

CONSOLIDATED INTERIM REPORT

UPP & CO KAUNO 53 OÜ

Beginning of reporting period:	1 January 2025
End of reporting period:	31 December 2025

Registry code:	14194597
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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 3.93%, and interest expenses decreased by 14.6% compared to the same period last year. The Group has accumulated sufficient reserves. 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 4Q and twelve months of 2025 economic performance

Sales revenue was 328 kEUR in 4Q 2025 (338 kEUR in 4Q 2024) and 1,326 kEUR for the twelve months of 2025 (1,358 kEUR for twelve months of 2024).

Operating profit was 303 kEUR in 4Q 2025 (453 kEUR in 4Q 2024) and 1,195 kEUR for the twelve months of 2025 (1,349 kEUR for twelve months of 2024). EBITDA was 303 kEUR in 4Q 2025 (453 kEUR in 4Q 2024) and 1,195 kEUR for the twelve months of 2025 (1,349 kEUR for twelve months of 2024).

Net income was –20 kEUR in 4Q 2025 (61 kEUR in 4Q 2024) and 354 kEUR for the twelve months of 2025 (365 kEUR for twelve months of 2024).

	12 kuud 2025	12 kuud 2024
Financial ratios of the Group		
Debt to equity ratio	2.65	3.14
Debt ratio	0.78	0.80
Long-term debt ratio	0.76	0.79
Return on equity %	9.78%	10.79%
Equity ratio	0.23	0.20
Return on assets %	2.08%	2.20%

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>31.12.2025</u>	<u>31.12.2024</u>
Cash	679 745	285 241
Receivables and prepayments	<u>13 392</u>	<u>18 853</u>
Total current assets	<u>693 136</u>	<u>304 094</u>
Investment properties	16 300 000	16 300 000
Tangible fixed assets	<u>12</u>	<u>12</u>
Total fixed assets	<u>16 300 000</u>	<u>16 300 012</u>
TOTAL ASSETS	<u>16 993 136</u>	<u>16 604 106</u>
Short-term loans payable	460 000	460 000
Payables and prepayments	<u>507 552</u>	<u>132 542</u>
Total current liabilities	<u>967 552</u>	<u>592 542</u>
Long-term loans payable	9 585 184	10 145 184
Long-term provisions	<u>2 655 299</u>	<u>2 485 442</u>
Total non-current liabilities	<u>12 240 483</u>	<u>12 630 626</u>
TOTAL LIABILITIES	<u>13 208 035</u>	<u>13 223 168</u>
Share capital	2 500	2 500
Retained earnings	<u>3 782 601</u>	<u>3 378 438</u>
TOTAL EQUITY	<u>3 785 101</u>	<u>3 380 938</u>
TOTAL LIABILITIES AND EQUITY	<u>16 993 136</u>	<u>16 604 106</u>

CONSOLIDATED INCOME STATEMENT

(EUR)

	2025	2025	2024	2024
	Q4	12 months	Q4	12 months
Sales revenue	328 497	1 325 601	337 658	1 358 070
Other income	0	0	150 000	150 000
Total revenues from operating activities	328 497	1 325 601	487 658	1 508 070
Cost of goods sold	-4 117	-32 061	-3 827	-53 337
Other operating expenses	-21 584	-98 254	-30 597	-105 851
Staff costs	-127	-640	0	-376
Operating profit	302 668	1 194 645	453 234	1 348 506
Financial income (expenses)	-141 600	-590 336	-193 805	-733 114
Profit before income tax	161 068	604 309	259 429	615 392
Income tax	-180 670	-250 379	-198 361	-250 454
Net profit for financial year	-19 602	353 930	61 068	364 938
incl. net profit share of the owners of the parent company	-19 602	353 930	61 068	364 938

CONSOLIDATED CASH FLOW STATEMENT

(EUR)

	2025	2025	2024	2024
	Q4	12 months	Q4	12 months
Operating profit (loss)	302 668	1 194 645	453 234	1 348 506
Corrections	0	0	-150 000	-150 000
Change in receivables and prepayments related to operating activities	-4 701	5 482	-2 355	-4 373
Change in payables and prepayments related to operating activities	415 903	409 372	24 207	-24 586
Paid corporate tax	-15 949	-64 650	-15 358	-35 996
Total cash flow from operating activities	697 921	1 544 848	309 728	1 133 551
Interest received	33 918	-65 029	0	10 356
Total cash flow from investing activities	33 918	-65 029	0	10 356
Loans received	0	0	0	1 150 000
Repayments of loans received and redemption of bonds	-215 000	-560 000	-115 000	-1 950 000
Interest paid	-175 519	-525 316	-167 825	-705 726
Total cash flow from financing activities	-390 519	-1 085 316	-282 825	-1 505 726
Total cash flow	341 321	394 504	26 903	-361 819
Cash at beginning of period	338 424	285 241	258 338	647 060
Change in cash	341 321	394 504	26 903	-361 819
Cash at end of period	679 745	679 745	285 241	285 241

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	353 930	353 930
As of 31.12.2025	2 500	3 782 601	3 785 101
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 – December 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 – December 2025 are not audited.

Marko Tali
Member of the Management Board
Tallinn, 12.02.2025