

PROKAPITAL

Results for the 2nd quarter and
6 months of 2019



Paolo Michelozzi
CEO



Angelika Annus
CFO

PROKAPITAL

Business highlights

T1 Mall of Tallinn



Rooftop Ferris-wheel opening in April

Tallinn



- Very active sales in **Kristina Houses**
- Active pre-bookings in **Kalaranna Residential Quarter**

Riga



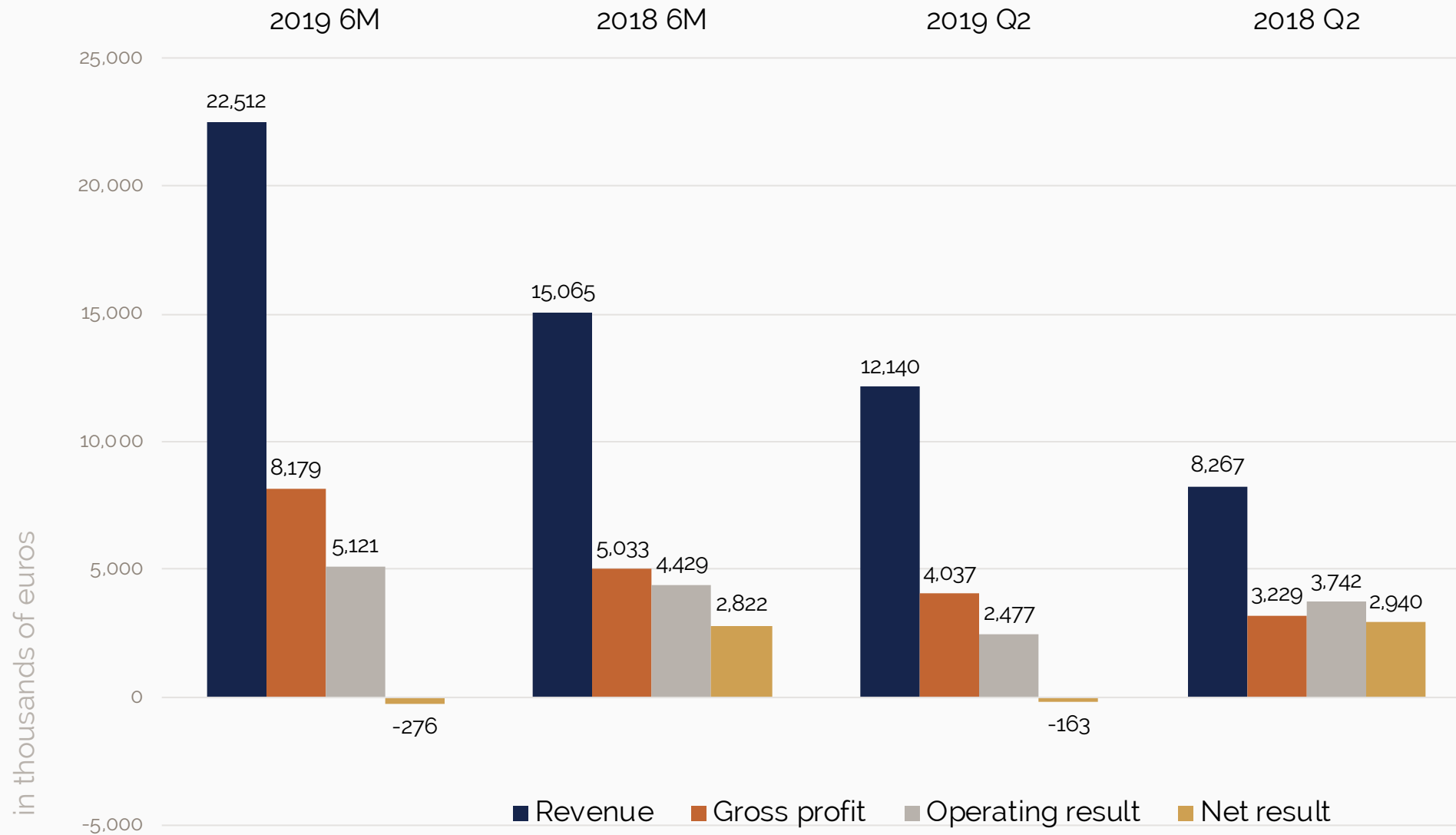
- Active sales in **River Breeze Residence** totalling to 4.2 mln € (incl. VAT) during 1st half-year

Vilnius



- Completion of 5 luxury residents in Šaltiniu Namai Attico
- one of the **first A++** in Lithuania

Financial highlights



Profit and loss statement

in thousands of euros

	2019 6M	2018 6M	2019 Q2	2018 Q2
CONTINUING OPERATIONS				
Operating income				
Revenue	22 512	15 065	12 140	8 267
Cost of goods sold	-14 333	-10 032	-8 103	-5 038
Gross profit	8 179	5 033	4 037	3 229
Marketing expenses	-294	-459	-152	-280
Administrative expenses	-2 775	-2 323	-1 422	-1 238
Other income	50	2 210	23	2 034
Other expenses	-39	-32	-9	-3
Operating profit	5 121	4 429	2 477	3 742
Financial income	2	2	1	1
Financial expense	-5 572	-1 661	-2 815	-802
Profit/ loss before income tax	-449	2 770	-337	2 941
Income tax	173	52	174	-1
Profit/ loss for the period	-276	2 822	-163	2 940
Attributable to:				
Equity holders of the parent	-129	2 870	-86	2 966
Non-controlling interest	-147	-48	-77	-26

Segments, 6 months y-o-y

in thousands of euros

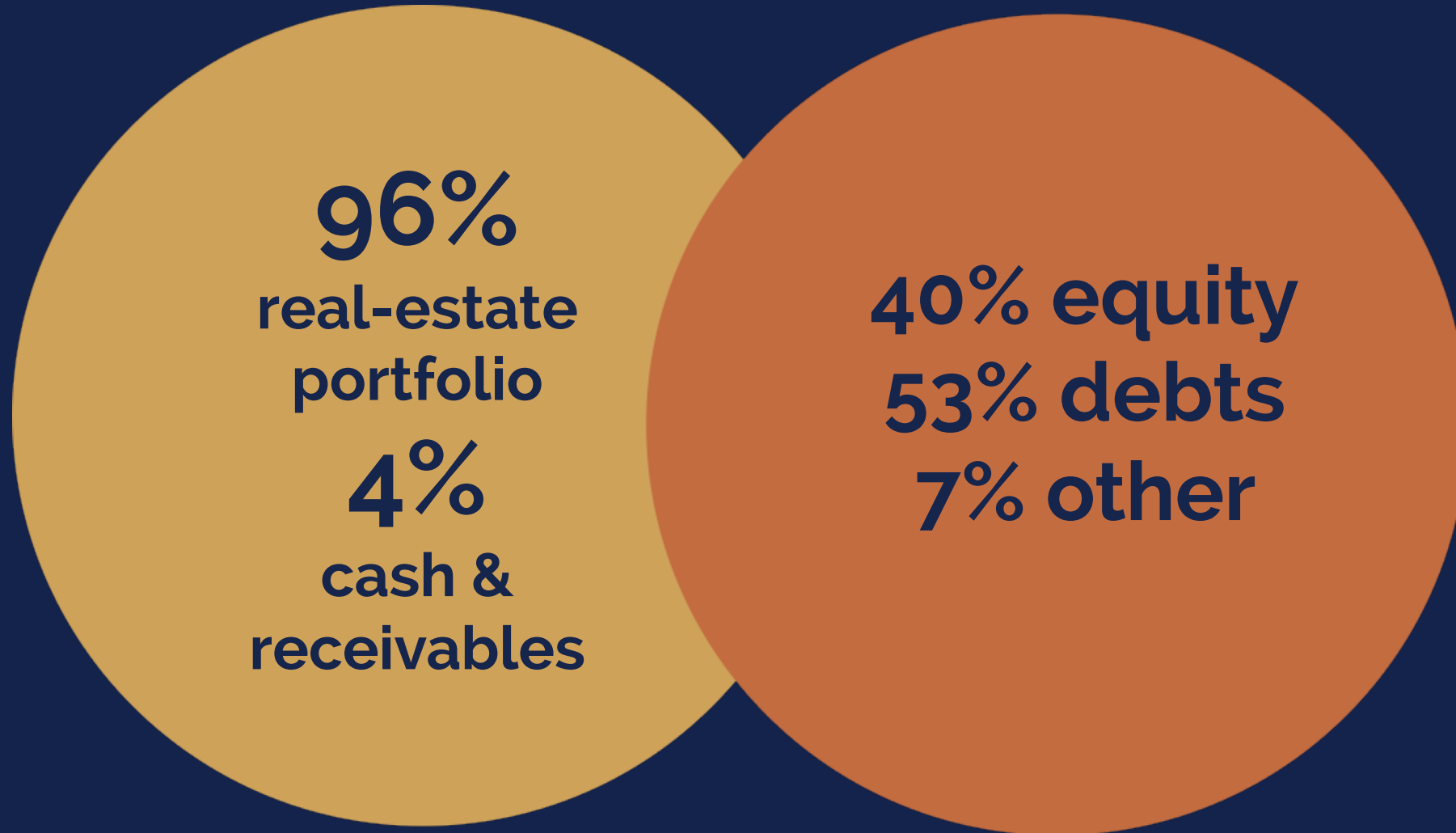
	EST	EST	LV	LV	LT	LT	GER	GER	Total	Total
	2019 6M	2018 6M	2019 6M	2018 6M	2019 6M	2018 6M	2019 6M	2018 6M	2019 6M	2018 6M
Real estate	5 970	8 095	3 903	3 841	5 609	403	0	0	15 482	12 339
Rent	4 937	4	35	36	35	67	0	0	5 007	107
Hotels	0	0	0	0	0	0	1 873	1 875	1 873	1 875
Maintenance	22	600	0	10	72	71	0	0	94	681
Other	28	0	11	50	17	13	0	0	56	63
Total	10 957	8 699	3 949	3 937	5 733	554	1 873	1 875	22 512	15 065

Segments, Q2 y-o-y

in thousands of euros

	EST	EST	LV	LV	LT	LT	GER	GER	Total	Total
	2019 Q2	2018 Q2	2019 Q2	2018 Q2	2019 Q2	2018 Q2	2019 Q2	2018 Q2	2019 Q2	2018 Q2
Real estate	1 505	3 028	1 528	3 841	5 551	215	0	0	8 584	7 084
Rent	2 435	3	18	18	15	42	0	0	2 468	63
Hotels	0	0	0	0	0	0	1 009	977	1 009	977
Maintenance	12	74	0	3	36	36	0	0	48	113
Other	13	0	6	18	12	12	0	0	31	30
Total	3 965	3 105	1 552	3 880	5 614	305	1 009	977	12 140	8 267

Balance sheet



Assets

Current assets	30.06.2019	30.06.2018
Cash and cash equivalents	4 102	6 711
Current receivables	2 856	3 153
Inventories	57 935	57 078
Total current assets	64 893	66 942
Non-current assets		
Non-current receivables	3 199	35
Property, plant and equipment	7 783	7 101
Investment property	172 757	123 390
Intangible assets	340	309
Total non-current assets	184 079	130 835
TOTAL ASSETS	248 972	197 777

in thousands of euros

Liabilities

	30.06.2019	30.06.2018
Current liabilities		
Current debt	39 788	9 319
Customer advances	4 932	5 070
Current payables	6 975	12 597
Tax liabilities	298	116
Short-term provisions	1101	7
Total current liabilities	53 094	27 109
Non-current liabilities		
Long-term debt	92 360	79 273
Other non-current payables	1 118	3 738
Deferred income tax liabilities	1 827	2 003
Long-term provisions	111	150
Total non-current liabilities	95 416	85 164
TOTAL LIABILITIES	148 510	112 273

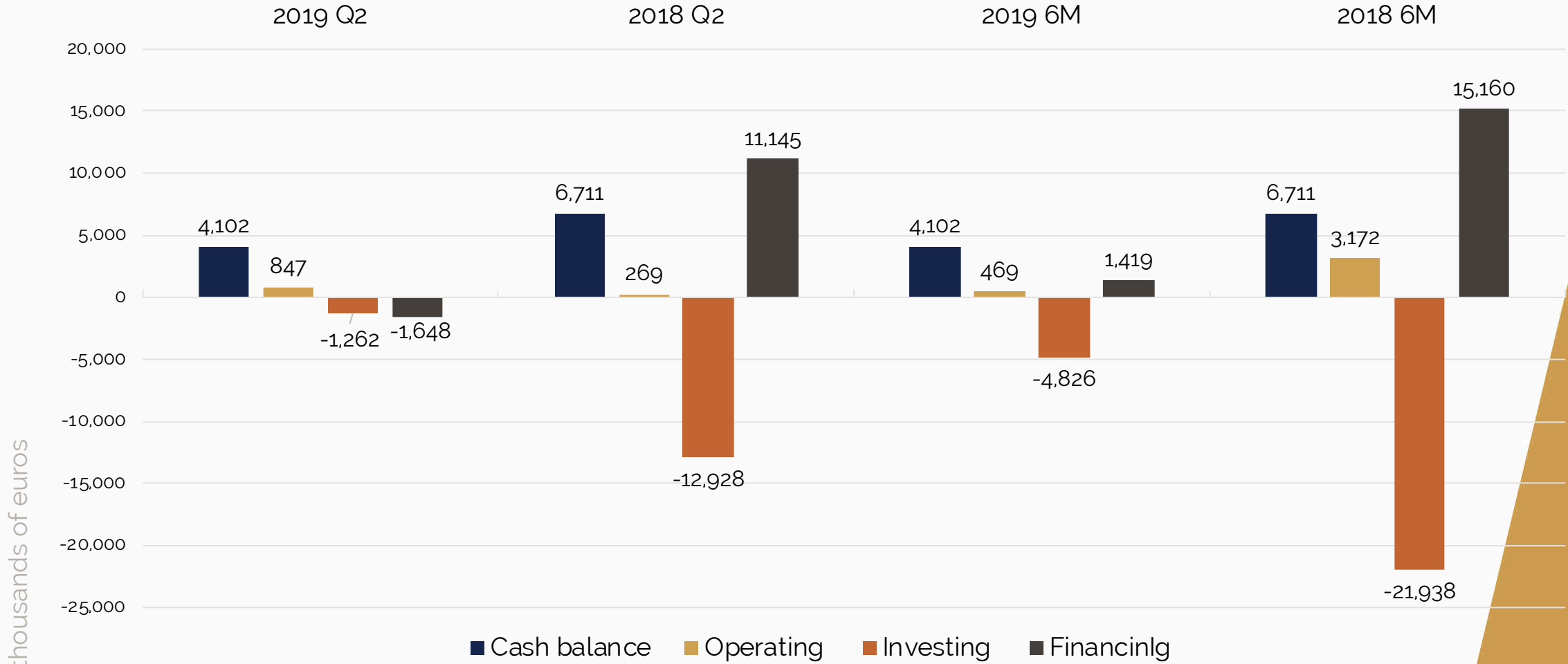
in thousands of euros

Equity

	30.06.2019	30.06.2018
Equity attributable to owners of the Company		
Share capital in nominal value	11 338	11 338
Share premium	5 661	5 661
Statutory reserve	1 134	1 082
Revaluation reserve	3 262	3 262
Retained earnings	76 663	59 944
Profit/ Loss for the period	-129	2 870
Total equity attributable to owners of the Company	97 929	84 157
Non-controlling interest	2 533	1 347
TOTAL EQUITY	100 462	85 504

in thousands of euros

Cash position



in thousands of euros



Operations

PROKAPITAL

The Baltic real-estate market

Estonia

- Growing market in middle-class and premium segment
- increasingly maturing and knowledgeable market with high expectations
- Well-balanced supply and demand

Latvia

- strongest growth in upper-middle class
- market demand is highly impacted by the local tax system and additional expenses
- Luxury segment is challenging – highly impacted by the concrete real-estate
- rational and practical market

Lithuania

- Fastest growing Baltic real-estate market in all segments
- 2019 excepted as peak year in luxury apartment sales
- Sustainability, developers reputation, the quality and uniqueness of the project highly valued

Estonia



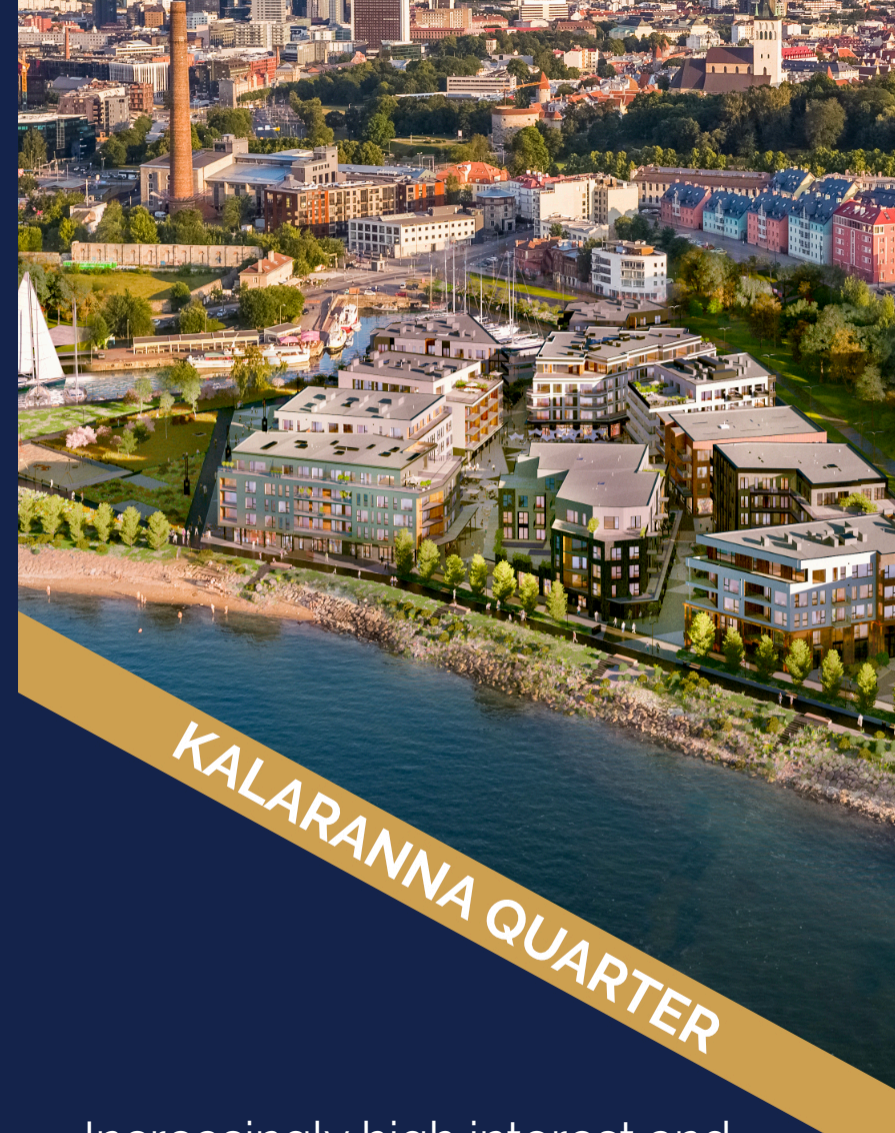
T1 MALL OF TALLINN

- rooftop **Ferris Wheel** opened in April 2019
- Increasing number of tenants



KRISTIINE CITY

Very active sales in the 3 last buildings of **Kristina Houses**



KALARANNA QUARTER

Increasingly high interest and active pre-bookings for the first phases of the Project

Lithuania



ŠALTINIŲ NAMAI ATTICO, VILNIUS

- Completion of **5 new premium houses in Šaltinių Namai Attico**
- One of the first project in Lithuania recognized with **A++ energy class** certificate
- 80% of apartments sold

Latvia



KLIVERSALA QUARTER AND RIVER BREEZE RESIDENCE, RIGA

- The sales of the luxury residences are ongoing and Q2 welcomed 2 sales
- The following phase of the Kliversala Residential Quarter is in progress of technical design

Thank you!

PROKAPITAL