



AS "PN Project"

incorporated and registered in the Republic of Latvia with registration number 40203063602

AS "PN PROJECT" SUPPLEMENT NO.2 TO THE BASE PROSPECTUS DATED 24 APRIL 2025 (AS AMENDED) FOR THE PROGRAMME FOR THE ISSUANCE OF BONDS IN THE AMOUNT OF EUR 75 000 000

This supplement No. 2 (the "**Supplement**") to the Base Prospectus (as defined below) is prepared in relation to AS "PN Project" public bond offering up to EUR 75 000 000, to be listed and admitted to trading on Baltic Bond List of AS Nasdaq Riga and is supplemental to, and should be read in conjunction with the Base Prospectus for the programme for the issuance of bonds in the amount of EUR 75 000 000 and admission thereof to trading on Baltic Bond List of AS Nasdaq Riga, dated 24 April 2025 as amended (the "**Base Prospectus**").

This Supplement is a supplement within the meaning of Article 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Prospectus Regulation**"). Request to the Bank of Latvia has been made with respect to notifying the Estonian Financial Supervision Authority and the Bank of Lithuania of a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Regulation.

Unless otherwise stated or the context otherwise requires, terms defined in the Original Base Prospectus have the same meaning when used in this Supplement. As used herein, "Base Prospectus" means the Original Base Prospectus as supplemented by this Supplement.

Investment in bonds entails risks. While every care has been taken to ensure that the Base Prospectus presents a fair and complete overview of the risks related to the Issuer, the operations of the Issuer, and the Bonds, the value of investment in the Bonds may be significantly affected by circumstances that are either not evident at the date of approval of the Base Prospectus or not reflected in the Base Prospectus. Investment in the Bonds must be based on the Base Prospectus and related Final Terms as a whole. Hence, we ask you to study the Base Prospectus and Final Terms with care.

MiFID II product governance - solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients, and retail clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and respective retail clients are appropriate. Any person subsequently offering, selling or recommending the Bonds should take into consideration the manufacturer's target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Article 5f of Regulation (EU) No. 833/2014 (as amended by Council Regulation (EU) No. 2022/328) and Article 1f of Regulation (EC) No. 765/ 2006 (as amended by Council Regulation (EU) No 2022/398) prohibit the sale of euro denominated transferable securities issued after 12 April 2022 or units of undertakings for collective investment (UCIs) providing exposure to such transferable securities, to any Russian or Belarusian national, any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State or to natural persons holding a temporary or permanent residence permit in a Member State of the European Union, in a country member of the European Economic Area and Switzerland.

Neither this Base Prospectus nor any Final Terms constitute an offer to sell or a solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Furthermore, the distribution of this Base Prospectus and/or any Final Terms in certain jurisdictions may be restricted by law. Thus, persons in possession of this Base Prospectus and/or any Final Terms are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

TABLE OF CONTENTS

1	INTRODUCTORY INFORMATION.....	3
2	SUPPLEMENTARY INFORMATION TO THE BASE PROSPECTUS.....	3
2.1.	RISK FACTORS	3
2.3.	INTRODUCTORY INFORMATION	9
2.4.	BUSINESS OVERVIEW	9
2.5.	PROJECT PRESES NAMA KVARTĀLS	10
2.6.	PRINCIPAL MARKETS.....	14
2.7.	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES	19
2.8.	SELECTED FINANCIAL INFORMATION AND OPERATING DATA.....	20
2.9.	TERMS AND CONDITIONS OF THE BONDS	32
2.10.	TERMS AND CONDITIONS OF THE OFFERING	32
2.11	INFORMATION ABOUT THE COLLATERAL	33

1 INTRODUCTORY INFORMATION

The Supplement No. 2 to the Base Prospectus for AS "PN Project" updates and restates multiple sections of the Base Prospectus to reflect new information and developments. Key amendments include revised risk factors related to the current developments; updated financial information for the Group, including the Audited Financial Reports for the financial year ended 31 December 2024 and the Interim Financial Report for the 6-month period ended 30 June 2025; changes in the legal proceedings, confirming resolution of prior disputes; updates to the related party transactions; and information on the status and progress of the "Preses Nama Kvartāls" development project, including construction milestones. The supplement also revises terms related to the collateral securing the bonds and the offering structure, including provisions for exchange of the Existing Bonds.

With effect from the date of this Supplement, the information appearing in, or incorporated by reference into the Base Prospectus shall be amended and / or supplemented in the manner described below. References to page numbers are to the pages of the Base Prospectus.

The Issuer and the Management Board accepts responsibility for the information contained in this Supplement. The Issuer and the Management Board accepts responsibility for the correctness and accuracy of the information contained in this Supplement. Having taken all reasonable care, the Issuer and the Management Board believes that the information in this Supplement is, to the best of the Issuer's and the Management Board's knowledge, in conformity with the facts and excludes no information likely to affect the meaning of this Supplement. Since the publication of the Base Prospectus there have been no significant new factors, material mistakes or inaccuracies relating to the information contained in the Base Prospectus, save as disclosed in this Supplement.

signed with a secure electronic signature

Member of the Management Board

Igors Daņilovs

signed with a secure electronic signature

Member of the Management Board

Povilas Urbonavičius

Without prejudice to the above, no responsibility is accepted by the persons responsible for the information given in the Base Prospectus solely on the basis of the summary of any series issued under this Base Prospectus, including any translation thereof, unless such summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Base Prospectus, or where it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in Bonds.

2 SUPPLEMENTARY INFORMATION TO THE BASE PROSPECTUS

New information included in the Base Prospectus has become available, therefore, the following amendments and restatements are made to the Base Prospectus.

2.1. RISK FACTORS

Section 2.2. "Risk factors related to the industry of the Issuer" shall be deleted and restated as follows:

"Real estate and office market risk

Potential negative development of the Latvian real estate market could have a negative impact on both real estate market prices and market transaction volume. Even though around the date of the Base Prospectus the Latvian real estate market is considered as remaining stable, the real estate market's performance is intricately tied to economic conditions, including factors like inflation, interest rates, and geopolitical events, such as the war in Ukraine. In times of economic downturn, rental incomes decrease, and unemployment rises, posing challenges for securing solvent tenants and rent collection by the Issuer. This dynamic may result in declining asset prices, impacting the Issuer's financial standing and the value of real estate assets to be used as Collateral securing the Bonds.

Also, considering that the Phase A of the Project involves constructing a 28,300 m² A+ class commercial building, the conditions of the Riga office market shall contribute to the Project's success. Until now, the Riga office market has shown relative stability and according to Q4 2024 Colliers Riga Office Market Overview office take-up reached near-record 59,100 m² in 2023, while 2024 was only marginally lower at 53,300 m². According to Q2 2025 Colliers Baltic Real Estate Market Snapshot, take-up in the first half of 2025 exceeded 20,000 m², in line with the annual demand range of 40,000-50,000 m². Nevertheless, the office market can be subject to rapid volatility. Factors such as economic conditions, changes in supply and demand, geopolitical events, and shifts in technology can all contribute to fluctuations in the office real estate market. These fluctuations can affect rental rates,

occupancy levels, and property values, making the market susceptible to rapid changes. Therefore, there is no guarantee that the Issuer will succeed in finding tenants for office premises of the Project.

These factors collectively underscore the complexity of current market conditions and the challenges involved in securing full occupancy for the Project. Such conditions could significantly influence the Project's success, the financial standing of the Issuer, and thus, indirectly affect the Issuer's ability to repay the Bonds.

The Issuer considers real estate and office market risk as medium.

Risk related to competition and occupancy of the Project premises

The Issuer operates in Riga, Latvia, where the Project is located. Riga city has number of existing high- quality offices, and new office spaces continue to develop. Offices with existing presence have established relationships in the market, whereas the new entrants increase the competition, especially if they bring new and innovative concepts, technologies or competitive pricing. In addition, there is a growing tendency for co-working spaces that can affect the demand for traditional office spaces, particularly for smaller and medium sized enterprise segment. Saturated competition may increase pressure to attract tenants for the Project or reduce the rental rates in the market, which in turn, can reduce the Project profitability and return on the investment.

The A phase of the Project is scheduled to be completed in the middle of 2026 and only starting from this date, the first tenants will be able to move into the premises. The Issuer must ensure sufficient level of occupancy of the Project premises to generate the funds. The Management Company and the Issuer are currently making their best efforts in searching and attracting the tenants for the Project's premises, and number of lease agreements have been concluded with office and retail tenants at the date of this Base Prospectus. There are no indications of a slowdown in the real estate market in Latvia. The recent research suggests the occupancy rate of newly constructed offices exceeds 80%, underscoring a strong demand- supply dynamic, particularly in prime locations in Riga. Nevertheless, competition among developers of business centres remains intense, potentially making it challenging for the Issuer to attract tenants without offering discounts or making additional investments in furnishing the premises.

The Issuer considers risk related to competition and occupancy of the Project premises as medium."

Section 2.3. "Risk factors related to the Issuer's business" shall be deleted and restated as follows:

"Construction cost and Project success risk

Considering that the Issuer is raising financing for further completion and development of the Project, the obligations of the Issuer under the Bonds are subject to the Issuer's ability to complete the Project on time and repay its obligations.

The completion of the A and largest Phase of the Project is planned in 2026 (originally it was planned to complete constructions in 2023). Despite a change in the general contractor, the Project continues to progress successfully. However, the frequent changes in the global markets and the building materials supply chain, primarily due to the war in Ukraine and the related economic and geopolitical situation in the region, including instability in the energy market, (despite of the fact that the Project is being built as energy efficient and therefore, the Project is more resistant to fluctuations in energy prices), there is a remote risk of unexpected increase in construction costs. As of the time of this Base Prospectus, the Project is progressing within its budgetary constraints. However, it should be noted that should there be unexpected increases in construction costs, it may become necessary for the Issuer to secure additional funding through debt. However, obtaining this extra financing could be challenging for the Issuer due to various factors or inability to secure construction material required to complete the Project that may reduce the overall profitability of the Project, delay the completion of the Project or affect its timeline and as a result adversely affect the Issuer's plans, activities, financial situation, and ability to repay the Bonds.

At the date of this Base Prospectus and as detailed in Section 8.5 "Legal Proceedings", all litigations that the Issuer has previously been involved in with previous contractors have been concluded, and there are no ongoing legal proceedings involving the Issuer or the Subsidiary. Nevertheless, since the construction of the Project remains subject to various uncertainties, the Issuer cannot assure that it will avoid any further disputes with suppliers or maintain existing relationships, especially should a ground and a need for litigation arise on the side of the Issuer. Any such potential supply chain disruptions or damage to supplier integrity may result in significant costs, loss and reputation damage, potentially impacting the Issuer's profitability and ability to repay the Bonds in time.

The Issuer considers construction cost and Project success risk as medium.

Management and human resources risk

The Issuer's ability to repay the Bonds depend on the employees and management teams of the Issuer and Management Company, their decisions, competences and experiences.

The Issuer's success in further development and completion of the Project depends on qualified executives and employees of the Issuer with special expertise in the development, financing, engineering, construction, operation and maintenance of real estate projects. The Management Company's personnel are also contributing to the success of the Project. Therefore, given the combined Issuer's and Management Company's teams' expertise in the industry, their knowledge of the business processes and their relationships with local partners, the loss of the services of one or more of key individuals could have a material adverse effect on the Issuer's and/or Management Company's business, financial condition, results of operations or prospects.

Additionally, from time to time, executives, and other employees with technical or industry expertise may leave the Issuer and/or Management Company. The Issuer's and/or Management Company's failure to promptly appoint qualified and effective successors for such individuals or inability to effectively manage temporary gaps in expertise or other disruption created by such departures, could have a material adverse effect on the Issuer's and Management Company's business, financial condition, results of operations or prospects. Any long-term performance deficiencies that adversely affect the development of the Project may have an indirect negative impact on the Issuer's operations and financial standing.

The Issuer considers management and human resources risk as low."

Section 2.4. "Legal and regulatory risk factors" shall be deleted and restated as follows:

"Risk of legal disputes"

As disclosed in Section 8.5 "Legal Proceedings" of this Base Prospectus, all legal proceedings in which the Issuer has previously been involved with contractors have been concluded, and there are currently no ongoing legal proceedings involving the Issuer.

Nevertheless, there is no guarantee that there will be no future disputes with the Issuer's tenants, contractors or other parties, the outcome of which is inherently unpredictable. In the event that any such dispute were resolved unfavorably for the Issuer, this could affect the Issuer's financial standing, reputation and capacity to fulfil its obligations and therefore, also the Issuer's ability to repay the Bonds. This may additionally impact the attractiveness and liquidity of the Bonds.

The Issuer considers risk of legal disputes as low."

Section 2.6. "Risk factors related to the Bonds" shall be deleted and restated as follows:

"Early redemption risk"

According to the Terms and Conditions of the Offering of this Base Prospectus, the Bonds may be redeemed prematurely at the initiative of the Issuer. If the early redemption right (call option) is exercised by the Issuer, the rate of return from an investment into the Bonds may be lower than initially anticipated by the Investor since the potential investor may not be able to re-invest the proceeds of redemption in a comparable security at an effective interest rate compared to redeemed Bonds.

The Issuer considers early redemption risk as medium.

Refinancing risk"

With the proceeds from this Bond Programme, the Issuer intends to fully redeem the Existing Bonds and, upon such redemption, delete the prohibition mark and mortgage established for the benefit of UAB "AUDIFINA". As of the date of this Base Prospectus, all encumbrances in favour of AS "UPB" and UAB "YIT Lietuva" have been deleted from the Land Register, while the prohibition mark and mortgage securing the Existing Bonds in favour of UAB "AUDIFINA" remain in place and are expected to be released following full redemption of the Existing Bonds. In addition, a new mortgage and prohibition mark over the Property have been entered in the Land Register in favour of the Collateral Agent for the benefit of the Bondholders, securing the Bonds. A failure to secure full refinancing of the Existing Bonds would mean that the Collateral would rank below other mortgage and pledge marks. The Issuer considers refinancing risk as medium.

Liquidity risk

The Bonds are newly issued securities by the Issuer, currently lacking an active trading market, which may lead to potential illiquidity and price fluctuations. Their liquidity and value are closely linked to the Issuer's financial health and the success of the real estate project. If negative events occur, such as financial instability or Project setbacks, Bondholders may find it difficult to sell their Bonds on the secondary market.

Although application will be made for inclusion to listing and trading of Bonds on the Regulated Market, the establishment of an active trading market cannot be assured. The potential Investor should consider the fact that they may not be able to sell or may face difficulties in selling the Bonds on the secondary market at their fair market value or at all. Each prospective investor is encouraged to perform a comprehensive market analysis and assess the prevailing economic conditions that may impact the liquidity of Bonds. Furthermore, potential Investor should consider the potential influence of external market forces, legislative changes, or unforeseen economic events that could affect the secondary market for the Bonds.

The Issuer considers liquidity risk as medium.

Inflation risk

At the date of this Base Prospectus high inflation is viewed globally as one of the main macroeconomic factors posing significant risk to global economic growth and consequentially to the value of both equity and debt securities. Inflation reduces the purchasing power of a Bond's future interest and Nominal Value. Inflation may lead to higher interest rates which could negatively affect the Bonds price in the secondary market.

The Issuer considers inflation risk as low.

Interest rate risk

The Bonds bear interest on their outstanding Nominal Value at a fixed interest rate. While the interest rate of the Bond is fixed until redemption, the prevailing capital market rates change daily. If the market rates increase, the price and the demand for the Bonds might decrease, leading to losses if the Bonds are sold prior to maturity. Considering the high competition in the capital markets, it might be difficult for the Issuer to attract the required external financing for the completion of the Project. If the market interest rates increase, the market value of the Bonds may fall, the potential Investors may lose interest in the Bonds and it might be difficult to sell the Bonds on a secondary market.

The Issuer considers interest rate risk as low.

Risk related to transaction costs/charges

When the Bonds are purchased/subscribed or sold, several types of incidental costs are incurred in addition to the purchase/issue or sale price of the Bonds. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties and/or there might be other charges that could not be foreseen by the Issuer and disclosed in this Base Prospectus.

Moreover, changes to the laws and legal acts applicable in Latvia and/or the Investor's domicile, or the implementation of any new laws or other legal acts may cause additional expenses or taxes for the Investors and/or reduce the return on investment for the Investor.

The Issuer considers risk related to transaction costs/charges as low.

Offering cancellation and delisting risk

After registration of Bonds, the Issuer anticipates applying for admission to trading of Bonds on the Baltic Bond List of Nasdaq Riga. There is a risk that Nasdaq Riga will not accept the Bonds to be admitted to trading on the Baltic Bond List or order that the Bonds are de-listed from the Baltic Bond List prior to maturity after admission to trading, due to changes in Applicable Law and/or Nasdaq Riga regulations.

In addition, the Issuer is entitled to change the dates of the opening and closing of a Subscription Period of Bonds in accordance with this Base Prospectus and Final Terms. The Issuer will apply its best effort to ensure that the Offer of Bonds under this Base Prospectus occurs as initially planned, however, the Issuer cannot guarantee that the potential Investor who has subscribed for the Bonds will obtain the Bonds to which the potential Investor has subscribed for. Such changes in the dates of the Subscription Period, postponement or cancellation of the Offering of Bonds under any Tranche may negatively affect the investment plan of potential Investor.

The Issuer considers offering cancellation and delisting risk as low.

Risk of bond suitability as a financial instrument

The suitability of the Bonds as an investment may vary among potential Investors. Prior to investing, each potential Investor should thoroughly evaluate their individual circumstances, ensuring they possess adequate financial resources and liquidity to withstand potential risks associated with the Bonds, including the possibility of losing a substantial portion of their invested capital.

It is imperative that Investors possess the requisite knowledge and experience to assess the merits and risks of the Bonds, as well as access to appropriate analytical tools to evaluate their impact on their overall investment portfolio. Additionally, Investors should understand the terms of the Bonds, familiarize themselves with relevant market behaviour, and consider various economic and interest rate scenarios. Notably, the Issuer does not undertake an assessment of the Bonds' suitability for prospective investors, thus subscribing directly through the Issuer without conducting thorough evaluation may result in an unsuitable investment decision.

The Issuer considers risk of bond suitability as a financial instrument as low."

Section 2.7. "Risk factors related to the Collateral" shall be deleted and restated as follows:

"Risks related to existing mortgages and pledge marks

At the date of this Base Prospectus, several pledge marks, prohibition marks and mortgage claims to the Property had previously been registered in the Land Register in favour of UAB "AUDIFINA", AS "UPB" and UAB "YIT Lietuva". As of the date hereof, all encumbrances in favour of AS "UPB" and UAB "YIT Lietuva" have been deleted from the Land Register, while the prohibition mark and mortgage securing the Existing Bonds in favour of UAB "AUDIFINA" remain in place and are expected to be released upon full redemption of the Existing Bonds. Management Board of the Company expects that such release will be affected in connection with the refinancing of the Existing Bonds through the proceeds of this Bond Programme.

For the benefit of the Bondholders, a new mortgage and prohibition mark over the Property have been entered in the Land Register in favour of the Collateral Agent. Until the prohibition mark and mortgage in favour of UAB "AUDIFINA" are removed, such encumbrances will continue to affect the Property, and only upon their release will the Collateral securing the Bonds remain as the sole encumbrance. If the Issuer fails to redeem the Existing Bonds and procure the release of the UAB "AUDIFINA" security, the Bonds may remain subordinated to the Existing Bonds, which may affect the Bondholders' ability to recover their invested capital.

The Issuer considers risks related to existing mortgages and pledge marks as medium.

Risks related to registration of the Collateral

The Base Prospectus previously provided that the Collateral would be registered within 60 Business Days following the issuance of the first Tranche of the Bonds, which reflected standard market practice in the bond market. Consequently, during such period the Bonds were expected to remain unsecured and not backed by any collateral.

As of the date of this Base Prospectus, the recovery notation in favour of AS "UPB" has been removed from the Land Register. In addition, a new mortgage and prohibition mark over the Property have been entered in the Land Register in favour of the Collateral Agent for the benefit of the Bondholders, thereby securing the Bonds. The Collateral secures the Bonds up to a maximum amount of EUR 82,500,000; however, the actual secured amount is registered in accordance with the total aggregate amount of Bonds issued under the Programme at the time, as specified in the Final Terms of each Tranche. The Issuer assesses the risk associated with the registration of the Collateral as low.

Risk of insufficient value of the Collateral

The Bonds issued under this Base Prospectus will be secured by the Collateral. The maximum amount of secured claim of the Collateral will be up to EUR 82 500 000 for the benefit of the Bondholders, with the claim amount specified in the Final Terms of the respective Tranche according to the total aggregate amount of Bonds issued under the Programme at the time. The real estate Property is being currently developed and constructed in Latvia. As a result, the value of the Collateral (once the Collateral is created) will directly depend on the construction progress and successful completion of the Project and in case of the Issuer's default before the end of construction stage the value of the Collateral could be not high enough to cover Issuer's obligations to the Bondholders.

In addition, in case of negative development of Latvian real estate market and resulting significant drop in the value of the Collateral even after completion of the Project, the value of Collateral could be not high enough that all claims of the Bondholders could be satisfied. Please note that pursuant to the real estate valuation report of SIA "NEWSEC VALUATIONS LV" dated 15 November 2024, the estimated market value of the Property by 30 September 2024 was EUR 62 610 000. Value of the

Property that is subject to the Collateral is expected to increase following the construction progress and successful completion of the Project.

Notably, value of the Collateral may vary from time to time, however in case of enforcement, the claims of the Bondholders will be satisfied on behalf of the Collateral Agent from the value of the Collateral existing at the time of the Collateral realization that is determined and carried out in accordance with the relevant laws of Latvia. It shall be noted that in case of enforcement, the foreclosure of the relevant Collateral may be prolonged (for example, it may be hard to find buyers of the Collateral).

Moreover, the funds received upon realization of the Collateral as a first priority will be used for the satisfaction of and payment of all costs and expenses (including, without limitation, Collateral Agent's fees, state duties, notary fees) related to or arising from enforcement (realization) of the Collateral incurred by the Collateral Agent as provided by the Collateral Agent Agreement and Base Prospectus. Hence, the Bondholders will receive only the remaining amounts after satisfying the respective claims.

The Issuer considers risk of insufficient value of the Collateral as medium.

Risks related to amendments to laws and regulations

There is a general risk that amendments to laws and regulations governing Collaterals, which secure the Bonds, as well as laws and regulations governing rights and obligations of the Collateral Agent may introduce uncertainty to Bondholders. Namely, there is a general risk that regulatory changes may affect the enforceability of Collateral securing the Bonds, potentially affecting the Bondholders' position.

The Issuer considers risks related to amendments to laws and regulations as low.

Risks associated with the Collateral Agent Agreement

Collateral Agent represents the Bondholders in all matters concerning the Collateral, which secures the Bonds under this Base Prospectus. There is a risk the Collateral Agent, or any appointed party, may not fulfil its obligations adequately in terms of perfecting, maintaining, enforcing, or undertaking other necessary actions in relation to the Collateral. Pursuant to the terms outlined in the Collateral Agent Agreement, the Collateral Agent is authorized to engage in agreements with third parties or undertake any other actions deemed necessary to maintain, release, or enforce the Collateral, as well as resolve any disputes regarding the rights of Bondholders in respect to the Collateral.

The Issuer considers risks associated with the Collateral Agent Agreement as low.

Risks related to limitations and procedures concerning enforcement of the Collateral

The enforcement of the Collateral securing the Bonds, is subject to the procedures and limitations provided in the Collateral Agreement, Collateral Agent Agreement, this Base Prospectus and Applicable Law. There is no assurance to the ability of the Bondholders to instruct the Collateral Agent to initiate any enforcement procedures. Furthermore, any enforcement of security may be delayed due to the provisions of the Collateral Agreement, Collateral Agent Agreement and Base Prospectus. In addition, the Collateral enforcement costs may be disproportionate to the amount being recovered, and such costs may be beyond the control of the Collateral Agent.

Furthermore, according to Collateral Agent Agreement and this Base Prospectus, the Collateral Agent may resign from its role in certain conditions. The Majority Bondholders may also pass a decision to replace the Collateral Agent. The Collateral Agent's professional liability is insured with an insurance company If P&C Insurance AS Latvijas filiāle with the insured amount EUR 2 000 000.

The Issuer considers risks related to limitations in procedures concerning enforcement of the Collateral as low.

Risks related to the actions and financial standing of the Collateral Agent

By subscribing for, or accepting the assignment of, any Bond, each Bondholder accepts the appointment of the Collateral Agent as the agent and representative of the Bondholders, to represent and act for such secured creditors, i.e., the Bondholders in relation to the Collateral. Thus, only the Collateral Agent is entitled to exercise the rights under the Collateral and enforce it. Any failure to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the Bondholders due to, for example, inability to enforce the Collateral and/or receive any or all amounts payable from the Collateral in a timely and effective manner due to decisions of state courts in the jurisdiction where the Collateral is located.

The actions and financial standing of the Collateral Agent present low risks."

2.3. INTRODUCTORY INFORMATION

Section 3.8. "References incorporated into this Base Prospectus" shall be deleted and restated as follows:

"The following documents have been incorporated into this Base Prospectus by references and are available at the Issuer's website as follows:

- 1) the Group's consolidated audited report for the financial year ended 31 December 2023 and 31 December 2022: www.lordslb.lt/presesnams_bonds/;
- 2) the Group's consolidated audited report for the financial year ended 31 December 2024: www.lordslb.lt/presesnams_bonds/;
- 3) the Group's unaudited interim report for the 6-month period ended on 30 June 2024: www.lordslb.lt/presesnams_bonds/;
- 4) the Group's unaudited interim report for the 6-month period ended on 30 June 2025: www.lordslb.lt/presesnams_bonds/;
- 5) the Issuer's Articles of Association: www.lordslb.lt/presesnams_bonds/.

The Group's consolidated report for year ended 31 December 2024 includes Independent Auditor's Report from PricewaterhouseCoopers SIA. The Group's consolidated audited report for the financial year ended 31 December 2023 and 31 December 2022 also includes statement from independent auditor KPMG Baltics SIA that has audited financial year ended 31 December 2023 and 31 December 2022.

The Financial Statements have been audited by independent auditors PricewaterhouseCoopers SIA or KPMG Baltics SIA (please see Section 8.4 "Statutory auditors" of this Base Prospectus). The Financial Statements incorporate by reference the information requested in accordance with the Delegated Regulation."

2.4. BUSINESS OVERVIEW

Section 6.2. "Financing of activities" shall be deleted and restated as follows:

"The Issuer will use the proceeds received by the Bonds issuance and invest in real estate development activities. The operational activities are funded and will remain funded by the equity injections of the Sole Shareholder.

All proceeds from the Issue are being used for the purposes disclosed in Section 5 "Reasons for Offer and use of Proceeds" of this Base Prospectus. The total amount to be raised will be up to EUR 75 000 000.

It is anticipated that the Bond issuance will be refinanced through external loans from banks or other financial institutions. It is notable that at the date of the Base Prospectus Issuer has Undisbursed Credits in total amount of up to EUR 50 000 000 (fifty million euros). Issuer will seek to agree with Nordic Investment bank and AS "Citadele banka" to transform existing loan contract into refinancing loan contract and increase the Undisbursed Credits up to total amount of issued Bonds or alternatively introduce another

financing party to increase the leverage of external loan. However, these negotiations are still in progress at the date of this Base Prospectus and there is no guarantee that the Issuer will succeed in using Undisbursed Credits for refinancing payments to Bondholders.

In addition to the planned Bond issuance under this Base Prospectus, the activities of the Issuer are funded from the following sources:

1. Investors' contributions. Investments valued at fair value and as accounted for by 30 June 2025 in the amount of EUR 67 978 063.00 raised through the Lords LB Special Fund V — the Sole Shareholder of the Issuer, were utilized for the acquisition of the Land Plot and to finance subsequent development costs and working capital needs. It is planned that additional funding will be raised by the Sole Shareholder and down streamed to the Issuer to finance construction costs and the working capital requirements of the Issuer. Furthermore, if the Issuer is unable to secure refinancing for the loans received from the Sole Shareholder (refer to Section 6.4 "Related Party Transactions" for detailed list of loan agreements and amounts), an alternative plan sale of the real estate forming the Project is being considered. This strategy aims to ensure that the Bonds can be redeemed by the final Maturity Date.
2. Existing Bonds (UAB Preses Nams bonds). UAB Preses Nams, another subsidiary of the Sole Shareholder (Lords LB Special Fund V), that was operating as a bond issuance vehicle, issued earlier Existing Bonds in the total nominal amount of EUR 27 415 000. The proceeds from

Existing Bonds were down streamed to the Issuer under the Intercompany Loan Agreement 1 and were directed towards covering construction costs of the Project and meeting the working capital needs of the Issuer. The redemption date for the Existing Bonds is 13 November 2025. In June 2025 the Group issued Bonds, which amounted to EUR 21 378 000 and which was used to partially repay the loan to the related party Preses Nams UAB in the amount of EUR 12 552 000 and to pay for certain invoices received for the investment property under development by the Group. Bondholders under the Existing Bonds will have the opportunity to exchange the Existing Bonds to the Bonds issued by the Issuer under this Base Prospectus.

If there are fluctuations in the valuation which requires increase of the Issuer's equity, Sole Shareholder's loans are capitalised to ensure compliance with legal regulation. Although the Issuer's own capital is decreasing, but has not become negative yet, therefore in the upcoming period the Sole Shareholder does not have intention to inject additional equity into Issuer and will continue financing project via sub-ordinated debts."

Section 6.4. "Related party transactions" shall be deleted and restated as follows:

"The Issuer has concluded several related party transactions, namely:

- (a) Intercompany Loan Agreement 1 dated 7 November 2023, concluded between the Issuer as the borrower and UAB Preses Nams as the lender. Subject to the terms and conditions set out in the Intercompany Loan Agreement 1, UAB Preses Nams as the lender shall make available to the Issuer as the borrower a loan up to a total amount of EUR 75 000 000.

Issuer anticipates that the Existing Bonds (issued by UAB Preses Nams) will be exchanged to the Bonds issued by the Issuer under this Base Prospectus and/or redeemed, and the Intercompany Loan Agreement 1 will cease to exist as part of the loan payback.

- (b) Subordination agreement dated 7 November 2023 (the "Subordination Agreement"), concluded between UAB Preses Nams as the junior creditor, Issuer as the subordinated debtor and the Sole Shareholder as the subordinated creditor.

Under the Subordination Agreement, the claims of the Sole Shareholder to the Issuer arising out of or in connection with the loan agreements that are detailed below are fully subordinated to the claims of the Issuer under the Intercompany Loan Agreement 1. For the avoidance of doubt, full subordination means that no payments to the Sole Shareholder shall be made by the Issuer until there are outstanding payments to UAB Preses Nams under the Intercompany Loan Agreement 1. Subordination Agreement will cease to exist after the Existing Bonds will be delisted from Nasdaq CSD.

Besides the above-mentioned, the related party transactions of the Issuer are the following:

Lender	Borrower	Outstanding loan amount (EUR)
Preses Nams UAB	Issuer	16 471 782
Sole Shareholder	Issuer	16 470 263
Issuer	Subsidiary	1 546 413

*As at 30 June 2025"

2.5. PROJECT PRESES NAMA KVARTĀLS

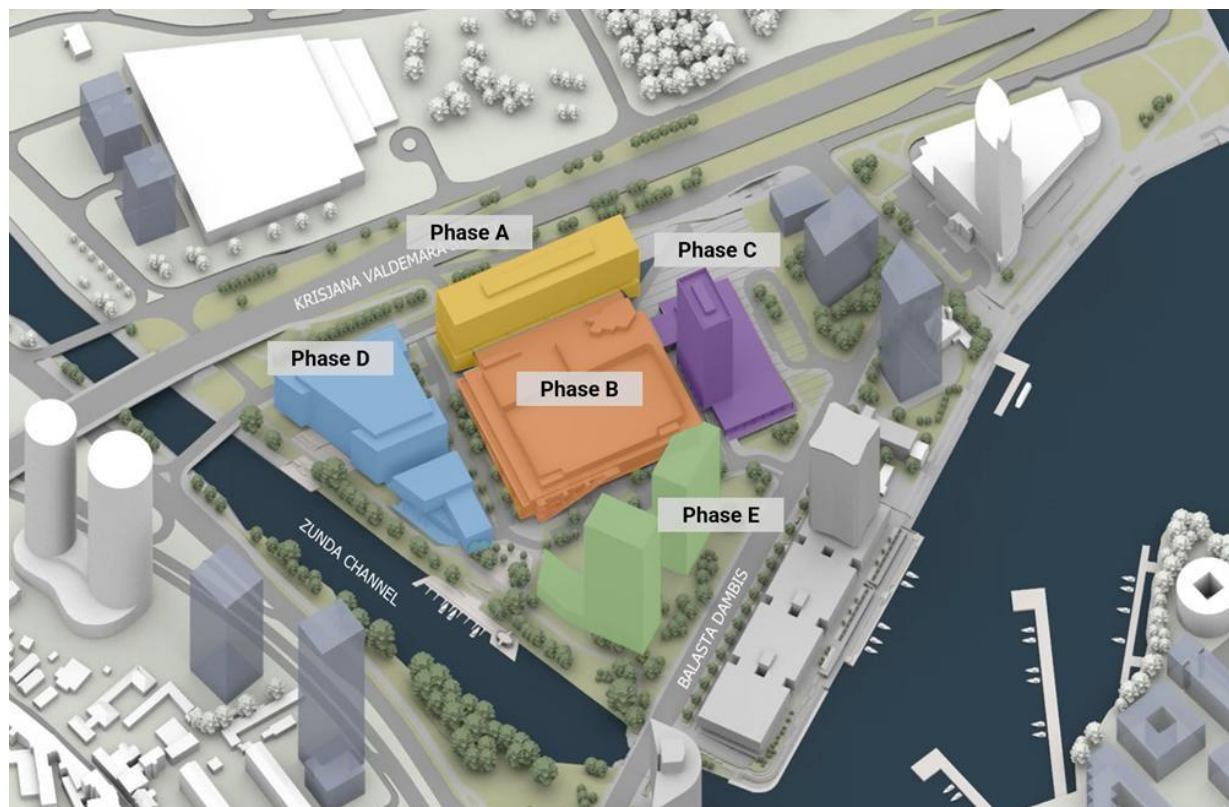
Section 7 "Project Preses Nama kvartals" shall be deleted and restated as follows:

"Introductory remarks and brief history

The Issuer is developing and constructing the Project - a commercial development project in 2 Balasta Dambis, Riga, known as "Preses Nama Kvartals". The Project is situated on a 5.8 ha land plot in the city centre, in the heart of the future Riga CBD – Kipsala district. In total, around 180 thousand m2 of gross buildable area (GBA) will be developed during 5 separate phases of the development.

The original building of Preses Nams was built in 1978. It was designed by renowned Latvian modernist architect Jānis Vilciņš. This building was used by reporters, journalists, and editors, as it hosted several publishing offices of newspapers and magazines at the time.

The location provides opportunities for new businesses and future development and growth of Riga city. The location and Phases of the Project are visually presented below:



Visualisation of Project development Phases Source: Issuer

Currently the Issuer is developing Phases A & B of the Project. Below is a detailed overview of Phases A & B.

Overview of the Phase A & B of development

The development of the Phases A & B of the Project began shortly after acquiring the land plot in June 2017. Territorial planning procedures and design activities for the first stage ran concurrently to expedite the process. The construction permit for this phase was secured on 10 May 2020.

The Phase A of the Project involves constructing a 28 300 m2 A+ class commercial building with 11 above- ground floors, while Phase B is a multifunctional structure that includes 1,000 aboveground parking spaces and approximately 7500 m2 of retail space.

Additional details on the buildings developed in Phase A & B of the project are presented in the table below:

Buildings of the Phase A & B of the Project

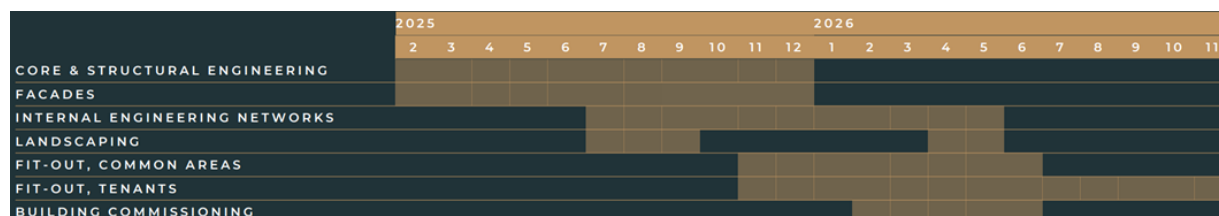
CLASS A OFFICE	PHASE A	MULTIFUNCTIONAL BUILDING	PHASE B
Architects	Arrow (Denmark)	Architects	Arhis (Latvia)
Gross buildable area, sqm	28.300	Sports field, sqm	10.000
Floors	11	Food court vendors	6-8
Floorplate, sqm	2.272	Retail area, sqm	7.466
BREEAM certification	Excellent	Overground parking places	1.022
Near Zero Energy certification	Yes	Reconstruction	Yes
Concept	Multi-tenant	Purpose	Service heart of future CBD
Number of bicycle places	400		

Source: Issuer

The Phase A of the Project was originally scheduled for completion in 2023. However, due to delays the completion date has been rescheduled to 2026 when the first tenants will be able to move into the premises.

At the date of this Base Prospectus, the Phase A is at an advanced stage. The underground components and main load-bearing structures of the building have been completed. The ground floor is completed with flooring and the installation of external glazed façade elements is in progress, with approximately 20% completed, and remains in line with the construction schedule. Interior structural works are advancing, including the installation of metal structures in the elevator shafts as well as mechanical, electrical and plumbing (MEP) systems in the basement, while the procurement process for the remaining internal MEP systems is underway. More than 15 subcontractors from Lithuania and Latvia are engaged on the construction site. Construction quality is monitored by an external quality control provider, and periodic inspections are carried out by the national construction authority to ensure compliance with applicable regulations. Timeline of the construction schedule for Phase A of the project can be seen below.

Construction Schedule – Phase A



Source: Issuer

In September 2025 the Issuer celebrated the topping out ceremony of the new 11-storey A-class office building within the Preses Nama Kwartāls development. The topping out marked the completion of the structural works and the achievement of the building's highest construction point, symbolising a significant milestone in the progress of the project. The ceremony was attended by representatives of the Issuer, its project team and partners, comprising more than 20 companies from Latvia, Lithuania and Estonia, including Arhis Arhitekti, Forma 2, SIA BICP, Ardeko, UAB Staticus, Aile Grupa, AS Inspection, Katak and MiDan Contractors OÜ. In total, approximately 100 participants were present to commemorate this stage of the development, underscoring the collaborative efforts and cross-border expertise involved in delivering the project.

In turn, frame of the Phase B is 100% completed and initial engineering works were started. It is planned that in 2025 the Issuer will decide on whether to move forward with completion of Phase B or whether to postpone it. Depending on this decision the planned amount of bonds to be issued under the Base Prospectus will change (see Financing of the Project for more details).

Tenant lead & diversification

Based on the Issuers experience, the premises due to their location and layout characteristics could be potentially attractive to shared service centers, technology companies, financial institutions, and other corporate clients as well as for coworking centers.

Lease pricing advancing from the ground to top and corresponding to additional parameters such as floorplate area or fifth floor terrace availability.

The facades of the building are prominently visible from the bustling Krišjana Valdemara Street and the Vanšu Bridge, making it an ideal choice for Tenants seeking visibility and recognition.

At the date of this Base Prospectus, there are number of lease contracts concluded with office tenants and retail tenants for the Project premises, for instance, with a financial company, technology and engineering company, iLunch, Rimi, Deloitte, and others. In addition, number of letters of intent (LOI) have been signed on behalf of several retail and office tenants.

Financing of the Project

Up to the date of Base Prospectus, the financing of the Phase A & B of the Project was secured and continue to be secured from sources indicated in Section 6.2 "Financing of Activities".

To complete Phase A & B and to refinance existing loans indicated in Section 6.2 "Financing of Activities" it is planned to issue up to EUR 75 000 000 of Bonds under this Base Prospectus. However, at the moment, the Issuer has not decided whether to continue on the development of Phase B in parallel with Phase A or to postpone the construction of Phase B until development of remaining Phases C, D & E. If the Issuer decides to postpone the construction of Phase B it is planned to issue around EUR 60 000 000 of Bonds under this Base Prospectus.

It is notable that at the date of the Base Prospectus, the Issuer has Undisbursed Credits in the total joint amount of up to EUR 50 000 000 (fifty million euros). The Issuer will seek to agree with the Nordic Investment Bank and AS "Citadele banka" to transform existing loan contract into refinancing loan contract and increase the Undisbursed Credits up to a total amount owned by the Issuer to Bondholders. However, these negotiations are in progress and there is no guarantee that the Issuer will succeed in using the Undisbursed Credits for refinancing payments to the Issuer. In case the Undisbursed Credits are unavailable or conditions for their disbursement are too strict and cannot be fulfilled, alternative financing source could be a potential sale of the assets (land plots of later stages of development of the Project).

Overview of Phase C

Phase C of the project involves development of the Hotel with around 17,000 m² of GBA.

Due to COVID-19 lockdowns and uncertain short-term results of hospitality industry, it has been decided to separate Phase C development from the Phases A & B during general contractor tender in 2020. Russia's military attack on Ukraine in February 2022 had a significant effect on attractiveness of region for tourists, hence the decision was implemented to further delay the start of construction works.

After great summer season of 2023, hospitality industry showed signs of recovery with average daily rates exceeding historical pre COVID-19 highs, however reluctance of creditors to extend financing facilities to hospitality objects are key obstacle for proceeding to development as of this date.

Overview of Phase D & E

In July 2023 building permit for the 2nd stage was received, allowing construction of 30 000m² of commercial real estate development to begin immediately. Active work with potential anchor tenants has started and as soon as first contracts will be signed, the construction will commence.

The design work for future stages has not begun at the date of this Base Prospectus, however, it is anticipated that approximately 70 000m² of gross buildable area of commercial property will be developed during these stages. Preparatory works such as utility connection points will be completed with the construction of the Phases A & B. Hence, future land plot development will have:

- External networks of required capacity developed till the border of every land plot;
- Welcoming landscape and common accessible premises attracting future office tenants;
- The availability of numerous parking spaces in the 1st stage enables the development of approximately 50,000m² of office space without the need for additional investments in parking facilities.”

2.6. PRINCIPAL MARKETS

Section 8.2. “Recent trends, developments and significant change” shall be deleted and restated as follows:

“The information presented in this Section is a brief overview of the macroeconomic, real estate and office markets analysis conducted by different sources, including Newsec (a licensed provider of property and business valuation services), Colliers (a global leader in real estate services and investment management), as well as other publicly available data at the date of this Base Prospectus and Central Bank of Latvia.

Macroeconomic trends in Latvia

The Bank of Latvia June 2025 macroeconomic forecast indicates GDP growing by 1.2%% and inflation at 3.4%, In the coming years, Latvia's economic activity is expected to gain momentum through increased investments in strengthening national defense and similar developments among its trade partners. Inflation remains elevated this year, primarily driven by rising food and service prices. However, it is projected to gradually ease in the medium term. The short-term outlook, meanwhile, remains uncertain and will largely depend on external factors such as geopolitical developments, trade policy decisions, and economic conditions in key partner countries.

	2024	2025	2026	2027
--	------	------	------	------

Economic activity (annual changes; %; at constant prices; seasonally adjusted data)

GDP	-0.4	1.2	2.8	3.2
Private consumption	0.3	1.4	3.2	3.4
Government consumption	7.5	3.1	0.6	1.5
Investment	-6.8	0.1	5.4	4.9
Exports	-1.6	2.2	2.4	2.9
Imports	-2.4	3.5	3.1	3.1

HICP inflation (annual changes; %)

Inflation	1.3	3.4	2.1	2.8
Core inflation (excluding food and energy prices)	3.7	3.2	2.4	2.4

Labour market

Unemployment (% of the economically active population; seasonally adjusted data)	6.9	6.9	6.7	6.5
Nominal gross wage (annual changes; %)	9.7	6.0	6.3	6.3

*Visualisation of economic projections of Bank of Latvia
Source: Bank of Latvia*

Riga office market trends

Colliers Q2 2025 Baltic Real Estate Market Snapshot reported that nearly 22,000 sqm of new Class A office space was delivered to the Riga market. Vastint completed two buildings in Magdelēnas kvartāls,

one of which is fully leased to ATEA, while the second still has vacant premises. Linstow finalized the Satekles Biznesa Centrs in the Central Station area, now serving as SEB's headquarters and almost fully occupied. Development activity remained strong, with the boutique Miera 1 project reaching completion and Capitalica announcing phases III and IV of its Verde complex in Skanste, which together will add approximately 23,000 sqm to Riga's most sought-after office district.

Occupier activity remained resilient, with quarterly take-up exceeding 20,000 sqm, in line with the annual demand range of 40,000–50,000 sqm, though still 20% below the first half of 2024. Leasing activity was dominated by smaller tenants in the 200–400 sqm range, with a clear preference for move-in-ready premises. While demand for modern Class A offices continues to be strong, older stock, particularly in Skanste, is gradually regaining traction as landlords enhance facilities and offer more flexible leasing terms. Prime rents remained stable, but owners of older properties are under increasing pressure to adapt to prolonged vacancies and a limited tenant pool.

Colliers in Q4 2024 Riga Office Market Overview reported that currently around GLA 73,000 sqm of office space is under construction, around 40% of which is planned to be commissioned in 2025. Several projects that could be started remain on hold waiting for anchor tenant. Two A-class office facilities were delivered in 2024 – the 20 500m2 Novira Plaza in Active centre district and 13 700 m2 Verde II in Skanste district. Novira Plaza is in the very heart of Riga, just next to the existing Origo One business centre and the Satekles Business Center. Verde II location is the developing CBD area of Skanste, and according to the developer, it is already 100% leased out.

Occupancy in new developments as well as complexes that constantly improve are increasing, however older developments are struggling and some of them might even leave the office market and adjust for new needs. For projects that started the development after the hike of the construction costs, asking rent rates start from 18 EUR/sqm/m with Finance, Banking, Insurance, IT and Professional services making the highest demand for office space.

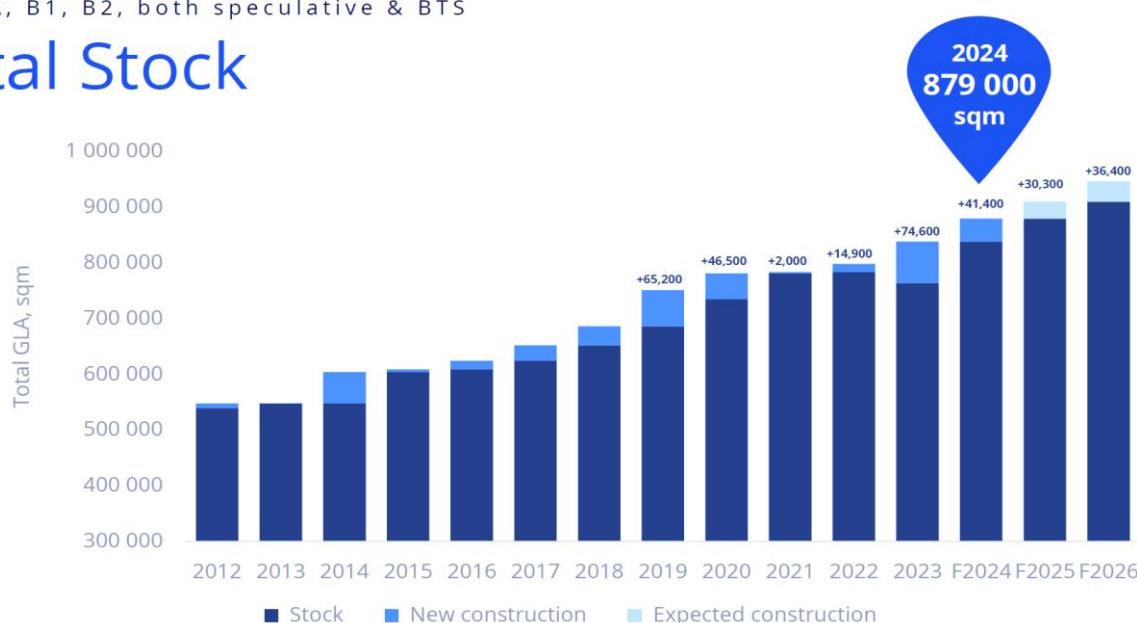
With the hybrid work remaining allowed in most companies, on average smaller office premises are being demanded with the medium tenant being around 400 sqm large. Due to hybrid work, required office area has decreased by 20-30%, this allows tenants to choose higher quality offices and pay higher rental rates

while keeping the total office costs intact. Hybrid work trend however could reverse soon, as more employers globally join the "back to office" trend, boosting occupancy.

Market demand for good quality, sustainable and energy efficient office buildings continue to increase due to ESG requirements and experienced energy crisis. Notable tenants rarely choose older buildings as they do not meet the criteria. Almost 55% of lease transactions are within new stock (primary occupation) and almost 70% are within certified office buildings.

Class A, B1, B2, both speculative & BTS

Total Stock



Note: In 2020 & 2023 part of stock was reclassified to class C and excluded from the stock

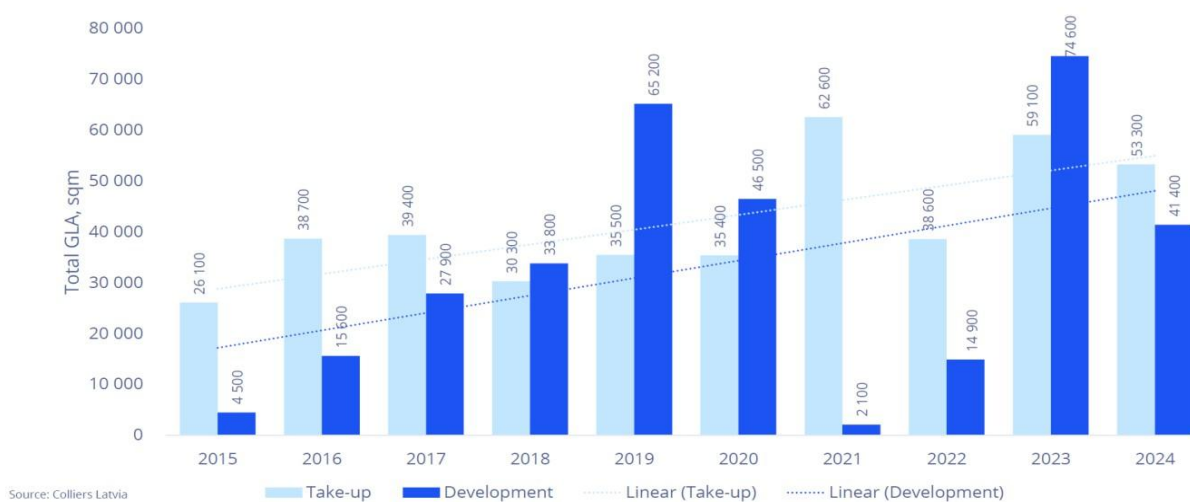
Source: Colliers Latvia

Take-up activity remains stable, for the last 2 years annual take-up has exceeded 50,000 sqm. A growing interest towards Class B offices could be observed as tenants look to move from non-competitive stock to more energy-efficient locations. Class B projects are attracting tenants by enhancing spaces and social environments, as well as by offering additional amenities, which also encourage lease renewals.

Tech Mahindra, an internationally recognized technology consulting firm, has chosen Riga for their regional expansion, with its office in the Jaunā Teika complex (Class B1). ESG standards are prompting developers to prioritize energy efficiency and reduce carbon footprint. In Q2 2024, Elemental Business Centre become the first project in Latvia to receive the highest BREEAM Outstanding certificate. The visualisation below provides take up and development volumes from 2015 to 2024.

Riga Office Market Overview

Take-up vs development volumes



Take up and development volumes

Source: Colliers

Significant Change in financial position

Except for the matters disclosed in this Base Prospectus, there has been no significant, material adverse change in the Issuer's financial position since the Financial Statements for the 6 months ended June 2024 and disclosed events after reporting period. The Management Board is aware of no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year outside the course of its regular business activities."

Section 8.4. "Statutory auditors" shall be deleted and restated as follows:

"The audit firm KPMG Baltics SIA, registration number 40003235171, legal address Roberta Hirša iela 1, Riga, LV-1045, Latvia, a certified auditor (license No. 55) and member of the Latvian Association of Certified Auditors, was the Issuer's auditor for the historical financial information up to 2023, while PricewaterhouseCoopers SIA, registration number 40003142793, legal address Marijas iela 2A, Riga, LV-1050, Latvia, also a certified auditor and member of the Latvian Association of Certified Auditors, has audited the Issuer's financial information for 2024, which is included in this Base Prospectus.

The financial year for the Issuer is from 1 January to 31 December."

Section 8.5. "Legal proceedings" shall be deleted and restated as follows:

"Arbitration and Judgement with Previous General Contractor – AS "UPB"

The Group was involved in arbitration with AS "UPB" at the SCC Arbitration Institute regarding a debt for executed construction works.

Key Events:

- **17 June 2024:** SCC issued a judgment ordering the Group to pay AS "UPB" EUR 12.5 million for executed construction works (the "**Judgment**").
- **16 October 2024:** Riga City Court recognized and enforced the Judgment in Latvia.

Financial Status:

- As of the date of this Base Prospectus, the full amount of EUR 12.5 million ordered to be paid has been fully settled.
- The Group agreed with the payable amount and has repaid the full amount. Following such repayment, the recovery notation was removed, enabling the registration of the Collateral in favour of the Collateral Agent for the benefit of the Bondholders. The repayment of the last EUR 2.5 million was financed either through capital contributions from the Sole Shareholder or from the proceeds raised under the Bonds (as part of capital expenditure use of proceeds).

Additional Arbitration with Previous General Contractor – AS "UPB"

AS "UPB" initiated new arbitration against the Group for materials intended for future construction works.

Key Events:

- **14 November 2024:** AS "UPB" commenced arbitration, claiming EUR 3.5 million for materials purchased during the contract term.
- According to the first SCC Judgment (17 June 2024), the Group had no obligation to purchase these materials.

Current Status:

As of the Base Prospectus date, the litigation between the Group and AS "UPB" has been resolved. No ongoing proceedings.

Arbitration with New General Contractor – UAB "YIT Lietuva"

UAB "YIT Lietuva" initiated arbitration against the Group for debts related to construction works and later expanded the claim.

Key Events:

- **8 July 2024:** UAB "YIT Lietuva" commenced arbitration, claiming EUR 4.5 million for executed construction works.
- **31 October 2024:** Contract with UAB "YIT Lietuva" was terminated.
- **23 December 2024:** UAB "YIT Lietuva" increased the claim by EUR 3.5 million for materials for future construction works, bringing the total claim to EUR 8 million.

Financial Actions:

- The Group agrees with the initial EUR 4.5 million debt and intends to repay it.
- To reduce the claim, the Group paid EUR 1.9 million directly to a subcontractor, substantially lowering the amount owed.

Current Status:

- As of the Base Prospectus date, the Group and UAB "YIT Lietuva" have concluded a settlement agreement covering payment of the debt and termination of legal proceedings.
- Settlement has been reached; legal proceedings have been terminated as the payment has been made.

Riga City Court Dispute with a Third Party

The Group was involved in a legal dispute in Riga City Court as a defendant.

Key Events:

- **25 March 2025:** A third party disputed the Group's rights under a contract. Attempting to invalidate the pledge agreement, delete the Existing Bond mortgage and the prohibition mark from the Land Register registered on the property owned by the Group.
- **14 July 2025:** Riga City Court decided to terminate the proceedings.

Current status:

As of the Base Prospectus date, the dispute with a third party has been terminated.

Brief Conclusion

The Group has successfully resolved its disputes with both AS "UPB" and UAB "YIT Lietuva", demonstrating a proactive and constructive approach to achieving peaceful settlements and ensuring continuity of the Project. Settlement agreements have been concluded and fully performed, with all related legal proceedings terminated. All encumbrances in favour of AS "UPB" and UAB "YIT Lietuva" have been deleted from the Land Register, the recovery notation has been removed. Consequently, the Collateral has been registered in favour of the Collateral Agent for the benefit of the Bondholders.









2.7. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES




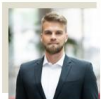



Section 9.5. "Management of the Management Company" shall be deleted and restated as follows:

"Management of the Management Company"

The management team of the Management Company is presented below to create a full picture of the professionals contributing to the success of the Project. The experience and competence of these persons both individually and jointly ensure the operations, results, and financial standing of the Issuer.

Management team of the Management Company

								
	VILMA TVARONAVIČIENĖ	KRISTIJONAS FUDZIŃSKAS	RASA BARTUŠEVIČIENĖ	DANA ČESŪNĖ	GIEDRIUS ŽILINSKAS	ANASTASIJA POCIENĖ	RYTIS ZALOGA	ROKAS ADLIS
Position	CEO	CFO	Investor relations manager	Investor relations manager	Chief Risk Officer	Fund manager Special Fund IV, Uptown Development Fund	Fund manager Small Cap Fund, European Property Fund, Baltic Residential Fund	Fund manager Baltic Opportunity
Career highlights	Achema group	BBN Airlines, Citadele, SEB, KPMG	Swedbank	SEB Bank	Danske Bank	Hanner, SBA Group	Hanner	EQT Exeter, Cerberus

							
	PAULIUS NEVINSKIS	IEVA ANTANAITYTĖ - GENEVIČIENĖ	MARIUS ŽEMAITIS	MANTAS AURUŠKEVIČIUS	ARTŪRAS ŠILINIS	POVILAS URBONAVIČIUS	DOMINYKAS SVETIKAS
Position	Fund manager TEWOX	Fund manager Baltic Green Fund (V)	Fund manager Special Fund I, Special Fund III, Central Development Fund, Right Bank Development Fund	Fund manager Green Energy Growth Fund, Atsinaujančios energetikos investicijos	Fund manager Private Equity Fund I	Fund manager Special Fund V	Fund manager Energy & Infrastructure SME Fund
Career highlights	VP Group, SBA Group	Omberg Group, Sirin Development, Rewe Group	Newsec, McKinsey & Company	EY	Kapitalo srutai, Ūkio bankas	Darnu Group, Omberg Group	Covallis Capital

Source: Management Company"

Section 9.6. "Management of the Management Company" shall be deleted and restated as follows:

"Conflicts of interests"

As at the date of this Base Prospectus, the Issuer is not aware of any conflicts of interest or potential conflicts of interest between the Issuer duties of the members of the Management Board or Supervisory Board and their private interests and/or their other duties.

The member of the Management Board of the Management Company, Mr Mindaugas Marcinkevičius is direct and/or indirect shareholder of the Management Company. Therefore, considering that the Management Company is involved in the development of the Project success of which is closely related to the Issuer's ability to redeem the Bonds, it is possible that these shareholders may favour any of their own interests rather than those of the Management Company or the collective investment undertakings managed by it, also it is possible that the Issuer's, Sole Shareholder's and the Management Company's interests in certain situation may differ.

Nevertheless, it shall be noted that the Management Company being a licensed entity supervised by the Bank of Lithuania implements conflicts of interest procedures in the Management Company to monitor and control conflicts of interest risk and ensure transparency of investment and investment supervision.

Interest of natural and legal persons involved in the Offering

The Issuer has appointed the following persons for the purposes of the Offering and Admission of Bonds to trading on Nasdaq Riga Regulated Market:

- AB Artea bankas, registration number: 12025254, legal address: Tilžės g. 149, LT-76348, Šiauliai, Lithuania, has been appointed by the Issuer as the Arranger. The Issuer is paying fees (commissions) established in the mutual placement agreement for the services provided by the Arranger.
- ZAB Eversheds Sutherland Bitāns SIA, a law firm registered with Latvian Bar Association and registered with the Commercial Register with registration number: 40203329751, legal address: Marijas iela 2A, Riga, LV-1050, Latvia, has been appointed by the Issuer as the legal adviser. The Issuer is paying fees according to mutually concluded legal services agreement.
- Initially ZAB "VILGERTS" SIA, a law firm registered with Latvian Bar Association and registered with the Commercial Register with registration number: 40203309933, legal address: Audēju iela 15-8, Riga, LV-1050, Latvia, has been appointed by the Issuer as the Collateral Agent to act in the interests of Bondholders according to this Base Prospectus, Final Terms, Collateral Agent Agreement and Applicable Law concerning the Collateral securing the Bonds. The Issuer is paying fees to the Collateral Agent in accordance with the concluded Collateral Agent Agreement.

There are no other persons appointed by the Issuer in connection with this Base Prospectus, Offering and Admission of the Bonds to trading on the Regulated Market as of the date of this Base Prospectus. To the best knowledge of the Management Board, neither the Arranger nor the legal adviser or the Collateral Agent has any conflict of interest pertaining to the responsibilities assigned to them by the Issuer. At the same time, the Issuer may appoint sales agent to act as a sales agent in relation to the Offering of specific Tranche in Lithuania, Latvia and/or Estonia. The respective sales agent (if any) will be indicated in the Final Terms. Further information on possible appointment and role of sales agent is available in Clause 13.1.3 of this Base Prospectus."

2.8. SELECTED FINANCIAL INFORMATION AND OPERATING DATA

Section 11 "Selected Financial Information And Operating Data" shall be deleted and restated as follows:

"The financial information contained in this Section is extracted from the consolidated audited financial statements of the Group pertaining to the financial years ending on 31 December 2024 and 31 December 2023 prepared in accordance with Accounting Principles (the "**Audited Financial Reports**"), which are incorporated into this Base Prospectus by reference.

The financial information in this Base Prospectus for the 6-month periods ended 30 June 2025, 30 June 2024 and 30 June 2023 have been derived or taken from the unreviewed consolidated interim financial statements of the Group for the 6-month periods ended 30 June 2025 and 30 June 2024 prepared in accordance with the Accounting Principles (IFRS) (the "**Interim Financial Report**").

The Audited Financial Statements and Interim Financial Statements are further referred to as "**Financial Information**".

For ease of reference, the Financial Information is presented in two separate tables: one containing 6-month data for the periods ended 30 June 2025, 30 June 2024 and 30 June 2023, and the other containing yearly data for the financial years ended 31 December 2024, 31 December 2023 and 31

December 2022.

11.1. Issuer's historical financial information

Consolidated Statement of Financial Position

	30 June 2025 (unaudited)	30 June 2024 (unaudited)	30 June 2023 (unaudited)
ASSETS			
Non-current assets			
Property, plant and equipment	6 908	6 180	2 568
Investment property	65 471 928	76 355 986	65 795 736
Prepayments related to investment property	1 106 731	2 733 577	721 883
Total non-current assets	66 585 567	79 095 743	66 520 187
Current assets			
Inventory	280 921	280 921	-
Trade receivables	1 894 825	66 806	66 388
Prepayments	59 357	28 917	50 224
Other current assets ⁽¹⁾	312 220	58 655	179 830
Cash and cash equivalents	2 697 114	34 519	892 061
Total current assets	5 244 437	469 818	1 188 503
TOTAL ASSETS	71 830 004	79 565 561	67 708 690
EQUITY AND LIABILITIES			
Equity			
Share capital	51 507 800	33 222 800	16 222 800
Retained earnings (losses) ⁽¹⁾	(36 514 791)	(19 254 929)	(5 347 372)
Total equity	14 993 009	13 967 871	10 875 428
Non-current liabilities			
Loans received	-	50 502 085	38 891 100
Other non-current liabilities	93 835	1 471 309	1 470 687
Bonds issued	21 305 287	-	-
Total non-current liabilities	21 399 122	51 973 394	40 361 787
Current liabilities			
Trade payables	1 584 920	9 558 715	1 038 081
Income tax liabilities	-	-	38
Loans received	33 395 544	1 850 408	14 616 569
Bonds issued	158 139	-	-
Advance payments	47 674	55 744	47 674
Employment related liabilities	24 247	-	24 683
Other current liabilities	227 349	2 159 429	744 430
Total current liabilities	35 437 873	13 624 296	16 471 475
TOTAL LIABILITIES	56 836 995	65 597 690	56 833 262
TOTAL EQUITY AND LIABILITIES	71 830 004	79 565 561	67 708 690

	31 December 2024 (audited)	31 December 2023 (audited)	31 December 2022 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4 821	6 251	-
Investment property	62 962 491	72 610 000	63 330 000
Prepayments related to investment property	624 258	5 296 755	2 169 906
Total non-current assets	63 591 570	77 913 006	65 499 906
Current assets			
Inventory	280 921	280 921	-
Trade receivables	66 939	66 696	45 508
Prepayments	14 482	41 118	21 401
Other current assets ⁽¹⁾	49 784	52 199	63 412
Cash and cash equivalents	18 099	30 972	81 909
Total current assets	430 225	471 906	212 230
TOTAL ASSETS	64 021 795	78 384 912	65 712 136
EQUITY AND LIABILITIES			
Equity			
Share capital	51 507 800	33 222 800	16 222 800
Retained earnings (losses) ⁽¹⁾	(35 329 108)	(13 755 313)	(3 437 018)
Total equity	16 178 692	19 467 487	12 785 782
Non-current liabilities			
Loans received	7 856 406	25 374 500	48 246 302
Other non-current liabilities	1 471 309	1 471 309	-
Total non-current liabilities	9 327 715	26 845 809	48 246 302
Current liabilities			
Trade payables	10 054 986	11 219 375	3 840 436
Income tax liabilities	-	2 022	364
Loans received	28 230 130	20 094 463	-
Bonds issued	-	-	-
Advance payments	55 744	47 674	490
Employment related liabilities	-	28 693	33 494
Other current liabilities	174 528	679 389	805 268
Total current liabilities	38 515 388	32 071 616	4 680 052
TOTAL LIABILITIES	47 843 103	58 917 425	52 926 354
TOTAL EQUITY AND LIABILITIES	64 021 795	78 384 912	65 712 136

Notes

⁽¹⁾ Impact of Restatement on Consolidated Statement of Financial Position for the Period 01.01.2024 – 31.12.2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Before restatement	Restatement	After restatement
For period from 01.01.2024. to 31.12.2024.			
Other current assets	49 805	(21)	49 784

Accumulated losses	(35 329 087)	(21)	(35 329 108)
--------------------	--------------	------	--------------

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	1 January 2025 - 30 June 2025 (unaudited)	1 January 2024 - 30 June 2024 (unaudited, restated)	1 January 2023 - 30 June 2023 (unaudited)
Rental income	35 802	42 748	41 153
Other income	1 356 276	-	-
Investment property management expenses	(35 999)	(71 427)	(28 414)
Changes in fair value of investment property	-	-	(429 737)
Administrative expenses ⁽¹⁾⁽²⁾	(601 521)	(2 128 736)	(89 654)
Operating loss	754 558	(2 157 415)	(506 652)
Finance expenses ⁽¹⁾	(1 940 241)	(1 938 670)	(1 403 495)
Loss before tax	(1 185 683)	(4 096 085)	(1 910 147)
Income tax	-	(75)	(207)
Net loss	(1 185 683)	(4 096 160)	(1 910 354)
Other comprehensive income	-	-	-
Total comprehensive income/loss	(1 185 683)	(4 096 160)	(1 910 354)

	2024 (audited)	2023 (audited)	2022 (audited)
Rental income	84 979	62 431	71 256
Other income	-	-	-
Investment property management expenses	(100 862)	(87 331)	(9 016)
Investment property development expenses	-	-	-
Changes in fair value of investment property ⁽²⁾	(15 873 423)	(6 337 565)	(1 818 660)
Administrative expenses ⁽¹⁾⁽²⁾	(2 381 095)	(724 155)	(335 715)
Operating loss	(18 270 401)	(7 086 620)	(2 092 135)
Finance expenses ⁽¹⁾	(3 303 227)	(3 228 300)	(2 884 969)
Loss before tax	(21 573 628)	(10 314 920)	(4 977 104)
Income tax	(146)	(3 375)	(2 822)
Net loss	(21 573 774)	(10 318 295)	(4 979 926)
Other comprehensive income	-	-	-
Total comprehensive loss	(21 573 774)	(10 318 295)	(4 979 926)

Notes

⁽¹⁾Impact of Restatement on Consolidated Statement of Profit or Loss for the Period 01.01.2024 – 30.06.2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE	Before restatement	Restatement	After restatement
---	-------------------------------	--------------------	------------------------------

INCOME For period 01.01.2024.-30.06.2024.			
Investment property development expenses	(2 995 951)	2 995 951	-
Administrative expenses	(329 617)	(1 799 119)	(2 128 736)
Finance expenses	(2 145 294)	206 624	(1 938 670)

⁽²⁾Impact of Restatement on Consolidated Statement of Profit or Loss for the Period 01.01.2023 – 31.12.2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For period 01.01.2023 – 31.12.2023	Before restatement	Restatement	After restatement
Changes in fair value of investment property	(6 846 702)	509 137	(6 337 565)
Administrative expenses	(215 018)	(509 137)	(724 155)

Consolidated Statement of Changes in Equity

	Share capital	Retained earnings	Total
Balance as at 31 December 2021 (audited)	4 222 800	1 542 908	5 765 708
Net profit (loss)	-	(4 979 926)	(4 979 926)
Other comprehensive income	-	-	-
Transactions with owners			
Shares issued	12 000 000	-	12 000 000
Balance as at 31 December 2022 (audited)	16 222 800	(3 437 018)	12 785 782
Balance as at 1 January 2023	16 222 800	(3 437 018)	12 785 782
Net profit (loss)	-	(10 318 295)	(10 318 295)
Other comprehensive income	-	-	-
Transactions with owners			
Shares issued	17 000 000	-	17 000 000
Balance as at 31 December 2023 (audited)	33 222 800	(13 755 313)	19 467 487
Balance as at 1 January 2024	33 222 800	(13 755 313)	19 467 487
Net loss	-	(21 573 795)	(21 573 795)
Other comprehensive income	-	-	-
Transactions with owners	18 285 000	-	18 285 000
Shares issued	18 285 000	-	18 285 000
Balance as at 31 December 2024 (audited, restated)	51 507 800	(35 329 108)	16 178 692
Balance as at 1 January 2025	51 507 800	(35 329 108)	16 178 692
Net loss	-	(1 185 683)	(1 185 683)
Other comprehensive income	-	-	-
Transactions with owners	-	-	-
Shares issued	-	-	-
Balance as at 30 June 2025 (unaudited)	51 507 800	(36 514 791)	14 993 009

Consolidated Statement of Cash Flows

	1 January 2025 - 30 June 2025 (unaudited)	1 January 2024 - 30 June 2024 (unaudited, restated)	1 January 2023 - 30 June 2023 (unaudited)
Loss before tax⁽¹⁾	(1 185 683)	(4 096 085)	(1 910 354)
Adjustments for:			
Finance costs ⁽¹⁾⁽²⁾	1 940 241	1 938 670	1 403 495
Depreciation of property, plant and equipment	1 790	1 260	-
Increase in fair value of investment property ⁽²⁾	-	-	429 737
Operating cash flows before working capital adjustments⁽¹⁾⁽²⁾	756 348	(2 156 155)	(77 122)
Increase in inventories	-	-	-
Decrease in trade and other receivables	(2 617 670)	2 568 813	1 281 903
Decrease in trade and other payables ⁽¹⁾	(9 778 542)	(389 609)	(1 564 588)
Operating cash flows after working capital adjustments⁽¹⁾⁽²⁾	(11 639 864)	23 049	(359 807)
Income taxes paid ⁽²⁾	-	(2 097)	-
Net cash flows from operating activities⁽¹⁾	(11 639 864)	20 952	(359 807)
Additions of investment property ⁽¹⁾⁽²⁾	(2 509 437)	(5 149 442)	(2 895 473)
Purchase of property, plant and equipment	(3 877)	(1 189)	(2 568)
Net cash flows used in investment activities⁽¹⁾⁽²⁾	2 513 314	(5 150 631)	(2 898 041)
Interest paid	(1 202 582)	(57 359)	(439 115)
Loans received	11 418 229	5 710 375	4 523 000
Loans paid	(2 167 000)	(519 790)	(15 885)
Bonds issued	8 841 574	-	-
Transaction costs related to bonds issued	(58 028)	-	-
Net cash flows from financing activities	16 832 193	5 133 226	4 068 000
Net change in cash and cash equivalents	2 679 015	3 547	810 152
Cash and cash equivalents at the beginning of the period	18 099	30 972	81 909
Impact of foreign exchange rate changes ⁽¹⁾	-	-	-
Cash and cash equivalents at the end of the period	2 697 114	34 519	892 061

	31 December 2024 (audited)	31 December 2023 (audited)	31 December 2022 (audited)
Loss before tax⁽¹⁾	(21 573 628)	(10 314 920)	(4 979 926)
Adjustments for:			
Finance costs ⁽¹⁾⁽²⁾	3 303 227	3 228 300	2 884 969
Depreciation of property, plant and equipment	2 619	681	-
Increase in fair value of investment property ⁽²⁾	16 225 914-	6 337 565	1 818 660
Operating cash flows before working capital adjustments⁽¹⁾⁽²⁾	(2 041 868)	(748 374)	(276 297)
Increase in inventories	-	(280 921)	-
Decrease in trade and other receivables	4 701 284	(3 156 541)	2 033 048
Decrease in trade and other payables ⁽¹⁾	(1 689 873)	17 120	1 164 822
Operating cash flows after working capital adjustments⁽¹⁾⁽²⁾	969 543	(4 168 716)	2 921 573
Income taxes paid ⁽²⁾	(2 168)	(3 375)	-
Net cash flows from operating activities⁽¹⁾	967 375	(4 172 091)	2 921 573
Additions of investment property ⁽¹⁾⁽²⁾	(6 578 405)	(7 373 914)	(23 258 660)
Purchase of property, plant and equipment	(1 189)	(6 932)	-
Net cash flows used in investment activities⁽¹⁾⁽²⁾	(6 579 594)	(7 380 846)	(23 258 660)
Interest paid	(165 870)	(1 036 893)	(325 123)
Loans received	6 539 726	12 627 000	20 772 500
Loans paid	(774 510)	(88 107)	(85 877)
Net cash flows from financing activities	5 599 346	11 502 000	20 361 500
Net change in cash and cash equivalents	(12 873)	(50 937)	24 413
Cash and cash equivalents at the beginning of the period	30 972	81 909	57 496
Impact of foreign exchange rate changes ⁽¹⁾	-	-	-
Cash and cash equivalents at the end of the period	18 099	30 972	81 909

Notes

(1) Impact of Restatement on Consolidated Statement of Cash Flow for the Period 01.01.2024. – 30.06.2024.

CONSOLIDATED STATEMENT OF CASH FLOWS For period 01.01.2024.-30.06.2024.	Before restatement	Restatement	After restatement
Loss before tax	(5 499 616)	1 403 531	(4 096 085)
Finance costs	2 145 294	(206 624)	1 938 670
Operating cash flows before working capital adjustments	(3 353 062)	1 196 907	(2 156 155)
Decrease in trade and other payables	(598 678)	209 069	(389 609)
Operating cash flows after working capital adjustments	(1 382 927)	1 405 976	23 049
Income taxes paid	-	(2 097)	(2 097)
Net cash flows generated from / (used in) operating activities	(1 382 927)	1 403 879	20 952
Additions to investment property	(3 745 986)	(1 403 456)	(5 149 442)
Net cash flows used in investment activities	(3 747 175)	(1 403 456)	(5 150 631)
Impact of foreign exchange rate changes	423	(423)	-

(2) Impact of Restatement on Consolidated Statement of Cash Flow for the Period 01.01.2023 – 30.06.2023.

CONSOLIDATED STATEMENT OF CASH FLOWS For period 01.01.2023.-30.06.2023.	Before restatement	Restatement	After restatement
Loss before tax	(10 318 295)	3 375	(10 314 920)
Decrease in fair value of investment property	6 846 702	(509 137)	6 337 565
Operating cash flows before working capital adjustments	(242 612)	(505 762)	(748 374)
Operating cash flows after working capital adjustments	(3 662 954)	(505 762)	(4 168 716)
Income taxes paid	-	(3 375)	(3 375)
Net cash flows generated from / (used in) operating activities	(3 662 954)	(509 137)	(4 172 091)
Additions to investment property	(7 883 051)	509 137	(7 373 914)
Net cash flows used in investment activities	(7 889 983)	509 137	(7 380 846)

The Audited Financial Statements for the Period 01.01.2023 – 31.12.2023 have been audited and reviewed by "KPMG Baltics SIA" and incorporated by a reference, for the Period 01.01.2024. – 31.12.2024. the Audited Financial Statements have been audited and reviewed by "PricewaterhouseCoopers SIA" and incorporated by a reference

The following material uncertainty related to going concern is included in the Independent Auditor's Report.

Auditor's report for the years ended 31 December 2023, and 31 December 2022:

We draw attention to Note 3.18. of the consolidated financial statements, which states that as at 31 December 2023 the Group had a working capital deficit equal to EUR 31 599 710, of which EUR 20 094 463 related to the loan received from Matuda UAB with the maturity of 26 April 2024 and EUR 11 219 375 related to amounts payable to suppliers and contractors.

Furthermore, in October 2024 the Group has terminated the contract with its general contractor and, as of the date of this report, the operations of the Group – the development of the multifunctional real estate centre on its controlled land plot – are suspended. During the building development and construction period the Group has been financed by the funds received from the shareholder and/or its controlled entities considering the course of the project and the need of working capital to finance the construction activities. The Group's ability to continue operations on a going concern basis is highly

dependent on the Group's ability to attract additional financing, settle its outstanding liabilities and resume the real estate development project. At the date of these consolidated financial statements, the Group, its shareholder and its other controlled SPVs have not received a written confirmed financing commitment from the potential investors. These events and conditions, along with other matters as set forth in Note 3.18., indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Auditor's report for the year ended 31 December 2024:

We draw attention to Note 3.19. "Going concern" of the consolidated financial statements, which states that as at 31 December 2024 the Group had a working capital deficit of EUR 38 085 142. Refinancing of the existing loans from related companies, settlement of the Group's outstanding liabilities towards suppliers and resuming the development of the 1st stage of the construction are highly dependent on the attraction of external financing from the public bond issuance and new equity from the parent fund investors.

These conditions, along with other matters as set forth in Note 3.19., indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

11.2. Insight in the Group's Financial Standing

The Group does not earn income independently as the Group's main activity is development of a multifunctional real estate centre on its controlled land plot in Balasta Dambis 2, Riga, Latvia. The Group continues to invest in its investment property. As of 30 September 2024, the Investment property value reached EUR 62 610 000 based on the independent real estate appraiser.

The development of the Group's investment property is financed by equity contributions and intercompany loans from shareholder and other Group companies operating in Lithuania. As of 31 December 2023, the loans received amounted to EUR 53,5M. Based on the unaudited financial data as of 30 June 2024, the loans received amounted EUR 52,3M, but had decreased to EUR 36.1M as of 31 December 2024. Based on the unaudited financial data as of 30 June 2025, the loans received amounted EUR 33.4M, while the issued bonds with accrued coupon amounted EUR 21.5M.

Recent trends and developments and long-term objectives

The Group's plan was to resume the construction of the 1st stage of the real estate project in Q1 2025 and to finalize it by mid-2026. After which the Group is expected to start independently generating rental income and positive net cash flows from operations supporting the Group's going concern going forward. At the date of this Base Prospectus, the construction has resumed and is ongoing.

Currently, it is planned that the 2nd stage construction of 31 000 sqm of buildable area for the office and school complex, for which the building permit was received in June 2023, will start when anchor tenants will be found. The work on the 3rd stage development of 65 000 sqm of buildable area is currently in the concept stage, looking for the most appropriate development scheme, which would complement other already designed stages. The construction of the hotel building, for which the building permit was received in year 2020, is still on hold due to decreased appetite of financial institutions for hospitality object financing.

The development of real estate project planned to be financed by issuing Bonds under this Base Prospectus.

Except for the progress and updates regarding legal proceedings involved by the Issuer (as further described in Section 8.5 "Legal Proceedings" of this Base Prospectus), please note that there have been no material changes in the Issuer's borrowing and funding structure since the last financial year. In addition, SIA "PN Construction Latvia" (reg.nr. 40203607935) was established under Lords LB Special Fund V in November 2024 with the sole purpose of finishing the construction of A Phase of the Project, as a general contractor company. The entity's Chairman of Management Board is Povilas Urbonavičius, Lords LB Special Fund V fund manager and Chairman of the Management Board of the Issuer. The entity hired a full team of professional construction managers and successfully resumed construction works at the Property in February 2025.

11.3. Financial Indebtedness

Since the Group does not earn income independently it requires sufficient funds in order to develop real estate located at Balasta Dambis 2, Riga, Latvia. The funding was provided by shareholder via equity and loans as well as by bonds and other Group companies. The capital and the borrowing structures of the Group are provided in the tables below.

The Capital structure of the Group

Item	30 June 2025 (unaudited)	30 June 2024 (unaudited)	30 June 2023 (unaudited)
Loans received	33 395 544	52 352 493	53 507 669
Bonds issued	21 463 426	-	-
Long-term amounts payable to suppliers and contractors	93 835	1 471 309	1 470 687
Trade payables to suppliers and contractors	1 584 920	9 558 715	1 038 081
Income tax liabilities	-	-	38
Advance payments	47 674	55 744	47 674
Employment related liabilities	24 247	-	24 683
Accrued expenses and other current liabilities	227 349	2 159 429	744 430
Gross debt	56 836 995	65 597 690	56 833 262
Cash and cash equivalents	2 697 114	34 519	892 061
Net debt	54 139 881	65 563 171	55 941 201
Equity	14 993 009	13 967 871	10 875 428
Liabilities / equity ratio (x)	3.79	4.70	5.23
Net liabilities / equity ratio (x)	3.61	4.69	5.14

Item	31 December 2024 (audited)	31 December 2023 (audited)	31 December 2022 (audited)
Loans received	36 086 536	45 468 963	48 246 302
Long-term amounts payable to suppliers and contractors	1 471 309	1 471 309	-
Trade payables to suppliers and contractors	10 054 986	11 219 375	3 840 436
Income tax liabilities	-	2 022	364
Advance payments	55 744	47 674	490
Employment related liabilities	-	28 693	33 494
Accrued expenses and other current liabilities	174 528	679 389	805 268
Gross debt	47 843 103	58 917 425	52 926 354
Cash and cash equivalents	18 099	30 972	81 909
Net debt	47 825 004	58 886 453	52 844 445
Equity	16 178 713	19 467 487	12 785 782
Liabilities / equity ratio (x)	2.96	3.03	4.14
Net liabilities / equity ratio (x)	2.96	3.02	4.13

The borrowing structure of the Group

Item	30 June 2025 (unaudited)	30 June 2024 (unaudited)	30 June 2023 (unaudited)
Preses Nams UAB	16 471 782	26 499 567	-
Lords LB Special Fund V	16 470 263	24 002 518	38 891 100

Matuda UAB	-	1 454 715	14 616 569
Attexo OU	453 499	395 693	-
Bons issued	21 463 426	-	-
Total loans and bonds	54 858 970	52 352 493	53 507 669

Item	31 December 2024 (audited)	31 December 2023 (audited)	31 December 2022 (audited)
Preses Nams UAB	28 230 130	1 723 312	-
Lords LB Special Fund V	7 259 263	23 651 188	35 833 094
Matuda UAB	172 547	20 094 463	12 413 208
Attexo OU	424 596	-	-
Total loans and bonds	36 086 536	45 468 963	48 246 302

The total loans received and bonds issued as of 30 June 2025 amounted to EUR 54,9M and represented 97% of the total amount of the Group's gross debt. Most of the borrowings are comprised of loan from sister company Preses Nams UAB for the amount of EUR 16,5M, loan from shareholder Lords LB Special Fund V for the amount of EUR 16,5M and issued bonds with accrued interest for the amount of EUR 21,5M.

The total short-term borrowings as of 30 June 2025 amounted to EUR 33,6M, representing 59% of the total amount of the Group's gross debt.

The total long-term borrowings as of 30 June 2025 amounted to EUR 21,3M, representing 37% of the total amount of the Group's gross debt. Loans from Lords LB Special Fund V

The Group and the shareholder Lords LB Special Fund V have entered into two loan agreements on 15 November 2018 and 31 January 2022. The interest rates for both agreements are fixed and the maturity dates for both agreements are on 13 May 2026. The loans for the amount of EUR 16,6M together with share capital for the amount of EUR 32,2M (total EUR 48,8M) were used to finance the design and start of the construction of 1st stage of the real estate project.

Loans from Matuda UAB and Presses Nams UAB

As the development of the 1st stage project required additional financing, the group company Matuda UAB has issued non-public bonds in Lithuania and in turn entered into loan agreement with the Group on 21 April 2022, with the maturity date on 6 May 2024, in order to lend the funds received to the Group. The loan agreement contained the same terms and conditions as the main bond agreement by Matuda UAB, meaning that the Group had to comply with set covenants and reporting terms as well as interest and nominal repayments. The interest rate set in the agreement was fixed. Based on the loan agreement, the

loans from the shareholder were subordinated against the loan from Matuda as well as the real estate owned by the Group pledged against the bond holders.

As the term for bonds issued by Matuda UAB and respectfully loan agreement between Matuda UAB and the Group has neared to an end, another group company Preses Nams UAB has issued new non-public bonds in Lithuania in order to lend the funds to the Group and refinance the loan from Matuda UAB. The Group has entered into the loan agreement on 7 November 2023 with the maturity date on 13 November 2025. The loan agreement contains the same terms and conditions as the main bond agreement by Preses Nams UAB, meaning that the Group has to comply with set covenants and reporting terms as well as interest and nominal repayments. The interests calculated by Preses Nams UAB are directly reimbursed to the Group. Based on the loan agreement, the loans from the shareholder were subordinated against the loan from Preses Nams UAB as well as the real estate owned by the Group pledged against the bond holders.

On April 2024, the loan from UAB Matuda was successfully refinanced, with the remaining amount of EUR 1,5M transferred to new loan agreement on 7 May 2024, not related to the issued bonds by Matuda UAB. The loan agreement's maturity date was 31 December 2024, and the set interest rate was fixed.

11.4. Alternative Performance Measures (APM)

This Base Prospectus contains certain financial and operating performance measures that are not defined or recognised under the IFRS and which are considered to be “alternative performance measures” as defined in the “ESMA Guidelines on Alternative Performance Measures” issued by the European Securities and Markets Authority on 5 October 2015 (the “APMs” or “Alternative Performance Measures”). Since the Group does not earn income independently and its activity is the development of real estate, the selected APMs for this Base Prospectus were: NAV, Investment Property/ Assets ratio, Equity/Assets ratio, Loan-to- Cost (LTC) ratio. The APMs are presented in the table below:

Selected Alternative performance measures

Item	30 June 2025 (unaudited)	30 June 2024 (unaudited)	30 June 2023 (unaudited)
Net Asset Value	14 993 009	13 967 871	10 875 428
Investment Property/Assets, %	91.1%	96.0%	97.2%
Equity/Assets, %	20.9%	17.6%	16.1%
Loan-to-Cost, %	48%	32.3%	33.0%

Item	31 December 2024 (audited)	31 December 2023 (audited)	31 December 2022 (audited)
Net Asset Value	16 178 713	19 467 487	12 785 782
Investment Property/Assets, %	98.3%	92.6%	96.4%
Equity/Assets, %	25.3%	24.8%	19.5%
Loan-to-Cost, %	48%	28.1%	29.8%

Net Asset Value

Net Asset Value = Total assets – Total liabilities

Net Asset Value represents the value of the Group’s total assets minus its liabilities. It is commonly used to express the per-share value of an investment fund but also applies broadly to measure the Group's underlying value after accounting for liabilities.

Investment property / Assets

Investment Property / Assets Ratio = Total Investment Property Value / Total Assets

The ratio measures and demonstrates how much the company is reliant on development property as its main asset and business. A high ratio signals reliance on investment property as the main asset and business of the Group.

Equity / Assets

Equity / Assets Ratio = Total Equity – Total Assets

The ratio measures how well the company is capitalized and how strong is its balance sheet. Higher ratio means more equity capital and more robust balance sheet of the Group.

Loan-to-Cost

Loan-to-Cost Ratio = Total loans received / Total investment property development costs

The Loan-to-Cost (LTC) ratio indicates the proportion of a loan relative to the already incurred costs to develop the asset securing the loan. It reflects the risk to lenders, with a lower LTC suggesting that the loan represents a smaller portion of the asset's value, thereby reducing lender risk. Cost includes all incurred and planned future costs, are calculated according to the latest budget of the project.

This Base Prospectus includes certain references to alternative performance measures (APMs) derived from the Group’s Financial Information shown in the table above. This information should be viewed as supplemental to the Group’s Financial Information. Investors are cautioned not to place undue reliance on this information and should note that the APMs, as calculated by the Group, may differ

materially from similarly titled measures reported by other companies, including the Group's competitors. The APMs presented in this section are not defined in accordance with IFRS. An APM should not be considered in isolation from, or as substitute for any analysis of, financial measures defined according to IFRS.

2.9. TERMS AND CONDITIONS OF THE BONDS

Section 12.4. "Status of the Bonds" shall be deleted and restated as follows:

"The Bonds will rank pari passu with other senior secured obligations of the Issuer. In case of the insolvency of the Issuer, the Bondholders will be entitled to recover their investment on the same terms as other senior secured creditors in the respective claims' group according to the relevant Applicable Law.

As of the date of this Base Prospectus, the encumbrances previously registered in favour of AS "UPB" and UAB "YIT Lietuva" have been deleted from the Land Register. The prohibition mark and mortgage securing the Existing Bonds in favour of UAB "AUDIFINA" remain in place and are expected to be released upon full redemption of the Existing Bonds. In addition, a new mortgage and prohibition mark over the Property have been registered in the Land Register in favour of the Collateral Agent for the benefit of the Bondholders, thereby securing the Bonds."

2.10. TERMS AND CONDITIONS OF THE OFFERING

Section 13.5. "Exchange Offering" shall be deleted and restated as follows:

- 13.5.1. The exchange period (the "Exchange Period") for each Tranche, if any, shall be specified in the Final Terms. The Issuer may decide on shortening or lengthening the Exchange Period. However, in any case, the Exchange Period cannot be shorter than 10 Business Days and longer than the Subscription Period of the respective Tranche of Bonds.
- 13.5.2. By filling a respective corporate event notification to the Nasdaq CSD, within the Exchange Period of each Tranche, the Issuer may offer to all Existing Bondholders to exchange the Existing Bonds with the Bonds, as specified in the respective Final Terms.
- 13.5.3. The exchange ratio shall be one-to-one and any number of the Existing Bonds may be used for the exchange. The Issuer may offer at its own discretion an incentive fee to all Existing Bondholders for participation in the Exchange Offering. In such case, the incentive fee for Exchange Offering will be indicated in the respective Final Terms.
- 13.5.4. Existing Bondholders wishing to exchange the Existing Bonds can submit their instructions with their Custodian in writing using the offer form provided by the Custodian stating the number of the Existing Bonds to be exchanged (the "Exchange Instruction").
- 13.5.5. The Custodian shall in turn inform the Nasdaq CSD on the total number of the Existing Bonds to be exchanged with the Bonds of the respective Tranche and the Existing Bondholders who requested the exchange by the end of the Exchange Period.
- 13.5.6. The deadlines set by the Custodian or the Nasdaq CSD might also be earlier than the end of the Exchange Period.
- 13.5.7. As further specified in the respective Final Terms, every Existing Bondholder participating in the Exchange Offer may be entitled to a fee as compensation for the accrued interest on the Existing Bonds for the period from last interest payment date of the Existing Bonds until the Issue Date of the respective Tranche of these Bonds. The specific amount of fee (if any) shall be specified in the Final Terms of each respective Tranche. The fee is payable within 10 (ten) Business Days after the Issue Date and the record date for the fee of the respective Tranche. For tax purposes the fee is treated as interest payment.
- 13.5.8. The Arranger assumes no warranty or liability regarding the receipt of Exchange Instructions placed before the end of the Exchange Period.
- 13.5.9. By submitting an Exchange Instruction for the exchange of the respective Existing Bonds with the Bonds, each Existing Bondholder shall authorise and instruct the Custodian to immediately block the total number of the respective Existing Bonds to be exchanged with the Bonds on the Investor's securities account until the settlement for the transaction is completed or until the respective Existing Bonds are released.
- 13.5.10. The number of the Existing Bonds on the Existing Bondholder's securities account to be blocked shall be the same, meaning that for one Existing Bond the Existing Bondholder will receive one Bond. If the Existing Bondholder holds more than one Existing Bond, it may exchange only a certain amount of Existing Bonds and not exchange others.
- 13.5.11. Existing Bondholders who hold their Existing Bonds with Swedbank AB, registration number: 112029651, legal address: Konstitucijos pr. 20 A, LT-03502, Vilnius, Lithuania (hereinafter referred to as "Swedbank LT") are eligible to participate in the Exchange Offering. However,

since Swedbank LT is not a direct participant in the Latvian securities settlement system, different procedures must be followed for Existing Bondholders holding their bonds with Swedbank LT compared to those holding their bonds with other Custodians.

- 13.5.12. Existing Bondholders who hold their Existing Bonds with Swedbank LT and choose to participate in the Exchange Offering must submit a duly signed Exchange Instruction to the Arranger within the Exchange Period. The relevant Exchange Instruction form will be provided by the Arranger and attached to the Final Terms of the respective Tranche.
- 13.5.13. Upon the settlement of the Bonds for the respective Tranche, the Arranger, based on the submitted Exchange Instructions from Existing Bondholders holding their Existing Bonds with Swedbank LT, will submit such information to the Issuer, which then will submit instruction to Nasdaq CSD which based on that will execute two simultaneous corporate actions: 1) delete the Existing Bonds from the securities account of the respective Bondholder as a free-of-payment transaction, and 2) allocate the new Bonds to the distribution account of the Arranger, which then will transfer the Bonds to the securities account of the respective Bondholder which participated in the Exchange Offering and held the Existing Bonds with Swedbank LT as a free-of-payment transaction. The Arranger and the Issuer when submitting the instructions will observe the conditions set forth in this Section as long as they are not contradictory to conditions set forth in Clauses 13.5.11, 13.5.12 and 13.5.13 of this Base Prospectus. Consequently, the end result for these Bondholders will be the same as for others participating in the Exchange Offering; however, it will occur through the Arranger, the Issuer and the Nasdaq CSD, and involve two simultaneous corporate actions instead of one."

2.11 INFORMATION ABOUT THE COLLATERAL

Section 14. "Information About the Collateral" shall be deleted and restated as follows:

"If not provided otherwise in this Section of the Base Prospectus, words and expressions defined in the Terms and Conditions above or elsewhere in the Base Prospectus have the same meaning in this Section of the Base Prospectus.

Nature and scope of the Collateral

The due and timely payment, discharge and performance of the Bonds by the Issuer shall be secured by the Collateral.

Each Tranche of the Bonds will be secured by mortgage over the Property, i.e., over real estate property with unique cadastre number 0100 062 0093, Riga city land register folio No. 13063 with address Balasta dambis 2, Riga, the Republic of Latvia, which on the date of this Base Prospectus includes land property (cadastre designation 0100 062 0137), existing publishing house building (cadastre designation 0100 062 0093 001), multifunctional centre building under construction (cadastre designation 0100 062 0093 002), business centre building under construction (cadastre designation 0100 062 0137 001), guard building (cadastre designation 0100 062 0093 004) and pump station (cadastre designation 0100 062 0093 006) (the **Mortgage** or the **Collateral**).

The maximum amount of secured claim will be up to EUR 82 500 000 for the benefit of the Bondholders, with the particular claim amount specified in the Final Terms of the respective Tranche according to the total aggregate amount of Bonds issued under the Programme at the time.

The Collateral shall be established in accordance with the terms and conditions of the Collateral Agreement to be concluded between the Collateral Agent as the mortgagee and the Issuer as the collateral provider (mortgagor) with regards to establishment of the mortgage over the Property and the respective Collateral shall be registered in the Land Register within 60 (sixty) Business Days after the Issue Date of the first Tranche under the respective Final Terms.

As of the date of this Base Prospectus, all encumbrances previously registered in favour of AS "UPB" and UAB "YIT Lietuva" have been deleted from the Land Register. The prohibition mark and mortgage securing the Existing Bonds in favour of UAB "AUDIFINA" remain in place and are expected to be released upon full redemption of the Existing Bonds. Following the removal of the encumbrances in favour of AS "UPB" and UAB "YIT Lietuva", the Collateral has been registered in the Land Register in favour of the Collateral Agent for the benefit of the Bondholders."

THIS DOCUMENT IS ELECTRONICALLY SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS A TIME STAMP