



Shareholder Letter regarding the proposition of the distribution of CHF 0.15/share

Dear Shareholders,

The Board of Directors of Varia Europe Properties AG ("Varia Europe" or the "Company") is pleased to inform its investors that the Company proposes to distribute CHF 0.15 per share from its reserves from capital contribution (the "Distribution") by April 28th, 2023 representing a total distribution of c. CHF 4.3 million.

As the case may be, the Company would have distributed c. CHF 17 million to its shareholders since inception.

The Distribution is linked to the exit of two positions (Iberia Income I and PRS) executed during the year alongside with the redemptions of Spanish Phoenix II, Spanish Phoenix CAT and Varia Ireland.

An Extraordinary General Meeting will take place in Geneva on April 27th, 2023 to approve the proposition of the Board of Directors regarding the Distribution. Varia Europe will issue the annual audit report 2022 by June 30, 2023 as the audit process of the annual accounts as of December 31st, 2022 is ongoing.

From an investment perspective, during the year 2022, Varia Europe kept consolidating its portfolio and the Company exited some of its investments on time and with an attractive performance. The consolidated performances on the exited assets exhibit a realized IRR of 6.9% and a realized multiple of 1.15x.

As we are moving toward 2023, we are expecting to exit and collect distributions from several investments currently in the portfolio with positive results leading to further distributions from Varia Europe to its shareholders in the coming months.

Sincerely yours,

Taner Alicehic
Chairman & Executive Member

Contact information

Taner Alicehic
Phone: +41 22 552 40 30
E-mail: info@variaeuropereproperties.com

About Varia Europe Properties AG

Varia Europe Properties AG is a Swiss based company tailoring investment strategies to the European real estate market. Our Ambition is to maintain best in class asset allocation by creating a diversified portfolio of real estate and real estate backed opportunities which are expected to provide steady capital value growth and income potential. We have a purely bottom-up approach to project selection. More information:

<http://www.variaeuropereproperties.com>

Disclaimer

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