KAITA
GROUP

KAITA Living LV public bond issue

Important notice and disclaimer

This Investor Presentation is neither considered as prospectus as defined in Regulation No. 2017/1129, nor Information Document as defined under the Law on Securities of the Republic of Lithuania. Moreover, this presentation is not approved by any financial supervision authority of the Republic of Lithuania as well, or any securities regulation authority of any other jurisdiction as such.

This material is provided to you for information purposes only. You should not rely upon it or use it to form the definitive basis for any decision, contract, commitment or action whatsoever. KAITA LV LIVING SIA (the Company or Issuer) has taken all reasonable care to ensure that the information contained in this presentation is reliable, but no guarantees, warranties or representations are made as to the accuracy or completeness of the information contained in this document.

This presentation includes description of the Company and its subsidiaries (together – the Group). It is furnished to you solely for your information and you may not reproduce it (or any part of it) or redistribute it (or any part of it) to any other person or otherwise divulge, directly or indirectly, its contents to any person. This presentation does not constitute or form part of, and should not be construed as, an offer, solicitation, financial promotion or invitation to subscribe for, underwrite or otherwise acquire, any securities of the Company or the Group.

This presentation is intended for discussion purposes only and does not create any legally binding obligations on the part of the Company. This Presentation is not intended to form the basis of a decision to purchase securities or any other investment decision and does not constitute an offer, invitation or recommendation for the purchase of securities. This material is: (i) for your information, and we are not soliciting any action based upon it; (ii) not to be construed as an offer to sell or a solicitation of an offer to buy any security in any jurisdiction where such offer or solicitation would be illegal; and (iii) based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. When making an investment decision, you should rely solely on the Information Document and not the summary contained herein.

When reviewing the information, please note that past performance is no guide to or guarantee of future performance. You should be aware that ideas and potential opportunities discussed herein carry risk, that the value of described assets can vary over time, and that potential investors may not get back the full amount invested.

This presentation includes forward-looking statements. These statements may be identified by such words as “aim”, “target”, “expect”, and similar expressions, or by their context. These statements are made on the basis of current knowledge and assumptions and address matters that involve risks and uncertainties. Accordingly, no assurance is given that such forward-looking statements will prove to have been correct. You should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update or correct any inaccuracies which may become apparent after the date of this presentation.

The distribution of this presentation may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein come should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The transaction mentioned herein may not be appropriate for all individuals and/or investors and before entering into any transaction you should take steps to ensure that you fully understand such transaction and have made an independent assessment of the appropriateness of such transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. The Company urges all persons considering investment opportunities to seek professional legal, regulatory, accounting, tax or other type of advice, as may be appropriate, on all relevant issues in considering investments in securities.

Table of content

KAITA GROUP

Summary of the investment proposal

01

KAITA GROUP

Key Terms of the Bonds

Public placement of 2-year KAITA LV LIVING SIA bonds	
Issue size	up to 2.8m EUR
Size of the first tranche	2.8m EUR
Annual coupon rate	10%
Collateral	• First rank of 100% of shares of the SPV, not later than within 45 (forty-five) calendar days from the Issue Date; • First rank pledge of Dedicated Account, not later than within 45 (forty-five) calendar days from the Issue Date; • First rank pledge of SPV's assets not later than within 45 (forty-five) calendar days from senior creditor redemption.
Subscription period	2026.07.13-2026.07.29
Issue date	2026.07.31
Coupon payments	Quarterly
Term	2 years
Use of proceeds	The net proceeds from the issue of Bonds will be used to refinance the SPV existing shareholder loans and to finance share buybacks into its SPV
Sources of redemption	Sale of apartments and other premises of Youston Riga project; refinancing

Issuer at a glance

- **Issuer:** KAITA LV LIVING SIA will own 100% of SIA "V38"*, the company that holds the Valdemara 38 asset in central Riga after the bond issue.
- **Real estate asset:** A fully furnished 174-apartment residential building; reconstruction completed September 2025, a 5-minute walk to Riga's UNESCO-listed Old Town.

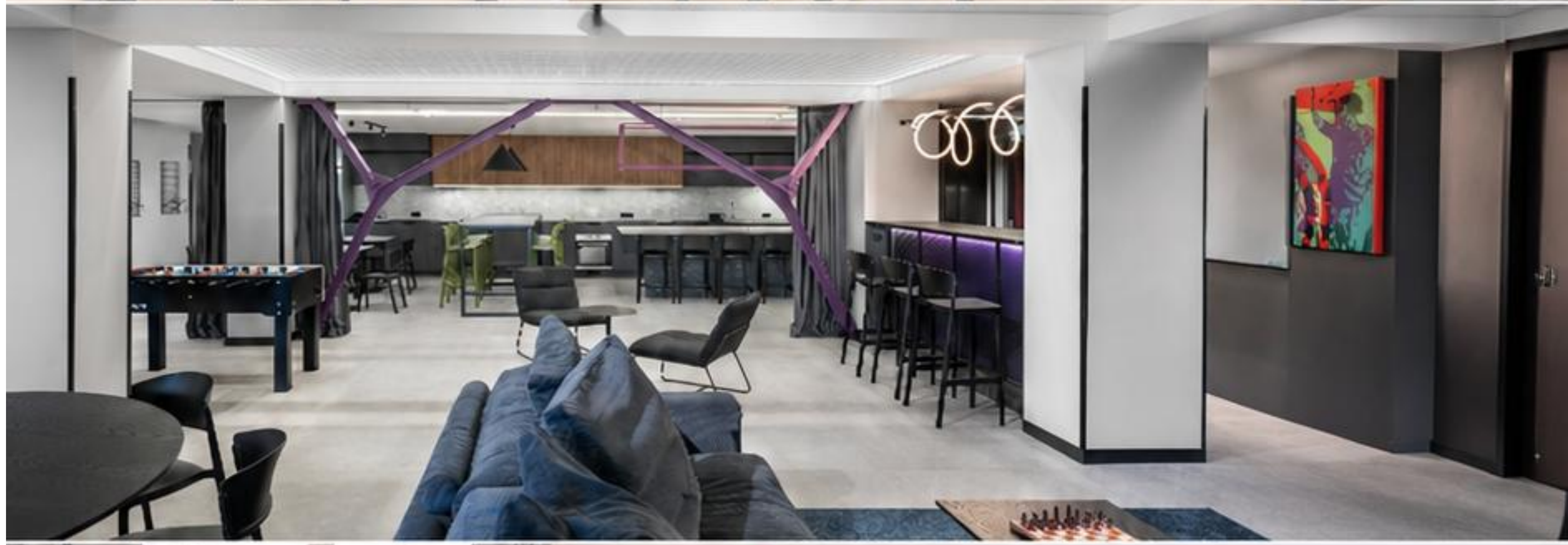
174
Apartments

3 552 m²
Sellable area

95%
Occupancy

12.553m EUR
Latest valuation

*the Issuer currently owns 10% of the share capital of the SPV.



Terms and conditions*

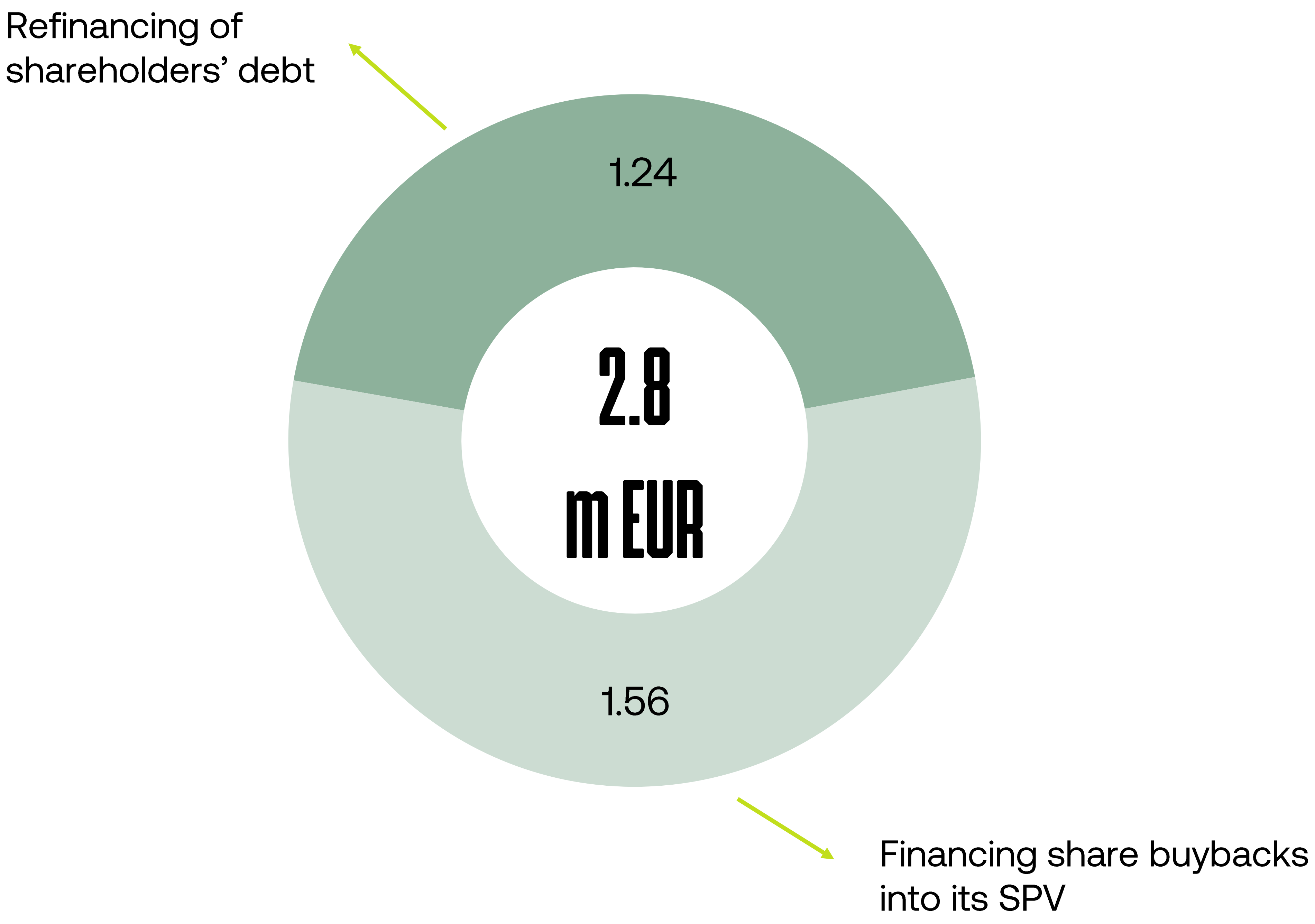
Issuer:	KAITA LV LIVING SIA
Specified Currency:	EUR
Bond distribution:	Public offering in the Republic of Lithuania, Latvia and Estonia
ISIN	LT0000138240
Size of the first tranche:	Up to EUR 2 800 000
Issue size:	Up to EUR 2 800 000
Subscription period:	2026.07.13-2026.07.29
Issue date:	2026.07.31
Maturity date:	2028.07.31
Coupon rate:	10%
Coupon payment:	Quarterly
Term:	2 years
Collateral:	• First rank pledge of 100% of shares of the SPV, not later than within 45 (forty-five) calendar days from the Issue Date; • First rank pledge of Dedicated Account, not later than within 45 (forty-five) calendar days from the Issue Date; • First rank pledge of SPV‘s assets not later than within 45 (forty-five) calendar days from senior creditor redemption.
Bond redemption:	The bonds are to be redeemed on the maturity date at 100% of their nominal value plus accrued interest
Issue value per bond:	EUR 1 000 (at par)
Method for calculating interest:	ACT/ACT ICMA
Listing:	Nasdaq Vilnius First North market within 6 months from the date of the issue of the Bonds
Source of redemption:	Sale of apartments and other premises of Youston Riga project; refinancing
Bondholder trustee:	UAB Audifina

Events of default:	Non-payment; Breach of other obligations; Breach of Dedicated Account obligations; Breach of Collateral; Cross Default; Cessation of Business; Liquidation; Insolvency; Insolvency proceedings; Impossibility or illegality
Use of the funds:	The net proceeds from the issue of Bonds will be used to refinance the associated company’s existing shareholder loans and to finance share buybacks into its associated
Financial Covenants:	• **Adjusted Equity Ratio.** The Issuer ensures that Adjusted Equity Ratio of the Issuer (on consolidated basis with SPV) at all times is 20 (twenty) per cent or greater. • **Limits on disposal of Asset:** The Issuer shall ensure, as long as the Bonds are not redeemed in full, the SPV shall not sell or otherwise dispose any of its assets, unless it is used for the repayment of the obligations under **Permitted Disposal**.
Other Covenants:	Financial Indebtedness restrictions; Corporate status; Nature of business; Limits on dividends; De-mergers; Mergers; Financial reporting; General warranties and undertakings
Early redemption (call-option):	The issuer has the option to redeem the bonds in full: • During the period 12 months after the Issue Date, but not later than 6 months before the maturity date, by paying 102% of the nominal value of the bonds; • 6 months before the maturity date, by paying 100% of the nominal value of the bonds.

*Full description can be found in the Final Terms and Informational Document

Use of proceeds

The net proceeds from the issue of Bonds will be used to refinance the SPV's existing shareholder loans and to finance share buybacks into its SPV



Key dates

2026
July 13 – July 29
Public offering of the bonds to investors in the Baltics

2026
July 31
Issue date of bonds

2027
July 31
Early redemption possibility

2028
July 31
8th interest payment and bond maturity date

Quarterly interest payments

Key investment highlights

1

A team of KAITA Group with extensive experience in real estate development

- Successfully completed 26 residential and commercial projects in Vilnius, Lithuania
- KAITA Group has been among the largest real estate developers in Lithuania for several consecutive years

3

Prime central Riga location with strong long-term appeal

- Real estate asset of the SPV is located on Valdemāra St. 38, within walking distance of Riga Old Town and key city landmarks
- Strong connectivity and surrounding amenities support tenant demand and long-term asset value

2

The Issuer is a part of KAITA Group – one of the leading RE market players in Lithuania

- UAB KAITA Living for 5th year in a row manages one of the largest residential rental portfolios in Lithuania - 555 units
- UAB KAITA International successfully implements substantial international real estate projects (LV, CZ, UK) – 387 units

4

Completed, income-generating real estate asset with high occupancy

- Fully reconstructed and furnished 174-apartment residential building with 95% occupancy
- Ongoing rental activity provides cash flow during the apartment sales period
- Latest valuation of 12,553 mEUR supports the asset's liquidity and exit potential

KAITA GROUP

Overview of the Issuer and KAITA Group

02

KAITA GROUP

KAITA Group structure

KAITA Group, UAB

KAITA Group services, UAB

100%

100%

51%

100%

100%

KAITA Development, UAB

Incorporated on 8 August 2017, the subsidiary develops residential real estate projects in Vilnius under a build-to-sell model.

KAITA Development owns and manages all SPVs which own development projects and focuses on major residential and urban regeneration projects in Vilnius.

KAITA Development has implemented over 20 residential real estate development projects in Vilnius, Lithuania.

KAITA Living, UAB

Company activities – management and operations of a portfolio of co-living, co-working, serviced apartments properties for rent in Vilnius, Lithuania.

KAITA Operations, UAB

This subsidiary was incorporated on November 6, 2023 and focuses on operational management of co-living, micro living, serviced apartment properties under "Youston" brand.

KAITA Operations is operating coworking properties in some of properties of KAITA Living and KAITA International under the brand "DoDay".

KAITA International, UAB

Incorporated on 3 November 2022, the subsidiary sources and develops co-living, micro-living, and serviced apartment properties across Central Europe and the UK.

Once the properties are developed KAITA International organizes their rental and management activities in cooperation with KAITA Operations UAB.

Currently KAITA International operates in the Czech Republic, Latvia, the UK.

About KAITA Group

KAITA Group business areas

- Build-to-Sell: development of apartments for sale in Vilnius
- Build-to-Rent: development and operation of co-living, coworking properties in the Baltics, Central Europe, UK

KAITA Group real estate development focus

- Conversion projects in central urban areas by reconstructing and repurposing existing buildings for residential use
- New construction projects in key city areas
- Sustainable projects which bring value for residents, communities, cities

KAITA Group experience & internal capabilities

Strong capabilities in such areas:

- Real estate sourcing, development, repurposing
- Construction management
- In terms of sales - among top 10 developers in Lithuania
- The biggest co-living owner and operator in Vilnius

Key figures*

26
Projects implemented and under development

>1 000
Apartments sold

942
Build-to-rent units developed and under development

78 600
Gross area of the projects developed (sq.m.)

82m EUR
Investments

4
Countries where KAITA Group is currently present (LT, LV, CZ, UK)

* As of the date of Informational document

Completed projects

Youston coliving

VILNIUS
Smolensko st.
2021 m.
3 500 sq. m
133 units
10.7m EUR

Youston coliving

PRAHA
2024 m.
4 050 sq. m
107 units
19.,0m EUR

Youston coliving

VILNIUS
Slucko st.
2021 m.
3 929 sq. m
144 units
15.1m EUR

Youston coliving

RIGA
2025 m.
4 300 sq. m
174 units
12.0m EUR

Projects under development

MOODS

VILNIUS
2026 m.
14 586 sq. m
204 units
25.0m EUR

NEWTON

VILNIUS
2027 m.
17 093 sq. m
239 units
41.2m EUR

Off!

VILNIUS
2027 m.
16 184 sq. m
362 units
37.1m EUR

Youston

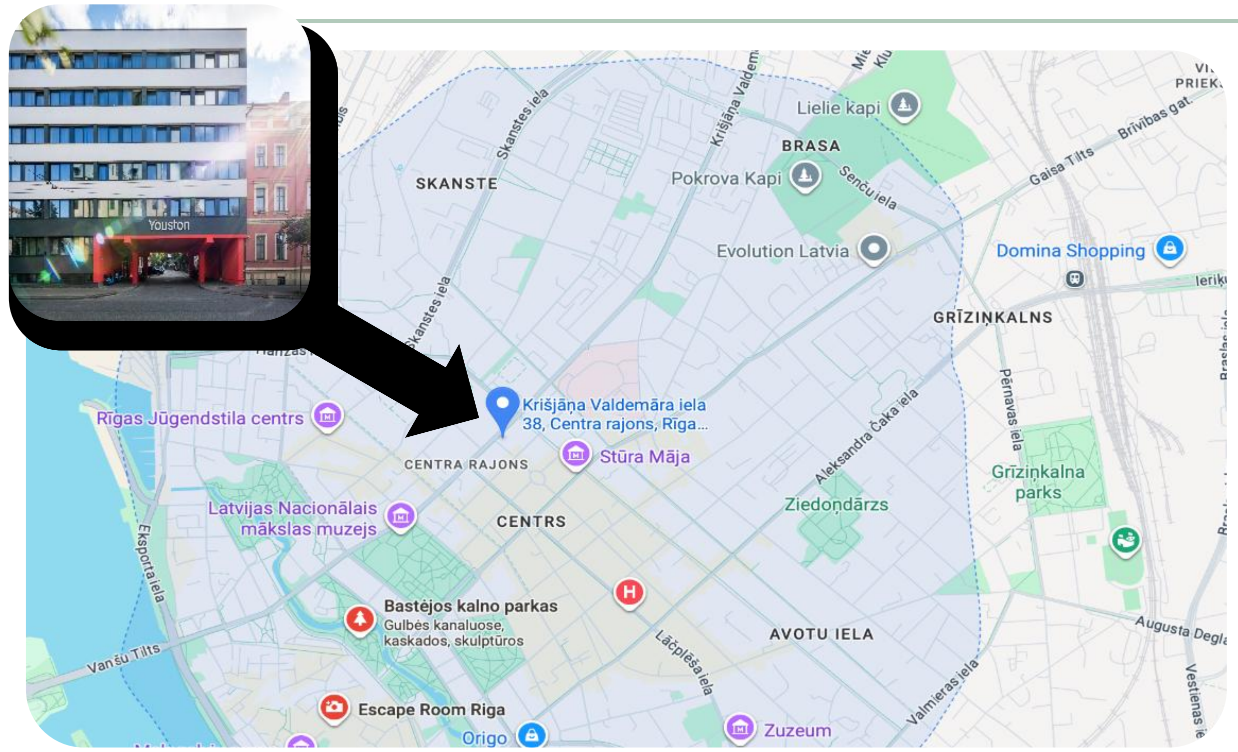
LONDON
2027 m.
3 144 sq. m
106 units
44.0m EUR

KAITA GROUP

Overview of SPV real estate asset

03

Central location



5 min. Walk to old town

Old town is a unesco world heritage site

- Located at Valdemara St. 38, Riga, this property offers easy walking access to the most famous landmarks of central Riga, allowing you to enjoy the vibrant pleasures of an active social life.
- The location boasts excellent connectivity, whether on foot or via public transport. Situated near Riga's central business district, the area is surrounded by offices, shops, cafes, and restaurants, with the scenic Daugava riverbank and Vermanes Garden just a short stroll away.
- Riga's Old Town is recognized as a UNESCO World Heritage site, attracting countless tourists and students every year and creating a uniquely lively urban atmosphere. Due to its prime central location, the property maintains long-term value and is perfectly suited for both investment purposes and personal use.

Neighborhood

National opera house

University of Latvia

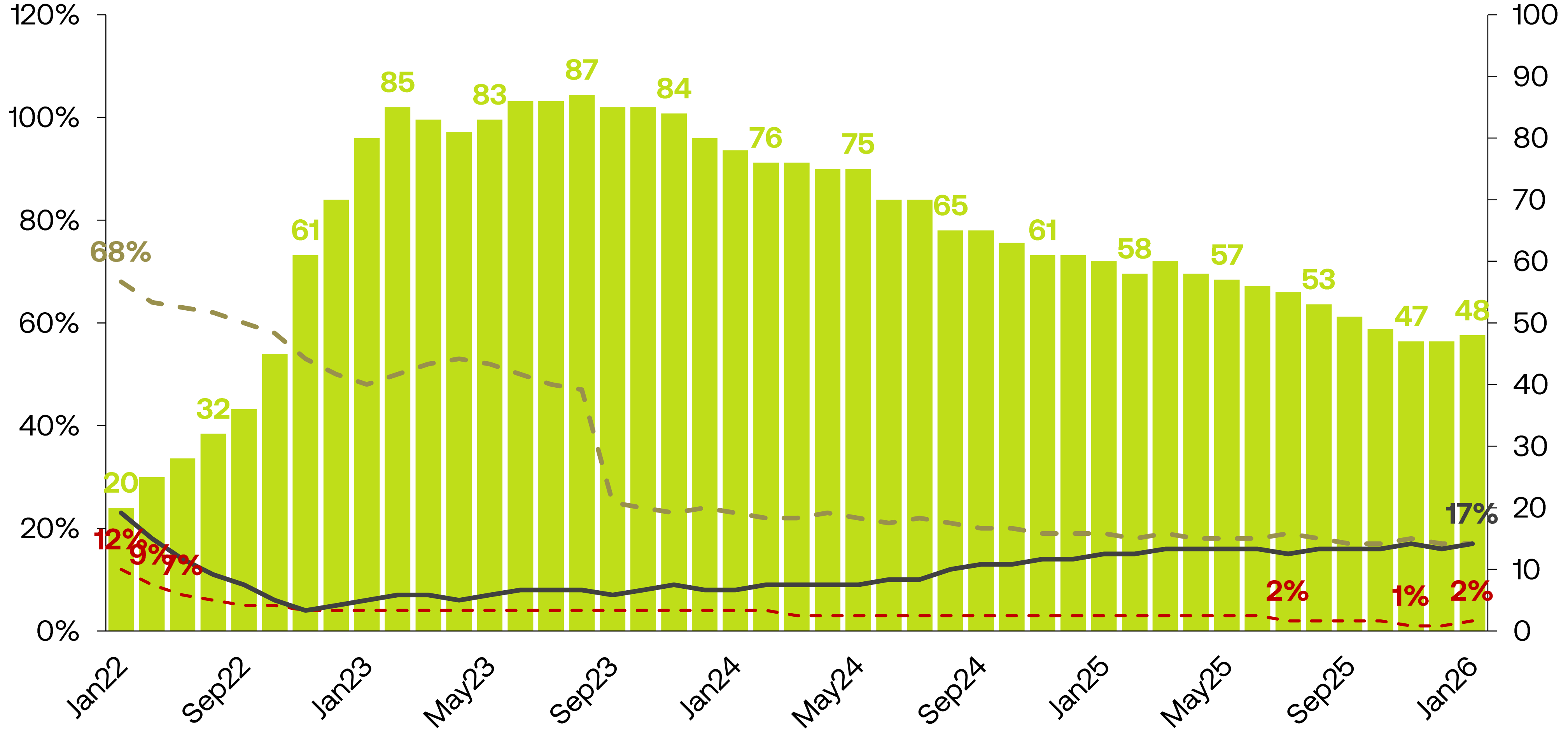
Riga Old Town

Housing market review in Riga

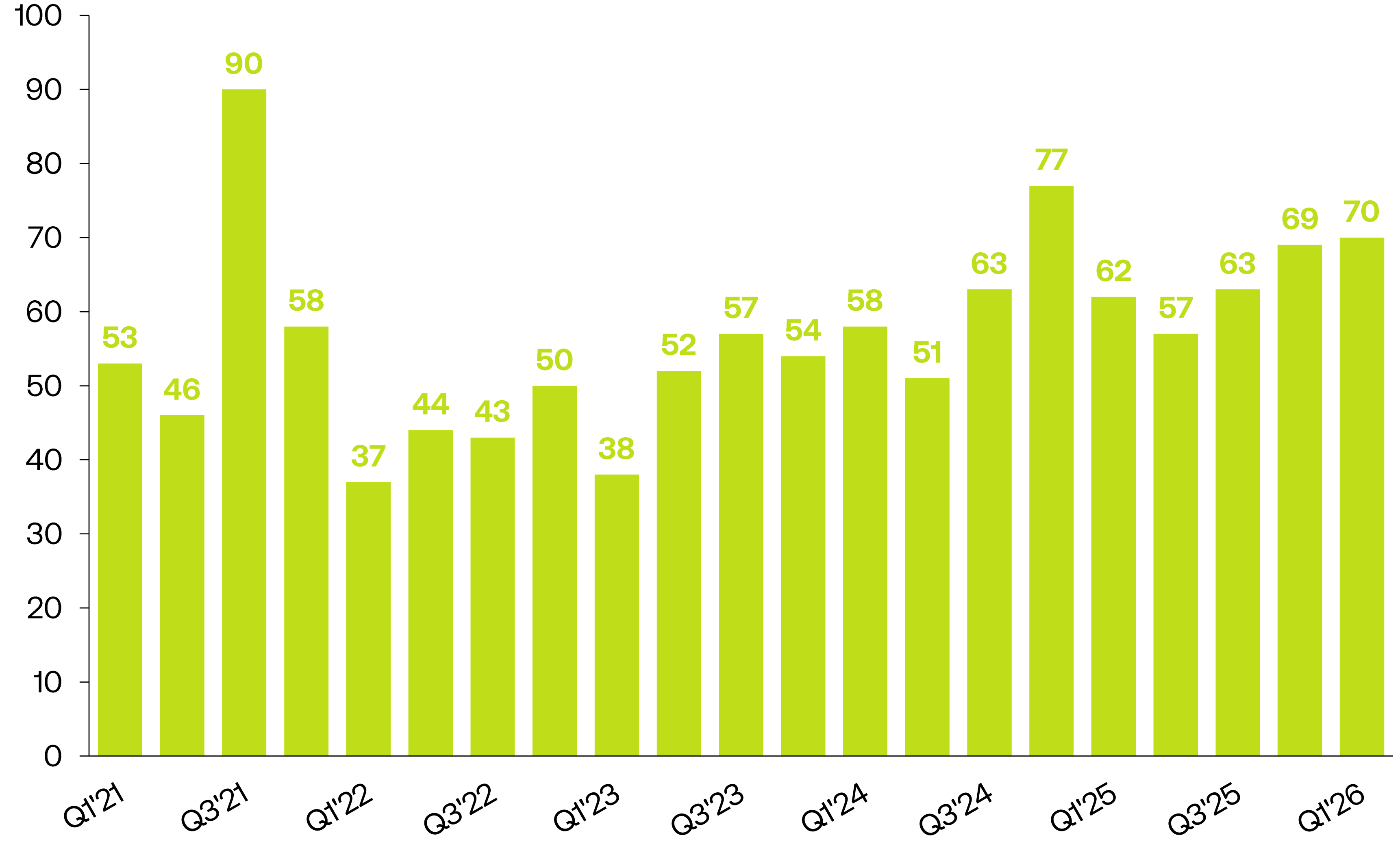
The 2025 housing market saw a resurgence in activity, with rising transaction volumes and mortgage originations. The Confidence Index recorded consistent month-on-month growth in transactions, demand and pricing, while the time needed to sell a home continued to decline, as shown below.

The overall transaction amount of small apartments trend shows that the demand is in place. The key market driver – affordability, which is based on overall lower price per apartment.

Housing Market Confidence Index



Number of transactions for apartments of 18-25 m², in new projects and pre-war houses in Riga



+20%

Avg. gross salary growth, Q1 2023 → Q1 2025 (EUR 1 462 → EUR 1 757)

+9%

New-build 2-room apartment price growth in Riga neighbourhoods, to EUR 2 535/m² (Q1 2025)

2 250 – 5 500+EUR/m²

Price range 2025/26 — Riga neighbourhoods to prime Old Town & riverfront (Riga Waterfront, Centrus)

Source: Latio

KAITA GROUP

About project

Address	Valdemara st. 38, Riga
Building use	Residential
Gross area	4 431,7 sq. m
Sellable apartment area	3180,9 sq. m
Sellable other area	371,3 sq. m
Units	174
Avg. apartment size	18,3 sq. m
Common areas (gym, lounge, kitchen, game room, sauna)	269,1 sq. m
Other premises (storage, WC, corridor, etc.)	863,9 sq. m

Latest valuation (2026.06.15)	**12 553 000 EUR**
Sales period	2 years
Rental income (2025.09 - 2026.05)	798 985 EUR

	Type	Number of rooms	Min. area	Max. area	Avg. area	Total area
I	Studio DUO+	14	21,9	27,2	24,5	343,5
II	Studio DUO	11	17,8	18,7	18,4	202,2
III	Comfort (+)	128	15,4	21,6	18,7	2125,7
IV	Studio (+)	21	11,4	16,5	14,7	309,5

KAITA GROUP

Photos of apartments For sale



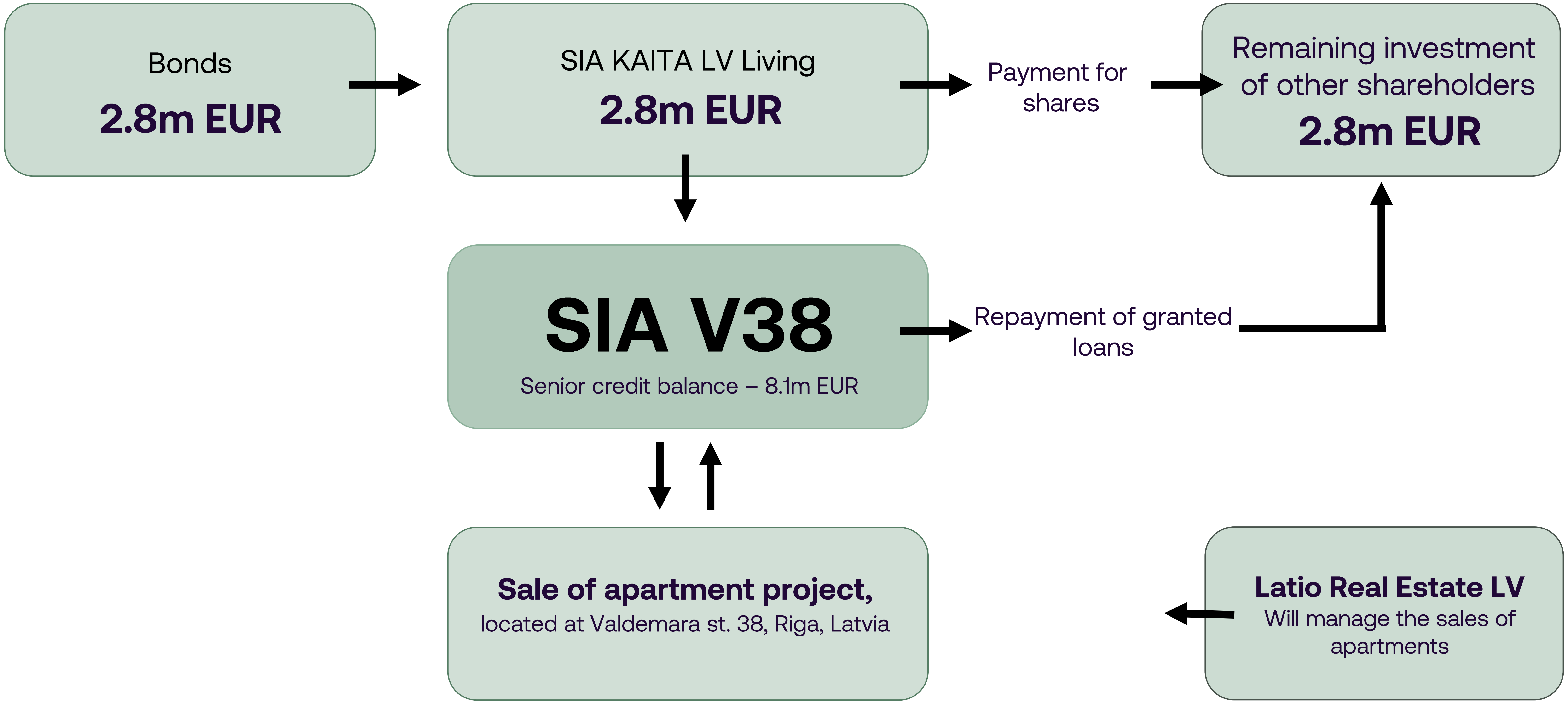

FULLY FURNISHED APARTMENTS

- Renovations and fit-out works (formerly an office building) were completed in September 2025. The project included updated plumbing, ventilation, building facade, and windows. Each unit is fully furnished and sold with all necessary furniture and household appliances.

- Every apartment is equipped with air conditioning, a fully fitted kitchen with appliances, a bathroom (shower and WC), and custom furniture.



Funding structure



The Management of the Issuer and structure

04

KAITA GROUP

Management team

Mindaugas GALINAITIS

Founder,
Board member

Experience

- 11 years of experience in real estate development, brokerage, and the startup sectors, with a primary focus on finance and investments.
- Mindaugas previously worked at Hanner, the largest real estate development company in Lithuania, and Citus, one of the top 10 real estate developers in the country.
- He initiated the entry into the rental income-generating co-living market in Vilnius.

Jonas KĖŽYS

Founder,
Board member

Experience

- 11 years of experience in real estate development, brokerage, and project management.
- Jonas previously worked at Citus, one of the top ten real estate development companies in Lithuania.
- He was a co-founder of the real estate brokerage firm Creston.
- Jonas is the founder and a board member of B2SCREEN, Lithuania's first digital advertising agency.

Vilius MORKŪNAS

Founder,
Board member

Experience

- 10 years of experience in real estate development, investment project sourcing, and transaction management.
- Vilius spent several years working in sales at Citus, one of the top ten real estate development companies in Lithuania.
- He was a co-founder of the real estate brokerage firm Creston.

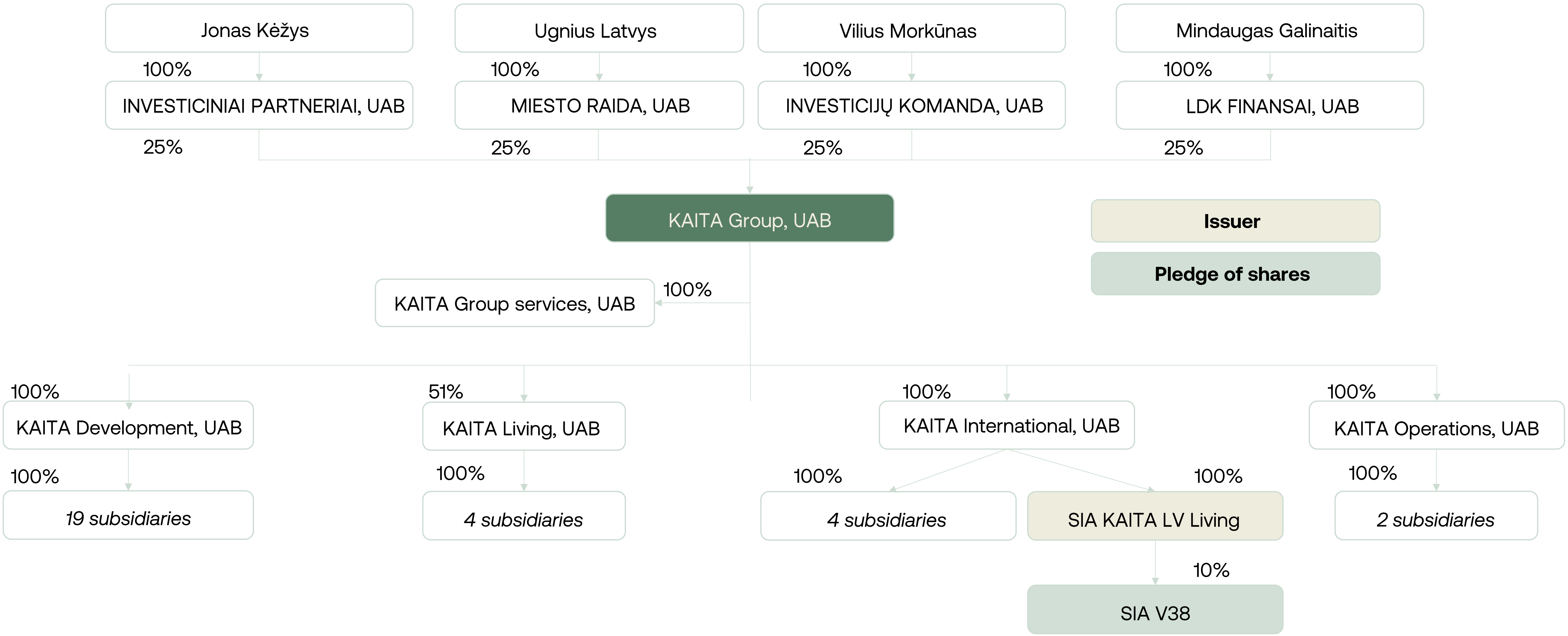
Ugnius LATVYS

Founder, KAITA Group
CEO, Board member

Experience

- 14 years of experience in real estate investment, development, and construction management.
- Ugnius spent 8 years at Citus, one of the top ten real estate developers in Lithuania, working in project sourcing and investment. During his tenure, he was responsible for project implementation.
- He was a partner at the real estate brokerage firm Citus.

KAITA Group structure*



Following the bond issuance, the Issuer will acquire the shares currently held by the existing shareholder and, as a result, will become the sole shareholder. The acquired shares will be pledged in favour of the bondholders as security for the bonds.

* As of date of the Informational Document

Overview of Financial data

05

KAITA GROUP

Issuer – KAITA LV LIVING SIA

Audited income statement

Income statement	2024*	2025	2025 Q1*	2026 Q1*
Administration costs	-1 965	-5 323	-30	-30
Other operating income	-	176 159	-	-
Other interest income and similar income:				
From other persons	353	-	-	-
Interest payments and similar costs:				
For other persons	-18 837	-20 834	-7 397	-5 137
Profit / (loss) before tax	**-20 449**	**150 002**	**-7 427**	**-5 167**
Corporate income tax for the reporting year	-4 499	-5 271	-	-
Net profit / (loss) for the reporting year	**-24 948**	**144 731**	**-7 427**	**-5 167**

Comments

- The issuer is a holding company without any operational activities
- Other operating income amount consists entirely of the gain recognised as a result of the fair value remeasurement of the investment in SIA “V38”

* Unaudited

Issuer – KAITA LV LIVING SIA

Audited balance sheet

Balance sheet	2024*	2025	2026 Q1*
Long-term investments			
Long-term financial investments			
Other securities and investments in capital	208 336	384 495	384 495
Total long-term financial investments	**208 336**	**384 495**	**384 495**
Total long-term investments	**208 336**	**384 495**	**384 495**
Current assets			
Debtors			
Other debtors	123 300	-	-
Cash and cash equivalents	481	1 066	16
Current assets total	**332 117**	**385 561**	**16**
Total assets	**332 117**	**385 561**	**384 511**

Balance sheet	2024*	2025	2026 Q1*
Equity			
Share capital	2 800	2 800	2 800
Retained earnings or losses of previous years			
Profit (loss) for the financial year	-24 948	144 731	-5 167
Profit/(loss) for previous years	-	-24 948	119 783
Total equity	**-22 148**	**122 583**	**117 416**
Creditors			
Current creditors			
Other borrowings	349 766	248 005	253 392
Payables to suppliers and contractors	-	1 271	-
Taxes and compulsory state social insurance contributions	4 499	9 770	9 770
Accrued liabilities	-	3 932	3 933
Total current creditors	**354 265**	**262 978**	**13 953**
Total creditors	**354 265**	**262 978**	**267 095**
Total equity and liabilities	**332 117**	**385 561**	**384 511**

Comments

- Other securities and investments —investment in SIA V38
- The borrowings were used to finance the investment in SIA V38

* Unaudited

SPV – SIA V38

Audited income statement

Income statement	2024*	2025	2025 Q1*	2026 Q1*
Net turnover	**113 802**	**427 495**	**-**	**302 420**
Costs of services provided	-82 673	-270 084	-2 616	-140 629
Gross profit (loss)	**31 129**	**157 411**	**-2 616**	**161 792**
Cost of sales	-170	-	-	-
General and administrative expenses	-8 053	-	-	-
Other operating income	4 375	3 739 206	374	166
Other operating expenses	-12 839	-149 703	-127	-156
Other interest and similar income:				
From associated companies	1 166	-	-	-
From other persons	-	2 600	780	4 056
Interest and other similar charges:				
To associated companies	-21 379	-158 966	-	-94 001
To other persons	-28 711	-153 765	-	-91 982
Profit (loss) before tax	**-34 482**	**3 436 784**	**-1 589**	**-20 360**
Income tax	-	-55	-	-
Net profit (loss)	**-34 482**	**3 436 729**	**-1 589**	**-20 360**

Comments

- Co-living facility started its operations in August of 2025
- The majority of Other operating income consists of the gain recognised as a result of the fair value remeasurement of investment property

* Unaudited

SPV – SIA V38

Audited balance sheet

Balance sheet	2024*	2025	2026 Q1*
Long-term investments	**-**	**1 539**	**1 421**
Intangible investments	-	1 539	1 421
Fixed assets and investment properties	**2 787 861**	**12 577 945**	**12 550 967**
Investment property	-	12 207 000	12 207 000
Land, buildings and engineering structures	2 787 861	-	-
Other fixed assets and inventory	-	370 945	343 967
Financial investments	**-**	**755 865**	**1 189 446**
Other loans and other long-term receivables	-	755 865	1 189 446
Current assets	**683 893**	**10 293**	**5 316**
Receivables within one year			
Receivables from customers and clients	-	7 671	3 748
Receivables from related companies	587 200	-	-
Other receivables	1 851	-	23
Deferred expenses	82 112	2 622	-
Total receivables	**683 893**	**10 293**	**5 316**
Cash and cash equivalents	417 967	565 698	216 349
Total current assets	**1 101 860**	**575 991**	**221 666**
Total assets	**5 337 536**	**13 911 340**	**13 963 500**

Balance sheet	2024*	2025	2026 Q1*
Share or stock capital (equity capital)	2 800	2 800	2 800
Retained earnings from previous years / (uncovered losses)	436 265	405 428	3 842 157
Profit/ (loss) for the reporting year	-34 482	3 436 729	-20 126
Total own capital	**404 583**	**3 844 957**	**3 824 831**
Loans from credit institutions	2 258 379	5 341 683	5 310 000
Payables to associated companies	2 533 096	4 140 585	4 232 326
Total long-term liabilities	**4 791 475**	**9 482 268**	**9 542 326**
Payables to suppliers and contractors	92 769	71 685	70 039
Taxes and mandatory social insurance contributions	1 426	140 214	139 974
Payables to associated companies	-	106 959	109 220
Other liabilities	47 283	158 969	139 054
Accrued liabilities	-	9 988	44 358
Deferred income	-	96 300	93 699
Short term liabilities total	**141 478**	**584 115**	**596 343**
Total liabilities	**4 932 953**	**10 066 383**	**10 138 669**
Total equity and liabilities	**5 337 536**	**13 911 340**	**13 963 500**

Comments

- Investment properties and Land plots, buildings and engineering structures – consists of the co-living asset in Riga at the previous valuation
- Other loans and other non-current receivables - savings from the project budget, which were temporarily reallocated to the group since the project has been fully implemented
- Borrowings from credit institutions – credit from Bigbank (currently increased to 8 025k EUR)
- Amounts owed to related companies – shareholder loan which will be repaid from bond issue and increase of credit from credit institutions (currently 1 457k EUR)

* Unaudited

KAITA GROUP

Risk factors

06

KAITA GROUP

Risk factors 1/6

The following is a disclosure of certain risk factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the risks associated with the Bonds are described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to the Issuer or which it may not currently be able to anticipate. Prospective Investors should also read the detailed information set out elsewhere in this Information Document and reach their own views prior to making any investment decision.

Before deciding to purchase/subscribe the Bonds, Investors should carefully review and consider the following risk factors and other information contained in this Information Document. Should one or more of the risks described below materialise, this may have a material adverse effect on the business, prospects, shareholders' equity, net assets, financial position and financial performance of the Issuer or the Group. Moreover, if any of these risks occur, the market value of the Bonds and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Bonds may decrease, in which case the Bondholders could lose all or part of their investments. Additional risks and uncertainties, which are not currently known to the Issuer or which the Issuer currently believes are immaterial, could likewise impair the business operations of the Issuer and/or the Group and have a material adverse effect on their cash flows, financial performance and financial condition. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the cash flows, financial performance and financial condition of the Issuer and/or the Group.

Issuer's business risk factors

Risk factor	Description
Changes in Issuer's financial standing	The Issuer is a limited liability company established for the purposes of development of the real estate project at K. Valdemara st. 38, Riga (the "Project"), with the share capital of EUR 2,800. Based on the Issuer's audited annual financial statements for the financial year ended 31 December 2025, the own capital of Issuer is EUR -17,657 (minus seventeen thousand six hundred fifty seven euros) which is composed of the share capital of EUR 2,800 and undistributed profit of EUR -20,457 (minus twenty thousand four hundred fifty-seven euros) and minority interest EUR 0. The undistributed profit was accumulated due to re-evaluation of the assets owned by the Issuer and result of typical activities. The real estate assets owned by the Issuer were acquired from the funds lent to the Issuer by KAITA Group companies. Any adverse change in the Issuer's financial condition or prospects, including reduced cash flows from the SPV, may have a material adverse effect on the liquidity of the Bonds, which may lead to a significant decrease in the market price of the Bonds, or may render the Issuer unable to fully redeem the Bonds, which may lead to investors losing part or all of their invested funds.
Liquidity risk	Liquidity risk is the risk that the Issuer is unable to maintain a sufficient reserve of cash and other liquid financial assets that can be used to meet its payment obligations as they fall due and to redeem the Bonds. The Issuer is a holding company dependent on SPV asset sale income and KAITA Group to support liquidity. The Issuer may receive funds through dividends from the SPV if part or all assets being sold and projected covenants according to loan agreements are outperformed. However, receiving dividends is subject to financial institutions prior consent and it may result in delay or absence of dividends. In addition, the SPV has entered into financing arrangements with a bank acting as the senior creditor, the terms of which grant the bank priority in respect of the Issuer's cash flows and assets. As a result, the timing and amount of funds that may be distributed by the SPV to the Issuer depend on the SPV's ability to comply with the requirements imposed by the senior creditor, including repayment obligations, financial covenants and any restrictions on distributions. In the event of non-compliance or enforcement action by the senior creditor, available cash flows at the SPV level may be significantly reduced or become unavailable for distribution to the Issuer. Availability of liquidity for business activities and for fulfilling Issuer's obligations also depends on ability to access financing, through attracting financial partners, loans or funding from banks. Financing process could take longer or not occur due to market conditions or other reason which may result in inability of the Issuer to meet its payment obligations in cash, whether scheduled or unscheduled. Although the Issuer monitors its liquidity position and follows procedures to manage liquidity risk, a reduction in the Issuer's liquidity position could have a material adverse effect on the Issuer's business, financial condition, results of operations or prospects, as well as ability to redeem the Bonds at their maturity.

Risk factors 2/6

Risk factor	Description
Real estate market and affordability risk	Currently, the source of funds to be used for the redemption of Bonds is the sale income of Project apartments in two years. Thus, a potential downturn in the Latvian real estate market, various economic factors (including geopolitical situation, pandemics, quarantines, etc.) could negatively impact real estate prices or apartment sale speed and transaction volumes. This would adversely affect income from sale of apartments as well as limit the ability to sell the properties, impact the SPV's performance and financial condition, and would reduce the value and liquidity of SPV's assets. In addition, Latvia and other European economies have faced excessive inflation in the years 2022–2023. Though expected to subside in the upcoming years in 2026–2028, inflation could still be significantly higher than historic average levels. This could result in the European Central Bank raising and keeping interest rates at high levels, which would affect the affordability of buying real estate and could lead to an affordability crisis if wages do not increase at the same pace or the cost of living increases significantly. Growing inflation in the future may prevent the Issuer from offering competitive pricing of its apartments or decrease the demand for its services due to competition in the market, and respectively prevent the Issuer from preserving its existing profit margin or may lead to losses. The Issuer's expenditures would increase considerably due to inflation and the Issuer would have to cover its increased costs from internal resources, unless it manages to increase its prices. Thus, significant fluctuations in real estate prices and strong inflation may have a considerable adverse influence on the Issuer's financial situation, business results, profitability and solvency.
Rental market and vacancy risk	Until the apartments are sold, rental income constitutes the primary source of operating cash flows. The SPV's target tenant demographics, including international students and young professionals, are particularly sensitive to macroeconomic conditions. Economic downturns in students' home countries can affect their ability to study abroad or relocate for work, impacting occupancy rates and rental prices at the SPV's rental facilities. In economic downturn cycles the target client groups tend to cut costs and look for cheaper alternatives which might impact the pricing of the SPV's services and occupancy level at the SPV's accommodation facilities and coworking premises. In addition, increased perception of the geopolitical risk among the target clients due to the war between Russia and Ukraine might impact their willingness to use accommodation and coworking services at the SPV's facilities which would impact the rental price and occupancy level. Furthermore, changes in visa regulations or immigration policies can directly impact the influx of international students and professionals. Stricter policies may lead to reduced demand for rental units and create occupancy risk. Any of the above factors, individually or in combination, could result in lower rental income for the SPV and, consequently, adversely affect the Issuer's cash flows, financial condition and ability to meet its obligations under the Bonds.
Risk related to the sale of leased residential units	Certain residential units owned by the SPV may be leased to tenants at the time of their sale. Where prospective purchasers wish to acquire such units without tenants in place, the SPV may need to seek the termination or early expiry of the relevant lease agreements prior to completion of the sale, subject to the applicable laws and the terms of the respective lease agreements. There can be no assurance that such arrangements will be achieved on acceptable terms or within the expected timeframe. As a result, the SPV may incur additional costs (including potential compensation to tenants), experience delays in completing property sales, or face disputes with tenants. In addition, diverse tenant communities could react differently to the SPV's initiatives, and tenants from different countries could create social or cultural tensions among potential buyers or new owners if cultural differences are not managed effectively. The SPV's ability to ensure that new owners and tenants comply with local regulations related to silent hours, public order and cleanliness is also a relevant factor. Any such circumstances could adversely affect the SPV's and Issuer's revenues, cash flows, financial condition and results of operations.

Risk factors 3/6

Risk factor	Description
Unaudited Issuer's Stand-Alone Financial Statements	The stand-alone Financial Reports of the Issuer regarding financial years ended 31 December 2024 is unaudited because the Issuer had no obligation to audit stand-alone Financial Reports pursuant to the applicable law. In addition, the stand-alone Financial Reports of the SPV for the financial year ended 31 December 2024 are unaudited, as the SPV had no obligation to audit its stand-alone Financial Reports pursuant to the applicable law. Thus, the investors should be aware that stand-alone Financial Reports of the Issuer and the SPV for the financial year ended 31 December 2024 are unaudited and may contain errors or inaccuracies. Notwithstanding the foregoing, the Issuer took an obligation from fiscal year 2026 to prepare annual audited Financial Reports of the Issuer and publish them on the Issuer‘s website during the maturity of the Bonds (see Clause 13(h) of the General Terms and Conditions).

KAITA Group specific risk factors

Risk factor	Description
Dependence on KAITA Group personnel and third-party service providers	Due to the nature of its business, neither the Issuer, nor the SPV employ staff. The success of the SPV depends on the employees of KAITA Group. There is no guarantee that it will be possible to retain all the existing people who are crucial to the management of the SPV or to recruit new professional staff. The loss of people critical to the success of the SPV's business, possibly through transfer to the SPV's competitors, and the inability to attract new qualified personnel, could have a material adverse effect on the SPV's management, operations, results of operations and financial condition. In addition, as neither the Issuer nor the SPV directly manage the apartment sales process, day-to-day operations, or maintenance of the properties, both entities rely heavily on external service providers, including affiliated companies within the KAITA Group, to ensure the quality and continuity of apartment sales, property management, maintenance, and tenant-related services. Key operational functions such as facility maintenance, repairs, cleaning, security, utilities management, and tenant support are outsourced to third-party providers. The performance, cost-effectiveness, and reliability of these service providers are critical to sustaining tenant satisfaction, occupancy levels, and the overall financial performance of the rental projects. Any failure by the service providers to meet required standards, delays in service provision, staff shortages, or contractual disputes may lead to operational inefficiencies, tenant dissatisfaction, increased vacancy rates, and additional unforeseen costs for the SPV. Furthermore, reputational damage resulting from poor service quality may affect the long-term attractiveness and value of the rental properties. While the Issuer actively manages the risks associated with external service providers, including through KAITA Group's ownership of one of the leading real estate management service providers (Youston), any failure in their performance could impact project timelines, service quality, and reputation, which could adversely affect the Issuer's financial condition and ability to meet its obligations.

KAITA GROUP Risk factors 4/6

Risk factor	Description
Construction cost	Notwithstanding, the SPV has finished the construction works in Youston Riga and fully furnished all apartments, the SPV has planned to transform part or all other premises or common areas into apartments or separate units which will be sold as well. KAITA Group employees and people invoked all available information and analytical resources when planning operations, however there is no guarantee, that all information on which the planned investments in Project will not change due to market or other conditions and will materialize as planned. KAITA Group has extensive construction market suppliers' knowledge and using reliable and proven contractors that deliver works and services across all development projects. However, as the situation in global markets and building materials supply chain is changing frequently, by the time of completion of the Project and key variables regarding which investments assumptions have been made, could significantly change and adjustments to the initial calculations might be required in the later stages of the expansion Project due to reasons indicated above. An unexpected increase in construction costs or inability to secure construction material required to complete the Project may reduce the overall profitability and affect SPV's retained profit. As a result, this could adversely affect the Issuer's financial situation and ability to redeem the Bonds. Even if economic and geopolitical situation would stabilize until completion of the Project, there is no guarantee the investments made will generate anticipated or planned return on the Project. Moreover, neither KAITA Group nor KAITA Development companies may provide any assurance that there will not be any disputes with its suppliers or that it will be able to maintain business relationships with its existing suppliers. Any disruption to the supply chain as a result of an issue with a supplier, or any damage to such supplier's integrity could cause significant time and expense in remediation of any deficiencies and could impact on its reputation, which could adversely affect its reputation and profitability.

Risk factors related to the Bonds

Risk factor	Description
Credit and Issuer's default risk	Any person who purchases the Bonds is relying on the financial status of the Issuer, but the respective persons shall have no rights against any other person. Thus, Credit risk should be evaluated as a possibility that the Issuer might become insolvent, go bankrupt, its business being suspended or terminated, and as a result, it would be impossible to redeem the Bonds and/or pay the accrued interest to the Bondholders. Moreover, should the Issuer become insolvent, legal protection proceedings or out-of-court legal protection proceedings of the Issuer are initiated during the term of the Bonds, an investor may forfeit interest payable on, and the principal amount of, the Bonds in whole or in part. An investor is always solely responsible for the economic consequences of its investment decisions. The Bonds constitute direct, unconditional, and unsubordinated obligations of the Issuer, which will at all times rank pari passu without any preference among themselves and at least pari passu with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. In addition to that no state guarantee (insurance) is applicable in case of non-redemption of the Bonds. In addition, even if the likelihood that the Issuer will be in a position to fully fulfil all obligations under the Bonds when they fall due actually has not decreased, the market participants could nevertheless be of that opinion. In particular, the market participants may in particular be of such opinion if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the industries sector adversely changes. If any of these risks occur, the third parties would only be willing to purchase Bonds for a lower price than before the materialization of said risk. The market value of the Bonds may therefore decrease.

Risk factors 5/6

Risk factor	Description
Risks related to the enforceability, validity and sufficiency of the Collateral	The Bonds will be secured by the first ranking pledge of shares of the SPV and the first ranking pledge of the Dedicated Account in 45 days after the Issue Date (see Clause 6(d) Collateral of the General Terms and Conditions of the Bonds Section 4.2 below). Nonetheless, the SPV is incorporated under the laws of the Republic of Latvia, therefore the validity and enforceability of the pledge arrangements are subject to the requirements and limitations imposed by Latvian law. Under Latvian law, a company must act in its own commercial interest. Where a pledge is granted in respect of obligations of another group company, Latvian courts may assess whether such transaction provides sufficient benefit to the granting entity. If it is determined that the pledge was not in the commercial interest of the relevant entity, or otherwise violates mandatory provisions of Latvian law, it may be declared void or voidable in whole or in part. In such circumstances, the Bondholders may lose the benefit of the pledged shares of the SPV. In addition, no real estate mortgage securing the Bonds will be in place until the Senior Creditor loan has been repaid in full. Thus, the Bondholders will have no priority claim against the underlying real estate. Thus, in the event of the insolvency of the SPV, its assets will be used primarily to satisfy the claims of Senior Creditor whose claims are secured by the pledge and mortgages of the SPV's assets. Even after the discharge of the Senior Creditor and the establishment of the real estate mortgage of the SPV's assets, there is no assurance that the value of the Collateral will be sufficient to satisfy all claims of the Bondholders in full. Furthermore, in case of enforcement on the Collateral, the costs of enforcement, including the expenses of the Trustee, will have to be covered by the proceeds of the sale of the Collateral prior to claims of the Bondholders. The procedure of enforcement on Collateral may also delay settlement with the Bondholders. Therefore, the pledge and collateral to be provided in the future does not guarantee that, in the event of a default by the Issuer, the Collateral will be capable of being realised in a timely manner and at a sufficient value, or that the liquidation proceeds of the Collateral will be sufficiently high to satisfy in full all the claims of the Bondholders.
Amendments to the Bonds bind all Bondholders	The Law on Protection of Interests of Bondholders requires and the terms of the Bonds contain provisions for calling Bondholders' Meetings to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant Bondholders' Meetings and Bondholders who voted in a manner contrary to the majority. This may incur financial losses, among other things, to all Bondholders, including such Bondholders who did not attend and vote at the relevant Bondholders' Meetings and Bondholders who voted in a manner contrary to the majority.
Interest rate and inflation risk	If interest rates in general or particularly with regard to obligations of corporate debtors or corporate debtors with activities in the industries sector for durations equal to the remaining term of the Bonds increase, the market value of the Bonds may decrease. The longer the remaining term of a debt instrument, the stronger its market value is affected by changes in the interest rate level. There are further factors which may affect the market value of the Bonds, including, but not limited to global or national economic factors and crises in the global or national financial or corporate sector. Bondholders should be aware that movements of the market interest rate can adversely affect the market price of the Bonds and can lead to losses for the Bondholders if they sell their Bonds. In addition, there is a risk of future money depreciation due to inflation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on the Bonds. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

KAITA GROUP

Risk factors 6/6

Risk factor	Description
An active secondary market for the Bonds may not develop	The Bonds constitute a new issue of securities by the Issuer. Prior to Admission to trading on First North, which is an alternative market in Lithuania, there is no public market for the Bonds and other securities of the Issuer. Although application(s) will be made for the Bonds to be admitted to trading on First North, there is no assurance that such application(s) will be accepted, and the Bonds will be admitted to trading. In addition, Admission to trading the Bonds on an alternative market will not guarantee that a liquid public market for the Bonds will develop or, if such market develops, that it will be maintained, and neither the Issuer, nor the Lead Manager is under any obligation to maintain such market. If an active market for the Bonds does not develop or is not maintained, it may result in a material decline in the market price of the Bonds, and the liquidity of the Bonds may be adversely affected. In addition, the liquidity and the market price of the Bonds can be expected to vary with changes in market and economic conditions, the financial condition and the prospects of the Issuer, as well as many other factors that generally influence the market price for securities. Accordingly, due to such factors the Bonds may trade at a discount to the price at which the Bondholders purchased/subscribed the Bonds. Therefore, investors may not be able to sell their Bonds at all or at a price that will provide them with a yield comparable to similar financial instruments that are traded on a developed and functioning secondary market. Further, if additional and competing financial instruments are introduced on the markets, this may also result in a material decline in the market price and value of the Bonds.
Early redemption risk	According to the General Terms and Conditions of the Bonds, the Bonds may be redeemed prematurely on the initiative of the Issuer: (i) within the period of 12 (twelve) months after the Issue Date but not later than 6 (six) months before the Maturity Date, with the respective Early Optional Redemption Amount equal to 102% of Nominal Amount plus accrued Interest; (ii) within the last 6 (six) months before the Maturity Date, with the respective Early Optional Redemption Amount equal to 100% of Nominal Amount plus accrued Interest, as described in the General Terms and Conditions of the Bonds. The Issuer may choose to redeem the Bonds, subject to certain regulatory conditions and approvals, at times when prevailing interest rates may be relatively low. In such circumstances a Bondholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Bonds and may only be able to do so at a significantly lower rate. Therefore, if this early redemption right is exercised by the Issuer, the rate of return from an investment into the Bonds may be lower than initially anticipated. In addition, this optional redemption feature is likely to limit the market value of the Bonds. During any period when the Issuer may, or is perceived to be able to, elect to redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.
Taxation of Bonds	Potential purchasers/subscribers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Bonds. Potential investors are advised to ask for their tax advisers' advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor.

Contacts

Jonas Izokaitis
KAITA Group
Head of Investor Relations
E: jonas.izokaitis@kaitagroup.com

Mantas Rimkus
KAITA Group
Head of Finance
E: mantas.rimkus@kaitagroup.com

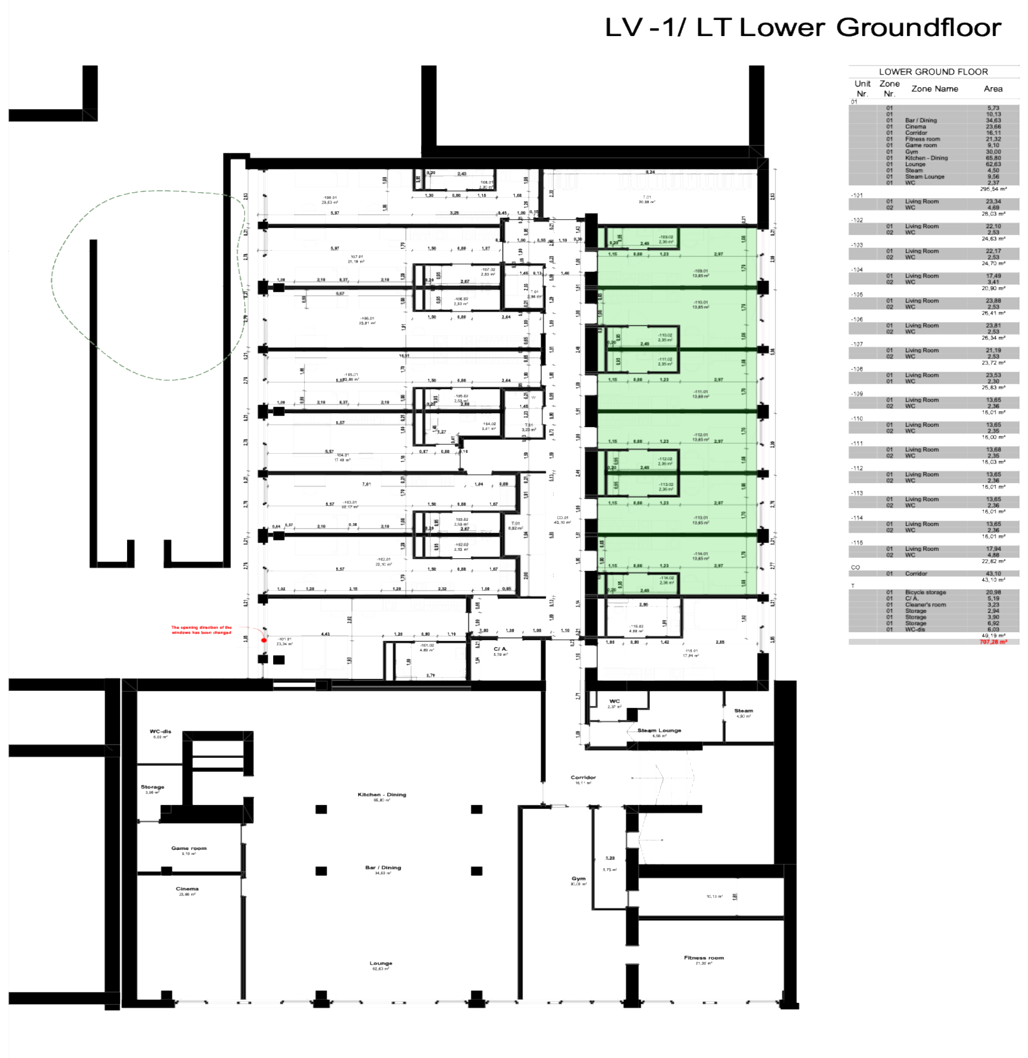
You can submit your questions by email at DCM@orion.lt

Annex

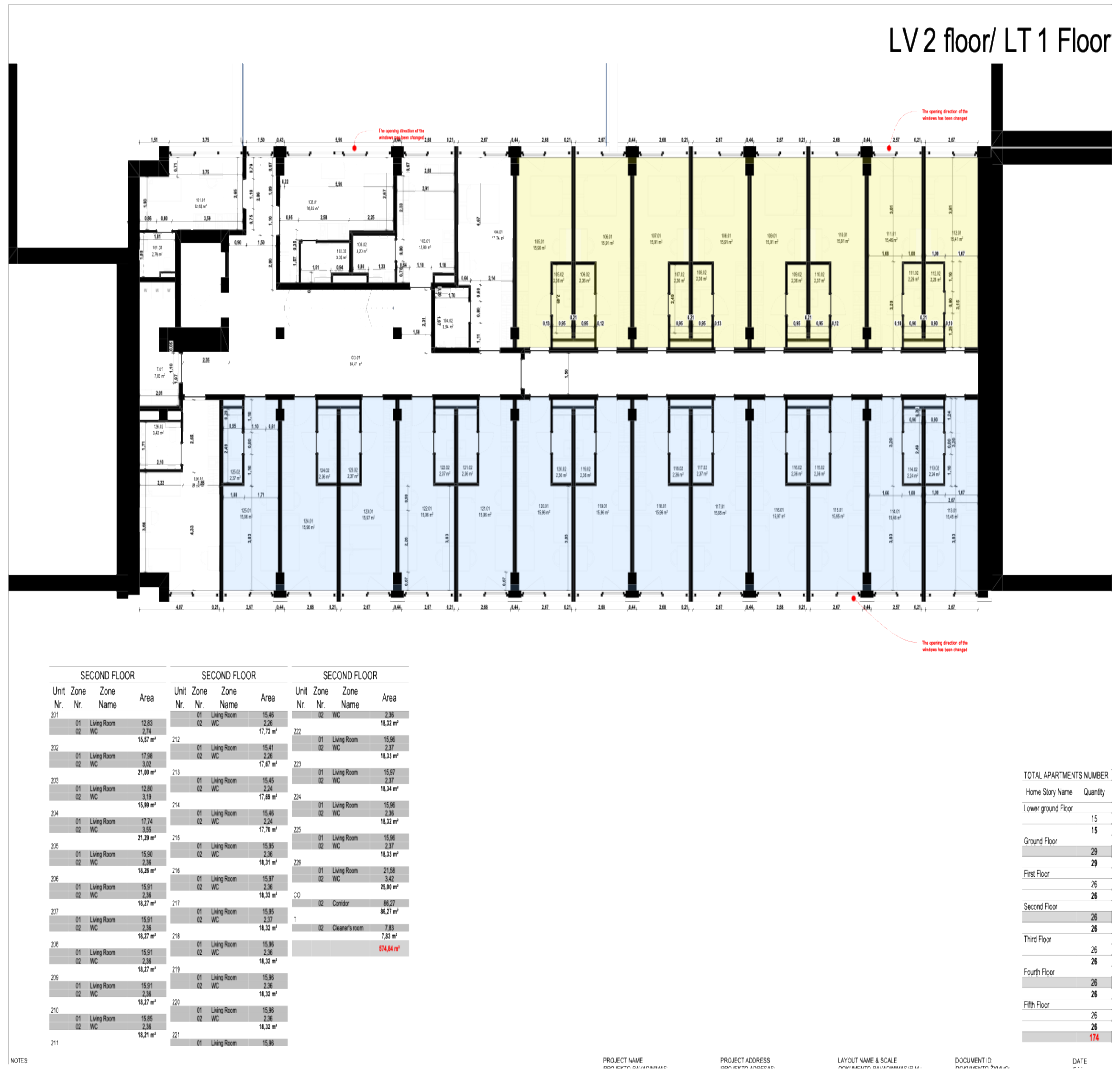
07

KAITA GROUP

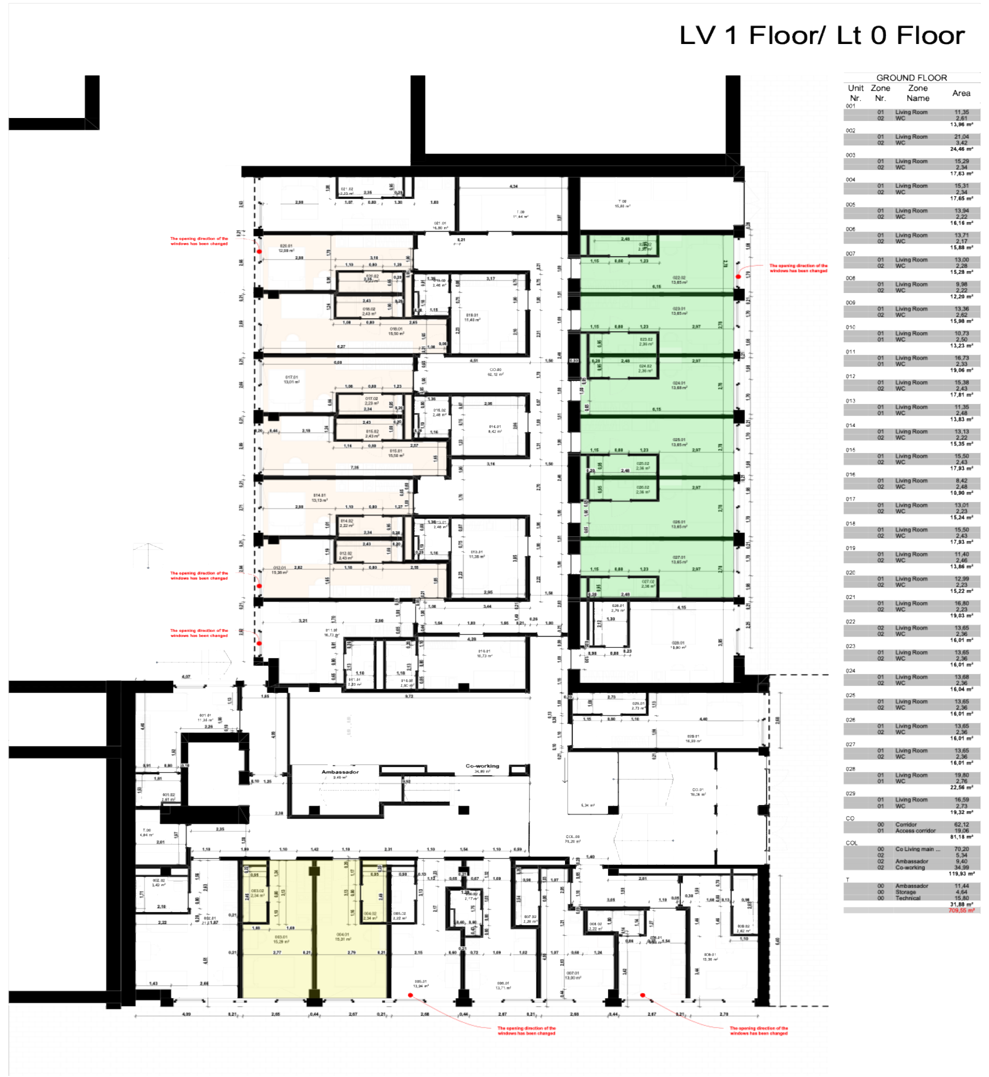
Floor plans



Lower groundfloor

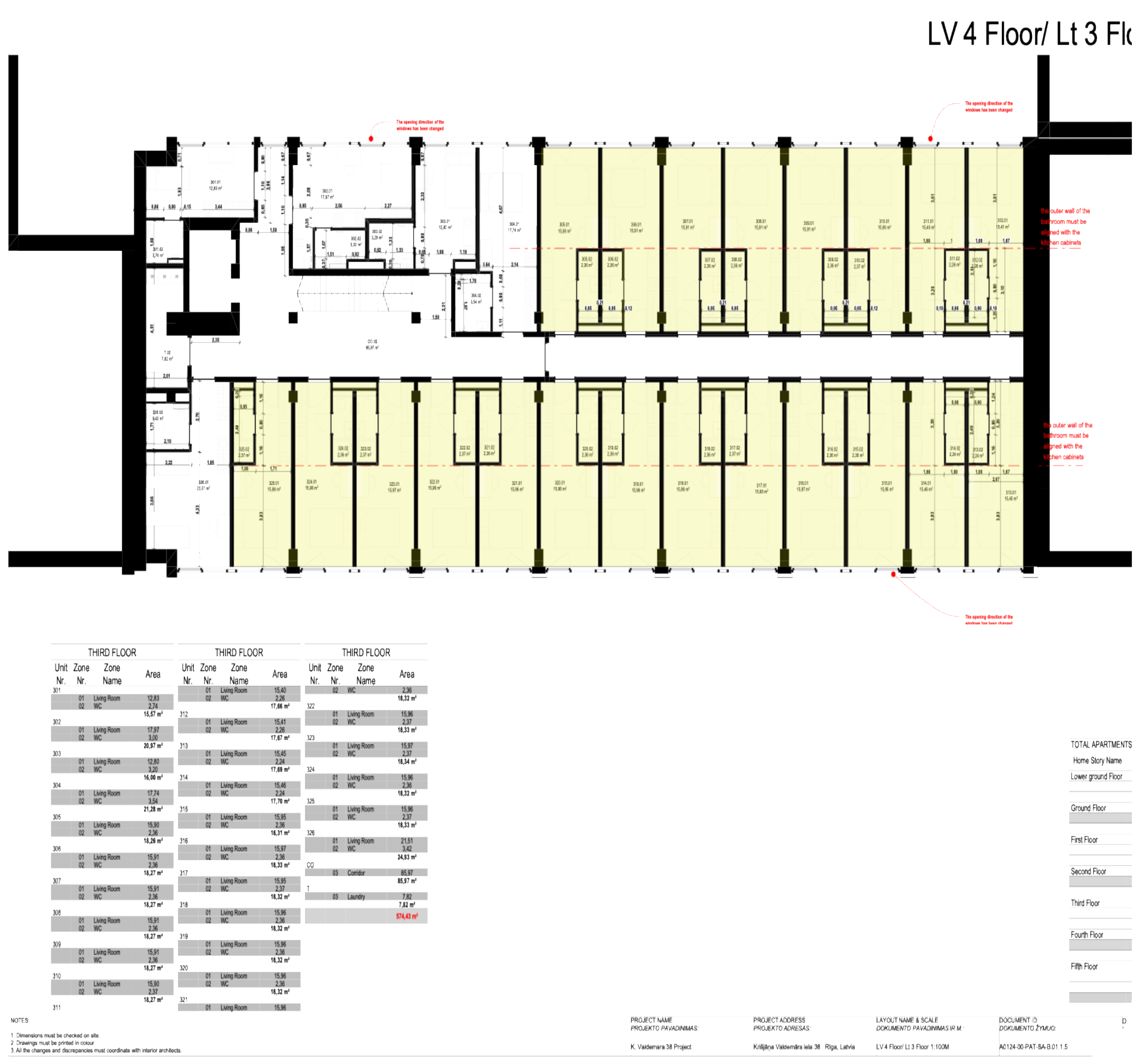


First floor

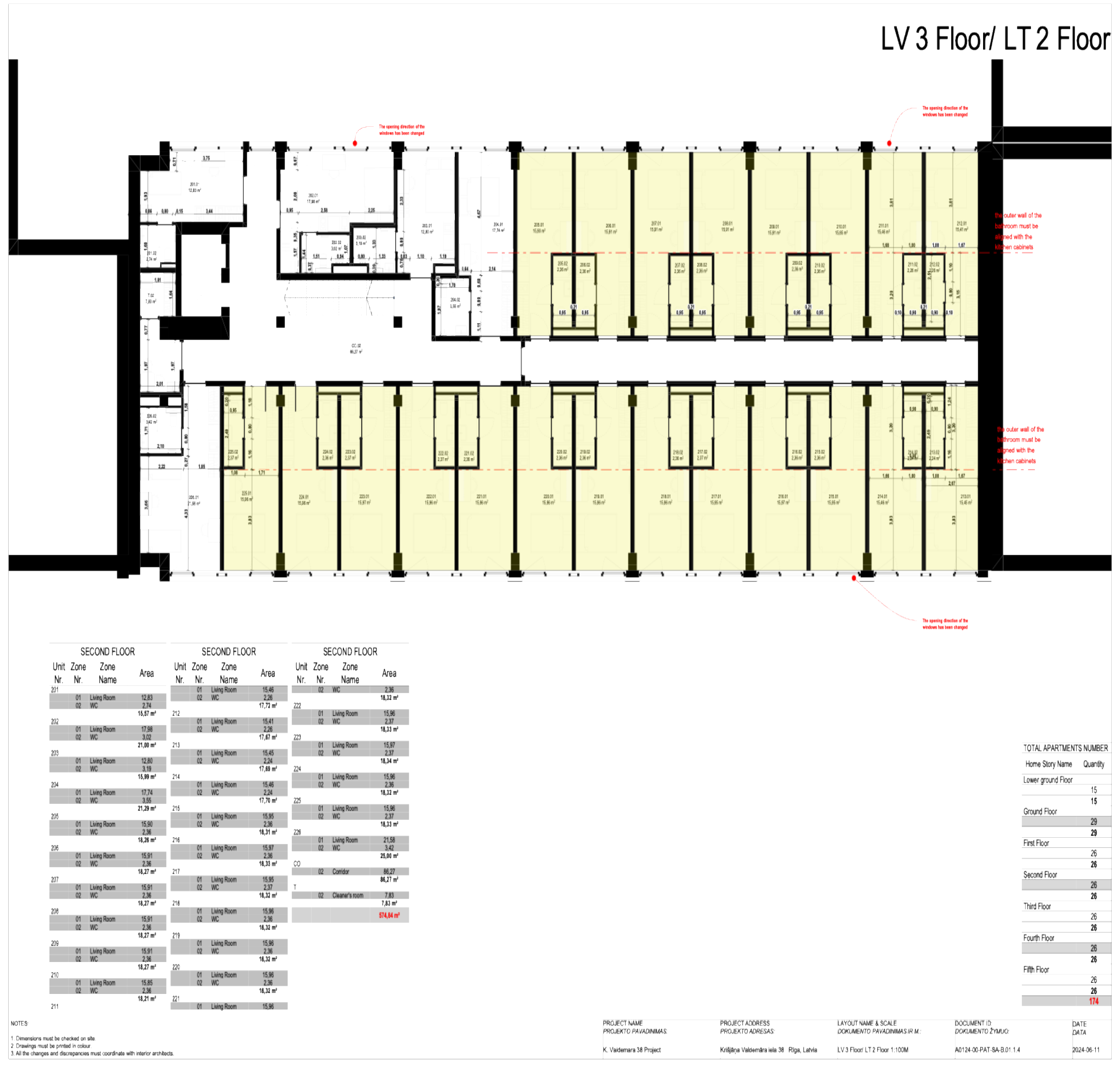


Second floor

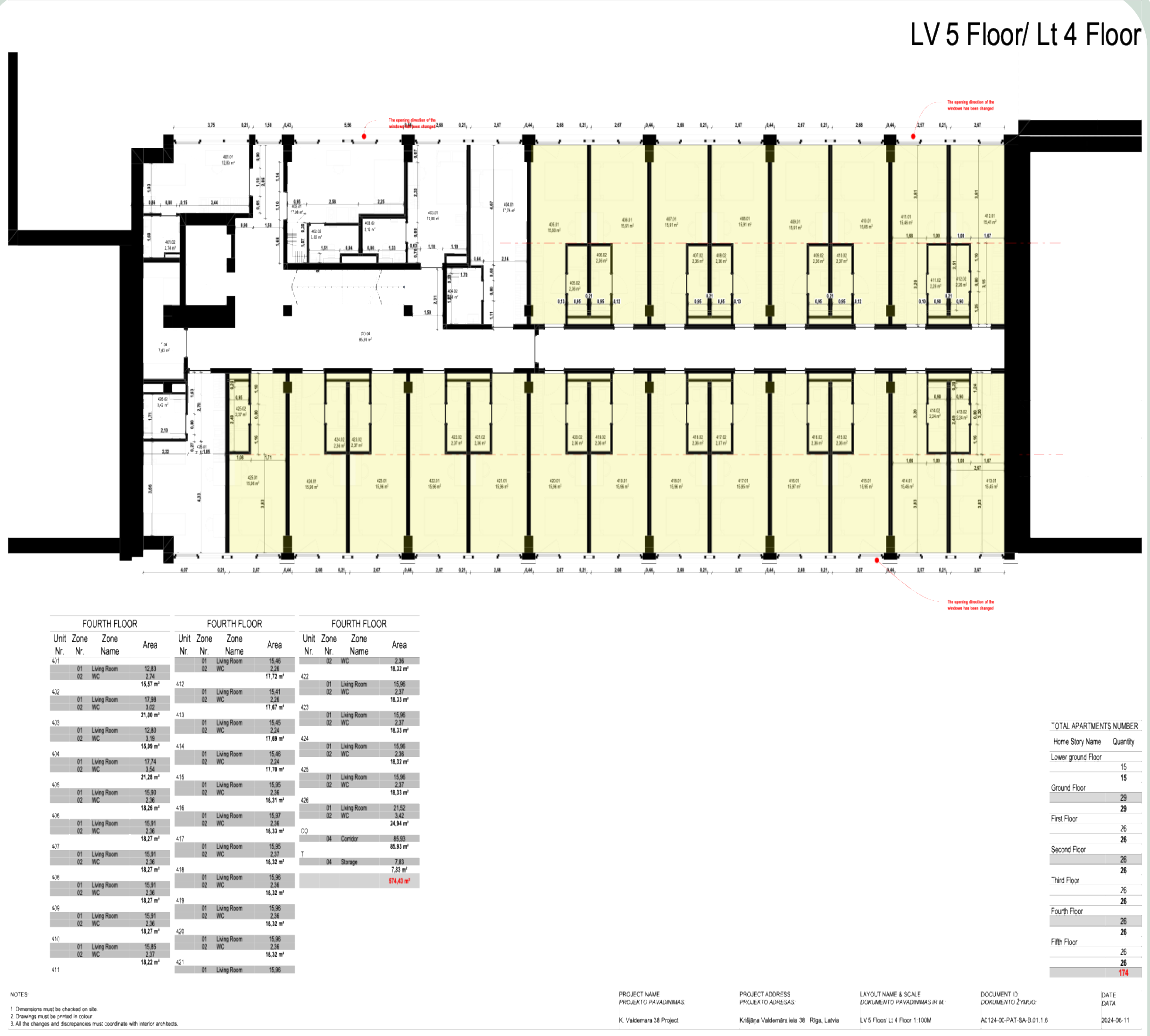
Floor plans



Third floor



Fourth floor



Fifth floor