



PRESS REVIEW

Azur Selection S.A. announces its half-year results for 2023 and provides an update on its hotel project in the Peloponnese Greece

Athens (Greece), September 26, 2023 at 5:45 pm CEST - The Azur Selection (ISIN: GRS528003007 - Ticker: MLAZR), a Greek hotel company listed on the Euronext Access + market in Paris, announces its half-year results for 2023.

In the first half of 2023, against a backdrop of international events slowing the pace of recovery in tourism following the Covid-19 pandemic, The Azur Selection posted sales of €1,774 K compared with €2,035 K in the same period of the previous year. EBITDA was positive at + €230 K, thanks to a firm grip on operating expenses and overheads. The operating loss was - €5,004 K, mainly due to a capital loss on the disposal of the subsidiary AS Resorts, which was responsible for the construction of a five-star hotel on Agios Stefanos beach in Mykonos. The Azur Selection chose not to develop this project for several reasons:

- The current rise in interest rates, which has increased the expected cost of financing the project, 60% of which is based on borrowing;
- The soaring cost of building materials over the past two years, which has impacted on the project's profitability as planned in the initial business plan;
- A change in building regulations on the island of Mykonos, delaying completion of the project and generation of the first cash flows.

Thanks to the disposal of AS Resorts, The Azur Selection recorded tax income of € 1,277 K, which explains the change from pre-tax income of - €5,082 K to net income of - €3,805 K. The transaction also had a positive impact on cash flow, generating free cash flow of €1,345 K, taking the cash position to €1,087 K, despite a cash outflow linked to the repayment of finance lease obligations.

On the balance sheet, the ratio of non-current assets to total assets was 69% at June 30, 2023, compared with 82% at December 31, 2022.

The 2023 half-year financial report is available in the investor section of the company's website:
<https://www.azurselection.com/investor-relations>

Update on the construction of a 5-star hotel complex in Greece



The Azur Selection has begun preliminary work on the construction of its 300-room hotel complex with a wide range of facilities, on its coastal site between Patras and Aigio in the Peloponnese region. The schedule for this project, dubbed "Mare Terra", calls for work to start end of 2024 and operations to begin around the second half of 2026. Investment is estimated at 40 million euros.

"We are delighted to be starting up Mare Terra, an emblematic project which will be one of our new projects since our IPO, and which demonstrates our ambitions in Greece and France," says George Arvanitakis, founder and managing director of The Azur Selection.

About The Azur Selection

The Azur Selection invests in hotels and commercial real estate through a leasing and subleasing model and operates an investment management business through its subsidiaries and associated companies. The Group focuses on investing in hotels, hospitality, and real estate in selected highly commercial geographical areas in Greece, the Côte d'Azur and elsewhere.

It currently manages a portfolio of commercial real estate and hotels in Athens and on the island of Mykonos, while maintaining long-term leases with the companies or users of its properties. Its portfolio includes 5 hotels (3 are sublet to a hotel operator and 2 are fully managed), as well as a shopping center. The group is managed by experienced executives with knowledge of the Greek and international real estate markets.

Azur Selection S.A. (MLAZR) is listed on the Euronext Access + market in Paris.

<https://www.azurselection.com/about-azur>

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