

Warimpex AG

PT: EUR 1.60/PLN 6.82

Update

Rating: n.a.

Warimpex' (WXF) Q2/24 results were negatively affected by write-downs of receivables and a loss from remeasurement of investment property of EUR 9.9m, which in our view were both related to the company's Russian properties. However, total revenues (+4% vs. -6.3% y-o-y in Q1/24) and EBITDA margin (34.6% vs. 31.3%) showed an improvement q-o-q. In H1/24, the main issue was the Investment properties segment, which continues to be negatively affected by a weak Russian rouble. Based on WXF's latest financial report, we have slightly increased our revenue estimate by c. 3% but slashed our profit estimates for 2024E-2025E again. Nevertheless, due to a higher peer-group-based fair value (EUR 1.52 vs. EUR 1.44 before) our 12-months PT (50% NNAV that we have additionally discounted by 50% due to the exposure to Russia, 50% peer group) for Warimpex goes up to EUR 1.60 (previously: EUR 1.58). While ECB's rate cuts make raising debt for WXF cheaper and increase the likelihood of rising property prices, the biggest issue remains the company's exposure to Russia, where it still has 36% of its Gross Asset Value and where, in our view, it generates by far the highest rental yields of c. 15%.

In H1/24, the main factors affecting Warimpex' results included: 1. Higher occupancy rates in the Hotels segment 2. Weaker Russian rouble 3. Higher operating costs 4. Write-downs of trade receivables and 5. Loss from remeasurement of investment property. Total revenues equalled EUR 26m (-1.1% y-o-y) and EBITDA was 23.8% below last year. Due to the remeasurement loss EBIT and net income declined to EUR -2.1m and EUR -8.8m respectively. At the end of June 2024, WXF had net debt of EUR 216m (31/12/23: EUR 210.3m, 30/06/23: EUR 213.3m). In July, it sold the MC55 office development project in Bialystok with, we believe, a profit of c. EUR 700k.

While its Mogilska 35 office building that was opened in Q4/23 will likely be fully occupied by the end of 2024E, Warimpex now concentrates its development activity on the Chopin (in Cracow, with a building permit), West Yard (Darmstadt, building permit likely in H2/24E) and Mogilska IV (Cracow, least developed) projects. WXF will start the construction of the projects with a building permit at a suitable time, dependent on market conditions.

in EURm	2021	2022	2023	2024E	2025E	2026E
Total turnover	26.72	45.14	49.69	47.79	51.49	51.71
EBITDA	14.51	16.50	21.62	15.79	21.56	24.32
EBIT	15.54	59.15	-16.83	-0.21	19.06	29.32
Net income	12.27	42.84	-23.79	-8.38	6.86	15.41
EPS	0.24	0.82	-0.46	-0.16	0.13	0.29
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RoE	10.44%	29.07%	-16.29%	-7.12%	5.87%	12.03%
Net gearing	174.70%	135.98%	174.44%	195.94%	184.38%	158.10%
Net debt/EBITDA	15.00x	14.03x	9.84x	14.09x	10.30x	8.83x
P/NAV	0.28x	0.21x	0.29x	0.31x	0.29x	0.26x
LTV	62.5%	57.6%	60.9%	63.1%	61.6%	59.1%
P/E	2.71x	0.79x	neg	neg	5.11x	2.28x

Company profile

Warimpex Finanz- und Beteiligungs-AG is a Vienna-based developer and investor in commercial real estate, especially office buildings and hotels. The company is listed in Austria and Poland.

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Website	www.warimpex.com
Sector	Real Estate
Country	Austria
ISIN	AT0000827209
Reuters	WXFB.VI
Bloomberg	WXF AV

Share information

Last price	0.65
Number of shares (m)	54.00
Market cap. (EURm)	35.10
52-weeks range	EUR 0.98 / EUR 0.61
Average volume (shares)	10,558

Performance

4-weeks	-5.52%
13-weeks	-18.34%
26-weeks	-22.62%
52-weeks	-16.67%
YTD	-13.33%

Shareholder structure

Georg Folian (incl. Bocca Privatst.)	25.00%
Franz Jurkowitzsch (incl. Amber Privatst.)	25.00%
Generali Pension Fund	>5.00%
Treasury shares	3.59%
Free float	c. 40.00%

Financial calendar

9M/24 report	November 29, 2024
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Analyst

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H1/24 results

Revenues and Profitability

In H1/24, Warimpex generated total revenues of EUR 26m (-1.1% y-o-y), whereby the 5.2% decline in the largest segment Investment properties due to weak revenues from Russian office buildings (-9.2% y-o-y to EUR 10.6m) offset the growth of the other two segments.

in EURm	H1/24	H1/23
Hotels	6.25	5.91
<i>Share in total sales</i>	<i>24.1%</i>	<i>22.5%</i>
EBITDA margin	25.1%	19.9%
Investment properties	18.41	19.42
<i>Share in total sales</i>	<i>70.9%</i>	<i>73.9%</i>
EBITDA margin	50.8%	76.7%
Development and services	1.31	0.93
<i>Share in total sales</i>	<i>5.1%</i>	<i>3.5%</i>
EBITDA margin	-178.5%	-516.7%
Total revenues	25.98	26.26

Source: Company information, East Value Research GmbH

in EURm	H1/24	H1/23	change y-o-y
Total revenues	25.98	26.26	-1.1%
EBITDA	8.58	11.26	-23.8%
<i>EBITDA margin</i>	<i>33.0%</i>	<i>42.9%</i>	
EBIT	-2.14	6.44	-133.2%
<i>EBIT margin</i>	<i>-8.2%</i>	<i>24.5%</i>	
Net income	-8.79	0.21	-4245.3%
<i>Net margin</i>	<i>-33.8%</i>	<i>0.8%</i>	

Source: Company information, East Value Research GmbH

Between January and June 2024, Warimpex' EBITDA (-23.8% y-o-y to EUR 8.6m) was negatively affected by a higher share of directly-attributable expenses in total revenues (36.6% vs. 34.3% in H1/23) and other operating expenses (11.4% vs. 2.7%), which also include a write-down of receivables of EUR 2.5m from, we believe, Russian clients. EBIT (EUR -2.1m vs. EUR 6.4m in H1/23) and net income (EUR -8.8m vs. EUR 212k) were additionally impacted by a remeasurement loss of EUR 9.9m (related to Russian properties, in our view) and a net financial result of EUR -6.6m (H1/23: EUR -5.2m).

Balance sheet and Cash flow

At the end of June 2024, Warimpex had consolidated equity excl. minorities of EUR 117.6m, which corresponds to an equity ratio of 31.4% (H1/23: 35.8%).

The largest position on the company's balance sheet were investment properties with EUR 321.5m (H1/23: EUR 355.5m). Property, plant and equipment (property that is currently under development) was valued at EUR 34.2m (EUR 33.9m). Net investments in joint-ventures (relates to WXF's 50% stake in the Intercontinental Hotel in Warsaw) equalled EUR 448k (EUR 25k). Non-current assets held for sale (EUR 3.9m) reflected the MC55 property in Bialystok, which was sold after the reporting date.

At the end of H1/24, interest-bearing debt amounted to EUR 225.3m (30/06/2023: EUR 226m), thereof 16.7% was short term and c. 20% with a variable rate. Net debt equalled EUR 216m (EUR 213.3m) and net gearing increased to 183.7% (143.2%).

Between January and June 2024, Warimpex's operating cash flow reached EUR 4.7m (H1/23: EUR 16.6m). While cash receipts from operating activities went down by 34% y-o-y to EUR 21.7m, the respective cash payments/outflow increased by 4.5% to EUR 17m.

Cash flow from investing amounted to EUR -2.8m (H1/23: EUR -9.6m), while cash flow from financing reached EUR -3.8m (EUR -8.4m) due to higher debt raising. Between January and June 2024, Warimpex' cash position went down by EUR 1.5m to EUR 5.3m (with a positive FX effect of EUR 437k).

Financial forecasts

Revenues and Profitability

Based on the information in the H1/24 report, we have increased the revenue estimate for the Hotels segment in 2024E-2026E (EUR 12.3m vs. EUR 11.3m before) following adjustments to occupancy (72% vs. 78%) and average hotel rate per day (EUR 75 vs. EUR 48). In addition, we have also lowered the EBITDA margin (50% vs. 55%) estimate for 2024E in the Investment properties segment due to higher-than-expected operating costs. Our updated long-term revenue estimates for the Investment properties segment do not include the MC55 project in Bialystok anymore as it was sold in July 2024.

List of Warimpex' current office buildings and hotels

Country	City	Property	Ownership	Year of construction	Co-working space	Certificates	Hotel rooms	Total lettable space (sqm)	Office	Retail	Other	Effective occupancy rate
Poland	Cracow	Mogilska 43	100%	2019	Yes	BREEAM, EU Taxonomy-aligned		13,173	11,344	1,565	264	100.0%
Poland	Cracow	Mogilska 41	100%	1967				5,371	5,088		283	100.0%
Poland	Cracow	Mogilska 35	100%	2023	Yes	BREEAM, EU Taxonomy-aligned		11,784	10,500	1,284		64.0%
Poland	Lodz	Ogrodowa 8	100%	2018	Yes	BREEAM, EU Taxonomy-aligned		29,902	24,931	3,491	1,480	81.0%
Poland	Lodz	Piotrkowska Str. 148/150	100%	1978/2008	Yes	BREEAM, EU Taxonomy-aligned		12,413	12,359		54	30.0%
Total								72,643	64,222	6,340	2,081	
Russia	St. Petersburg	Zeppelin	100%	2015		LEED Gold		15,481	12,537	2,944		100.0%
Russia	St. Petersburg	Jupiter 1 & 2	100%	2012		Clever Silver		16,807	16,807			100.0%
Russia	St. Petersburg	Airportcity Car Park	100%	2017		Clever Bronze		4,700	2,200		2,500	100.0%
Russia	St. Petersburg	Avior Tower	100%	2022		Clever Gold		18,635	18,635			100.0%
Total								55,623	50,179	2,944	2,500	
Hungary	Budapest	Erzsebet	100%	1963/65				14,355	14,355			95.0%
Total								14,355	14,355			
Investment properties (total)								142,621	128,756	9,284	4,581	
Russia	St. Petersburg	Airportcity Plaza	100%	2011			294					54.0%
Germany	Darmstadt	greet	100%	1988/2021	Yes		330					49.0%
Hotels (total)								624				
Property under construction (total)								0	0	0		
Poland	Cracow	Chopin	100%	2027				20,606	18,015	2,591		
Poland	Cracow	Mogilska Phase IV	100%	2027				9,050	8,074	976		
Germany	Darmstadt	West Yard	100%	2028				11,449	11,449			
Projects being implemented (total)								41,105	37,538	3,567		
Germany	Darmstadt	Construction field 2 & 3	100%									
Poland	Cracow	Mogilska Reserve	100%									
Russia	St. Petersburg	Startovaya land plot	100%									
Russia	St. Petersburg	Avior land plot	100%									
Poland	Warsaw	various	100%									
Hungary	Budapest	Hungaria körút	100%									
Property reserves (total)												

Source: Company information, East Value Research GmbH

in EURm	2024E	2025E	2026E
Hotels	12.32	12.32	12.32
<i>(% of net sales)</i>	<i>25.8%</i>	<i>23.9%</i>	<i>23.8%</i>
EBITDA margin	22.2%	22.4%	22.6%
Number of hotels	2	2	2
Number of hotel rooms (adj. for proport. share of ownership)	624	624	624
Avg. occupancy rate	72.0%	72.0%	72.0%
Avg. hotel rate per day & room (EUR)	75	75	75
Investment properties	33.43	36.93	36.93
<i>(% of net sales)</i>	<i>70.0%</i>	<i>71.7%</i>	<i>71.4%</i>
EBITDA margin	50.0%	60.0%	67.0%
Number of office and commercial properties	12	13	14
Avg. lettable office space (adj. for proport. share of ownership)	138,200	138,200	138,200
Avg. occupancy rate	96.0%	96.0%	96.0%
Avg. rental fee per month & sqm (EUR)	21	23	23
Development and services	2.03	2.24	2.46
<i>(% of net sales)</i>	<i>4.3%</i>	<i>4.3%</i>	<i>4.8%</i>
EBITDA margin	-180.0%	-150.0%	-130.0%
Total revenues	47.79	51.49	51.71
<i>(change y-o-y)</i>	<i>-3.8%</i>	<i>7.7%</i>	<i>0.4%</i>

Source: East Value Research GmbH

	2024E		2025E		2026E	
in EURm	new	old	new	old	new	old
Total revenues	47.79	46.34	51.49	49.99	51.71	50.17
EBITDA	15.79	16.42	21.56	20.29	24.32	22.85
<i>EBITDA margin</i>	<i>33.0%</i>	<i>35.4%</i>	<i>41.9%</i>	<i>40.6%</i>	<i>47.0%</i>	<i>45.5%</i>
EBIT	-0.21	14.42	19.06	19.29	29.32	27.85
<i>EBIT margin</i>	<i>-0.4%</i>	<i>31.1%</i>	<i>37.0%</i>	<i>38.6%</i>	<i>56.7%</i>	<i>55.5%</i>
Net income	-8.38	2.58	6.86	7.04	15.42	14.28
<i>Net margin</i>	<i>-17.5%</i>	<i>5.6%</i>	<i>13.3%</i>	<i>14.1%</i>	<i>29.8%</i>	<i>28.5%</i>

Source: East Value Research GmbH

in EURm	Q1/21	Q2/21	Q3/21	Q4/21	2021
Total turnover	6.05	6.70	6.44	7.53	26.72
<i>y-o-y change</i>	-23.5%	16.9%	9.4%	22.9%	4.1%
EBITDA	1.62	3.38	2.86	6.65	14.51
<i>EBITDA margin</i>	26.8%	50.5%	44.4%	88.3%	54.3%
EBIT	2.14	3.80	2.41	7.19	15.54
<i>EBIT margin</i>	35.3%	56.7%	37.3%	95.5%	58.1%
Net income	-0.58	2.30	0.74	9.82	12.27
<i>Net margin</i>	-9.6%	34.3%	11.4%	130.4%	45.9%

in EURm	Q1/22	Q2/22	Q3/22	Q4/22	2022	Q1/23	Q2/23	Q3/23	Q4/23	2023	Q1/24	Q2/24
Total turnover	8.52	11.58	12.33	12.70	45.14	12.95	13.31	11.28	12.15	49.69	12.13	13.85
<i>y-o-y change</i>	40.9%	72.8%	91.4%	68.7%	68.9%	51.9%	15.0%	-8.5%	-4.4%	10.1%	-6.3%	4.0%
EBITDA	2.91	7.83	5.21	0.55	16.50	5.60	5.67	5.48	4.87	21.62	3.80	4.79
<i>EBITDA margin</i>	34.2%	67.6%	42.2%	4.3%	36.6%	43.2%	42.6%	48.6%	40.1%	43.5%	31.3%	34.6%
EBIT	-1.26	18.00	4.75	37.67	59.15	5.28	1.16	8.28	-31.54	-16.83	3.46	-5.60
<i>EBIT margin</i>	-14.8%	155.4%	38.5%	296.5%	131.0%	40.8%	8.7%	73.4%	-259.6%	-33.9%	28.6%	-40.5%
Net income	-4.39	17.61	0.16	29.47	42.84	1.33	-1.11	3.03	-27.04	-23.79	-0.81	-7.98
<i>Net margin</i>	-51.5%	152.1%	1.3%	232.0%	94.9%	10.2%	-8.4%	26.9%	-222.5%	-47.9%	-6.7%	-57.6%

Source: Company information, East Value Research GmbH

CAPEX and Working capital

We continue to forecast that both property, plant and equipment and investment properties will grow at 1% per year in the coming years. Regarding working capital, we have maintained our assumption that the cash conversion cycle will increase from -182 days in 2023 to 30 days in the long run.

Valuation

We have valued Warimpex by using a weighted average of a NNNAV (50% weight) and peer-group-based fair value (50%). Thereby, we have discounted the NNNAV by 50% due to the company's exposure to Russia and have accounted for 1.94m treasury shares. Compared to our last update, the 12-months PT goes up from EUR 1.58 to EUR 1.60 per share (upside of 145.7% at present).

Below are the key assumptions of our WACC calculation:

- (1) *Risk-free rate*: Current yield of Austrian long-term government bonds with maturity in 2120E is 2.21% (Source: www.boerse-stuttgart.de)
- (2) *Beta*: 4y average unlevered beta of companies from the Real Estate (Diversified) sector of 0.45x (Source: www.damodaran.com)
- (3) *Levered beta*: 1.25x
- (4) *Equity risk premium (Austria)*: 5.18% (Source: www.damodaran.com)
- (5) *Effective tax rate*: 24%
- (6) *Target equity ratio*: 30%
- (7) *Target debt ratio*: 70%
- (8) *After-tax debt costs*: 4.4%
- (9) *Equity costs*: 8.7%
- (10) *WACC*: 5.7%

Triple NNAV calculation

in EURm	
Equity (as of 30/06/2024)	117.60
+ Deferred taxes (net)	-9.70
+ Market value of derivative instruments	0.00
= EPRA NAV	107.91
- Market value of derivative instruments	0.00
- Market value of off-balance-sheet debt	0.00
- Deferred taxes (net)	9.70
= EPRA NNAV	117.60
: Number of shares outstanding (excl. 1,939,280 own shares)	52.06
= EPRA NNAV per share	2.26
= Discounted by 50% due to high exposure to Russia	1.51

Source: East Value Research GmbH

Peer Group Analysis

Below are listed companies, which we have identified as Warimpex' main peers:

- (1) *CA Immobilien Anlagen AG*: CA Immobilien Anlagen, which is headquartered in Vienna, is a real estate group with operations in Austria, Germany, Poland and the Czech Republic. Its core business involves leasing, managing and developing high-quality office buildings. The company has assets of EUR 5.1bn and an occupancy rate of 88.1%. In 2023, CA Immobilien Anlagen generated revenues of EUR 419.3m, a net profit of EUR -224.5m and funds from operation (FFO) of EUR 113.8m. Its current market capitalization equals EUR 2.6bn.
- (2) *Immofinanz AG*: Immofinanz, which is based in Vienna, manages and develops retail and office properties in Austria, Germany, Poland, the Czech Republic, Slovakia, Hungary, Romania and the Adriatic region. The company has assets worth EUR 8.17bn and an occupancy rate of 92.2%. In 2023, Immofinanz generated revenues of EUR 727.3m, a net profit of EUR -180.3m and funds from operation (FFO) of EUR 275.3m. Its current market capitalization equals EUR 3.4bn.
- (3) *S Immo AG*: S IMMO AG, which is based in Vienna and is 50%-owned by Immofinanz, is a real estate investment company with a focus on capital cities in Austria, Germany and CEE. Approx. 92% of its property portfolio are commercial properties (offices, shopping centres and hotels). Residential properties account for 5.9% and land plots for 2.5%. The company has assets worth EUR 3.67bn with an average occupancy rate of 90.7%. In 2023, it generated revenues of EUR 338.2m, a net profit of EUR -32.2m and FFO of EUR 99.6m. Currently, its market capitalisation equals EUR 1.6bn.
- (4) *Globe Trade Centre S.A.*: Globe Trade Centre, which is based in Warsaw, is a real estate investor and developer with a focus on Poland, Hungary, and capital cities in Central, Eastern and Southern Europe. The company owns 46 buildings with 753,000 sqm of office and retail space, has assets of EUR 2.48bn and an occupancy rate of 86%. In 2023, it generated revenues of PLN 794.7m, a net profit of PLN 45.5m and FFO of PLN 307.6m. Currently, its market capitalisation equals PLN 2.4bn.
- (5) *Globalworth Real Estate Investments Ltd.*: Globalworth Real Estate Investment, which is based in Guernsey, is a real estate investment firm focused on office properties in CEE's largest property markets, Poland and Romania. The company owns 71 standing buildings, has assets worth EUR 3bn and an average occupancy rate of 88.3%. In 2023, it generated revenues of EUR 241.4m and a net income of EUR -54.2m. Currently, its market capitalisation equals EUR 675.9m.

(6) *UBM Development AG*: UBM Development, which is headquartered in Vienna, focuses on green buildings and smart offices in Austria, Germany, Poland and the Czech Republic (in the past also in France and Amsterdam) and is active as hotel lessee. The company offers a comprehensive service portfolio comprising market analysis, project development, planning and project management, financing, rental and asset management. The company has assets with a value of EUR 1.2bn. In 2023, it generated revenues of EUR 85.3m and a net profit of EUR -46.6m. Of the total output of EUR 284.2m (= revenues of fully consolidated and "at-equity" subsidiaries plus sale proceeds from share deals), 22% stemmed from the residential segment. Currently, UBM has a market capitalisation of EUR 153m.

Company	P/BVPS		P/E		Net debt/EBITDA	Net interest cover	Net gearing
	Latest	2024E	2025E	Latest	Last FY	Latest	
CA Immobilien Anlagen AG (EUR)	1.0x	n.a	17.9x	8.4x	3.2x	80.7%	
Immofinanz AG (EUR)	0.9x	15.3x	11.1x	9.8x	3.0x	92.9%	
S Immo AG (EUR)	0.9x	22.1x	15.1x	11.7x	3.7x	101.7%	
Globe Trade Center S.A. (PLN)	0.5x	8.7x	7.7x	12.6x	3.3x	116.8%	
Globalworth Real Estate Inv. Ltd. (EUR)	0.4x	n.a	n.a	8.1x	2.6x	69.3%	
UBM Development AG (EUR)	0.4x	n.a	11.3x	neg	n.a	97.0%	
Median	0.7x	15.3x	11.3x	9.8x	3.2x	95.0%	
Warimpex AG (EUR)	0.3x	n.a	5.1x	10.0x	n.a	183.65%	
Premium/Discount	-59.4%	n.a	-54.6%				
Fair value Warimpex (EUR)	1.52						

Source: CapitalIQ, marketscreener.com, East Value Research GmbH

Price target calculation

Valuation method	Fair value	Weight
NNNAV calculation (EUR)	1.51	50%
Peer Group Analysis (EUR)	1.52	50%
Weighted average (present value)	1.51	
In 12-months (PV * (1+WACC))	1.60	
In PLN (PLN-EUR = 4.27)	6.82	

Source: East Value Research GmbH

Profit and loss statement

in EURm	2021	2022	2023	2024E	2025E	2026E
Total revenues	26.72	45.14	49.69	47.79	51.49	51.71
Directly-attributable expenses	-10.60	-16.10	-17.11	-16.73	-15.96	-13.96
Gross profit	16.12	29.04	32.58	31.06	35.53	37.75
Other operating income	6.49	1.37	0.85	0.34	0.37	0.41
Gains/losses from the disposal of properties	0.00	2.82	0.00	0.00	0.00	0.00
Administrative expenses	-7.32	-14.12	-10.37	-10.51	-11.22	-11.17
Other operating expenses	-0.78	-2.61	-1.44	-5.10	-3.12	-2.67
EBITDA	14.51	16.50	21.62	15.79	21.56	24.32
Depreciation, amortization & remeasurement	1.02	42.65	-38.44	-16.00	-2.50	5.00
EBIT	15.54	59.15	-16.83	-0.21	19.06	29.32
Net financial results	-0.61	-6.52	-10.50	-10.80	-10.00	-9.00
EBT	14.92	52.63	-27.32	-11.01	9.06	20.32
Income taxes	-2.94	-9.76	3.51	2.64	-2.17	-4.88
Minority interests	0.29	-0.03	0.01	-0.01	-0.02	-0.03
Net income / loss	12.27	42.84	-23.79	-8.38	6.86	15.42
EPS	0.24	0.82	-0.46	-0.16	0.13	0.29
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Share in total sales						
Total revenues	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Directly-attributable expenses	-39.66 %	-35.67 %	-34.44 %	-35.00 %	-31.00 %	-27.00 %
Gross profit	60.34 %	64.33 %	65.56 %	65.00 %	69.00 %	73.00 %
Other operating income	24.29 %	3.04 %	1.71 %	0.71 %	0.73 %	0.79 %
Gains/losses from the disposal of properties	0.00 %	6.25 %	0.00 %	0.00 %	0.00 %	0.00 %
Administrative expenses	-27.40 %	-31.29 %	-20.88 %	-22.00 %	-21.80 %	-21.60 %
Other operating expenses	-2.92 %	-5.78 %	-2.89 %	-10.68 %	-6.06 %	-5.16 %
EBITDA	54.31 %	36.55 %	43.51 %	33.03 %	41.87 %	47.03 %
Depreciation, amortization & remeasurement	3.83 %	94.49 %	-77.37 %	-33.48 %	-4.86 %	9.67 %
EBIT	58.15 %	131.04 %	-33.86 %	-0.45 %	37.01 %	56.70 %
Net financial results	-2.29 %	-14.45 %	-21.12 %	-22.60 %	-19.42 %	-17.40 %
EBT	55.85 %	116.59 %	-54.99 %	-23.05 %	17.59 %	39.30 %
Income taxes	-11.02 %	-21.63 %	7.07 %	5.53 %	-4.22 %	-9.43 %
Minority interests	1.10 %	-0.06 %	0.03 %	-0.02 %	-0.04 %	-0.06 %
Net income / loss	45.93 %	94.91 %	-47.89 %	-17.54 %	13.33 %	29.81 %

Balance sheet

in EURm	2021	2022	2023	2024E	2025E	2026E
Cash and cash equivalents	11.19	15.92	6.86	4.61	2.09	2.39
Inventories	0.14	0.19	0.16	0.16	0.15	0.13
Trade accounts and notes receivables	5.67	4.87	4.81	5.28	6.39	7.13
Assets-held-for-sales	0.00	0.00	0.00	0.00	0.00	0.00
Current assets	17.00	20.99	11.82	10.05	8.64	9.65
Property, plant and equipment	36.59	36.41	33.11	34.30	34.64	34.99
Other intangible assets	0.08	0.05	0.01	0.01	0.01	0.01
Goodwill	0.00	0.00	0.00	0.00	0.00	0.00
Investment property	324.60	388.46	323.24	321.40	324.61	327.86
Joint ventures	0.42	0.41	0.44	0.45	0.45	0.46
Financial assets measured at FV	5.50	5.22	0.00	0.00	0.00	0.00
Derivative financial instruments	0.40	0.09	0.00	0.00	0.00	0.00
Other long-term assets	2.35	1.78	1.65	1.67	1.68	1.70
Deferred tax assets	1.19	1.67	1.01	2.60	1.30	0.00
Non-current assets	371.11	434.08	359.45	360.43	362.70	365.02
Total assets	388.12	455.07	371.27	370.47	371.34	374.67
Trade payables	11.89	9.05	10.34	9.26	8.03	6.31
Short-term financial debt	29.36	28.82	27.17	37.70	35.70	33.70
Income tax liabilities	0.29	0.02	0.10	0.11	0.11	0.11
Provisions	2.94	0.10	0.09	0.08	0.09	0.09
Deferred revenues	0.10	0.02	0.02	0.02	0.02	0.02
Liabilities associated with assets-held-for-sale	0.00	0.00	0.00	0.00	0.00	0.00
Current liabilities	44.58	38.01	37.72	47.17	43.95	40.24
Long-term financial debt	196.77	216.15	190.01	187.01	186.00	181.00
Other long-term liabilities	7.27	8.41	7.95	7.45	6.95	6.45
Deferred revenues	0.06	0.04	0.02	0.02	0.02	0.02
Pension provisions	2.75	2.34	2.32	2.34	2.36	2.39
Deferred tax liabilities	11.96	19.83	11.23	12.82	11.51	8.58
Long-term liabilities	218.82	246.77	211.52	209.63	206.84	198.43
Total liabilities	263.40	284.78	249.24	256.81	250.79	238.67
Shareholders equity	124.61	170.16	121.90	113.52	120.39	135.80
Minority interests	0.11	0.13	0.13	0.14	0.16	0.19
Total liabilities and equity	388.12	455.07	371.27	370.47	371.34	374.67

Cash Flow Statement

in EURm	2021	2022	2023	2024E	2025E	2026E
Net income / loss	12.27	42.84	-23.79	-8.38	6.86	15.42
Depreciation, amortization & remeasurement	-1.02	-42.65	38.44	16.00	2.50	-5.00
Change of working capital	0.00	0.00	0.00	-1.54	-2.34	-2.43
Others	-6.27	11.16	10.14	0.00	0.00	1.63
Net operating cash flow	4.98	11.35	24.79	6.08	7.03	9.62
Cash flow from investing	-17.58	-3.11	-10.29	-15.38	-6.08	1.39
Free cash flow	-12.61	8.24	14.51	-9.30	0.95	11.00
Cash flow from financing	14.52	-4.52	-21.49	7.06	-3.46	-10.71
Change of cash	2.26	4.73	-9.07	-2.24	-2.52	0.29
Cash at the beginning of the period	8.93	11.19	15.92	6.86	4.61	2.09
Cash at the end of the period	11.19	15.92	6.86	4.61	2.09	2.39

Financial ratios

Fiscal year	2021	2022	2023	2024E	2025E	2026E
Profitability and balance sheet quality						
Gross margin	60.34%	64.33%	65.56%	65.00%	69.00%	73.00%
EBITDA margin	54.31%	36.55%	43.51%	33.03%	41.87%	47.03%
EBIT margin	58.15%	131.04%	-33.86%	-0.45%	37.01%	56.70%
Net margin	45.93%	94.91%	-47.89%	-17.54%	13.33%	29.81%
Return on equity (ROE)	10.44%	29.07%	-16.29%	-7.12%	5.87%	12.03%
Return on assets (ROA)	3.32%	10.85%	-3.58%	0.65%	4.54%	6.52%
Return on capital employed (ROCE)	3.63%	11.55%	-4.40%	-0.05%	4.42%	6.66%
Economic Value Added (in EURm)	-7.07	24.45	-33.63	-18.55	-4.14	3.26
Net debt (in EURm)	217.70	231.39	212.64	222.44	221.97	214.70
Net gearing	174.70%	135.98%	174.44%	195.94%	184.38%	158.09%
Loan-to-Value (LTV)	62.54%	57.60%	60.87%	63.10%	61.63%	59.10%
Equity ratio	32.11%	37.39%	32.83%	30.64%	32.42%	36.25%
Current ratio	0.38	0.55	0.31	0.21	0.20	0.24
Quick ratio	0.38	0.55	0.31	0.21	0.19	0.24
Net interest cover	25.35	9.07	-1.60	-0.02	1.91	3.26
Net debt/EBITDA	15.00	14.03	9.84	14.09	10.30	8.83
Tangible BVPS	2.31	3.15	2.26	2.10	2.23	2.51
Capex/Sales	-231.54%	-44.58%	61.01%	-32.19%	-11.81%	2.68%
Working capital/Sales	-24.45%	-9.01%	-11.09%	-8.32%	-3.18%	1.53%
Cash Conversion Cycle (in days)	-327	-161	-182	-158	-135	-111
Trading multiples						
P/NAV	0.28	0.21	0.29	0.31	0.29	0.26
P/E	2.71	0.79	-1.41	-4.19	5.11	2.28
P/FCF	-2.78	4.26	2.42	-3.77	37.11	3.19

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