

UPP & CO Kauno 53 OÜ

Interim Report

January – March 2019

Main Events of 1Q 2019

Regular technical maintenance of the premises

Based on technical audit conducted by Cityservice, the premises are in good technical condition. Property management team has been continuing managing operational maintenance activities in order to solve tenant specific issues. The final goal is to preserve the premises in good condition.

Vacancy, payment behaviour and indexation

As of 31st of March 2019, there is no vacancy in the building and all rental and utilities payments are received in time from all tenants. In January, rent indexation was implemented on all tenants according to the lease agreements.

Quarterly interest payment

Interest for UPP & CO Kauno 53 OÜ bonds was paid on March 17th, 2019. Interest was paid to the investors who held the notes as of March 14th, 2019.

Portfolio valuation

In April United Partners initiated its logistics portfolio valuation. During this process the market value of Vievis LC shall also be updated. As of preparing this interim report, the full valuation reports have not yet been completed.

Financial Performance (consolidated)

1Q 2019 – Net profit **EUR 136 274**

Net Sales and Net Profit

- Net Sales amounted to **EUR 325 225** in 1st quarter
- Net Operating Income amounted to **EUR 319 022** in 1st quarter

Expenses

- Operating expenses amounted to **EUR 6 203** in 1st quarter
- Interest expense on loans and bonds issued amounted to **EUR 139 993**

Interest-bearing liabilities

- Bank loan repaid in 1st quarter **EUR 115 000**, loan outstanding **EUR 8 318 333**
- Issued bonds outstanding **EUR 4 700 000**

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- Issuer consolidated **1.25**

Statement of the Management Board

The financial and other additional information published in the Interim Report January – March 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 Company. According to the Terms and Conditions of the Note Issue, the Company confirms that during the interim report period there has been non-occurrence of an Extraordinary Early Redemption Event and according to Clause 3.4.12 of the Terms the Collateral is properly insured at all times.

Consolidated financial statements in the report for the period January – March 2019 are not audited.

Marko Tali
Member of the Management Board
Tallinn, 03.05.2019

Income Statement

(the Company, "Promalita" UAB and consolidated)

PROFIT/LOSS STATEMENT in euros	K53	Promalita 100%	Cons. 1Q 2019	Cons. YTD	Cons. 1Q 2018
Sales revenues	0	325 225	325 225	325 225	309 346
Other operating income	0	0	0	0	0
Total revenues from operating activities	0	325 225	325 225	325 225	309 346
Administrative expenses	-1 922	-1 719	-3 641	-3 641	-8 155
Personnel expenses	0	-84	-75	-75	-438
Depreciation of fixed assets	0	-2 478	-9	-9	-4 513
Total operating expenses	-1 922	-4 281	-6 203	-6 203	-13 106
Profit (loss) from operating activities	-1 922	320 944	319 022	319 022	296 240
Financial revenues (costs)	3 050	-143 043	-139 993	-139 993	-143 669
Net profit (loss) before taxation	1 128	177 901	179 029	179 029	152 571
Corporate income tax	0	-42 755	-42 755	-42 755	-39 548
Net profit (loss) of the period	1 128	135 146	136 274	136 274	113 023

Balance Sheets

(the Company, "Promalita" UAB and consolidated)

BALANCE SHEET	K53	Promalita	Cons.	Cons.
<i>in euros</i>		100%	31.03.2019	31.03.2018
ASSETS				
Current assets				
Cash and bank	81 136	124 109	205 245	68 495
Accounts receivable and prepayments	37 899	17 253	18 253	10 731
Total current assets	119 035	141 362	223 498	79 226
Non-current assets				
Long-term financial investments	3 200	0	0	0
Log-term loans	5 356 350	0	0	0
Real Estate investments	0	15 350 000	15 350 000	15 350 000
Fixed assets	0	19 401	19 401	33 796
Goodwill	0	1 280 818	1 280 818	1 280 818
Total non-current assets	5 359 550	16 650 219	16 650 219	16 664 614
TOTAL ASSETS	5 478 585	16 791 581	16 873 717	16 743 840
LIABILITIES AND EQUITY				
Current liabilities				
Short-term loans	0	460 000	460 000	345 000
Accounts payables and other settlements	80 632	77 085	120 573	118 950
Total current liabilities	80 632	537 085	580 573	463 950
Non-current liabilities				
Long-term bank loan	0	7 858 333	7 858 333	8 433 333
Long-term bonds	4 700 000	0	4 700 000	4 700 000
Long-term shareholder's loan	671 850	5 356 350	671 850	743 750
Long-term provisions	0	2 213 732	2 213 732	2 051 297
Total non-current liabilities	5 371 850	15 428 415	15 443 915	15 928 380
TOTAL LIABILITIES	5 452 482	15 965 500	16 024 488	16 392 330
EQUITY				
Share capital	2 500	2 500	2 500	2 500
Retained earning	23 603	823 581	846 729	349 010
Retained earning from previous periods	22 475	688 435	710 455	235 987
Retained earnings from current period	1 128	135 146	136 274	113 023
TOTAL EQUITY	26 103	826 081	849 229	351 510
TOTAL LIABILITIES AND EQUITY	5 478 585	16 791 581	16 873 717	16 743 840

Cash Flow Statement

(the Company, "Promalita" UAB and consolidated)

CASH FLOW STATEMENT in euros	K53	Promalita 100%	Cons. 1Q 2019	Cons. 1Q 2018
Profit from operating activities	-1 922	320 944	319 022	296 240
Amortization	0	2 478	2 478	4 513
Change in operating receivables and prepayments	-1 004	-7 513	-8 517	-1 887
Change in operating liabilities and advances	0	-12 429	-12 429	-9 775
Cash flows from operations	-2 926	303 480	300 554	289 091
Received interest	106 868	0	0	0
Cash flows from investments	106 868	0	0	0
Loans received and bonds issued	0	0	0	22 000
Repayments of loans and redeemed bonds	0	-115 000	-115 000	-115 000
Paid interest	-104 077	-142 784	-139 993	-167 341
Cash flows from financing	-104 077	-257 784	-254 993	-260 341
Total cash flows	-135	45 696	45 561	28 750
Cash at the beginning of period	81 271	78 413	159 684	39 745
Changes in cash	-135	45 696	45 561	28 750
Cash at the end of period	81 136	124 109	205 245	68 495

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