

NOVIRA PLAZA

RIGA

Interim report Marijas 2 SIA



Reporting period July-September 2023

November 2023
Riga

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Highlights of the period

Marijas 2 SIA has successfully carried out a second public bond issue raising 3 MEUR with the seventh tranche of the secured bond program. Total raised amount equals 32 MEUR. Remaining amount of up to 13 MEUR will be raised in quarterly tranches until commissioning of the building. In addition to the public issue, bonds have been admitted to trading on the alternative market Baltic First North, a Multilateral Trading Facility (MTF) operated by AS Nasdaq Riga.

Financial advisors of the bond issue were Evernord UAB FMĻ and Redgate Capital AS, legal advice was provided by Law firm TGS Baltic ZAB SIA, issuing agent and escrow account agent was Šiaulių bankas AB. ZAB Vilgerts SIA is acting as Collateral agent.

Construction works of the first premises is in the final stage to be completed early December. The first stage encompasses the lobbies, entrances and ca 6,500 sqm of offices. The façade of the main building is 97% completed. The façade works of the smaller building are on-going and the general contractor expects to complete by January. Vacant premises will be completed in grey finishing, final finishing will be done according to tenants' needs after leasing out the premises. Since the beginning of the project, construction works in amount of 28.7 MEUR out of 47.5 MEUR have been performed (60% of total construction agreement value). Commissioning of the building is scheduled in Q4 2023. For optimisation purposes the developer is considering commissioning of smaller M2 building in Q1 2024. Handover of those premises has been scheduled in early 2024, so this decision will not affect company's business or the bond issue.

The agreements covering nearly 40% of the building have been signed with very reputable tenants. Interest towards building has grown significantly, advanced negotiations with several sizeable tenants are on-going.

Total investment into project as of 30.09.2023 is ca 50 MEUR.

Confirmation of the management board

The management board of Marijas 2 SIA gives their assurance that the Q3 2023 interim report provides a fair and accurate view of the Company`s operations, financial position and earnings.

The management board of Marijas 2 SIA confirms that Property is mortgaged and Escrow account is pledged in favour of the Collateral agent, collaterals remain in place and no other pledge or mortgage over company`s assets have been established; no assets have been alienated; no change of control has taken place; no unsubordinated liabilities other than shareholders` loan have been assumed; LTC ratio of development costs does not exceed 75%.

Q3 2023 interim financial report is unaudited.

Jolanta Jurga
Nikolay Kryzhanovskiy

Members of the board of Marijas 2 SIA

Statement of financial position

Balance sheet, EUR	30.09.2023	31.12.2022
Assets		
Cash and cash equivalents	7 401 683	9 932 144
Fixed assets*	51 498 411	35 311 699
Intangible assets	6 258	10 013
Deferred expenses	427 996	436 154
Other assets	57 766	113 847
Total assets	59 392 114	45 803 857
Equity and liabilities		
Equity		
Share capital	14 502 800	14 502 800
Retained earnings	-139 782	-173 021
Total equity	14 363 018	14 329 779
Liabilities		
Trade payables	92 696	46 339
Tenants' security deposits	347 603	84 620
Other short-term liabilities	20 493	61 403
Bonds	32 000 000	19 500 000
Bonds' interest	179 109	109 146
Amounts due to related companies	12 389 195	11 672 570
Total liabilities	45 029 096	31 474 078
Total equity and liabilities	59 392 114	45 803 857

*Fixed assets do not reflect real estate re-evaluation made as of 30.11.2022

Income statement

Income statement, EUR	Q3 2023	Q3 2022	3Q 2023	3Q 2022
Other income	44 240	0	84 423	0
Selling expenses	0	-24 720	-8 875	-30 164
Administrative expenses	-10 466	-19 309	-42 277	-61 255
Other operating expenses	0	-153	-30	-173
Profit/loss before corporate income tax	33 774	-44 182	33 241	-91 592
Corporate income tax	0	0	0	0
Current period's profit/loss	33 774	-44 182	33 241	-91 592

Current loss is common in active development projects because not all costs can be capitalized according to GAAP standard. Financing related costs include among other things the full difference between the bonds' issue and face values resulting in a higher accounting period's loss. Marijas 2 SIA board members have decided not to reflect the revaluation of real estate in the books so that the assets would match the invested amount and free cash.

Financial LTC ratio

LTC calculation, EUR	As of 30.09.2023
Project valuation as of 31.12.2021	22 650 000
Construction from 01.01.2022	21 601 876
Utilities tax from 01.01.2022	126 241
Technical design from 01.01.2022	863 840
Construction supervision from 01.01.2022	152 850
Utilities connections from 01.01.2022	57 405
Property tax from 01.01.2022	88 462
TOTAL	45 540 674
TOTAL nominal amount of outstanding secured Bonds less money on the Escrow Account	32 000 000
LTC	70,27%

Construction costs for the project

Construction works, EUR	As of 30.09.2023	Total contract	Completion
Underground	7 929 760	7 940 000	99,87%
Aboveground	20 720 993	39 500 000	52,46%
TOTAL	28 650 753	47 440 000	60,39%

Novira Plaza construction site as of 06.11.2023



