

Company Hepsor AS
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Title Hepsor P113 OÜ, an affiliate of Hepsor AS, terminated a lease agreement

Hepsor P113 OÜ, an affiliate of Hepsor AS with a 45% shareholding, terminated the lease agreement with Novel Clinic Assets OÜ. Hepsor P113 OÜ owns a commercial building with a leasable area of ca 4,000 m(2) in Tallinn, at Pärnu mnt 113, of which the terminated lease agreement was signed for 3,575 m(2). The lease was terminated due to a significant violation of the terms of the lease by the tenant.

The lessee is obliged to compensate Hepsor P113 OÜ for the damage caused by the termination of the agreement and the lessor holds various guarantees as collateral for compensating possible claims for damages. Liquid guarantees guarantee compensation for damages caused by an expired lease claim until February 2024. As Hepsor P113 OÜ has other claims against the lessee in addition to rent claims, the effect of the termination of the agreement on the company's cash flow may also arrive earlier. The impact of the termination of the lease on the financial results of Hepsor AS Group is difficult to assess, as it depends primarily on how quickly new tenants are found.

Hepsor is engaged in the search for new tenants for the vacated rental premises. "This is an energy-efficient building with a unique Green Mindset and we have a positive outlook on filling the building with new tenants from the medical sector", said member of the management board Henri Laks.

The development project has been financed with a EUR 8.3 million loan by AS LHV Pank and Hepsor AS along with its co-owners will continue to service the loan according to loan schedule.

Hepsor P113 OÜ owns a commercial building with a leasable area of ca 4,000 m(2) at Pärnu mnt 113, Tallinn. It is the only commercial building in Tallinn with an A energy class and 100% geothermal heating and cooling. The innovative technologies used in creating a healthy indoor climate ensure low ancillary costs for tenants all year round, including lower heating costs. The building is characterized by environmentally friendly architecture, impeccable functionality and environmentally friendly building materials.

The building houses the office of the architectural firm PLUSS, which designed the building, and in addition to the office space, the building also has a lunch restaurant and a rooftop terrace. The building was built by Mitt & Perlebach OÜ.



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Hepsor AS (www.hepsor.ee) is one of the fastest growing residential and commercial real estate developers in Estonia and Latvia, which is also present on the Canadian real estate market since 2023. Over the last twelve years Hepsor has developed more than 1,600 homes and ca 36,000 m(2) of commercial space. Hepsor has been the first real estate developer in the Baltic States to implement a number of innovative engineering solutions that make the buildings we construct more energy-efficient and thus more environmentally friendly. The company's portfolio is comprised of 25 development projects with a total sellable space of 199,500 m(2).

