

ECHO

investment



*Everything
begins
with you*



H1 2021 RESULTS AND OUTLOOK

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Agenda

- I. Strategy
- II. Highlights
- III. Key Financial Data
- IV. Residential
- V. Resi4Rent
- VI. Commercial
- VII. Permitting
- VIII. ESG
- IX. Financials





I.

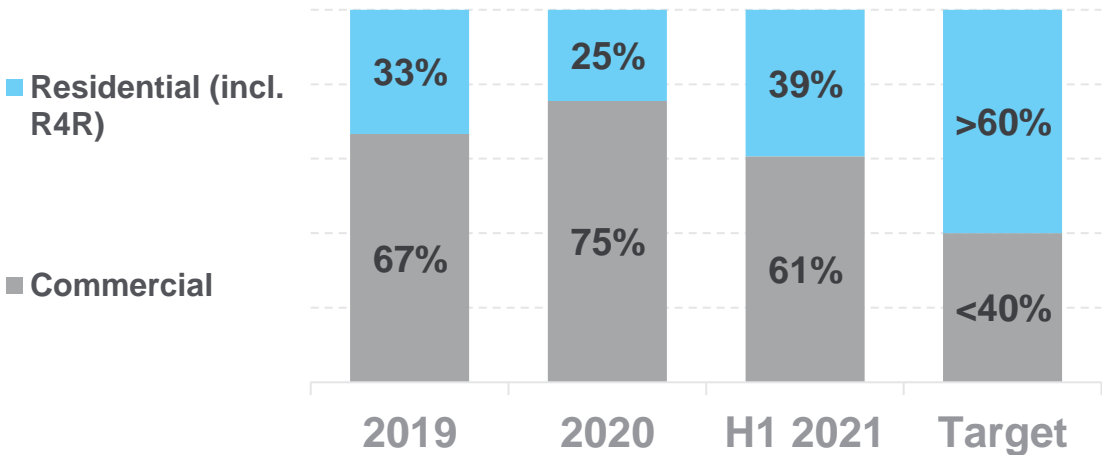
Strategy

Residential becoming the growth engine of Echo Investment

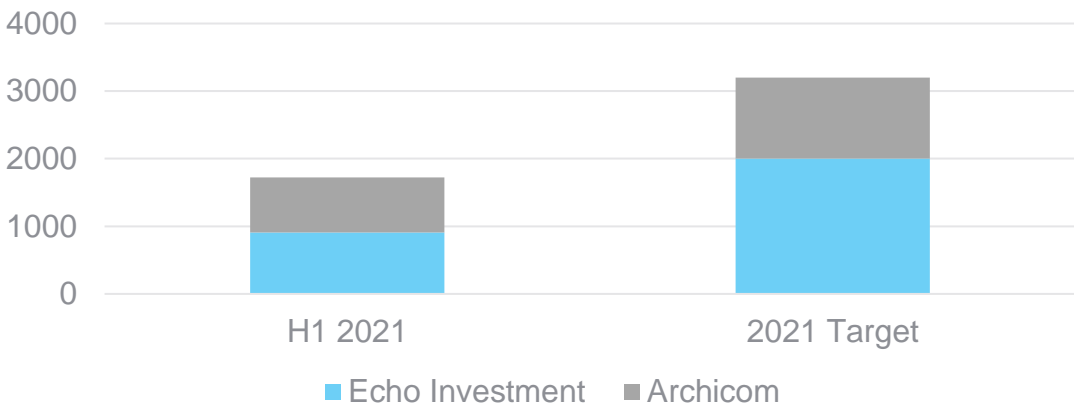
- By acquiring 66% share of Archicom, Echo delivers on its long-term strategy to become a leader in residential business
- One of the outcomes of the acquisition is an increased share of the residential assets in Echo business which by the end of Q2 2021 reached 39% - a 14 pp increase vs end of 2020
- Echo will continue to increase the focus on residential to grow the **segment share to above 60%**
- Residential segment includes **R4R** part that delivers strong results and will drive growth in residential segment in the coming quarters

- Target residential sales for 2021 for the whole Group has been set at 3,200 apartments and as at 30.06.2021 has been delivered in 54%
- Growth in R4S is delivered with a **strong 26% margin recorded in H1 2021**

Asset value breakdown by major segments



Apartment target and H1 sales in Echo Group



Importance of destination projects

Destination projects will continue to play a key role in delivering Echo strategy in the coming years

The overwhelming success of **Warsaw Brewery** project puts further emphasis on creating destinations with a sustainable approach to urban development, diversification of functions and high proportion of common space such as public squares or green areas

Echo is the only developer which thanks to extensive experience in all sectors can deliver new city districts with fully optimized combination of functions



Next big projects:
Warsaw Sluzewiec, Cracow Wita, Warsaw Towarowa 22

Echo competitive advantages in destination project



Broad development experience in all sectors



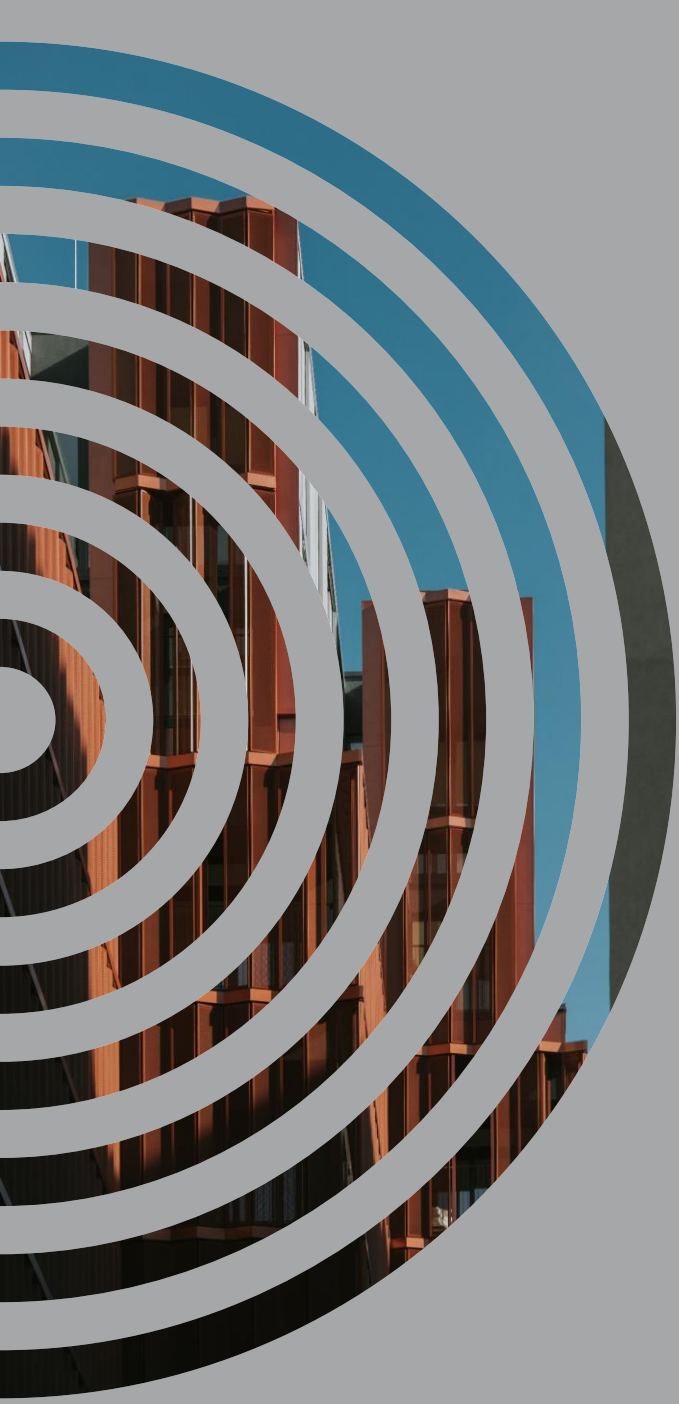
Flexibility, risk diversification and optimal utilisation of resources



Public meeting spaces and green areas (in line with market trends)



Lower acquisition and development unit costs of large projects



II.

Highlights

Q2 2021 Highlights

Record residential sales of **920*** apartments by Echo Group in Q2

Resi4Rent continues growth and achieves **38% market share**



Residential



Land Bank



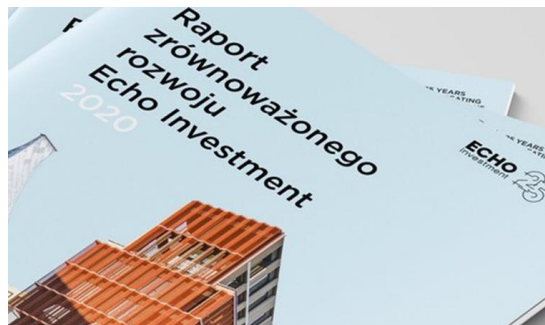
Echo Group has secured a **strong landbank** that allows future growth

Strong leasing across office portfolio

Two office buildings, **Fuzja** and **MidPoint71** have been topped out



Commercial



Corporate

Publication of the **first ESG report**

Acquiring 66% shares of **Archicom**

Post Q2 2021 Highlights

Sale of **414 apartments*** by the Echo Group in Q3, by the end of August

R4R growing with 3 new projects started in Q3 and on track to begin construction of 3,000 units this year



Residential



Land Bank



Warsaw city council has voted in favour of changing zoning status of **Sluzewiec project** to allow construction of **1,600 residential units**

Strong leasing and robust investor appetite enable the disposal of **Malthouse Offices (Building G&H)** to Deka Immobilien

F2F, Fuzja and My Place in advanced negotiations



Commercial



Corporate



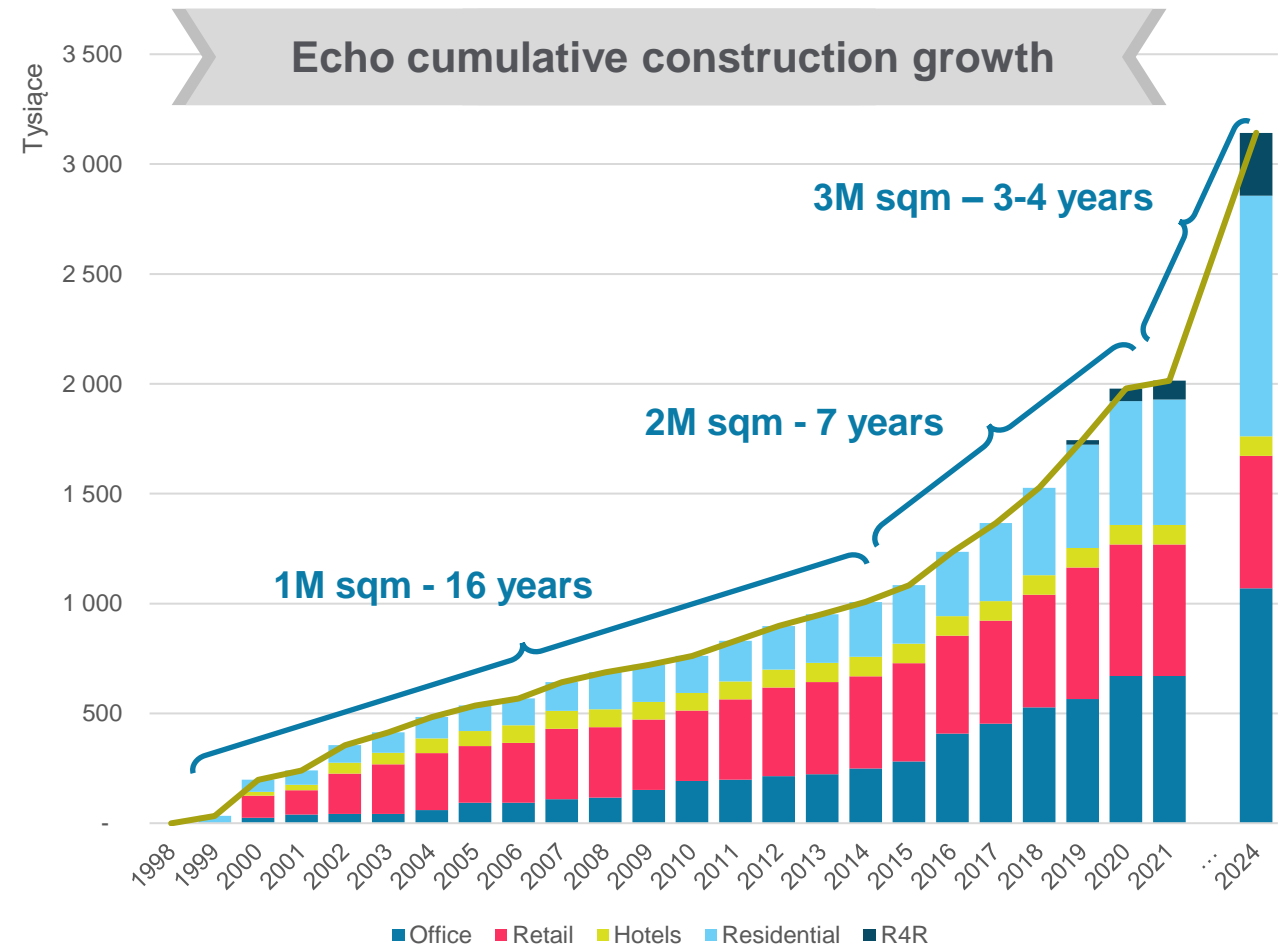
Disposals strengthen Echo **cash position**

Integration of Archicom starts to bring **benefits of scale** in residential segment to the group

New retail bonds prospectus in the amount of 300,000,000 PLN

Strong pipeline for coming years

- Echo Group in the last 25 years has built more than 2 mln sqm in more than 200 projects
- At present Echo develops 17 projects with a total area of 240 thousand sqm
- These include Fuzja mixed-use project, Boho and Zenit residential projects in Łódź, MidPoint71 office building in Wrocław, Stacja Wola in Warsaw and Bonarka Living project in Cracow
- In the coming 3 to 4 years, the Group targets construction of additional 1 mln sqm to reach a cumulative area of 3 mln sqm since the beginning of operations





III.

Key Financial Data

H1 2021 Profit

Actual results [PLN mln]

	H1 2021	H1 2020	Q2 2021	Q2 2020
Revenue	420.9	404.3	265.5	248.4
Operating profit	61.0	147.9	-12.0*	45.2
Profit before tax	56.7	76.1	19.4*	26.8
Net profit	47.0	51.1	22.4	10.4

* The impact of FX on operating profit in Q2 2021 amounted to PLN -92.4 mln, offset by the FX positive impact on financial costs in the amount of PLN 46.8 mln

OUR RESULTS

IN H1 2021

PLN 420.9 mln

total **revenue** in H1 2021

PLN 47.0 mln

total **net profit** in H1 2021

PLN 2.4 mln

Total **fair value gain** in H1 2021

PLN 37.0 mln

Net profit on residential (R4R & R4S) segment driven by handover of 600 apartments (398 appt in Echo and 202 in Archicom)

H1 2021 Profit – split by segments

Actual results [PLN mln]

	R4S incl. Archicom*	R4R (Echo 30% share)	Commercial & other	H1 2021
Revenue	284.3	13.2	123.4	420.9
Gross margin	39.7**	0.9	66.3	106.9
Operating profit	38.4	-1.8	24.3	61.0
Profit before tax	33.6	11.0	12.1	56.7
Net profit	27.9	9.1	10.0	47.0

** Gross Margin negatively affected by PLN 32.9 mln due to PPA (explained in detail in the appendix, slide 63)
Margin on residential sales without PPA impact:

26%

* Archicom financial result included from 22.04.2021

H1 2021 Profit by main segment allocation

	H1 2021 Results [PLN mln]				H1 2020 Results [PLN mln]			
	Residential	R4R	Commercial & other	H1 2021	Residential	R4R	Commercial & other	H1 2020
Revenue	284.3	13.2	123.4	420.9	212.9	115.1	76.3	404.4
Operating profit	38.4	-1.8	24.3	61.0	13.4	1.5	133.1	147.9
Profit before tax	33.6	11.0	12.1	56.7	13.3	7.0	55.7	76.1
Net profit	27.9	9.1	10.0	47.0	8.9	4.8	37.4	51.1
	Residential segments PLN 37 mln		Commercial segments PLN 10 mln		Residential segments PLN 13.7 mln		Commercial segments PLN 37.4 mln	
	79% of net profit		21% of net profit		27% of net profit		73% of net profit	



IV.

Residential

Highlights

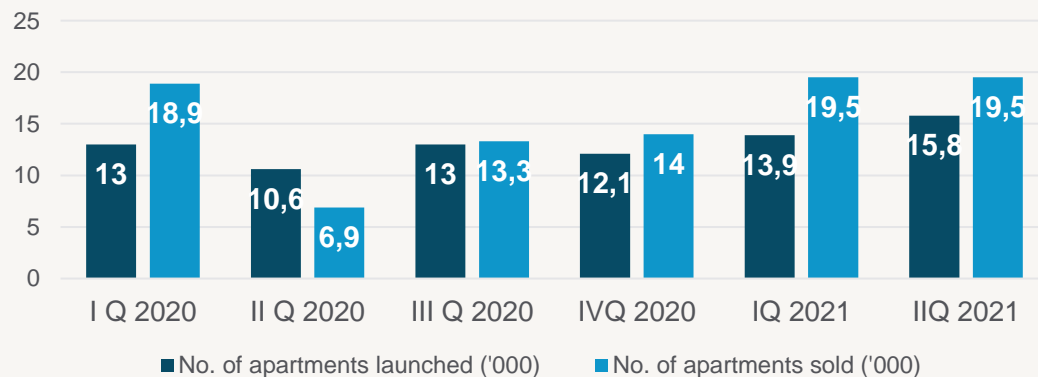


Project to market times affected by prolonged permitting process

Supply

- **15,800 apartments** were launched in Q2 2021 (50% more than in Q2 2020)
- Demand was much stronger than supply, number of available units decreased to ca. **37,800** (22,6% lower than at the end of Q2 2020)
- Lowest offer level since Q3 2010

No. of apartments launched and sold in 6 major cities* in Poland



* Warsaw, Cracow, Wroclaw, Tricity, Katowice, Lodz

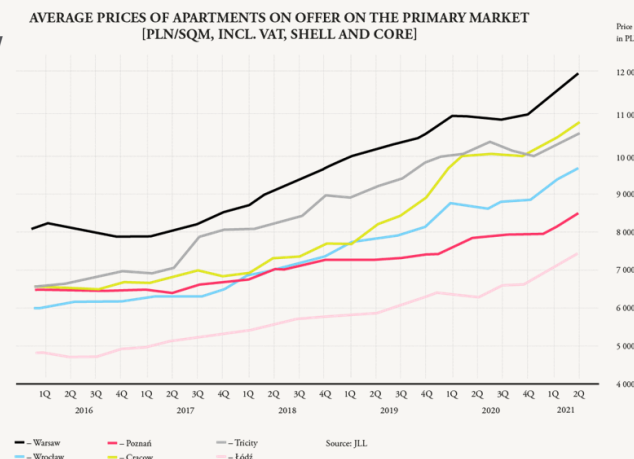
Source: JLL

Demand

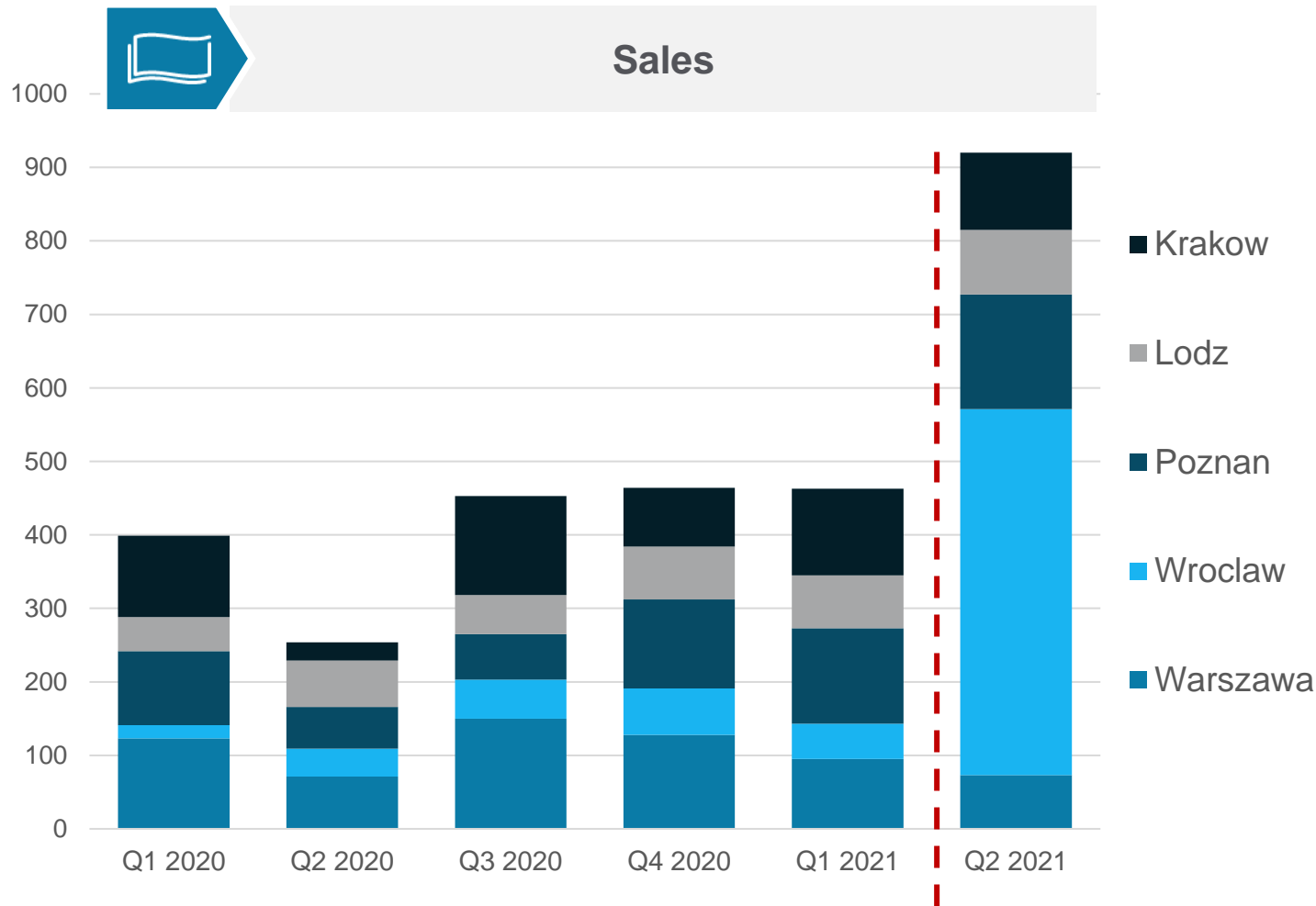
- **39,000 apartments** sold in H1 2021 on primary market in 6 major cities
- Number of apartments sold higher by 7.2% compared to record breaking H1 2017
- Demand for residential properties supported by low interest rates as an alternative to bank savings
- Rising prices confirm that sales volume could be higher if new supply kept up with demand.

Prices

- In most cities (except Warsaw and Wroclaw), the average price of units newly put up for sale increased compared to previous quarter
- The highest increase was recorded in Tri-City








Apartment sales of Echo Group

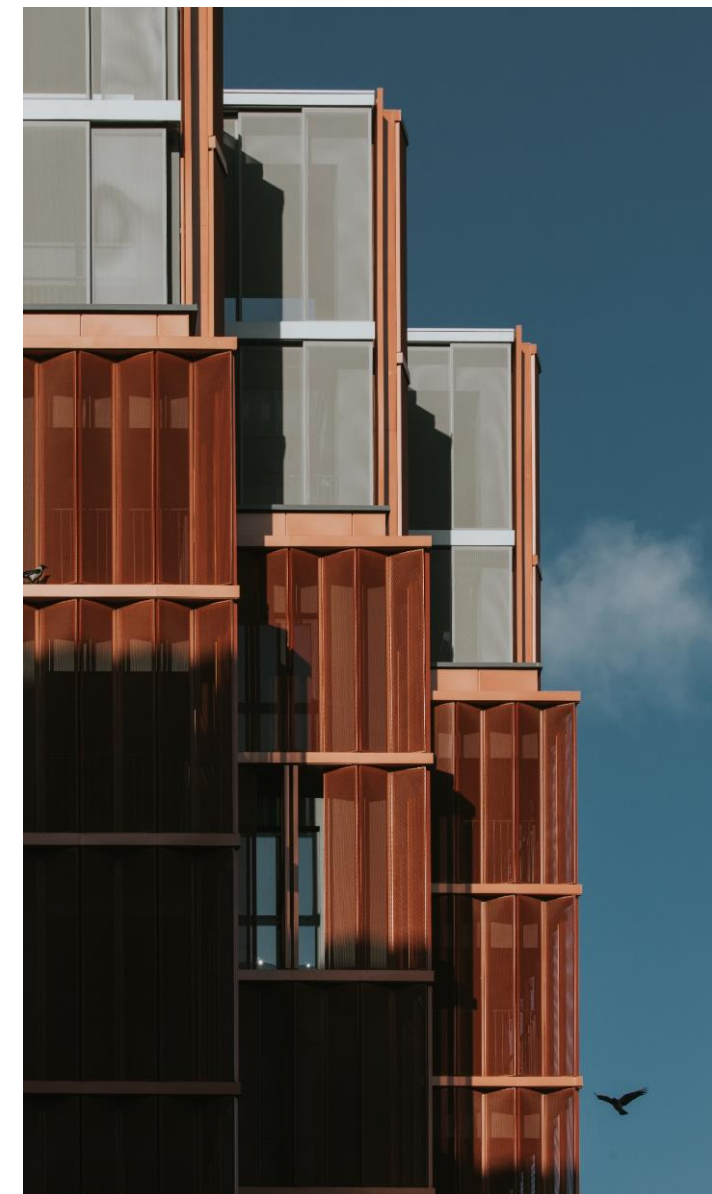
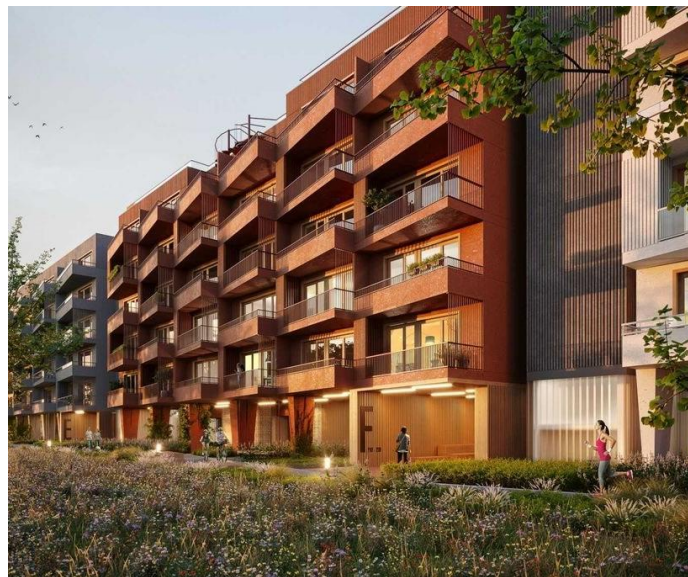


Sale of apartments	Q2 2021	Main Projects
Warsaw	73	Stacja Wola
Wroclaw	498	Archicom
Poznan	156	Enter
Lodz	88	Fuzja
Krakow	105	KRK I and ZAM
Total Echo Group	920	

Echo became top developer in Poland

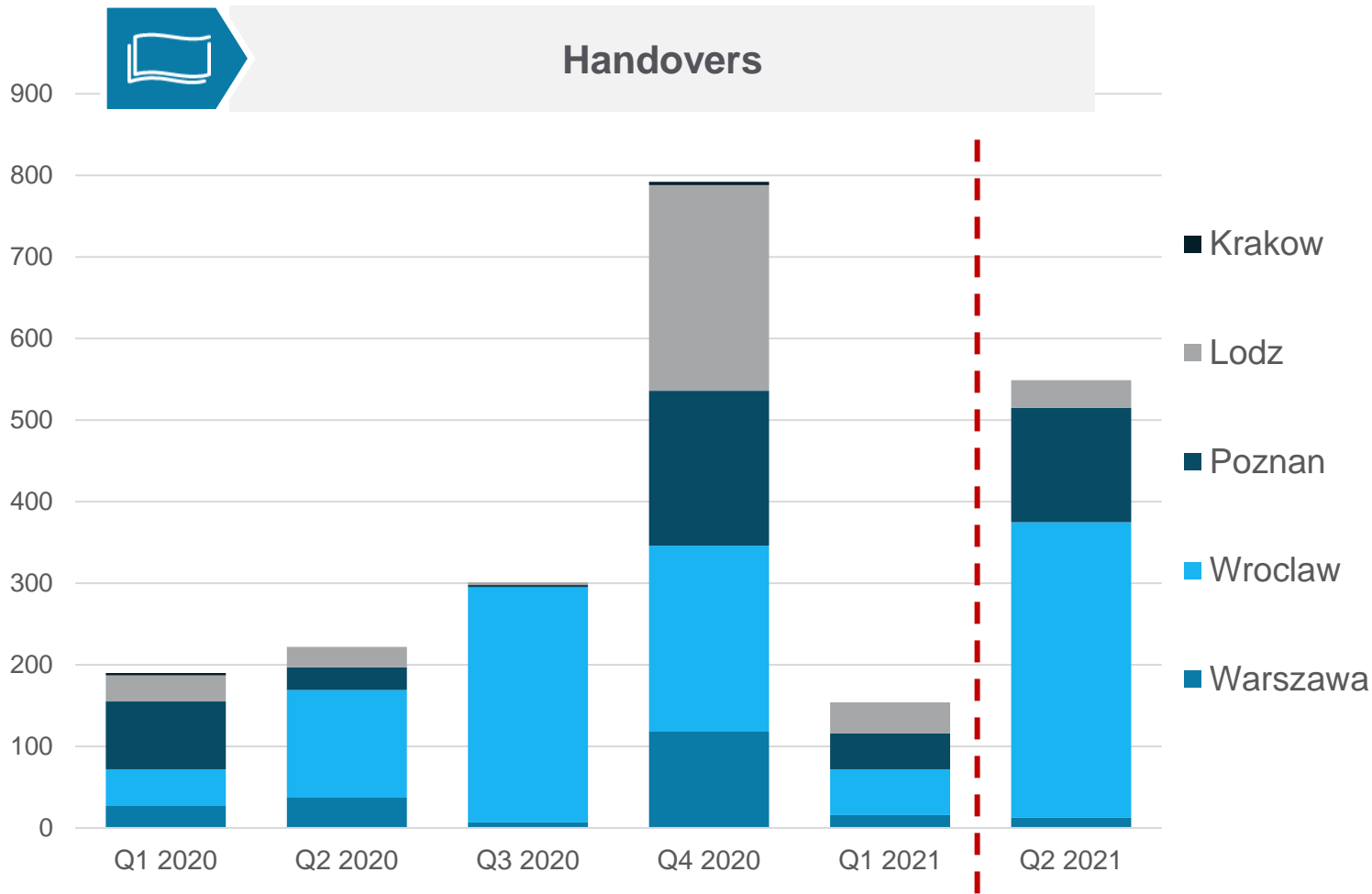
Name	Units Sold in Q2 2021
 ATAL	1,223
ROBYG	1,212
 DOM DEVELOPMENT	1,032
ECHO investment archicom	920
 MURAPOL	727
 DEVELIA	482
archicom	477
ECHO investment	443
 VICTORIA DOM	412

- Through Archicom acquisition Echo achieves **strategic goal** to become one of the largest residential developers in Poland
- The combined potential of both companies places the group in the **TOP 4 in terms of apartment sales** not including R4R platform to which Echo delivered **302 apartments** in Q2 2021, which would result in **2nd** position in this quarter



Source: PAP

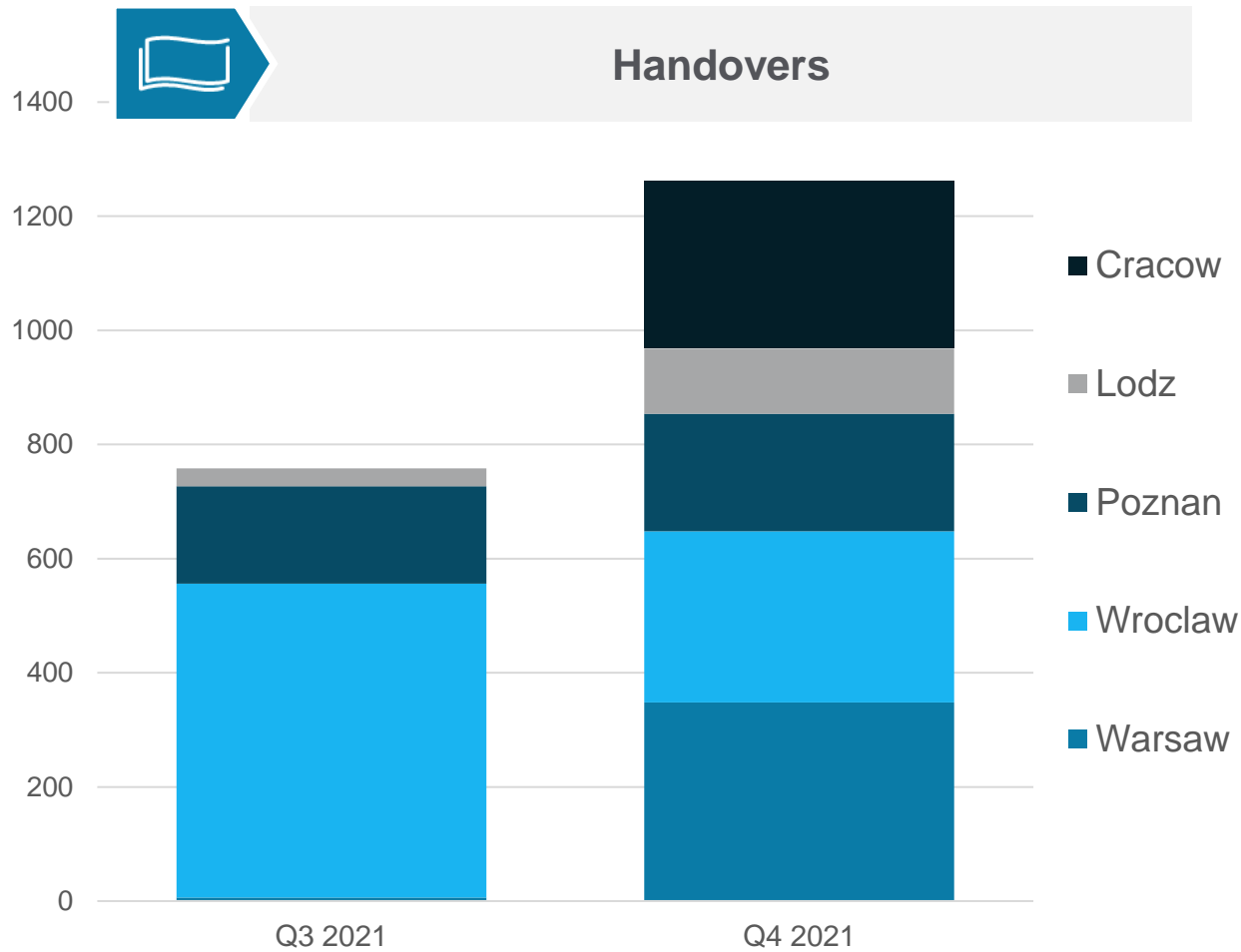
Apartment handovers of Echo Group



Handovers	Q2 2021	Main projects
Warsaw	13	Brewery E
Wroclaw	362*	Archicom and Stacja 3.0
Poznan	140	Nasze Jezyce I
Lodz	34	Fuzja I
Total Echo Group	549	

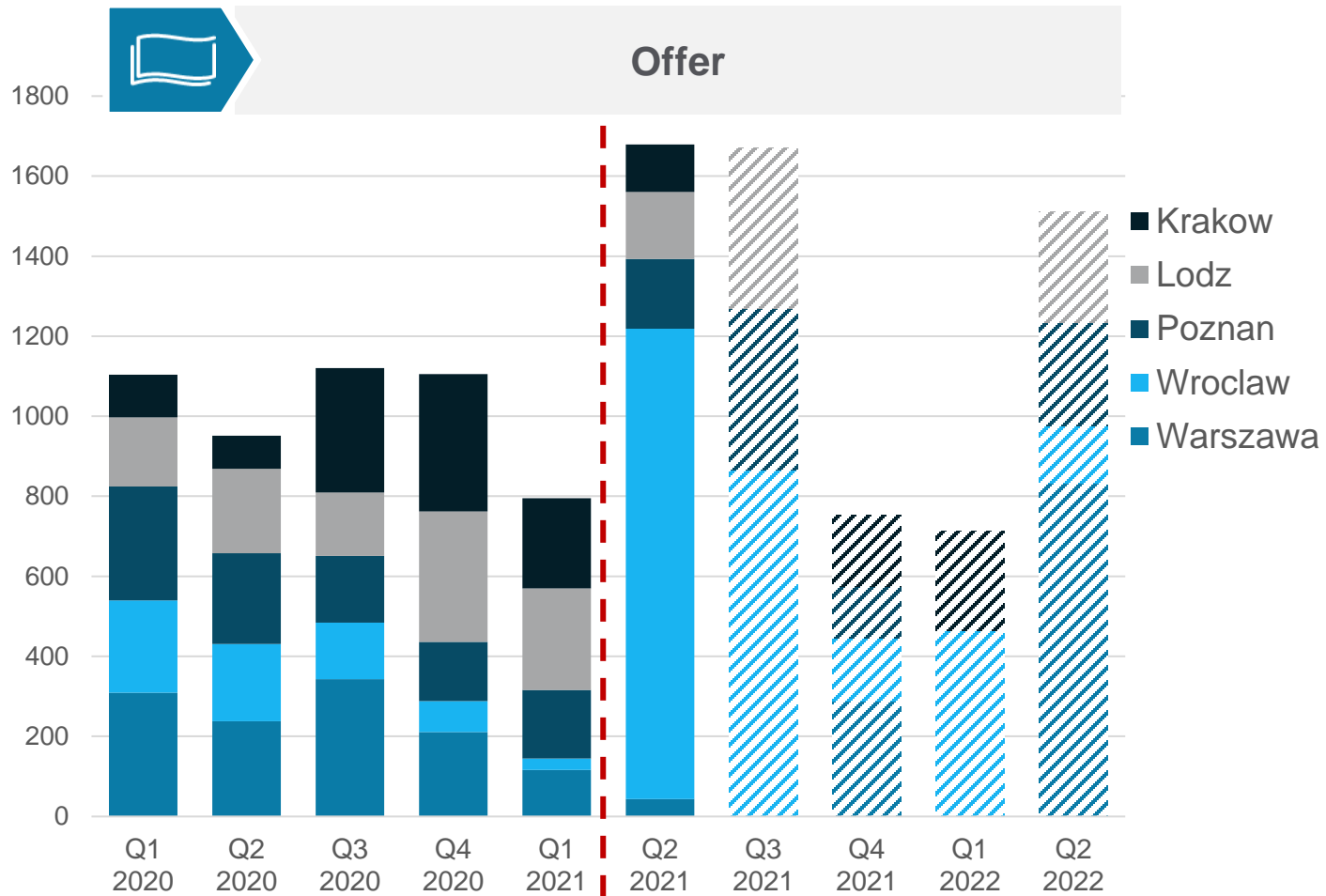
* 202 apartments handed over by Archicom in Q2 2021 were included in Echo financial statement for Q2 2021

Apartment to be handed over by the end of the year by Echo Group



Handovers	Q3 and Q4 2021	Main projects
Warsaw	354	Stacja Wola I
Wroclaw	883	Archicom projects, Stacja 3.0
Poznan	377	Nasze Jezyce II, Enter I
Lodz	145	Osiedle Jarzebinowe VII
Cracow	294	Bonarka Living I, Krk I
Total Echo Group	2,053	

Current offer of Echo Group and new offer outlook




Current offer	Q2 2021	Expected new offer
Warsaw	43	Ongoing permitting work on Sluzewiec plot
Wroclaw	1,184	Archicom
Poznan	174	Ongoing permitting work on Opienskiego plot
Lodz	167	Ongoing permitting work on Widzewska plot
Krakow	119	Ongoing permitting work on Kapelanka plot
Total Echo Group	1,687	

Current offer & Pipeline

Allows to deliver almost 15,000 apartments to the market

	Offer	Landbank	Total (as at 30.06.2021)
Echo Investment	511	9,683	10,194

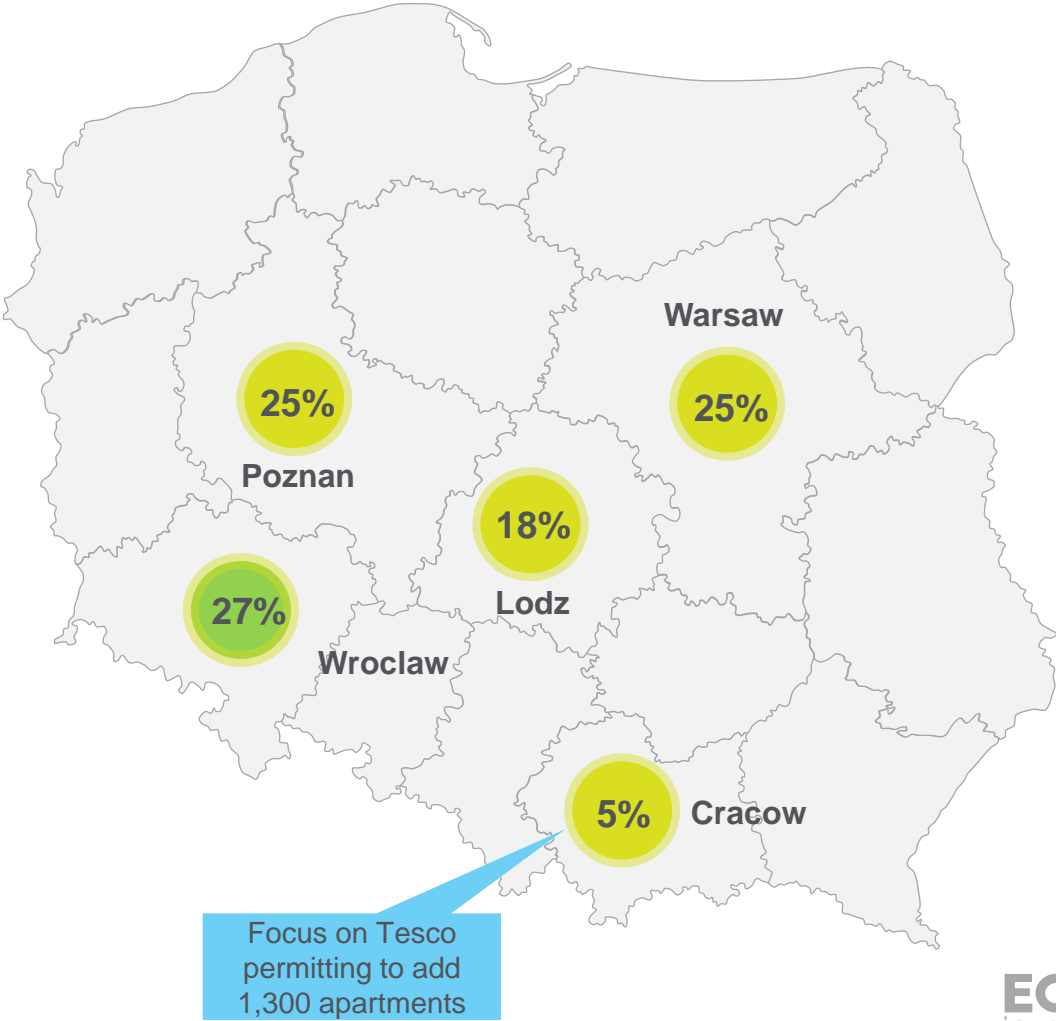
Archicom	1,176	3,617	4,793
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14,987 Total no. of apartments in landbank & in the offer (Echo & Archicom)

Landbank pipeline secured*

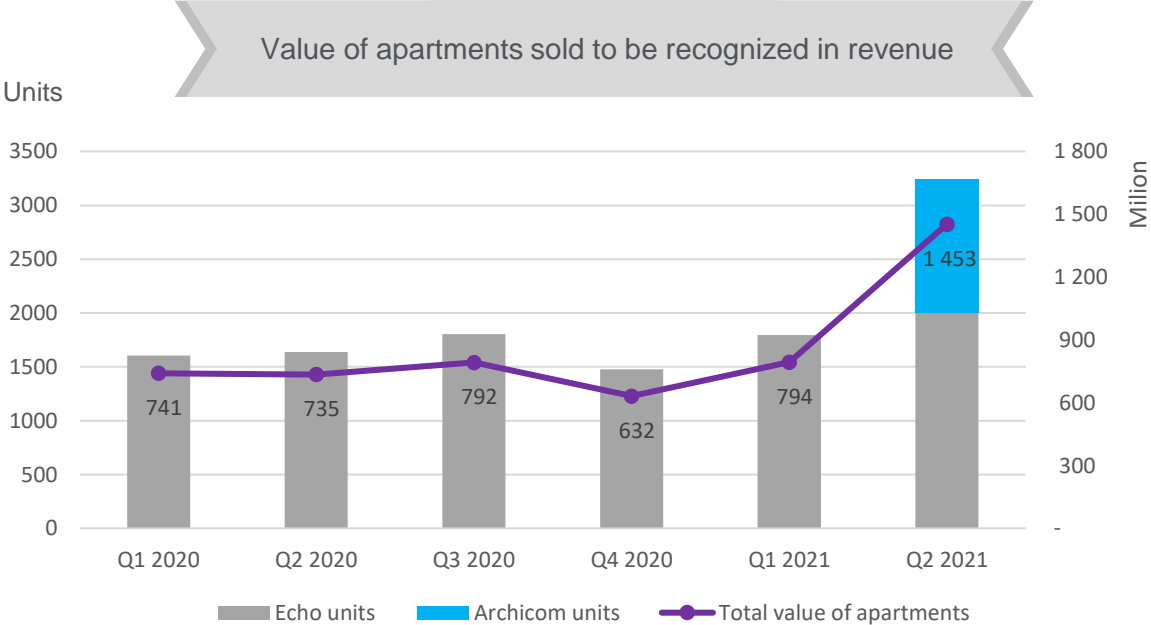
% share in landbank calculated based on potential no. of apartments to be developed



*incl. acquired and secured plots in 2020;

Increasing value of apartments sold in 2021

- Q2 2021 marks an increase in the value of apartments sold but not handed over yet, reaching 1.45 bln
- The number of apartments sold and yet to be recognized in the financial results reached a record 3,239 apartments in Q2 2021 including 2,002 in Echo Investment and 1,237 in Archicom
- Strong focus on sales of completed apartments in favourable market



Warsaw



Warsaw

Q2 2021
of apartments

Offer at the beginning of the quarter	116
Sale	73
New projects introduced	0
Offer at the end of the quarter	43
No. of apartments handed over	13
Landbank	3,351

Planned projects:

- Rytm Kabaty, 288 apartments
- Stacja Wola III, 266 apartments

Wroclaw



Wroclaw

Q2 2021
of apartments

Offer at the beginning of the quarter	1,276
Sale	446
New projects introduced	354
Offer at the end of the quarter	1,184
No. of apartments handed over	362
Landbank	3,617

Planned projects:

- Olimpia Port 5 phases, 338 apartments
- Browary Wrocławskie, 178 apartments
- Nowa Kepa Mieszczanska, 372 apartments
- Gwarna, 83 apartments
- Czarnieckiego, 158 apartments
- Awipolis phase 3, 122 apartments
- Iwiny Schuberta, 63 apartments
- Sandy na Zielona 2, 220 apartments

Poznan



Poznan

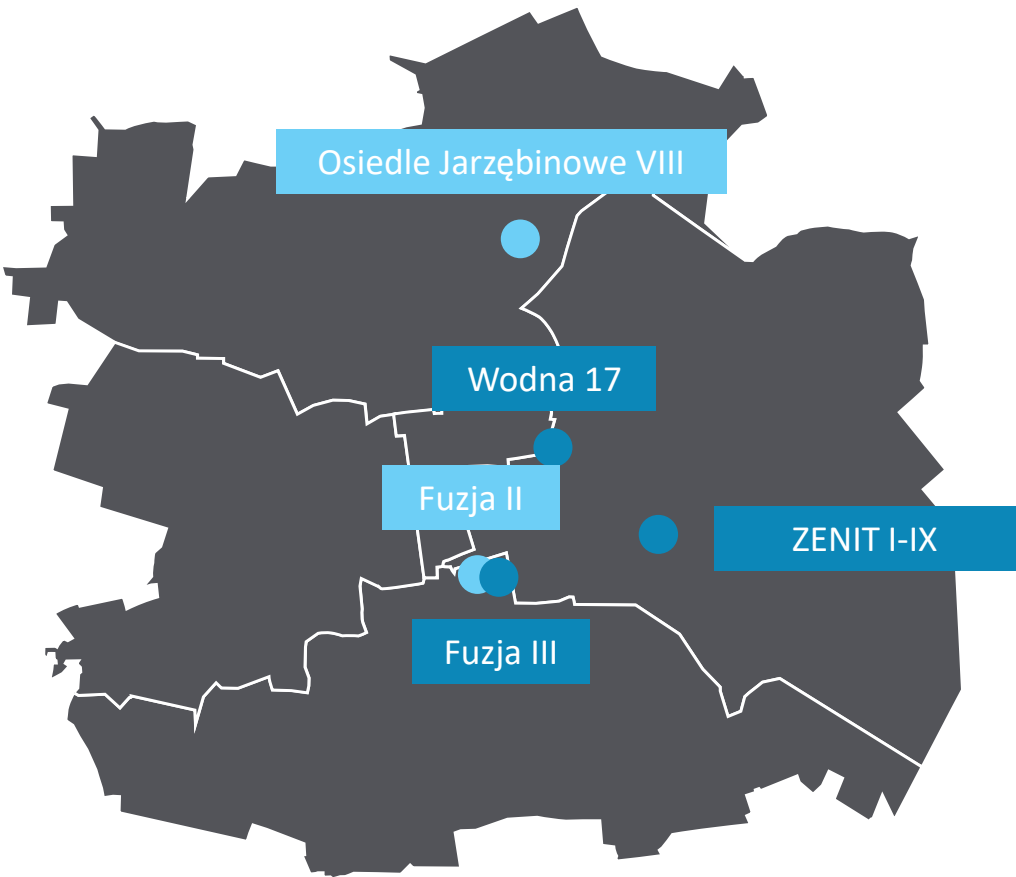
Q2 2021
of apartments

Offer at the beginning of the quarter	171
Sale	156
New projects introduced	159
Offer at the end of the quarter	174
No. of apartments handed over	140
Landbank	3,315

Planned projects:

- Esencja phase II, 130 apartments
- Wieza Jezyce II, 259 apartments

Lodz



Lodz

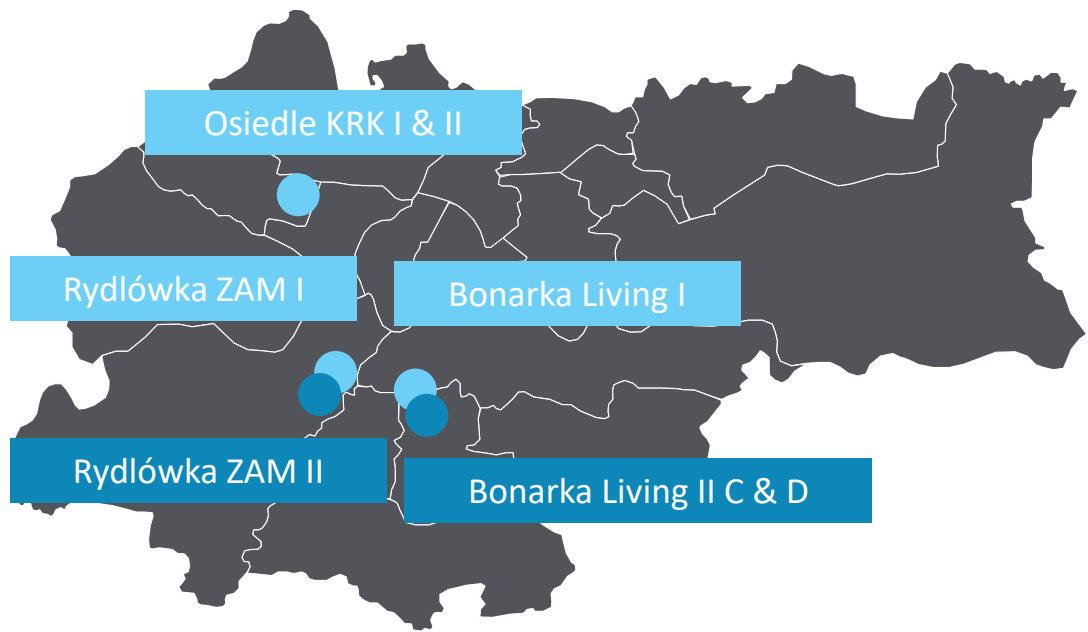
Q2 2021
of apartments

Offer at the beginning of the quarter	254
Sale	88
New projects introduced	0
Offer at the end of the quarter	166
No. of apartments handed over	34
Landbank	2,446

Planned projects:

- Zenit II & VII, 277 apartments
- Fuzja III, 160 apartments
- Wodna (recently started), 235 apartments

Cracow



Cracow

Q2 2021
of apartments

Offer at the beginning of the quarter	225
Sale	105
New projects introduced	0
Offer at the end of the quarter	120
No. of apartments handed over	0
Landbank	571

Focus on Tesco
permitting to add
1,300 apartments

Planned projects:

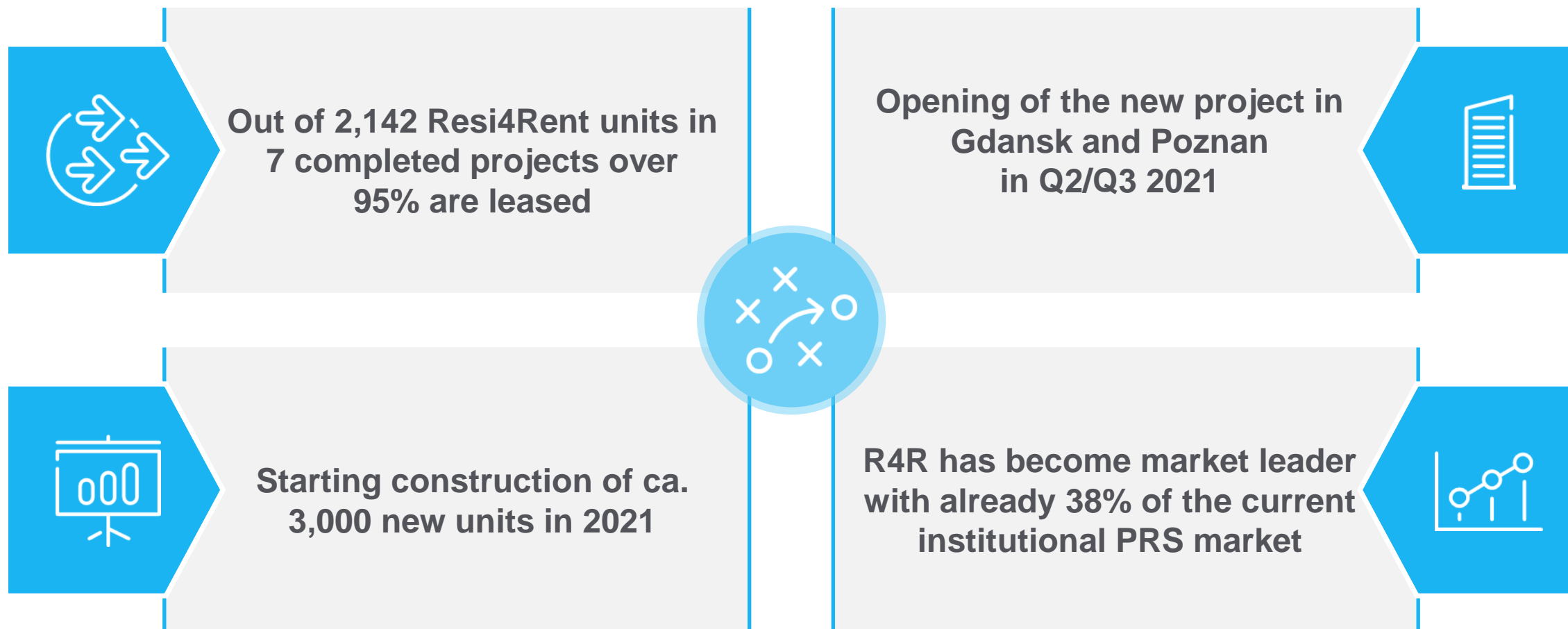
- Bonarka Living II C & D, 330 apartments
- Osiedle ZAM II, 98 apartments



V.

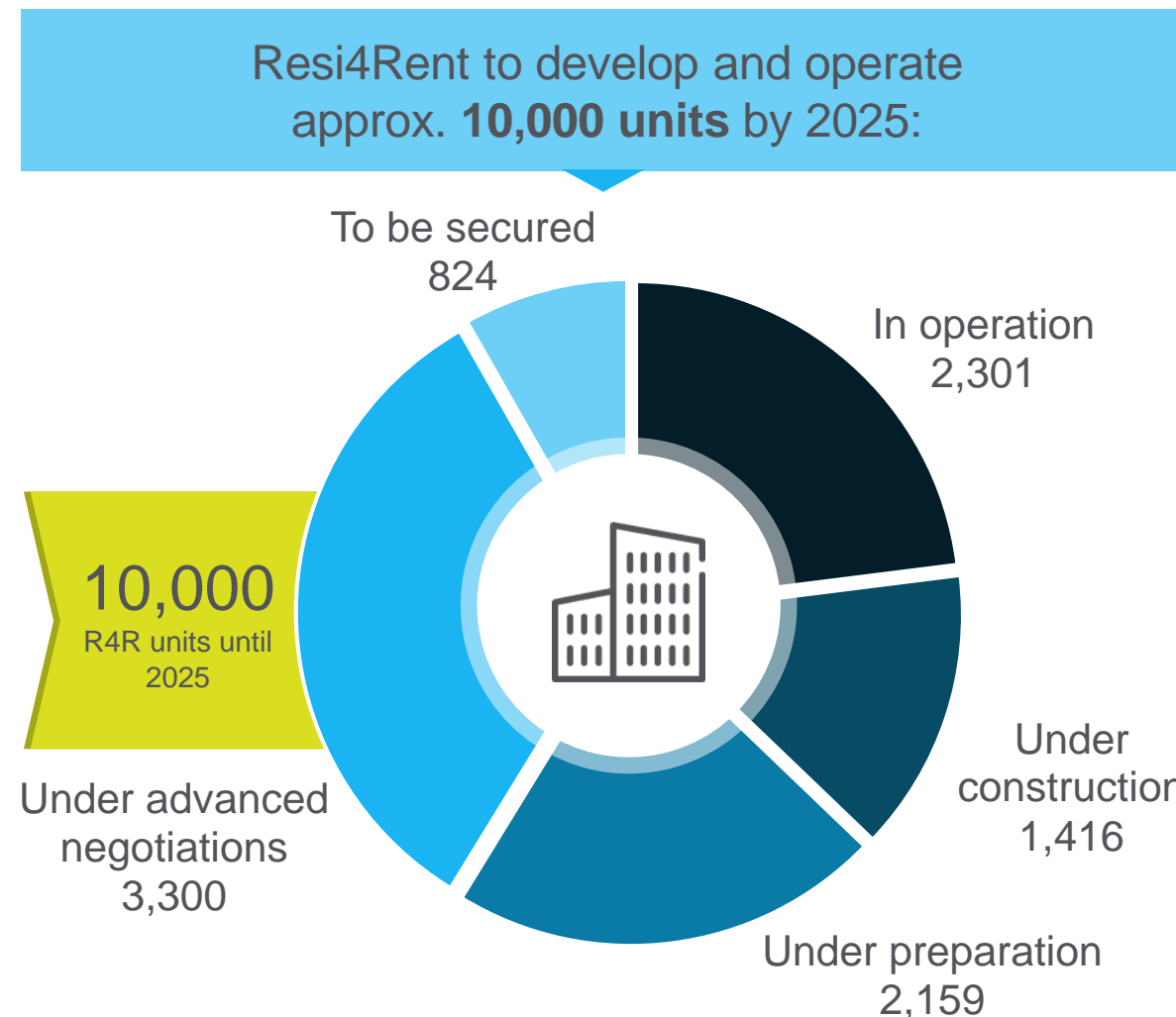
Resi4Rent

Highlights



Resi4Rent accelerates the pace to reach 3.000 units yearly in new construction

- **2,301 units** have been delivered and leased out in 95% until the end of Q2 2021
- New construction has launched at an increased speed in Q2 2021 with **3 new projects** totalling **1,416 new units**
- Additional **4 projects** are in preparation to be started in 2021, delivering on the target of **3,000 new units** started in the year
- The pace of new construction to be kept in the coming years
- Advanced negotiations for plots suitable for additional **3,300 units**
- In order to achieve the goal of **10,000 units** by 2025, Echo need to secure plots for **824 units** more



Quick lease-up due to high interest

2,301 units in operation
over 95% leased

Under construction
(1,416 units)

To be started in 2021
(1,577 units)

R4R Wroclaw, Kepa



100% units
leased

R4R Wroclaw,
Rychtalska



>99% units
leased

R4R Lodz, Wodna



>95% units
leased

R4R Warsaw, Brewery



100% units
leased

R4R Warsaw,
Tasmowa



100% units
leased

R4R Warsaw,
Woronicza



85% units
leased

R4R Gdansk,
Kolobrzaska



Recently
opened

R4R Poznan,
Szczepanowskiego



Recently
opened

R4R Cracow, 3 maja
387



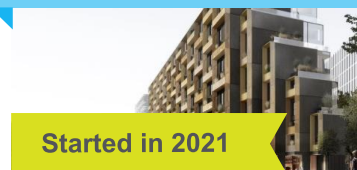
Started in 2020

R4R Cracow,
Puszkarska 149



Started in 2021

R4R Warsaw,
Wilanowska 375



Started in 2021

R4R Warsaw, Zwirki i
Wigury (1 & 2) 505



Started in 2021

R4R Cracow,
296 units

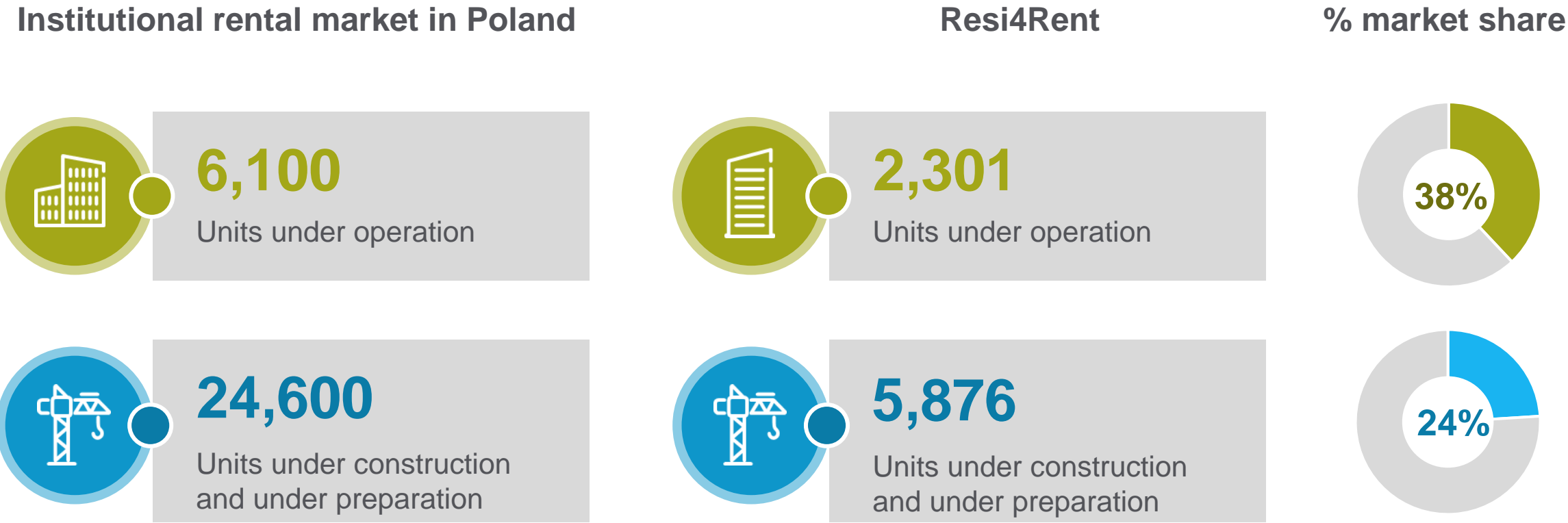
R4R Gdansk,
295 units

R4R Warsaw,
304 units

R4R Lodz,
291 units

R4R Wroclaw,
391 units

R4R's share in institutional rental market in Poland





VI.

Commercial

Highlights



H1 2021 – Second quarter marking the return of workers to the office

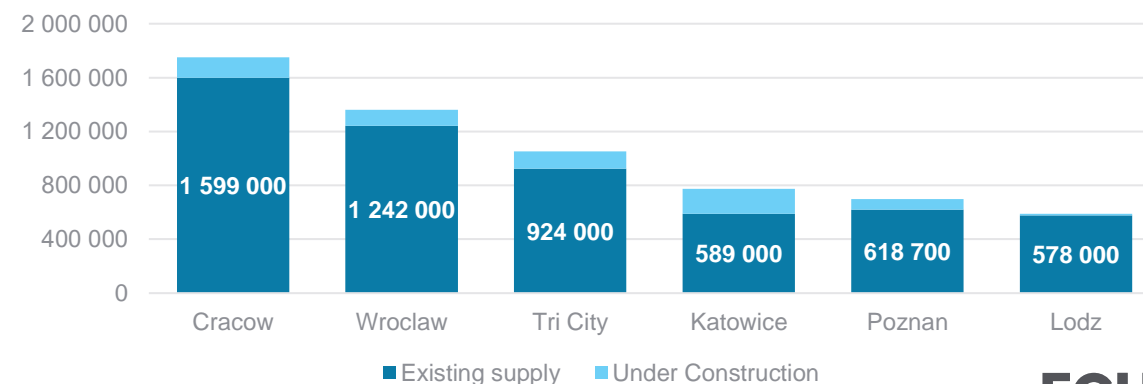
WARSAW

- **226,000 sqm** of office space has been provided in H1 2021 across 10 projects (most of the space delivered in city center: Warsaw Unit 59,300 sqm, Skyliner 48,500 sqm)
- **6,1 mln sqm** - total supply of modern office space
- H1 2021 gross take up result: **249,000 sqm** (ca. 26% lower than in the same period in 2020)
- **ca. 370,000 sqm** of office space under construction (lowest level since 2010)
- **12.5%** – average vacancy rate, increased comparing to the end of Q1 2021 by 1.1. p.p.
- Investors very active and looking for core assets with stable tenants as proven by disposal of Brewery Villa Offices by Echo Investment
- Selected lease transactions on Warsaw office market signed: Warsaw City Hall (11,300 sqm), Credit Suisse (7,500 sqm), J & J (7,500 sqm)

REGIONAL MARKETS

- **126,500 sqm** of new office space delivered on regional markets in H1 2021
- **5,8 mln sqm** - total supply of modern office space
- H1 2021 gross take up result: **264,300 sqm** (21% lower than in the same period in 2020) – 70% was transacted in the second quarter 2021
- **ca. 760,000 sqm** of office space remain under construction
- **13.4%** – average vacancy rate (0.6 p.p. higher comparing to the end of Q1 2021)
- Selected lease transactions on regional office market signed: Rockwell (19,500 sqm), 3M (12,300 sqm), IBM (11,400 sqm)

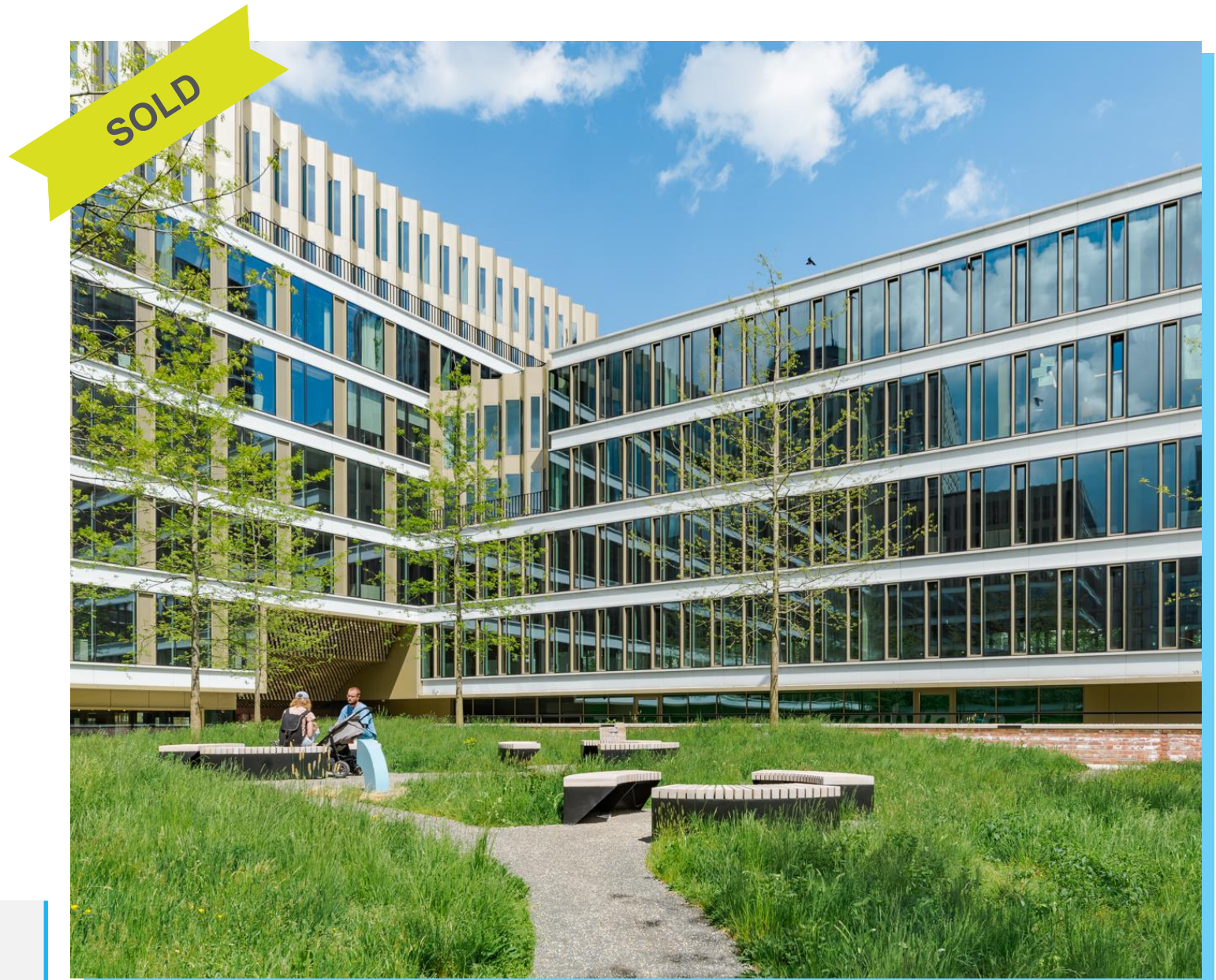
Supply and space under construction in regional cities
as at 30.06.2021



Warsaw Brewery GH sold

- **Brewery GH (Malthouse Offices)** has been disposed at the price of 152,3 mln EUR to Deka Immobilien
- Transaction success has been made possible thanks to strong leasing, including recently signed lease with Playtika
- Brewery GH have attracted investors attention with their unique combination of strong tenants and extensive foodhall fully opened in September
- Tenants include: Grupa Zywiec, Allen & Overy & Playtika

Successful disposal closed in July 2021

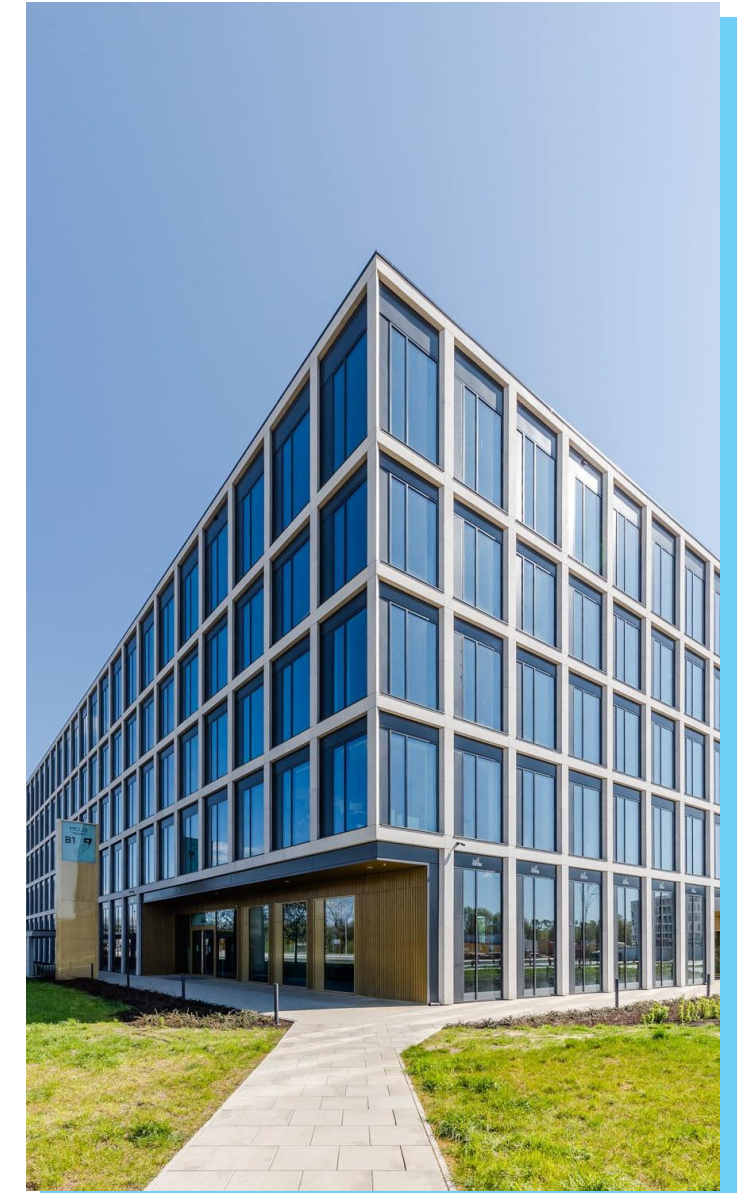
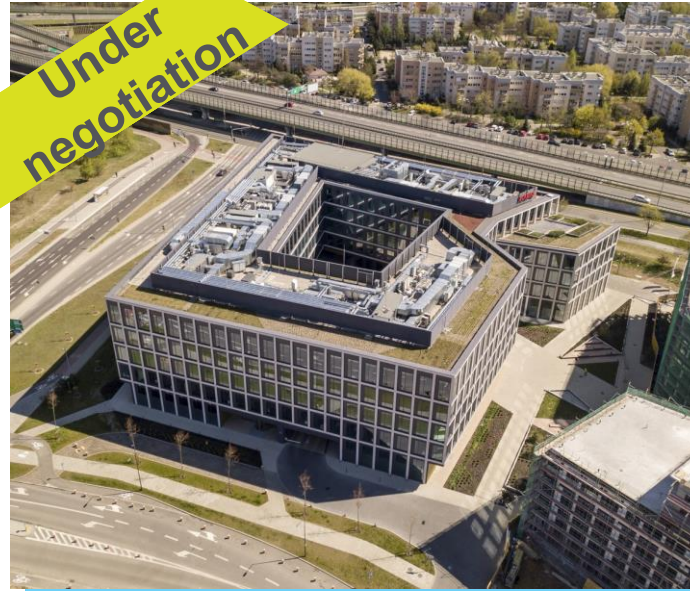


Warsaw

Moje Miejsce I & II

under advanced negotiations

- Disposal negotiations are in an advanced stage for the both phases of the project
 - New leasing agreements signed on Moje Miejsce II which increased building lease up to **50%**, with advanced negotiations on the remaining office space and a target of 100% until the end of the year
 - Strong tenant mix, represented by occupiers from very defensive business sectors such as pharmaceutical, media and FMCG attracts number of potential buyers
 - Tenants include: Havas Media, Hebe and Woerwag Pharma
- **Moje Miejsce II** in on track to be **fully leased-up** as negotiations for entire office space are ongoing

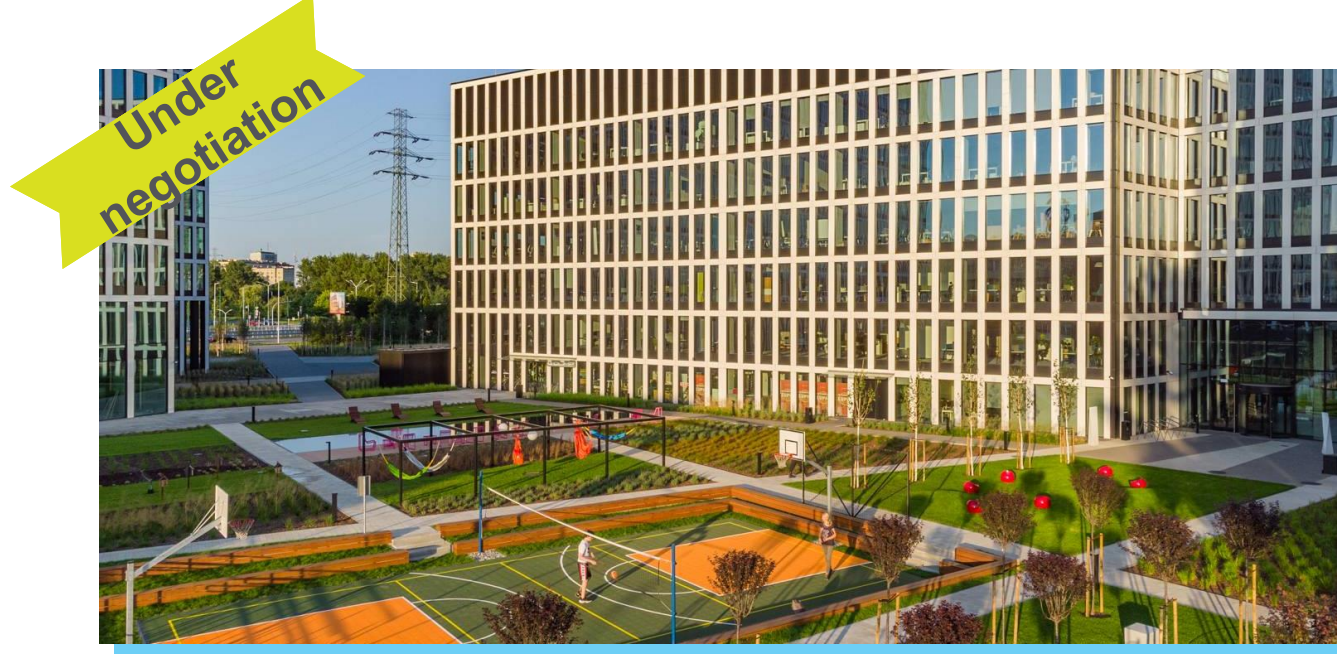


Katowice Face2Face

under advanced negotiations

- Face2Face Business Campus combines multifunctional courtyard with beautiful green areas, relaxing patio with hammocks, lunch zone and active area with basketball court
- Final phase of construction has been completed with the **recent opening of green areas** allowing tenants access to all the amenities of a modern office
- Building 1 has received **BREAM certification**
- Face2Face, with **strong tenant mix** (95% leased) and attractive market positioning, attracts investors focused on CEE market and is currently under advanced negotiations for sale
- Tenants include: Capgemini, Honeywell, Orange, Deloitte, Perform DAZN and Medicover

Office market in Katowice attracts **interest from institutional investors focused on CEE markets**



Lodz Fuzja

opening first revitalized areas

- A new **Anna's Gardens square** has been inaugurated as the first revitalized open-access space in Fuzja – the former Karol Scheibler's textile factory
- Together with the surrounding buildings, the square will provide a lively combination of multi-functional space
- The revitalized area will be the **heart of the Fuzja destination project** attracting tenants, customers and residents
- Leasing of commercial retail space has progressed with the signing of new tenancy agreements with **Deseo Patisserie, Zdrowa Krowa, Bakery Lodz, Netto and wine shop**

Office buildings under construction are **fully leased** and handover to tenants is scheduled for **April 2022**



West 4 Business Hub I Wrocław disposal under negotiation

- West 4 Business Campus (**83,000 sqm GLA**) in Wrocław is creating a new benchmark for modern style offices that are perceived by tenants as the most employee-friendly
- First building is fully operational and provides **15,600 GLA**
- Business Campus location **attracted blue-chip tenants** like SII (IT tenant) or PM Group (project management)
- Building is currently 70% let and is on track to become **fully let in by the end of the year**
- High lease up and attractive campus environment has attracted investors and project is currently under negotiations
- There are planned 2 phases of West 4 Business Campus to be built

Under negotiation



Cracow Brain Park

new introduction to the market

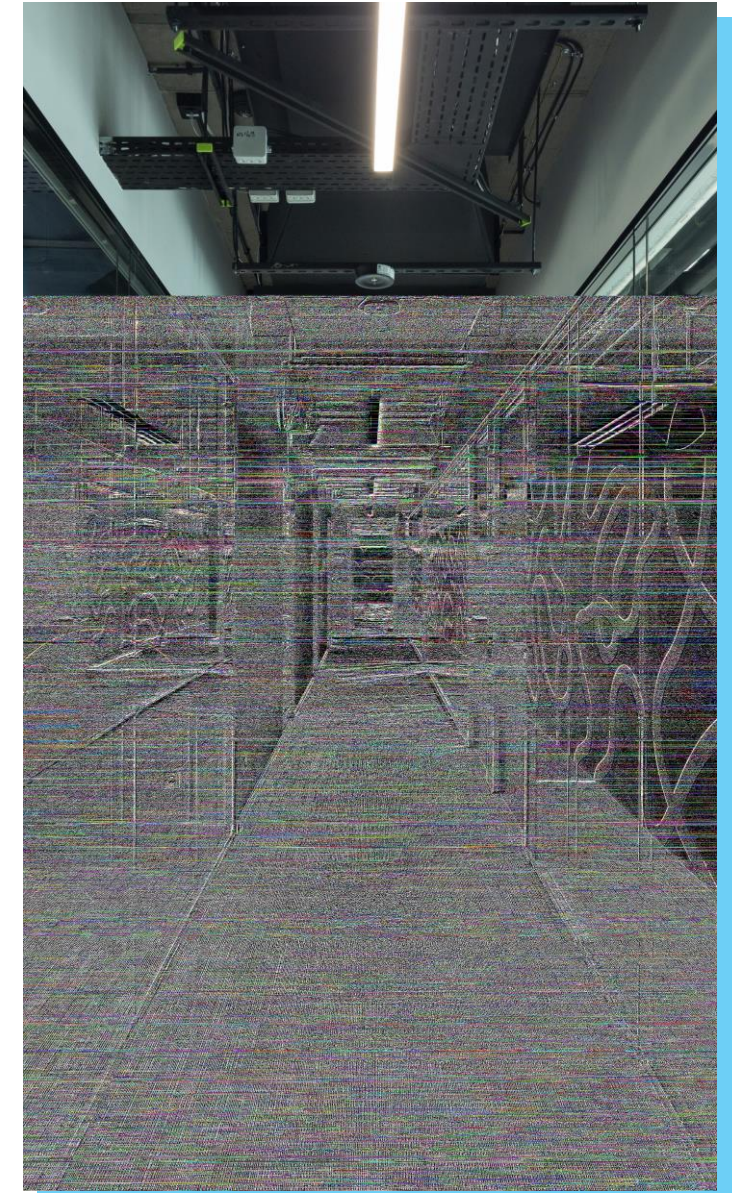
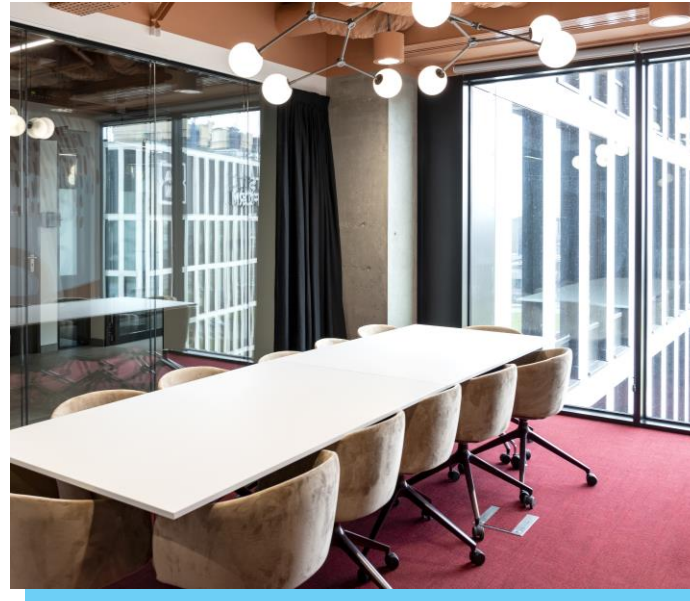
- The construction of the office complex commenced in Q2 2021
- The offices will be conveniently located on al. Pokoju
- The two phase project will deliver over **42,000 sqm of GLA**
- First tenancy agreement has been signed with PepsiCo covering over 5,000 sqm of space which increases to **40% lease-up** on the first building of the project
- Leasing negotiations for the remaining space are ongoing
- The construction is set to complete in Q3 2022

Brain Park phase one comprising 2 buildings in **scheduled for completion in Q3 2022**



Strong occupancy and increasing rents

- **CitySpace** helps Echo to accelerate leasing and provide tenants with service and flexibility they explicitly require ever more often
- The flex market will be among the winners of change in a post-pandemic world
- Flex leases will grow from their current share in Poland of 2% of the overall market to as much as 10% by the end of this decade*
- The increased interest observed for the last 2 months is reflected in the rebuilding of occupancy and systematic increase in prices per workstation
- CitySpace third office in Wrocław will open in mid-October in West 4 which will be followed by the opening of flagship MidPoint project in Q2 2022



Commercial

CitySpace expanding in Wroclaw

13

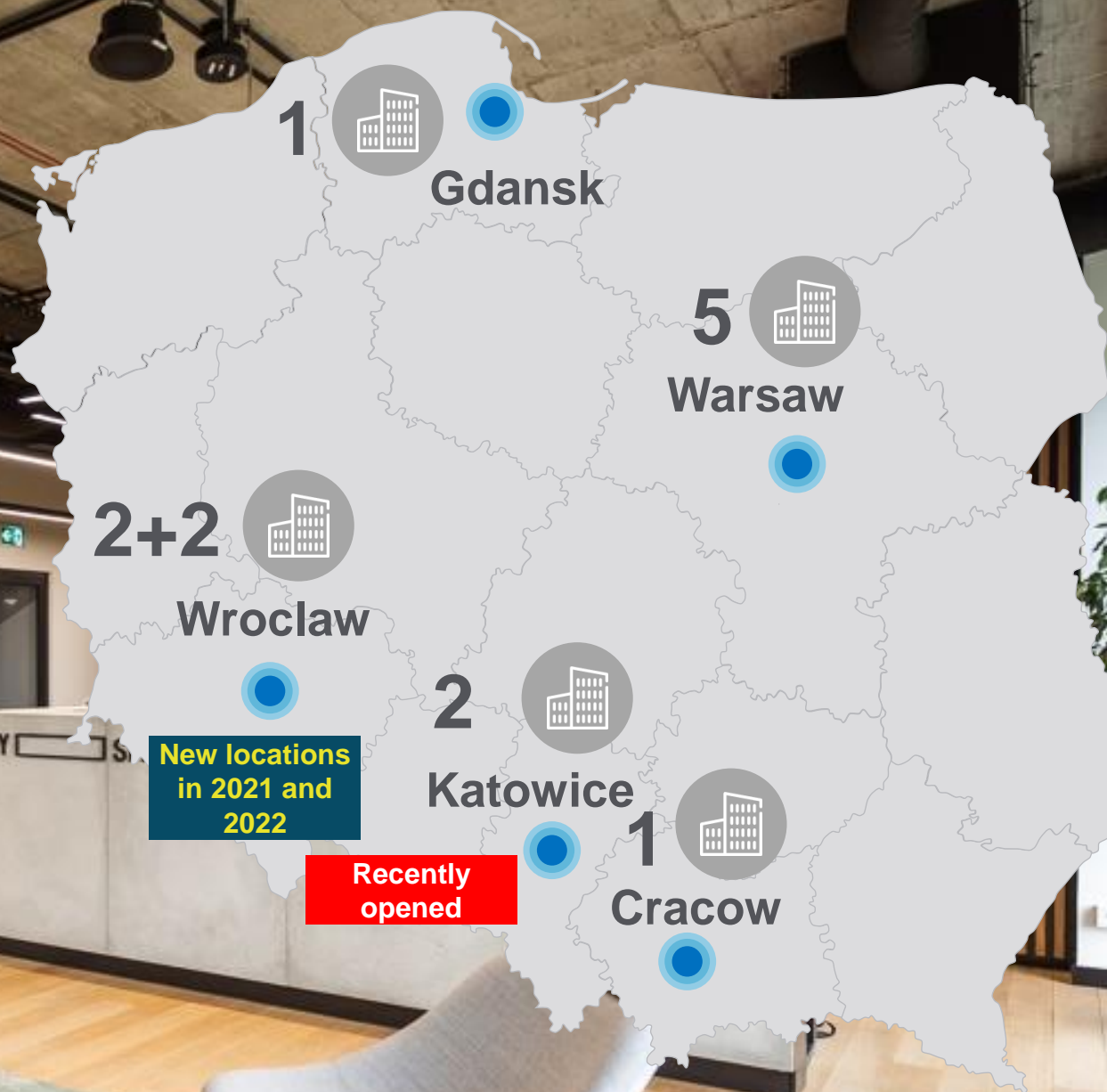
(by the end of 2021)

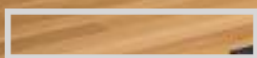


locations in Poland

2,300

workplaces

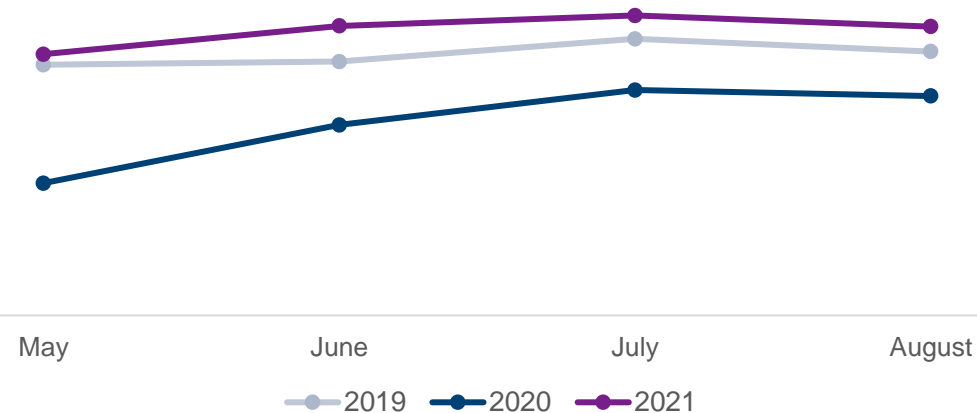


CITY  SPACE

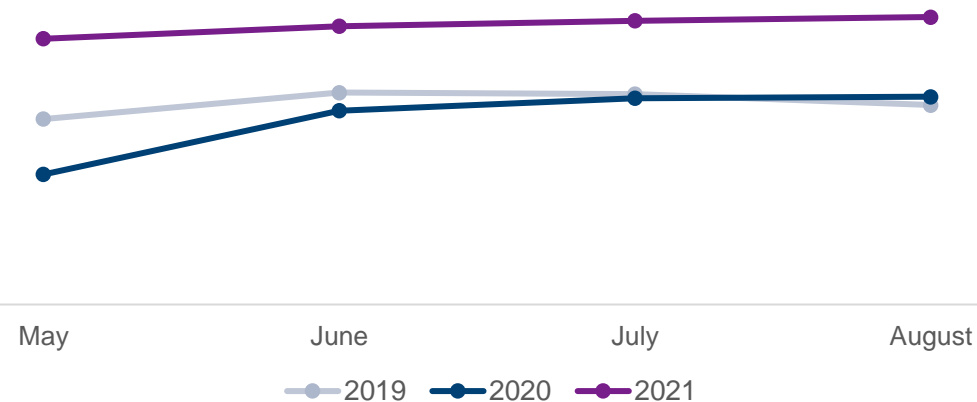
Strong footfall and turnover performance in Q2 2021 after Libero reopening

- Reopening of retail activity in Q2 2021 has brought a **significant customer interest** reflected in footfall across Echo shopping malls including an **average increase of 9%** in Libero as compared to the same period in 2019
- An increase in turnover has been significantly higher than increase in footfall and reached between 30% and 43% to the same period in 2019
- Above mentioned numbers indicate that Echo-owned shopping malls are an attractive destination for shoppers and show **high interest in retail in-person shopping** and a change in customer behaviour
- Due to the success of previous marketing campaigns, Echo is actively **rolling out new outdoor activities to engage customers**
- Marketing campaigns across retail business focused on **increasing turnover** as soon as regulations allowed for full operation of our tenants

Footfall in Libero

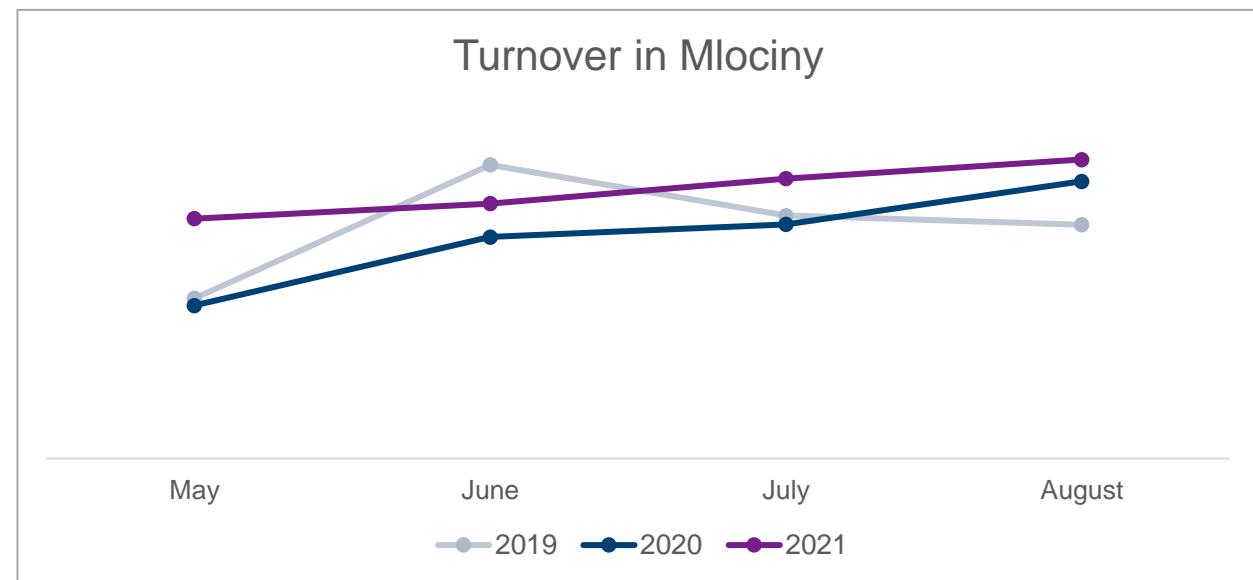
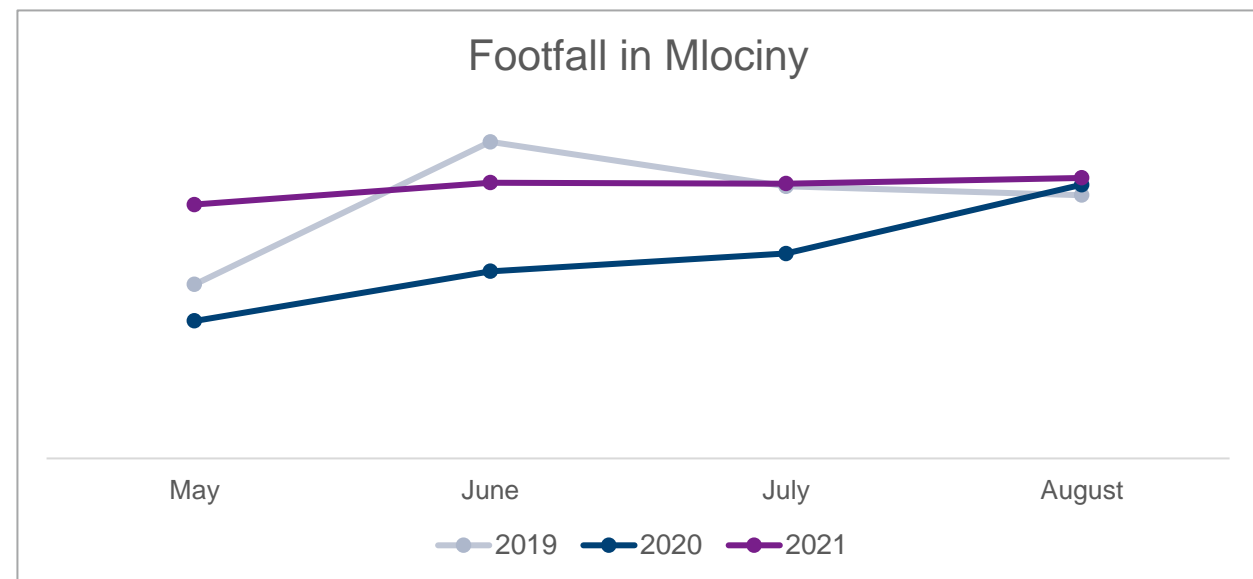


Turnover in Libero



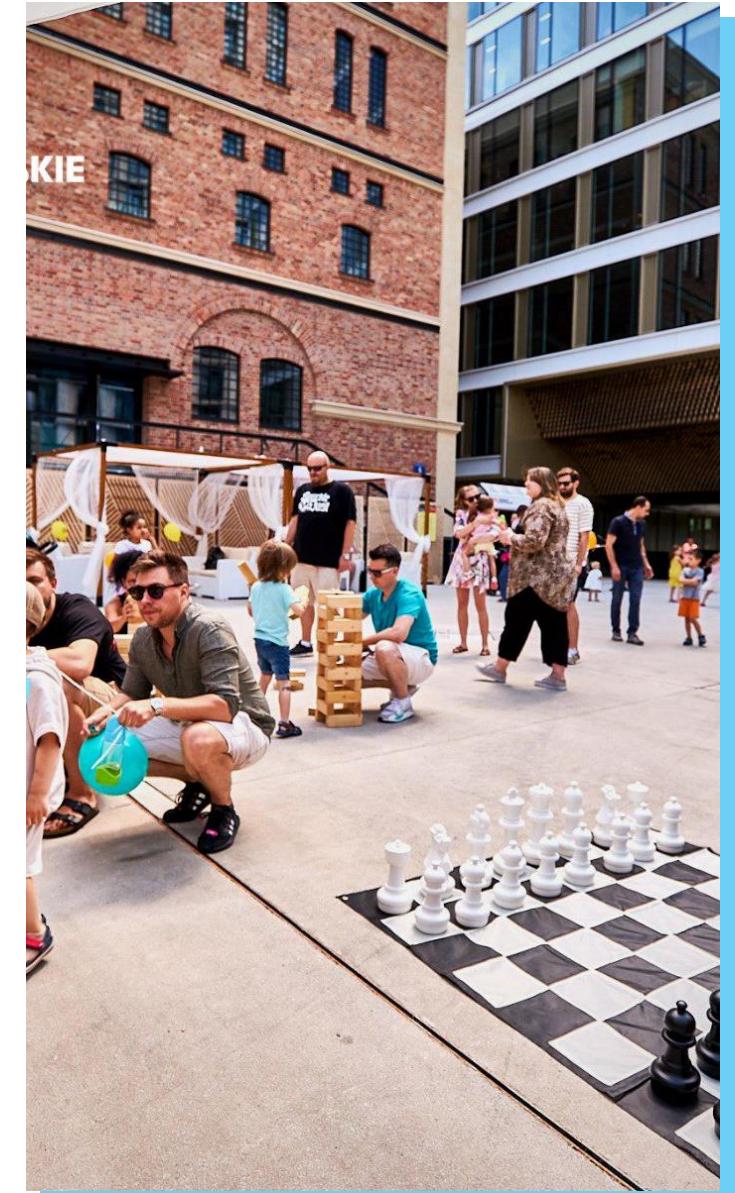
Strong footfall and turnover recovery in Q2 2021 after Galeria Mlociny reopening

- Mlociny shopping mall saw a **strong recovery** in both footfall and turnover, surpassing both 2020 and 2019 and are both on an upward trend
- June 2019 when official mall opening took place was an overwhelming success and set the bar very high for the future performance
- **Turnover clearly surpasses indicators from 2019** which demonstrates changes of customer behaviour where every visit yields higher spending



Vibrant entertainment district opening in Brewery

- Numerous food concept restaurants have already opened their doors including **Mykonos, Munja, Deseo, Browary Warszawskie, Sobremesa, Bakery, Japonka, Olivo's** and are actively shifting the vibrant center of the city to Brewery
- **Food hall to be opened** on September 24th
- In addition, new food concepts are going to join the existing tenants in creating the atmosphere of the place, including **Pizza Lecentano, Gastronomija, Nine's Restaurant, Good Lood, Bombaj Masala, Port Royal**
- The adaptable space of Brewery has already hosted numerous summer activities in July and August including silent disco, outdoor cinema, comedy club and dance academy





VII.

Permitting

Służewiec approval will bring Warsaw new residential quarter and a school

- Echo Investment received a city council approval to transform local zoning plan of plots located in Służewiec area from commercial to residential
- The zoning transformation is the biggest based on “Lex Developer Act” and marks an unprecedented success of Echo permitting team
- In return, Echo Investment has committed to build a primary school for 450 students in grades 1 to 8
- The project will create nearly 3 ha of green areas and is set to bring a new quality of architecture and infrastructure to the region known for high density office landscape
- The construction of all phases will introduce **ca. 1,600 new apartments to Służewiec, breaking the current office monoculture**



Destination projects in pipeline will transform whole districts

- In the coming 3 quarters more than **270,000 sqm PUM/GLA** will obtain building permit and will start construction
- Echo Investment has **secured a landbank** that allows for construction of 800,000 GLA
- New multi-function destination projects are added to existing pipeline such as **Rytm in Warsaw** and **Zenit in Lodz** built on plots acquired from Tesco
- First phase of Zenit has already commenced construction and Rytm is to be started as soon as the ongoing permitting process finishes
- Further projects, including **Towarowa 22** in Warsaw and **Wita** in Krakow are progressing in their respective permitting processes





VIII.

ESG

Strengthening the corporate governance with ESG disclosures

Proactive social program linked with Echo business and locations

- Echo Investment has published its **first Sustainability Report** as a response to increased stakeholders' interest on non-financial data
- Co-creating sustainable cities, Health & Safety on construction sites and good relations with neighbours indicated as the **most important ESG topics** by our stakeholders
- The company is **to extend the scope of disclosure** and to publish sustainability reports every year
- Establishing long-term **Echo Social Program** targeting to support biodiversity and sustainable urban development
- Cooperation with **Łąka Foundation** as reputable and competent partner for growing **urban flower meadows** in the cities where we operate





IX.



Financials

H1 2021 Profit

Actual results [PLN mln]

	H1 2021	H1 2020	Q2 2021	Q2 2020
Revenue	420.9	404.3	265.5	248.4
Operating profit	61.0	147.9	-12.0	45.2
Profit before tax	56.7	76.1	19.4	26.8
Net profit	47.0	51.1	22.4	10.4

Revenues and margin

(PLN mln)

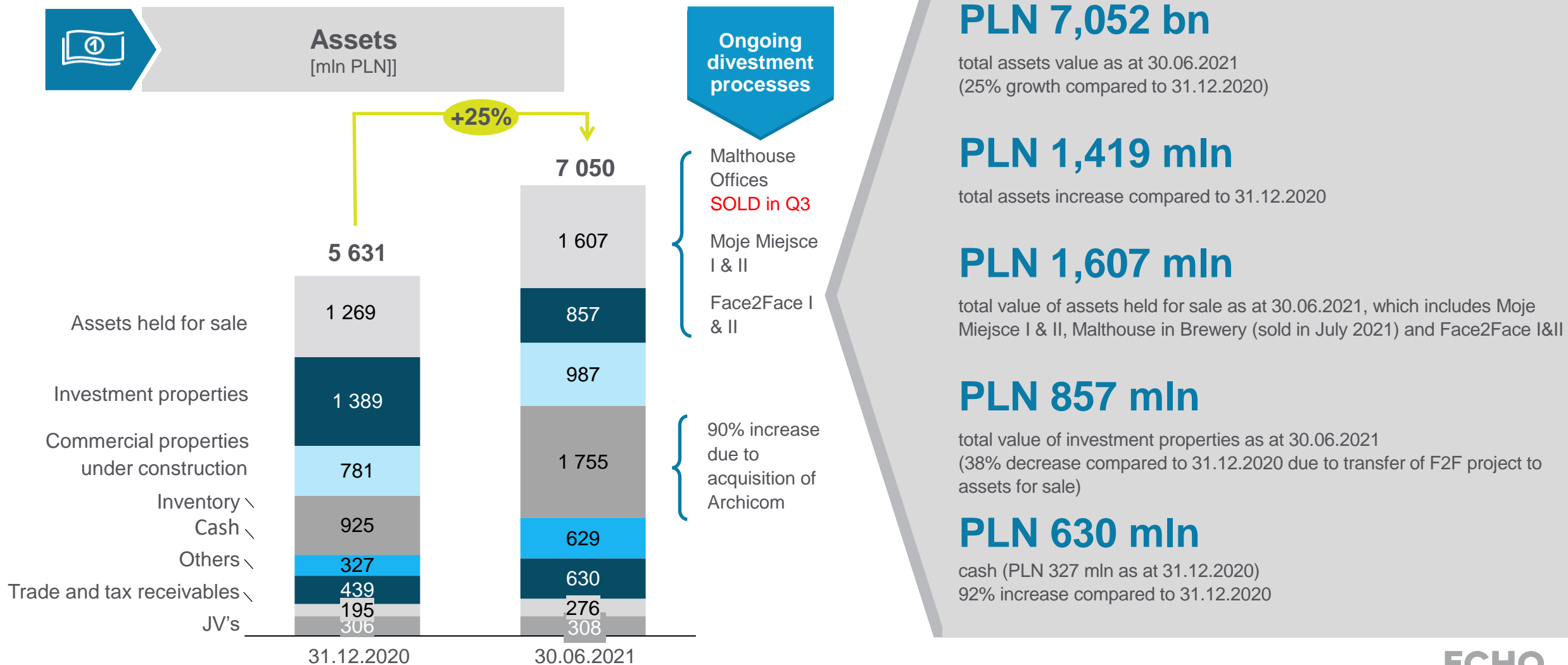
	Sales	Margin	Margin %	Main source of revenue
Residential	284.3	39.7	14.0%*	Apartments sale
R4R	13.2	0.9	7.0%	Sale of Services to R4R
Commercial & other	123.4	66.3	53.7%	Rents, fit-out
Total	420.9	106.9	25,4%	

* Excluding PPA impact Margin % would amount to 26%

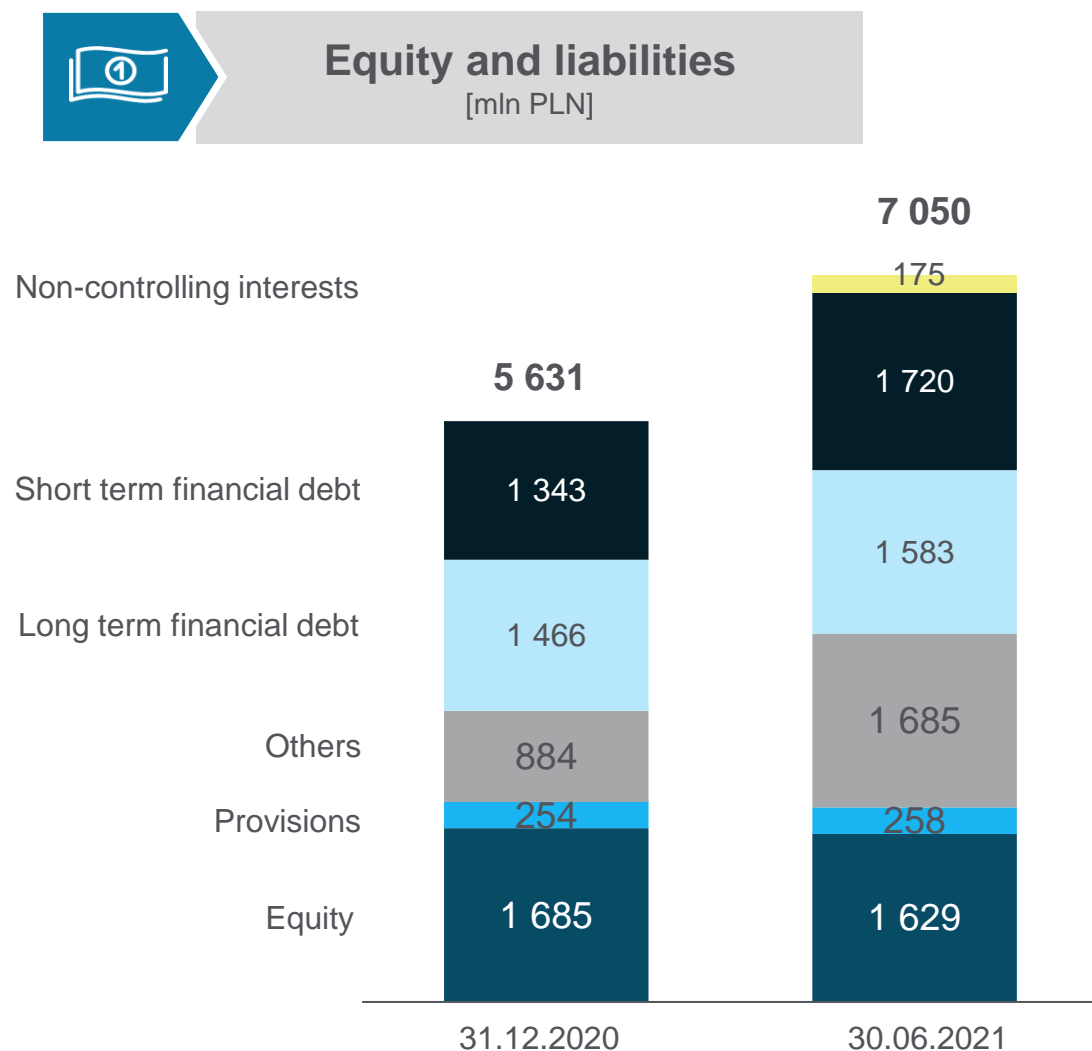
Fair value gain on investment properties (PLN mln)

	H1 2021	Accum.
Malthouse Offices	13.1	291.8
Moje Miejsce I	-2.2	32.8
Moje Miejsce II	-10.5	7.3
MidPoint 71	4.8	87.1
Face2Face I	-0.9	55.1
Face2Face II	2.1	63.3
Libero	-3.4	184.9
React I	-7.0	11.8
West IV Business Hub I	0.7	30.3
Fuzja CD	0.9	19.8
Brain Park I	19.5	19.5
Impact of rent straightlining- Office and Retail	-8.0	
Other	-6.7	
Total	2.4	

Strong balance sheet growth following of Archicom aquisition



Net debt level driven by asset disposals



PLN 3,303 mln

Total long and short term debt as at 30.06.2021

Long-term debt increased by PLN 117 mln compared to 31.12.2020

Short-term debt increased by PLN 377 mln compared to 31.12.2020

- Disposal of Moje Miejsce I & II and Face2Face will decrease short-term debt by PLN 452 mln
- Bonds in amount of PLN 341 mln will be refinanced and transferred to long-term debt
- PLN 100 mln repaid in July 2021

41.6% net debt ratio*

(net debt) / (total assets – cash)
compared to 47% as at 31.12.2020

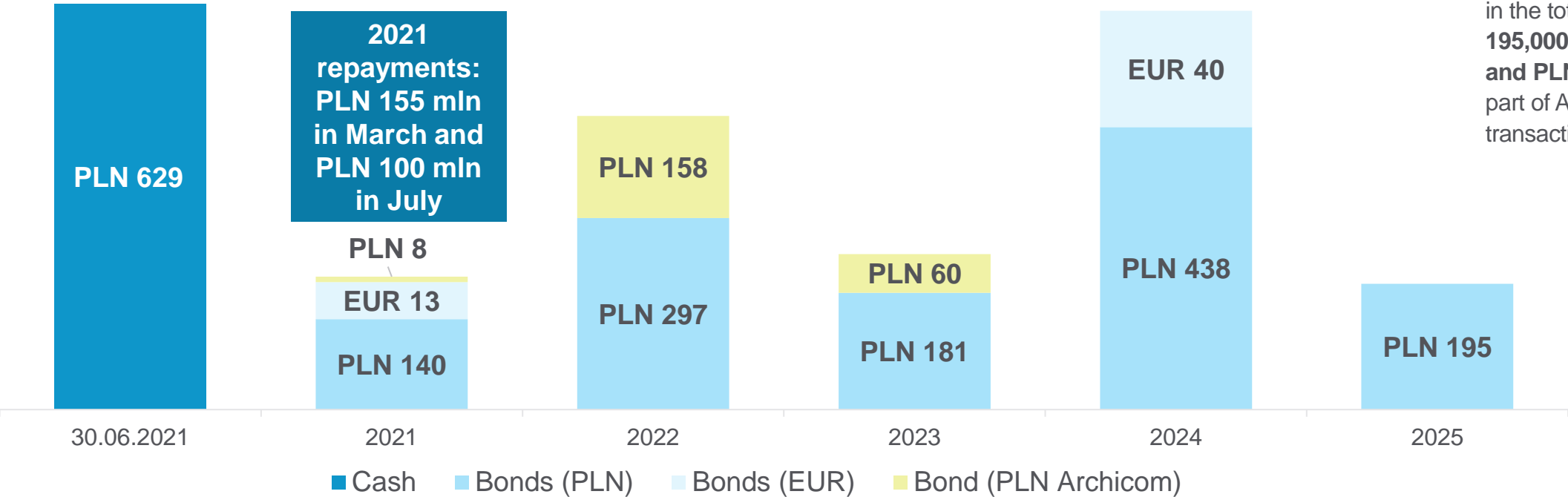
* Disposal of Malthouse Offices decreased net debt ratio to ca. 39% in August 2021
Further disposals of MM I & II, Face2Face I & II would have decreased net debt ratio to around 33% if further reflected in the Balance Sheet as at 30.06.2021

Strong cash position

Cash and available overdraft vs. maturity of bonds
as at 30.06.2021 [mln PLN/EUR]

Bonds issued in 2021

Issuance of ordinary bearer coupon bonds in the total amount of **PLN 195,000,000 in March** and **PLN 188,000,000** as part of Archicom transaction in April



Dividend in line with long standing dividend policy

**DIVIDEND
PAID OUT
in August 2021**



PLN 0.25
per share

- Echo Investment paid dividend for 2020
- The total amount of the dividend equalled PLN 103 mln – PLN 0.25 per share
- Dividend payment took place on **August 5th**
- Archicom paid out additional PLN 1.18 per share as dividend for 2020 on top of PLN 2.53 already paid in November last year



Q & A



Appendix

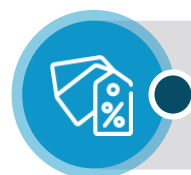
H1 2021 Profit – R4S segment and PPA impact on the gross margin

Actual results [PLN mln]

	Echo R4S incl. Archicom (A)	PPA Impact & Transactional Cost (B)	Result without PPA impact (A-B)
Revenue	284.3		284.3
Gross margin	39.7	-32.9	72.6
Operating profit	38.4	6.6	31.8
Profit before tax	33.6	6.0	27.6

Purchase Price Allocation (PPA)

- Upon acquisition of Archicom in Q2 2021 Echo was obliged to mark to market value of Archicom plots, apartments finished and under construction and other assets like trademark. As a result, margin on sale of such revalued assets will be lower in Echo books than in Archicom books especially in 2021 and early 2022.
- Profit recognized at PPA will affect future presentation of gross margin from Archicom projects
- H1 2021 margin including PPA impact is 14%, however margin excluding PPA would amount to 26% of revenue



Margin on
residential sales
without PPA impact

26%



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ECHO INVESTMENT

al. Solidarności 36
Kielce, Poland

www.echo.com.pl