of subsidiary, net of cash in disposed assets	0.4	186.2
Sale of completed assets	49.2	-
Purchase of non-current financial assets	-	(130.3)
Expenditure on non-current financial assets	(3.6)	-
Advances received for assets held for sale	0.3	-
VAT/tax on purchase/sale of investment property	2.2	(2.4)
Interest received	0.8	1.1
<b>Net cash used in investing activities</b>	<b>(108.0)</b>	<b>(77.7)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	74.1	6.2
Repayment of borrowings	(48.2)	(52.1)
Interest paid	(30.5)	(28.8)
Proceeds from issue of share capital, net of issuance costs	-	120.4
Dividend paid to shareholders	(28.6)	(33.2)
Repayment of lease liabilities	(0.9)	(0.6)
Loans origination payment	(1.0)	(0.3)
Dividend paid to non-controlling interest	(2.2)	(0.7)
Decrease/(increase) in short term deposits	(5.5)	(0.1)
<b>Net cash from/(used in) financing activities</b>	<b>(42.8)</b>	<b>10.8</b>
<b>Net foreign exchange differences, related to cash and cash equivalents</b>	<b>0.9</b>	<b>(2.7)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(54.7)</b>	<b>18.5</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>115.1</b>	<b>96.6</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>60.4</b>	<b>115.1</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. 753 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.

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