



WARIMPEX

*Report on the
First Three
Quarters of 2019*

warimpex

60 years
a pioneer
through
the decades

WARIMPEX GROUP

Key Figures

in EUR '000	1–9/2019	Change	1–9/2018
Hotels revenues	7,438	-23%	9,681
Investment Properties revenues	14,299	27%	11,290
Development and Services revenues	1,602	144%	657
<i>Total revenues</i>	23,339	8%	21,629
Expenses directly attributable to revenues	-9,193	–	-9,210
<i>Gross income from revenues</i>	14,147	14%	12,418
Gains or losses from the disposal of properties	27,938	–	–
EBITDA	53,429	–	4,353
Depreciation, amortisation, and remeasurement	3,125	–	-197
EBIT	56,554	–	4,157
Earnings from joint ventures	1,821	111%	862
Profit or loss for the period	57,489	–	-6,464
Profit or loss for the period (shareholders of the parent)	53,024	–	-3,042
Net cash flow from operating activities	918	-24%	1,205
Equity and liabilities	352,134	31%	269,212
Equity	147,444	104%	72,262
Equity ratio	42%	15 pp	27%
Share capital	54,000	–	54,000
Average number of shares in the financial year	53,416,620	-1%	53,933,500
Earnings per share in EUR	0.99	–	-0.06
Number of hotels	4	-2	6
Number of rooms (adjusted for proportionate share of ownership)	796	-96	892
Number of office and commercial properties	8	1	7
Lettable office space (adjusted for proportionate share of ownership)	92,800m ²	105%	45,300m ²
Segment information (including joint ventures on a proportionate basis):			
Hotels revenues	31,750	-6%	33,640
Hotels net operating profit (NOP)	7,972	-11%	8,912
NOP per available room in EUR	8,403	-3%	8,707
Investment Properties revenues	17,371	22%	14,240
Investment Properties EBITDA	12,993	15%	11,306
Development and Services revenues	2,049	84%	1,115
Gains or losses from the disposal of properties	27,938	–	–
Development and Services EBITDA	41,641	–	-6,527
	30/6/2019¹	Change	31/12/2018¹
Gross asset value (GAV) in EUR millions	318.2	17%	269.9
Triple net asset value (NNNAV) in EUR millions	144	11%	137.6
NNNAV per share in EUR	2.71	12%	2.56
End-of-period share price in EUR	1.34	34%	1.00

¹ As no external valuation of the portfolio was completed as at 30 September 2019 or 30 September 2018, the latest available values are shown.

Operational highlights

3/2019	Warimpex sells Dvořák hotel in Karlovy Vary
4/2019	Warimpex acquires property in Darmstadt
5/2019	Warimpex opens Mogilska 43 Office in Krakow
8/2019	Acquisition of additional stake in AIRPORTCITY St. Petersburg
9/2019	Reopening of “The Hotel Darmstadt – soon to be greet”
9/2019	Sale of two hotels in Paris

FOREWORD BY THE CHAIRMAN OF THE MANAGEMENT BOARD

Dear Shareholders,

Following the positive business results for the first quarter and the first half of the year, Warimpex Finanz- und Beteiligungs AG continued along its successful path in the third quarter of 2019, as well. This validates our medium- to long-term strategy, which is focused on building up our property portfolio, strengthening our earnings potential, and creating new offerings. To this end, we continue to concentrate on completing ongoing development projects, pursuing new developments, and acquiring cash-flow generating assets. Our goal is to increase revenue and improve gross income.

Our activities in the third quarter largely centred around the markets in Russia, France, and Germany. Back in May, we announced the acquisition of a 35 per cent stake in the project company AO AVIELEN A.G., which is responsible for the development and operation of AIRPORTCITY St. Petersburg. The transaction was successfully concluded on 12 August after all of the prerequisites for the closing were satisfied. Warimpex now holds 90 per cent of the shares in the project company AVIELEN, and an additional 10 per cent stake is held by UBM Development AG. AIRPORTCITY St. Petersburg offers tremendous potential for further development, as looser visa requirements in Russia will make things easier for holiday and business travellers and thus provide an additional boost for the location. In addition to a four-star Crowne Plaza hotel, three modern office buildings with a total lettable space of roughly 31,000 square metres have been built thus far. A majority of the space in the two fully occupied towers from the first construction phase, Jupiter 1 and Jupiter 2, was sold in 2015. The third tower, Zeppelin, is fully let out. In addition, AIRPORTCITY St. Petersburg offers property reserves for around 150,000 square metres of office space. In the third quarter, construction started on another office tower (Avior Towers) with roughly 18,000 square metres of office space.

Hotel sales in Paris, reopening of “The Hotel Darmstadt – soon to be greet”

In August, we also announced the sale of the Vienna House Dream Castle and Vienna House Magic Circus hotels at Disneyland® Paris to a 50/50 joint venture between the British private equity fund manager Benson Elliot Capital Management and Schroder Real Estate Hotels (formerly Algonquin). The sale of the hotels, which Warimpex and UBM had developed as part of a 50/50 joint venture, was subject to the standard prerequisites for transactions of this type in France. The transaction was successfully closed on 27 September.

The preparations for the reopening of the hotel property in the German city of Darmstadt that was acquired in April were also completed during the third quarter of 2019. The reopening took place in early September, and “The Hotel Darmstadt – soon to be greet” began contributing to Warimpex’s revenues. Cycas Hospitality was tasked with managing the three-star eco-lifestyle conference hotel. During a year-long refurbishment programme, the hotel will be converted to the new Accor brand “greet” while remaining open for business and will then be repositioned on the market in autumn 2020. In order to take advantage of the central location and proximity to leading technology companies, the recently renovated telecom training centre that is part of the property will begin offering coworking spaces and offices before the end of the year. The 29,000 square metre hotel property also has property reserves for the development of additional premium office and commercial space. Warimpex will now start using this development potential to create new offerings.

Overview of the results for the first three quarters of 2019

Revenues in the Hotels segment fell to EUR 7.4 million, which represents a decline of 23 per cent compared with the prior-year period. This can be attributed to the sale of the operating company for the Dvořák hotel at the end of February 2019. The new hotel in Darmstadt was reopened at the beginning of September, and thus did not yet make a significant contribution to revenues in the third quarter of 2019. Revenues from the rental of office properties increased from EUR 11.3 million to EUR 14.3 million. This was largely due to the purchase of the B52 office building in Budapest in May 2018, the completion of Ogradowa Office in Łódź in October 2018, and the completion and grand opening of Mogilska 43 Office in Krakow in May 2019. Total revenues rose to EUR 23.3 million during the first three quarters of 2019, while expenses directly attributable to revenues remained constant at EUR 9.2 million. Gross income from revenues came to EUR 14.1 million, versus EUR 12.4 million in the comparison reporting period.

During the first three quarters of 2019, Warimpex sold the Vienna House Dream Castle and Vienna House Magic Circus hotels in Paris, the operating company for the Dvořák spa hotel in Karlovy Vary, and an office property in Budapest. This brought the disposal result to EUR 27.9 million. Last year, Warimpex sold a reserve property located in Budapest for EUR 5.4 million. The property had already been valued at the sale price, so no sale proceeds were recognised in the prior-year period.

Earnings before interest, taxes, depreciation, amortisation, and gains/losses on remeasurement (EBITDA) advanced from EUR 4.4 million in the prior-year period to EUR 53.4 million. This can be attributed primarily to property sales and an accounting gain of EUR 20.4 million on the purchase of shares and loans of former minority shareholders of a Russian Group company. EBIT improved from EUR 4.2 million to EUR 56.6 million. Depreciation, amortisation, and remeasurement increased from minus EUR 0.9 million to EUR 3.1 million. The remeasurement result for office properties amounted to roughly EUR 3.4 million, compared with EUR 0.1 million in the same period of the prior year.

The financial result (including earnings from joint ventures) rose from minus EUR 10.6 million to EUR 4.5 million. This includes changes in foreign exchange rates in the amount of EUR 7.8 million following exchange rate losses of EUR 8.6 million in the comparison reporting period. The profit or loss for the period also improved: We generated a profit of EUR 57.5 million for the current reporting period, while a loss of EUR 6.5 million was reported for the first nine months of the prior year. This was primarily due to income from the sale of properties, accounting gains, and exchange rate gains.

Outlook

The current financial year is shaping up to be one of the most successful years in the history of Warimpex Finanz- und Beteiligungs AG. We will continue on our successful course – shaped by the focus on building up our property portfolio, creating new offerings, and strengthening our earnings potential – in the future as well. We have a number of exciting activities on the agenda, including development projects in the Polish cities of Krakow and Białystok, the refurbishment of the hotel in Darmstadt without disrupting ongoing operations, and the continuing development of AIRPORTCITY St. Petersburg in Russia. All of this makes us optimistic for the future.

Franz Jurkowitsch

Assets, Financial Position, and Earnings Situation

Earnings situation

Development of revenues

In the first three quarters of 2019, revenues in the Hotels segment fell to EUR 7.4 million, which represents a decline of 23 per cent compared with the prior-year period. This can be attributed primarily to the sale of the operating company for the Dvořák hotel in Karlovy Vary at the end of February 2019. Because our new hotel in Darmstadt was not opened until September 2019, it did not make a significant contribution to revenues.

Revenues from the rental of office properties (Investment Properties revenues) increased compared with the prior year, going from EUR 11.3 million to EUR 14.3 million primarily due to the purchase of the B52 office building in May 2018 as well as the completion of Ogrodowa Office in Łódź in October 2018 and Mogilska 43 Office in May 2019.

Total revenues increased to EUR 23.3 million, while expenses directly attributable to revenues remained constant at EUR 9.2 million. This results in gross income from revenues of EUR 14.1 million (2018: EUR 12.4 million).

Gains or losses from the disposal of properties

During the reporting period, Warimpex sold two hotels in Paris, an office property in Budapest, and the operating company for the Dvořák spa hotel in Karlovy Vary. This brought the disposal result to EUR 27.9 million.

In the prior year, Warimpex sold a reserve property located in Budapest for EUR 5.4 million. The property had already been valued at the sale price, so no sale proceeds were recognised during the prior-year period.

EBITDA

Earnings before interest, taxes, depreciation, amortisation, and gains/losses on the remeasurement of investment properties (EBITDA) rose from EUR 4.4 million to EUR 53.4 million. This can be attributed primarily to gains on property sales and an accounting gain of EUR 20.4 million on the purchase of loans of former minority shareholders of a Russian Group company.

Depreciation, amortisation, and remeasurement

Depreciation, amortisation, and remeasurement increased from minus EUR 0.2 million to EUR 3.1 million. The remeasurement result from the office assets (investment properties) came to roughly EUR 3.4 million (2018: EUR 0.1 million).

EBIT

EBIT improved from EUR 4.2 to EUR 56.6 million due to gains on the sale of properties and accounting gains.

Financial result

The financial result (including earnings from joint ventures) rose from minus EUR 10.6 million to EUR 4.5 million. This includes changes in foreign exchange rates in the amount of EUR 7.8 million (2018: exchange rate losses of EUR 8.6 million).

Financial result in EUR '000	1–9/2019	1–9/2018
Composition:		
Interest on short-term borrowings, project loans, and other loans	(3,678)	(2,780)
Interest on bonds	–	(362)
Interest on loans from minority shareholders	(351)	(148)
Interest on loans from minority shareholders	(902)	(1,512)
Interest on lease liabilities	(68)	–
Other finance expenses	(570)	(645)
	(5,568)	(5,447)

Profit or loss for the period

The result for the period for the Warimpex Group improved from minus EUR 6.5 million in the first nine months of the previous year to EUR 57.5 million.

Financial position

Changes in the most important assets and liabilities:

Property, plant, and equipment in EUR '000	Hotels	Reserve properties	Right-of-use assets	Other property, plant, and equipment	Total
Changes in 2019:					
Carrying amounts as at 31/12/2018	20,982	3,741	–	1,580	26,303
Initial recognition of right-of-use assets on 1/1/2019	–	–	1,173	(114)	1,058
Carrying amounts as at 1/1/2019	20,982	3,741	1,173	1,465	27,362
Additions	10,531	–	74	853	11,458
Disposals	(11)	–	–	(5)	(16)
Reclassification to investment properties	–	(3,741)	–	–	(3,741)
Scheduled depreciation and amortisation	(567)	–	(226)	(231)	(1,024)
Impairment reversals	876	–	–	–	876
Exchange adjustments	2,750	–	15	26	2,791
Net carrying amount at 30 September	34,561	–	1,036	2,107	37,704

Investment properties in EUR '000	Developed properties	Development properties	Reserve properties	Total
Changes in 2019:				
Carrying amounts as at 31/12/2018	173,392	31,636	6,719	211,747
Initial recognition of right-of-use assets on 1/1/2019	–	506	–	506
Carrying amounts as at 1/1/2019	173,392	32,142	6,719	212,253
Additions/investments	7,560	10,328	9,510	27,397
Capitalised borrowing costs	–	242	–	242
Reclassification due to completion	35,481	(35,481)	–	–
Transfer of property, plant, and equipment	–	3,741	–	3,741
Depreciation on right-of-use assets	–	(5)	–	(5)
Net measurement result	(221)	640	2,961	3,380
Exchange adjustments	8,263	185	570	9,019
Net carrying amount at 30 September	224,474	11,793	19,760	256,027

Financial liabilities in EUR '000	Project loans	Working capital loans	Bonds, convertible bonds	Loans from minorities and others	Lease liabilities	Total
Changes in 2019:						
As at 31 December 2018	99,161	3,194	14,569	42,425	–	159,349
Initial recognition of lease liabilities	–	–	–	–	1,654	1,654
As at 1 January 2019	99,161	3,194	14,569	42,425	1,654	161,003
Borrowing/accumulated interest	32,327	2,700	7,099	(264)	184	42,047
Repayment	(3,676)	(1,094)	–	(6,450)	(329)	(11,548)
Exchange rate and other changes	1,951	–	41	(20,308)	–	(18,316)
As at 30 September	129,764	4,800	21,709	15,403	1,510	173,185
<i>thereof current (due < 1 year)</i>	6,658	4,800	12,769	1,147	401	25,775
<i>thereof non-current (due > 1 year)</i>	123,106	–	8,940	14,256	1,109	147,411

Segment analysis

The Warimpex Group has defined the business segments of: Hotels, Investment Properties, and Development and Services. The joint ventures that are recognised using the equity method in the consolidated financial statements are included in the segment report using the proportionate consolidation method. The Hotels segment is comparable with the hotels and/or hotel rooms held by the Group as consolidated entities in the reporting period (with the joint ventures recognised on a proportionate basis). The Investment Properties segment

contains the rental revenue from office properties. The Development and Services segment covers development services, activities of the Group parent, and profit contributions from the sale of properties.

Key figures that are typical for the sector are used to manage the hotels. These include GOP (gross operating profit, calculated according to the Uniform System of Accounts for the Lodging Industry) and NOP (net operating profit, which corresponds to the GOP less specific costs of ownership after GOP such as management fees, insurance, land tax, etc.).

Outlook

Hotels segment*

in EUR '000	1–9/2019	1–9/2018
Revenues for the Group	31,750	33,640
Average number of hotel rooms for the Group	949	1,024
Occupancy	65 %	77%
RevPar in EUR	80,1	82,2
GOP for the Group	11,059	11,738
NOP for the Group	7,972	8,912
NOP/available room in EUR	8,403	8,707

* Including all joint ventures and associates on a proportionate basis

In the reporting period, the average number of rooms falling under Group ownership declined due to the sale of the Dvořák hotel at the end of February 2019 and the sale of the two hotels in Paris at the end of September 2019. An additional hotel was opened in Darmstadt in September 2019.

Investment Properties segment*

in EUR '000	1–9/2019	1–9/2018
Revenues for the Group	17,371	14,240
Segment EBITDA	12,993	11,306

* Including all joint ventures and associates on a proportionate basis

The revenues and EBITDA of the Investment Properties segment increased primarily due to the purchase of the B52 office building in May 2018 as well as the completion of Oгородowa Office in Łódź in October 2018 and Mogilska 43 Office in May 2019.

Development and Services segment*

in EUR '000	1–9/2019	1–9/2018
Revenues for the Group	2,049	1,115
Gains or losses from the disposal of properties	27,938	–
Segment EBITDA	41,641	-6,527

* Including all joint ventures and associates on a proportionate basis

The results in this segment depend heavily on the sale of real estate holdings (share deals) and properties (asset deals) and are subject to significant year-on-year fluctuation. During the reporting period, Warimpex sold two hotels in Paris, an office property in Budapest, and the operating company for the Dvořák spa hotel in Karlovy Vary.

The following development projects are currently under construction or development:

- Avior Towers with roughly 18,000 square metres of space, St. Petersburg (under construction)
- Phase III of the Mogilska office building with roughly 12,000 square metres of space, Krakow (currently being planned)
- Office building in Białystok with roughly 12,000 square metres of space (currently being planned)
- Chopin office building with roughly 21,000 square metres of space, Krakow (currently being planned)

Building up our portfolio will be the focus of our activities again in 2019. Thanks to selective purchases and consistent construction progress, we are confident that we will be able to further expand our portfolio volume to roughly EUR 300 million by the end of the year – despite the sales in the hotel segment. At the same time, we expect to see a significant increase in revenues in the Investment Properties segment and an improvement in gross income thanks to rental revenue from our new assets – first and foremost Oгородowa Office in Łódź and the B52 in Budapest as well as Mogilska 43 Office in Krakow, which was completed in the spring.

Along with our continued operations in our core markets of Poland, Hungary, and Russia, we are pleased to be active in the German hotel sector again thanks to the acquisition in Darmstadt.

Vienna, 29 November 2019



Franz Jurkowitsch
Chairman
of the Management Board



Daniel Folian
Deputy Chairman
of the Management Board



Alexander Jurkowitsch
Member of the
Management Board



Florian Petrowsky
Member of the
Management Board

Condensed Consolidated Income Statement

FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2019 – UNAUDITED

in EUR '000	01-09/2019	07-09/2019	01-09/2018	07-09/2018
Hotels revenues	7,438	2,630	9,681	3,385
Investment Properties revenues	14,299	5,070	11,290	3,785
Development and Services revenues	1,602	415	657	61
Revenues	23,339	8,114	21,629	7,230
Expenses from the operation of hotels	(5,161)	(1,930)	(6,483)	(2,192)
Expenses from the operation of investment properties	(2,979)	(1,109)	(2,165)	(623)
Expenses directly attributable to development and services	(1,052)	(170)	(562)	(78)
Expenses directly attributable to revenues	(9,193)	(3,210)	(9,210)	(2,893)
Gross income from revenues	14,147	4,905	12,418	4,337
Income from the sale of properties	32,412	23,544	5,400	–
Disposal of carrying amounts and expenses related to sales	(4,474)	(2,764)	(5,400)	–
Gains or losses from the disposal of properties	27,938	20,780	–	–
Other operating income	20,356	20,356	–	–
Administrative expenses	(6,861)	(1,685)	(6,170)	(2,080)
Other expenses	(2,150)	(836)	(1,896)	(795)
Earnings before interest, taxes, depreciation, amortisation, and remeasurement (EBITDA)	53,429	43,520	4,353	1,462
Scheduled depreciation and amortisation on property, plant, and equipment and intangible assets	(802)	(335)	(745)	(274)
Scheduled depreciation on right-of-use assets	(307)	(95)	–	–
Impairments	–	–	(20)	–
Reversals of impairment on property, plant, and equipment	876	166	543	175
Gains/losses on remeasurement of assets/disposal groups held for sale	–	–	(69)	–
Gains/losses on remeasurement of investment property	3,358	(3,332)	94	47
Depreciation, amortisation, and remeasurement	3,125	(3,597)	(197)	(52)
Earnings before interest and taxes (EBIT)	56,554	39,923	4,157	1,410
Interest revenue	524	164	1,639	1,159
Other finance income	–	–	900	(11)
Finance expenses	(5,568)	(1,715)	(5,447)	(1,679)
Changes in foreign exchange rates	7,756	483	(8,570)	(3,687)
Result from joint ventures (equity method) after taxes	1,821	1,441	862	828
Financial result	4,533	372	(10,615)	(3,389)
Earnings before taxes	61,087	40,295	(6,459)	(1,980)
Current income taxes	(2,898)	(1,291)	(112)	(77)
Deferred income taxes	(700)	562	107	(145)
Taxes	(3,598)	(729)	(5)	(222)
Profit or loss for the period	57,489	39,566	(6,464)	(2,202)
thereof profit or loss of non-controlling interests	4,465	490	(3,423)	(1,621)
thereof profit or loss of shareholders of the parent	53,024	39,077	(3,042)	(580)
Earnings per share:				
Undiluted earnings per share in EUR	0.99	0.74	-0.06	-0.01
Diluted earnings per share in EUR	0.99	0.74	-0.06	-0.01

Condensed Consolidated Statement of Comprehensive Income

FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2019 – UNAUDITED

in EUR '000	01-09/2019	07-09/2019	01-09/2018	07-09/2018
Profit or loss for the period	57,489	39,566	(6,464)	(2,202)
Foreign exchange differences	3,820	1,314	(1,593)	(182)
<i>thereof reclassified to the income statement</i>	–	–	(12)	–
Other comprehensive income from joint ventures (equity method)	6	–	(13)	11
(Deferred) taxes in other comprehensive income	21	23	33	9
Other comprehensive income (reclassified to profit or loss in subsequent periods)	3,848	1,337	(1,574)	(161)
Gains/losses from financial assets measured at fair value through other comprehensive income	100	35	74	32
(Deferred) taxes in other comprehensive income	(25)	(9)	(19)	(8)
Other comprehensive income (not reclassified to profit or loss in subsequent periods)	75	26	56	24
Other comprehensive income	3,923	1,363	(1,518)	(137)
Total comprehensive income for the period	61,412	40,930	(7,982)	(2,339)
thereof profit or loss of non-controlling interests	5,279	13,075	(3,496)	(1,578)
thereof profit or loss of shareholders of the parent	56,132	27,855	(4,487)	(761)

Condensed Consolidated Statement of Financial Position

AS AT 30 SEPTEMBER 2019 – UNAUDITED

in EUR '000	30.09.19	01.01.19	31.12.18	30.09.18
ASSETS				
Property, plant, and equipment	37,704	27,362	26,303	27,473
Investment property	256,027	212,253	211,747	185,899
Other intangible assets	27	5	5	8
Net investments in joint ventures (equity method)	8,967	9,337	9,337	18,684
Financial assets measured at fair value through other comprehensive income	6,355	6,255	6,255	6,220
Other assets	10,771	9,906	9,906	11,910
Deferred tax assets	2,219	1,952	1,952	2,148
Non-current assets	322,070	267,069	265,505	252,340
Inventories	111	168	168	189
Trade and other receivables	5,269	6,659	6,659	5,335
Cash and cash equivalents	24,685	8,456	8,456	11,347
Non-current assets (disposal groups), held for sale	–	15,519	11,223	–
Current assets	30,065	30,802	26,506	16,872
TOTAL ASSETS	352,134	297,871	292,012	269,212
EQUITY AND LIABILITIES				
Share capital	54,000	54,000	54,000	54,000
Retained earnings	100,791	62,171	62,171	53,213
Treasury shares	(1,390)	(474)	(474)	(301)
Other reserves	(2,723)	(4,810)	(4,810)	(3,708)
Equity attributable to shareholders of the parent	150,678	110,887	110,887	103,203
Non-controlling interests	(3,235)	(20,740)	(20,740)	(30,941)
Equity	147,444	90,147	90,147	72,262
Bonds	8,940	14,493	14,493	8,930
Other financial liabilities	137,362	135,019	135,019	132,963
Lease liabilities	1,109	1,261	–	–
Other liabilities	6,455	9,063	9,071	16,254
Provisions	3,156	3,156	3,156	2,499
Deferred tax liabilities	8,919	7,900	7,900	5,677
Deferred income	2,802	2,622	2,622	2,752
Non-current liabilities	168,743	173,514	172,261	169,075
Bonds	12,769	76	76	7,137
Other financial liabilities	12,605	9,761	9,761	5,939
Lease liabilities	401	393	–	–
Trade and other payables	8,801	17,734	17,816	13,317
Provisions	1,045	950	950	1,275
Income tax liabilities	140	184	184	4
Deferred income	187	166	166	202
Liabilities directly associated with the assets (disposal groups) held for sale	–	4,946	651	–
Current liabilities	35,948	34,211	29,603	27,874
Liabilities	204,691	207,725	201,865	196,949
TOTAL EQUITY AND LIABILITIES	352,134	297,871	292,012	269,212

Condensed Consolidated Statement of Cash Flows

FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2019 – UNAUDITED

in EUR '000	01–09/2019	07–09/2019	01–09/2018	07–09/2018
Cash receipts				
from hotel operations and letting	22,416	8,186	21,338	6,959
from real estate development projects and other	518	1	93	21
from interest income	129	29	145	28
Cash receipts from operating activities	23,063	8,217	21,576	7,009
Cash payments				
for real estate development projects	(394)	(168)	(961)	(567)
for materials and services received	(6,625)	(2,148)	(5,389)	(1,940)
for related personnel expenses	(5,398)	(1,566)	(7,934)	(2,278)
for other administrative expenses	(6,756)	(1,543)	(5,614)	(1,568)
for income taxes	(2,972)	(1,176)	(473)	(86)
Cash payments for operating activities	(22,145)	(6,601)	(20,372)	(6,439)
Net cash flows from operating activities	918	1,616	1,205	570
Cash receipts from				
the sale of disposal groups and property	30,779	22,805	5,400	(1,337)
less outflow of cash and cash equivalents from disposal groups sold	(268)	–	–	–
the sale of property, plant, and equipment	11	8	–	–
purchase price payments from sales in previous periods	–	–	4,707	–
dividends	50	50	–	–
other financial assets	12	3	786	6
returns on joint ventures	8,993	8,683	–	274
Cash receipts from investing activities	39,577	31,549	10,893	(1,057)
Cash payments for				
investments in property, plant, and equipment	(11,217)	(952)	(509)	(115)
investments in investment property	(34,825)	(9,550)	(30,646)	(5,271)
the purchase of data processing programs	(22)	(3)	(1)	–
joint ventures	–	–	(345)	–
the purchase of equity interests	(14)	–	–	–
less received cash and cash equivalents of equity interests	14	–	–	–
Cash payments for investing activities	(46,064)	(10,505)	(31,500)	(5,386)
Net cash flows from investing activities	(6,487)	21,045	(20,607)	(6,443)
Cash payments for the purchase of treasury shares	(916)	(144)	–	–
Cash payments for the purchase of loans of non-controlling interests	–	300	–	–
Cash receipts from the issue of bonds and convertible bonds	7,000	–	9,000	9,000
Cash payments for the redemption of bonds and convertible bonds	–	–	(4,523)	–
Payments received from loans and borrowing	35,021	3,958	22,178	1,297
Payments made for the repayment of loans and borrowing	(10,770)	(7,839)	(8,126)	(2,263)
Payments made for the repayment of lease liabilities	(430)	(104)	–	–
Paid interest (for loans and borrowing)	(4,828)	(1,179)	(5,816)	(863)
Paid interest (for bonds and convertible bonds)	(251)	(251)	(390)	–
Paid financing costs	(706)	(406)	(517)	(187)
Payments for dividends	(3,199)	–	(3,236)	–
Net cash flows from/used in financing activities	20,921	(5,666)	8,571	6,984
Net change in cash and cash equivalents	15,352	16,995	(10,831)	1,111
Foreign exchange rate changes in cash and cash equivalents	(19)	(29)	(15)	28
Foreign exchange rate changes from other comprehensive income	547	75	(655)	–
Cash and cash equivalents at the beginning of the period	8,805	7,644	22,849	10,208
Cash and cash equivalents as at 30 September	24,685	24,685	11,347	11,347
Cash and cash equivalents at the end of the period consist of:				
Cash and cash equivalents of the Group	24,685	24,685	11,347	11,347

Condensed Consolidated Statement of Changes in Equity

AS AT 30 SEPTEMBER 2019 – UNAUDITED

in EUR '000	Equity attributable to shareholders of the parent					Total	Non-controlling interests	Total equity
	Share capital	Retained earnings	Treasury shares	Other reserves				
As at 1 January 2018	54,000	59,435	(301)	(2,208)	110,926	(27,445)	83,481	
Dividend	–	(3,236)	–	–	(3,236)	–	(3,236)	
Total comprehensive income for the period	–	(2,986)	–	(1,501)	(4,487)	(3,496)	(7,982)	
<i>thereof profit for the period</i>	–	(3,042)	–	–	(3,042)	(3,423)	(6,464)	
<i>thereof other comprehensive income</i>	–	56	–	(1,501)	(1,445)	(73)	(1,518)	
As at 30 September 2018	54,000	53,213	(301)	(3,708)	103,203	(30,941)	72,262	
As at 1 January 2019	54,000	62,171	(474)	(4,810)	110,887	(20,740)	90,147	
Share buyback	–	–	(916)	–	(916)	–	(916)	
Dividend	–	(3,199)	–	–	(3,199)	–	(3,199)	
Shareholding increase within consolidation scope	–	(11,280)	–	(946)	(12,226)	12,226	–	
Total comprehensive income for the period	–	53,099	–	3,033	56,132	5,279	61,412	
<i>thereof profit for the period</i>	–	53,024	–	–	53,024	4,465	57,489	
<i>thereof other comprehensive income</i>	–	75	–	3,033	3,108	815	3,923	
As at 30 September 2019	54,000	100,791	(1,390)	(2,723)	150,678	(3,235)	147,444	

Financial Calendar

2020

24 April 2020

Publication of the Annual Report for 2019

10 May 2020

Record date for the Annual General Meeting

20 May 2020

Annual General Meeting

25 May 2020

Ex-dividend date

26 May 2020

Dividend record date

27 May 2020

Dividend payment date

28 May 2020

Publication of the results for the first quarter of 2020

28 August 2020

Publication of the results for the first half of 2020

27 November 2020

Publication of the results for the first three quarters of 2020

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We have compiled this report and checked the data with the greatest possible care. Nonetheless, rounding, typographical, or printing errors cannot be ruled out. The summation of rounded amounts and percentages may result in rounding differences. Statements referring to people are intended to be gender-neutral. This report was prepared in German, English, and Polish. In cases of doubt, the German version is authoritative.

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