

CONSOLIDATED INTERIM REPORT

UPP & CO KAUNO 53 OÜ

Beginning of reporting period:	1 January 2025
End of reporting period:	30 September 2025

Registry code:	14194597
----------------	----------

Registered office:	Pärnu mnt 141 Tallinn 11314 Harju County
--------------------	---

Telephone:	+372 6616 450
------------	---------------

e-mail address:	property@unitedpartners.ee
website address:	www.unitedpartners.ee

MANAGEMENT REPORT

General information

UPP & CO Kauno 53 OÜ, the parent company of the consolidation group, was founded in order to acquire and manage investment property and involve additional capital for these transactions.

In 2017, the company acquired 100% holding in Promalita UAB, a company registered in the Republic of Lithuania, which owns a logistics centre near Vilnius. The net internal area of the centre is 21 224 m² and it is fully rented out. Rimi retail chain is the anchor tenant.

The commercial activities of the consolidation group constitute collecting income from rent, managing the real estate object, and servicing loan obligations. Loan obligations comprise bonds with a fixed interest rate and an investment loan. In terms of income, there is stable triple net lease income from lessees that is for the most part fixed with medium to long-term contracts and indexed according to inflation. Arising from the commercial activities of the consolidation group, its economic activities and financial results are generally not easily affected by various external factors. The activities of the company have no major environmental and social impacts.

The Group continues to assess the macroeconomic environment as challenging; however, signs of improvement are evident. Interest rates have declined from their peak, and modest economic growth is forecast for the Baltic region. During the reporting period, the average interest rate on the Group's bank loan was 3.91%, and interest expenses decreased by 16.8% compared to the same period last year. The Group has accumulated sufficient reserves, and about two-thirds of the Group's loan cost is fixed. Therefore, the Group's ability to service loans is expected to remain strong also in 2025.

The consolidation group was created solely for managing the logistics centre and there are no planned structural changes in business operations.

The management is not in possession of any information concerning trends, uncertainties, claims, obligations or events that could likely have a significant impact on the prospects of the consolidation group in the period following the reporting period outside the regular commercial activities of the consolidation group.

Comment on 3Q and six months of 2025 economic performance

Sales revenue was 328 kEUR in 3Q 2025 (338 kEUR in 3Q 2024) and 997 kEUR for the nine months of 2025 (1 020 kEUR for 9 months of 2023).

Operating profit was 307 kEUR in 3Q 2025 (277 kEUR in 3Q 2024) and 892 kEUR for the nine months of 2025 (895 kEUR for 9 months of 2024). EBITDA was 307 kEUR in 3Q 2025 (277 kEUR in 3Q 2024) and 892 kEUR for the 9 months of 2025 (895 kEUR for 6 months of 2024).

Net income was 138 kEUR in 3Q 2025 (55 kEUR in 3Q 2024) and 374 kEUR for the nine months of 2025 (304 kEUR for 9 months 2024).

	9 months 2025	9 months 2024
Financial ratios of the Group		
Debt to equity ratio	2,70	3,95
Debt ratio	0,77	0,80
Long-term debt ratio	0,72	0,76
Return on equity %	10,43%	9,71%
Equity ratio	0,23	0,20
Return on assets %	2,26%	1,83%

Formulas for ratios

Debt to equity ratio = interest bearing liabilities/equity

Debt ratio = liabilities/(liabilities+ equity)

Long-term debt ratio = long-term liabilities/(long-term liabilities+ equity)

Return on equity (ROE %)= (net profit/average equity for 12 months)*100

Equity ratio = equity/average assets (12 months)

Return on fixed assets (ROA %) = net profit/fixed assets*100

Management board

The management board of UPP & CO Kauno 53 OÜ consists of one member: Marko Tali, Chairman of the Management Board.

No remuneration or other benefits are provided to the members of the management board.

The management board of Promalita UAB has also one member: Marko Tali, who receives symbolic remuneration.

Other than the management board, the Company has no employees.

UPP & CO Kauno 53 OÜ and its subsidiary Promalita UAB are a going concern.

Member of Management Board

Marko Tali

CONSOLIDATED INTERIM ANNUAL ACCOUNTS**CONSOLIDATED BALANCE SHEET**

(EUR)

	<u>30.09.2025</u>	<u>30.09.2024</u>
Cash	338 424	258 338
Receivables and prepayments	8 691	16 471
Total current assets	347 115	274 809
Investment properties	16 300 000	16 150 000
Tangible fixed assets		12
Total fixed assets	16 300 000	16 150 012
TOTAL ASSETS	16 647 115	16 424 821
Short-term loans payable	460 000	460 000
Payables and prepayments	86 539	80 366
Total current liabilities	546 539	540 366
Long-term loans payable	9 800 184	10 260 184
Long-term provisions	2 495 689	2 304 400
Total non-current liabilities	12 295 873	12 564 584
TOTAL LIABILITIES	12 842 412	13 104 950
Share capital	2 500	2 500
Retained earnings	3 802 203	3 317 371
TOTAL EQUITY	3 804 703	3 319 871
TOTAL LIABILITIES AND EQUITY	16 647 115	16 424 821

CONSOLIDATED INCOME STATEMENT

(EUR)

	<u>2025</u> <u>Q3</u>	<u>2025</u> <u>9 months</u>	<u>2024</u> <u>Q3</u>	<u>2024</u> <u>9 months</u>
Sales revenue	328 497	997 104	337 947	1 020 412
Total revenues from operating activities	328 497	997 104	337 947	1 020 412
Cost of goods sold	-21 742	-104 614	-36 672	-49 510
Other operating expenses	-19 305	-76 670	-23 758	-75 242
Staff costs	-171	-513	-129	-387
Operating profit	306 584	891 977	277 388	895 273
Financial income (expenses)	-144 112	-448 736	-207 900	-539 309
Profit before income tax	162 472	443 241	69 488	355 964
Income tax	-24 904	-69 709	-14 182	-52 093
Net profit for financial year	137 568	373 532	55 306	303 871
incl. net profit share of the owners of the parent company	137 568	373 532	55 306	303 871

CONSOLIDATED CASH FLOW STATEMENT

(EUR)

	2025 Q2	2025 6 months	2024 Q2	2024 6 months
Operating profit (loss)	306 584	891 977	277 388	895 273
Change in receivables and prepayments related to operating activities	10 437	10 182	1 233	-2 018
Change in payables and prepayments related to operating activities	-208	-6 531	-13 550	-48 794
Paid corporate tax	-15 949	-48 701	0	-20 638
Total cash flow from operating activities	300 864	846 927	265 071	823 823
Interest received	229	980	0	10 356
Total cash flow from investing activities	229	980	0	10 356
Loans received	0	0	1 150 000	1 150 000
Repayments of loans received and redemption of bonds	-115 000	-345 000	-1 605 000	-1 835 000
Interest paid	-144 341	-449 724	-196 141	-537 901
Total cash flow from financing activities	-259 341	-794 724	-651 141	-1 222 901
Total cash flow	41 752	53 183	-386 070	-388 722
Cash at beginning of period	296 672	285 241	644 408	647 060
Change in cash	41 752	53 183	-386 070	-388 722
Cash at end of period	338 424	338 424	258 338	258 338

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR)

	Share capital	Retained earnings	Total equity
As of 31.12.2024	2 500	3 428 671	3 431 171
Change during the reporting period	0	373 532	373 532
As of 30.09.2025	2 500	3 802 203	3 804 703
As of 31.12.2023	2 500	3 013 500	3 016 000
Change during the reporting period	0	415 171	415 171
As of 31.12.2024	2 500	3 428 671	3 431 171

Statement of the Management Board

The financial and other additional information published in the Interim Report January – September 2025 is true and complete. Consolidated financial statements give a true and fair view of the actual financial position, results of operations and cash flows of the Company. According to the Terms and Conditions of the Note Issue, the Company confirms that during the interim report period there has been non-occurrence of an Extraordinary Early Redemption Event and according to Clause 3.4.12 of the Terms the Collateral is properly insured at all times.

Consolidated financial statements in the report for the period January – September 2025 are not audited.

Marko Tali
Member of the Management Board
Tallinn, 31.10.2025