



# FULLYEAR 2018 RESULTS PRESENTATION

Lisbon, March 25<sup>th</sup> 2019



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FULL YEAR 2018  
RESULTS  
PRESENTATION

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# 01

## KEY HIGHLIGHTS

## KEY HIGHLIGHTS



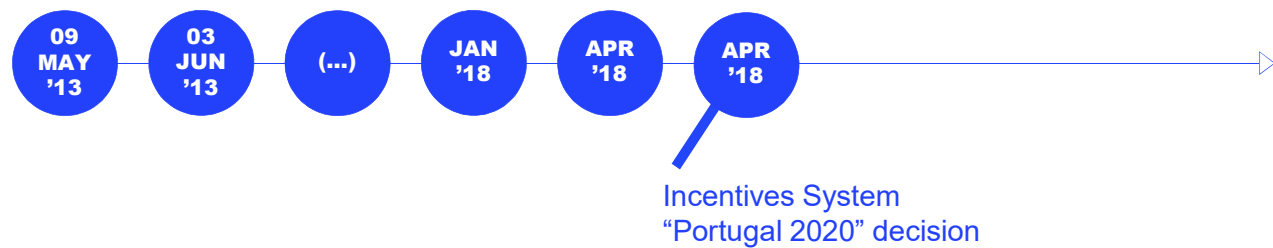
- GENERAL ASSEMBLY ELECTED THE GOVERNING BODIES FOR THE 2016/2018 PERIOD
- NEED FOR A NEW ELECTION FOR THE 2019/2021 PERIOD

## KEY HIGHLIGHTS



- WORKS OCCURRED BETWEEN APRIL AND AUGUST 2018
- TOTAL COST: € 160K

## KEY HIGHLIGHTS



UNFAVORABLE  
OPINION

- RENOVATION AND REFURBISHMENT OF THE CONFERENCE CENTER IS NOT FINANCIALLY VIABLE ON A STAND ALONE BASIS
- INVESTMENT PROJECT MUST BE ANALYSED AS A WHOLE

## KEY HIGHLIGHTS



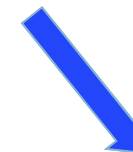
CMM Meeting



OUTLET



BUSINESS  
INCUBATOR

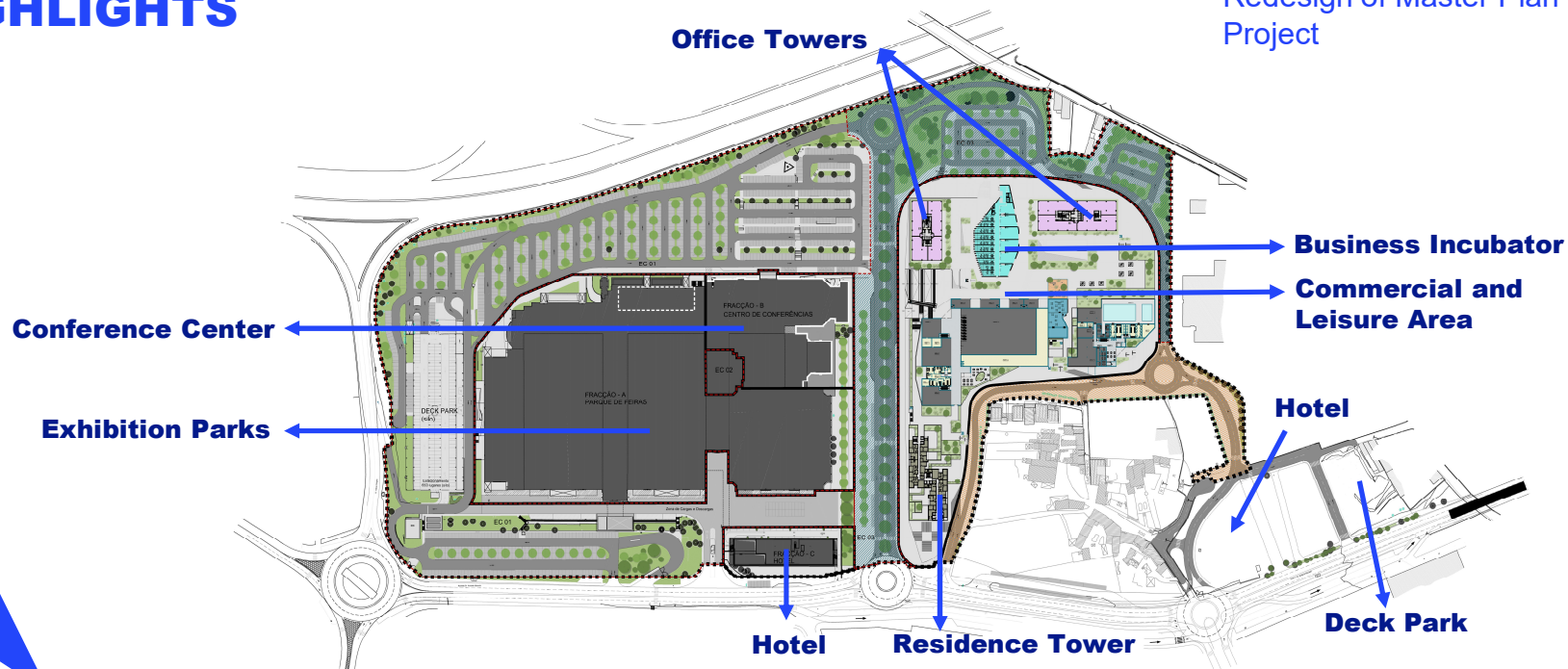




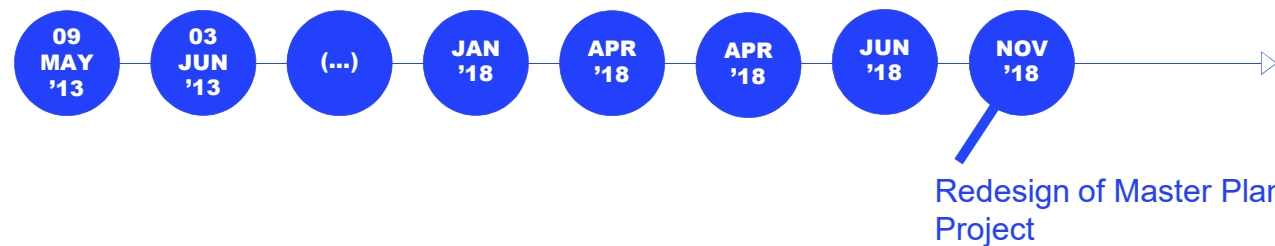
## KEY HIGHLIGHTS



Redesign of Master Plan Project



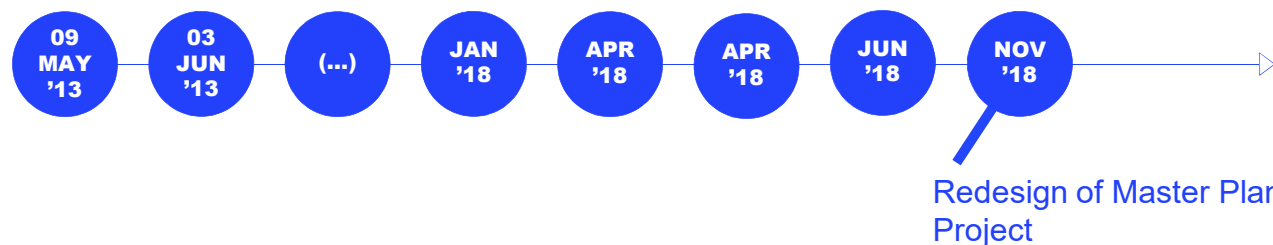
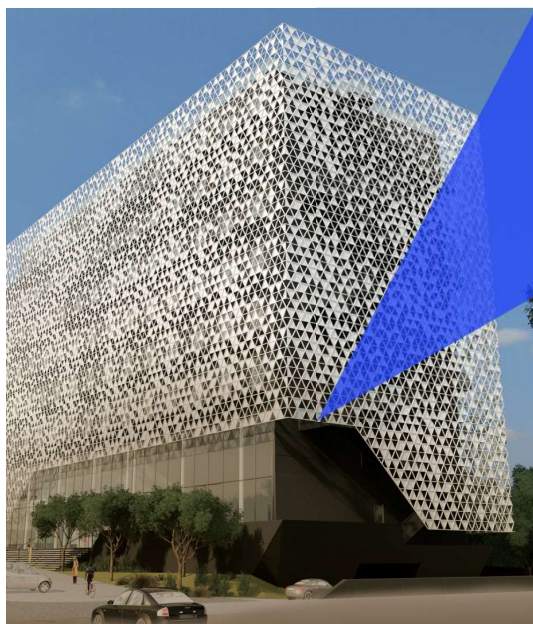
## / INVESTMENT PROJECT MATX II



Conference Centre renovation and refurbishment in a total area of 15.300 m<sup>2</sup>, comprising:

- Increase of current auditorium total capacity to 1.010 seats;
- 23 new conference rooms with areas from 30 sqm to 200 sqm, some of them connectable;
- Refurbishment of circulation/lobby areas on the ground floor and 1st floor with 2.700 m<sup>2</sup> and 1.740 m<sup>2</sup>;
- Complete renewal of the restaurant located on the ground floor, increasing its capacity to 250 seats;
- Renovation of the bar and the sandwich-bar support area on the ground floor;
- Installation of an esplanade next to the restaurant and sandwich-bar areas;
- General image restyling through the replacement of floors, walls, ceilings and furniture;
- Complete renewal of all the technical facilities;

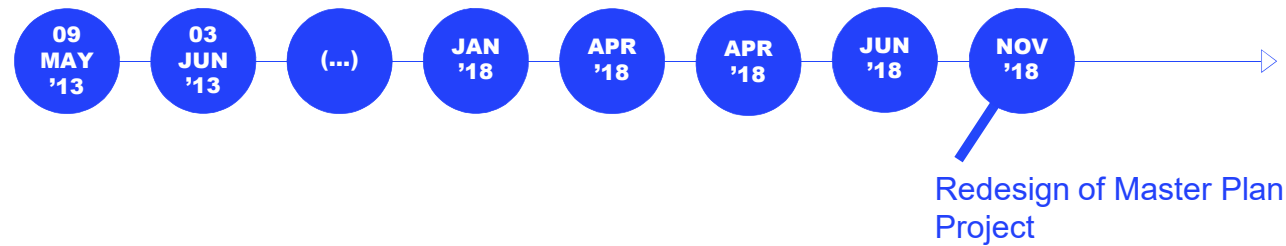
## INVESTMENT PROJECT MATX II



### High standard 4\* Hotel

- High standard four-star Hotel, with 160 rooms, within a gross construction area of 16.784,5 m<sup>2</sup>;
- The building, facing Av. Dr. António Macedo, is composed of 8 floors above ground and of 2 floors underground, the lowest of them connected by an underground tunnel to the Conference Centre, allowing the catering service between the Hotel and Conference Centre kitchens;
- The hotel has its own restaurant (with the capacity to 192 pax) and bar (with the capacity to 57 pax) that are at the 1st level;
- Besides all the usual facilities, the Hotel project also includes at the entrance level a ballroom for social ceremonies, 3 small meeting rooms for the guests and a gym at the 2nd level;
- The hotel will have double rooms that can be connected.

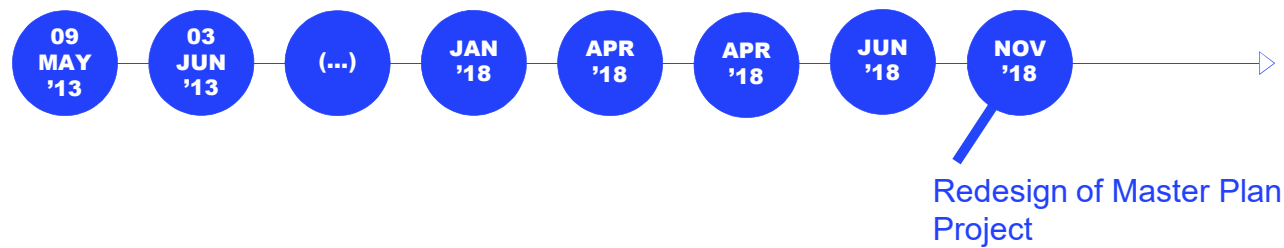
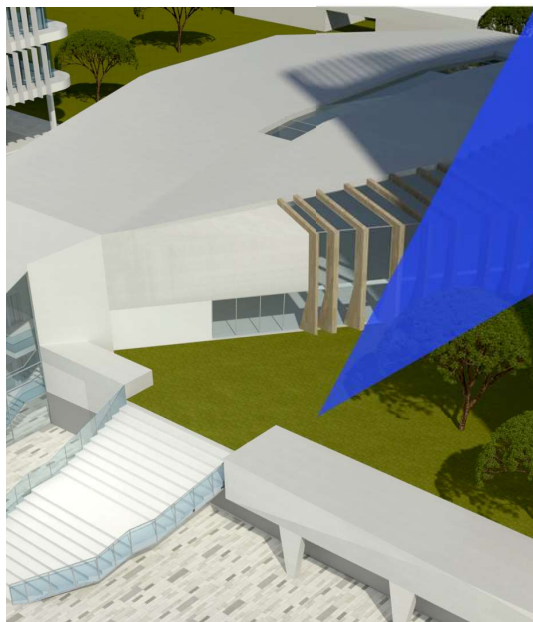
## / INVESTMENT PROJECT MATX II



### Office Towers

- 2 office towers with 41,163 m<sup>2</sup> of gross construction area and 17 levels;
- Buildings with direct physical connection to the indoor parking;
- The operational areas can work in full or be compartmentalized in smaller spaces which allows greater versatility to the client in space management.

## / INVESTMENT PROJECT MATX II

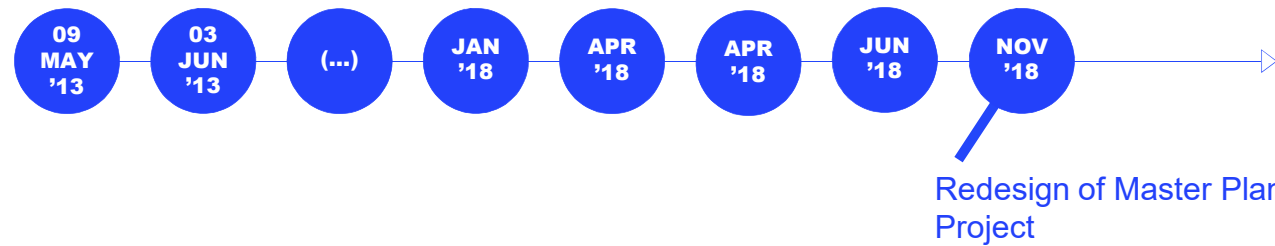


### Business Incubator

- Space to be called "Phoenix Nauticum", designed to operate in a host and incubation logic for companies and emerging services that lack a start-up space, for their entry into the market;
- The architectural piece is developed on two levels with offices of different sizes, which allows greater versatility to adapt to the needs and the market.



## / INVESTMENT PROJECT MATX II

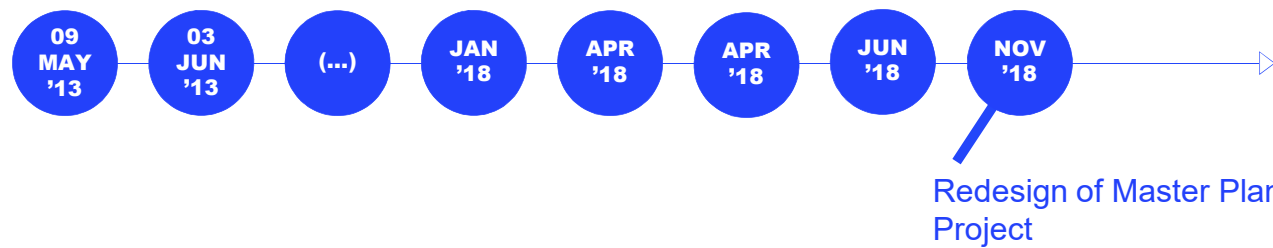


### Residence Tower

- Residence tower with 21,227 m2 of gross construction area;
- Developed in the shape of “S” and will have 17 floors of apartments;
- There will be 12 apartments per floor with different typologies;
- This building will have a direct physical connection with the indoor parking.

/

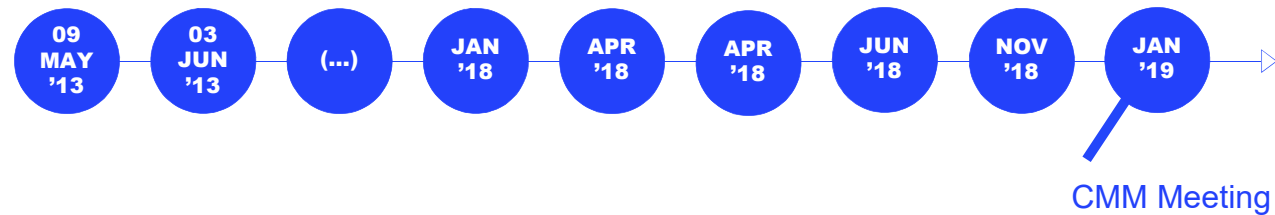
## INVESTMENT PROJECT MATX II



### Commercial and Leisure Area

- Commercial area, with 8.947 m2 on one floor (level 1);
- Space designed in order to receive retail and small commercial satellite spaces as well as a gym;
- Health Club designed to meet the physical and leisure needs of space users, whether they are based on the logic of workers in the office buildings, residents of the habitation tower or visitors from peripheral locations.

## KEY HIGHLIGHTS



- POLITICAL ACCEPTANCE OF ALL FEATURES INCLUDED IN THE MASTERPLAN
- NEXT STEPS:
  - PRESENT NEW PIP
  - REVIEW TRAFFIC STUDY
  - ENVIRONMENTAL IMPACT STUDY

# 02

## TENANT'S RELATIONS

## /

### **Tenant's Relations**

- TENANT CHOSE A LITIGATING STANCE, PREFERRING THE COURTS TO OPEN DISCUSSIONS WITH THE LANDLORD
- TENANT APPEALED TO THE COURT IN VARIOUS ISSUES
- SEVERAL COURT ACTIONS WERE CREATED ACCORDINGLY
- COSTS WITH LEGAL ADVICE HAVE INCREASED ACCORDINGLY



## / Exponor – Fiporto Injunction

<b>DATE</b>	July 2018
<b>SUBJECT</b>	Maintenance Expenses carried out between 2014 and 2015
<b>AMOUNT</b>	€ 175.496,46 plus Court Fee & Late Payment Interest, summing € 216.129,59 (until June 2018)
<b>NEXPONOR's RESPONSE</b>	The Fund never accepted the invoices and therefore does not recognise the debt + Made a Counterclaim requesting the payment of unduly paid invoices of € 145.991,72 plus Late Payment Interest
<b>STATUS</b>	Both Nexponor and Fiporto show no interest in reaching an agreement. The Injunction becomes a Court Action

## Exponor – Fiporto Declaratory Process

<b>DATE</b>	February 2019
<b>SUBJECT</b>	Infiltrations and poor operational conditions in the Conference Center
<b>CLAIM</b>	<ul style="list-style-type: none"><li>(i) Repair the infiltrations</li><li>(ii) Rent proportional reduction, since January 2016 until the infiltrations are repaired</li><li>(iii) Pay the amount of € 383.119,17 of rent reduction plus the amount charged until the infiltrations are repaired</li><li>(iv) Property damages of € 38.695,06 plus Non-Property damages of € 50.000,00 plus Late Interest</li></ul>
<b>STATUS</b>	Nexponor is currently preparing its response

## **Nexponor Declaratory Process**

<b>DATE</b>	January 2019
<b>SUBJECT</b>	Bank Guarantee
<b>CLAIM</b>	Comply with the terms defined in clause 15 of the Lease Contract
<b>STATUS</b>	Exponor-Fiporto concedes on presenting the required Bank Guarantee

# 03

## **FINANCIAL & OPERATIONAL PERFORMANCE**

## FY18 FINANCIAL AND OPERATIONAL PERFORMANCE

Smaller revaluation of real estate assets combined with an increase in total recurring costs, particularly in ES&S costs, led to a 64% decrease in Net Result to € 444,14 thousand.

FINANCIAL INDICATORS (€ THOUSANDS)	INCLUDING REAL ESTATE ASSETS REVALUATION EFFECT			EXCLUDING REAL ESTATE ASSETS REVALUATION EFFECT		
	'17	'18	Δ%	'17	'18	Δ%
RECURRING REVENUES	2 157.96	1 478.32	-31,5%	1 124.33	1 124.37	0,0%
RECURRING COSTS	740.57	822.59	11,1%	597.03	822.59	37,8%
RECURRING EBITDA	1 417.39	655.73	-53,7%	527.30	301.78	-42,8%
NET RESULT	1 234.94	444.14	-64,0%	314.84	86.27	-72,6%



## 2018 RECURRING REVENUES

IN 2018, **ASSETS REVALUATION** PERFORMED<sup>1</sup> LED TO GAINS OF C. € 354 THOUSAND

### RECURRING REVENUES (€ THOUSANDS)

	'17	'18	Δ%	Δ€
TOTAL	2 157.96	1 478.32	-31.5%	-679.64
REAL ESTATE INCOME (Rents)	1 124.33	1 124.37	0.0%	0.04
REAL ESTATE GAINS (assets revaluation)	1 033.64	353.95	-65,8%	-679.68
FINANCIAL OPERATIONS GAINS	0.00	0.00	-	0.00

#### RENTAL INCOME STABILISED

- rents updated in accordance with lease agreement
- telecommunications contract amendment pendent to signing

**€ 354** (THOUSANDS)

REAL ESTATE GAINS

<sup>1</sup> – Real estate assets valuation is obtained through annual revaluations performed by independent real estate appraisers

## / **2018 RECURRING REVENUES**

REAL ESTATE GAINS  
REPRESENTED 26,9% OF TOTAL  
RECURRING REVENUES

**76.1%**  
€1 124 thousand  
REAL ESTATE  
INCOME (Rents)

- REAL ESTATE INCOME (Rents)
- REAL ESTATE GAINS
- FINANCIAL OPERATIONS GAINS



**26.9%**  
€354 thousand  
REAL ESTATE GAINS

**0.00%**  
FINANCIAL  
OPERATIONS GAINS

RECURRING REVENUES AMOUNTED TO € 1 478 THOUSAND IN 2018,  
WITH REAL ESTATE INCOME (RENTS) REPRESENTING 76,1% OF TOTAL  
REVENUES (€ 1 124 THOUSAND) AND REAL ESTATE GAINS REPRESENTING 26,9% OF  
TOTAL REVENUES (€ 354 THOUSAND)

## 2018 RECURRING COSTS

TOTAL RECURRING COSTS  
INCREASED 11% DUE TO THE 69%  
INCREASE IN ES&S COSTS

### RECURRING COSTS (€ THOUSANDS)

	'17	'18	Δ%	Δ€
TOTAL	740.57	822.59	11.1%	82.02
COMISSIONS & FEES	281.23	289.97	3.1%	8.74
REAL ESTATE LOSSES	143.54	0.00	-100.0%	-143.54
FINANCIAL OPERATIONS GAINS	0.00	0.00	-	-0.00
EXTERNAL SERVICES & SUPPLIES	315.79	532.62	68.7%	216.82

**€ 216.82** (THOUSANDS)

#### ES&S COSTS INCREASE

Mainly due to the works on pavilion's 5 roof,  
governing bodies remuneration and listing  
sponsor costs

## / 2018 RECURRING COSTS

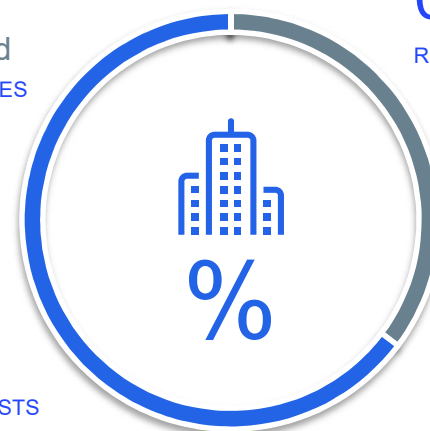
EXTERNAL SERVICES & SUPPLIES  
REPRESENTED 64,7% OF TOTAL  
RECURRING COSTS

**64.7%**  
€533 thousand  
EXTERNAL SERVICES  
& SUPPLIES

**0.00%**  
REAL ESTATE LOSSES

**0.00%**  
FINANCIAL  
OPERATIONS COSTS

**35.3%**  
€290 thousand  
COMISSIONS & FEES



● EXTERNAL SERVICES & SUPPLIES

● COMISSIONS & FEES

● REAL ESTATE COSTS

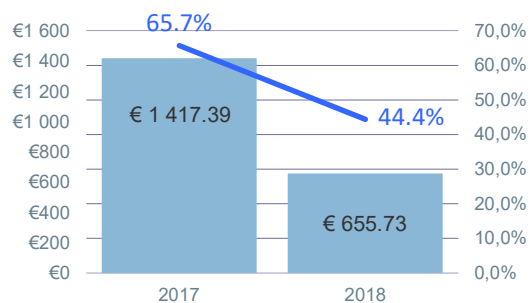
● FINANCIAL OPERATIONS GAINS

## 2018 RECURRING EBITDA

INCREASE IN ES&S COSTS LED TO A DECREASE IN BOTH RECURRING EBITDA AND EBITDA MARGIN

INCLUDING REAL ESTATE ASSETS  
REVALUATION EFFECT

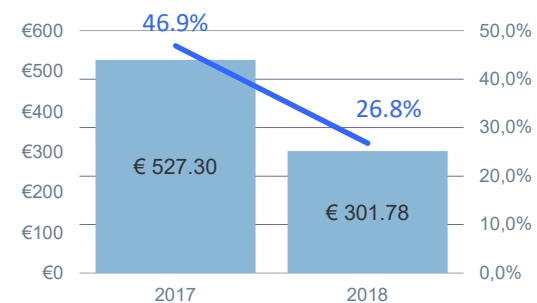
(€ THOUSANDS / %)	'17	'18
RECURRING EBITDA	1 417.39	655.73
EBITDA MARGIN	65.7%	44.4%



● RECURRING EBITDA MARGIN

EXCLUDING REAL ESTATE ASSETS  
REVALUATION EFFECT

(€ THOUSANDS / %)	'17	'18
RECURRING EBITDA	527.30	301.78
EBITDA MARGIN	46.9%	26.8%



● RECURRING EBITDA



## /

# 2018 CASH FLOW

DECREASE IN LIQUIDITY DUE TO  
PAYMENTS RELATED TO THE  
MASTERPLAN's REDESIGN

## CASH FLOW

(€ THOUSANDS)

	'17	'18
<b>FROM REAL ESTATE ACTIVITIES:</b>	<b>827.77</b>	<b>220.34</b>
Real estate income	1 114.33	1 124.37
FS&S in real estate assets	- 193.51	-341.09
Other payments related to real estate assets	- 93.05	-562.94
<b>FROM INVESTING ACTIVITIES:</b>	<b>-</b>	<b>-</b>
Shares subscriptions	-	-
Shares redemptions	-	-
<b>FROM OPERATING ACTIVITIES:</b>	<b>- 414.69</b>	<b>-510.50</b>
Deposits interests	0.29	0.21
Other receivables	0.00	3.67
Commissions & fees	- 258.10	-273.72
Taxes	- 40.65	-56.05
Other payments	- 116.24	-184.61
<b>NET CHANGE IN CASH</b>	<b>413.08</b>	<b>-290.16</b>
<b>CASH AT THE BEGINNING OF PERIOD</b>	<b>512.12</b>	<b>925.20</b>
<b>CASH AT THE END OF PERIOD</b>	<b>925.20</b>	<b>635.04</b>

## 2018 NAV & VALUE PER SHARE

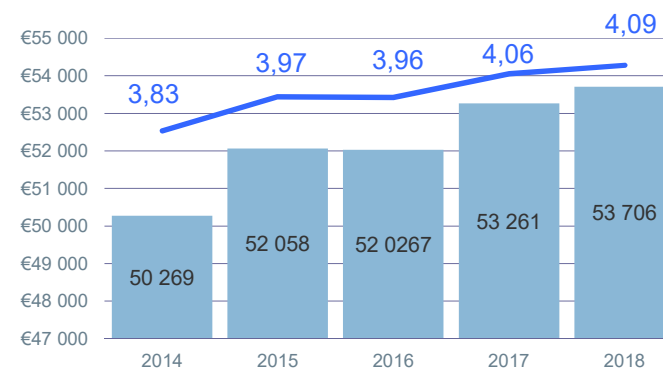
SUSTAINABLE  
VALUE PER SHARE  
GROWTH

### NAV & VALUE PER SHARE

(€ THOUSANDS) /  
(€ EURO)

	'14	'15	'16	'17	'18
NET ASSET VALUE	50 269.06	52 058.40	52 026.54	53 261.47	53 705.61
VALUE PER SHARE	3.83	3.97	3.96	4.06	4.09
NUMBER OF SHARES	13 124 240	13 124 240	13 124 240	13 124 240	13 124 240

● NET ASSET VALUES  
● VALUE PER SHARE



## /

# 2018 BALANCE SHEET

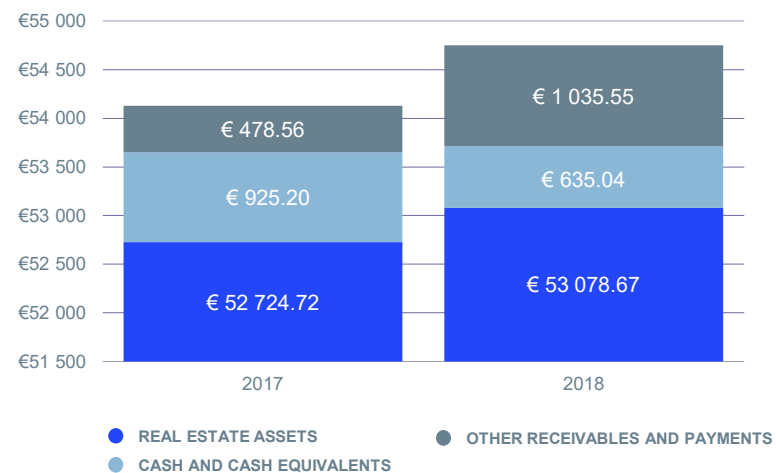
ASSETS GREW SUPPORTED ON REAL ESTATE ASSETS VALUATION AND OTHER RECEIVABLES AND PREPAYMENTS, OFFSETTING THE DECREASE IN CASH AND CASH EQUIVALENTS

## /

### ASSETS

(€ THOUSANDS)

	'17	'18
<b>TOTAL ASSETS:</b>	<b>54 128</b>	<b>54 749</b>
Real estate assets	52 725	53 079
Cash and cash equivalents	925	635
Financial assets at fair value through profit or loss	-	-
Other receivables and prepayments	479	1 036



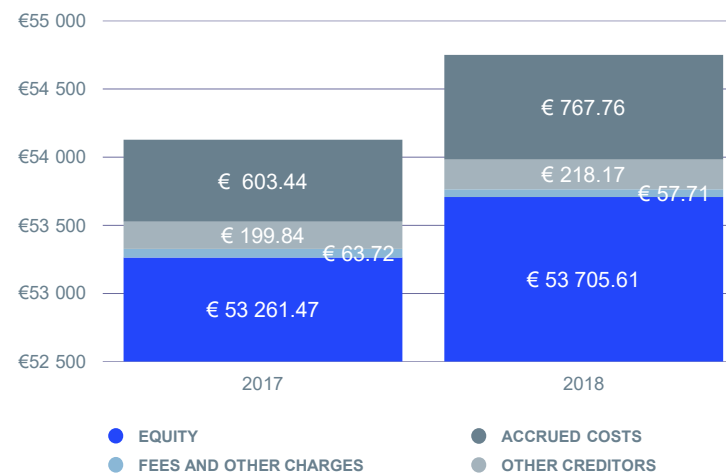
## 2018 BALANCE SHEET

LIABILITIES GREW MAINLY DUE TO ACCRUED COSTS INCREASE

### LIABILITIES & EQUITY

(€ THOUSANDS)

	'17	'18
<b>TOTAL EQUITY:</b>	<b>53 261</b>	<b>53 706</b>
<b>TOTAL LIABILITIES:</b>	<b>867</b>	<b>1 044</b>
Fees and other charges	64	58
Other creditors	200	218
Accrued costs	603	768
<b>TOTAL EQUITY &amp; LIABILITIES:</b>	<b>54 128</b>	<b>54 749</b>



## **2018 AUDITOR's REPORT**

- NEXPONOR's AUDITOR HAS NOT YET PRESENTED THE FINAL AUDITOR's REPORT
- CONSIDERING THE DRAFT ALREADY SENT, THE AUDITOR's REPORT WILL REFERE A RESERVE REGARDING THE ASSUMPTIONS USED BY THE INDEPENDENT REAL ESTATE APPRAISERS TO PERFORM THE REAL ESTATE ASSETS REVALUATION
- CONSIDERING THE DRAFT ALREADY SENT, THE AUDITOR VALUES NEXPONOR's REAL ESTATE ASSETS BETWEEN € 26.347.699 AND € 31.553.085, MEANING AN OVERVALUATION BETWEEN € 21.525.586 AND € 26.730.972
- SINCE REAL ESTATE ASSETS REVALUATIONS WERE PERFORMED BY INDEPENDENT REAL ESTATE APPRAISERS, REGISTERED IN CMVM AND COMPLYING WITH THE LEGISLATION, NEXPONOR's MANAGEMENT MADE NO CHANGES TO THE ACCOUNTS ELABORATED USING THE APPRAISERS VALUATIONS

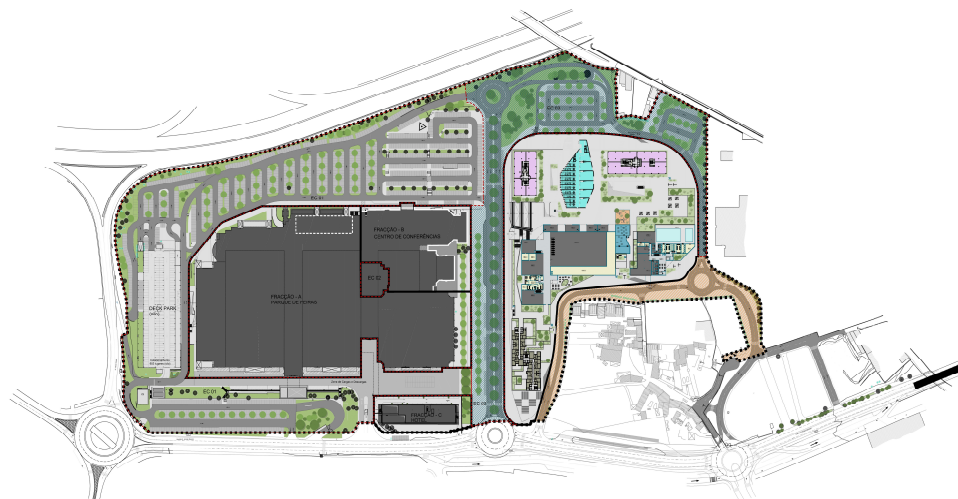
# 04

**2019 Outlook**



## 2019 OUTLOOK

- **MASTERPLAN's APPROVAL AND IMPLEMENTATION**



- **SMALL GROWTH IN REVENUES**
- **RECURRING EBITDA GROWTH**
- **SUSTAINABLE VALUE PER SHARE GROWTH**

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