

NOVIRA PLAZA

RIGA

Interim report SIA "Marijas 2"



Reporting period July-September 2024

November 2024
Riga

Highlights of the period

SIA "Marijas 2" has successfully raised 42,78 MEUR under the new bond program. Remaining amount of up to 7,22 MEUR will be raised in tranches to finance fitout of the premises. The paperwork for admitting the bonds to trading is being prepared, bonds will be admitted to trading on the alternative market Baltic First North, a Multilateral Trading Facility (MTF) operated by AS Nasdaq Riga, before the end of November.

Financial advisors of the bond issue were Evernord UAB FMĮ 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.

After obtaining the usage permit for the whole complex, leased out premises have been completed and handed over to the tenants according to the lease agreements including the new branch of Luminor. The final major step of the development (besides the completion of fitout works) will be the legal merger of two buildings which is scheduled to be finalized by the end of the year.

Vacant premises have been completed in grey finishing; final finishing will be done according to tenants' needs after leasing them out. Construction works on the leased office premises have been completed; repairs of the defects are being finalised. Since the beginning of the project, construction works in amount of 41.5 MEUR out of 50.5 MEUR have been performed (82% of total amount of works).

The agreements covering ca 50% of the building have been signed with very prominent tenants. Eight premises, including two retail ones on the ground floor, have been rented out since the beginning of the year. Few premises are under advanced negotiations with reputable tenants.

Total investment into project as of 30.09.2024 is ca 67.5 MEUR.

Confirmation of the management board

The management board of SIA „Marijas 2” gives their assurance that the Q3 2024 interim report provides a fair and accurate view of the Company`s operations, financial position and earnings.

The management board of SIA „Marijas 2” 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; LTV ratio of development costs does not exceed 70%.

Q3 2024 interim financial report is unaudited.

Jolanta Jurga
Nikolay Kryzhanovskiy

Members of the board of SIA „Marijas 2”

Statement of financial position

Balance sheet, EUR	30.09.2024	31.12.2023
Assets		
Cash and cash equivalents	1 259 300	5 623 908
Fixed assets*	68 633 384	60 288 483
Intangible assets	1 252	5 006
Deferred expenses	0	332 883
Trade receivables	980 856	304 920
Other assets	289 789	70 164
Total assets	71 164 581	66 625 364
Equity and liabilities		
Equity		
Share capital	14 502 800	14 502 800
Retained earnings	-771 518	-159 679
Total equity	13 731 282	14 343 121
Liabilities		
Trade payables	424 045	57 280
Tenants' security deposits	586 057	84 620
Other short-term liabilities	140 082	61 403
Bonds	42 775 000	37 275 000
Bonds' interest	371 670	208 636
Amounts due to related companies	13 136 445	11 672 570
Total liabilities	57 433 299	49 359 509
Total equity and liabilities	71 164 581	63 702 630

*Fixed assets do not reflect real estate re-evaluations made as of 30.11.2022 and 30.11.2023

Income statement

Income statement, EUR	Q3 2024	Q3 2023	3Q 2024	3Q 2023
Turnover	525 648	0	906 052	0
Cost of sales	-264 810	0	-402 003	0
Gross profit	260 838	0	504 049	0
Other income	12 139	44 240	38 757	84 423
Selling expenses	0	0	-50 629	-8 875
Administrative expenses	-6 107	-10 496	-33 949	-42 307
Other operating expenses	-1	0	-690	0
Interest expenses	-1 069 375		-1 069 375	
Profit/loss before corporate income tax	-802 506	33 744	-611 837	33 241
Corporate income tax	0	0	0	0
Current period's profit/loss	-802 506	33 744	-611 837	33 241

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. SIA „Marijas 2” 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 LTV ratio

LTV calculation, EUR	As of 30.09.2024
Project valuation as of 30.11.2023	75 720 000
TOTAL nominal amount of outstanding secured Bonds	42 775 000
Balance of the pledged Escrow Account	17 032
LTV	56,47%

Construction costs for the project

Construction works, EUR	As of 30.09.2024	Total contract	Completion
Underground	7 940 000	7 940 000	100,00%
Aboveground	33 519 641	42 500 000	78,87%
TOTAL	41 459 641	50 440 000	82,20%