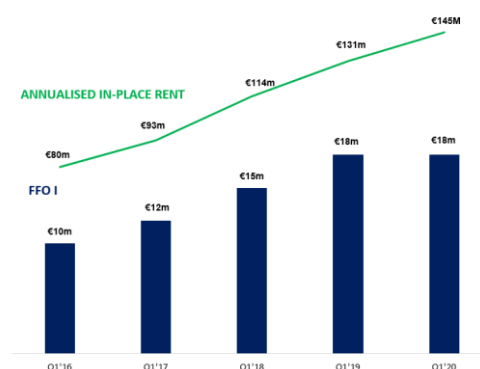


GTC PRESENTS A STRONG BALANCE SHEET AT THE END OF MARCH 2020 IMPACT OF COVID-19 OUTBREAK VISIBLE IN THE OPERATIONS

GROSS MARGIN FROM RENTAL ACTIVITY	PROFIT BEFORE TAX AND FAIR VALUE ADJUSTMENTS	FFO I	EPRA NAV (post dividend of 4.3%)
€30M	€13M	€18M	€1,208M
+1%	-28%	+3%	+1%

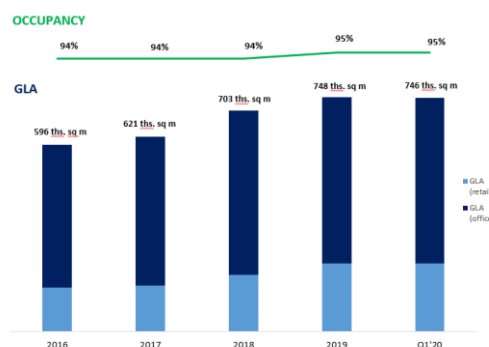
Q1 2020 FINANCIAL HIGHLIGHTS

- Annual in-place rent went up 11% to €145.4m (€130.6m in Q1 2019)
- Gross margin from rental activity up by 1% to €30m
- Occupancy kept high at 95%
- FFO I increased 3% to €18.3m, FFO per share at €0.04
- Operating profit: profit before tax and fair value adjustments of €13m
- Profit after tax of €3m, earnings per share of €0.01
- EPRA NAV up by 1% to €1,208m as at 31 March 2020, EPRA NAV per share at €2.49 (PLN 11.33 at EUR/PLN 4.55)
- Solid financial metrics
 - LTV at 44% (44% as of 31 December 2019)
 - WAIR at historic low of 2.6% (2.6% as of 31 December 2019)
- Cash and cash equivalents amounted to €196.6m as of 31 March 2020



Q1 2020 PORTFOLIO HIGHLIGHTS

- High occupancy kept high at 95%
 - 19,000 sq m of newly leased or released space
- Completion of high quality office and retail space:
 - Green Heart (N3), Belgrade
- 3 office buildings under construction to bring €11.1m rent upon completion and stabilization:
 - Matrix B
 - Advance business Center II
 - Pillar



“Our operations were significantly tested during the last few months when COVID-19 outbreak started in Europe. We closed all our shopping malls for part of March, April and part of May. In order to ensure continuation of operations in our shopping centers, we support our tenants after the re-opening of the shops. That will have a negative impact on both our operations and value of properties which, as we announced earlier, fell by 2.7% recently, which resulted in the lack of compliance with certain financial covenants included in the retail assets loan agreements as of 30 June 2020. We managed to waive the covenants until June 2021 in case of Galeria Jurajska and Ada Mall loans and we entered into the negotiations with the lender of Galeria Północna. However, when we look at the statistics of the shopping malls after the re-opening, they seem to be encouraging.” – commented Yovav Carmi, GTC’s Management Board Member.

“We recommend to the AGM to retain profit from 2019 in the Company to fight the consequences of COVID-19 outbreak but also to be prepared for further development or acquisition activity which will be dependent on the market conditions.” – added Yovav Carmi.

OPERATING ACHIEVEMENTS

Offices: Completions and lease up add to in-place rent

- **17,900 sq m of lettings and renewals (32,700 sq m in Q1 2019)**
 - Occupancy at 95% (from 95% as of 31 December 2019)
- **5,400 sq m of high quality space completed in Q1 2020**
 - Green Heart (N3), Belgrade
- **57,500 sq m of high quality office space under construction**
 - Completions scheduled for 2020 – 2021
 - Additional rent upon completion and stabilization of €11.1m
 - High pre-lease
 - On time and on budget
- **COVID-19**
 - Drop in requests from potential tenants and freezing the requirements for future growth
 - Rejection of opportunistic requests for rent reductions
- **Multi-pronged measures to support tenants**
 - During closure the majority of tenants received rent free.
 - Almost all tenants received a discount for a short period (up to 6 months), rent payment in instalments, waivers of late payment interest and service charges in exchange for extension of their lease term for not less than the period during which they received a concession.
- **Footfall**
 - After the re-opening footfall has been gradually recovered and is standing on:
 - **Poland:** above 80% of 2019 footfall prior to the cinema operators re-opening.
 - **Belgrade:** around 79% of its pre-lockdown 2019 footfall in May and 88% in June but H1 of July tumbled to 60% of pre-pandemic levels due to severe spike in new Covid-19 cases.
 - **Zagreb:** over 80% (prior to the cinema operators re-opening) of 2019 footfall
 - **Sofia:** 56% (prior to the cinema operators re-opening) of 2019 footfall
- **Turnover**
 - **Poland:** increases gradually to 82% of 2019 turnover in Galeria Północna and 81% in Galeria Jurajska (June 2020 vs. 2019)

Retail: Impacted by COVID-19 measures

- **Belgrade:** increases gradually to 90% of 2019 turnover (June 2020 vs. 2019). However in July the situation worsen and followed footfall decline.
- **Zagreb:** increases gradually to 87% of 2019 turnover (June 2020)
- **Sofia:** Increases gradually to 57% of 2019 turnover (June 2020 vs June 2019)

FINANCIALS

Rental and service charge revenues

- **Increased to €41m** from €39m in Q1 2019

During this period, the Group has improved the rental revenue through completion and leasing of Green Heart complex as well as opening of Ada Mall, Advance Business Center I and Matrix A. The increases were partially offset by sale of GTC White House in the third quarter of 2019, Neptun Office Center in the fourth quarter of 2019 of €1.5m and a decrease in income of €2m due to rent and service charge relief imposed by governments during lockdown of shopping malls starting on second half of March 2020 following introduction of COVID-19 outbreak prevention measures.

Gross margin from operations

- **Increased to €30m** from €30m in Q1 2019

Reflects mostly newly completed and acquired properties partially offset by sale assets.

Net loss from revaluation and impairment

- **Amounted to €6m** as compared to 7m profit in Q1 2019

Net loss from the revaluation of the investment properties reflects mainly devaluation of Ada Mall in amount of €3m which resulted from longer than expected stabilization period.

Financial expenses

Average interest rate down to 2.6% thanks to refinancing activity and hedging strategy. **Financial expenses** increased to **€9m** following an increase in the average debt balance and completion of new projects.

Tax

- **Tax expenses amounted to €5m** as compared to €4m in Q1 2019

Taxation consist of €1.7m of current tax expenses and €3.6m of deferred tax expenses.

Net profit

- **Profit before tax and fair value adjustments was €13m. The net profit amounted to €3m.** This mostly resulted from a decrease in rental and service charge revenue combined with loss from revaluation/impairment of assets, higher foreign exchange differences loss and higher tax expenses resulted in from foreign exchange devaluations of foreign currencies and its impact on fixed assets values in local currencies.

Funds From Operations (FFO I)

- **At €18m** compared to €18m in Q1 2019, FFO I per share at €0.01

GAV

- **At €2,231m as of 31 March 2020** (€2,222m as of 31 December 2019) thanks to investment in assets under construction partially offset by revaluation loss on investment properties and foreign exchange differences due to weakening of local currencies as a result of COVID-19 outbreak.

EPRA NAV / share

- **Up by 1% to €2.49** from €2.47 on 31 December 2019

Corresponding to **EPRA NAV of €1,208m** compared to €1,200m as of 31 December 2019.

Bank loans and bonds

- **At €1,225m** compared to €1,205m as of 31 December 2019
- **Weighted average debt maturity of 4.2 years** and **average interest rate of 2.6% p.a.**
- **LTV at 44%** (44% on 31 December 2019)
- **Interest coverage ratio at 4.1x** (4.2x on 31 December 2019)

Cash

- **Cash balance of €197m** as of 31 March 2020

Annex 1 Consolidated Statement of Financial Position as at 31 March 2020
(in thousands of euro)

	31 March 2020	31 December 2019
ASSETS		
Non-current assets		
Investment property	2,255,440	2,247,030
Residential landbank	13,378	13,388
Property, plant and equipment	8,052	8,159
Blocked deposits	11,426	11,137
Derivatives	-	265
Other non-current assets	117	109
	2,288,413	2,280,088
Loan granted to non-controlling interest partner	11,044	10,976
Total non-current assets	2,299,457	2,291,064
Current assets		
Accounts receivables	8,186	10,269
Accrued income	1,617	2,180
VAT receivable	2,740	3,296
Income tax receivable	989	1,079
Prepayments and deferred expenses	5,277	2,187
Short-term blocked deposits	29,190	33,031
Cash and cash equivalents	196,546	179,636
	244,545	231,678
TOTAL ASSETS	2,544,002	2,522,742

	31 March 2020	31 December 2019
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	11,007	11,007
Share premium	550,522	550,522
Capital reserve	(43,098)	(43,098)
Hedge reserve	(5,317)	(4,994)
Foreign currency translation	(2,246)	943
Accumulated profit	532,819	530,242
	1,043,687	1,044,622
Non-controlling interest	14,249	14,040
Total Equity	1,057,936	1,058,662
Non-current liabilities		
Long-term portion of long-term borrowing	1,070,681	980,872
Deposits from tenants	11,426	11,137
Long term payable	2,648	2,648
Provision for share based payment	328	1,446
Lease liability	43,662	46,222
Derivatives	6,403	2,611
Provision for deferred tax liability	150,785	147,232
	1,285,933	1,192,168
Current liabilities		
Investment and trade payables and provisions	33,911	37,290
Deposits from tenants	1,218	1,605
Current portion of long-term borrowing	155,800	225,350
VAT and other taxes payable	1,775	1,817
Income tax payable	1,970	1,542
Derivatives	3,335	3,739
Current portion of lease liabilities	301	208
Advances received	1,823	361
	200,133	271,912
TOTAL EQUITY AND LIABILITIES	2,544,002	2,522,742

Annex 2 Consolidated Income Statement for the 3 month periods ended 31 March 2020 (in thousands of euro)

	Three-month period ended 31 March 2020 (unaudited)	Three-month period ended 31 March 2019 (unaudited)
Rental revenue	30,998	29,274
Service revenue	10,027	10,186
Residential revenue		-
Service costs	(11,158)	(9,909)
Residential costs		-
Gross margin from operations	29,867	29,551
Selling expenses	(323)	(368)
Administrative expenses	(1,421)	(4,523)
Profit from revaluation/ impairment of assets	(5,781)	6,719
Other income	14	283
Other expenses	(288)	(391)
Profit from continuing operations before tax and finance income / (expense)	22,068	31,271
Foreign exchange differences gain/(loss), net	(5,331)	(79)
Finance income	90	82
Finance costs	(8,733)	(7,986)
Profit before tax	8,094	23,288
Taxation	(5,308)	(3,539)
Profit for the period	2,786	19,749
Attributable to:		
Equity holders of the Company	2,577	19,583
Non-controlling interest	209	166
Basic earnings per share (Euro)	0.01	0.04

Annex 3 Consolidated Statement of Cash Flow for the 3 month period ended 31 March 2020
(in thousands of euro)

	Three-month period ended 31 March 2020	Three-month period ended 31 March 2019
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax	8,094	23,288
Adjustments for:		
Loss/(profit) from revaluation/impairment of assets	5,781	(6,719)
Foreign exchange differences loss/(gain), net	5,331	79
Finance income	(90)	(82)
Finance cost	8,733	7,986
Share based payment expenses	(1,118)	1,390
Depreciation and amortization	162	131
Operating cash before working capital changes	26,893	26,073
Increase in in account receivables and prepayments and other current assets	(2,752)	(2,141)
Increase/(decrease) in advances received	1,462	1,170
Increase in deposits from tenants	(98)	1,052
Increase in trade and other payables	(1,785)	100
Cash generated from operations	23,720	26,254
Tax paid in the period	(1,327)	(1,646)
Net cash from operating activities	22,393	24,608
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditure on investment property under construction	(18,804)	(31,456)
Decrease in blocked deposits	3,758	
Proceeds related to expropriation of land	-	4,917
VAT/tax on purchase/sale of investment property	557	140
Interest received	22	16
Net cash from/(used in) investing activities	(14,467)	(26,383)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	138,049	103,970
Repayment of long-term borrowings	(113,399)	(51,360)
Repayment of lease liability	(90)	(1,730)
Interest paid	(7,225)	(6,740)
Loans origination cost	(945)	(611)
Dividend paid to non-controlling interest	-	(428)
Increase in short term deposits	(206)	(27,798)
Net cash from/(used in) financing activities	16,184	15,303
Net foreign currency translation differences	(7,200)	232
Net increase / (decrease) in cash and cash equivalents	16,910	13,760
Cash and cash equivalents at the beginning of the year	179,636	80,456
Cash and cash equivalents at the end of the period	196,546	94,216

About GTC

The GTC Group is a leading real estate investor and developer focusing on Poland and capital cities in Central and Eastern Europe. Since 1994 GTC has developed 74 high standard, modern office and retail properties with a total area of 1.3 million sq. m through Central and Eastern Europe.

GTC now actively manages a commercial real estate portfolio of 46 commercial buildings providing 750 ths. sq m of lettable office and retail space in Poland, Budapest, Bucharest, Belgrade, Zagreb and Sofia. In addition, GTC has a development pipeline of 340 ths. sq m retail and office properties in capital cities of Central and Eastern Europe, 60 ths. sq m under construction.

GTC S.A. is listed on the Warsaw Stock Exchange and included in the mWIG40 index and inward listed on the Johannesburg Stock Exchange.

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