

**JML FINANCE (LUXEMBOURG) SARL**

**JULIUS MEINL LIVING LAUNCHES “THE JULIUS” BRAND AND UPDATES ON ITS PROPERTIES**

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

2021 has continued to offer a challenging environment for the hospitality industry. While Covid related travel restrictions were softened throughout the year, frequent changes in regulations and the possibility of new lockdown measures in the last quarter of the year have left their mark on the demand for travel services. Against this backdrop, Julius Meinl Living has moved forward to define its market place and to roll out a product that is perfectly suitable to the current state of the hospitality sector.

**A brand full of tradition with a contemporary look and feel**

Following a careful review and consumer testing, Julius Meinl Living recently revealed its brand strategy. The flagship properties will be known as “The Julius”; an obvious choice of sorts, but still one that was taken only after evaluating consumer expectations, associations and embedding it into a comprehensive plan for the development of the brand.

“The Julius” draws on the Julius Meinl family’s 160-years of activity as consumer goods and retail pioneers and creators of the Viennese food emporium Julius Meinl am Graben. “The Julius” draws on the legacy of service, quality and innovation arising from this activity and marks the family’s first entry into the world of travel and hospitality.

“The Julius” balances luxury and modern design with warmth, comfort and convenience. Evoking the timeless standard and spirit of European hospitality through a modern mindset, “The Julius” offers a place to relax, explore, work, and treat as a home in the city.

Representing design-led, next generation hospitality, “The Julius” offers both short and long-term stays in generously sized residences. Recognising the importance of flexibility for the modern traveller, “The Julius” provides tech-enabled services, self-check-in and contactless room entry, as well as on-site shops and restaurants, stocked with premium House of Julius Meinl products. Spacious communal areas, relaxing lounges and professional co-working spaces enable guests to network, meet like-minded people or simply unplug.

Whether staying for one night, one month or more, guests will experience the freedom of apartment living, with hassle-free access, easy-to-use technology and flexible amenities. Each booking is tailored to the needs and preferences of the guest, providing options such as an individual address for deliveries and detailed guides to help navigate the city as a local.

In each city where “The Julius” opens, it will retain these same essential elements, whilst still reflecting in its design the tone, history and feel of each city.

**Opening Prague – Opening the World**

Julius Meinl Living’s first flagship property is located at Senovazne Namesti 3 in the heart Prague. The property is known as “The Julius Prague” and occupies a reimagined art deco building designed by leading Italian architects Matteo Thun & Partners. A central light-filled conservatory sits at the

heart of the building and guides guests to 168 individual residences, complete with living room and separate bedroom space, and many featuring an open-plan kitchen. Residences, communal areas and restaurants offer soft furnishing and an autumnal colour palette, inspired by the works of the celebrated Czech artist Alphonse Mucha. World-class amenities are combined with elegant yet homely features such as oak wood floors, soft linen sheets and contemporary bathrooms.

The Julius Prague is commencing operation by means of a soft opening, with a “grand opening” scheduled for spring 2022.

Further information on The Julius Prague is available at [www.thejulius.eu](http://www.thejulius.eu), where bookings are now being taken.

### **Strong Start in Budapest**

The acquisition Julius Meinl Living’s property in Budapest completed in August 2021. Since then, the property has benefitted from a recovery in demand, linked to the lifting of local lockdown restrictions, but also from Julius Meinl Living’s active marketing and fine-tuned pricing strategy. The property is now trading up to 2019 levels on a consistently profitable basis.

The property is currently branded as the “Escala Hotel & Suites”. Occupying a lower price point and having a less central location than “The Julius” properties, the Escala will not be rebranded as “The Julius”. Instead, Julius Meinl Living has initiated the evaluation of alternative brand names and a mid-market concept that will enable the property to be presented alongside “The Julius” as part of a multi-brand strategy.

In parallel, Julius Meinl Living is currently finalising a refurbishment of the property to be carried out in three phases: technical systems, public areas then the property’s 50 apartments. Works will be carried out during the course of 2022, with the property expected to remain open throughout.

### **Termination of Belgrade Project**

Through its Serbian subsidiary, Julius Meinl Living had contracted to acquire a property suitable for “The Julius” in Belgrade by means of a forward purchase agreement. The property was part of a large scale, multifunctional urban development next to the Belgrade castle known as K-District. Covid-related delays in the construction of the property gave rise to a disagreement with the developer of the property, Kalemagdan Development, on the way to achieve a timely and cost-effective completion of the property. Julius Meinl Living performed a review and came to the conclusion that a protracted legal dispute and a further delay of the project would not be the right way to deploy its resources. A decision was taken to withdraw from the project and in response to this situation Julius Meinl Living has agreed to the mutual termination of its contract with Kalemagdan Development.

Julius Meinl Living made no material payments to Kalemagdan Development through the life of its contract with the company and is neither making nor receiving any payments as a result of the mutual termination of this contract.

As a consequence of the termination of this contract, Julius Meinl Living will in its 2021 accounts write-off the modest fair value gain of €2.4 million recorded in relation to the Belgrade property in its 2020 accounts. It is expected, however, that in the 2021 accounts, substantial fair value gains on

the Prague and Budapest properties will more than offset this loss and that an overall net fair value gain will again be recorded.

### **Building on 2021's achievements**

Julius Meinl Living continues to work to identify additional flagship properties that can be acquired for eventual operation under The Julius brand.

In parallel, and in order to build on the success of the acquisition of Budapest's Escala Hotel & Suites, Julius Meinl Living is seeking also further opportunistic acquisitions of serviced residence properties. Such properties will likely eventually use the same name as the current Escala Hotel & Suites, once it has been rebranded.

A number of both flagship and opportunistic acquisitions in major cities across central and Eastern Europe are under consideration, as well as in Western Europe. Julius Meinl Living's outlook remains focused on expansion and growth and the termination of the contract for the Belgrade property does not alter Julius Meinl Living's strategy and objectives. 2021 has been a defining year for Julius Meinl Living in terms of gearing up operations, establishing its brand in the market, and fulfilling the expectations of investors and customers.