

Media Release – Ad hoc announcement pursuant to clause 16.4 LR BX Swiss

Zug, June 9, 2023

Varia Europe Properties presents 2022 results

Varia Europe Properties (BX Swiss: VARE), a Swiss-based company tailoring investment strategies to the European real estate market, published today its 2022 Annual Report, as well as the 2023 AGM invitation. The Board of Directors proposes a distribution from the Company's capital contribution reserves amounting to CHF 0.07/share.

2022 Key Financials

- EBITDA: EUR 1.2 Mio (2021: EUR 1.40 Mio)
- Portfolio Value: EUR 30.3 Mio (2021: EUR 41.1 Mio)
- NAV: EUR 1.06 per share (2021: EUR 1.47 per share)
- Proposed distribution of 0.07 CHF/share

Total revenues (income) increased to EUR 2.3 Mio in 2022. However, this positive progression was offset by an unrealized loss of EUR 2.10 Mio linked to pressure on external valuation of real estate assets in a complicated market environment with reduced liquidity and increased cap rate. Therefore, the Company ends the year with a total net loss of EUR 1.2 Mio. EBITDA remained positive at EUR 1.2 Mio as general OPEX were reduced.

Taner Alicehic, Chairman of the Board of Directors of Varia Europe Properties, commented: *“During 2022, we focused on generating liquidity from our current portfolio in a complicated environment. Varia Europe Properties will continue during 2023 onward to exit and collect distributions from several investments with positive results. We will look at proposing to shareholders additional distributions as we collect proceeds during the year.”*

Varia Europe Properties' Annual Report 2022 can be downloaded on the Company's website: <https://www.variaeuropeproperties.com/investor-relations/financial-statements/>

2022 Portfolio Update

During the reporting year, Varia Europe Properties distributed 0.35 CHF/share to its shareholders representing the vast majority of the adjustment in equity value from EUR 41.9 Mio to EUR 30.2 Mio. Total number of investment projects decreasing from 20 to 19 and the Company continued to focus on recovering cash from its investments. The portfolio's income/capital return profile allocation moved from 57% capital and 43% income based as of December 31, 2021, to 63% capital and 37% income-based opportunities as of December 31, 2022. The country allocation by the end of 2022 was 55% in Spain, 33% in Italy, 6% in Ireland and 6% in Denmark (end of 2021: 65% in Spain, 25% in Italy, 5% in Ireland and 5% in Denmark).

In 2022, the PRS project, a residential development strategy in Spain, was exited with attractive returns. The sale of the position allowed two distributions: EUR 3.45 Mio were paid in July 2022 and EUR 3.30 Mio were paid in February 2023, generating a 7.0% IRR and a 1.20x multiple. In addition, the Iberia Income I position was also fully exited in 2023, generating a 3.7% IRR and a 1.10x multiple in a complicated environment for debt related assets.

“From an investment perspective, we believe the strength of the portfolio lies in the diversification of its assets, whether from a geographic, sectorial or income point of view. Overall, all projects exited so far generate a cumulated 6.9% IRR and a 1.16x multiple”, outlined Taner Alicehic.



AGM 2023 Invitation

Also today, Varia Europe Properties published the agenda for this year's ordinary Annual General Meeting of shareholders. 2023 AGM will take place on June 30, 2023, at 4 pm CET, at the premises of its asset manager, Stoneweg, in Geneva. The invitation with all voting items is available on the Company's website: <https://www.variaeuropeproperties.com/investor-relations/annual-general-meeting/>

Approval of a Distribution

The board of directors proposes to the General Assembly to approve an appropriation of reserves from capital contributions, *i.e.* a distribution, in the amount of CHF 0.07 per share payable out of the reserves from capital contributions. Based on the number of shares issued of 28,512,619, this distribution is equivalent to a reduction in the reserves from capital contribution of CHF 1,995,883.33.

Financial calendar

Annual General Meeting 2023	June 30, 2023
Half Year 2023 Report	October 31, 2023

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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.variaeuropeproperties.com>

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