



Press Release

Luxembourg, 30 November 2022

CPI FIM SA

Reports financial results for Q3 2022

CPI FIM SA (hereinafter “CPI FIM”, the “Company” or together with its subsidiaries the “Group”), a real estate group with a property portfolio primarily located in the Czech Republic and Poland, hereby publishes unaudited financial results for the third quarter of 2022.

Financial highlights

Performance		Q1-Q3 2022	Q1-Q3 2021	Change
Gross rental income	€ thousands	25,908	26,160	(1%)
Total revenues	€ thousands	33,607	49,895	(33%)
Operating result	€ thousands	49,553	191,536	(74%)
Net profit for the period	€ thousands	91,859	233,259	(61%)

Assets		30-Sep-22	31-Dec-21	Change
Total assets	€ thousands	8,172,313	7,383,642	11%
EPRA NRV	€ thousands	1,443,830	1,372,647	5%
Property Portfolio	€ thousands	1,570,000	1,590,000	(1%)
Gross leasable area	sqm	166,000	166,000	--
Occupancy in %	%	90.0%	95.0%	(5.0 p.p.)
Land bank area	sqm	17,901,000	18,075,000	(174 thds.)
Total number of properties	No.	7	7	--

Financing structure		30-Sep-22	31-Dec-21	Change
Total equity	€ thousands	1,600,923	1,515,970	6%
Equity ratio	%	20%	21%	(1 p.p.)

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT*

€ thousands	Nine-month period ended	
	30-Sep-22	30-Sep-21
Gross rental income	25,908	26,160
Sale of services	7,699	23,664
Cost of service charges	(7,684)	(7,754)
Property operating expenses	(1,805)	(2,085)
Net rental income	24,118	39,985
Hotel revenue	-	71
Hotel operating expenses	-	(105)
Net hotel income	-	(34)
Total revenues	33,607	49,895
Total direct business operating expenses	(9,489)	(9,944)
Net business income	24,118	39,951
Net valuation gain on investment property	24,517	153,543
Net gain on the disposal of investment property subsidiaries and other investments	7,630	7,443
Amortization, depreciation and impairments	(2,718)	(651)
Administrative expenses	(4,157)	(8,657)
Other operating income	576	383
Other operating expenses	(413)	(476)
Operating result	49,553	191,536
Interest income	173,961	158,613
Interest expense	(144,822)	(122,362)
Other net financial result	13,131	43,211
Net finance income	42,270	79,462
Share of loss of equity-accounted investees (net of tax)	(640)	(586)
Profit before income tax	91,183	270,412
Income tax expense	676	(37,153)
Net profit for the period	91,859	233,259

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

Sale of services

In Q1-Q3 2022, service revenue decreased from €23.7 million to €7.7 million due to a decrease of advisory and accounting services to related parties.

Net valuation gain on investment property

Valuation gain of €24.5 million in Q1-Q3 2022 primarily reflects revaluation of the Czech landbanks.

Administrative expenses

In Q1-Q3 2022, administrative expenses decreased by €4.5 million due to lower management services provided to CPI FIM by related parties.

Net finance income

The increase in interest income (by €15.3 million) and interest expense (by €22.5 million) reflects primarily an increase in loans provided to and received from related parties.

Other net financial result of €15.3 million in Q1-Q3 2022 reflects primarily retranslation of loans denominated in non-EUR currencies (mainly CZK and PLN).

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION*

€ thousands	30-Sep-22	31-Dec-21
NON-CURRENT ASSETS		
Intangible assets	833	610
Investment property	1,570,465	1,514,430
Property, plant and equipment	2,250	22,193
Equity accounted investees	7,603	8,190
Other investments	63,709	52,990
Loans provided	5,936,890	4,948,061
Trade and other receivables	74	74
Deferred tax assets	133,775	133,921
Total non-current assets	7,715,599	6,680,469
CURRENT ASSETS		
Inventories	2,342	355
Income tax receivables	226	116
Derivative instruments	9,128	2,078
Trade receivables	5,599	6,929
Loans provided	209,956	186,859
Cash and cash equivalents	48,244	210,076
Other current assets	181,219	296,760
Total current assets	456,714	703,173
TOTAL ASSETS	8,172,313	7,383,642
EQUITY		
Equity attributable to owners of the Company	1,311,692	1,238,649
Non-controlling interests	289,231	277,321
Total equity	1,600,923	1,515,970
NON-CURRENT LIABILITIES		
Financial debts	6,180,158	5,400,425
Deferred tax liabilities	128,190	130,866
Other financial liabilities	5,025	4,793
Total non-current liabilities	6,313,373	5,536,084
CURRENT LIABILITIES		
Financial debts	181,476	261,324
Trade payables	4,211	8,953
Income tax liabilities	1,309	687
Other current liabilities	71,021	60,624
Total current liabilities	258,017	331,588
TOTAL EQUITY AND LIABILITIES	8,172,313	7,383,642

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

Total assets and total liabilities

Total assets increased by €788.7 million (11%) to €8,172.3 million as at 30 September 2022 primarily due to an increase of long-term loans provided to related parties.

Non-current and current liabilities increased by €703.7 million (12%) to €6,571.4 million compared to 31 December 2021 primarily because of additional drawdown of loans received from CPI PG.

Equity, EPRA NRV and EPRA NDV

During Q1-Q3 2022, consolidated equity increased by €73.0 million primarily due to:

- profit to the owners of €79.9 million;
- decrease of translation reserve by €16.4 million; and
- increase of revaluation reserve by €9.5 million.

EPRA NRV per share amounts to €1.10 as at 30 September 2022 compared to €1.04 as at 31 December 2021.

EPRA NDV per share amounts to €1.00 as at 30 September 2022 compared to €0.94 as at 31 December 2021.

	30 September 2022	31 December 2021
Consolidated equity	1,311,692	1,238,649
Deferred taxes on revaluations	132,138	133,998
EPRA NRV	1,443,830	1,372,647
Number of shares (in thousands)	1,311,692	1,314,508
NRV per share (in €)	1.10	1.04
EPRA NRV	1,443,830	1,372,647
Deferred taxes on revaluations	(132,138)	(133,998)
EPRA NDV	1,311,692	1,238,649
Diluted number of shares (in thousand)	1,314,508	1,314,508
NDV per share (in €)	1.00	0.94

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

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Glossary

Alternative Performance Measures

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

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

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

EPRA NRV (former EPRA NAV)

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

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

EPRA NRV per share

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

EPRA NDV (former EPRA NNAV)

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

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

EPRA NDV per share

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

EPRA NAV and EPRA NAV per share

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

EPRA NNAV and EPRA NNAV per share

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

Equity ratio

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

Other definitions**EPRA**

European Public Real Estate Association

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

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

Gross Leasable Area (GLA)

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

Occupancy rate

The ratio of leased premises to leasable premises

APM reconciliation

Equity ratio reconciliation (€ thousands)	30-Sep-22	31-Dec-21
Total equity	1,600,923	1,515,970
Total assets	8,172,313	7,383,642
Equity ratio	20%	21%