



Interim Activity Report of Advance Terrafund ADSIC
for the period between 1 January 2025 and 30 September 2025

I. General background of the Company

Advance Terrafund ADSIC (“The Company”) is a public joint-stock company established at the Constituent Assembly from 12 April 2005, with initial capital amounting to BGN 500 thousand, allocated into 500,000 shares with par value of BGN 1 each. After the establishment of the company, five subsequent increases of the capital of the Company have been carried out, and as of 30 September 2025 the capital of the Company amounts to BGN 85,110,091.

The Company was re-registered with the Trade Register of the Registry Agency under UIC 131418187.

The seat and registered office of the Company are at 1 Zlatovrah Str., Sofia.

The Company’s subject of activity is investment of funds raised through public offering of securities in real estate through purchase of right of ownership and other material rights on real estate and building constructions and improvements thereof, with the purpose of their management, rental, leasing, and/or sale.

Advance Terrafund ADSIC obtained license № 10-DSIC/08.12.2005, issued on the basis of Decision № 452-DSIC from 14 July 2005 of the Financial Supervision Commission.

The Company has a one-tier management system.

The Board of Directors (BD) of the Company is composed as follows:

Radoslav Iliev Manolov – Executive Director,

Borislav Vitanov Petkov – Chairman of the BD; and

Nencho Ivanov Penev – Member of the BD.

The Company is represented and managed by its Executive Director Radoslav Manolov.

II. Information about important events and their influence on the results

Key financial performance indicators:

INDICATOR	Current period	Preceding period
OPERATING REVENUES	9,939	8,935
OPERATING COSTS	(4,383)	(3,125)
PROFIT FOR THE PERIOD	5,556	5,810
TOTAL ASSETS	320,575	323,232
SHARE CAPITAL	85,110	85,110
SHARE PREMIUM	43,411	43,411
OTHER RESERVES	47	47
RETAINED EARNINGS	189,275	184,064
TOTAL CAPITAL	317,843	312,632
TOTAL CURRENT LIABILITIES	2,732	10,600

	30.09.2025
Income from rent and lease of investment property	6,885
Income from sale of investment property	2,877
Income from interest	79
Other income	98
OPERATING INCOME	9,939

	30.09.2025
Costs for hired services	4,148
Employee benefits expense	162
Impairment losses on receivables	60
Financial expenses	3
Other expenses	10
OPERATING COSTS	4,383

As of 30 September 2025, the Company's investment properties include: agricultural land with an area of approximately 179,987 decares worth BGN 306,198 thousand, properties in urban areas with an area of approximately 61 decares worth BGN 1,016 thousand, agricultural land held for sale with area 23 decares worth BGN 40 thousand or a total of BGN 307,254 thousand including BGN 176,411 thousand revaluation to fair value.

As of 30 September 2025, the Company has signed rental and lease contracts for 152,056 decares for the past 2024-2025 business year, which make up 84.47% of the land purchased so far. The average amount of the rent/lease payment for the economic year is BGN 59.27/decare.

During the past period, the Company realized direct sales of 4,330 decares of agricultural land.

III. Major risks and uncertainties facing the Issuer during the remainder of the financial year

Advance Terrafund ADSIC is exposed to the common risks facing all public companies and economic entities in the real estate segment. The Company is influenced by the land market environment, the liquidity of investments, the state of the investment property, as well as the changes in the effective legislation regulating the agricultural sector.

The company carries out its investment activity by selling concentrated own land and at the same time investing in agricultural land. The supply of agricultural land is relatively limited, but the interest of farmers in purchasing agricultural land is also limited, due to lower yields as a result of climate change and lower purchase prices for their production, which leads to a drop in the price of agricultural lands.

The financial assets and investments as at 30 September 2025 are denominated in BGN and EUR and, due to the operating currency board and the fixed BGN/EUR exchange rate, no currency risk exists. As to date, the Company has no exposure to currencies other than BGN and EUR.

The Company invests a minimum of 95% of its portfolio in land designated for agricultural purposes and up to 5% in land in urbanized territories.

Advance Terrafund ADSIC strictly adheres to its policy of investing in high-quality properties meeting the needs of developing modern agriculture and renting or leasing to first-class tenants under conditions favorable to the Company.

IV. Information about material transactions concluded between related parties

The related party transactions, including the transaction value and the nature of the relations between the parties, are reported in the Interim Financial Statements for the relevant period.

The transactions are concluded in accordance with the normal course of trade.

Date: 29 October 2025

Executive Director:

/Radoslav Manolov/