



MAINOR ÜLEMISTE AS INTERIM REPORT

April – June 2023

MAIN EVENTS IN Q2 2023

April 28, 2023

Ülemiste City is the fastest growing economic region in Estonia

Ülemiste City has grown into Estonia's third largest economy, but in ten years it hopes to surpass Estonia's second largest city, Tartu. The key to the success of Ülemiste City is proper and continuous growth (companies and the campus development and both local and foreign talents) and cooperation with researchers (in Estonia 20–25% of companies cooperate with universities, in Ülemiste this figure is 50%). In addition, it is significant that 20–30% of all Estonian IT sector exports are produced in Ülemiste City, and last year the campus employees paid 3.4% of Estonian labor taxes.

May 10–11, 2023

Top international experts on the stage of Ülemiste City Future Forum

In May 10–11, the two-day Future Forum conference (Future Conference and EduFest) organized by Ülemiste City developers took place for the second time. This year, in addition to the three main themes of creating and implementing new business models, talent discovery and development, and green thinking as a new reality and business opportunity, the new theme was future trends. More than 50 performers took the stage, and altogether more than 500 people from nearly 15 countries participated. International and domestic companies, university lecturers, researchers and students, both start-ups and state representatives were involved. In addition, the NordPlus studytrip tour took place at the same time, which focused mainly on companies and universities to create a strong connection for future cooperation, this time focusing on fresh talents and their opportunities and careers in green business and digitalization.



May 30, 2023

Mainor Ülemiste and Elcogen extended the lease

Mainor Ülemiste and Elcogen have decided to extend the lease of the existing Valukoja 23 building. Over the past year, Elcogen has additionally invested in the building in order to increase production volumes, and the new Elcogen production building planned for the Suur-Sõjamäe 16 property will not be developed in this form.

June 7, 2023

The cornerstone was laid for the new Ülemiste City Health Center

Ülemiste City further expands the campus's health cluster and the range of health services with the second Health Center. On June 7, the corner stone of the 20 million euro building, which will be completed in a year at Sepapaja 12, was ceremoniously laid. The second building of the health center was designed in cooperation with What If OÜ, the architectural solution of the building was prepared by Apex Arhitektuuribüroo OÜ, interior architecture by Studio Argus OÜ and landscape architectural solution by Tajuruum OÜ. The main construction contractor is OÜ Fund Ehitus, and the financier is a syndicate of SEB and Luminor banks.

The new Health Center is a natural continuation of the first one, which was opened and successfully launched in 2020, and aims to create synergy through new services in the field of personal medicine, surgery, diagnostics and prevention and rehabilitation. The construction of the building was primarily based on its function – healing people, maintaining health and improving the quality of life.



June 12, 2023

The sixth Ülo Pärnits' scholarship issued

The Ülo Pärnits' scholarship was issued for the sixth year in a row, as seven students received the scholarship this year. During all these years, nearly 50 students have received the scholarship. Their innovative ideas and practical proposed solutions have been used both in the campus development and the wider area.



June 15, 2023

Ülemiste City started the construction of an international educational quarter

Mainor Ülemiste signed a contract with NOBE, a construction company belonging to the Nordecon Group, for the construction of the first stage of the Ülemiste educational quarter, where the International School of Tallinn will start working in early 2025, and the Ülemiste community building will be opened. NOBE won the new construction tender that was arranged for the changed project of the Ülemiste educational quarter, and in the first stage, they will construct the building of the International School of Tallinn with a gross area of nearly 6,000 square meters and the Ülemiste community building at Valukoja 9. The total cost of the construction is approximately 11.5 million euros without VAT. The new educational quarter brings even more international education to the campus, providing international and our talents with the most modern learning environment.



June 29, 2023

Ericsson Eesti AS to build a new next-generation smart manufacturing and technology hub in Ülemiste City

Intending to build a new carbon-neutral office and leading innovation center, Mainor Ülemiste AS signed a contract under the law of obligations with Ericsson Eesti AS for properties located on 52.5 thousand square meters in Ülemiste City in Tallinn.

"Ericsson has been a client of our office building since 2017 and a cooperation partner in the Future City Professorship. Therefore, we are pleased that Ülemiste City was chosen as their new location with a diverse talent community and range of services. In our vision, the innovation and development center gathering more than 2,200 talents fits very well in Ülemiste City as a modern office, living and learning environment – it complements the multifunctional campus and with their ambition to become carbon neutral by 2030 is in line with our sustainability goals. By bringing Ericsson's innovation unit to the campus, the influence of the Ülemiste region on Estonian export will expand significantly as Ericsson develops and produces breakthrough network products for the whole world," commented Ursel Velve, Chairman of the Board of Mainor Ülemiste AS and Chief Innovation Officer of Ülemiste City.

KEY FIGURES

Ülemiste City Key Figures (as of 30.06.2023)

Leasable space	218,100 square meters
Incl. leasable office space	167,300 square meters
Occupancy rate	91%
Incl. office's occupancy rate	92%

FINANCIAL PERFORMANCE

2Q 2023 - Net profit EUR 1,151 thousand

Net Sales and Net Profit

- Net sales amounted to EUR 4,278 th in the 2nd quarter, increase of 12.2% compared to the 2nd quarter of 2022
- Operating profit amounted to EUR 2,899 th in the 2nd quarter, increase of 8.0% compared to the 2nd quarter of 2022
- Net profit amounted to EUR 1,151 th, decrease of 38.8% compared to the 2nd quarter of 2022.

Expenses

- Operating expenses increased from EUR 2,155 th (2nd quarter 2022) to EUR 2,171 th in the 2nd quarter of 2023
- Interest expense on loans and issued bonds increased from EUR 819 th (2nd quarter 2022) to EUR 1,867 th.

Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 120,583 th. The Company's four largest creditors at the end of period were SEB Pank AS, Luminor Bank AS, OP Corporate Bank Plc, LHV Pank AS and COOP Pank AS.
- At the end of the reporting period, Mainor Ülemiste AS had EUR 13,627 th in untapped credit facilities.

STATEMENT OF THE MANAGEMENT BOARD

The financial and other additional information published in the Interim Report April-June 2023 is true and complete. Consolidated financial statements give a true and fair view of the actual financial position, results of operation and cash flows of the group.

Consolidated financial statements in the report for the period April-June 2023 are not audited.



Ursel Velve
CEO
Tallinn, 31.07.2023

CONSOLIDATED INCOME STATEMENT

(According to IFRS)

In thousands Euros

	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023
SALES	3 814	4 067	4 607	4 576	4 278
COST OF SALES	-1 325	-1 632	-2 318	-1 755	-1 348
ADMINISTRATIVE EXPENSES	-830	-789	-899	-865	-823
DEPRECIATION	-39	-40	-24	-34	-31
INCOME FROM ASSOCIATE COMPANIES*	1 058	1 164	1 011	1 202	826
OTHER OPERATING INCOME	7	3	4	11	3
OTHER OPERATING EXPENSES	-1	-6	-7	-4	-6
OPERATING PROFIT*	2 684	2 767	2 374	3 131	2 899
OTHER FINANCE INCOME	32	15	430	89	119
INTEREST PAID AND FEES	-819	-772	-963	-1 734	-1 867
INCOME TAX	-17	0	0	0	0
NET PROFIT*	1 880	2 010	1 841	1 486	1 151

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

CONSOLIDATED BALANCE SHEET

(According to IFRS)

In thousands Euros

	30.06.2022	30.09.2022	31.12.2022	31.03.2023	30.06.2023
TANGIBLE AND INTANGIBLE ASSETS	289	260	239	214	198
PROPERTY	176 874	181 459	196 780	198 279	200 870
OTHER	9 007	8 974	9 164	9 204	9 183
FINANCIAL ASSETS	47 318	48 482	58 855	58 097	57 999*
RECEIVABLES	2 308	2 200	2 348	2 029	1 910
CASH	12 003	10 856	10 832	19 362	12 367
TOTAL ASSETS	247 799	252 231	278 218	287 185	282 527
OWNERS' EQUITY					
SHARE CAPITAL	18 200	18 200	18 200	18 200	18 200
MANDATORY RESERVES	1 920	1 920	1 920	1 920	1 920
RETAINED EARNINGS	108 989	110 999	135 219	136 705	137 086*
TOTAL EQUITY	129 109	131 119	155 339	156 825	157 206
LIABILITIES					
DEBT	110 916	115 717	118 541	126 605	120 583
OTHER LIABILITIES	1 310	1 322	676	686	778
ACCOUNTS PAYABLE	6 464	4 073	3 662	3 069	3 960
TOTAL LIABILITIES	118 690	121 112	122 879	130 360	125 321
TOTAL LIABILITIES & OWNERS' EQUITY	247 799	252 231	278 218	287 185	282 527

* 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 31.12.2021	18 200	1 920	106 399	126 519
DIVIDENDS DECLARED			-1 580	-1 580
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			30 400	30 400
BALANCE AT 31.12.2022	18 200	1 920	135 219	155 339
DIVIDENDS DECLARED				
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			1 486	1 486
BALANCE AT 31.03.2023	18 200	1 920	136 705	156 825
DIVIDENDS DECLARED			-770	-770
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			1 151	1 151
BALANCE AT 30.06.2023	18 200	1 920	137 086	157 206

CONSOLIDATED CASH FLOW STATEMENT

In thousands Euros

OPERATING ACTIVITIES	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023
NET RESULT FOR THE PERIOD	1 880	2 010	1 841	1 486	1 151
ADJUSTMENT:					
DEPRECIATION	39	40	24	34	31
INCOME FROM ASSOCIATE COMPANIES	-1 058	-1 164	-1 011	-1 202	-826
FINANCIAL INCOME AND EXPENSES	819	772	963	1 646	1 747
CHANGE IN OPERATING ASSETS	-341	71	-333	335	140
CHANGE IN OPERATING LIABILITIES	1 712	-2 293	-646	-683	982
INTEREST RECEIVED	32	15	18	33	3
DIVIDENDS RECEIVED AND CASH RECEIVED FOR SHARES IN ASSOCIATE COMPANY	1 495	0	0	1 960	923
INTEREST PAID AND FEES	-819	-772	-963	-1 636	-1 747
NET CASH FLOW FROM OPERATING ACTIVITIES	3 759	-1 321	-107	1 973	2 404
INVESTING ACTIVITIES	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023
INVESTMENTS IN TANGIBLE AND INTANGIBLE ASSETS	-31	-41	-54	-9	-16
PROCEEDS FROM SALE OF TANGIBLE AND INTANGIBLE ASSETS	0	0	0	0	0
INVESTMENTS IN INVESTMENT PROPERTIES	-5 876	-4 586	-2 347	-1 499	-2 591
LOANS GRANTED	0	0	0	0	0
REPAYMENT OF LOANS GRANTED	0	0	0	0	0
ACQUISITION OF ASSOCIATES	0	0	0	0	0
CASH FLOWS FROM INVESTING ACTIVITIES	-5 908	-4 627	-2 401	-1 508	-2 607
FINANCING ACTIVITIES	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2022
BOND ISSUE/REDEMPTION	0	0	0	8 484	-6 377
INCREASE IN LONG-TERM LOANS	4 837	5 546	3 216	301	1 228
DECREASE IN LONG-TERM LOANS	-716	-745	-732	-719	-873
DIVIDENDS PAID	-1 580	0	0	0	-770
CASH FLOWS FROM FINANCING ACTIVITIES	2 541	4 801	2 484	8 065	-6 792
TOTAL CASH FLOW	393	-1 147	-24	8 530	-6 995
CASH AND CASH EQUIVALENTS AT PERIOD-START	11 610	12 003	10 856	10 832	19 362
CHANGE IN CASH AND CASH EQUIVALENTS	393	-1 147	-24	8 530	-6 995
CASH AND CASH EQUIVALENTS AT PERIOD-END	12 003	10 856	10 832	19 362	12 367



Mainor Ülemiste AS
Sepise 7
11415 Tallinn
Phone: +372 5304 6992
E-mail: info@mainorulemiste.ee
www.mainorulemiste.ee