

Mainor Ülemiste AS

Interim Report
January – March 2020



<http://mainorulemiste.ee/opiku/>

Main Events in the 1Q 2020

We are aware that COVID-19 will unfortunately affect more or less all sectors of the economy in the coming months, including the real estate sector. We have mapped the risk levels of all our customers and found that a very small part of our portfolio has high risk. The occupancy rate of Ülemiste City is still very high. Therefore, we will continue to prepare all planned investments and, after the peak of the crisis, we will make investment decisions so that Ülemiste City companies can continue to expand.

We will proceed with the planning for the office building *Alma Tomingas* with a leasable area of 16.5 thousand m² in cooperation with the architectural firm Pluss. This building will be another step on towards creating the talent centric environment in Ülemiste City.

At the same time, we are finalizing planning for a new educational complex with mobility and green areas for the growing schools in the town – Emil School and Tallinn International School – and for Kalli-kalli kindergarten. We are planning a new educational complex in cooperation with 3 + 1 Architects. The development of an educational cluster from kindergarten to higher education is a prerequisite for attracting talents.

At the end of February, we signed a 3.2 million euro loan agreement with SEB Bank to create the largest parking house in Ülemiste City, which will provide the city a total of 900 parking spaces. The construction of the parking house consists of two stages. The first stage was completed in the summer of 2018. The second phase was started in December last year, and when the building is completed, nearly 450 vehicles will be added. The whole project will be completed in October this year.

We also announce that on April 6, we made the scheduled half-year interest payment of the bond.

Ülemiste City Key Figures as of 31.03.2020

Rented space	184,501 square meters
Incl. rented office space	128,218 square meters
Occupancy Rate	96.2 %
Incl. Office's Occupancy Rate	99.6 %

1Q Financial Performance

1Q 2020 – Net profit EUR 1,987 thousand

Net Sales and Net Profit

- Net sales amounted to EUR 2,794 th in the 1st quarter, increase of 3.8% compared to the 1st quarter of 2019
- Net profit amounted to EUR 1,987 th, increase of 1.9% compared to the 1st quarter of 2019

Expenses

- Operating expenses increased from EUR 1,476 th (1st quarter 2019) to EUR 1,494 th in the 1st quarter of 2020
- Interest expense on loans and issued bonds amounted to EUR 426 th (1st quarter 2020), decrease of 15% compared to the 1st quarter in 2019 (EUR 501 th)

Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 87,856 th. The Company's four largest creditors at the end of the period were SEB Pank AS, OP Corporate Bank Plc, LHV Pank AS and Luminor Bank AS
- At the end of the reporting period, Mainor Ülemiste had EUR 8,900 th in untapped credit facilities

Statement of the Management Board

The financial and other additional information published in the Interim Report January – March 2020 is true and complete. Consolidated financial statements give a true and fair view of the actual financial position, results of operations and cash flows of the group.

Consolidated financial statements in the report for the period January – March 2020 are not audited.



Margus Nõlvak
Member of the Management Board
Tallinn, 23.04.2020

Consolidated Income Statement

(according to IFRS)

In thousands Euros

Mainor Ülemiste AS	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Sales	2 693	2 628	2 535	2 708	2 794
Cost of Sales	-864	-743	-667	-671	-773
Administrative expenses	-612	-544	-520	-637	-721
Depreciation	-15	-14	-19	-24	-26
Income from associate companies*	1 253	760	1 057	1 068	1 127
Other operating income	1	1	0	0	3
Other operating expenses	-4	-3	-1	-3	-3
Operating profit*	2 452	2 085	2 385	2 441	2 401
Other finance income	13	17	13	12	12
Interest paid and fees	-501	-604	-485	-730	-426
Income tax	-15	0	0	0	0
Net profit*	1 949	1 498	1 913	1 723	1 987

* Without change of valuation of Mainor Ülemiste AS's and associate companies' investments properties.

Consolidated Balance Sheet

(according to IFRS)

In thousands Euros

Mainor Ülemiste AS	31.03.2019	30.06.2019	30.09.2019	31.12.2019	31.03.2020
Tangible and intangible assets	160	162	235	258	257
Property	124 176	129 631	133 220	137 780	142 330
Other	9 417	8 659	8 661	8 856	8 756
Financial assets	39 001	38 420	39 477	40 314	41 441 *
Receivables	1 137	1 590	833	945	1 115
Cash	9 646	11 988	10 542	12 937	11 009
Total assets	183 537	190 450	192 968	201 090	204 908
Owners' equity					
Share capital	19 200	18 200	18 200	18 200	18 200
Mandatory reserves	1 920	1 920	1 920	1 920	1 920
Retained earnings	80 869	80 966	82 879	89 622	91 609 *
Total equity	101 989	101 086	102 999	104 722	111 729
Liabilities					
Debt	78 791	82 807	85 309	86 511	87 856
Other liabilities	765	765	1 014	1 339	1 316
Accounts payable	1 992	5 792	3 646	3 498	4 007
Total liabilities	81 548	89 364	89 969	91 348	93 179
TOTAL LIABILITIES & OWNERS' EQUITY	183 537	190 450	192 968	201 090	204 908

* Without change of valuation of Mainor Ülemiste AS's and associate companies' investments properties.

Consolidated Statement of Changes in Equity

In thousands of euros

	Share capital	Statutory reserve	Retained earnings	Total Equity
Balance at 31.12.2017	19 200	1 920	70 817	91 937
Dividends declared			-1 232	-1 232
Total comprehensive income for the year			9 334	9 334
Balance at 31.12.2018	19 200	1 920	78 919	100 039
Payments to shareholders	-1 000			-1 000
Dividends declared			-1 400	-1 400
Total comprehensive income for the year			12 102	12 102
Balance at 31.12.2019	18 200	1 920	89 622	109 742
Dividends declared				0
Total comprehensive income for the year			1 987	1 987
Balance at 31.03.2020	18 200	1 920	91 609	111 729

Consolidated Cash Flow Statement

In thousands Euros

Mainor Ülemiste AS	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Operating activities					
Net result for the period	1 949	1 498	1 913	1 723	1 987
Adjustment:					
Depreciation	15	14	19	24	26
Income from associate companies	-1 253	-760	-1 057	-1 068	-1 127
Financial income and expenses	488	587	472	718	414
Change in operating assets	89	399	-150	-456	-154
Change in operating liabilities	-464	2 299	-1002	-19	-134
Dividends received and cash received for shares in associate company	0	1 341	0	4 900	0
Interest paid and fees	-501	-604	-485	-890	-426
Income tax	-15	0	0	0	0
Net cash flow from operating activities	308	4 704	-290	4 932	586
Investing activities					
Investments in tangible and intangible assets	-7	-31	-69	-64	-41
Proceeds from sale of tangible and intangible assets	0	0	0	0	0
Investments in investment properties	-1 544	-5 397	-3 588	-3 676	-4 548
Loans granted	0	0	0	0	0
Repayment of loans granted	0	740	0	0	0
Acquisition of associates	0	0	0	0	0
Cash flows from investing activities	-1 551	-4 688	-3 657	-3 740	-4 589
Financing activities					
Bond issue	0	0	0	0	0
Increase in long-term loans	38 091	4 320	3 127	1 829	2 702
Decrease in long-term loans	-36 822	-594	-626	-626	-627
Dividends paid	0	-1 400	0	0	0
Cash flows from financing activities	1 269	2 326	2 501	1 203	2 075
Total cash flow	26	2 342	-1 446	2 395	-1 928
Cash and cash equivalents at period-start	9 620	9 646	11 988	10 542	12 937
Change in cash and cash equivalents	26	2 342	-1 446	2 395	-1 928
Cash and cash equivalents at period-end	9 646	11 988	10 542	12 937	11 009

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