

# Mainor Ülemiste AS

Interim Report

October – December 2019



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

# Main Events in the 4Q 2019

## OCTOBER

### **The first smart-crossing in Estonia was laid in Ülemiste City next to Öpik building**

For cars, the smart pedestrian crossing has a 360-degree conventional camera plus a lidar, and of course – radar. In addition, air quality sensors, a car counter and infrared sensor to detect road conditions. According to Ursel Velve, Head of Development at Mainor Ülemiste, ensuring security is one of the most important parts of campus development and the development is very fast - people and services are constantly coming in, new health center is about to be opened and the first homes and educational complex are under development.

## NOVEMBER

### **Opening of phase I of Ülemiste Health Center, developed by Mainor Ülemiste AS, together with the nationwide citizens' initiative for men's health - "Longer Friendship Day"**

Throughout November, over 10,000 men were expected to test their health across a wide range of friendships, work groups, training- or other hobby groups, and clubs and other groups as part of the "Longer Friendship Day". Together with the men's health project, phase I of Ülemiste Health Center, owned by Mainor Ülemiste AS, was opened. Currently, the Health Center is open on two floors and is home to family doctors, Medemis aesthetic dermatology clinic, Ülemiste City Eye Center, SYNLAB blood collection, diagnostics and Benu pharmacy. Special doctors, occupational health care, rehabilitation- and functional diagnostics services start operating in spring, and as common for an innovative environment, the final floor is dedicated to the future of medicine - the startups in the medical field.

## DECEMBER

### **Mainor Ülemiste starts construction of a new five-storey parking house with 453 parking spaces in Ülemiste City**

The parking house will be built at Sepise 8 and costs approximately EUR 3.5 million. The house was designed by the Architecture Bureau Pluss and the project will be completed by October 2020.

### **The largest parking house was completed in Ülemiste City**

A new parking house on Suur-Sõjamäe st was opened in Ülemiste City, which will be connected to a 12-storey office building to be completed in spring 2020. The six-storey parking house has a total area of 12,600 m<sup>2</sup> and places to fit up to 529 cars. Technopolis Ülemiste AS, a co-developer of Ülemiste City, invests approximately EUR 25 million in the construction of the office building and parking house.

## Ülemiste City Key Figures as of 31.12.2019

|                               |                       |
|-------------------------------|-----------------------|
| Rented space                  | 184,129 square meters |
| Incl. rented office space     | 128,057 square meters |
| Occupancy Rate                | 96.0 %                |
| Incl. Office's Occupancy Rate | 99.5 %                |

## 4Q Financial Performance

4Q 2019 – Net profit EUR 1,723 thousand

### Net Sales and Net Profit

- Net sales amounted to EUR 2,708 th in the 4<sup>th</sup> quarter, increase of 12.4 % compared to the 4<sup>th</sup> quarter of 2018
- Net profit amounted to EUR 1,723 th, increase of 3.5% compared to the 4<sup>th</sup> quarter of 2018

### Expenses

- Operating expenses increased from EUR 1,295 th (4<sup>th</sup> quarter 2018) to EUR 1,308 th in the 4<sup>th</sup> quarter of 2019
- Interest expense on loans and issued bonds amounted to EUR 730 th (4<sup>th</sup> quarter 2019), increase of 0.8% compared to the 4<sup>th</sup> quarter in 2018 (EUR 724 th)

### Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 86,511 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 8,300 th in untapped credit facilities

## Statement of the Management Board

The financial and other additional information published in the Interim Report October – December 2019 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 October – December 2019 are not audited.



Margus Nõlvak  
Member of the Management Board  
Tallinn, 31.01.2020

# Consolidated Income Statement

(according to IFRS)

*In thousands Euros*

| <b>Mainor Ülemiste AS</b>        | <b>4Q 2018</b> | <b>1Q 2019</b> | <b>2Q 2019</b> | <b>3Q 2019</b> | <b>4Q 2019</b> |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Sales</b>                     | <b>2 410</b>   | <b>2 693</b>   | <b>2 628</b>   | <b>2 535</b>   | <b>2 708</b>   |
| Cost of Sales                    | -756           | -864           | -743           | -667           | -671           |
| Administrative expenses          | -539           | -612           | -544           | -520           | -637           |
| Depreciation                     | -11            | -15            | -14            | -19            | -24            |
| Income from associate companies* | 1 191          | 1 253          | 760            | 1 057          | 1 068          |
| Other operating income           | 25             | 1              | 1              | 0              | 0              |
| Other operating expenses         | -7             | -4             | -3             | -1             | -3             |
| <b>Operating profit*</b>         | <b>2 313</b>   | <b>2 452</b>   | <b>2 085</b>   | <b>2 385</b>   | <b>2 441</b>   |
| Other finance income             | 75             | 13             | 17             | 13             | 12             |
| Interest paid and fees           | -724           | -501           | -604           | -485           | -730           |
| Income tax                       | 0              | -15            | 0              | 0              | 0              |
| <b>Net profit*</b>               | <b>1 664</b>   | <b>1 949</b>   | <b>1 498</b>   | <b>1 913</b>   | <b>1 723</b>   |

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

# Consolidated Balance Sheet

(according to IFRS)

In thousands Euros

| <b>Mainor Ülemiste AS</b>                     | <b>31.12.2018</b> | <b>31.03.2019</b> | <b>30.06.2019</b> | <b>30.09.2019</b> | <b>31.12.2019</b> |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Tangible and intangible assets                | 153               | 160               | 162               | 235               | 258               |
| Property                                      | 122 630           | 124 176           | 129 631           | 133 220           | 136 835           |
| Other   | 9 606             | 9 417             | 8 659             | 8 661             | 8 856             |
| Financial assets                              | 37 748            | 39 001            | 38 420            | 39 477            | 35 645 *          |
| Receivables                                   | 991               | 1 137             | 1 590             | 833               | 934               |
| Cash  | 9 620             | 9 646             | 11 988            | 10 542            | 12 937            |
| <b>Total assets</b>                           | <b>180 748</b>    | <b>183 537</b>    | <b>190 450</b>    | <b>192 968</b>    | <b>195 465</b>    |
| <b>Owners' equity</b>                         |                   |                   |                   |                   |                   |
| Share capital                                 | 19 200            | 19 200            | 18 200            | 18 200            | 18 200            |
| Mandatory reserves                            | 1 920             | 1 920             | 1 920             | 1 920             | 1 920             |
| Retained earnings                             | 78 919            | 80 869            | 80 966            | 82 879            | 84 602 *          |
| <b>Total equity</b>                           | <b>100 039</b>    | <b>101 989</b>    | <b>101 086</b>    | <b>102 999</b>    | <b>104 722</b>    |
| <b>Liabilities</b>                            |                   |                   |                   |                   |                   |
| Debt  | 77 807            | 78 791            | 82 807            | 85 309            | 86 511            |
| Other liabilities                             | 749               | 765               | 765               | 1 014             | 994               |
| Accounts payable                              | 2 153             | 1 992             | 5 792             | 3 646             | 3 238             |
| <b>Total liabilities</b>                      | <b>80 709</b>     | <b>81 548</b>     | <b>89 364</b>     | <b>89 969</b>     | <b>90 743</b>     |
| <b>TOTAL LIABILITIES &amp; OWNERS' EQUITY</b> | <b>180 748</b>    | <b>183 537</b>    | <b>190 450</b>    | <b>192 968</b>    | <b>195 465</b>    |

\* 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      |
| Dividends declared                      |               |                   | 0                 | 0            |
| Total comprehensive income for the year |               |                   | 1 949             | 1 949        |
| Balance at 31.03.2019                   | 19 200        | 1 920             | 80 869            | 101 989      |
| Payments to shareholders                | -1 000        |                   |                   | -1 000       |
| Dividends declared                      |               |                   | -1 400            | -1 400       |
| Total comprehensive income for the year |               |                   | 1 497             | 1 497        |
| Balance at 30.06.2019                   | 18 200        | 1 920             | 80 966            | 101 086      |
| Välja kuulutatud dividendid             |               |                   |                   | 0            |
| Aruandeperioodi koondkasum              |               |                   | 1 913             | 1 913        |
| Saldo 30.09.2019                        | 18 200        | 1 920             | 82 879            | 102 999      |
| Välja kuulutatud dividendid             |               |                   |                   | 0            |
| Aruandeperioodi koondkasum              |               |                   | 1 723             | 1 723        |
| Saldo 31.12.2019                        | 18 200        | 1 920             | 84 602            | 104 722      |

# Consolidated Cash Flow Statement

In thousands Euros

| <b>Mainor Ülemiste AS</b>  | <b>4Q 2018</b> | <b>1Q 2018</b> | <b>2Q 2019</b> | <b>3Q 2019</b> | <b>4Q 2019</b> |
|--|----------------|----------------|----------------|----------------|----------------|
| <b>Operating activities</b>  |                |                |                |                |                |
| Net result for the period  | 1 664          | 1 949          | 1 498          | 1 913          | 1 723          |
| Adjustment:  |                |                |                |                |                |
| Depreciation   | 11             | 15             | 14             | 19             | 24             |
| Income from associate companies                                      | -1 191         | -1 253         | -760           | -1 057         | -1 068         |
| Financial income and expenses  | 649            | 488            | 587            | 472            | 718            |
| Change in operating assets   | -366           | 89             | 399            | 475            | -456           |
| Change in operating liabilities                                      | -1 044         | -464           | 2 299          | -1 627         | -19            |
| Dividends received and cash received for shares in associate company | 308            | 0              | 1 341          | 0              | 4 900          |
| Interest paid and fees   | -724           | -501           | -604           | -485           | -890           |
| Income tax   | 0              | -15            | 0              | 0              | 0              |
| <b>Net cash flow from operating activities</b>                       | <b>-693</b>    | <b>308</b>     | <b>4 704</b>   | <b>-290</b>    | <b>4 932</b>   |
| <b>Investing activities</b>  |                |                |                |                |                |
| Investments in tangible and intangible assets                        | -52            | -7             | -31            | -69            | -64            |
| Proceeds from sale of tangible and intangible assets                 | 0              | 0              | 0              | 0              | 0              |
| Investments in investment properties                                 | -2 548         | -1 544         | -5 397         | -3 588         | -3 676         |
| Loans granted  | 0              | 0              | 0              | 0              | 0              |
| Repayment of loans granted   | 0              | 0              | 740            | 0              | 0              |
| Acquisition of associates  | 0              | 0              | 0              | 0              | 0              |
| <b>Cash flows from investing activities</b>                          | <b>-2 603</b>  | <b>-1 551</b>  | <b>-4 688</b>  | <b>-3 657</b>  | <b>-3 740</b>  |
| <b>Financing activities</b>  |                |                |                |                |                |
| Bond issue   | 0              | 0              | 0              | 0              | 0              |
| Increase in long-term loans  | 2 452          | 38 091         | 4 320          | 3 127          | 1 829          |
| Decrease in long-term loans  | -335           | -36 822        | -594           | -626           | -626           |
| Dividends paid   | 0              | 0              | -1 400         | 0              | 0              |
| <b>Cash flows from financing activities</b>                          | <b>2 117</b>   | <b>1 269</b>   | <b>2 326</b>   | <b>2 501</b>   | <b>1 203</b>   |
| <b>Total cash flow</b>   | <b>-1 178</b>  | <b>26</b>      | <b>2 342</b>   | <b>-1 446</b>  | <b>2 395</b>   |
| <b>Cash and cash equivalents at period-start</b>                     | <b>10 798</b>  | <b>9 620</b>   | <b>9 646</b>   | <b>11 988</b>  | <b>10 542</b>  |
| Change in cash and cash equivalents                                  | -1 178         | 26             | 2 342          | -1 446         | 2 395          |
| <b>Cash and cash equivalents at period-end</b>                       | <b>9 620</b>   | <b>9 646</b>   | <b>11 988</b>  | <b>10 542</b>  | <b>12 937</b>  |

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