

Summit Properties Limited 2023 Full Year Audited Results

We are pleased to present the audited results for the year ended 31 December 2023 of the Company and its subsidiaries ("the Group").

Financial Review

Profits

- Gross profit of €99.1 million (FY 2022: €99.0 million)
- Revaluation loss of €151.9 million (FY 2022: €94.2 million gain)
- Negative EBITDA of €62.6 million (FY 2022: €172.2 million)
- Loss Before Tax of €87.4 million (FY 2022: €154.2 million profit)
- Net loss of €63.2 million (FY 2022: €125.8 million profit)

NAV

- EPRA Net Asset Value (EPRA NAV) of €1.0 billion (FY 2022: €1.2 billion)
- Group's NAV of €0.9 billion (FY 2022: €1.0 billion)
- Total Assets of €1.9 billion (FY 2022: €2.1 billion)
- Shareholder Equity / Total Assets ratio of 48% (FY 2022: 47%)

The net change in the EPRA NAV¹ was mainly as a result of FFO¹ contribution of €60.5 million and revaluation loss of €151.9 million.

Operational Review

Rent and Operations

- FFO¹ amounted to €60.5 million (FY 2022: €67.1 million)
- Rental income increased to €185.7 million (FY 2022: €168.6 million)

Portfolio

- €1.6 billion portfolio as of 31 December 2023 (FY 2022: €1.8 billion) includes:
 - €0.5 billion German properties well located in major cities with a net lettable area of ca. 327,000 sqm and an occupancy rate, excluding properties under development of ca. 93%
 - €1.1 billion US portfolio comprised of:
 - 90 residential buildings in NYC with net lettable area of 247,000 sqm
 - 28 commercial properties across the US with net lettable area of 1.2 million sqm

¹ Alternative performance measures

The Group prepares its financial statements using IFRS. However, it also uses a number of adjusted measures in assessing and managing performance of the business.

EPRA metrics:

Performance measures used by the Group include those defined by EPRA, are designed to enhance transparency and comparability across the European real estate sector. The Group considers these standard metrics to be the most appropriate method of reporting the value of the business and a reconciliation to IFRS numbers is included in Note 11(c) of the financial statements.

Funds From Operations ('FFO'):

The Group considers this measure to be most appropriate when considering its dividend policy as it is a cash measure and it is familiar to non-property and international investors. Funds From Operations is a measure determined by recurring operating profits, deducted by the Group's interest expenses and excludes other one-off expenses or fair value adjustments.

- Full ownership of two hotels with 514 rooms in Manhattan

Financing and Dividend

- \$80.5 million of new secured debt facilities on five US properties:
 - \$45.5 million obtained in 2023 at 15-year term and an average annual interest of 6.4% fixed for 5 years
 - \$20.0 million obtained in 2023 at 10-year term and an average annual interest of 7.125% fixed for 3 years
 - \$15.0 million obtained in 2024 at 13-year term and an average annual interest of 7.75% fixed for 3 years
- €30.0 million of secured debt facilities to refinance two German properties; 5-year term at a fixed interest of 4.69% p.a. and 2.25% annual amortization
- €73.2 million buyback of the Company's outstanding senior notes for an average of 91.5% of the notes' principal amount
- €32.2 million dividends reflecting 10.0 euro cents per share

The full report is available on the Company's website www.summit-properties.com

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