

Company Arco Vara AS  
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Currency

Title Bond issue and loan agreements

Bond issue and loan agreement

Arco Vara AS conducted a bond issue as a result of which bonds in the amount of 1,325,000 euros were issued. This constitutes the first tranche of a bond program, under which up to 2 million euros worth of bonds may be issued by the end of 2019.

The issue date of the bonds is 21.12.2018 and the maturity date is 21.12.2020. 13,250 bonds with nominal value of 100 euros are issued with annual interest rate of 12%. The issued bonds are not secured. The issued bonds have been paid for in full. The bond issue was conducted in accordance with § 12 section 2 clause 2 of the Securities Market Act and therefore the offer of securities was not public.

Bonds of Arco Vara AS were subscribed for by 14 investors. All subscriptions were accepted in full. There is one related party among bond investors: OÜ Sandel, a company controlled by Kristel Tumm, the CFO of Arco Vara and the Supervisory Council member of two of its subsidiaries, who purchased bonds in the amount of 20,000 euros.

The proceeds of the bond issue will partly be used to refinance 500,000 euros worth of existing bonds with maturity date of 04.01.2019. In addition, 500,000 euros of the loan agreement related to the Madrid Boulevard building in Sofia will be repaid to Piraeus Bank Bulgaria Plc according to an earlier agreement in January 2019.

Further, Arco Vara AS has signed two loan agreements in the total amount of 550,000 euros with repayment date on 31.12.2019, which will refinance the loan agreements in the amount of 250,000 euros from 31.12.2017, and the remaining 300,000 euros worth of existing bonds with maturity date of 04.01.2019.

With the above, all main loan obligations of Arco Vara AS due in December 2018 and January 2019 have been refinanced.



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