H1 2022 Financial Results

- **Significant increase in Shopping Malls EBITDA: €31.1m profit (+93% vs. 2021)**
- **Fair value gain from the revaluation of Shopping Malls and other properties: €21.3m**
- **Fair value gain from the revaluation of The Ellinikon Investment Property: €10.5m**
- **Group consolidated operating result (EBITDA): €37.7m profit (vs. €315.7m profit in 2021)**
- **Adjusted consolidated net results (after financial results, taxes and minority interest): €15.3m profit (vs. €237.2m profit in 2021)**
- **Consolidated net results (after financial results, taxes and minority interest): €22.2m loss (vs. €224.6m profit in 2021)**

Summary Consolidated Financial Results			
(amounts in €m)	**H1 2022**	**H1 2021**	**% change**
The Mall Athens	12.7	6.7	+88%
Mediterranean Cosmos	9.7	4.4	+118%
Golden Hall	8.8	5.0	+77%
Retail EBITDA (Shopping Malls Operating Result before valuations and other adjustments)	**31.1**	**16.1**	**+93%**
Total Group operating result (EBITDA) before valuations and other adjustments	**25.0**	**15.0**	**+66%**
Revaluation gain – Shopping Malls and other properties	21.3	6.3	+238%
Revaluation gain – The Ellinikon Investment Property	10.5	306.1	--
Expenses related to the development of The Ellinikon	(19.1)	(12.6)	+52%
Gain from sale of assets	--	0.9[1]	--
Group operating result (EBITDA)	**37.7**	**315.7**	**--**
Consolidated Net Results *(after financial results, taxes and minority interest)*	**(22.2)**	**224.6**	**--**
NET ASSET VALUE (NAV)			
	30.06.2022	**31.12.2021**	**% change**
Net Asset Value (NAV)[2] *(€m)*	**1,341**	**1,362**	**-1.5%**
Net Asset Value (NAV) per share *(€ per share)*	**7.69**[3]	**7.73**[4]	**-0.5%**

[1] Gain from the sale of investment property (Spata land plots)
[2] Net Asset Value (NAV): Equity attributable to equity holders of the Company adjusted by the deferred tax liability and asset attributable to equity holders of the Company
[3] Adjusted number of total shares for the 2,382,693 own shares held by the Company as of 30.06.2022.
[4] Adjusted number of total shares for the 533,292 own shares held by the Company as of 31.12.2021.

Summary Statement of Financial Position		
(amounts in €m)	**30.06.2022**	**31.12.2021**
Cash	449.4	539.4
Restricted Cash	(239.6)	(377.0)
Unrestricted Cash	**209.7**	**162.4**
Investment Portfolio	**2,906.6**	**2,840.1**
Total Assets	**3,664.4**	**3,670.9**
Total Equity	**1,280.6**	**1,301.2**
Borrowings	**720.3**	**721.4**
Total Liabilities	**2,383.7**	**2,369.7**

LAMDA Development (the "**Company**") **H1 2022 consolidated net results, after taxes and minority interest**, amounted to €22.2m loss, vs. €224.6m profit in the respective period in 2021. Note that H1 2021 results included €306.1m positive impact from the revaluation, by an independent valuer, of the value of the Investment Property held by HELLINIKON. Excluding the expenses related to the development of The Ellinikon (€19.1m) and the financial expenses, that do not impact the cash balance, related to the accounting recognition of future obligations[5] regarding The Ellinikon (€18.4m), the **adjusted consolidated net results, after taxes and minority interest**, amounted to €15.3m profit (vs. €237.2m profit in H1 2021).

At the **operating profitability level, the total Group operating result (EBITDA) before investment property revaluations and other adjustments**, amounted to €25m profit, a 66% increase vs. H1 2021. Said growth is attributed to the Shopping Malls' significant EBITDA increase.

Shopping Malls H1 2022 EBITDA (The Mall Athens, Golden Hall and Mediterranean Cosmos) amounted to €31.1m, a 93% increase vs. H1 2021. Note that H1 2021 Shopping Malls EBITDA had been adversely impacted by (a) the suspension of the Shopping Malls' operations for an aggregate period of c.3 months[6] and (b) the legal provision for rent discounts (40% effective discount[7]) to shopkeepers/tenants which applied for the entire period (January-June). In H1 2022 Shopping Malls operated under only minimal restrictions related to the pandemic, while there was no legal provision for rent discounts.

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[5] Refers to (a) the obligation of the Transaction Consideration for the acquisition of HELLINIKON shares and (b) the obligation to undertake Infrastructure Works of public interest (e.g. roads, utilities, underpasses and flyovers etc.), which will be delivered to the Greek State upon completion, free of charge.

[6] Shopping Malls "The Mall Athens" and "Golden Hall" in Athens remained closed for an aggregate period of 95 days each in H1 2021. "Mediterranean Cosmos" in Thessaloniki remained closed for an aggregate period of 71 days in H1 2021 (in February 2021 shops in Thessaloniki operated under the restrictive measures click-away).

[7] As per relevant legislation, shopkeepers/tenants have been exempted from paying the full (100%) rent for the entire period between January-May 2021, while the Ministry of Finance compensated LAMDA through a rebate of 60% of the rents. In June 2021, shopkeepers/tenants in the retail trade sector have received a 40% discount on rents, while shopkeepers/tenants active in the sectors of F&B/Entertainment/Cinemas have been exempted from paying the full (100%) rent, with the Ministry of Finance compensating LAMDA through a rebate of 60% of the said rent.

Worth highlighting that Shopping Malls H1 2022 EBITDA were marginally lower (c€1m) vs. the record-high operating profitability levels in the respective period in 2019 (€32.0m).

The Company's **Net Asset Value (NAV)** as of 30.06.2022 amounted to €1.34bn (equivalent to €7.69 per share), marginally lower (-1.5% or c.€20m) vs. 31.12.2021.

Note that both the consolidated H1 2022 financial results as well as the Net Asset Value (NAV) as of 30.06.2022 include the positive impact of (a) €21.3m from the revaluation, by an independent valuer, of the value of the Shopping Malls and other investment property and (b) €10.5m from the revaluation, by an independent valuer, of the value of the Investment Property held by HELLINIKON.

The Company, amidst the pandemic crisis during the last 2 years, has **negotiated new or proceeded to the renewal of commercial agreements** under similar or better financial terms that were in force before the pandemic crisis, thus enhancing the Shopping Malls' value. **Shopping Malls' aggregate value** amounted to €893m as of 30.06.2022, as per the independent valuation (Savills), a €21m increase (+2%) vs. the respective value as of 31.12.2021 and marginally higher compared to the record-high valuation in 2019 (€892m).

As regards **Shopping Malls' key performance indicators in H1 2022**, we highlight the following:

- **Average occupancy** at our Shopping Malls remained unchanged vs. pre-pandemic levels to approximately 99%.
- Given the aforesaid suspension of the Shopping Malls' operations in H1 2021 for an aggregate period of c3 months (i.e. half of the period), the comparison of the key performance indicators between the periods beyond being practically difficult, becomes also practically meaningless. Therefore, the comparison of the key performance indicators cannot lead to safe conclusions.
- **Total tenants' sales** at our Shopping Malls in H1 2022 registered a modest 7% decline vs. the respective period in 2019, on account of the adverse macroeconomic conditions, especially in the retail trade sector, stemming from the energy crisis and the mounting inflationary pressures.
- The **average spending per visitor** in H1 2022 increased 38% vs. the respective period in 2019, confirming the upward trend registered in H2 2021, following the gradual relaxation of the restrictive measures related to the pandemic.
- The **total number of visitors (footfall)** to our Shopping Malls in H1 2022 declined 32% vs. the respective period in 2019, reflecting the negative impact of the pandemic crisis.

As regards **Shopping Malls' key performance indicators in Q2 2022**, we highlight the following:

- **Total tenants' sales** increased 3% vs. the respective period in 2019, fully reversing the previous negative trend (-18% in Q1 2022 and -10% in Q4 2021).
- The **average spending per visitor** increased 43% vs. the respective period in 2019, registering accelerated growth vs. Q1 2022 (+31%).
- The **total number of visitors (footfall)** declined 28% vs. the respective period in 2019, whereas the total number of visitors to Golden Hall increased 9% vs. the respective period in 2019.

With regards to the **impact to Group consolidated net results from The Ellinikon**, we highlight the following:

- Total expenses related to The Ellinikon amounted to €19.1m (vs. €12.6m in the respective period in 2021), as the Group has significantly accelerated its efforts regarding project execution.
- The financial expenses, that do not impact the cash balance, related to the accounting recognition of The Ellinikon future obligations[8], amounted to €18.4m (full consolidation of HELLINIKON as of 25.06.2021).

SIGNIFICANT DEVELOPMENTS

(until the publication of the Financial Results)

SHOPPING MALLS

In August 2022, the Company announced that L.O.V. S.M.S.A. (100%-owned subsidiary) acquired 100% of the company McArthurGlen Hellas S.M.LLC, owner of the McArthurGlen Designer Outlet Athens, from the company MGE Hellenic Investments S.àr.l. The Gross Asset Value (GAV) of McArthurGlen Designer Outlet Athens amounted to c.€109m, as per the independent valuation by CBRE Axies as of 31.12.2021. The transaction consideration amounted to c.€40m, including the repayment of existing loans granted by the company's previous partners. The acquisition is an important strategic move, which solidifies the Group's leading position in the Retail sector as well as generates significant synergies for the Group's Shopping Malls portfolio.

In July 2022, L.O.V. S.M.S.A. (100%-owned subsidiary and owner of The Mall Athens) signed a new €365m common bond loan programme with lending banks Eurobank and Piraeus. In August 2022, €361m was disbursed for the repayment of an existing €209.5m bond loan provided by National Bank of Greece as well as for the financing of recent acquisitions, namely (a) minority stake (31.7%) in LAMDA MALLS and (b) 100% of McArthurGlen Hellas S.M.LLC (owner of the McArthurGlen Designer Outlet Athens).

THE ELLINIKON

Infrastructure Works and preliminary/preparatory works

The Company has significantly accelerated its project execution efforts. Among others we highlight the following:

- construction works related to the Posidonos Avenue underpass
- excavations in the Trachones stream
- earthworks for the installation of the high-voltage network
- demolition of existing airport runways

[8] Refers to (a) the obligation of the Transaction Consideration for the acquisition of HELLINIKON shares and (b) the obligation to undertake Infrastructure Works of public interest (e.g. roads, utilities, underpasses and flyovers etc.), which will be delivered to the Greek State upon completion, free of charge.

- construction of foundations and basements in the new building that will house people with special needs/disabilities (AMEA)
- soil and groundwater remediation and decontamination works.

Building permits, pre-approvals and certifications of sustainable buildings

- **Riviera Tower:** in August 2022 the building permit for the residential building Riviera Tower on the Coastal Front of The Ellinikon was issued, marking the commencement of construction works on the highest (200m) residential building in Greece. Note that the issuance of the permit was completed according to schedule, despite the particularly complex and demanding process (due to the large number of special approvals and the parties involved in the process). In June 2022 the Riviera Tower was granted a "Gold" precertification, according to the internationally recognized LEED (Leadership in Energy & Environmental Design) sustainable building classification system. The Riviera Tower is the first and only residential building in Greece to have received a "Gold" precertification of a green LEED building.
- **Sports Complex in the Metropolitan Park:** in July 2022 the project study was submitted for pre-approval, while its issuance is expected within October 2022. Moreover, in July 2022 the Environmental Terms Approval (AEPO) was issued, a key requirement for the issuance of the building permit for this project.

New Business Agreements

As regards project execution in the context of the business plan, the Company has recently announced the following new, important business agreements:

Integrated Resort Casino (IRC): in September 2022 the Land Agreement was signed between HELLINIKON (100% subsidiary) and the company IRC HELLINIKON, regarding the concession of a land in The Ellinikon to IRC HELLINIKON, on which the latter has undertaken to develop the Integrated Resort Casino (IRC). The duration of the Land Agreement is 30 years. The said development will consist of a five (5) star hotel, a conference and exhibition centre as well as an arena for sports and/or cultural events and a casino. The development of the IRC will occur in accordance with the provisions of the Concession Agreement between the Greek State and IRC HELLINIKON, ratified by law by the Hellenic Parliament (Law 4949/2022), and is estimated to be completed within three (3) years from the commencement of the relevant works.

Vouliagmenis Mall: regarding the retail development within the Commercial Hub in Vouliagmenis Avenue, expressions of interest have been already submitted by tenants corresponding to 87% of the Gross Leasable Area (GLA), while Heads of Terms (HoT) have been already signed for 24% of GLA. Within 2023 HoT are expected to be signed for 65% of GLA.

Riviera Galleria: regarding the retail development in the area of Marina Ag. Kosmas on the Coastal Front, expressions of interest have been already submitted by tenants corresponding to over 60% of GLA, while HoT have been already signed for c3% of GLA.

Customer Deposits for the future purchase of properties in Residential developments

- **Land plots for Villas (The Cove Villas):** buyers' interest for all plots has already been secured. In July 2022, the SPAs for the two (2) first plots were signed and 50% of the total purchase price was collected. The estimated total revenues from the land plots sales, in Phase A, are estimated at c.€190m, after completion of the said sales. The construction costs are undertaken by the buyers of the land plots, while the designs and the supervision of the construction are assumed by HELLINIKON.
- **Riviera Tower:** in relation to reservations for the future purchase of apartments on the residential tower on the Coastal Front, customer deposits have been already submitted corresponding to c.90% of the net saleable area (NSA). The signing of the first SPAs is expected to commence in Q4 2022. Upon signing the SPA, 20% of the purchase price is collected. The estimated total revenues for all residential units, in Phase A amount to c.€600m, after completion of the said sales.
- **Condos (The Cove Residences):** in relation to reservations for the future purchase of apartments in the complexes of luxury homes/apartments (condos) on the Coastal Front, customer deposits have been already submitted corresponding to approximately ¾ of the net saleable area (NSA). The estimated total revenues for all condos, in Phase A, amount to c.€270m, after completion of the said sales.

Impact of the COVID-19 pandemic

The COVID-19 pandemic remained present, albeit in remission, in H1 2022. Worth noting however that Shopping Malls EBITDA in H1 2022 was not burdened at all either by the suspension of the stores' operations or by the legal provision for rent discounts, in stark contrast to the corresponding period in 2021. Therefore, Shopping Malls EBITDA in H1 2022 exhibited accelerated recovery towards the pre-pandemic (2019) levels.

Impact from inflationary pressures and the energy crisis

In the context of the inflationary pressures observed in international markets as well as in Greece, the Group rental income is mostly inflation adjusted, linked to an adjustment clause in connection to changes in the consumer price index (CPI). The said adjustment clause is translated into a 1.5-2 percentage points margin over the officially announced CPI. As per the official statistics by ELSTAT, in December 2021 the CPI registered a 5.1% annual increase vs. December 2020 (in August 2022 the inflation registered an annual increase of 11.4% vs. August 2021).

Increasing energy costs, a trend observed in the international markets due to the energy crisis, is expected to adversely impact Shopping Malls' operating expenses. The Group proceeded to an open tender for energy supply in Q2 2022. In view of the very high prices in the wholesale electricity market, the Group decided not to enter into a fixed price contract but to adopt variable pricing for six (6) months. Based on existing tariffs as well as projections for H2 2022, the annual energy cost for the Shopping Malls is expected to reach c.€6m. Most of the said expenses relate to the common areas in the Shopping Malls, which are undertaken by the shopkeepers/tenants. The Group will proceed to a new, open tender by the end of H2 2022, while it constantly monitors the developments in the energy market, in order to take advantage of any window of opportunity to lock lower prices. Finally, the Group will intensify its efforts to implement its “green” energy investments in eligible properties, aimed at reducing future energy costs, by limiting dependence on traditional energy sources.

Note that the Group has not agreed/contracted final selling prices for the larger part of the projects and developments included in The Ellinikon. This enables the Group to pass on to its counterparties all or part of the increase in raw material prices and energy costs, observed in the market, while maintaining selling prices at competitive levels based on the broader market conditions. Worth noting that, in accordance with international practices related to the preparation of future estimates/budgets for projects of similar size and complexity, the Group has included contingencies in the cost estimates for all projects and developments included in The Ellinikon.

H1 2022 financial results will be posted on the Company’s website www.lamdadev.com as well as on the Athens Exchange (ATHEX) (www.athexgroup.gr).