warimpex

P R E S S R E L E A S E

Warimpex 2024: Positive revenue trend; result impacted by exit from Russia

- **Higher income from offices and hotels increases revenue excluding Russia by 14 per cent; operating result (EBITDA) still clearly positive as well.**
- **Total loss of EUR 16.2 million excluding Russia and EUR 84.8 million including Russia: Result significantly impacted by exit from Russia and losses from property remeasurement.**
- **Reduction of financial liabilities after sale of Russian subsidiaries; equity ratio virtually unchanged at 32 per cent.**
- **Positive revenue expectations for 2025 based on continuously stable operational foundation.**
- **Growth above EU average in core market of Poland: Portfolio diversification planned with mixed-use projects.**

Vienna/Warsaw, 29 April 2025 – The Warimpex Group achieved a positive operational performance in line with expectations in 2024, with revenues improving by 14 per cent to EUR 21.5 million and EBITDA remaining clearly positive at EUR 1.1 million. However, negative results from property valuation and the increase in finance expenses had a major impact on the result, and the consolidated result outside of Russia declined from minus EUR 5.6 million in 2023 to minus EUR 16.2 million in 2024. Including Russia, the result went from minus EUR 23.8 million to minus EUR 84.8 million. Due to the transaction in Russia at the end of October 2024, Warimpex reported the Russian business activities as a discontinued operation in the consolidated financial statements in order to present a transparent picture of the current earnings situation.

“Warimpex looks back on a challenging year in which the entire industry was confronted with difficult market conditions and geopolitical distortions due to the ongoing conflict in Ukraine. Overall, we achieved a stable operating result, but the result for 2024 was impacted significantly by our operations in Russia, which we have now disposed of,” commented Warimpex CEO Franz Jurkowitsch. *“Three developments provide plenty of reason to be optimistic about the future: Our successful withdrawal from Russia is manageable due to our solid equity base, and we now have more room to freely manoeuvre in all of our business activities. At the same time, our core market of Poland is growing well above the EU average, which is having a positive effect on our operations there. Thirdly, conditions are more favourable for new developments again thanks to the ECB’s interest rate cuts since the summer of 2024.”*

Financial metrics: revenues up by 14 per cent

Revenues improved by 14 per cent to EUR 21.5 million. This was attributable to the increase in revenues from office properties from EUR 11.7 million to EUR 13.2 million that stemmed primarily from the completion of the Mogilska 35 office building at the end of 2023 and the conclusion of new lease agreements. Revenues in the Hotel segment also improved by 6 per cent in annual comparison to EUR 6.1 million. EBITDA retreated from EUR 1.5 million to EUR 1.1 million, above all due to higher expenses directly attributable to revenues. EBIT went from minus EUR 1.5 million in the previous year to minus EUR 8.6 million. This reflects the negative result from depreciation, amortisation, and remeasurement in the amount of EUR 9.7 million.

The financial result (including earnings from joint ventures) went from minus EUR 4.6 million to minus EUR 7.7 million. The increase in finance expenses resulted from the financing of the new office building in Krakow, for which the interest was still capitalised during the construction phase, and from interest on operating credit lines. The financial result does not include income from changes in foreign exchange rates during the financial year; this income amounted to EUR 1.6 million in the prior year.

All in all, this led to a decline in the result for the period for continuing operations from minus EUR 5.6 million in the previous year to minus EUR 16.2 million. Including discontinued operations, the result went from minus EUR 23.8 million to minus EUR 84.8 million.

Operational highlights for 2024 in Poland and Germany

The office buildings continued to improve in accordance with the focus on sustainability certifications. For example, the Mogilska 35 and Red Tower offices were distinguished with BREEAM certificates. Warimpex continued to invest in flexible office spaces and opened an additional storey at the Cowork by Memos location in Red Tower in Łódź.

On the property reserves in Darmstadt, the permit planning for the West Yard 29 office development project with roughly 12,500 square metres of lettable space is at a very advanced stage. The construction permit was already issued for the Chopin co-living/office project with around 21,200 square metres of space in Krakow. In terms of transactions, Warimpex successfully closed the sale of a reserve property in Białystok.

Outlook with a focus on portfolio diversification via mixed-use projects in Poland

Warimpex is currently focusing on new projects based on mixed-use buildings. *“Plans centre on buildings with combined residential, commercial, and office use in Krakow, where we are currently working intensively on the construction preparations and on obtaining building permits so as to be able to begin construction at a suitable time,”* explained Franz Jurkowitsch. *“This way, we are using existing property reserves and meeting the prevailing demand in the local housing market while also making a further contribution to diversifying our portfolio.”*

Another aspect here is the continuous improvement of existing assets, with an eye on key sustainability aspects and new forms of working. In the first half of 2025, the Erzsébet Office building in Budapest will be equipped with a modern photovoltaic system, Red Tower in the Polish city of Łódź is persistently being renovated, and the flexible Cowork by Memos offerings are being steadily expanded. At the most recent project, Mogilska 35 Office in Krakow, the occupancy rate is increasing on an ongoing basis, resulting in a higher revenue contribution.

"Based on the current budget figures, we expect to achieve a positive operating result in 2025. With our exit from Russia in 2024, the further diversification of our portfolio, and strong local teams, we are confident that we are well equipped to tackle the continuing economic challenges in Europe and around the world," said Franz Jurkowitsch in closing.

Key financial figures for the financial year 2024 at a glance:

in EUR '000	**2024**	**Change**	**2023** adjusted
Investment Properties revenues	13,172	13%	11,702
Hotels revenues	6,061	6%	5,701
Development and Services revenues	2,275	58%	1,441
Total revenues	*21,508*	*14%*	*18,844*
Expenses directly attributable to revenues	-12,239	24%	-9,840
Gross income from revenues	*9,270*	*3%*	*9,005*
Gains or losses from the disposal of properties	-90	-	-
EBITDA	1,118	-27%	1,527
Depreciation, amortisation, and remeasurement	-9,662	221%	-3,011
EBIT	-8,544	476%	-1,484
Financial result	-7,660	67%	-4,579
Gains or losses from continuing operations	-16,485	-	-5,592
Profit or loss for the period (annual result)	-84,807	-	-23,807
Net cash flow from operating activities	15,865	-36%	24,791
Net assets as at 31 December	229,189	-38%	371,273
Equity as at 31 December	73,081	-40%	122,036
Equity ratio	32%	-1 pp	33%
Number of shares	54,000,000	-	54,000,000
Earnings per share in EUR	-1.63	-	-0.46
Number of treasury shares as at 31 December	1,939,280	-	1,939,280
Number of office and commercial properties	6	-4	10
Lettable space	85,000 m²	-53,200 m²	138,200 m²
m² with sustainability certificates	80,000 m²	-26,300 m²	106,300 m²
in % of the total floor area	94%	-	77%
Number of hotels	2	-1	3
Number of hotel rooms (adjusted for proportionate share of ownership)	537	-294	831
	31/12/2024	**Change**	**31/12/2023**
Gross asset value (GAV) in EUR millions	229.7	-36%	360.1
NNNAV per share in EUR	1.68	-37%	2.68
EPRA NTA per share in EUR	1.62	-37%	2.56
End-of-period share price in EUR	0.572	-23%	0.745

Warimpex Finanz- und Beteiligungs AG at a glance

Warimpex is a real estate development and investment company that was founded in 1959. The firm is headquartered in Vienna and is listed on the stock exchanges in Vienna and Warsaw. Warimpex develops properties and operates them itself until the time at which the highest added value can be realised through sale. The company optimally combines the long-term strategic planning and short decision-making channels of a family-run business with the transparency and financial flexibility of a listed firm. In addition, Warimpex has more than 60 years of business experience in Central and Eastern Europe, where it serves as a true pioneer, for example with the development of the region's first design hotel. Warimpex has developed properties worth more than two billion euros over the past 40 years and is deeply anchored in Poland, Hungary, Germany, and Austria to this day.

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