



## Mercada's Financial Statements Release 1 January – 31 December 2021

### Solid operational performance during 2021

#### July-December 2021

- Net rental income decreased slightly to EUR 19.9 million (H2/2020: 20.5) mainly due to sale of three Swedish assets.
- Operating profit increased significantly to EUR 56.9 million (-2.6) mainly as a result of change in the fair value of investment properties.
- Profit for the period was EUR 35.6 million (-12.7).

#### January-December 2021

- Net rental income was 39.7 million (Year 2020: 40.5) and it decreased slightly due to sale of three Swedish assets.
- Operating profit increased significantly to EUR 79.3 million (16.2) mainly as a result of change in the fair value of investment properties.
- Profit for the period was EUR 44.7 million (-7.3).

### KEY PERFORMANCE INDICATORS<sup>1</sup>

		H2/2021	H2/2020	(%)	2021	2020	(%)
Gross rental income <sup>2</sup>	MEUR	23.6	24.3	-2.9	46.9	47.9	-2.0
Net rental income	MEUR	19.9	20.5	-2.8	39.7	40.5	-1.9
EBITDA	MEUR	19.5	20.1	-2.9	38.7	39.5	-2.0
Operating profit	MEUR	56.9	-2.6	n/a	79.3	16.2	390.8
Profit for the period	MEUR	35.6	-12.7	n/a	44.7	-7.3	n/a
Fair value of investment properties	MEUR	654.8	633.8	3.3	654.8	633.8	3.3
Occupancy rate <sup>3</sup>	(%)	99.0	99.0	0.0	99.0	99.0	0.0
Secured loan to value <sup>3</sup>	(%)	50.8	57.9	-12.4	50.8	57.9	-12.4
Interest cover ratio		5.18	4.38	18.3	5.18	4.38	18.3

<sup>1</sup> The figures are based on an unaudited consolidated financial statements prepared in accordance with Finnish GAAP and an IFRS bridge calculation prepared by Mercada's management. IFRS 16 Leases has not been applied due to loan covenant testing requirements. Changes from previous periods and totals are calculated from exact figures.

<sup>2</sup> Gross rental income including income from service charges

<sup>3</sup> Change in percentage points



**CEO Jari Koistinen:**

Mercada's operational performance remained stable in the reporting period 2021.

Mercada's operational performance continued stable during the reporting period of 2021. Pandemic situation affected the market throughout the year but company's portfolio that consists mainly of Kesko operated grocery anchored properties with triple-net lease agreements coped well with the challenging situation.

The considerable improvement in operating profit was mainly due to the significant change in the fair value of investment property.

Net rental income declined mostly because of the sale of Swedish assets but also covid-19 -related temporary concessions that were granted for some of the most affected tenants in shopping centres.

Despite the pandemic situation, our shopping centres maintained their competitive positions and outperformed the previous year in terms of both visitors and sales. Shopping centres Karisma and Veturi both continued with Breeam In-Use Excellent rated certifications.

During the first half of 2021 Mercada's wholly owned Swedish company Ankaregatans Fastigheter AB sold its shares in KR Fastigheter i Eskilstuna AB (K-Rauta Eskilstuna), KR Fastigheter i Halmstad AB (K-Rauta Halmstad) and KR Fastigheter i Umeå (K-Rauta Umeå).

After the sale of Swedish assets Mercada owns investment properties only in Finland. The focus of Mercada's possible future investments is on grocery-anchored real estates in Finland operated by Kesko.

The net proceeds from the sale of the Swedish assets enabled Mercada to repay its SEK denominated bank loan and additionally make an extraordinary prepayment of EUR bank loan in June. This enabled the continued improvement of the loan covenant key ratios, loan-to-value and interest coverage, further.

During the second half of 2021 Mercada refinanced its bank loans. Former bank loans were replaced with a new 5-year bullet repayment schedule bank loan. Also, a commitment for refinancing current bond at the maturity date in October 2022 was included in the arrangement. The new loan agreement has more favorable terms and will result in lower interest costs for Mercada.

For further enquiries, please contact: CEO Jari Koistinen, tel. +358 400 653 478



## CONDENSED BALANCE SHEET, IFRS

MEUR	31 December 2021
<b>ASSETS</b>	
Investment properties	654.8
Total non-current assets	654.8
Short term receivables	0.7
Cash and cash equivalents	9.1
Total current assets	9.9
<b>TOTAL ASSETS</b>	<b>664.7</b>
<b>EQUITY AND LIABILITIES</b>	
Shareholders' equity	132.9
Shareholders' loans	168.0
Bank loans	157.7
Deferred tax liabilities	24.9
Long-term liabilities total	350.6
Bond 10/2017	174.8
Other short-term liabilities	6.4
Short-term liabilities total	181.2
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>664.7</b>



## CONDENSED INCOME STATEMENT, IFRS

MEUR	H2/2021	2021
Gross rental income	23.6	46.9
Maintenance costs	-3.2	-6.7
Credit losses	0.0	0.0
Marketing expenses	-0.5	-0.6
<b>Net rental income</b>	<b>19.9</b>	<b>39.7</b>
Other operating expenses	-0.4	-1.0
<b>EBITDA</b>	<b>19.5</b>	<b>38.7</b>
Net gains/losses on sale of investment property	0.0	3.2
Net fair value gains/losses on investment property	37.4	37.4
<b>EBIT</b>	<b>56.9</b>	<b>79.3</b>
Net financial expenses and income	-12.3	-24.3
<b>Profit before taxes</b>	<b>44.7</b>	<b>55.1</b>
Current and deferred taxes	-9.1	-10.4
<b>Profit for the period</b>	<b>35.6</b>	<b>44.7</b>

## CONDENSED CASH FLOW STATEMENT, IFRS

MEUR	H2/2021	2021
Net cash from operating activities	3.2	12.8
Net cash used in investing activities	-0.5	19.4
Net cash used in financing activities	-2.0	-35.0
Change in cash and cash equivalents	0.7	-2.8
Cash and cash equivalents at period-start	8.5	11.9
Cash and cash equivalents at period-end	9.1	9.1