

PRESS RELEASE

Appeninn increased the capital of its subsidiary

Budapest, Wednesday, February 22, 2017 – Appeninn Nyrt. has increased the capital of its subsidiary by HUF 2.8 billion. This will result in the increased efficiency of the parent company, while Appeninn E-Office Zrt. will become financially more solid with an improved profitability.

Appeninn Nyrt. has implemented the capital increase of its sole property, Appeninn E-Office Zrt. (subsidiary) by expending HUF 100 million out of the total HUF 2.76 billion member loan, which had been secured for the financing of earlier real estate projects, on the increase of the subscribed capital of the subsidiary, while spending HUF 2.66 billion on the increase of its capital reserves. As a result, Appeninn E-Office Zrt., which handles 63% of the real estate portfolio of the Appeninn group, will become financially more solid, facilitating the implementation of new real estate projects, while its profitability significantly increases due to the windup of the interest burden paid after the member loan of the parent company.

This step further increases the efficiency of Appeninn Nyrt., expediting the plan of the company listed in the Budapest Stock Exchange to accelerate the expansion of its real estate portfolio. The last occasion when Appeninn expanded its real estate portfolio was in the beginning of February, when it purchased an over 3200 square meters, B-category office building with an occupancy rate of 95% in the Zugló district of Budapest.

Company information

The Appeninn Vagyonkezelő Holding Nyrt. is listed in the Budapest Stock Exchange in the Premium category. It is one of Hungary's dynamically expanding real estate investment firms. Founded in 2009, the company focuses on niche market segments, in which low-price assets can be acquired with the promise of yielding high interest. Such target areas include B-category office buildings as well as the industrial and logistic real estate segment. The main objective of the Appeninn Holding is to operate as a holding company that represents traditional, conservative business policy and readily definable asset-based values through the continuous expansion of its real-estate property portfolio. The total area of the company's properties in Budapest and the countryside is over 55,000 square meters. The consortium closed the 2015 fiscal year with a revenue of EUR 4.6 million from leasing, and with a net income of EUR 1.2 million.
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