Beton Plus d.o.o.

Republic of Serbia, Real Estate and Construction

Rating composition

Business risk profile		
Industry risk profile	BB	B
Competitive position	B	
Financial risk profile		
Credit metrics	B-[a]	CCC[b]
Liquidity	-1 notch	
Standalone credit assessment		**B-**
Supplementary rating drivers		
Financial policy	+/-0 notches	**+/-0 notches**
Governance & structure	+/-0 notches	
Parent/government support	+/-0 notches	
Peer context	+/-0 notches	
Issuer rating		**B-**

Key metrics

		Scope estimates**		
Scope credit ratios*	**2024**	**2025E**	**2026E**	**2027E**
Scope-adjusted EBITDA interest cover	Net cash interest received	5.2x	2.3x	2.1x
Scope-adjusted debt/EBITDA	0.2x	3.5x	7.6x	7.3x
Scope-adjusted funds from operations/debt	391%	21%	5%	6%
Scope-adjusted free operating cash flow/debt	278%	1%	0%	3%
Scope-adjusted loan/value ratio	4%	48%	60%	59%
Liquidity	3196%	237%	40%	54%

Rating sensitivities

The upside scenario for the rating and Outlook:

- Positive FOCF, enabling organic deleveraging.

The downside scenario for the rating and Outlook:

- Perceived increase in liquidity risk, as indicated by covenant breaches, ongoing high leverage restricting access to external funding, or poor FOCF resulting from weak operating performance.

* All credit metrics refer to Scope-adjusted figures.
** Reflect the post-transaction structure from 2026 onwards; before Beton Plus d.o.o. standalone
[a] Editorial note: the value was amended on 8 January 2026. In the initial publication the text read "B".
[b] Editorial note: the value was amended on 8 January 2026. In the initial publication the text read "B-".

Issuer

B-

Outlook

Stable

Senior unsecured RSD 10bn bond rating

(P) B-

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Related methodologies

General Corporate Rating Methodology, Feb 2025
European Real Estate Rating Methodology, Jun 2025
Construction and Construction Materials Rating Methodology, Jan 2025

Table of content

1. Key rating drivers

Positive rating drivers	Negative rating drivers
• Post-transaction vertical integration across real estate design, construction, development and property management creates operational synergies. • Good-quality real estate portfolio within the second-tier Serbian commercial property market, with high and stable occupancy and a balanced lease maturity profile, ensures visibility of short-to-medium term rental cash flow and operating margin.	• Small scale in its segments (real estate and construction) limits resilience and competitive strength. • High customer and supplier concentration in the construction segment limits pricing power and poses a risk of significant cash flow volatility, which is only partially offset by recurring rental income from the real estate portfolio. • Geographic concentration in Belgrade (Serbia), exposing the group to local market cycles. • Inadequate liquidity with concentration of maturities in 2027 not covered by internal cash sources. • High post-transaction leverage restricts access to external financing in cyclical industries. • Limited organic deleveraging capacity due to break-even cash flow and underlying sector cyclicality. • Post-transaction group interest cover pressured by real estate debt load; industrial stronger yet unhedged and volatile.

2. Rating Outlook

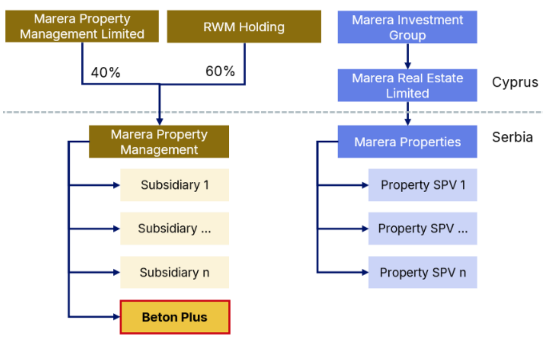
The Stable Outlook reflects our expectation of the successful execution of the RSD 10bn bond issuance, the planned acquisitions and the group restructuring. It also takes into account the continued weak credit metrics and the absence of incremental debt issuances. Furthermore, the Outlook considers the continued access to external financing required to repay or refinance maturing debt.

3. Corporate profile

Beton Plus d.o.o. is becoming the new group holding entity

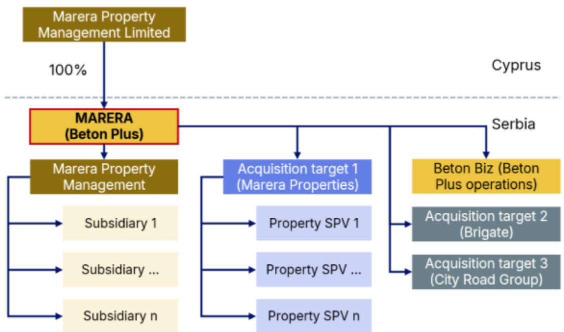
Founded in 2002, Beton Plus d.o.o. is one of Belgrade's largest ready-mix concrete providers. In June 2024, it was acquired by Marera Construction d.o.o., which marked the beginning of a wider strategic reorganisation. The rating reflects the group's structure following the issuance of an RSD 10bn (c. EUR 85m) unsecured bond, after which Beton Plus will become the holding entity of a newly consolidated group ('the transaction'; detail Appendix 1). The bond's proceeds will fund the acquisition of two construction firms (Brigate d.o.o. and City Road Group Privredno Društvo d.o.o.) and Marera Properties d.o.o, a real estate company that owns 12 properties valued at EUR 169m as of the end of December 2024. The share purchase agreements for all three acquisition targets are expected to be finalised in 2025, with the bond issuance and ownership transfer planned for February 2026. Legal restructuring, including the merger of MPM, Marera Construction (the current entity holding the issuer) and Marera Services into the issuer, will follow within three to six months, subject to timely approvals from banks and stakeholders.

Figure 1: Simplified corporate structure (pre-bond issuance)



Sources: Beton Plus, Scope

Figure 2: Simplified corporate structure (post-bond issuance)



Sources: Beton Plus, Scope

4. Rating history

Date	Rating action/monitoring review	Issuer rating & Outlook
7 Jan 2026	New	B-/Stable

5. Financial overview (financial data in EUR m)

				Scope estimates[1]		
Scope credit ratios	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
EBITDA interest cover	Net cash interest received			5.2x	2.3x	2.1x
Debt/EBITDA	0.1x	0.0x	0.2x	3.5x	7.6x	7.3x
Funds from operations/debt	-980%	7084%	391%	21%	5%	6%
Free operating cash flow/debt	-445%	7129%	278%	1%	0%	3%
Loan/value ratio	n/a	n/a	n/a	48%	60%	59%
Liquidity	n/a	3895%	3196%	237%	40%	54%
EBITDA						
Reported EBITDA	3.1	5.9	3.7	4.4	25.4	26.3
Gains/losses on disposals	(0.0)	(0.0)	0.0	-	-	-
EBITDA	**3.1**	**5.9**	**3.7**	**4.4**	**25.4**	**26.3**
Funds from operations (FFO)						
EBITDA	3.1	5.9	3.7	4.4	25.4	26.3
less: interest	0.2	0.3	0.3	(0.8)	(10.9)	(12.7)
less: cash tax paid	(0.5)	(0.2)	(1.0)	(0.4)	(2.4)	(1.4)
Other non-operating charges before FFO	(4.7)	(0.6)	(0.6)	-	(1.6)	-
Funds from operations	**(1.9)**	**5.5**	**2.4**	**3.2**	**10.4**	**12.2**
Free operating cash flow (FOCF)						
Funds from operations	(1.9)	5.5	2.4	3.2	10.4	12.2
Change in working capital	5.2	7.7	6.1	(1.7)	-	(0.5)
Non-operating cash flow	(3.8)	(6.7)	(5.5)	(0.0)	-	-
less: capital expenditures (net)	(0.4)	(0.9)	(1.3)	(1.3)	(10.8)	(6.3)
Free operating cash flow	**(0.9)**	**5.5**	**1.7**	**0.2**	**(0.4)**	**5.3**
Interest						
Net cash interest paid	-	0.0	0.0	0.9	11.2	13.3
less: net cash interest received	(0.2)	(0.3)	(0.3)	(0.1)	(0.3)	(0.5)
Interest	**(0.2)**	**(0.3)**	**(0.3)**	**0.8**	**10.9**	**12.7**
Debt						
Reported financial (senior) debt	0.2	0.1	0.6	15.2	192.9	191.9
less: cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0
Debt	**0.2**	**0.1**	**0.6**	**15.2**	**192.9**	**191.9**

[1] Reflect the consolidated post-transaction structure from 2026 onwards; before Beton Plus d.o.o. standalone

6. Environmental, social and governance (ESG) profile[2]

Environment	Social	Governance
Resource management (e.g. raw materials consumption, carbon emissions, fuel efficiency)	Labour management	Management and supervision (supervisory boards and key person risk)
Efficiencies (e.g. in production)	Health and safety (e.g. staff and customers)	Clarity and transparency (clarity, quality and timeliness of financial disclosures, ability to communicate)
Product innovation (e.g. transition costs, substitution of products and services, green buildings, clean technology, renewables)	Clients and supply chain (geographical/product diversification)	Corporate structure (complexity)
Physical risks (e.g. business/asset vulnerability, diversification)	Regulatory and reputational risks	Stakeholder management (shareholder payouts and respect for creditor interests)

ESG factors: credit-positive credit-negative credit-neutral

Complex structure leads to reduced transparency and execution issues; addressed through group restructuring

The pre-transaction corporate structure is complex, primarily due to the cross-border shareholding arrangements and the steps required for ownership consolidation.

Further, historical ties to individuals in Russia have attracted press scrutiny. However, it is important to note that Mr Zubrili, the ultimate beneficial owner of Marera Investment Group Limited (to be bought out of the structure using bond proceeds), divested all his assets and business interests in Russia between 2012 and 2016. He has held both Russian and Maltese citizenship since 2017 and has been a habitual and tax resident of Cyprus since 2022.

The company's legacy corporate structure creates a range of potential operational and execution risks, as well risks of potential structural subordination of cash flows and liabilities across the group. However, Scope's analysis recognizes that the targeted transaction will significantly streamline the company's structure, and mitigate a number of these risks. Scope's ratings analysis, and prospective reflects and assumes that the targeted structure will be executed successfully.

[2] These evaluations are not mutually exclusive or exhaustive as ESG factors may overlap and evolve over time. We only consider ESG factors that are credit-relevant, i.e. those that have a discernible, material impact on the rated entity's cash flow and, by extension, its credit quality.

7. Business risk profile: B

The business risk profile is supported by post-transaction vertical integration across real estate design, construction, development, and property management, which should create operational synergies. The group benefits from a good-quality commercial property portfolio in the second-tier market of Belgrade, featuring high occupancy and a balanced lease maturity profile that ensures visibility of short- to medium-term rental cash flow and operating margins. However, its small scale in both real estate and industrial activities, which includes construction and construction materials as well as business services, limits resilience and competitive strength. High customer and supplier concentration in the construction sub-segment and geographic concentration in Serbia expose the group to cash flow volatility and local market cycles, only partially mitigated by recurring rental income.

Industry risk: BB

Beton Plus' core business activity is the production of ready-mix concrete (construction materials; industry risk profile: BB). Following the issuance of a EUR 85m senior unsecured bond, the company intends to use the proceeds to acquire a contractor (building segment within construction; industry risk profile: B), a construction company providing construction machinery and equipment for operations in the civil engineering segment (business services with an asset-heavy and specialised workforce; industry risk profile: BBB), and commercial property company Marera Properties (commercial real estate; industry risk profile: BB) as well as to merge with Marera Property Management (business services – asset-light and unspecialised workforce; industry risk profile of BB). The blended industry risk profile, based on the expected EBITDA contribution of each segment, is BB.

The rating reflects the group’s structure following the issuance of an RSD 10bn (c. EUR 85m) unsecured bond, after which Beton Plus will become the holding entity of a newly consolidated group (‘the transaction’). The bond’s proceeds will fund the acquisition of two construction firms (Brigate d.o.o. and City Road Group Privredno Društvo d.o.o.) and Marera Properties d.o.o, a real estate company that owns 12 properties valued at EUR 169m as of the end of December 2024. The share purchase agreements for all three acquisition targets are expected to be finalised in 2025, with the bond issuance and ownership transfer planned for February 2026. Legal restructuring, including the merger of MPM, Marera Construction (the current entity holding the issuer) and Marera Services into the issuer, will follow within three to six months, subject to timely approvals from banks and stakeholders.

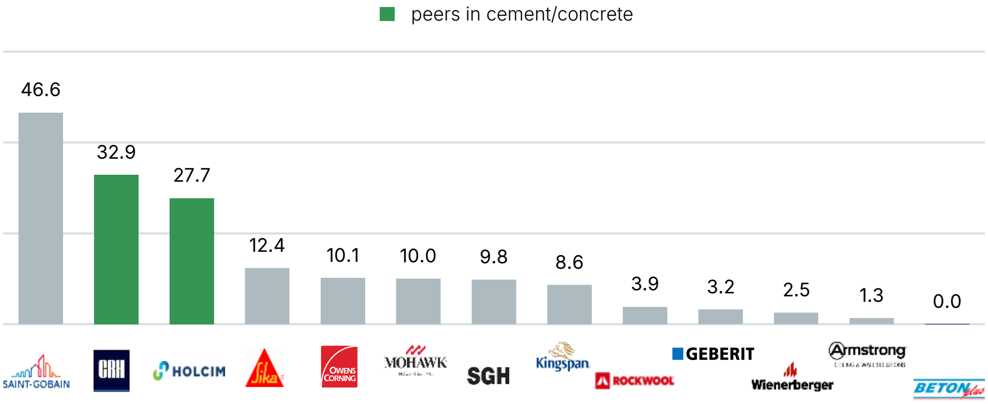
Industrial activities (construction and construction materials, business services)

Small company with a top three position in its local Belgrade market

In absolute terms, the company is small, with revenues of EUR 20m–30m and EBITDA of EUR 3m–6m historically, but it holds a meaningful regional position. As ready-mix concrete is a local business with a 50 km delivery radius, market share depends on capacity and territory rather than global revenues. With a total capacity of 240 m^3/h across three plants, the company controls an estimated 10%–20% of the Belgrade market[3], ranking first among pure concrete producers and third including integrated peers. This gives it a competitive advantage despite limited geographic diversification.

[3] Commission for Protection of Competition, Report on Sectoral Analysis of the State of Competition in the Cement and Concrete Markets in the Republic of Serbia in the Period from 2018 to 2021, for Galens and Management information.

Figure 3: Peers in construction materials by revenues FY 2024 (EUR bn)



Sources: Beton Plus, public information, Scope

Planned expansion increases execution risk

The Serbian concrete market is fragmented and dominated by large companies such as Lafarge and CRH, which has cost advantages. Nevertheless, the cooperation with Lafarge as the main supplier and partner of choice for regional expansion strengthens the issuer's local position. Regional demand is boosted by infrastructure projects such as Expo Belgrade 2027, which offsets weakness in the residential sector. The planned expansion into larger regional cities, starting with Novi Sad, alongside acquisitions in 2026 (adding EUR 100m in revenue and EUR 10m in EBITDA) would increase the company's scale and vertical integration in construction materials, equipment, and construction work, but add execution risk.

Through its facility management activities, the division also manages 3.4m square metres (sq m) of real estate and operates the Desk & More co-working brand.

Concentrated in Belgrade and vulnerable to local construction cycle

The company is highly concentrated in Belgrade and the ready-mix concrete sub-segment, which makes it vulnerable to local market dynamics and cyclical swings in construction activity. Although Belgrade benefits from significant infrastructure investment and projects related to Expo 2027, these factors are only temporary and do not offset the structural risks associated with operating in a single city within a fragmented regional market. A slowdown or overcapacity in the local market could lead to intense price competition, which the company would struggle to withstand unless the targeted vertical integration provides more consistent demand.

High customer and supplier concentration.

Customer and supplier concentration further heightens risk. Around two-thirds of the cement supply comes from Lafarge, creating input price and dependency risks. Meanwhile, the top 10 customers accounted for 90% of revenues in the first half of 2025. The lack of a stable, granular customer base increases cash flow volatility and limits bargaining power, as revenues fluctuate with project wins and demand cycles. Although planned acquisitions and regional expansion may improve scale and integration, they will not materially reduce concentration as the targets have similar customer and supplier profiles.

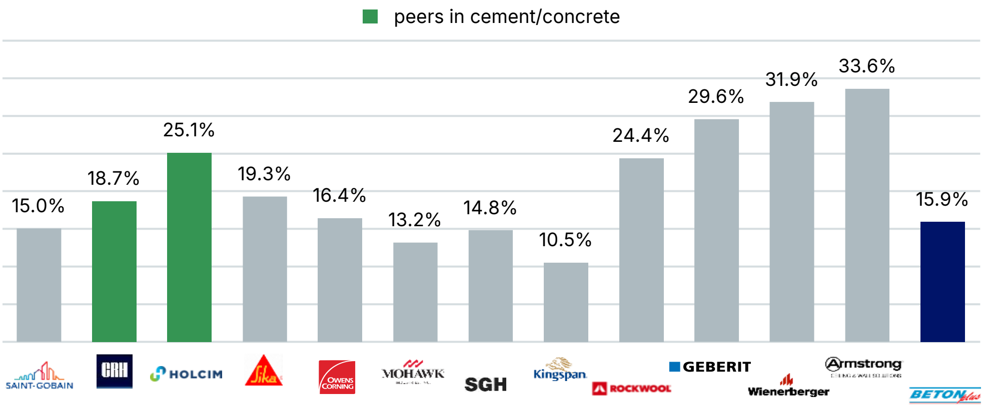
Although the exposure to facility management and co-working and to one solar park adds some client diversification, limited earnings capacity ultimately restricts the benefits regarding cash flow diversification.

In our view, the company's narrow footprint, reliance on a few counterparties, and exposure to a single segment – after expansion to two segments – are one of the main risk drivers for the industrial arm of Beton Plus. While short-term demand prospects in Belgrade are favourable, structural concentration risk remains high and executing growth plans carries uncertainty.

Margins strong but volatile; expansion and market trends pressure profitability and cash flow

With an EBITDA margin of between 15%-25% historically, the company shows good performance, broadly aligned with its global peers. This is supported by its market position in Belgrade and stable demand. However, moderate volatility and the lack of vertical integration, compared to global leaders such as Lafarge (part of Holcim), limits cost control and exposes the issuer to supplier-driven price dynamics. This creates vulnerability in periods of input cost inflation or weakening demand.

Figure 4: Peers in construction materials by EBITDA margin FY 2024



Sources: Beton Plus, public information, Scope

Profitability is likely to decline due to the planned expansion into construction activities, which typically have lower margins and are more cyclical. The targeted acquisition of a small, single-country contractor amplifies this risk, as the acquisition target lacks scale and is thus highly sensitive to economic cycles. As a consequence, we expect this strategic shift to reduce the predictability of cash flow.

Regional market trends are putting further pressure on the company: while infrastructure projects are supporting demand, residential construction in Serbia is slowing and input costs are rising, creating pricing pressure in the competitive ready-mix concrete segment. Dependence on external suppliers and the limited geographic diversification heighten credit risk, meaning margin resilience depends on maintaining local market share and managing cost inflation.

The profitability of other industrial activities varies, but they are seen to amplify the dilutive effect of expanding into construction activities, albeit with lower margin volatility.

Real estate activities (Marera Properties)

Small property company in a European context, though an important player in the Serbian real estate market

With total assets of EUR 174m and a gross lettable area (GLA) of 178,311 sq m, both as of end-December 2024, Marera Properties remains an important player in Serbian commercial real estate, albeit small in a European context. Looking ahead, we recognise the portfolio expansion's potential within the retail (8,000 sq m of additional GLA at the Forum SC in preparation) and industrial portfolios (development potential of 22,000 sq m at Podeba Hall).

Modest to weak market shares in the moderately concentrated real estate market of Belgrade

The Serbian commercial real estate is largely concentrated in Belgrade, which accounts for more than half of the national stock (nearly 70% of the office stock). The competitive landscape shows moderate concentration in both the office and the retail segments, with the top 5 and 6 players collectively holding around 30% and 56% of total stock, respectively. The industrial segment is more polarised, dominated by CTP (8%) and owner-occupiers (88%). In this context, Marera Properties holds moderate to weak market shares of Serbia's total stock in specific segments, as reflected by a 1% share of the industrial stock, and 3% in both Serbia's total office and retail stock.

Figure 5: Portfolio by asset class (GLA)*

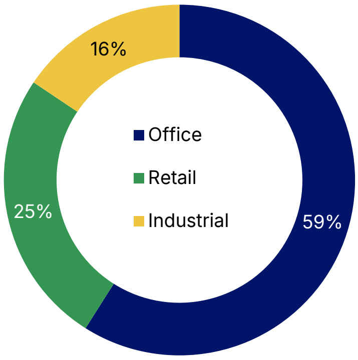


Figure 6: Revenue by asset class**

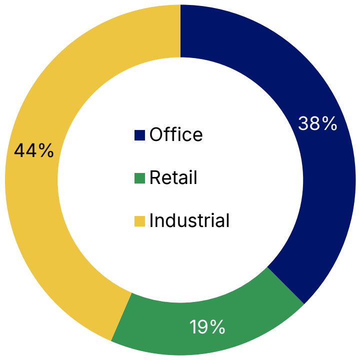
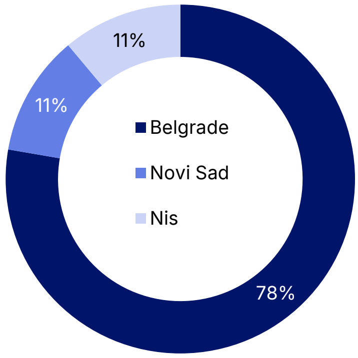


Figure 7: Portfolio by region (GLA)*



* as at end-2024; **as at end-June 2025

Sources: Marera Properties, Scope

Asset portfolio concentrated in Belgrade/domestic market

Marera Properties' property portfolio is exclusively in Serbia, with a stronger concentration in Belgrade (eight properties). The capital city accounts for 66% of the portfolio's total value and 45% of its GLA. The company also has meaningful presence in Novi Sad (23% of total portfolio value), the country's largest secondary market, and a smaller exposure in Nis through the Forum shopping centre.

While the Serbian commercial real estate market benefits from solid underlying fundamentals and favourable growth prospects, the portfolio's single concentration within Serbia exposes Marera Properties to elevated volatility risks and shifts in domestic demand, closely linking it to the country's economic environment.

Wide diversification across asset classes

Marera Properties' portfolio shows good diversification across the three main property segments – offices (38% of GLA / 60% of gross rental income), light industrial/logistics (44% / 14%) and retail (19% / 26%). This balanced allocation across asset classes helps to mitigate potential cash flow volatility and cyclicality in any single segment, which benefits from slightly distinct demand patterns and performance drivers.

Weak to moderate diversification of the tenant portfolio

The tenant portfolio, comprising over 200 individual tenants, shows weak to moderate diversification, with the top three accounting for 22% of total revenue in 2024. Desk&More (Marera Property Management's coworking brand) is the largest tenant (12%), followed by Clarivate (an information and analytics service provider) at 6%, and Erste Bank at 4%. The 10 largest tenants contributed 36% of total revenue in 2024. Beyond the three largest tenants, the tenant base is fairly granular, with no tenant contributing more than 2.5% of total revenue. Excluding revenues from the main related entity, the top 10 tenants represented 28% of total revenue.

The office tenant mix features a high proportion of IT, consulting and financial services companies, while the retail mix is dominated by fashion, sports and home equipment stores.

Moderate to weak quality of the tenant mix

The quality of Marera Properties' tenant base is moderate to weak, reflecting the significant presence of small and medium-sized tenants with weak or unverified credit quality, which outweighs the contribution from more solid, blue-chip occupants.

The largest tenant, Desk&More, also presents risks for the top line, amplified by the related-party nature of the exposure. The coworking business appears to be underperforming (structurally lower-margin real estate model) and is expected to deliver negative EBITDA in 2025. This creates downside risk for Marera Properties should the anticipated path to profitability not materialise from 2026.

Portfolio value showing some concentration due its limited size

The portfolio value exhibits concentration risk given its limited scale (12 properties) and the prominence of several key assets, notably Palata Beograd, KBC and Pobeda Hall. As of end-2024, the three largest properties accounted for 56% of total portfolio value.

Moderate but very stable margins

Profitability, as measured by the EBITDA margin, has remained very stable historically, averaging around 57% over 2022-2024 (2024: 57.5%). This margin level is solid but remains below that of diversified buy-and-hold real estate companies. Margin stability is supported by the consistently high occupancy rate of 99%-100% in recent years and the robust rental growth driven by CPI-linked indexation and the positive reversion on lease renewals.

Profitability is anticipated to gradually improve from 2025 and remain above 60%, benefitting from continued strong operating performance – including from positive indexation and rental uplift, high occupancy levels of close to 100%, a growing revenue base from planned investments (including extensions of Pobeda Hall, Zemun Park II) and sustained cost discipline.

Figure 8: Portfolio occupancy & WAULT

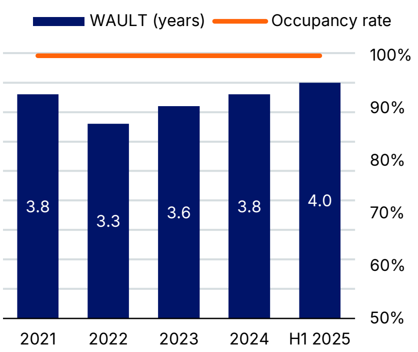


Figure 9: WAULT (years) by segment

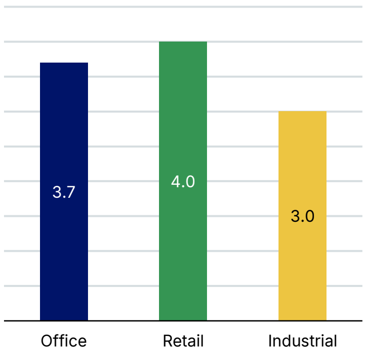
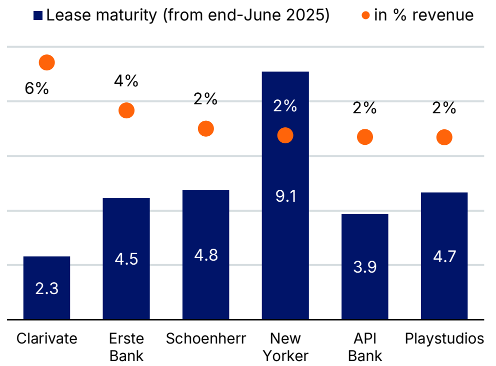


Figure 10: Lease expiry top contracts



Sources: Marera Properties, Scope

Good quality portfolio within the Serbian commercial property market (second-tier)

Belgrade represents Serbia's main hub for real estate investment and leasing activity, accounting for more than half of the national GLA (9.8 million sq m, of which two-thirds is industrial stock). Belgrade (66% of Marera Properties' portfolio) is classified as a 'B' location[4], characterised by low investment volumes (EUR 211m in H1 2025) and lower attractiveness to international investors relative to other CEE markets. Other regional markets are considered 'C' locations, including Novi Sad (23% of portfolio value) despite being the most important secondary market.

The quality of the property portfolio, particularly in Belgrade, is supported by the prime or strategic locations, modern asset base with an economic age of less than nine years (including refurbishments) and a fully BREEAM-certified portfolio. These characteristics support tenant appeal, asset values and enhance overall portfolio liquidity.

High and stable occupancy

Marera Properties has operated a fully occupied portfolio in recent years, underscoring the attractiveness of its properties, strong tenant retention capabilities and sustained demand for commercial space.

Leasing activity remained solid in 2024, with renewed lease agreements across all segments, including 7,500 sq m of new and renewed leases in office (11% of segment GLA) and 2,500 sq m within Forum SC (24% of GLA). This evidences strong tenant interest and supports expectations of continued very high occupancy rates going forward.

Combined group

We believe that post-transaction vertical integration across real estate design, construction, development and property management creates operational synergies that can provide a foundation for benefiting from the potential of the Serbian real estate market. This market has an underdeveloped commercial real estate segment, with a significantly lower stock density (office, retail and industrial) per capita in Belgrade than in the capital cities of surrounding countries,

[4] According to Scope's definition, based on the available stock of commercial space (+/- 2 million sq m) and city influence.

including Bulgaria, Romania, Croatia, Slovenia and Hungary. Market dynamics are further supported by a solid track record of sustained and balanced GDP growth, driven by investment, exports and foreign direct investment.

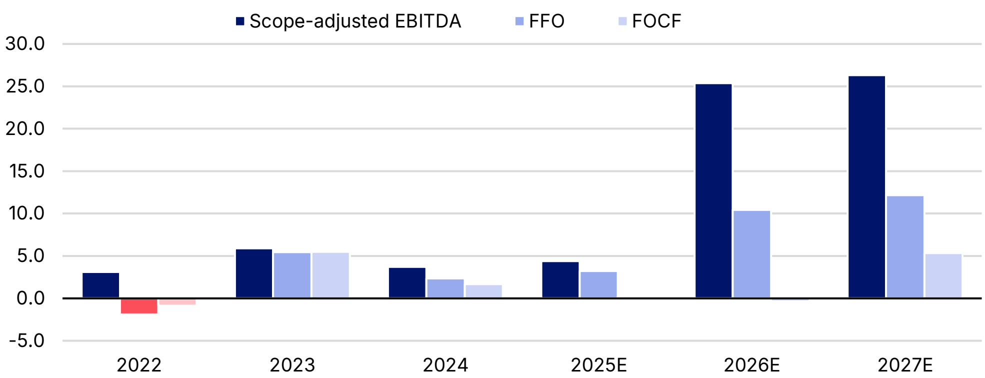
8. Financial risk profile: CCC

The financial risk profile reflects the company's high post-transaction leverage and limited ability to reduce its debt burden given that free operating cash flow (FOCF) is only expected to break even. This exposes the company to liquidity risk, though manageable.

Limited organic deleveraging capacity due to break-even cash flow and underlying sector cyclicality

We expect that the combined entity will achieve break-even cash flow coverage, with capital expenditure – primarily for real estate – funded by internal cash generation. However, credit risk is driven by the limited resilience to earnings volatility and interest costs as well as the potential spending appetite. Management's assumption of the benefits of vertical integration and the operational capacities of the enlarged group could lead to aggressive investment in brownfield and greenfield projects, which would weaken FOCF and increase reliance on external financing. The relatively short WAULT adds further pressure, as tenant incentives or refurbishments may require additional capital expenditure.

Figure 11: Cash flows (EUR m)



Sources: Beton Plus, Scope

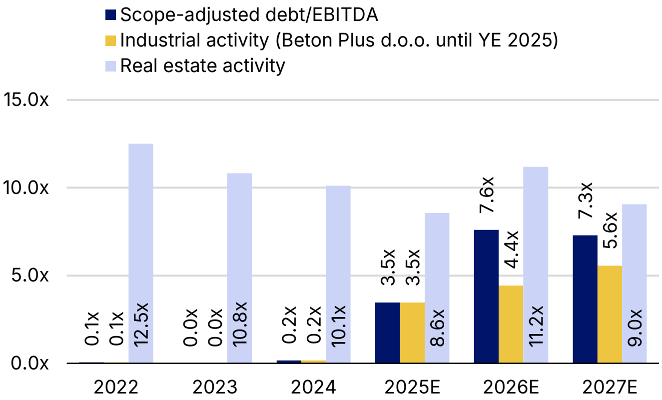
The company's high interest burden significantly constrains FOCF and organic deleveraging capacity. This risk is amplified by the cyclical nature of the construction (materials) and real estate markets, which could expose cash flows to downturns.

High post-transaction leverage restricts access to external financing in cyclical industries

The company's leverage profile is weak. The pro-forma loan/value[5] is projected to rise to around 80% after the bond-financed transaction from 55%–60% before. This exceeds investment-grade thresholds and indicates an aggressive capital structure for a buy-and-hold real estate model.

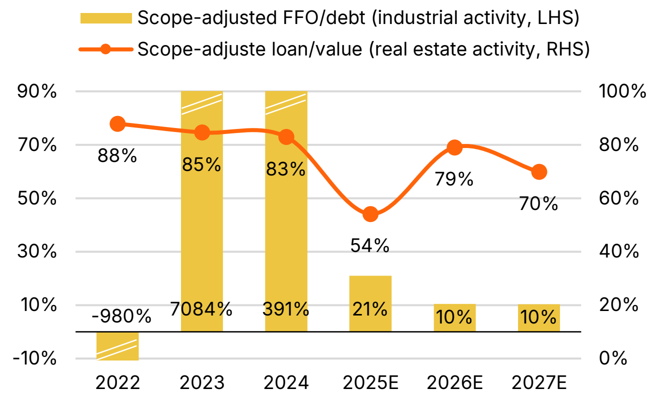
[5] Consideration is given only to the fair value of the real estate portfolio, with no addition of other assets or deduction of the positive value of derivatives or cash.

Figure 12: Leverage I



Sources: Beton Plus, Scope

Figure 13: Leverage II



Sources: Beton Plus, Scope

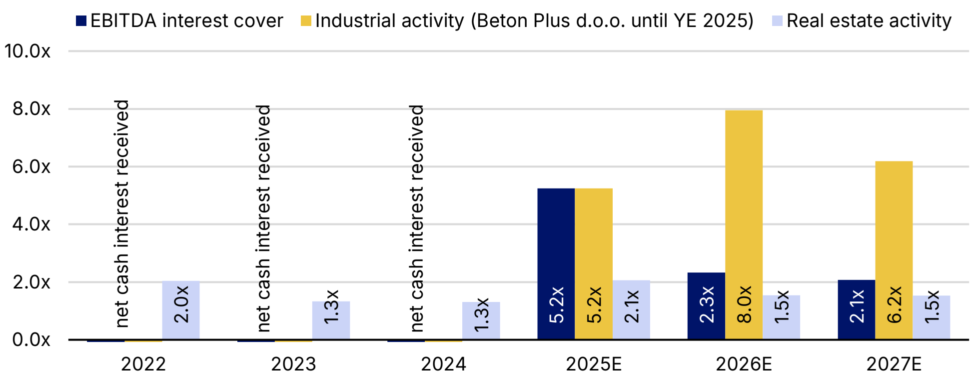
The debt/EBITDA ratio is expected to reach 11x for real estate and around 5x for industrial activities, compared to around 9x and 3-4x respectively prior to the transaction. FFO/debt is forecast to decline to around 10% for industrial activities, indicating limited debt servicing capacity. Given only break-even FOCF, high leverage is expected to persist, leaving minimal room for organic deleveraging.

Although half of the post-transaction debt is non-recourse, this only partially offsets the refinancing risk. Overall, high leverage remains a key credit risk factor, reflecting high debt relative to asset values and earnings, limited capacity to reduce debt, and exposure to cyclical sectors. The company's ability to maintain access to external funding and manage its investment appetite will be critical.

Post-transaction group interest cover pressured by real estate debt load; industrial stronger yet unhedged and volatile

Interest coverage is anchored by the buy-and-hold real estate portfolio, with the post-transaction EBITDA interest cover weak at around 1.5x. While the real estate portfolio benefits from partial interest rate protection in the form of micro-hedges of 75%–100% per loan, its high debt load and capital intensity mean that interest coverage remains sensitive to changes in borrowing costs. The planned senior secured bond, which we partially attribute to real estate activities, will increase the weighted average cost of debt to over 6% (from 5.6% at end-June 2025). This will put pressure on interest coverage in the short term despite improving the debt mix towards RSD-denominated and fixed-rate debt.

Figure 14: Interest cover



Sources: Beton Plus, Scope

Forex risk is currently contained. While around 50% of the post-transaction debt is in euros and is only partially matched by euro-denominated income, the Serbian dinar is under a managed float by Serbia's central bank. This limits forex volatility and thus the erosion of earnings from currency movements. Overall, the portfolio has the stability features typically seen in a buy-and-hold real estate portfolio, but they are not robust enough to offset the low margin of safety.

Industrial activities provide higher EBITDA interest coverage of around 7x on a standalone basis (post-transaction). However, this uplift is moderated by the risk characteristics: At the end of June 2025, 97% of debt[6] (including the industrial activities of Marera Properties/ Marera Property Management) was unhedged, and the earnings stream is more volatile. This makes interest expense and coverage highly rate-sensitive.

Given the group's structure and its reliance on debt funding at the real estate level, we expect sustained group interest coverage to be driven by the weaker, more capital-intensive real estate segment. This will be subject to incremental pressure from the rising cost of debt and limited support from the industrial activities.

Inadequate liquidity

The company's liquidity is constrained by its reliance on external financing and its limited cash reserves after the proceeds from the bond issue are used to achieve the target structure. While short-term maturities in 2026 appear manageable assuming a successful bond issuance, the lack of meaningful FOCF limits natural deleveraging and increases refinancing risk. This is a key credit concern given the company's exposure to both the industrial and the real estate sectors.

The main challenge arises in 2027 due to the concentration of maturities: EUR 15m related to the issuer's industrial activities plus EUR 15m of secured real estate debt. Although the collateralised real estate debt is likely to be refinanced and the unsecured bonds should not restrict access to secured funding, there is still an element of execution risk.

Although coverage ratios of below 100% typically indicate inadequate liquidity, regional refinancing practices and access to secured funding offer some mitigation. Furthermore, there are no limitations on introducing additional secured debt at any subsidiary level, which would rank structurally before the unsecured bond. This would provide additional lending capacity, especially since this is feasible up to debt/EBITDA levels of 5x. Nevertheless, dependence on external financing highlights the vulnerability to market conditions, making liquidity a key rating sensitivity.

Table 1. Liquidity sources and uses (in EUR m)

	2025	2026E	2027E
Unrestricted cash (t-1)	1.2	0.8	11.4
Open committed credit lines (t-1)	0.0	0.0	0.0
FOCF (t)	0.2	(0.4)	5.3
Short-term debt (t-1)	0.6	1.7	31.0
Liquidity	**237%**	**40%**	**54%**

Sources: Beton Plus d.o.o., Scope

9. Supplementary rating drivers: +/- 0 notches

Financial policy: neutral

The issuer's financial policy focuses on achieving a conservative leverage profile and ensuring strong liquidity to support debt repayment. The company is targeting a debt/EBITDA ratio of around 2x, including working capital, and aims to keep its loan/value ratio within the range of 45%–65% at group level.

Additionally, the issuer intends to relocate its ultimate holding entity from Cyprus to Austria within the next few years, with the aim of establishing a transparent, investor-friendly structure. The

[6] around one third after the bond issuance

current policy explicitly excludes dividend payments to prioritise cash retention and secure the timely repayment of bonds, thereby strengthening the overall credit profile.

Parent support: neutral

There is limited visibility on the financial strength of the ultimate beneficial owner of the rated entity, Marera Property Management Ltd. Based on conversations with management, we understand that there is no debt burden requiring support from the issuer or its holdings via related-party loans or dividend payouts.

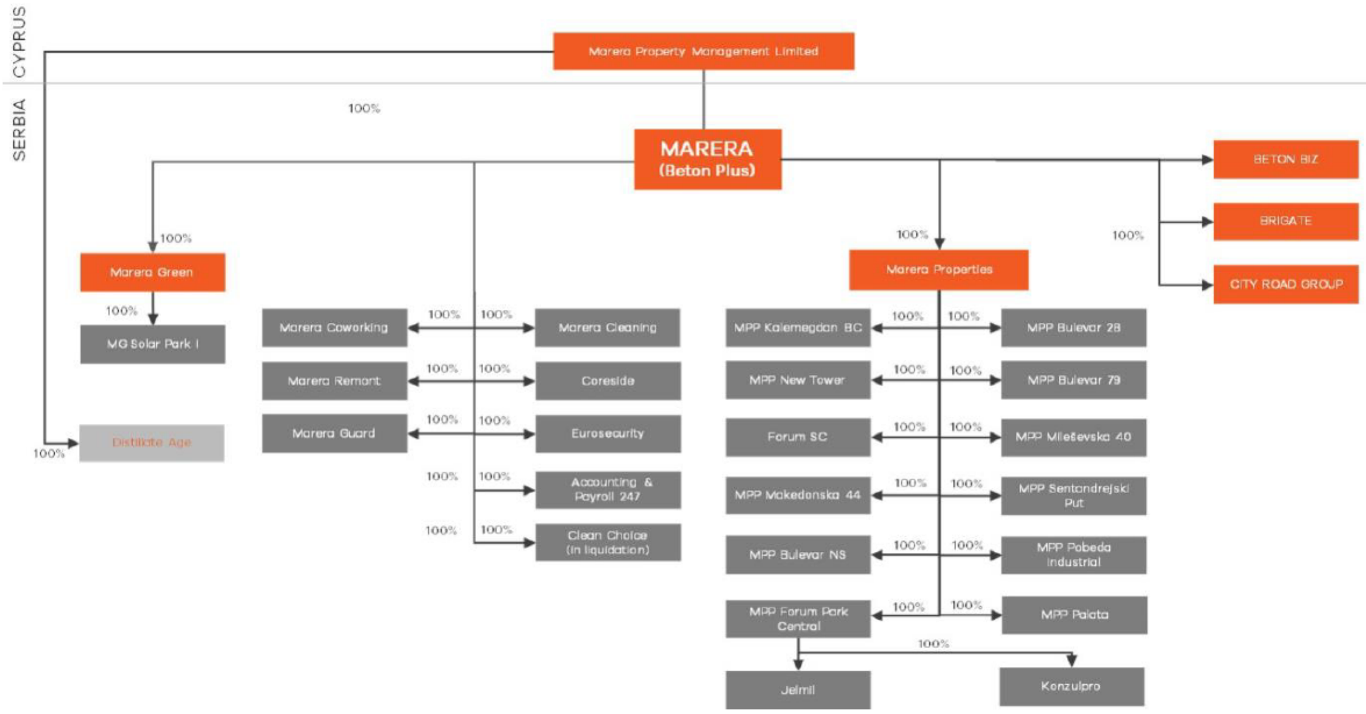
10. Debt rating

Senior unsecured RSD 10bn bond rating (P) B-

Beton Plus plans to tap the bond market with a first-time RSD 10bn (EUR 85m) senior unsecured bond issue in Q1 2026, to which we assign a preliminary bond rating of (P) B-.

The projected liquidation value of EUR 164m at YE 2027 is expected to largely cover creditors' claims of about EUR 211m, including payables. Although the recovery rate for the senior unsecured bond is estimated to be above average, the rating reflects the constraints imposed by its unsecured status and the potential increase in senior secured debt resulting from the structural subordination of the issuer's creditors. This is because there are no contractual limitations on the indebtedness of entities held by Beton Plus, either directly or indirectly.

Appendix 1. Target structure



Source: Beton Plus d.o.o.

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