



## **Consolidated Annual Report 2025**

### **EFTEN Real Estate Fund 5 usaldusfond**

**Commercial register number: 16363147**

**Beginning of financial year: 01.01.2025**

**End of financial year: 31.12.2025**

**Address: A. Lauteri 5, 10114 Tallinn**

**Email address: [info@eften.ee](mailto:info@eften.ee)**

**Website address: [www.eften.ee](http://www.eften.ee)**

## Table of contents

<b>MANAGEMENT REPORT</b> .....	<b>2</b>
<b>FINANCIAL STATEMENTS OF THE CONSOLIDATION GROUP</b> .....	<b>5</b>
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	5
CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....	6
CONSOLIDATED STATEMENT OF CASH FLOWS .....	7
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS OF THE FUND .....	8
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS .....	9
1 <i>General information</i> .....	9
2 <i>Statement of compliance and general basis for the preparation of the consolidated accounts</i> .....	9
2.1 <i>Changes in accounting policies and presentation</i> .....	9
2.2 <i>Summary of the material accounting principles</i> .....	11
3 <i>Subsidiaries</i> .....	14
4 <i>Segment reporting</i> .....	15
5 <i>Revenue</i> .....	15
6 <i>Cost of services sold</i> .....	16
7 <i>Marketing costs</i> .....	16
8 <i>General and administrative expenses</i> .....	16
9 <i>Other financial costs</i> .....	16
10 <i>Income tax</i> .....	17
11 <i>Cash and cash equivalents</i> .....	17
12 <i>Receivables and accrued income</i> .....	17
13 <i>Investment properties</i> .....	18
14 <i>Other non-current financial investments</i> .....	20
15 <i>Borrowings</i> .....	20
16 <i>Payables and prepayments</i> .....	21
17 <i>Financial instruments, management of financial risks</i> .....	21
18 <i>Paid-in capital</i> .....	25
19 <i>Related party transactions</i> .....	25
20 <i>Parent company's separate financial statements</i> .....	26
<i>Independent Auditor's Report</i> .....	30
<i>Signatures of the Management on the consolidated annual report 2025</i> .....	33
<b>NOTE: ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS OF THE FUND</b> .....	<b>34</b>

## MANAGEMENT REPORT

### Fund manager's comment on EFTEN Real Estate Fund 5 annual report

EFTEN Real Estate Fund 5 is an investment property fund investing in cash-flow generating commercial real estate, established in November 2021. 2025 was the first full year in the history of the fund in which all of the fund's raised capital were invested. The fund and its subsidiaries (hereinafter referred to as the 'Fund') have three investments: UNA shopping park and Saltoniskiu (former Danska Panka) office building in Vilnius and Kristiine shopping center in Tallinn. As of the end of the year, the occupancy rate of UNA shopping park and Kristiine center was 100% (there was no vacant space in the centers). The vacancy rate of the Saltoniskiu office building was 17%. In the fall of 2025, a new lease agreement was signed for vacant space, based on which the space will be handed over in March 2026 and thereafter there will be no vacant space in the building. In the fourth quarter of the reporting year, the fund's subsidiary EFTEN Saltoniskiu UAB extended the bank loan agreement for the next three years. When the loan agreement was extended, the loan interest margin remained at 1.9%, but the payment schedule was extended to 40 years.

In 2026, the fund management company will continue the daily prudent management of investments and seek various opportunities to reduce the energy costs and carbon footprint of buildings.

### Financial overview

The consolidated sales revenue of EFTEN Real Estate Fund 5 Trust Fund (hereinafter referred to as the "Fund") for 2025 totaled EUR 4.0 million (2024: EUR 2.7 million). The Fund's rental income increased in the reporting year mainly due to the acquisition of the UNA shopping park in the second half of 2024. The Fund's consolidated net rental income (NOI) totaled EUR 3.8 million in 2025 (2024: EUR 2.6 million). The Fund's consolidated net profit totaled EUR 2.3 million (2024: net profit was EUR 2.5 million).

	2025	2024
<i>€ millions</i>		
Rental revenue, other fees from investment properties	3.995	2.690
Expenses related to investment properties, incl. marketing costs	-0.173	-0.128
<b>Net rental income</b>	<b>3.822</b>	<b>2.562</b>
<i>Net rental income margin</i>	96%	95%
Interest expense and interest income	-0.898	-0.992
<b>Net rental income minus interest expense and interest income</b>	<b>2.924</b>	<b>1.570</b>
Management fees	-0.406	-0.230
Other income and expenses	-0.142	-0.152
<b>Profit before change in the value of investment property and non-current financial investment and income tax expense</b>	<b>2.376</b>	<b>1.188</b>

The Fund's assets as of 31.12.2025 were 67.3 million euros (31.12.2024: 66.8 million euros), including the fair value of real estate investments, which accounted for 84% of the assets (31.12.2024: 85%).

	31.12.25	31.12.2024
<i>€ millions</i>		
Investment property	56.420	56.600
Other non-current assets	9.057	8.823
Current assets, excluding cash	0.198	0.185
<b>Total assets</b>	<b>67.325</b>	<b>66.753</b>
Net debt (cash and deposits minus short-term and long-term bank loans)	-26.011	-27.452
<b>Net asset value (NAV)</b>	<b>37.320</b>	<b>36.099</b>
Capital contributions, cumulatively	32.900	32.900
Unrestricted capital, cumulatively	-1.982	-1.600

**Key financial ratios**

Per 12 months	31.12.2025	31.12.2024
ROE, % (net profit of the period / average equity of the period) x 100	6.4	10.1
ROA, % (net profit of the period / average assets of the period) x 100	3.5	5.4
ROIC, % (net profit of the period / average invested capital of the period <sup>1</sup> ) x 100	7.5	11.9
Revenue (€ thousand)	3,995	2,690
Rental income (€ thousand)	3,993	2,688
EBITDA (€ thousand)	3,287	2,193
EBITDA margin, %	82%	82%
EBIT (€ thousand)	2,921	1,971
Comprehensive income (€ thousand)	2,340	2,536
Liquidity ratio (current assets / current liabilities)	1.6	0.1
DSCR (EBITDA/ (interest expenses + scheduled loan payments))	1.5	1.2

**Investment property portfolio**

The Fund invests in commercial investment property. As of the end of 2025, the Fund has 2 (31.12.2024: same) commercial investment properties, the fair value of which at the balance sheet date is 56.420 million euros (2024: 56.600 million euros) and the acquisition cost is 55.818 million euros (2024: 55.644 million euros). The Fund regularly values its investment property twice a year – in June and December. The Fund's investment property appraiser is Colliers International.

As of 31.12.2025, the Fund's subsidiaries have made the following real estate investments:

Investment property	Location	Fund's ownership	Acquisition cost, € thousands	Fair value of investment property € thousands <sup>1</sup>	Net leasable area	Projected annual net rental income, in € thousands	Direct yield <sup>1</sup>	Primary net yield <sup>2</sup>	Utilization, %	Average length of rental agreements	Number of tenants
UNA shopping centre	Vilnius, Lithuania	100	30,247	30,100	16,287	2,161	7.1%	7.2%	100	5.7	37
<b>Total retail</b>			<b>30,247</b>	<b>30,100</b>	<b>16,287</b>	<b>2,161</b>	<b>7.1%</b>	<b>7.2%</b>	<b>100</b>	<b>5.7</b>	<b>37</b>
Saltoniskiu office building	Vilnius, Lithuania	100	25,571	26,320	8,449	1,507	5.9%	5.7%	83	1.8	13
<b>Total office</b>	<b>Office</b>		<b>25,571</b>	<b>26,320</b>	<b>8,449</b>	<b>1,507</b>	<b>5.9%</b>	<b>5.7%</b>	<b>83</b>	<b>1.8</b>	<b>13</b>
<b>Total investment property portfolio</b>			<b>55,818</b>	<b>56,420</b>	<b>24,736</b>	<b>3,668</b>	<b>6.6%</b>	<b>6.5%</b>	<b>94</b>	<b>4.0</b>	<b>50</b>

<sup>1</sup> The direct yield on investment property is the ratio of the actual net rental income (calculated over 12 months) to the acquisition cost of the investment property and subsequent capitalized expenses as of 31.12.2025.

<sup>2</sup> The primary net yield on investment property is the ratio of the actual net rental income (calculated over 12 months) to the fair value of the investment property as of 31.12.2025.

The Fund's independent valuer, Colliers International, carried out the usual investment property valuation process as of 30 June and 31 December 2025. While the discount rate used in the valuations in 2024 was 9.15%, in the valuations carried out at the end of 2025 they were 8.8% - 9.5% and the exit yields are 6.5% - 7.25% (2024: 6.35%-7.1%). The decrease in discount rates is related to the decrease in EURIBOR in 2025. The Fund incurred a total loss of 0.35 million euros from the decrease in the value of investment properties in 2025 (2024: 0.2 million euros).

In December 2024, EFTEN Real Estate Fund 5 invested in the Kristiine shopping center in Tallinn through the acquisition of the stake in EFTEN Kristiine OÜ. The fair value of the stake in EFTEN Kristiine OÜ as of 31.12.2025 was 5.534 million euros (31.12.2024: 5.287 million euros). Compared to the acquisition cost, the fair value of the stake has increased by 2.410 million euros and the capital has been returned from the investment in the amount of 382 thousand euros.

**Net asset value**

The net asset value of the fund as of 31.12.2025 is 37.32 million euros (31.12.2024: 36.10 million euros).

The fund has a total of 15 investors as of 31.12.2025. The owners of more than 10% of the fund are listed in the table below:

Investor	31.12.2025
EFTEN United Property Fund	36.47%
LHV pension funds	27.96%
Swedbank pension funds	16.11%

## Other information

### Financial risks

Information on the Fund's financial instruments and financial risk hedging objectives, as well as on risks related to changes in interest rates, is presented in Note 17 to the consolidated financial statements.

The structure of the consolidation Fund is presented in Note 1 to the consolidated financial statements.

### Management

Trust fund EFTEN Real Estate Fund 5 was registered in the commercial register in November 2021, after which the fund started its operations.

According to the management agreement and the Fund's partnership agreement, the Fund's manager is EFTEN Capital AS. EFTEN Capital AS has been issued an alternative fund manager's license by the Financial Supervision Authority.

The Management Board of the Fund's general partner (EFTEN Viies GP OÜ) consists of 2 members: Viljar Arakas and Tõnu Uustalu. There were no changes in the board during the reporting period. The Management Board of the general partner supervises the activities of the management company related to the fund and the activities of the depositary to the extent and pursuant to the procedure prescribed in the depositary agreement, as well as performing other tasks arising from the partnership agreement.

### Applying sustainability principles to investing

Information regarding compliance with the SFDR regulation is disclosed in the Note on page 34 of this report, and the Fund's sustainable investment principles are disclosed on the Fund's website at [www.efTEN.ee](http://www.efTEN.ee).

## FINANCIAL STATEMENTS OF THE CONSOLIDATION GROUP

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	2025	2024
<i>€ thousands</i>			
Revenue	4, 5	3,995	2,690
Cost of services sold	6	-135	-98
Marketing costs	7	-38	-30
<b>Net rental income</b>	<b>4</b>	<b>3,822</b>	<b>2,562</b>
General and administrative expenses	8	-559	-409
Loss from revaluation of investment properties	13	-353	-209
Other operating income and expenses		11	27
<b>Operating profit</b>	<b>4</b>	<b>2,921</b>	<b>1,971</b>
Interest income		294	36
Interest expenses	9	-1,192	-1,028
Gain on change in fair value of non-current financial investments	4	629	1,781
<b>Profit before income tax</b>	<b>4</b>	<b>2,652</b>	<b>2,760</b>
Income tax expense	10	-312	-224
<b>Net profit for the financial year</b>		<b>2,340</b>	<b>2,536</b>
<b>Comprehensive income/loss for the financial year</b>	<b>4</b>	<b>2,340</b>	<b>2,536</b>

The Notes on pages 9-29 are integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31.12.2025	31.12.2024
<i>€ thousands</i>			
<b>ASSETS</b>			
Cash and cash equivalents	11	1,650	1,145
Receivables and accrued income	12	156	182
Prepaid expenses		42	3
<b>Total current assets</b>		<b>1,848</b>	<b>1,330</b>
Non-current receivables	12	3,497	3,497
Other non-current financial investments	4, 14	5,534	5,287
Investment property	4, 13	56,420	56,600
Property, plant and equipment		26	39
<b>Total non-current assets</b>		<b>65,477</b>	<b>65,423</b>
<b>TOTAL ASSETS</b>		<b>67,325</b>	<b>66,753</b>
<b>LIABILITIES AND EQUITY NET VALUE</b>			
Borrowings	15	792	12,757
Payables and prepayments	16	330	327
<b>Total current liabilities</b>		<b>1,122</b>	<b>13,084</b>
Borrowings	15	26,839	15,815
Other non-current liabilities	16	412	435
Deferred income tax liability	10	1,632	1,320
<b>Total non-current liabilities</b>		<b>28,883</b>	<b>17,570</b>
<b>TOTAL LIABILITIES</b>		<b>30,005</b>	<b>30,654</b>
<b>Total net asset value of the Fund owned by limited and general partners</b>		<b>37,320</b>	<b>36,099</b>
<b>TOTAL LIABILITIES AND EQUITY NET VALUE</b>		<b>67,325</b>	<b>66,753</b>

The Notes on pages 9-29 are integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2025	2024
<i>€ thousands</i>			
<b>Cash flows from operating activities</b>			
Net profit		2,340	2,536
<i>Adjustments of net profit:</i>			
Interest income		-294	-36
Interest expenses	9	1,192	1,028
Gain on revaluation of investment property	13	353	209
Loss from change in fair value of non-current financial investments	14	-629	-1,781
Depreciation, amortization and impairment	8	13	13
Income tax expense	10	312	224
<b>Total adjustment with non-cash changes</b>		<b>947</b>	<b>-343</b>
<b>Cash flow from operations before changes in working capital</b>		<b>3,287</b>	<b>2,193</b>
Change in receivables and prepayments related to operating activities		14	24
Change in liabilities and prepayments related to operating activities		-57	2
<b>Total cash flows from operating activities</b>		<b>3,244</b>	<b>2,219</b>
<b>Cash flows from investing activities</b>			
Acquisition of investment property	13	-173	-29
Acquisition of subsidiaries	3	0	-11,975
Acquisition of other financial investments	14	0	-3,506
Sale of other investments		382	0
Loans granted	12	0	-3,494
Interest received		305	23
<b>Total cash flows from investing activities</b>		<b>514</b>	<b>-18,981</b>
<b>Cash flows from financing activities</b>			
Loans received	15	0	16,500
Loan repayments upon refinancing		0	-17,073
Scheduled loan repayments	15	-936	-611
Interest paid		-1,852	-1,427
Capital contributions		0	19,900
Capital reduction	18	-382	0
Dividends paid	18	-83	-209
<b>Total cash generated from financing activities</b>		<b>-3,253</b>	<b>17,080</b>
<b>TOTAL CASH FLOW</b>		<b>505</b>	<b>318</b>
<b>Cash and cash equivalents at the beginning of period</b>	11	<b>1,145</b>	<b>827</b>
Change in cash and cash equivalents		505	318
<b>Cash and cash equivalents at the end of period</b>	11	<b>1,650</b>	<b>1,145</b>

The Notes on pages 9-29 are integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS OF THE FUND

	2025	2024
<i>€ thousands</i>		
<b>Net asset value of the Fund owned by limited and general partners at the beginning of the period</b>	<b>36,099</b>	<b>14,053</b>
Capital contributions	0	19,900
Capital returns	-382	0
<b>Net change in equity</b>	<b>-382</b>	<b>19,900</b>
Transfer of dividends and interest to fund investors	-738	-390
Comprehensive profit for the financial year	2,340	2,536
<b>Net asset value of the Fund owned by limited and general partners at the end of the period</b>	<b>37,320</b>	<b>36,099</b>

Additional information on capital contributions is provided in Note 18.

The Notes on pages 9-29 are integral part of these consolidated financial statements

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1 General information

EFTEN Real Estate Fund 5 is a real estate fund established in November 2021 that invests in cash-flow-generating commercial real estate.

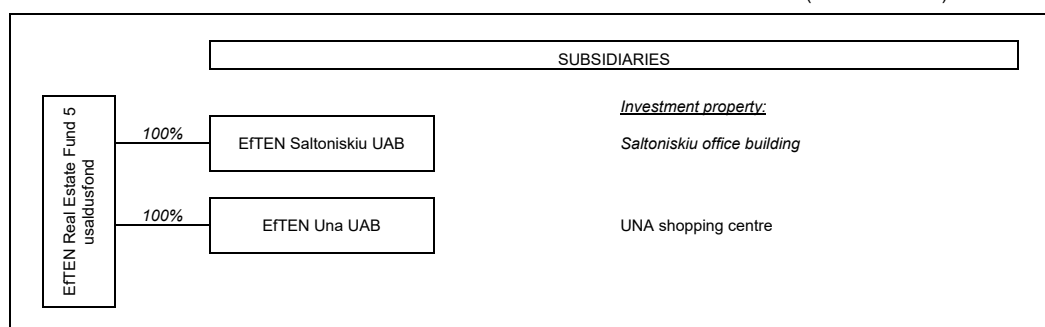
The Fund is a closed-end, alternative investment fund and the investment region is in the Baltic States.

The Fund's investment activities are managed by EFTEN Capital AS. The full partner of the fund is EFTEN Viies GP OÜ.

The consolidated annual financial statements of EFTEN Real Estate Fund 5 Trust Fund for the financial year ended 31.12.2025 were signed by the management board on 9 March 2026.

The Fund is a company registered and operating in Estonia.

The structure of the EFTEN Real Estate Fund 5 usaldusfond Fund as of 31.12.2025 is as follows (see also Note 3):



In addition to subsidiaries, EFTEN Real Estate Fund 5 Trust Fund owns an 11.236% stake in EFTEN Kristiine OÜ as of 31.12.2024 and 31.12.2025.

### 2 Statement of compliance and general basis for the preparation of the consolidated accounts

In accordance with the Investment Funds Act, the accounting principles and disclosures set out in the International Financial Reporting Standards (hereinafter IFRS) adopted by the European Commission shall be used in the preparation of the consolidated financial statements of the Fund, taking into account the procedure for determining the net asset value of the fund set out in the regulation established on the basis of subsection 54 (11) of the Investment Funds Act. The requirements set out in the Accounting Act have also been considered.

The Fund's annual financial statements are presented in thousands of euros.

The financial statements have been prepared using the acquisition cost method, unless otherwise stated (for example, investment property is recorded at fair value).

The report has been prepared based on the principle of business continuity.

#### 2.1 Changes in accounting policies and presentation

##### 2.2.1 Application of new or revised standards and interpretations

New or revised standards and interpretations that first became effective in the financial year beginning on or after 1 January 2025 did not have a significant impact on the Fund's financial statements.

##### Standards effective in subsequent reporting periods and standards not yet adopted

(effective for annual periods beginning on or after 1 January 2026; not yet adopted by the European Union)

**Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7**

(applicable to reporting periods beginning on or after 1 January 2026)

On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Fund is currently analyzing and assessing the impact of this change.

**IFRS 18 Presentation and Disclosure in Financial Statements**

(effective for annual periods beginning on or after 1 January 2027; not yet adopted by the European Union)

In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and Notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Fund is currently analyzing and assessing the impact of this change.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures**

(effective for annual periods beginning on or after 1 January 2027; not yet adopted by the European Union)

The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. Subsidiaries using IFRS Accounting Standards for their own financial statements provide disclosures that may be disproportionate to the information needs of their users. IFRS 19 will resolve these challenges by:

- enabling subsidiaries to keep only one set of accounting records – to meet the needs of both their parent company and the users of their financial statements;
- reducing disclosure requirements – IFRS 19 permits reduced disclosure better suited to the needs of the users of their financial statements.

The Fund is currently analyzing and assessing the impact of this change.

**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28**

(effective date to be determined by IASB; not yet adopted by the European Union)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary. In 2015, the IASB decided to postpone the effective date of these amendments indefinitely.

The Fund is currently analyzing and assessing the impact of this change.

## 2.2 Summary of the material accounting principles

### Management's critical estimates and judgements

The preparation of consolidated financial statements in accordance with International Financial Reporting Standards and the interpretations of the International Financial Reporting Interpretations Committee as adopted by the European Union requires management to make estimates and judgments that affect the principles and amounts of assets and liabilities recognized at the balance sheet date, the presentation of contingent assets and liabilities based on the probability of their realization, and the income and expenses for the reporting period.

Although management continually reviews its judgments and estimates, which are based on past experience and the best available knowledge of probable future events, actual results may differ from those estimates.

The most significant judgments of management that affect the information recognized in the financial statements relate to the accounting areas below.

### Estimation uncertainty

The estimates made by management are based on historical experience and the information that has become available by the date of preparation of the financial statements. Therefore, there is a risk with the assets and liabilities presented at the balance sheet date, and the related revenue and expenses, that the estimates applied need to be revised in the future. The areas where there is a higher risk of need for revision due to high uncertainty of the estimates, are described below.

a) Investment property: determination of the fair value

Investment property is measured at its fair value at each balance sheet date. The Fund's investment properties are valued by Colliers International Advisors OÜ. The Fund's independent appraiser evaluates investment properties individually using the discounted cash flow method. All the Fund's investment property earns rental income, which is why the method used best represents the fair value of the investment property among the alternatives (for example, the comparative method). The cash flow projections for all properties have been updated to determine the fair value, and discount rates and exit yield have been differentiated depending on the location of the facilities, the technical condition and the risk level of the tenants.

Additional information regarding the assumptions used in the fair value assessment is provided in Note 13.

b) Business combinations and acquisition of assets

Purchases of real estate are generally treated as acquisitions of assets. The management estimates that there is no business combination if the property has individual tenants, the Fund does not acquire any assets or rights other than the property and does not employ any past employees. The Fund does not acquire the business process management know-how of the real estate object but manages all the acquired objects centrally.

### Investment company

The management of the Fund has assessed its activities to meet the definition of an investment company and considers that EFTEN Real Estate Fund 5 usaldusfond does not meet the definition of an investment company as it has the characteristics of a real estate company rather than a pure investment company. Although investors of EFTEN Real Estate Fund 5 usaldusfond expect both an increase in the value of their assets and a return on their current economic activity, EFTEN Real Estate Fund 5 usaldusfond also carries a significant part of its investment risks that are typical of a typical real estate company.

An investment firm should also make direct investments in companies that are measured at fair value in accordance with IFRS 10. For the parent company of EFTEN Real Estate Fund 5 usaldusfond, the fair value measurement is indirect - the fair value is the value of assets held in subsidiaries of EFTEN Real Estate Fund 5 usaldusfond, which results in the fair value of the subsidiary not necessarily being the ultimate market price of the subsidiary. The Fund also estimates its financial performance on the basis of rental income, profit margins, volume of assets and other financial indicators of the real estate business, which cannot be measured solely by the fair value of the subsidiary.

### Segment reporting

The Fund allocates raised capital and available resources for investments in accordance with the Fund's investment policy, analysing the reasonable allocation of risks by real estate sector.

In disclosing information on segments, the Fund adheres to the principles of grouping used in the Fund's internal accounting and reporting. Independent business segments are sub-sectors of commercial real estate, which differentiate from one another by type of rented space and have different yield rates (rental income per sqm, acquisition price of one sqm. capitalisation rates).

As of 31.12.2025, the Fund has two business segments (office, retail) and two geographical segments (Estonia and Lithuania).

The key indicators used by management in making business decisions are sales revenue, net operating income (sales minus the cost of sales and marketing), EBITDA and operating profit. It is also important to monitor the volume of property investments by segment. The Fund analyses all indicators monthly.

### **Investment in subsidiaries in the parent company's unconsolidated balance sheet**

In the separate balance sheet of the parent company's (presented in Note 20), investments in subsidiaries are measured at fair value.

### **Revenue recognition**

The Fund's sales revenue includes rental income, management fees, marketing fees and profit on the mediation of utility and administrative costs (revenues are offset against related costs).

Rental income from operating leases is recognised on a straight-line basis over the lease term. If the Fund agrees with the tenant on a lease-free period, the said expense is also recognised on a straight-line basis over the lease term, reducing rental income.

Administrative fees and marketing fees are recognized in the period when control of the services is transferred to the customer, i.e. in the period of service provision.

Some management fees may include different service components. In such cases, the Fund assesses whether they give rise to multiple performance obligations. If such different performance obligations exist, the total transaction fee is allocated to each performance obligation based on a separate selling price. If no separate selling price exists, it is derived based on the expected cost-plus margin.

The Fund acts as an agent in the resale of utility and administrative costs, therefore such revenues are not shown in the gross amount but are offset against the associated cost.

### **Financial assets**

#### **Initial recognition and derecognition**

Financial assets are recognised in the statement of financial position when the Fund becomes a party to the contractual provisions of the instrument and are initially measured at fair value. Transaction costs are added to the initial fair value, except for transaction costs for financial assets at fair value through profit or loss, which are recognised in profit or loss. Financial assets measured at fair value and amortised cost are recognised in the statement of financial position on the date of the transaction. A financial asset is derecognised when the asset is redeemed or the rights to the cash flows from the asset are otherwise extinguished.

#### **Further recognition**

The Fund classifies its financial assets for subsequent recognition as follows:

- financial assets measured at fair value through profit or loss;
- financial assets measured at amortized cost.

The classification depends on whether the financial asset is a debt instrument or an equity instrument. The Fund recognises non-current financial investments at fair value through profit or loss.

#### **Debt instruments (loans and debt securities)**

The classification is based on an assessment of the business model for managing the financial assets and whether the contractual cash flows of the asset consist solely of principal and interest payments. Debt instruments are measured using the effective interest rate method and adjusted with expected credit losses.

#### **Equity instruments**

Equity instruments are recognised as financial assets at fair value through profit or loss.

#### **Impairment of financial assets**

The Fund estimates the expected credit loss of debt instruments reflected in the adjusted acquisition cost based on future information. The applied impairment methodology depends on whether the credit risk has increased significantly.

For trade receivables and contract assets without a significant financing component the Company applies a simplified approach permitted by IFRS 9 and measures the allowance for impairment losses at expected lifetime credit losses from initial recognition of the receivables.

As of 31 December 2025 and 31 December 2024, all of the Fund's financial assets were classified in the category:

- cash and cash equivalents;
- short-term deposits;
- trade receivables.

### **Investment property**

Investment property is property (land or a building or both) held or developed to earn rental income or for capital appreciation rather than for use in the production or supply of goods or services for administrative purposes. In addition, investment property includes properties, which are held over an extended period for an undetermined future use.

An investment property is initially recognised in the balance sheet at cost, including any directly attributable expenditure (e.g. notary fees, property transfer taxes, professional fees for legal services, and other transaction costs without which the transaction would not have taken place). After initial recognition, investment property is measured at fair value at each balance sheet date.

The fair value of investment property is determined based on the valuation performed by qualified appraisers. The discounted cash flow method is used to determine the fair value. To find the value of the discounted cash flows, the appraiser must forecast the future rental income of the real estate object (including rent per 1 m<sup>2</sup> and the occupancy of the rental space) and operating expenses. Depending on the ease and possibility of terminating the leases by the lessees, the appraiser chooses either existing cash flows or cash flows that exist on average in the market for analysis. Also, to find the present value of the net cash flow, an appropriate discount rate must be chosen that best expresses market trends in the current value of money and the specific risks associated with the asset. The average capital structure of the market is used as the basis for choosing the discount rate. The discounted cash flow method is used to determine the value of properties with a stable rental flow.

### **Tangible assets**

Property, plant, and equipment are initially considered at their acquisition cost, which consists of the purchase price and expenses directly related to acquisition, which are necessary to bring the asset to its working condition and location. Property, plant, and equipment are recorded in the balance sheet at their acquisition cost, less accumulated depreciation and possible impairment losses.

The straight-line method is used to calculate depreciation. The depreciation rate is determined for each object of fixed assets separately, depending on its useful life. The ranges of useful lives for groups of property, plant, and equipment are as follows:

- Other property, plant, and equipment 5-7 years;
- Furniture 5-7 years;
- Office equipment 3 years.

If there are signs that the life or final value of the asset has changed significantly, changes are made to the depreciation of the asset prospectively.

### **Financial liabilities**

All financial liabilities (trade payables, borrowings, accrued expenses, bonds issued and other current and non-current liabilities) are initially measured at cost that also includes all directly attributable expenditure incurred in the acquisition. Subsequent measurement is at amortised cost (except for financial liabilities acquired for the purpose of resale that are measured in fair value).

### **Income tax**

#### **Parent company**

The Fund is registered as a trust under the Investment Funds Act. The Fund is a tax-transparent company under the Income Tax Act, therefore the Fund is not considered to be liable for income tax. Tax transparency means that income received from the Fund's subsidiaries is attributed directly to the Fund's investors and is taxed as if they had earned income directly from the subsidiaries. The income of the Fund's subsidiaries is taxed in accordance with the tax laws of the country where the subsidiary is located.

#### **Subsidiary in Lithuania**

The net profit of companies is taxed with a 16% income tax in Lithuania (from 01.01.2026: 17%). Taxable income is calculated from the company's profit before income tax, which is adjusted in income tax returns by temporarily or permanent income or expense adjustments under the requirements of local income tax legislation.

For Lithuanian subsidiaries, the deferred income tax assets or liabilities are determined for all temporary differences between the tax bases of assets and liabilities and their carrying amounts at the balance sheet date. Deferred tax assets are recognised in the balance sheet only when it is probable that future taxable profit will be available against which the deductions can be made.

#### **Recognition of deferred income tax liability in consolidated financial statements**

The Fund's deferred income tax liability arises in the case of companies located in Lithuania, where the profit of the reporting year is taxed. When measuring the deferred income tax liability, the Fund uses the tax rates that are expected to be applied to the taxable temporary differences in the period in which they are expected to reverse, based on the tax rates in effect at the reporting date.

#### **Paid-in capital**

The Fund's investors have made an investment obligation to the Fund and the maximum amount of the obligations is set out in Note 16. According to the agreement between the Fund and investors (partnership agreement), the Fund requires investors to pay the investment obligation as required by submitting a written application to investors. The Fund's investors (limited partners) are liable to the Fund with the maximum investment obligation and, in accordance with the Commercial Code, are liable for the obligations assumed by the Fund up to the maximum amount of the investment obligation. The Management Company (general partner) has also assumed the maximum investment obligation, but pursuant to the Commercial Code, the general partner is liable to the Fund with all its assets. Investors' contributions (limited partners and general partners) are recorded as a liability in the financial statements, as upon liquidation of the Fund there is an obligation to return their proportionate share of the Fund's net assets, investors' contributions to the Fund are not registered as capital and investors' liabilities to the Fund are not identical.

### **3 Subsidiaries**

The Fund has the following subsidiaries as of 31.12.2025:

Company name	Country of domicile	Investment property	Equity, € thousands		Fund's ownership, %	
			31.12.2025	31.12.2024	31.12.2025	31.12.2024
<b>Parent company</b>						
EFTEN Real Estate Fund 5 usaldusfond	Estonia					
<b>Subsidiaries</b>						
EFTEN Saltoniskiu UAB	Lithuania	Saltoniskiu office building	13,259	12,960	100	100
EFTEN UNA UAB	Lithuania	UNA shopping centre	4,681	4,050	100	100
			<b>17,940</b>	<b>17,010</b>		

The subsidiaries are engaged in the acquisition, development and rental of investment property. The shares of the subsidiaries are not listed on the stock exchange.

In August 2024, the Fund acquired a 100% subsidiary in Lithuania (EFTEN UNA UAB). The acquisition cost of the subsidiary was 4,088 thousand euros. After the acquisition, the Fund provided the subsidiary with a loan in the total amount of 9,100 thousand euros, of which the subsidiary repaid the loan and interest obligations to the former owners in the total amount of 8,421 thousand euros. The subsidiary had 534 thousand euros in its bank account at the time of the acquisition. Thus, the total acquisition cost of the subsidiary was 11,975 thousand euros.

The components of the subsidiary's fair value are set out in the table below:

	Fair value
€ thousands	
Cash and cash equivalents	342
Receivables	140
Investment properties (Note 13)	30,110
Bank loans	-17,073
Owner loans	-6,526
Interest on owner loans	-1,861
Deferred income tax liability	-650
Other liabilities	-394
<b>Fair value of net assets</b>	<b>4,088</b>
Acquisition cost	4,088
<b>Goodwill</b>	<b>0</b>

#### 4 Segment reporting

##### SEGMENT RESULTS

	Office		Retail		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
<i>€ thousands</i>								
<b>Revenue (Note 5), incl.</b>	<b>1,756</b>	<b>1,922</b>	<b>2,239</b>	<b>768</b>	<b>0</b>	<b>0</b>	<b>3,995</b>	<b>2,690</b>
Lithuania	1,756	1,922	2,239	768	0	0	3,995	2,690
<b>Net rental income, incl</b>	<b>1,607</b>	<b>1,820</b>	<b>2,215</b>	<b>742</b>	<b>0</b>	<b>0</b>	<b>3,822</b>	<b>2,562</b>
Lithuania	1,607	1,820	2,215	742	0	0	3,822	2,562
<b>Operating profit, incl</b>	<b>1,080</b>	<b>1,554</b>	<b>1,949</b>	<b>502</b>	<b>-108</b>	<b>-85</b>	<b>2,921</b>	<b>1,971</b>
Estonia	0	0	0	0	-108	-85	-108	-85
Lithuania	1,080	1,554	1,949	502	0	0	3,029	2,056
<b>EBITDA, incl</b>	<b>1,415</b>	<b>1,660</b>	<b>1,980</b>	<b>618</b>	<b>-108</b>	<b>-85</b>	<b>3,287</b>	<b>2,193</b>
Estonia	0	0	0	0	-108	-85	-108	-85
Lithuania	1,415	1,660	1,980	618	0	0	3,395	2,278
<b>Operating profit</b>							<b>2,921</b>	<b>1,971</b>
Gain on change in fair value of non-current financial investments, Estonia (Note 14)	0	0	629	1,781	0	0	629	1,781
Interest income and interest expenses							-898	-992
<b>Profit before income tax expense</b>							<b>2,652</b>	<b>2,760</b>
Income tax expense (Note 10)							-312	-224
<b>NET PROFIT FOR THE FINANCIAL YEAR</b>							<b>2,340</b>	<b>2,536</b>

##### SEGMENT ASSETS

As of the end of the year	Office		Retail		Total	
	2025	2024	2025	2024	2025	2024
<i>€ thousands</i>						
<b>Investment property</b>						
Lithuania	26,320	26,600	30,100	30,000	56,420	56,600
<b>Total investment property (Note 13)</b>	<b>26,320</b>	<b>26,600</b>	<b>30,100</b>	<b>30,000</b>	<b>56,420</b>	<b>56,600</b>
Non-current financial investments, Estonia (Note 14)	0	0	5,534	5,287	5,534	5,287
Loans granted (Note 12)	0	0	3,494	3,494	3,494	3,494
<b>Total assets</b>	<b>26,320</b>	<b>26,600</b>	<b>39,128</b>	<b>38,781</b>	<b>65,448</b>	<b>65,381</b>
Other non-current assets					29	42
Net debt (liabilities minus cash)					-28,355	-29,509
Other current assets					198	185
<b>NET ASSETS</b>					<b>37,320</b>	<b>36,099</b>

There were no transactions between business segments during the reporting period. The Fund's main income is derived from investment properties located in the same countries as the subsidiary holding the investment property.

#### 5 Revenue

Areas of activity	2025	2024
<i>€ thousands</i>		
Rental income from office premises (Note 13)	1,756	1,922
Rental income from retail premises (Note 13)	2,237	766
Other sales revenue	2	2
<b>Total revenue by areas of activity (Note 4)</b>	<b>3,995</b>	<b>2,690</b>

Revenue by geographical area	2025	2024
€ thousands		
Lithuania	3,995	2,690
<b>Total revenue by geographical area (Note 4)</b>	<b>3,995</b>	<b>2,690</b>

## 6 Cost of services sold

Cost of services sold	2025	2024
€ thousands		
Repair and maintenance of rental premises	-2	-7
Utility costs for vacant spaces	-40	0
Other sales costs	-70	-76
Allowance for doubtful receivables	-23	-15
<b>Total cost of services sold (Note 13)</b>	<b>-135</b>	<b>-98</b>

## 7 Marketing costs

Marketing costs	2025	2024
€ thousands		
Commission expenses on rental premises	-36	-29
Advertising, promotional events	-2	-1
<b>Total marketing costs</b>	<b>-38</b>	<b>-30</b>

## 8 General and administrative expenses

General and administrative expenses	2025	2024
€ thousands		
Management fee (Note 19)	-406	-230
Office expenses	-5	-3
Wages and salaries, incl. taxes	-1	-1
Consulting expenses, legal aid, accounting services, evaluation services, audit	-109	-145
Regulatory costs	-25	-16
Other general and administrative expenses	0	-1
Depreciation	-13	-13
<b>Total general and administrative expenses</b>	<b>-559</b>	<b>-409</b>

## 9 Other financial costs

Other financial costs	2025	2024
€ thousands		
Interest costs on loans	-1,192	-1,028
<b>Total other financial costs</b>	<b>-1,192</b>	<b>-1,028</b>

## 10 Income tax

	2025	2024
<i>€ thousands</i>		
Deferred income tax expense of entities in Lithuania	-312	-224
<b>Total income tax expense (Note 4)</b>	<b>-312</b>	<b>-224</b>

As of 31.12.2025 and 31.12.2024, the Fund has deferred income tax liabilities in the following amounts:

	<b>Deferred income tax liability related to investment property</b>
<i>€ thousands</i>	
<b>Balance as at 31.12.2023</b>	<b>446</b>
Change in deferred tax liability in the income statement in 2024	224
Expected income tax expense	650
<b>Balance as at 31.12.2024</b>	<b>1,320</b>
Change in deferred tax liability in the income statement in 2025	312
<b>Balance as at 31.12.2025</b>	<b>1,632</b>

## 11 Cash and cash equivalents

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Demand deposits	168	237
Overnight deposits <sup>1</sup>	932	608
Deposits with a maturity of less than 3 months <sup>2</sup>	550	300
<b>Total cash and cash equivalents (Note 17)</b>	<b>1,650</b>	<b>1,145</b>

<sup>1</sup> Overnight deposits bear interest at a variable rate. As of 31.12.2025, the interest rate was between 0.512% and 1.534% (31.12.2024: 1.412% - 2.516%) per annum.

<sup>2</sup> The interest rate for deposits with a term of less than 3 months is 1.5% as of 31.12.2025 and the term is 20.01.2026 (31.12.24: 2.3% and the term was 16.02.2025).

## 12 Receivables and accrued income

### Current receivables and accrued income

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Receivables from customers	189	185
Doubtful accounts receivable	-38	-15
<b>Total receivables from customers (Note 17)</b>	<b>151</b>	<b>170</b>
Interests	2	12
Advance payments of other taxes	3	0
<b>Total accrued income</b>	<b>5</b>	<b>12</b>
<b>Total receivables and accrued income (Note 17)</b>	<b>156</b>	<b>182</b>

**Non-current receivables and accrued income**

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Loans granted <sup>1</sup> (Note 4)	3,494	3,494
Receivables and accrued income related to real estate developments	3	3
<b>Total non-current receivables</b>	<b>3,497</b>	<b>3,497</b>

<sup>1</sup> Loans granted as of 31.12.2025 include a long-term loan granted to EFTEN Kristiine OÜ, with an interest rate of 8% per annum. (31.12.2024: same). The Fund received a total of 295 thousand euros in interest from EFTEN Kristiine OÜ in 2025.

**13 Investment properties**

As of 31.12.2025, the Fund has made investments in the following investment properties:

Name	Location	Net lease area (m <sup>2</sup> )	Year of construction	Date of acquisition	Acquisition cost	Market value as of 31.12.2025	Increase in value	Share of the market value of the Fund's assets
<i>€ thousands</i>								
<b>Office</b>								
Saltoniskiu office building	Vilnius, Lithuania	8,449	2007	12.2021	25,571	26,320	3%	39%
<b>Total office</b>		<b>8,449</b>			<b>25,571</b>	<b>26,320</b>	<b>3%</b>	<b>39%</b>
<b>Retail</b>								
UNA Shopping centre	Vilnius, Lithuania	16,287	2023	08.2024	30,247	30,100	0%	45%
<b>Total retail</b>		<b>16,287</b>			<b>30,247</b>	<b>30,100</b>	<b>0%</b>	<b>45%</b>
<b>Total</b>		<b>24,736</b>			<b>55,818</b>	<b>56,420</b>	<b>1%</b>	<b>84%</b>

Additional information on investment properties is provided in Note 4.

The following changes have occurred in the Fund's investment property during the reporting periods 2025 and 2024:

	Completed investment property
<b>Balance as of 31.12.2023</b>	<b>26,670</b>
Acquisitions from business combinations (Note 3)	30,110
Capitalized improvements	29
Profit/loss from change in fair value	-209
<b>Balance as of 31.12.2024 (Note 4)</b>	<b>56,600</b>
Capitalized improvements	173
Profit/loss from change in fair value	-353
<b>Balance as of 31.12.2025 (Note 4)</b>	<b>56,420</b>

The income statement and balance sheet of the Fund include, among other items, the following income and expenses and balances related to investment properties:

As of December 31, or for the year	2025	2024
Rental income from investment properties (Note 5)	3,993	2,688
Costs directly related to the management of investment properties (Note 6)	-135	-98
Amounts outstanding from the acquisition of investment properties	0	4
Carrying amount of investment properties pledged as collateral to borrowings (Note 15)	56,420	56,600

**Assumptions and basis for determining the fair value of investment properties**

An independent appraiser values the investment property of the Fund. The fair value presented in the Fund's financial statement as of 31.12.2025 and 31.12.2024 was determined using the discounted cash flow method. The following assumptions have been used to determine fair value:

## In 2025:

Sector	Fair value	Valuation method	Estimated rental income per year	Discount rate	Exit yield	Average rent €/m <sup>2</sup>
€ thousands						
Office	26,320	Discounted cash flows	1,814	8.80%	6.50%	19.4
Retail	30,100	Discounted cash flows	2,265	9.50%	7.25%	11.9
<b>Total</b>	<b>56,420</b>		<b>4,079</b>			

## In 2024:

Sector	Fair value	Valuation method	Estimated rental income per year	Discount rate	Exit yield	Average rent €/m <sup>2</sup>
€ thousands						
Office	26,600	Discounted cash flows	1,896	9.15%	6.35%	19.9
Retail	30,000	Discounted cash flows	2,205	9.15%	7.10%	11.6
<b>Total</b>	<b>56,600</b>		<b>4,101</b>			

Independent expert valuation as to the fair value of investment property is based on the following:

- Rental income: real growth rates and rents under current lease agreements are used;
- Vacancy rate: the actual vacancy rate of the investment properties, considering the risks associated with the property;
- Discount rate: calculated using the weighted average cost of capital (WACC) associated with the investment property;
- Exit yield: based on the estimated level of return at the end of the estimated holding period, taking into consideration the forecasted market condition and risks associated with the property.

## Fair value sensitivity analysis

The table provided below illustrates as at 31.12.2025 the sensitivity of the fair value of investment property assessed using the discounted cash flow method reflected in the balance sheet of the Fund to the most significant assumptions:

Sector	Fair value	Sensitivity to management estimate			Sensitivity to independent appraisal		
		Revenue +10%	Revenue -10%	Discount rate +50bp	Discount rate -50bp	Exit yield +50bp	Exit yield -50bp
€ thousands							
Office	26,320	2,380	-3,220	-520	580	-1,820	1,180
Retail	30,100	3,000	-3,200	-600	600	-1,400	1,500
<b>TOTAL</b>	<b>56,420</b>	<b>5,380</b>	<b>-6,420</b>	<b>-1,120</b>	<b>1,180</b>	<b>-3,220</b>	<b>2,680</b>

## As of 31.12.2024

Sector	Fair value	Sensitivity to management estimate			Sensitivity to independent appraisal		
		Revenue +10%	Revenue -10%	Discount rate +50bp	Discount rate -50bp	Exit yield +50bp	Exit yield -50bp
€ thousands							
Office	26,600	2,800	-2,800	-500	-500	-1,500	1,700
Retail	30,000	3,100	-3,200	-600	-600	-1,500	1,600
<b>TOTAL</b>	<b>56,600</b>	<b>5,900</b>	<b>-6,000</b>	<b>-1,100</b>	<b>-1,100</b>	<b>-3,000</b>	<b>3,300</b>

Level three inputs have been used to determine the fair value of the Fund's investment property.

## 14 Other non-current financial investments

In December 2024, EFTEN Real Estate Fund 5 acquired an 11.236% stake in EFTEN Kristiine OÜ, which owns the Kristiine shopping centre in Tallinn. The Fund made a contribution to the share capital and voluntary reserve capital of EFTEN Kristiine OÜ in the total amount of 3,506 thousand euros.

	Shares
<b>Balance as of 31.12.2023</b>	<b>0</b>
Acquisition	3,506
Gain on change in fair value	1,781
<b>Balance as of 31.12.2024</b>	<b>5,287</b>
Gain on change in fair value	629
Capital return	-382
<b>Balance as of 31.12.2025</b>	<b>5,534</b>

Additional information is provided in Notes 4 and 7.

## 15 Borrowings

As of 31.12.2025, the Fund has the following borrowings:

Lender	Country of lender	Contractual loan amount, € thousands	Loan balance as of 31.12.25, € thousands	Contract term	Loan agreement interest rate as of 31.12.25	Loan collateral	Value of collateral, € thousands	Share of the Fund's net asset value
Swedbank	Lithuania	12,052	11,827	05.12.28	3.96%	Mortgage - Saltoniskiu office building	26,320	31.7%
SEB	Lithuania	16,500	15,834	31.08.29	3.87%	Mortgage - UNA shopping centre	30,100	42.4%
<b>Total</b>		<b>28,552</b>	<b>27,661</b>				<b>56,420</b>	<b>74.1%</b>

As of 31.12.2024, the Fund has the following borrowings:

Lender	Country of lender	Contractual loan amount, € thousands	Loan balance as of 31.12.24, € thousands	Contract term	Loan agreement interest rate as of 31.12.24	Loan collateral	Value of collateral, € thousands	Share of the Fund's net asset value
Swedbank	Lithuania	13,500	12,264	06.12.25	4.55%	Mortgage - Saltoniskiu office building	26,600	34.0%
SEB	Lithuania	16,500	16,333	31.08.29	4.86%	Mortgage - UNA shopping centre	30,000	45.2%
<b>Total</b>		<b>30,000</b>	<b>28,597</b>				<b>56,600</b>	<b>79.2%</b>

Additional information on loan obligations is provided in Note 13.

Short-term borrowings	31.12.2025	31.12.2024
<i>€ thousands</i>		
Repayments of long-term bank loans in the next period	801	12,764
Discounted contract fees for bank loans	-9	-7
<b>Total short-term borrowings</b>	<b>792</b>	<b>12,757</b>

Long-term borrowings	31.12.2025	31.12.2024
<i>€ thousands</i>		
<b>Total long-term borrowings</b>	<b>27,631</b>	<b>28,572</b>
incl. current portion of borrowings	792	12,757
incl. non-current portion of borrowings, incl.	26,839	15,815
Bank loans	26,860	15,833
Discounted contract fees on bank loans	-21	-18

Bank loans are divided as follows according to repayment date:

<b>Repayment of bank loans according to repayment dates</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
<i>€ thousands</i>		
Less than 1 year	801	12,764
2-5 years	26,860	15,833
<b>Total repayments of bank loans</b>	<b>27,661</b>	<b>28,597</b>

<b>Cash flows of borrowings</b>	<b>2025</b>	<b>2024</b>
<i>€ thousands</i>		
<b>Balance at the beginning of period</b>	<b>28,572</b>	<b>12,703</b>
Bank loans received	0	16,500
Annuity payments on bank loans	-936	-611
Change of discounted contract fees	-5	-20
<b>Balance as at the end of period</b>	<b>27,631</b>	<b>28,572</b>

Additional information on loan liabilities is provided in Note 17.

## 16 Payables and prepayments

### Short-term payables and prepayments

	<b>31.12.2025</b>	<b>31.12.2024</b>
<i>€ thousands</i>		
Trade payables from fixed asset transactions	0	4
Other trade payables	96	112
<b>Total trade payables</b>	<b>96</b>	<b>116</b>
Value added tax	68	67
Land tax and property tax	33	33
<b>Total tax liabilities</b>	<b>101</b>	<b>100</b>
Tenants' security deposits	96	77
Other accrued liabilities	37	34
<b>Total accrued expenses</b>	<b>133</b>	<b>111</b>
<b>Total payables and prepayments</b>	<b>330</b>	<b>327</b>

### Long-term payables

	<b>31.12.2025</b>	<b>31.12.2024</b>
<i>€ thousands</i>		
Tenants' security deposits	412	435
<b>Total other long-term payables</b>	<b>412</b>	<b>435</b>

Additional information on debts is provided in Note 17.

## 17 Financial instruments, management of financial risks

The main financial liabilities of the Fund are loan liabilities taken to finance the Fund's investment properties. The Fund's balance sheet also includes cash, trade receivables, other receivables and trade payables.

The table below indicates the distribution of the Fund's financial assets and financial liabilities by type of financial instrument.

### Carrying amounts of financial instruments

	Notes	31.12.2025	31.12.2024
<i>€ thousands</i>			
<b>Financial assets – loans and receivables measured at amortised cost</b>			
Cash and cash equivalents	11	1,650	1,145
Trade receivables	12	151	170
<b>Total financial assets measured at amortised cost</b>		<b>1,801</b>	<b>1,315</b>
<b>Financial assets - Other non-current financial investments at fair value</b>			
Other non-current financial investments	14	5,534	5,287
<b>Total financial assets at fair value</b>		<b>5,534</b>	<b>5,287</b>
<b>Total financial assets</b>		<b>7,335</b>	<b>6,602</b>
<b>Financial liabilities measured at amortised cost</b>			
Borrowings	15	27,631	28,572
Trade payables	16	96	116
Tenants' security deposits	16	508	512
Accrued expenses	16	37	34
<b>Total financial liabilities measured at amortised cost</b>		<b>28,272</b>	<b>29,234</b>
<b>Total financial liabilities</b>		<b>28,272</b>	<b>29,234</b>

The fair value of such financial assets and financial liabilities that are measured at amortised cost, presented in the table provided above, does not materially differ from their fair value.

The risk management of the Fund is based on the principle that risks must be assumed in a balanced manner, by taking into consideration the rules established by the Fund and by applying risk mitigation measures according to the situation, thereby achieving stable profitability of the Fund and growth in the value of shareholder assets. In making new investments, extensive evaluation is undertaken on the solvency of potential customers, duration of lease contracts, possibility of replacing tenants and the risk of increases in the interest rates. The terms and conditions of financing agreements are adjusted to match the net cash flow of each property, ensuring the preservation of sufficient unrestricted cash for the Fund and growth even after the financial liabilities have been met.

In investing the Fund's assets, the risk expectations of the Fund's investors are taken as a basis, therefore, excessive risk-taking is unacceptable and suitable measures need to be applied for the mitigation of risks.

The Fund defines financial risk as the risk arising from investments, including the market, liquidity, and credit risks, which may impact the company's financial capacity and investment value.

### Market risk

Market risk is the risk of changes in the fair value of financial instruments due to changes in market prices. The Fund's financial instruments, which are mainly affected by the change in market prices, are loan obligations. The main factor affecting these financial instruments is the interest rate risk.

### Interest risk

Interest rate risk is the risk of a change in cash flows of future financial instruments resulting from a change in market interest rates. The change in market interest rates mainly affects the long-term floating interest rate loan commitments taken by the Fund's subsidiaries, where the income from the subsidiary may decrease as a result of rising interest rates.

As of 31.12.2025, the Fund's loan agreements have been concluded on a floating interest basis, of which 100% are linked to the 3-month EURIBOR. The 3-month EURIBOR fluctuated in 2025 between 1.937% and 2.789%. The margins of the floating interest loan agreements were between 1.8% and 1.9% at the end of 2025. All special conditions of the loan agreement were met in 2025.

### Liquidity risk

Liquidity risk arises from potential changes in the financial position, reducing the Fund's ability to meet its liabilities in due time and in a correct manner. Above all, the Fund's liquidity is affected by the following factors:

- Decrease or volatility of rental income, reducing the Fund's ability to generate positive net cash flows;
- Vacancy of rental property;
- Mismatch between the maturities of assets and liabilities and flexibility in changing them;
- Marketability of long-term assets;

- Volume and pace of real estate development activities;
- Financing structure.

The Fund's objective is to manage net cash flows so that when making property investments, no more than 60% of the acquisition cost of the investment is involved in external capital and the Fund's debt coverage ratio is greater than 1.3. As of 31.12.2025, the Fund's interest-bearing liabilities accounted for 49% of the cash flow generating investment properties (31.12.2024: 51%) and the debt coverage ratio was at a level of 1.5 (2024: 1.2).

The financing policy of the Fund specifies that loan agreements for raising debt are entered into on a long-term basis, also taking into consideration the maximum duration of the lease agreements on these properties.

The table below summarises the information on the maturities of the Fund's financial liabilities (undiscounted cash flows):

As of 31.12.2025	Up to 1 month	2-4 months	5 to 12 months	2 to 5 years	Over 5 years	Total
<i>€ thousands</i>						
Interest-bearing liabilities	25	242	534	26,860	0	27,661
Interest payments	93	278	730	2,483	0	3,584
Trade payables	96	0	0	0	0	96
Tenant security deposits	0	0	96	363	49	508
Accrued expenses	37	0	0	0	0	37
<b>Total financial liabilities</b>	<b>251</b>	<b>520</b>	<b>1,360</b>	<b>29,706</b>	<b>49</b>	<b>31,886</b>

As of 31.12.2024	Up to 1 month	2-4 months	5 to 12 months	2 to 5 years	Over 5 years	Total
<i>€ thousands</i>						
Interest-bearing liabilities	79	237	12,448	15,833	0	28,597
Interest payments	116	347	912	2,748	0	4,123
Trade payables	116	0	0	0	0	116
Tenant security deposits	0	0	77	416	20	512
Accrued expenses	34	0	0	0	0	34
<b>Total financial liabilities</b>	<b>345</b>	<b>584</b>	<b>13,437</b>	<b>18,996</b>	<b>20</b>	<b>33,382</b>

#### Statement of working capital

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Cash and cash equivalents (Note 11)	1,650	1,145
Receivables and accrued income (Note 12)	156	182
Prepaid expenses	42	3
<b>Total current assets</b>	<b>1,848</b>	<b>1,330</b>
Short-term portion of long-term liabilities (Note 15)	-792	-12,757
Short-term payables and prepayments (Note 16)	-330	-327
<b>Total current liabilities</b>	<b>-1,122</b>	<b>-13,084</b>
<b>Total working capital</b>	<b>726</b>	<b>-11,754</b>

#### Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Fund is subject to credit risk due to its business operations (mainly arising from trade receivables) and transactions with financial institutions, including through cash on bank accounts and deposits.

The Fund's activity in preventing reduction of cash flows due to credit risk and minimising such risk lies in the daily monitoring and guiding of clients' payment behavior, so that appropriate measures could be applied on a timely basis. In addition, agreements with customers generally provide payment of rent at the beginning of the calendar month, giving sufficient time for monitoring the customers' payment discipline and ensuring existence of sufficient liquidity on bank accounts at the date of annuity payment of financing contracts. For hedging the risk, the Fund has entered a contract with one anchor tenant under which the

tenant's financial institution has underwritten rental payments during the entire rent period. Most rent contracts also include the obligation to pay guarantee funds that entitle the Fund to cover debts incurred in case of the tenant's insolvency.

The Fund's companies generally only enter rental contracts with parties that have been determined to be eligible for credit. The corresponding analysis of customers is carried out before entering a rental contract.

If it becomes evident that there is a risk of a tenant becoming insolvent, the Fund assesses each receivable individually and decides whether the receivables should be classified as doubtful. In general, receivables that have exceeded the payment term by more than 180 days are classified as doubtful, except in cases where the Fund has sufficient certainty as to the collectability of the receivable or there is a payment schedule in place for the payment of the receivables.

Accounts receivables are illustrated by the table below:

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Not due	117	128
<b>Past due, incl</b>	<b>72</b>	<b>57</b>
Up to 30 days	34	7
30-60 days	0	20
More than 60 days	38	30
Allowance for doubtful accounts	-38	-15
<b>Total trade receivables (Note 12)</b>	<b>151</b>	<b>170</b>

The maximum credit risk of the Fund is provided in the table below:

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Cash and cash equivalents (Note 11)	1,650	1,145
Trade receivables (Note 12)	151	170
<b>Total maximum credit risk</b>	<b>1,801</b>	<b>1,315</b>

The bank account balances presented as part of the cash and cash equivalents of the Fund are divided according to the credit ratings of banks (Moody's long-term rating) as follows:

Rating	31.12.2025	31.12.2024
<i>€ thousands</i>		
Aa2	932	608
Aa3	718	537
<b>Total (Note 11)</b>	<b>1,650</b>	<b>1,145</b>

## Capital management

The aim of the Fund in capital management is to ensure the Fund's going concern status to provide an investment return to shareholders and maintain an optimal capital structure. The Fund considers loan obligations received as capital and the net value of the Fund's assets belonging to trust and general partners.

The Fund invests in subsidiaries whose main cash flow is from investment properties and raises new capital to make investments. The Fund invests both directly in the equity of subsidiaries and provides loans to subsidiaries for investments. The required amount of capital is calculated for each investment individually, considering the volume of net cash flows of a specific investment. Upon acquisition of subsidiaries, the Fund invests not less than 40% of the value of the subsidiary's assets in its equity. After the investment has been made, the EBITDA of any real estate generating cash flow of the subsidiary may not be less than 120% of the loan annuity payments (including interest).

## Fair value

The valuation methods used to analyse the Fund's assets and liabilities measured at fair value have been defined as follows:

Level 1 – quoted prices in active markets;

Level 2 – inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly;

Level 3 – unobservable inputs at the market.

As at 31.12.2025 and 31.12.2024, the Fund does not have any assets at fair value that would be included in the Level 1 group when determining the value. All the Fund's investment properties are stated at fair value and are classified in Level 3 according to the valuation method.

## 18 *Paid-in capital*

As of 31.12.2025, financial liability agreements have been concluded between the Fund and the Fund's investors, according to which the investors will pay a total of 32,900 thousand euros to the Fund for the acquisition of subsidiaries. As of the end of 2025, all capital from investors has been raised for the investments. In 2025, investors were paid a total of 738 thousand euros from the profits earned by the subsidiaries (2024: 390 thousand euros), including dividends of 83 thousand euros and interest of 655 thousand euros (2024: dividends of 209 thousand euros and interest of 181 thousand euros). The Fund's consolidated retained earnings as of 31.12.2025 were 6,402 thousand euros (31.12.2024: profit of 4,799 thousand euros).

The owners of more than 10% of the Fund are listed in the table below:

Investor	31.12.2025	31.12.2024
EFTEN United Property Fund	36.47%	36.47%
LHV pension funds	27.96%	27.96%
Swedbank pension funds	16.11%	16.11%

## 19 *Related party transactions*

Usaldusfond EFTEN Real Estate Fund 5 considers the following as related parties:

- Members of the Management Board and companies owned by the members of the Management Board of EFTEN Real Estate Fund 5 usaldusfond;
- Employees and companies owned by the employees of EFTEN Real Estate Fund 5 usaldusfond;
- General partner EFTEN Viies GP OÜ;
- persons who own more than 10% of the Fund's paid-in capital;
- EFTEN Capital AS (Fund Manager);
- EFTEN Kristiine OÜ.

The Fund purchased management services from EFTEN Capital AS in the reporting period in the amount of 406 thousand euros (2024: 230 thousand euros), (see Note 8) and accounting services in the amount of 21 thousand euros (2024: 15 thousand euros). EFTEN Real Estate Fund 5 did not purchase or sell any other goods or services from or to other related parties.

The Fund had no employees during the reporting period. No remuneration was calculated or paid to the members of the Fund's Management Board during the reporting period. The members of the Management Board of the Fund work for EFTEN Capital AS, a company that provides management services to the Fund, and the expenses related to the activities of the members of the Management Board are included in the management service.

## 20 *Parent company's separate financial statements*

Pursuant to the Accounting Act of the Republic of Estonia, information of the annual unconsolidated financial statements (primary statements) of the consolidating entity (Parent Company) shall be disclosed in the notes to the consolidated financial statements. In preparing the primary financial statements of the Parent Company, the same accounting policies have been used as in preparing the consolidated financial statements. The accounting policy for reporting subsidiaries has been amended in the separate primary financial statements disclosed as supplementary information in the annual report in conjunction with IAS 27, Consolidated and Separate Financial Statements.

In the separate primary financial statements of the parent company, which are presented in the notes to these consolidated financial statements, investments in subsidiaries are accounted for using the fair value method.

### STATEMENT OF COMPREHENSIVE INCOME

	2025	2024
<i>€ thousands</i>		
General and administrative expenses	-108	-84
<b>Operating loss</b>	<b>-108</b>	<b>-84</b>
Gain from subsidiaries	930	381
Gain on change in fair value of non-current financial investments	629	1,781
Financial income	889	458
<b>Profit before income tax</b>	<b>2,340</b>	<b>2,536</b>
<b>Net profit for the financial year</b>	<b>2,340</b>	<b>2,536</b>
<b>Comprehensive income for the financial year</b>	<b>2,340</b>	<b>2,536</b>

## STATEMENT OF FINANCIAL POSITION

	31.12.2025	31.12.2024
<i>€ thousands</i>		
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	110	62
Receivables and accrued income	194	198
<b>Total current assets</b>	<b>304</b>	<b>260</b>
<b>Non-current assets</b>		
Shares of subsidiaries	17,940	17,010
Other non-current financial investments	5,534	5,287
Long-term receivables	13,544	13,544
<b>Total non-current assets</b>	<b>37,018</b>	<b>35,841</b>
<b>TOTAL ASSETS</b>	<b>37,322</b>	<b>36,101</b>
<b>LIABILITIES AND NET ASSET VALUE</b>		
<b>Short-term liabilities</b>		
Borrowings	2	2
<b>Total short-term liabilities</b>	<b>2</b>	<b>2</b>
<b>TOTAL LIABILITIES</b>	<b>2</b>	<b>2</b>
<b>Total net asset value of the Fund owned by limited and general partners</b>	<b>37,320</b>	<b>36,099</b>
<b>TOTAL LIABILITIES AND TOTAL NET ASSETS</b>	<b>37,322</b>	<b>36,101</b>

## STATEMENT OF CASH FLOWS

	2025	2024
<i>€ thousands</i>		
<b>Cash flow from operating activities</b>		
<b>Net profit</b>	<b>2,340</b>	<b>2,536</b>
<i>Adjustments to net profit:</i>		
Interest income and interest expenses	-806	-249
Gain/loss on change in fair value of subsidiaries	-930	-381
Gain on change in fair value of non-current financial investments	-629	-1,781
Dividends received	-83	-209
<b>Total adjustments</b>	<b>-2,448</b>	<b>-2,620</b>
<b>Cash flow from operations before changes in working capital</b>	<b>-108</b>	<b>-84</b>
Change in operating liabilities and prepayments	1	0
<b>Net cash flow generated from operating activities</b>	<b>-107</b>	<b>-84</b>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiaries	0	-4,088
Acquisition of other financial investments	0	-3,506
Sale of other investments	382	0
Loans granted	0	-12,594
Dividends received	83	209
Interest received	810	194
<b>Cash flows from investing activities</b>	<b>1,275</b>	<b>-19,785</b>
<b>Cash flows from financing activities</b>		
Interest paid	-655	0
Capital returns	-382	0
Capital contributions	0	19,900
Dividends paid	-83	-209
Income tax on dividends paid	0	-181
<b>Net cash generated from financing activities</b>	<b>-1,120</b>	<b>19,510</b>
<b>NET CASH FLOW</b>	<b>48</b>	<b>-359</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>62</b>	<b>421</b>
Change in cash and cash equivalents	48	-359
<b>Cash and cash equivalents at the end of the period</b>	<b>110</b>	<b>62</b>

## STATEMENT OF CHANGES IN THE FUND'S NET ASSETS

	2025	2024
<i>€ thousands</i>		
<b>Net asset value of the Fund owned by limited and general partners at the beginning of the period</b>	<b>36,099</b>	<b>14,053</b>
Capital contributions	0	19,900
Capital returns	-382	0
<b>Net change in equity</b>	<b>-382</b>	<b>19,900</b>
Transfer of dividends and interest	-738	-390
Comprehensive profit for the financial year	2,340	2,536
<b>Net asset value of the Fund owned by limited and general partners at the end of the period</b>	<b>37,320</b>	<b>36,099</b>

The adjusted statement of changes in the unconsolidated net asset value of the Fund (to take account of the requirements established in the Commercial Code) is as follows:

	31.12.2025	31.12.2024
<i>€ thousands</i>		
Net asset value of the Fund owned by limited and general partners of the parent company at the end of the period	37,320	36,099
Value of subsidiaries in the parent company's separate balance sheet (minus)	-17,940	-17,010
Value of subsidiaries calculated using the equity method (plus)	17,940	17,010
<b>Total</b>	<b>37,320</b>	<b>36,099</b>

# Independent Auditor's Report

To the Shareholder of EfTEN Real Estate Fund 5 usaldusfond

## Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of EfTEN Real Estate Fund 5 usaldusfond and its subsidiaries (together the "Group") as at 31 December 2025, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

## What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of comprehensive income for the year ended 31 December 2025;
- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in net assets of the fund for the year then ended;
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Estonia) (ISAs (EE)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) as adopted by Auditing Activities Oversight Board (Code of Ethics (Estonia)) and we have fulfilled our other ethical responsibilities in accordance with Code of Ethics (Estonia).

## Other information

The Management Board is responsible for the other information. The other information comprises the Management report and Note: environmental and/or social characteristics of the fund (but does not include the consolidated financial statements and our auditor's report thereon).

Aktsiaselts PricewaterhouseCoopers  
Tatari 1, 10116 Tallinn, Estonia  
License No. 6; Registry code: 10142876  
+372 6141 800, ee\_info@pwc.com

Translation note:  
This version of the report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Management Board and those charged with governance for the consolidated financial statements**

The Management Board is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as the Management Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (EE) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (EE), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

**Translation note:**

This version of the report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

On behalf of AS PricewaterhouseCoopers

*Original report is signed in Estonian language.*

Jüri Koltsov  
Auditor's certificate no. 623

9 March 2026  
Tallinn, Estonia

Translation note:  
This version of the report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

**Signatures of the Management on the consolidated annual report 2025**

We hereby confirm the accuracy of the information provided in the annual report of EFTEN Real Estate Fund 5 usaldusfond ended on December 31, 2025.

---

Viljar Arakas

Member of the Management Board of EFTEN Viies GP OÜ

---

Tõnu Uustalu

Member of the Management Board of EFTEN Viies GP OÜ

**ANNEX: Environmental and/or social characteristics of the Fund**

Product name: EFTEN Real Estate Fund 5 usaldusfond

Legal entity identifier: N/A

## Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<p style="margin: 0;"><span style="color: green;">●●</span> <input type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%</p>	<p style="margin: 0;"><span style="color: grey;">●</span> <span style="color: white;">●</span> <input checked="" type="checkbox"/> <b>No</b></p> <p><input checked="" type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 100% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

EFTEN Real Estate Fund 5 (hereinafter the “Fund”) includes several sustainability-related performance indicators and benchmarks as set out in the Fund’s documentation. These cover pre-acquisition sustainability assessments, sustainable portfolio management of acquired and/or (re)developed assets, and reporting to investors. More specifically, the Fund focuses on the long-term implementation of green lease practices and the cost-effective improvement of asset-level sustainability performance. Progress is measured over the lifetime of investments through improvements in EPC energy performance ratings and BREEAM certification levels. As of the date of this annex, the entire portfolio complies with the environmental characteristics promoted in the Fund’s documentation.

● **How did the sustainability indicators perform?**

The Fund’s sustainability performance indicators are defined in its documentation and are monitored for each asset based on energy consumption data and certification progress. The measurement of the portfolio’s environmental performance indicators commenced in 2025. All

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

assets in the Fund's portfolio are covered by Energy Performance Certificates (EPCs): the Saltoniskiu office building has an EPC rating of class C, the UNA shopping centre A++, and the Kristiine shopping centre class D. The improvement in the EPC rating of the Kristiine shopping centre reflects the impact of implemented energy efficiency measures (previous rating: class G).

● **...and compared to previous periods?**

**Certifications:**

- In 2025, the BREEAM In-Use certification of the UNA shopping centre was completed, achieving the targeted level of "Excellent".
- During the reporting period, the EPC rating of the Kristiine shopping centre was updated, improving from class G to class D.

**Consumption data overview:**

- In 2025, consumption data for all three investment properties was collected and monitored on an asset-by-asset basis using a standardised methodology.
- Data coverage was 100%, and no estimates or proxy data were used. No material methodological limitations were identified during the reporting period.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund's objective is to improve the environmental and sustainability performance of its assets over the lifetime of the Fund, where this can be achieved in a cost-effective manner. The achievement of these objectives is assessed using sustainability indicators as well as sustainability and energy performance certification levels, including EPC ratings. Sustainable investments contribute to these objectives primarily by improving the energy efficiency of buildings, optimising resource use, and reducing environmental impacts, as reflected, inter alia, in improvements in EPC ratings.

**BREEAM certification targets by investment:**

Investment	BREEAM certification level		Status
UNA Shopping centre	In-Use	Excellent	Valid
Saltoniskiu office building	In-Use	Very Good	Under renewal
Kristiine Shopping center	In-Use	Very Good	Valid

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

When assessing the avoidance of significant harm to any environmental or social objectives, the Fund relies on the EU Taxonomy "do no significant harm" criteria for real estate investments. Accordingly, the Fund considers the "do no significant harm" requirements to be met where the asset's climate change mitigation measures substantially align with the principles of the EU Taxonomy.

— **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Fund does not currently account for principal adverse impacts on sustainability factors due to limited data of underlying investments. As the Fund's investment portfolio

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

matures and data becomes available, principal adverse impacts will be reconsidered and accounted for.

— — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

All investments of the Fund are real estate investments. Compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is assessed through due diligence processes carried out in the course of investment and portfolio management, with a particular focus on counterparties related to the investments (e.g. developers, asset managers and service providers). During the reporting period, no material breaches of these principles have been identified to the best of the Fund's knowledge.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### What were the top investments of this financial product?

During the reporting period (01 January 2025 – 31 December 2025), the Fund held three real estate investments, accounting for 100% of the portfolio.

Largest investments	Sector	% Assets	Country
UNA Shopping centre	Retail	46%	Lithuania
Saltoniskiu office building	Office	40%	Lithuania
Kristiine Shopping centre	Retail	14%	Estonia

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01.01.2025-31.12.2025.



### What was the proportion of sustainability-related investments?

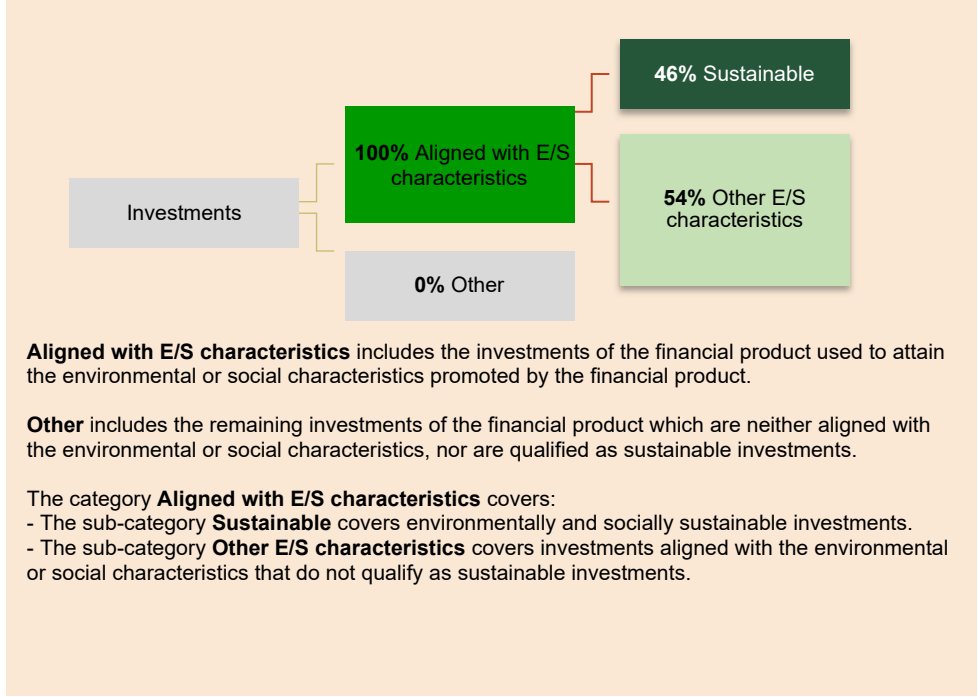
All of the Fund's investments follow the criteria established in the Fund's documentation, including eligibility for promoted sustainability related activities. The Fund does not have a minimum level of sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

● **What was the asset allocation?**



● **In which economic sectors were the investments made?**

The Fund’s investments are 100% allocated to the real estate sector, comprising one office building and two shopping centres.



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Currently, 0% of the Fund’s investments are fully aligned with the EU Taxonomy and therefore 0% of the Fund’s investments’ turnover, capital expenditure and operational expenditure can be allocated to Taxonomy-aligned activities.

● **What was the share of investments made in transitional and enabling activities?**

No investments were made in transitional and enabling activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The Fund does not have a previous reference period for EU Taxonomy alignment comparison purposes.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

During the reporting period, sustainable investments with an environmental objective that were not aligned with the EU Taxonomy accounted for 46% of the Fund’s investments. EU Taxonomy alignment was not a precondition for investment decisions. The Fund assesses its assets on an ongoing basis and plans and implements improvement measures with the aim of increasing the share of investments aligned with the EU Taxonomy in the future.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

No other investments were made.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the reporting period, the Fund implemented several environmental measures across its investments. The process of renewing the existing BREEAM certification for the Saltoniškių office building was initiated, with the objective of maintaining the “Very Good” level. In addition, the certification process for the UNA shopping centre was successfully completed, resulting in the achievement of the highest BREEAM rating, “Excellent”. Furthermore, the installation of electric vehicle fast chargers at the UNA shopping centre was initiated during the reporting period, promoting sustainable mobility and supporting the transition to lower-emission transport. The EPC rating of the Kristiine shopping centre was also updated during the reporting period, improving from class G to class D.