

Julius Meinl Living Publishes its Consolidated 2022 Accounts

Julius Meinl Living PLC, through its group companies, acquires prime real estate assets in its core markets for development into serviced residences that the group will then operate itself (“Julius Meinl Living”).

Julius Meinl Living PLC is fully owned by the Julius Meinl family who, over the last 160 years, have demonstrated their expertise in consumer goods, retail and real estate.

2022 Accounts

Julius Meinl Living was able to achieve many significant steps forward in 2022. In financial terms, the group achieved:

- A profit before tax of €9.5m (2021: €6.5m)
- Profit for the year of €6.7m (2021: €4.8m)
- An increase in shareholders’ equity to €42.3m at 31 December 2022 (2021: €35.2m)
- An increase in total assets to €124.3m at 31 December 2022 (2021: €114.0m)

In the early part of the year, the redevelopment of Julius Meinl Living’s property at Senovážné náměstí 3 in Prague, in the Czech Republic, was completed and all fixtures, fittings and equipment were installed. Despite rising inflation, covid and some delay, the overall cost of the redevelopment was close to the budgeted amount.

In accordance with the target of opening in spring 2022, the Prague property opened in May and is now known as “The Julius Prague”. Since opening, the Julius Prague has received many enthusiastic media reviews, as well as thousands of positive guest reviews. For example, on booking.com, there have to date been 2,283 reviews, with an average score of 9.4.

With the benefit of this positive reception, total revenues for 2022 amounted to €4.8m, approximately 15% above budgeted revenues for the year. ADR was €168 and occupancy was 65%, giving rise to RevPAR of €108.

Recognising the successful launch of The Julius Prague, the fair value of the property is now assessed in the group’s accounts as being €102.4m (2021: €84.6m).

The successful launch of The Julius Prague also enabled the property’s construction loan to be refinanced during the course of the year. This increased the amount of debt secured on the property from €31.0m to €35.3m.

The group's second property is the Escala Hotel & Suites in Budapest. The acquisition of this 51 apartment property was signed in June 2021 and completed in August of the same year. Despite some softness during the course of the Omicron covid wave in early 2022, the property achieved revenues for the year that were at 2019 levels. ADR was €98 and occupancy was 74%, giving rise to RevPAR of €73.

The fair value of the Escala Hotel & Suites is now assessed in the group's accounts as being €10.1m (2021: €9.4m)

Across its properties, Julius Meinl Living recorded in 2021 a fair value gain totalling €14.9m (2021: €12.7m).

As at 31 December 2021, Julius Meinl Living had cash of €9.1m (2021: €17.1m) and net financial debt of €59.6m (2021: €47.1m). The increase in net financial debt resulted mainly from the completion of The Julius Prague.

The 2022 accounts are now available from www.juliusmeinlliving.com.

Current Trading and Expectations

Despite the low growth, high inflation economic environment that currently prevails in Europe, the year has started promisingly. Julius Meinl Living is confident of delivering a strong performance through the year as a whole.

Strategy

The strategy of Julius Meinl Living now comprises synergistic elements that blend long term vision with immediate opportunity.

The first element takes into account the successful launch of The Julius Prague and is to develop The Julius into the pre-eminent collection of premium serviced residences in major cities across Europe.

Currently, Julius Meinl Living is progressing negotiations in relation to a number of identified and exciting pipeline properties and continues to seek additional pipeline opportunities, in both cases for eventual addition to The Julius portfolio.

The second element acknowledges the benefits of acquisitions like the Escala Hotel & Suites and is opportunistically to acquire lower value serviced residence properties that can immediately generate profit and cash flow for the group, and after modest investment in refurbishment, value uplift also.

With current market conditions benefitting buyers with access to finance, Julius Meinl Living is confident of being able to take advantage of the best of the opportunities available to it, as and when they arise.

For further information please contact:

Julius Meinl Living PLC

office@juliusmeinlliving.com