

Mainor Ülemiste AS

Interim Report
July – September 2019



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

Main Events in the 3Q 2019

JULY

The most capacious project of the last year in Ülemiste City reached maximum height

In Ülemiste City, a new 12-storey representative building reached maximum height. The building is named after the academic Viktor Palm. Co-developer of Ülemiste City, Technopolis Ülemiste AS will invest nearly 25 million euros into the construction of the new representative building. This is the vastest project of the last year, which will bring additional 10,800 square meters of best working environment into the office space market in Tallinn, highly in demand nowadays.

AUGUST

Quarter of rental homes of Ülemiste City rental house booked a year before its completion

The Lurich house (Valukoja str. 10), where the raising of rafting was celebrated on 8th of August, will consist of two towers: a 13-storey part with rental homes and an 8-storey office tower.

"Top talent is long not lured in simply with money, he chooses the next job according to the quality of life that comes with the job," explained Margus Nõlvak, board chairman of Mainor Ülemiste. "The talent working in the international job market is waiting for a good working environment and a comfortable settling-in process, including easily found quality home. Ülemiste City with its comfortable rental apartments will help companies to stay in competition for such talents."

81 modern homes will be completely furnished, and the house will be fully automatic. Lurich house is developed by Öpiku Majad OÜ, a 100% subsidiary of Mainor Ülemiste AS. The sum of investments is 14.6 million euros, financed by OP Bank Plc Estonian branch. The total size of rentable space is 9,000m² and the building will be finished by the first half of 2020.

SEPTEMBER

Ülemiste City will bring a piece of tropics to Tallinn

The next biggest indoor beach in the Baltics will be opened in January. This indoor beach will bring a year-round possibility for relaxation to Ülemiste City. In Ülemiste Beach House, along with its six beach volleyball courts, one can also play beach tennis, -handball, - football, and other games suitable for the beach. On the 2,000 square meters of yearly round warm beach sand one can also have concerts and other important events.

According to the developer and leader of Mainor Ülemiste, Margus Nõlvak, the top talents don't choose their next job only according to money. They care about the living environment where they come to. "Ülemiste City will help its companies to stay on national competition, and if needed, we will bring a piece of tropics to Tallinn," Nõlvak explained.

Nominees for "Ettevõtluse Auhind (Entrepreneurship Award) 2019" were named

Nominees for the entrepreneurship award, given by Ettevõtluse Arendamise Sihtasutus (EAS) and Eesti Tööandjate Keskliit were named. The most desired title of the year was Aasta Uuendaja/Re-nower of the Year – the goal of this category is to acknowledge companies, who have accomplished economic success through development of updates. One of three nominees called out for this category was Mainor Ülemiste AS, developer of Ülemiste City.

Ülemiste City Key Figures as of 30.09.2019

Rented space	182,842 square meters
Incl. rented office space	126,737 square meters
Occupancy Rate	96%
Incl. Office's Occupancy Rate	99%

3Q Financial Performance

3Q 2019 – Net profit EUR 1,913 thousand

Net Sales and Net Profit

- Net sales amounted to EUR 2,535 th in the 3rd quarter, increase of 19.2% compared to the 3rd quarter of 2018
- Net profit amounted to EUR 1,913 th, increase of 14.7% compared to the 3rd quarter of 2018

Expenses

- Operating expenses increased from EUR 1,083 th (3rd quarter 2018) to EUR 1,187 th in the 3rd quarter of 2019
- Interest expense on loans and issued bonds amounted to EUR 485 th (3rd quarter 2019), decrease of 6.4% compared to the 3rd quarter in 2018 (EUR 518 th)

Interest-bearing liabilities

- Mainor Ülemiste AS interest-bearing liabilities amounted to EUR 85,309 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 9,500 th in untapped credit facilities

Statement of the Management Board

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



Margus Nõlvak
Member of the Management Board
Tallinn, 31.10.2019

Consolidated Income Statement

(according to IFRS)

In thousands Euros

Mainor Ülemiste AS	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019
Sales	2 127	2 410	2 693	2 628	2 535
Cost of Sales	-649	-756	-864	-743	-667
Administrative expenses	-434	-539	-612	-544	-520
Depreciation	-11	-11	-15	-14	-19
Income from associate companies*	1 127	1 191	1 253	760	1 057
Other operating income	6	25	1	1	0
Other operating expenses	-5	-7	-4	-3	-1
Operating profit*	2 161	2 313	2 452	2 086	2 385
Other finance income	25	75	13	17	13
Interest paid and fees	-518	-724	-501	-604	-485
Income tax	0	0	-15	0	0
Net profit*	1 668	1 664	1 949	1 498	1 913

* 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	30.09.2018	31.12.2018	31.03.2019	30.06.2019	30.09.2019
Tangible and intangible assets	101	153	160	162	235
Property	117 283	122 630	124 176	129 631	133 220
Other	9 352	9 606	9 417	8 659	8 661
Financial assets	35 504	37 748	39 001	38 420	39 477 *
Receivables	1 621	991	1 137	1 590	833
Cash	10 798	9 620	9 646	11 988	10 542
Total assets	174 659	174 659	183 537	190 450	192 968
Owners' equity					
Share capital	19 200	19 200	19 200	18 200	18 200
Mandatory reserves	1 920	1 920	1 920	1 920	1 920
Retained earnings	74 079	78 919	80 869	80 966	82 879 *
Total equity	95 199	100 039	101 989	101 086	102 999
Liabilities					
Debt	75 690	77 807	78 791	82 807	85 309
Other liabilities	789	749	765	765	1 014
Accounts payable	2 981	2 153	1 992	5 792	3 646
Total liabilities	79 460	80 709	81 548	89 364	89 969
TOTAL LIABILITIES & OWNERS' EQUITY	174 659	180 748	183 537	190 450	192 968

* 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
Dividends declared				0
Total comprehensive income for the year			1 913	1 913
Balance at 30.09.2019	18 200	1 920	82 879	102 999

Consolidated Cash Flow Statement

In thousands Euros

Mainor Ülemiste AS	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019
Operating activities					
Net result for the period	1 668	1 664	1 949	1 498	1 913
Adjustment:					
Depreciation	11	11	15	14	19
Income from associate companies	-1 127	-1 191	-1 253	-760	-1 057
Financial income and expenses	493	649	488	587	472
Change in operating assets	212	-366	89	399	475
Change in operating liabilities	-1 265	-1 044	-494	2 299	-1 627
Dividends received	308	308	0	1 341	0
Interest paid and fees	-518	-724	-501	-604	-485
Income tax	0	0	15	0	0
Net cash flow from operating activities	-218	-693	308	4 704	-290
Investing activities					
Investments in tangible and intangible assets	-46	-52	-7	-31	-69
Proceeds from sale of tangible and intangible assets	0	0	0	0	0
Investments in investment properties	-4 976	-2 548	-1 544	-5 397	-3 588
Loans granted	0	0	0	0	0
Repayment of loans granted	0	0	0	740	0
Acquisition of associates	0	0	0	0	0
Cash flows from investing activities	-5 022	-2 603	-1 551	-4 688	-3 657
Financing activities					
Bond issue	1 162	0	0	0	0
Increase in long-term loans	6 167	2 452	38 091	4 320	3 127
Decrease in long-term loans	-340	-335	-36 822	-594	-626
Dividends paid	0	0	0	-1 400	0
Cash flows from financing activities	6 989	2 117	1 269	2 326	2 501
Total cash flow	1 749	-1 178	26	2 342	-1 446
Cash and cash equivalents at period-start	9 049	10 798	9 620	9 646	11 988
Change in cash and cash equivalents	1 749	-1 178	26	2 342	-1 446
Cash and cash equivalents at period-end	10 798	9 620	9 646	11 988	10 542

Mainor Ülemiste AS
Valukoja 8/1
11415 Tallinn, Estonia
Phone: +372 5304 6992
E-mail: info@mainorulemiste.ee
www.mainorulemiste.ee