

## Corporate News

### ERWE Immobilien AG: 2021 result burdened by valuation effects

- **Preliminary consolidated result negative due to valuation effects (previous year break even)**
- **Gross rental income increased by 41%**
- **LTV at 68.2%**

**Frankfurt/M., 7 March 2022.** ERWE Immobilien AG (ISIN DE000A1X3WX6), Frankfurt/M., posted a preliminary negative consolidated result after tax of 9.721 million Euros in the financial year 2021, although the operating result improved significantly. This was mainly due to non-cash valuation effects on portfolio properties. The result from the valuation of investment properties fell to minus 1.781 million Euros (previous year: 6.788 million Euros). Retail and hotel space in particular were negatively affected, especially at the Speyer location. This was the appraisers' reaction to the continuing negative effects of the Corona pandemic and the resulting impact on the stationary retail and hotel sectors as well as persistently rising construction costs.

"At ERWE, the consequences of the Corona pandemic can mainly be seen in the valuation result," says Axel Harloff, member of the Board of Management of ERWE Immobilien AG. Gross rental income increased significantly by 41 per cent to 7.891 million Euros (previous year: 5.589 million Euros) in the 2021 financial year. At the end of 2021, ERWE's balance sheet showed liquid funds of 8.573 million Euros (previous year: 7.962 million Euros). Correspondingly, the increase in the LTV to 68.2% (previous year: 63.3%) is due to the lower value of the investment properties.

In addition to new properties acquired in the previous year, the conclusion of new rental agreements also contributed to the growth in gross rental income. In a difficult market environment, ERWE's mixed-use strategy for previously monothematic properties in German city centres once again proved its worth.

In the future, ERWE will continue to focus its entrepreneurial activities on the transformation process from predominantly retail inner-city properties into stable mixed-use properties and is planning further acquisitions in 2022 to build up its property portfolio.

The publication of the audited annual financial statements for 2021 is planned for the end of March/beginning of April 2022.

**ERWE Immobilien AG** focuses on building a profitable portfolio of mixed-use properties in the office, service, retail, hotel and residential sectors. Its preferred sites are promising downtown locations in German cities and exclusively prime locations in smaller towns and municipalities. ERWE acquires properties whose potential value growth can be sustainably exploited by introducing new utilisation concepts. This way, the company aims to build a highly profitable and valuable portfolio with substantial revenue growth. ERWE Immobilien AG is listed in the Regulated Market (Prime Standard) in Frankfurt and in open trading on the stock exchanges in Frankfurt am Main (XETRA), Berlin, Düsseldorf and Stuttgart (ISIN: DE000A1X3WX6).

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