

AB "Civinity"

**INDEPENDENT AUDITOR'S REPORT,
CONSOLIDATED FINANCIAL STATEMENTS PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS,
AS ADOPTED BY THE EUROPEAN UNION
AND THE CONSOLIDATED MANAGEMENT REPORT**

For the year ended 31 December 2025

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AB "Civinity"

Company code: 302247881

CONSOLIDATED MANAGEMENT REPORT

For the year ended 31 December 2025

1. Objective overview of the Group's financial position, performance and development, description of its exposure to key risks and contingencies

AB "Civinity" ("the Company") is a public limited liability company registered in the Republic of Lithuania on 13 November 2008. The address of its registered office is as follows: Naugarduko g. 98, LT-03160, Vilnius, Lithuania. With effect from 13 March 2017, a private limited liability company Civinity was reorganised to a public limited liability company. The Company's name after the reorganisation is AB

The Company is a holding company that unites an international Group of companies offering a full range of services in the fields of integrated real estate facility management, maintenance and operation.

Primary activities of the Group encompass the administration and maintenance services for residential buildings, ensuring the proper upkeep, repair, and management of multi-apartment complexes, homeowners' associations, and other residential properties. These services include routine maintenance, emergency repairs, cleaning, security, and the optimization of utility services to enhance residents' living conditions. In addition, the company provides administration and maintenance services for commercial and public buildings, offering tailored facility management solutions for office buildings, shopping centers, industrial facilities, healthcare institutions, and municipal infrastructure. These services involve technical maintenance, energy efficiency optimization, regulatory compliance, and specialized asset management to ensure the smooth operation of complex building systems. Beyond facility management, Group also specializes in the design and installation of engineering systems, delivering integrated engineering solutions for heating, ventilation, air conditioning (HVAC), water supply, fire safety, and electrical systems. The company's engineering expertise extends to both new construction projects and the modernization of existing buildings, improving energy efficiency, sustainability, and overall building performance.

In addition, after acquisition of shares in SIA "Mobilly" in 2024, the Group started to provide mobile payment solutions for a variety of everyday services, allowing users to conveniently pay for parking, public transportation, electric vehicle charging, taxi rides, and entry fees to designated areas, mobile credit top-ups, donations, and other digital transactions.

Currently, the Group companies operate in Lithuania, Latvia, and the United Kingdom.

In 2025 the Group has refinanced its current bonds. Maturity date of new bonds are April 2027 and July 2029. It improved Group's In December 2025, the Group finalised acquisition of the remaining shares in UAB Valandinis.

The most important buildings segments, administrated by the Civinity group are: residential apartment buildings, commercial buildings and public services buildings (health care and administration).

The Group assesses general risks relating to economical, political and social factors such as Russia war with Ukraine, decelerating economic growth and therefore it is careful in choosing markets for investments and expansion. Such factors as consumer price index growth, rising remunerations, demographical changes and economic growth are considered as the most important ones for the Group's operations both in Lithuanian and Latvian markets.

Parent company AB "Civinity" manages the Group companies and provides management, investments' planning and financial services to the Group companies.

2. Analysis of the financial and non-financial performance, information on environmental and personnel-related issues

In the year 2025, the Group's consolidated revenues EUR 100 366 thousand, which is 13% higher comparing to 2024 EUR 88 481. All the Group's business segments has grown during 2025.

The gross profit for reporting period has grown by 22% and amounted to EUR 21 569 thousand. Gross profit margin for 2025 was 21,5% (2024: 20%). The gross profit increased due to significant growth in sales and higher efficiency in daily operations.

The Group's EBITDA reached EUR 8 281 thousand in the year 2025, which is 18% higher than 2024 which was EUR 7 017. Better results were driven by residential and payment solutions business segment sales and their higher productivity.

The Group's net profit has decreased by 6.7% amounted to EUR 2 120 thousand (2024: EUR 2 271 thousand). Net profit decreased due higher interest expenses and amortisation of IT systems.

The Group is committed to transparent and responsible business practices. In line with this commitment, for the 2025 financial year, the Group has prepared a comprehensive, stand-alone Sustainability Report which is publicly available. This voluntary report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS).

Pursuant to the phased implementation of the Corporate Sustainability Reporting Directive (CSRD) as transposed into the laws of the Republic of Lithuania, the external assurance (audit) of sustainability information is not yet a mandatory requirement for the 2025 reporting period. Accordingly, the Group's 2025 Sustainability Report has not been audited by an independent assurance service provider.

Notwithstanding the voluntary nature of the full report's audit, Management Report includes the non-financial information required for public interest entities under the Law on Financial Statements of Entities of the Republic of Lithuania. This information provides a concise overview of the Group's business model and its policies related to key sustainability matters, including:

Environmental matters. The Group's policies to identify and mitigate climate-related risks, and key performance indicators such as total Scope 1 and Scope 2 GHG emissions of 2 240 tCO₂e and total energy consumption of 6 645.6 MWh for the 2025 financial year (in 2024 financial year total Scope 1 and Scope 2 GHG emissions of 2 099 tCO₂e).

Social and employee-related matters. Policies on employee wellbeing, diversity, and health and safety, with key indicators such as an employee turnover rate of 55%, a gender pay gap of 38%, and a total of 2 recordable work-related injuries for 2025.

Anti-corruption and bribery. The Group's policies to prevent corruption and bribery. The Group has no confirmed incidents of corruption during 2025.

Principal Risks. The principal risks of severe impacts related to these matters and an overview of how the Group manages them.

As of 31 December 2025, the Group had 1 565 employees (31 December 2024: 1 642 employees).

3. The Group's key management personnel

As at 31 December 2025, the Group's key management personnel included the following persons:

Deividas Jacka, Chairman of the Board (since 22 January 2021) and chief business development officer (29 May 2023 - 29 December 2023). He holds a Master's degree in business administration and executive MBA diploma. Other held positions: Board Member of Nord fin assets SIA, Chairman of Supervisory Council at Civinity Majas SIA, General Manager at Civinity namai Kaunas UAB, General Manager at Civinity namai Klaipėda UAB.

Tomas Staškūnas, Chief financial officer of the Group (since June 2024) and replaced Virgeda Jackaite as the CEO (since 27 August 2025). He holds MBA and master's degree in Finance (Vytauto Didžiojo universitetas).

Tadas Matjošaitis, Executive director of the Group (since November 2025) and replaced Dovilė Grigienė as member of the board (since January 2026). He holds an executive MBA (Vilnius university). Other held positions: Board Member at Civinity Majas SIA, Board Member at Civinity Majas Jurmala SIA, Board Member at Civinity LV SIA, General Manager at Techity UAB, General Manager at Locato UAB.

Diana Dominienė, independent Member of the Board (since 14 December 2023). She holds a master's degree in Finance and Credit (Vilnius University). Other held position: General Manager in DOM Investicijos UAB.

Giedrė Vilkė, independent Member of the Board (since June 2025). She holds an executive MBA diploma (BMI Executive Institute). Other held positions include: Member of the Board at Lithuanian Marketing Association (LiMA), General Manager at GV Consult MB.

Šarūnas Stanislovenas, independent Member of the Board (since 8 February 2024). He holds a executive MBA in Business/Managerial Economics/Marketing/Management accounting (ISM University of Management and Economics). Other held positions include: General Manager at Vytis tech UAB, General Manager at Pinespin MB, General Manager at Spotos Holding UAB

Dovilė Grigienė, independent Member of the Board (since January 2025 till December 2025). She holds a MBA and master's degree in Finance (Concordia University-Wisconsin). Other held positions: Chairwoman of the Supervisory Council of Revolut Bank UAB, General Manager of Ex and Ex MB.

4. Corporate Governance Disclosures

In accordance with the requirements of the Law on Financial Statements of Entities of the Republic of Lithuania, the following information is provided regarding the Group's corporate governance.

The Group, as an entity with publicly listed bonds, follows the best practices of corporate governance. The main principles applied are aligned with the NASDAQ Vilnius Corporate Governance Code for Companies Listed on the Exchange. The Group's detailed corporate governance practices are described within this Consolidated Management Report. As of the end of the reporting period, the Group complies with the applicable recommendations of the code, and no significant deviations have been identified.

From 30 March 2020 the sole shareholder and ultimate parent of the Company is SIA "NORD FIN ASSET" (registration number 44103136863, address: Dubultu prospekts 3, Jūrmala, Latvia). The ultimate controlling party is Deividas Jacka.

There are no shareholders in the Company who hold special control rights. There are no restrictions on voting rights within the Company. All shares provide equal voting rights at the General Meeting of Shareholders. The Company is not aware of any shareholder agreements that could result in restrictions on the transfer of securities or on voting rights.

The rules governing the election and replacement of the members of the Company's Board, as well as the amendment of the Company's Articles of Association, are established in the Law on Companies of the Republic of Lithuania and the Articles of Association of the Company.

The powers of the Company's Board members are defined in the Articles of Association of the Company and the Law on Companies of the Republic of Lithuania. Their primary role includes strategic oversight, approval of annual financial statements, and appointment of the CEO.

The competence of the General Meeting of Shareholders, as well as the rights of shareholders and the procedures for their implementation, are established in the Law on Companies of the Republic of Lithuania and the Articles of Association of the Company.

Transactions with related parties are disclosed in Note 28.

5. Number and nominal value of the shares of the Company acquired and held by the Company or the Group companies and the percentage of authorised share capital they represent

During the year 2025 the Company and the Group companies neither acquired nor disposed any shares of the Company and on 31 December 2025 the Company and the Group companies held no shares of the Company. The Company does not have any other classes of shares than ordinary shares mentioned below, there are no any restrictions of share rights or special control rights for the shareholders settled in the Articles of Association of the Company. No convertible securities, exchangeable securities or securities with warrants are outstanding; likewise, there are no outstanding acquisition rights or undertakings to increase share capital.

6. Information on branches and representative offices of the entity

The Company has neither branches nor representative offices.

7. Significant events subsequent to the end of the current financial year

For the significant events after the reporting financial year please refer to a note 29.

8. The Group's operation plans and prospects

In 2026, the Group plans to further develop its business activities in its main business segments by utilising a mix of organic growth and acquisition strategies. The Group will focus on growth in facilities management services in residential, commercial property management, and engineering operations. Complementing the facility management and engineering businesses, the Group is pursuing new direction internally called "Smart Green City". The "Smart Green City" strategic direction steers the Group's focus and search for acquisition targets in new business areas centred around broader urban life services. The Group has already entered the payments segment for parking and mass transit by acquiring Mobilly in 2024 and is further pursuing new additions to its business areas. The Group's main business was created providing services to urban clients by looking after buildings. By broadening its provided services, the Group searches for good fits for its current clients and for potential synergies between different business lines. Each service should be of significant importance and create value to urban clients. Additionally, different services should create opportunities within the Group to achieve better operational efficiencies.

9. Information about the Group's research and development activities

The group plans significant investments and development actions into various processes automatization using AI capabilities, including the client support services. Group own facilities management system (FMS) is further developed for Group companies. All IT solutions are developed and supported by Group subsidiary company Smart Technologies UAB.

In 2025, the Group continued the enhance functionality of the invoicing system developed by the company BlueBrige Solutions UAB for the Group residential facilities management companies in Lithuania. For Latvia subsidiaries operations accounting, invoicing and debt management Group used Horizon ERP (developer Visma) system, which fulfilled various accounting, HR management and invoicing, debt management needs.

10. Financial risks of the Group

The Group is exposed to financial risks arising in the ordinary course of its business, including credit risk, liquidity risk, cash flow risk, and market price risk (including interest rate risk and foreign currency risk). The management of these risks is carried out by the Group's central finance function under policies approved by management, with the objective of minimising the potential adverse effects of financial market developments on the Group's financial performance.

Financial risks of the Group is disclosed in Note 4.

11. Principal Intangible Resources and Their Contribution to Value Creation

In accordance with Article 19(2) of the Law on Financial Statements of Entities of the Republic of Lithuania, the following information is provided on the Group's principal intangible resources, their impact on the business model, and their contribution to value creation.

Brand and Reputation. The Group's most significant intangible assets include its brand portfolio, comprising well-recognized trademarks such as "Civinity Namai", "Civinity Solutions", "Civinity Engineering", and "Mobilly". These brands are synonymous with quality and reliability in the building administration and engineering markets in Lithuania and Latvia. This strong brand reputation is fundamental to our business model as it reduces customer acquisition costs, fosters client loyalty, and supports market expansion, thereby directly contributing to sustainable revenue and long-term value.

Human Capital and Expertise. The professional competence and accumulated experience of our employees and management team are a critical intangible resource. The Group's ability to deliver a wide range of complex engineering and maintenance services depends directly on the skills of our workforce. We invest in this resource through our internal training platform, "Civinity Academy", which ensures continuous professional development. This expertise-driven business model allows the Group to offer high-value services, solve complex client problems, and maintain a competitive advantage, which is a primary driver of value creation.

Customer Relationships and Digital Platforms. Our extensive and long-term relationships with a diverse client base, spanning residential, commercial, and public sectors, represent a key intangible asset. These relationships form the foundation of our recurring revenue business model. This value is enhanced by our proprietary digital solutions, including the Facilities Management System (FMS), mobile applications for residents and business clients, and the digital payment technologies of SIA "Mobilly". These platforms increase operational efficiency, improve the customer experience, and create a high-retention service ecosystem, thus generating significant value.

Organizational Know-how and Processes. The Group's value is further supported by its established organizational know-how, documented operational procedures, and management systems. This includes our Client Service Standard, health and safety processes based on our internal control and ethics frameworks. These structured processes ensure consistent service quality across all operations, mitigate operational risks, and enable efficient scaling of the business model, creating value through reliability and operational excellence.

12. Main Features of Internal Control and Risk Management Systems Related to the Preparation of Consolidated Financial

In accordance with the requirements of the Law on Financial Statements of Entities of the Republic of Lithuania, the following describes the main features of the Group's internal control and risk management systems as they relate to the process of preparing these consolidated financial statements.

Control Environment: The Group's management is responsible for establishing and maintaining an effective system of internal control and risk management. The control environment is based on a clear organisational structure, the assignment of authority and responsibility, and the competence of personnel. The ethical values of the Group, set the 'tone at the top' and form the foundation for all control activities.

Risk Assessment: The Group continuously identifies and assesses risks that could affect the achievement of its financial reporting objectives. This includes risks of material misstatement in the consolidated financial statements due to error or fraud. The risk assessment process considers the complexity of the Group's structure, the application of International Financial Reporting Standards (IFRS), changes in the regulatory environment, and the IT systems used for financial data processing. The goal is to identify significant risks and design appropriate control activities to mitigate them.

Control Activities: The Group has implemented a range of control activities at various organisational levels to ensure the accuracy and reliability of financial reporting. These include: (i) segregation of duties in key financial processes; (ii) authorisation and approval procedures for transactions; (iii) regular reconciliation of accounts (e.g., bank accounts, sub-ledgers); and (iv) physical controls over assets. Specific controls are in place for the financial consolidation process, including standardized reporting packages for all subsidiaries, review and reconciliation of intercompany balances and transactions, and a structured process for consolidation adjustments and eliminations.

Information and Communication: Financial information is captured and processed through the Group's accounting systems. Accounting policies and procedures are documented and communicated throughout the Group to ensure consistent application. The Group's finance function is responsible for the timely and accurate preparation of financial information for both internal management purposes and external reporting.

Monitoring: The effectiveness of the internal control and risk management system is monitored on an ongoing basis. This includes regular review of financial results by management against budgets and forecasts, performance of internal reviews of control procedures, and follow-up on identified deficiencies. The Board reviews the Group's financial statements and receives reports on key financial performance indicators. Furthermore, the entire system is subject to an annual independent audit by the external auditor, who provides an opinion on the consolidated financial statements.

13. Statement on Compliance with the NASDAQ Vilnius Corporate Governance Code

Civinity, AB (the "Company"), as an issuer of securities admitted to trading on the regulated market operated by NASDAQ Vilnius, confirms its adherence to the principles and recommendations of the NASDAQ Vilnius Corporate Governance Code for Companies Listed on the Exchange (the "Code"). The Code is publicly available on the NASDAQ Vilnius website at www.nasdaqbaltic.com. The Company applies the "comply or explain" principle.

For the financial year ended 31 December 2025, the Company has complied with the Code in all material respects, with the following exceptions:

Principle 2 – Supervisory Board

Non-compliance: The Company has not formed a Supervisory Board.

Explanation: In accordance with the Law on Companies of the Republic of Lithuania, the Company has elected to consolidate supervisory functions within the Board of Directors. This structure is considered efficient and appropriate given the Company's current size and scope of operations.

Principle 5 – Board Committees (Nomination, Remuneration, Audit)

Non-compliance: The Company has not established separate Nomination, Remuneration, or Audit Committees.

Explanation: Given the size of the Board (5 members) and its high level of independence (4 out of 5 members, i.e., 80%), the Board of Directors acts collectively to perform the functions that would otherwise be assigned to these committees. This approach ensures that all Board members are fully engaged in matters of audit oversight, remuneration policy, and nomination of candidates, and that decisions are made collectively with full transparency. The Company believes this is appropriate and effective for its current scale of operations.

Recommendation 1.8 – Electronic Voting at General Meetings

Non-compliance: The Company does not currently provide shareholders with the ability to participate and vote in General Meetings via electronic means of communication.

Explanation: Given the current shareholder structure, electronic voting has not been deemed necessary. The Company periodically reviews the practicality and necessity of implementing such technologies and will consider their introduction if circumstances warrant.

Recommendation 3.2.10 – Formal Annual Board Self-Assessment

Partial compliance: While the Board of Directors periodically reviews its performance and effectiveness, a formal, documented annual self-assessment process has not yet been fully implemented.

Explanation: The Company plans to introduce a formal self-assessment procedure in future reporting periods to further strengthen governance practices.

Recommendations 7.1, 7.2, 7.6 – Remuneration Policy Publication

Partial compliance: While the Company has established clear principles for the remuneration of Board members and management, a single, comprehensive Remuneration Policy document has not yet been formally adopted and published on the Company's website.

Explanation: The Remuneration Policy will be formally adopted by the General Meeting of Shareholders and published on the Company's website in accordance with legal requirements in the near future.

14. Remuneration report

Introduction

This Remuneration Report describes how the principles and guidelines of the Remuneration Policy of Civinity AB (hereinafter – the “Company”) were implemented during the financial year ended 31 December 2025.

The report has been prepared in accordance with the requirements of the Law on Companies of the Republic of Lithuania, corporate governance best practices, and the applicable provisions regarding transparency of remuneration for the Company’s management

The purpose of this report is to provide a clear overview of the remuneration structure, principles, and actual remuneration paid to the Chief Executive Officer, members of the Board, and other key management personnel of the Company during the reporting period.

The Remuneration Policy is designed to ensure that the Company attracts, motivates, and retains qualified and experienced executives capable of successfully implementing the Company’s strategic objectives, ensuring sustainable growth, and creating long-term value for

Information regarding remuneration of other members of key management personnel, related-party transactions, and employee benefit expenses is disclosed in the relevant notes to the Company’s audited financial statements for the year ended 31 December 2025.

Remuneration Governance

The Board of Civinity AB is responsible for overseeing and approving the remuneration principles applicable to the Chief Executive Officer and other key executives.

The Annual General Meeting of Shareholders determines the remuneration of the members of the Board.

Where applicable, the Board may establish a Remuneration Committee or delegate relevant remuneration review functions to designated Board members to ensure that:

- remuneration practices are fair, transparent, and aligned with the Company’s strategic priorities;
- remuneration reflects the scope of responsibilities, competencies, and performance of each executive;
- remuneration structures support sustainable business performance and risk management;
- remuneration decisions are made in line with market practice and corporate governance standards.

Key development in 2025

In the year 2025, the Group’s consolidated revenues EUR 100 366 thousand, which is 13% higher comparing to 2024 EUR 88 481. All the Group’s business segments has grown during 2025. The Group’s EBITDA reached EUR 8 281 thousand in the year 2025, which is 18% higher than 2024 which was EUR 7 017. Better results were driven by residential and payment solutions business segment sales and their higher productivity. From 27 August 2025, Tomas Staškūnas became a new CEO of the Company as Virgeda Jackaitė left for maternity leave.

Remuneration Principles

The remuneration system applied by Civity AB is based on the following principles:

- fairness and consistency across the organisation;
- alignment with the Company's long-term strategy and business objectives;
- balance between fixed and variable remuneration components;
- promotion of sustainable growth and prudent risk-taking;
- competitiveness in the labour market;
- transparency and accountability.

The Company aims to ensure that remuneration reflects:

- the complexity and responsibility of the role;
- the skills, experience, and competencies of the individual;
- the achievement of individual, team, and Company-wide performance targets;
- long-term value creation for shareholders and stakeholders.

Principles of CEO remuneration

The remuneration package of the Chief Executive Officer may consist of the following elements:

1. Fixed annual base salary;
2. Variable remuneration linked to performance;
3. Other benefits.

Fixed Salary

The fixed salary is designed to provide a competitive level of remuneration reflecting the CEO's role, responsibilities, experience, and market benchmarks.

Variable Remuneration

Variable remuneration is intended to encourage the achievement of annual financial, operational, strategic, and individual performance objectives.

The CEO's annual bonus opportunity may amount to up to 33% of the annual fixed salary.

Performance indicators may include:

The final amount of variable remuneration is determined by the Board based on the level of achievement of pre-defined performance objectives.

Other benefits

The Company may provide the CEO with additional benefits and participation in benefit programs in line with prevailing market practice, which may be reviewed and adjusted from time to time. Such benefits may include, among others, a company car, health insurance, wellness and care-related benefits, or other work-related benefits deemed appropriate by the Company.

The total annual cost of such additional benefits, including any related premiums and associated expenses, should generally not exceed 10% of the CEO's annual fixed salary.

The information regarding the remuneration of the Chief Executive Officer of Civity AB during the financial year 2025 is presented below (amounts in EUR):

Name, surname	Fixed salary	Other benefits	Total remuneration	Daily allowance	Total
Tomas Staškūnas (from 27 August 2025)	39 885	-	39 885	537	40 422
Virgeda Jackaitė (until 26 August 2025)	58 446	5 391	63 837	226	64 063

Comparative information on the annual change in remuneration and the financial performance of Civity AB is presented below (amounts in EUR):

	2021	2022	2023	2024	2025
CEO remuneration	361 129	339 521	200 291	93 432	103 721
Change in EUR	-	21 608 -	139 230 -	106 859	10 289
Change in %		-5.98%	-41.01%	-53.35%	11.01%
Profit for the period (in thousand of EUR)	1447	779	2573	2271	2120
Change in thousand of EUR		-668	1794	-302	-151
Change in %		-46%	230%	-12%	-7%
Average employee monthly salary	1 063	1 590	1 583	1 579	1 905
Change in EUR		526.96 -	6.52 -	3.92	325.31
Change in %		50%	0%	0%	21%

The CEO remuneration in 2025

No deviations from the approved Remuneration Policy were applied in relation to the remuneration of the Chief Executive Officer during

Until 26 August 2025, the position of Chief Executive Officer of Civity AB was held by Virgeda Jackaitė. From 27 August 2025, Tomas Staškūnas assumed the role of Chief Executive Officer.

During 2025, no variable remuneration was awarded or paid to either Chief Executive Officer.

Other benefits provided during the reporting period consisted of benefits in kind, including a company car and other work-related benefits. Other benefits granted to Virgeda Jackaitė amounted to EUR 5,391, while no such benefits were granted to Tomas Staškūnas during the reporting period

In accordance with applicable legislation, employer social insurance contributions were applied to the remuneration paid during 2025.

The Company does not provide share-based incentive plans to the Chief Executive Officer.

In addition, the Chief Executive Officer is entitled to participate in the standard employee benefits package offered by the Company under the same terms and conditions as applied to other employees. Such benefits may include additional health insurance, pension contributions and other benefits in accordance with the Company's internal policies and market practice.

Principles of members of the Board remuneration

The General Meeting may decide to make payments for the members of the Board, according to the provisions of the Law on Companies of the Republic of Lithuania. Members of the Board who are employees of the Company, get remuneration according to the signed employment contracts with their respective employers.

No additional payments for their activities as members of the Board (tantiemes) are made to them by the Company. The Company only remunerates independent members of the Board, who receive a fixed monthly payment. Such payments are not treated as employment-related income, instead they are payments for the activities of the member of the Board (tantiemes). The payments to the independent members of the Board are set by considering relevant information from comparable companies (market benchmark).

Information about remuneration of the Board members during 2025 (in EUR):

Name of the Board member	Employed by Civinity	Independent member of the Board	Board member Remuneration	Other payouts	Total
Deividas Jacka	Yes	-	-	90 439	90 439
Giedrė Vilké (from 2 June 2025)	-	Yes	14 000	19 625	33 625
Šarūnas Stanislovėnas	-	Yes	24 000	-	24 000
Diana Dominienė	-	Yes	24 000	-	24 000
Dovilė Grigienė (from 4 February 2025)	-	Yes	22 000	-	22 000
Vilius Kucinas (until 2 June 2025)	-	Yes	10 000	5 650	15 650
Martynas Gudonavičius (until 4 February)	-	Yes	-	-	-
Total			94 000	115 714	209 714

Remuneration of members of the Board during last 5 year (amount in Eur):

	2021	2022	2023	2024	2025
Board member remuneration	23 000	21 480	12 871	88 000	94 000
Other payouts	369 840	268 657	179 039	122 257	115 714
Total	392 840	290 137	191 910	210 257	209 714

Remuneration of members of the Board in 2025

Following the Policy only independent members of the Board – Giedrė Vilké, Šarūnas Stanislovėnas, Diana Dominienė, Dovilė Grigienė, Vilius Kucinas and Martynas Gudonavičius received in total EUR 96 thousand of monthly payment as board member remuneration for the year 2025. No other remuneration or pay-outs from the Company to the Board members were allocated.

15. The Company's responsible person confirmation

AB "Civinity," company code 302247881, with its registered office at Naugarduko g. 98, Vilnius, is a public limited liability company (hereinafter referred to as the Company), all shares of which are owned by the controlling company SIA "NORD FIN ASSETS." The Company's activity is management consulting. The Civinity Group consists of the Company and its subsidiaries, whose activities include the maintenance services of residential buildings and commercial properties, engineering systems design and installation, maintenance solutions, renovation, cleaning services, payment solutions (hereinafter referred to as the Group).

The Chief Operating Officer of the Company, Tomas Staškūnas, is responsible for the accuracy and completeness of the separate annual financial statements of the Company and the consolidated annual financial statements of the Group. I confirm that the these annual financial statements of the Company and the Group for the financial years ended December 31, 2025, have been prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union and give a true and fair view of the financial performance, assets, liabilities, and cash flows of the Company and the Group. We also confirm that the management report provides a fair review of the business development and performance.

Tomas Staškūnas
Chief Executive Officer
2026-04-29

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2025

(All amounts are in the thousands of euros (EUR) unless otherwise stated)

	Notes	31 December 2025	31 December 2024
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	6	26 379	26 266
Property, plant and equipment	7	1 408	1 505
Right-of-use assets	8	2 665	2 142
Non-current amounts receivable	9	1 872	1 157
Investment property	10	1 694	-
Other investments	11	175	508
Deferred income tax assets	27	390	618
TOTAL NON-CURRENT ASSETS		34 583	32 196
CURRENT ASSETS			
Inventories	12	1 069	745
Trade receivables	13	21 102	18 082
Contract assets	14	1 992	1 905
Other current assets	15	1 776	1 376
Cash and cash equivalents	16	9 850	7 118
TOTAL CURRENT ASSETS		35 789	29 226
TOTAL ASSETS		70 372	61 422
EQUITY AND LIABILITIES			
EQUITY			
Share capital	18	100	100
Legal reserves	18	310	310
Retained earnings		9 080	8 018
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		9 490	8 428
Non-controlling interests	19	3 983	4 562
TOTAL EQUITY		13 473	12 990
NON-CURRENT LIABILITIES			
Borrowings	20	20 983	2 624
Deferred tax liabilities	27	323	486
Lease liabilities	8	1 732	1 259
Other non-current liabilities	21	120	121
Provisions		347	294
TOTAL NON-CURRENT LIABILITIES		23 505	4 784
CURRENT LIABILITIES			
Borrowings	20	1 608	14 553
Lease liabilities	8	855	800
Employment-related liabilities	22	5 449	4 645
Contract liabilities	23	10 210	8 459
Trade payables		13 864	12 922
Other current liabilities	21	1 369	2 237
Provisions		39	32
TOTAL CURRENT LIABILITIES		33 394	43 648
TOTAL LIABILITIES		56 899	48 432
TOTAL EQUITY AND LIABILITIES		70 372	61 422

The notes on pages 17-57 are an integral part of these financial statements.
The financial statements were authorised for issue and signed on 29 April 2026.

Tomas Staškūnas
Chief Executive Officer

Vilma Marciukaitė
Chief Accountant

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

(All amounts are in the thousands of euros (EUR) unless otherwise stated)

	Notes	2025	2024
Revenue from contracts with customers	24	100 366	88 481
Cost of sales	25	(78 797)	(70 812)
GROSS PROFIT		21 569	17 669
Distribution expenses	26	(1 203)	(728)
Administrative expenses	26	(15 357)	(12 607)
Other gains (losses)		9	152
OPERATING PROFIT		5 018	4 486
Interest income		137	242
Interest expenses		(2 326)	(1 921)
PROFIT BEFORE INCOME TAX		2 829	2 807
Income tax expense	27	(709)	(536)
PROFIT FOR THE PERIOD		2 120	2 271
Profit attributable to:			
Owners of the Company		1 597	1 817
Non-controlling interest		523	454
		2 120	2 271

*The notes on pages 17-57 are an integral part of these financial statements.
The financial statements were authorised for issue and signed on 29 April 2026.*

Tomas Staškūnas
Chief Executive Officer

Vilma Marciukaitė
Chief Accountant

AB "Civinity"

Company code: 302247881

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY
For the year ended 31 December 2025**

(All amounts are in the thousands of euros (EUR) unless otherwise stated)

	Notes	Share capital	Legal reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest	Total equity
Balance 1 January 2024	18,19	100	310	6 200	6 610	4 868	11 478
Profit for the period		-	-	1 817	1 817	454	2 271
Total comprehensive income		100	310	8 018	8 428	5 322	13 749
Dividends to non-controlling interests in subsidiaries		-	-	-	-	(759)	(759)
Balance at 31 December 2024	18,19	100	310	8 018	8 428	4 562	12 990
Profit for the period		-	-	1 597	1 597	523	2 120
Total comprehensive income		-	-	1 597	1 597	523	2 120
Dividends to owners of the Company		-	-	(500)	(500)	-	(500)
Dividends to non-controlling interests in subsidiaries		-	-	-	-	(929)	(929)
Acquisition of non-controlling interest		-	-	(35)	(35)	(173)	(207)
Balance at 31 December 2025	18,19	100	310	9 080	9 490	3 983	13 473

The notes on pages 17-57 are an integral part of these financial statements.
The financial statements were authorised for issue and signed on 29 April 2026.

Tomas Staškūnas
Chief Executive Officer

Vilma Marciukaitė
Chief Accountant

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

(All amounts are in the thousands of euros (EUR) unless otherwise stated)

	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		2 829	2 807
Adjustments for non-cash items:			
Depreciation and amortisation	6,7,8,25,26	3 264	2 531
Interest income		(137)	(242)
Interest expenses		2 326	1 921
Gain on disposal of non-current assets		(13)	(12)
Other (gains) losses		4	(107)
Reversals of loss allowances	13	(31)	497
Reversals of provisions		59	30
		5 472	4 618
Changes in working capital:			
(Increase)/decrease in inventories		(324)	155
(Increase)/decrease in trade receivables receivables		(3 020)	4 771
(Increase)/decrease in contract assets		(87)	(576)
(Increase)/decrease in other current assets		(333)	245
Increase/(decrease) in employment-related liabilities		804	(474)
Increase/(decrease) in contract liabilities		1 751	(2)
Increase/(decrease) in trade payables		942	(2 533)
Increase/(decrease) in other payables		146	(525)
Income tax (paid)		(614)	(1 211)
		(735)	(150)
NET CASH INFLOW FROM OPERATING ACTIVITIES		7 566	7 275
CASH FLOWS FROM INVESTING ACTIVITIES			
(Acquisition) of intangible assets	6	(1 532)	(921)
(Acquisition) of property, plant and equipment	7	(254)	(486)
(Acquisition) of investment property	10	(1 694)	-
Sold subsidiaries, net of cash sold		-	(2)
Acquisition of other investments	11	-	(100)
Acquisition of subsidiaries, net of cash acquired	17	(1 399)	(4 725)
Loans granted		(578)	(622)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(5 457)	(6 856)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	20	17 310	5 000
Repayments of borrowings	20	(12 768)	(1 020)
Payment of principal portion of lease liabilities	8	(1 096)	(1 103)
Interest paid		(1 387)	(1 300)
Transactions with non-controlling interests	11	(393)	(333)
Dividends paid		(1 044)	(759)
NET CASH FLOWS FROM FINANCING ACTIVITIES		622	485
NET INCREASE IN CASH AND CASH EQUIVALENTS		2 731	904
CASH AND CASH EQUIVALENTS IN THE BEGINNING OF THE PERIOD		7 118	6 214
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		9 850	7 118

*The notes on pages 17-57 are an integral part of these financial statements.
The financial statements were authorised for issue and signed on 29 April 2026.*

Tomas Staškūnas
Chief Executive Officer

Vilma Marciukaitė
Chief Accountant

AB "Civinity"

Company code: 302247881

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the year ended 31 December 2025**

(All amounts are in the thousands of euros (EUR) unless otherwise stated)

1. General information

AB "Civinity" ("the Company", company code 302247881) is a public limited liability company registered in the Republic of Lithuania. It was established on 13 November 2008. The Company's registered office and head office address is Naugarduko g. 98, LT-03160, Vilnius, Lithuania. The Company's core line of business is management of subsidiaries and consulting services.

The Company is part of the group of companies and is a controlling company itself.

From 30 March 2020 the sole shareholder and ultimate parent of the Company is SIA "NORD FIN ASSET" (registration number 44103136863, address: Dubultu prospekts 3, Jūrmala, Latvia). The ultimate controlling party is Deividas Jacka.

Since bond issue on 24 July 2025 in Nasdaq regulated market the Company has become public interest entity. The Group's bonds issued on 24 July 2025 are traded at Nasdaq Vilnius stock exchange.

Primary activities of the Group encompass the property management and maintenance services for residential buildings, ensuring the proper upkeep, repair, and management of multi-apartment complexes, homeowners' associations, and other residential properties. These services include routine maintenance, emergency repairs, cleaning, security, and the optimization of utility services to enhance residents' living conditions. In addition, the company provides administration and maintenance services for commercial and public buildings, offering tailored facility management solutions for office buildings, shopping centers, industrial facilities, healthcare institutions, and municipal infrastructure. These services involve technical maintenance, energy efficiency optimization, regulatory compliance, and specialized asset management to ensure the smooth operation of complex building systems. Beyond facility management, Group also specializes in the design and installation of engineering systems, delivering integrated engineering solutions for heating, ventilation, air conditioning (HVAC), water supply, fire safety, and electrical systems. The company's engineering expertise extends to both new construction projects and the modernization of existing buildings, improving energy efficiency, sustainability, and overall building performance.

In addition, after acquisition of shares in SIA "Mobilly" in 2024, the Group started to provide mobile payment solutions for a variety of everyday services, allowing users to conveniently pay for parking, public transportation, electric vehicle charging, taxi rides, and entry fees to designated areas, mobile credit top-ups, donations, and other digital transactions.

The Company had no branches and representative offices.

The Company held the following subsidiaries:

Title of the subsidiary, type of ownership	Country	Reporting segment	31 December 2025	31 December 2024
UAB Civinity namai Kaunas, direct	Lithuania	Residential	100%	100%
UAB Civinity namai Vilnius, indirect, UAB SPV31	Lithuania	Residential	51%	51%
UAB Civinity namai Vakarai [4], direct	Lithuania	Residential	84.82%	81.72%
UAB Civinity namai, indirect, UAB SPV31	Lithuania	Residential	51%	51%
UAB Pastatų meistrai, indirect, UAB SPV31	Lithuania	Residential	51%	51%
UAB Civinity meistrai, direct	Lithuania	Residential	100%	100%
UAB Debreceno NT, direct	Lithuania	Residential	95.44%	95.44%
UAB Civinity renovacija, direct	Lithuania	Residential	100%	100%
UAB Civinity namai Palanga [4], direct	Lithuania	Residential	100.00%	99.44%
UAB Smart technologies, direct	Lithuania	Not classified (IT services)	100%	100%
UAB Civinity MD, direct	Lithuania	Not classified (project management)	100%	100%
UAB Civinity LT, direct	Lithuania	Not classified (Services center)	100%	100%
UAB City Billing Solutions, direct	Lithuania	Not classified (Accounting services)	100%	100%
UAB Servico, indirect, UAB SPV31	Lithuania	Residential	51%	51%
UAB Inservis, indirect, UAB SPV31	Lithuania	Commercial	51%	51%
UAB Jurita, indirect, UAB SPV31	Lithuania	Residential	51%	51%
UAB Priemiestis, indirect, UAB SPV31	Lithuania	Residential	51%	51%
SIA Inservis, indirect, UAB SPV31	Latvia	Commercial	51%	51%

UAB Valandinis [4], direct	Lithuania	Commercial	100%	51%
SIA Civinity Engineering, direct	Latvia	Engineering	100%	100%
SIA Civinity solutions, direct	Latvia	Commercial	100%	100%
SIA Civinity LV,direct	Latvia	Not classified (Services center)	100%	100%
AS Civinity majas, direct	Latvia	Residential	100%	100%
Civinity Group Latvija PS, indirect, SIA Civinity Solutions, SIA Civinity Engineering	Latvia	Commercial	100%	100%
UAB SPV 32, direct	Lithuania	Not classified (Holding company)	51%	51%
UAB SPV 31, direct	Lithuania	Not classified (Holding company)	51%	51%
UAB Civinity namai Klaipēda, direct	Lithuania	Residential	100%	100%
SIA Civinity majas Jūrmala, indirect, UAB Civinity namai Kaunas	Latvia	Residential	100%	100%
SIA CS Renovacija, indirect, SIA Civinity Majas Jūrmala	Latvia	Residential	100%	100%
UAB Civinity Solutions, indirect, UAB SPV31	Lithuania	Commercial	51%	51%
UAB Civinity Engineering, indirect, UAB SPV32	Lithuania	Engineering	51%	51%
LTD Civinity Engineering UK, indirect, UAB Civinity Engineering	United Kingdom	Engineering	51%	51%
SIA Ionica serviss,direct	Latvia	Engineering	80%	80%
Civinity future engineering UAB [2], indirect, UAB SPV32	Lithuania	Not classified (Holding company)	51%	51%
Civinity Engineering Investment KŪB [2], indirect, UAB Civinity future engineering	Lithuania	Not classified (Holding company)	51%	51%
SIA "Mobilly SPV [1], direct	Latvia	Not classified (Holding company)	10%	10%
Mobilly SIA [1], indirect, SIA Mobilly SPV	Latvia	Payment solutions	10%	10%
Civinity rent, UAB [3], direct	Lithuania	Not classified (Services center)	100%	0%
Civinity rent, SIA [3], direct	Latvia	Not classified (Services center)	100%	0%

[1] Bought shares in SIA Mobilly in July 2024

[2] Established holding structure for UAB Civinity engineering in 2024

[3] Established transport rent companies in Lithuania and Latvia in 2025, the goal of these companies are to increase efficiency of fleet management within the Group

[4] Acquisition of non-controlling interest in 2025

As at 31 December 2025, the average annual number of employees was 1565 (as at 31 December 2024: 1642 employees).

2. Material accounting policy information

The material accounting policies adopted in the preparation of the Group's consolidated financial statements for the year 2025 are set out below. These accounting policies have been applied to all the periods presented in the consolidated financial statements, unless otherwise stated.

The Group's financial year starts on 1 January and ends on 31 December.

The Group's consolidated financial statements are presented in euro (EUR), which is The Group's presentation currency.

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Group's financial statements are prepared on the historical cost basis.

These financial statements of The Group for the year ended 31 December 2025 have been prepared on the assumption that The Group will continue as a going concern.

The Group's short term assets exceeds short term liabilities as at 31 December 2025. The Group management has made an assessment of the Group's ability to continue as a going concern and have considered all relevant information, including the Group's financial position, cash flows, liquidity position, debt maturity profile, and future funding requirements (Note 4, liquidity risk). As part of this assessment, the Group's management have also taken into account the current economic and market environment, and they have not identified any material uncertainties or events, including changes in legislation, regulation, or the broader market background, that would cast significant doubt on the Group's ability to continue as a going concern. Based on this assessment, the Group's management is satisfied that the Group has adequate resources to continue in operational existence for at least twelve months from the date of approval of these financial statements.

Amounts in these consolidated financial statements of The Group are presented in euros, rounded to the nearest thousand (EUR thousand), unless otherwise stated.

The preparation of financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union requires management to make certain judgments, assumptions and estimates in connection with the application of The Group's accounting policies. The estimates and judgments depend on management's experience and other factors, including expectations of future events in the circumstances. Critical accounting estimates described in Accounting policy (Note 3).

These consolidated financial statements were authorised for issue on 24 April 2026 and signed by Chief Executive Officer. The shareholders of the Company have a statutory right not to approve these consolidated financial statements and require that the management prepares a new set of consolidated financial statements.

AB "Civinity"

Company code: 302247881

(All amounts are in the thousands of euros (EUR) unless otherwise stated)

2.2. New and amended standards and their interpretations adopted by the Group

IFRS and their interpretations effective in the reporting period that have been issued and adopted by the European Union

The Group has evaluated there is no other standard or its interpretations effective from 2025, which have significant impact to these consolidated financial statements. The Group evaluated that IFRS 21 amendment has no impact to these consolidated financial statements since the Group has no transactions with non-convertible currency.

The following standards, interpretations and amendments were not yet effective and were not early adopted by the Group:

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual 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).

IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). 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 Group has evaluated that these amendments have no impact to these consolidated financial statements.

The Group has evaluated there are no other standards or interpretations effective from 2026, which have significant impact to these consolidated financial statements and the Group has not adopted amendments or interpretations which were not yet effective.

The following standards, interpretations and amendments were not yet endorsed by the EU and not early adopted by the Group:

The Group has evaluated there is no other standard or its interpretations, which are not yet endorsed by the EU and could have significant impact to these consolidated financial statements and the Group has not adopted these amendments earlier.

2.3. Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 2.5).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

AB "Civinity"

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(All amounts are in the thousands of euros (EUR) unless otherwise stated)

2.4. Changes in ownership interest in a subsidiary that do not result in changes in control and non-controlling interest

Transactions with non-controlling interests that do not result in a loss of control are presented within equity, i.e. as transactions with equity owners. The difference between the fair value of the consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded within equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Non-controlling interest is the portion of the subsidiary's net results of operations and net assets, including fair value adjustments, not attributable, directly or indirectly, to the Group. Non-controlling interest represents a separate item of the Group's equity.

2.5. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2.6. Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being separate companies. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

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(All amounts are in the thousands of euros (EUR) unless otherwise stated)

2.7 Intangible assets

Intangible assets acquired separately are initially measured at cost. Intangible assets are subsequently stated at cost, less accumulated amortisation and impairment losses, if any. The useful life of other intangible assets is limited.

The Group has no other intangible assets with infinite useful life.

Amortisation is calculated using the straight-line method over the estimated useful life. The useful life and amortisation method are reviewed at the end of each reporting period. Any changes in accounting estimates are accounted for prospectively.

The following useful lives are applied to different categories of intangible assets:

Residential customer base	16 years
Commercial customer base	5 years
Mobilly customer base	12 years
Brand	30 years
Software, licenses	3 years

Costs associated with the renewal and development of intangible assets incurred following the acquisition or creation of assets are recognised as expenses during the reporting period in which the expenditure is incurred.

Customer base acquired in a business combination value is calculated based on the future cash flow value calculation.

Intangible assets are assessed for impairment whenever there is an indication that the intangible assets may be impaired.

Accounting policy for goodwill is disclosed in Note 2.6.

2.8. Property, plant and equipment

Property, plant and equipment is stated at acquisition (production) cost, less accumulated depreciation and impairment, if any. Depreciation is calculated using the straight-line method over the estimated useful lives. Depreciation is not charged on items of property, plant and equipment that are no longer in use (conserved).

The Group applies the following useful lives to the items of property, plant and equipment:

Land	not depreciated
Buildings and structures	25 years
Plant and machinery	5 years
Motor vehicles	5 years
Other fixtures, fittings, tools and equipment	5 years

2.9. Investment property

Investment property is initially recognized at cost, including directly attributable transaction costs.

Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

2.10. Financial assets and liabilities

Under IFRS 9, Financial Instruments, the Group has financial assets which are measured at amortised cost.

At initial recognition, the Group measures financial assets at fair value, except for trade receivables that do not have a significant financing component. Transaction costs comprise all charges and commission that the Group would not have paid if it had not entered into an agreement on the financial instrument.

If the fair value of the financial asset at initial recognition differs from the transaction price, the difference is recognised in profit or loss.

In view of the business model applied for managing the group of financial assets, the accounting for financial assets is as follows:

Financial assets measured at amortised cost:

Loans granted by the Group, trade receivable and contract assets are accounted for under the business model the purpose of which is to hold financial assets in order to collect contractual cash flows that can contain cash flows related to the payment of the principal amount and interest inflows.

Loans, trade receivable and contract assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the date of the statement of financial position. These are classified as non-current assets.

Loans, trade receivables and contract assets are initially recognised at cost (the fair value of consideration receivable) and subsequently carried at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when these assets are derecognised, impaired or amortised.

Interest income:

Interest income is recognised using the effective interest rate method.

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(All amounts are in the thousands of euros (EUR) unless otherwise stated)

Expected credit loss:

Credit losses incurred by the Group are calculated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument, including cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses show the weighted average of credit losses with the respective risks (probability) of a default occurring as the weights.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the period from the date of initial recognition of a financial asset to the subsequent date of settlement of the financial asset or ultimate write-off of the financial asset.

The Group seeks for lifetime expected credit losses to be recognised before a financial instrument becomes past due. Typically, credit risk increases significantly before a financial instrument becomes past due or other lagging borrower-specific factors (for example, a modification or restructuring) are observed. Consequently when reasonable and supportable information that is more forward-looking than past due information is available without undue cost or effort, it must be used to assess changes in credit risk.

Expected credit losses are recognised by taking into consideration collectively assessed credit risk of loans granted and trade receivables. Credit risk is assessed based on all reasonable and verifiable information including future oriented information.

The lifetime expected credit losses of residential and commercial trade receivables are assessed based on the collective assessment basis.

The lifetime expected credit losses of engineering and payment solutions trade receivables are assessed based on the individual assessment basis.

The lifetime expected credit losses of trade receivables are recognised at the recognition of trade receivable.

When granting the loan the Group assesses and recognises 12-month expected credit losses. In subsequent reporting periods, in case there is no significant increase in credit risk related to the lender, the Group adjusts the balance of 12-month expected credit losses in view of the outstanding balance of the loan at the assessment date. Having determined that the financial position of the lender has deteriorated significantly compared to the financial position that existed upon the issue of the loan, the Group records all lifetime expected credit losses of the loan. The latest point at which the Group recognises all lifetime expected credit losses of the loan granted is identified when the borrower is late to pay a periodic amount or the total debt for more than 90 days. In case of other evidence available, the Group accounts for all lifetime expected credit losses of the loan granted regardless of the more than 90 days past due assumption.

Loans for which lifetime expected credit losses were calculated are considered credit-impaired financial assets.

The Group applies the simplified approach for calculation of lifetime expected credit losses using the provision matrix for residential and commercial trade receivables. To measure the expected credit losses using provision matrix, trade receivables are split into separate pools, based on shared credit risk characteristics. Receivables in each pool are grouped according to payment delay days and loss rates are applied to each delay group. The loss rates are calculated using statistical recovery information from the last 5 years and adjusted if considered necessary taking into account forward looking information.

The Group's management decides on the performance of the assessment on an individual basis reflecting the possibility of obtaining information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information that would allow to timely determine whether there has been a significant increase in the credit risk of that particular borrower, thus enabling making judgment on the recognition of lifetime expected credit losses in respect of that particular borrower. In the absence of reliable sources of information on the credit history of a particular borrower, its financial position as at the date of assessment, including forward-looking information, the Group assesses the debt on a collective basis.

Credit-impaired financial assets:

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- a) significant financial difficulty of the customer;
- b) a breach of contract, such as a default or event that is past due for more than 90 days;
- c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- e) the disappearance of an active market for that financial asset because of financial difficulties;
- f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The combined effect of several events that may occur simultaneously or subsequently throughout the term of validity of the agreement on the financial assets may have caused financial assets to become credit-impaired.

The lifetime expected credit losses of loans receivable and trade receivables are recognised in profit or loss through the contra account of doubtful receivables.

The Group writes off the loans receivable and trade receivables when it loses the right to receive contractual cash flows from financial assets.

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(All amounts are in the thousands of euros (EUR) unless otherwise stated)

Financial liabilities:

Financial liabilities, including borrowings, are recognised at fair value, less transaction costs.

In subsequent periods, financial liabilities are measured at amortised cost using the effective interest rate method. Interest expenses are recognised using the effective interest rate method.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Covenants that the group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting period do not affect the classification at the reporting date.

2.11. Impairment of non-financial assets

At each reporting date, The Group reviews the net book amount of assets in order to determine whether any impairment indications exist for the assets. If any such indication exists, The Group makes an estimate of the asset's recoverable amount and compares it with the carrying amount to assess impairment, if any.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

2.12. Right-of-use assets and lease liabilities

At the inception of an arrangement The Group determines whether such an arrangement is or contains a lease. The Group recognises right-of-use assets and lease liabilities for all leases under which The Group is a lessee, excluding leases of intangible assets, short-term leases and leases of low-value assets with the value of such new assets not exceeding EUR 500, however in individual cases not only the value of such assets, but also the assessment of the entire contract is considered. The Group recognises lease payments made under lease contracts as operating expenses or cost of sales, depending on their nature, on a straight-line basis over the lease term, unless another systematic basis is more representative of the pattern in which benefit from the underlying assets is obtained over time.

Right-of-use assets and lease liabilities are initially recognised at the present value discounted using the interest rate established in the lease contract, if that rate is readily determinable. If that rate is not readily determinable, the lessee uses the lessee's incremental borrowing rate.

Lease payments expected to be made based on reasonably certain lease extensions are also included in the calculation of the lease liability. The unwinding of the discount is recognised in the statement of comprehensive income as finance costs. Right-of-use assets are measured at cost consisting of an initial discounted lease liability and prepayments made. Right-of-use assets are depreciated on a straight-line basis over the lease term. Depreciation is accounted for as depreciation expenses in the statement of comprehensive income. Lease terms are adjusted if, based on the estimate of The Group's management, they will be extended. Right-of-use assets are accounted for as non-current assets. The Group's management determines the lease term by considering all facts and circumstances that can create economic incentives to extend the lease or decide not to exercise the option to terminate the lease. The option to extend the lease is included in the lease term if it is reasonably certain that the lease will be extended or will not be terminated. If the underlying asset is significantly improved and its net book amount is material to The Group, it is considered to be reasonably certain that the lease will be extended or will not be terminated. Otherwise, The Group assesses other circumstances, including plans to continue business operations.

2.13. Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion and possible selling expenses.

The cost of inventories is determined using the first-in, first-out (FIFO) method (it is assumed that inventories that were acquired first are used first).

Inventories that are no longer expected to be realised are written off.

2.14. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in transit and cash at bank and other short-term liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

2.15. Revenue recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the clients. It is the principal in its revenue arrangements (also including subcontracting services), because it typically controls the goods or services before transferring them to the customer. Moreover the Group facilities management companies also are responsible for the quality of rendered services and are the have authority to determine prices. The Group nets inflows and outflows of administered utilities turnovers (gas, electricity, water, heating), associated with residential houses administration activity as the Group's companies act as agent in respect of utilities provision for its clients.

Reserve funds, accumulated from residential clients for future repairs works are not reported as the Group's revenue but as the contract liabilities.

Revenue from contracts with customers is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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Property management and maintenance services.

Revenue from property management, maintenance, cleaning, waste removal, utility, repairs and other services, including commission fee is recognised in the reporting period during which the services were rendered. Sales revenue for these services are invoiced and accounted on a monthly basis and it relates to one agreed performance obligation. Revenue from contracts with customers is recognised when these services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The Group companies, rendering services both for residential and commercial sector customers, transfer control of property management of apartment buildings and commercial facility management services, maintenance, cleaning, waste removal, utility and other services over-time, because the customer simultaneously receives and consumes the benefits provided by the Group's performance. Sales revenue for these services are invoiced and accounted on a monthly basis and it relates to both parties agreement.

Construction and renovation:

Revenue from construction and renovation is recognised over time, i.e. in the period when services are rendered. The Group enters into fixed price contracts. The progress towards completion of the performance obligation is measured using an input cost-to-cost method. The Group calculates the percentage of contract costs actually incurred up to the reporting date with the total estimated costs for each construction or renovation contract. The total estimated costs are remeasured in case of changes in circumstances, and any increase or decrease in recognised revenue is accounted for in the period, when the Group becomes aware of the changes in circumstances. When it is probable that the total estimated contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately. Contract costs are recognised as expenses in the period, when they are incurred.

The Group concluded that it transfers control over these services over-time, because the customer simultaneously receives and consumes the benefits provided by the Group's performance, i.e. the customer benefits from the work being performed continuously as it progresses. Also, the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Construction and renovation projects are tailored to the specific needs of the customer and cannot be repurposed for another customer or sold elsewhere without significant modification. The contracts usually include terms that provide the Group with the right to payment for work performed up to any point, if the contract is terminated early.

When the Group can reasonably measure its progress towards complete satisfaction of the performance obligation, the Group recognizes revenue and expenses in relation to each construction and renovation contract over time, based on the progress of performance.

Payment solutions revenue:

The Group provides payment solution services to parking holders, public transport companies and municipalities, which is transaction processing. The group measures revenue depending on the agreed-upon transaction volume and value. Revenue is recognised over time as the performance obligation is fulfilled, reflecting continuous service delivery.

2.16. Income tax

Corporate income tax (CIT) for the reporting period is included in the consolidated financial statements based on management's calculations prepared in accordance with local countries tax legislation.

All undistributed corporate profits are tax exempt in Latvia. The taxation of corporate profits is postponed until the profits are distributed as dividends or deemed to be distributed, such as in the case of transfer pricing adjustments, expenses and payments that do not have a business purpose, fringe benefits, gifts, donations, representation expenses, etc.

The CIT rate of 20% is applicable to the taxable base in Latvia. However, before applying the statutory rate, the taxable base should be divided by a coefficient of 0.8. As the taxable base is increased by the coefficient, the effective CIT rate is 25% in Latvia.

Corporate Income tax in Lithuania as of 31 December 2025 is 16% according to Lithuania's tax law.

From 2026 Corporate Income tax in Lithuania will be 17% according to Lithuania's corporate income tax law.

2.17. Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('the CODM'). The CODM, responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Group. The Board of Directors is the management body responsible for the strategic management of the Group. The Board of Directors consists of the chairman and four members.

The Group's financial performance and position is assessed, and strategic decisions are made based on product and service perspective. The following four operating segments were identified: residential, commercial, engineering and payment solutions. Aggregation criteria were not applied, therefore operating segments are the same as reportable segments of the Group.

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3. Critical accounting estimates

The preparation of the financial statements requires the Group management to exercise its judgement and use estimates that affect reported amounts of income and expenses, assets and liabilities, disclosure of contingent liabilities at the date of the preparation of the financial statements. Uncertainties relating to these assumptions and estimates may cause important adjustments to the carrying amounts of the related assets and liabilities in the next financial year.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.1. Impairment of Goodwill

The carrying amount of the Group's goodwill is tested for impairment at the end of reporting year in accordance with accounting policies presented in Note 2.6. When testing the Groups management estimates each future cash flows for each goodwill item. The estimate is based on historical data, market conditions, change in property management fee on municipality level, growth of wages, revenue pipeline. The asset's value in use is calculated by discounting future cash flows to their present value using a post-tax discount rate reflecting actual market assumptions regarding the time value of money and the risks specific to the asset concerned. Where the carrying amount of an asset or cash-generating unit relating to such asset exceeds its recoverable amount, impairment loss is recognised.

The carrying amount of goodwill and assumptions for impairment tests are disclosed in Note 6.

3.2. Loss allowance for trade receivable

The loss allowances for trade receivable are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Notes 2.9 and 13.

3.3. Significant judgement: consolidation of entities with less than 50% ownership

Management has concluded that the Group controls SIA SPV Mobilly, even though it holds less than half (9,99%) of the shares of this subsidiary. This is because the Group contributed all funds (EUR 6 million) to the SPV needed to acquire 100% stake in SIA Mobilly, without matching contributions from other shareholders, and the Group has an irrevocable and unconditional call option to acquire all remaining shares (up to 100%) for a fixed consideration of EUR 2,5 thousand. As such, Management concluded that the Group has obtained risks and rewards of ownership of shares held by noncontrolling shareholders. Due to the chosen transaction structure the Group obtained disproportionately higher economic exposure to the investee as compared to its legal shareholding percentage which may be considered as 'special relationship' which is relevant when assessing control under IFRS 10.

In addition, an agreement signed between the shareholders of SIA SPV Mobilly grants Civinity AB additional rights and voting power at shareholders' meetings and Supervisory Board. Shareholders' agreements requires Civinity's approval for any dividends and indicates that Articles of Associations of SIA SPV Mobilly and its subsidiary SIA Mobilly shall be amended, providing Shareholders the rights to receive dividends in different proportion than registered percentual shareholding. One or more representatives nominated by the Group shall be elected to the Management Board or Supervisory Board (if established) of SIA SPV Mobilly and SIA Mobilly. Supervisory Board of SIA SPV Mobilly comprises 3 members, out of which 2 were appointed by the Group. Appointment, revocation and replacement of such members of Supervisory Board can only be made if the Group has voted "in favour" in shareholders' meeting of SIA SPV Mobilly. The competence of SIA SPV Mobilly Supervisory Board includes decision-making via simple majority of votes, but only if Civinity AB representatives on the Supervisory Board have voted in favour on the following matters which are considered relevant activities for the purpose of assessing control: the commencement of new activities, the discontinuance or termination of existing activities, the approval of Mobilly business plan or annual budget, the appointment, revocation, revocation and replacement of the members of Management Board and auditor, determining the remuneration and/or remuneration expenses of the members of Management Board and on other matters.

SIA Mobilly, a wholly owned subsidiary of SIA SPV Mobilly, has a Management Board comprised of a single person who is the majority legal shareholder of SIA SPV Mobilly. SIA Mobilly does not have a Supervisory Board. All significant decisions made at SIA Mobilly must be approved by Supervisory Board of its sole shareholder SIA SPV Mobilly and require the Group to vote "in favour" as described above.

Based on the above facts the management has concluded that it has (i) the power over SIA SPV Mobilly through decision making mechanisms, (ii) exposure, or rights, to variable returns from its involvement with the investee (directing activities, approving budgets, determining remuneration, economic exposure to the majority of Mobilly's profits and losses), and (iii) the ability to use its power over the investee to affect the amount of the Group's returns (in the form of dividends, value appreciation and expansion of Mobilly's business in the Group's primary market in Lithuania). The Group consolidates SIA SPV Mobilly since August 2024 (see Note 17).

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4. Financial risk management

Under International Financial Reporting Standards (IFRS), financial risk management is an important aspect of financial reporting. The Group has addressed those main risk areas: Credit risk, Liquidity risk, Interest rate risk, Foreign exchange rate risk. The Group to regularly reassess the effectiveness of its financial risk management policies and procedures.

The Group's management is responsible for the development and monitoring of the Group's risk management system. The objective of the risk management policy at the Group is to incorporate risk management function in the Group's normal business operations and management. Risk management is the process involving the identification, assessment and control of business risks which can prevent or impede the achievement of the Group's business objectives.

The Group's risk management policy focuses on financial, operational and legal risks. Strategic risk management decisions are taken by the Board at the Group level. Operational risk management is conducted by directors of each company. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

The main risks arising from financial instruments are market risk (including foreign exchange risk, cash flow and fair value interest rate risk, price risk), liquidity risk and credit risk. The risks are identified and described below.

Credit risk

Credit risk arises from a counterparty's failure to fulfil its contractual obligations, which affects The Group's financial performance. The Group's customer concentration is not high, and the customers usually make advance payments for the services rendered by The Group. Credit risk or the risk of a counterparty defaulting is controlled through crediting terms and monitoring procedures.

The ageing analysis of The Group's amounts receivable is presented in Note 13. Expected credit loss of Non-current amounts receivable – Note 9 Contract assets – Note 14, Other current assets – Note 15.

Credit Risk Disclosures

The Group is exposed to credit risk primarily through its receivables from customers. The Group's policy is to monitor the creditworthiness of customers regularly. Credit limits are established based on the financial position and payment history of each customer. Receivables that are due and not paid are reviewed quarterly, and provisions for doubtful debts are made based on expected recoverability.

The Group's maximum credit exposure arising from cash and cash equivalents is equal to the fair value of cash and cash equivalents classified as such in the statement of financial position. The Group's management believes the credit risk arising from cash at bank is insignificant, because The Group keeps its cash with the Lithuanian, Latvian and UK's commercial banks with high credit ratings. The credit ratings of the main banks where The Group keeps its cash are as follows based on Moody's:

Moody's rating:	31 December 2025	31 December 2024
Aa3	7 346	3 575
Baa1	2 206	2 981
Baa2	121	199
Not rated	99	116
Cash in transit	78	247
	9 850	7 118

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The maximum credit risk exposure of The Group's assets is given below:

	31 December 2025	31 December 2024
Non-current amount receivables	1 872	1 157
Trade receivables	21 102	18 082
Contract assets	1 992	1 905
Cash and cash equivalents	9 850	7 118
Maximum credit risk exposure	34 815	28 262

The credit quality analysis of The Group's non-current amounts receivables – Note 9, trade receivables is presented in Note 13, Contract assets – Note 14.

Market risk

The Group is exposed to risk of changes in market interest rates mainly from liabilities which are subject to variable interest rates.

1. Objectives and Overview of Market Risk Management

The Group's objective in managing market risk is to minimize the impact of adverse market movements on earnings, cash flows, and the value of its financial assets and liabilities. The Group seeks to achieve this by identifying, measuring, monitoring, and controlling market risk exposures within acceptable parameters while optimizing returns. The Group does not engage in speculative trading of financial instruments. Market risk is managed centrally by the Group's Treasury function, which operates under policies approved by the Board of Directors.

2. Policies and Processes for Managing Market Risk:

Interest rate risk:

To manage exposure to fluctuations in interest rates that could affect the Group's borrowing costs and investment income.

Policy and Process: the Group maintains a mix of fixed and variable rate debt to reduce exposure to interest rate volatility; derivative instruments such as interest rate swaps may be used to hedge variable-rate borrowings; treasury monitors interest rate movements regularly and reports exposures to senior management.

Sensitivity Analysis: a 100 basis point increase/decrease in interest rates, assuming all other variables remain constant, 31 December 2025 would result in a EUR 87 thousand increase/decrease in profit before tax (31 December 2024 EUR 47 thousand).

Foreign Currency Risk

The Group has insignificant amount of transaction are made in GBP, thus the Group's Management has implement no policy and process.

Other price risk

The Group has no financial assets that may be impacted by price risk.

3. Risk Monitoring and Reporting

The Group uses scenario analysis and stress testing to assess potential market risk under adverse conditions.

Market risks are regularly reviewed by the the Group's management and reported to the Board.

Internal controls ensure compliance with risk management policies.

Interest rate risk

The Group is exposed to interest rate risk due to its borrowings with floating interest rates. The Group's policy is to limit exposure to interest rate fluctuations by maintaining a balance between fixed and floating-rate borrowings. Interest rate swaps are used to convert floating-rate debt into fixed-rate debt. The Group reviews its exposure to interest rate changes quarterly, and sensitivity analysis is performed to determine the impact of changes in interest rates on profitability.

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Financial liabilities and loans granted subject to deferred payment schedule exposing the Group to interest rate risk were as follow. Financial instruments subject to variable and fixed interest rate:

	31 December 2025	31 December 2024
Loans granted (variable interest rate)	1 872	1 157
Borrowings (variable interest rate)	7 944	3 677
Lease liabilities (variable interest rate)	2 587	2 059
Total Financial instruments with variable interest rate	12 403	6 893
Borrowings (fixed interest rate)	14 647	13 500
Total Financial instruments with fixed interest rate	14 647	13 500
Total Financial instruments	27 051	20 393

As at 31 December 2025 and 31 December 2024, there were no interest-free borrowings.

The table below presents the sensitivity analysis of the Group's profit before tax to reasonably possible changes in variable interest rates (EURIBOR) with all other variables held constant (by assessing impact on borrowings with a variable interest rate):

	Increase in basis points	31 December 2025	31 December 2024
EUR*	1%	87	47
EUR*	-1%	(87)	(47)

There is no impact on the Group's equity, except for impact on the current year profit. Fair value of financial instruments:

	31 December 2025		31 December 2024	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Public bond issues on the Nasdaq First North unregulated market	-	-	8 183	8 186
Public bond issues on the Nasdaq regulated market	10 754	10 992	-	-
Private bond issues UAB „Mundus“ (INVL Bridge Finance)	3 893	4 010	5 316	5 429
Total borrowings with fixed interest rate	14 647	15 002	13 500	13 615

The fair values of the borrowings with fixed interest rates are based on discounted cash flows using the borrowing rate of 10% as at 31 December 2025 (10% as at 31 December 2024).

The Group's trade receivables, trade and other payables, lease liabilities, borrowings with variable interest rates approximates their fair value.

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Liquidity risk

The Group's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its commitments at a given date in accordance with its strategic plans.

Liquidity risk of the Group's operations in Lithuania and Latvia is controlled at the Group level. The Group's objective is to maintain balance between the continuity and flexibility of funding using bank or alternative borrowings. Liquidity risk management consists of non-current and current liquidity risk management.

The objective of the current liquidity risk management is to meet a daily need for funds. The Group's and the Company's current liquidity is controlled by conducting monthly assessments of the liquidity condition and the need for funds.

The liquidity risk is controlled by analysing forecasts of future cash flows taking into consideration possible funding sources. Possibilities to attract necessary funds are assessed before the approval of the Group's new investment project.

Also, in accordance with IFRS requirements, the Group classifies all prepayments received from households (so called 'accumulated funds') as short term liabilities, as the Group does not have a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. Based on the historical experience and practice, the Group observes that accumulated funds from households for future construction, repair and current maintenance works can reduce year-over-year during 12-month period by only up to 26 % (which in the Group's Management estimate based on historical data). The remaining 74% of the Group's liability for accumulated funds paid by residents are expected to be carried forward and settled by delivering services after more than one year. For Adjusted Liquidity Ratio calculation Group reclassifies 74% of compulsory accumulated funds (Note 23) as non-current (approximates EUR 4.1 million).

The Group's short term assets exceeds short term liabilities as at 31 December 2025. The Group's liquidity ratio (total current assets / total current liabilities) was approximately equal to 1.07 as at 31 December 2025 (31 December 2024: 0.78). The Group's adjusted (by deferring settlement for prepayments received from households) liquidity ratio was approximately 1.31 as of 31 December 2025 (31 December 2024: 0.78). The Group has higher liquidity rate comparing to 31 December 2024 primarily due to the refinancing all current bonds. New bonds are classified as long term borrowings since maturity date for private bonds is April 2027 and for public bonds July 2029.

The table below summarises the maturity profile of the financial liabilities based on contractual undiscounted payments:

	Less than 3 months	3-12 months	1-5 years	Over 5 years	Total contractual cashflows	Carrying amount
31 December 2025						
Borrowings	888	1 615	26 045	-	28 547	22 591
Lease liabilities	301	868	1 903	-	3 072	2 587
Other liabilities	189	585	56	300	1 129	882
Trade payables	12 478	1 386	-	-	13 864	13 864
Financial liabilities	13 856	4 453	28 004	300	46 613	39 925
31 December 2024						
Borrowings	327	15 452	2 964	-	18 743	17 177
Lease liabilities	258	724	1 424	-	2 405	2 059
Other liabilities	212	219	56	315	2 132	536
Trade payables	11 907	1 015	-	-	12 922	12 922
Financial liabilities	12 703	17 409	4 444	315	36 202	32 694

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Capital management

The primary objective of the Group's capital management is to ensure that the Group complies with externally imposed capital requirements, keeps respective capital ratios in order to strengthen its business and maximise return to shareholders, avoids damaging trust of investors, creditors and the market, and maintains business expansion in future.

The Company is obliged to keep its shareholders' equity ratio not less than 50% of its authorised share capital, as imposed by the Law on Companies of Republic of Lithuania. At the 31 December 2025 the ratio was breached at the stand alone level by the several companies: Smart Technologies UAB, Civinity renovacija UAB, Civinity namai Vilnius UAB, Civinity Engineering SIA, Civinity Solutions SIA, Civinity renovacija SIA. The breach of the equity ratio may be used by companies' creditors to file for the insolvency procedures. These companies have no significant overdue amounts of debts to third parties.

The management of the Group and the companies, which temporarily are not meeting the requirements, prepared and are implementing the plan for recovery of equity. The Group manages its capital structure and makes the adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. To maintain or adjust the capital structure, the Group may adjust the policy of dividend payment or other form of return of capital to shareholders, or issue new capital.

Capital Management

The Group's objective in managing capital is to ensure the ability to continue as a going concern while maximizing shareholder value. The Group seeks to maintain a capital structure that supports its operations, minimizes the cost of capital, and ensures sufficient liquidity to meet its obligations. The Group manages its capital by regularly assessing its financial position, reviewing debt-to-equity ratios, and maintaining access to any kind of borrowings.

Financial and business related covenants

	31 December 2025	31 December 2024
Financial debt with covenants		
Public bond issues on the Nasdaq First North market	-	8 137
Public bond issues on the Nasdaq regulated market	10 754	-
Private bond issues UAB „Mundus“ (INVL Bridge Finance)	3 893	5 363
Luminor bank loan (SPV31)	1 773	2 368
Luminor bank loan (Civinity meistrai)	1 028	-
Signet bank loan (Mobilly)	3 833	-
Total financial debt with covenants	21 281	15 868
Financial debt without covenants	1 310	1 310
Total borrowings	22 591	17 177

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Bond issues on the Nasdaq First North market

On 15 October 2021 AB "Civinity" issued public bonds emission for the value of EUR 8.000 thousand and repaid the remaining previous hold bonds. The nominal value of each bond is EUR 1 thousand, the bonds to be redeemed upon two years with semi-annual interest payment schedule and fixed rate calculated as margin of 5%. In year 2023 the Group made two semi-annual interests payment in amount of EUR 200 thousand each. On the 16th October 2023 AB "Civinity" redeemed EUR 8.000 thousand bonds emission. It was refinanced by new EUR 8.000 thousand bonds emissions. The nominal value of each bond is EUR 1 thousand, the bonds to be redeemed upon two years with semi-annual interest payment schedule and fixed rate calculated as margin of 11%.

The Company has repaid these bonds and accumulated interest on 4 August 2025.

Bond issues on the regulated Nasdaq Vilnius market

On 24 July 2025 AB "Civinity" issued public bonds emission for the value of EUR 10 350 thousand. The nominal value of each bond is EUR 1 thousand, the bonds to be redeemed upon four years with semi-annual interest payment schedule and fixed rate calculated as margin of 10%. The Group has obliged to investors to maintain covenants: Net Debt to Pro Forma EBITDA Ratio is 4 or lower and Equity Ratio is 15% or greater.

Luminor bank loan (SPV31)

In May 2022 AB "Civinity" owned Group of companies SPV-31 UAB signed loan agreement with Luminor bank for EUR 4 900 thousand loan to finance Inservis Group acquisition. The full loan repayment is scheduled until 10 May 2027. The loan is issued with variable rate calculated as 3-month EURIBOR plus a margin of 3.65%. The loan is secured with the pledge of SPV-31 UAB and its subsidiaries shares, assets (excluding assets of acquired Inservis group companies) and warranties issued by AB "Civinity" and Sail Invest UAB. Warranties from shareholders are valid until all obligations by SPV-31 UAB will be fully completed. Financial covenants are the following: SPV-31 controlled entities consolidated DEBT/EBITDA ratio shall not be above 3.5, Equity to Assets ratio shall not be lower 0,3, DSCR ratio not lower than 1.2 and adjusted current liquidity shall be above 1.1. Financial covenants are reported quarterly. The next measurement date is 31 March 2026 with reporting to the bank in May 2026. There are no facts or circumstances that may indicate that the Group may have difficulties complying with covenants.

On March 4 2025 AB "Civinity" subsidiary SPV-31 has renegotiated new terms and conditions with Luminor banks. Firstly, warranties issued by AB "Civinity" and Sail Invest UAB were cancelled. Secondly, variable rate has decreased to 3-month EURIBOR plus margin of 2.95%. Financial covenants remained the same. Monthly loan repayments decreased from EUR 82 thousand to EUR 43 thousand with bullet payment of EUR 1 081 thousand at the end of loan period.

As of 31 December 2025 all covenant ratios were met.

Bond issues UAB „Mundus“ (INVL Bridge Finance)

In July 2024 AB "Civinity" issued EUR 5 million of 1 year long private bonds to finance acquisition of SIA Mobilly. Bonds were fully paid by Mundus (Bridge Finance organization) part of INVL group. Interest rate is 14% with bullet payment condition. Financial covenants are the following: Consolidated Equity ratio above 15%, Consolidated Net debt to EBITDA less than 3.5, SIA Mobilly LTM (last twelve months) revenue above EUR 2 000 thousand, SIA Mobilly LTM EBITDA above EUR 0 thousand and SIA Civinity Majas Jurmala LTM EBITDA above EUR 600 thousands. Financial covenants are reported quarterly.

On 12 June 2025 AB "Civinity" issued EUR 6 642 thousand of 2 year long private bonds to refinance previous private bonds and additional EUR 1 million to increase working capital. Newly issued bonds have covenants Net Debt to Pro Forma EBITDA Ratio is 4 or lower, Equity Ratio is 15% or greater, SIA Civinity Majas Jurmala EBITDA is above EUR 300 thousand for last 12 months, SIA Mobilly revenue is above million 3.5 EUR for last 12 months and SIA Mobilly EBITDA is above EUR 700 thousand for last 12 months.

On 25 August 2025 the Group has partially repaid of INVL private bonds (EUR 3 000 thousands) using borrowed funds from Signet bank. After repayment covenants apply only to the Group, which are Net Debt to Pro Forma EBITDA Ratio is 4 or lower and Equity Ratio is 15% or greater.

A Pro Forma EBITDA mean EBITDA adjusted as follows: in case the Group has acquired any entity or business within last 12 (twelve) months immediately preceding the last day of the relevant period, it is assumed for the purposes of Pro Forma EBITDA calculation that the respective entity or business has been acquired before the relevant period.

The next measurement date is 31 March 2026 with reporting in May 2026. There are no facts or circumstances that may indicate that the Group may have difficulties complying with covenants.

As of 31 December 2025 all covenant ratios were met.

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Luminor bank loan (Civinity meistra)

On 27 February 2025 AB "Civinity" subsidiary UAB Civinity meistra has signed loan agreement with SME Finance bank for EUR 950 thousand to finance acquisition of investment property, which will be used for rent and administrative purposes. The loan issued for 5 year with monthly payment of interest, EUR 4 thousand of loan repayment schedule each month and bullet payments at the the end fo agreement of EUR 722 thousand. The loan issued with variable rate calculated as 12-month EURIBOR plus a margin of 7.5%. According to loan agreement UAB Civinity meistra is obliged to maintain Equity ration of 30% or greater, DSCR ration of 1.3 or greater and has cash turnover in SME Finance bank account 30% or higher.

On 9 October 2025 AB "Civinity" subsidiary UAB Civinity meistra has refinanced loan from SME bank with new Luminor bank loan. Total borrowed amount is EUR 1 154 thousand with maturity date 25 February 2030. The loan issued with variable rate calculates as 6 month EURIBOR plus a margin of 3,4% with monthy principal payments of EUR 23 thousand plus monthly interest. The subsidiary has following financial covenants if and after dividends are paid: Financial debt to EBITDA is 3 or below, DSCR is 1.3 or above, Liquidity ratio 1.2 or above, equity ratio is 30% or higher.

The next measurment date is 31 March 2026 with reporting to the bank in May 2026. There are no facts or circumstances that may indicate that the Company may have difficulties complying with covenants.

As of 31 December 2025 all covenant ratios were met.

Signet bank loan (Mobilly)

On 7 August 2025 Mobilly SPV has signed agreement with Signet bank for EUR 4 000 thousand to partially refinance INVL bonds (EUR 3 000 thousand) and finance postponed payment for Mobilly shares (EUR 1 000 thousand) with maturity date 1 August 2030. The loan issued with variable rate of 6 months EURIBOR plus margin of 2.75% and has monthly principal payment of EUR 33 thousand plus monthly interest with EUR 2 000 thousand bullet payment at the end of loan agreement. Subsidiaries SIA Mobilly and SIA Civinity Majas Jurmala are pledged to the bank and both companies combined must maintain following covenants: Debt to EBITDA is 4.5 or below, DSCR is 1.15 or above and equity ratio 20% or higher.

As of 31 December 2025 all covenant ratios were met.

The list of all existed covenants in the Group as at 31 December 2025:

	31 December 2025	Public bonds requirements	Private bonds requirements	Bank loans requirements
Civinity Group covenants				
Equity ratio	19.1%	>15%	>15%	
Net Debt to Pro Forma EBITDA	2.52	<4	<4	
SPV31 group covenants				
Equity ratio	43.4%			Luminor
Debt to EBITDA	0.95			>30%
Debt service coverage ratio	2.01			<3.5
Adjusted liquidity ratio	1.31			>1.2
Mobilly and Civinity Majas Jurmala covenants				
Equity ratio	78%			Signet bank
Debt to EBITDA	1.48			>20%
Debt service coverage ratio	10.76			<4.5
Civinity meistra covenants				
Equity ratio	53%			Luminor
Debt to EBITDA	0.97			>30%
Debt service coverage ratio	7.73			<3
Liquidity ratio	1.30			>1.3

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The list of all existed covenants in the Group as at 31 December 2024:

	31 December 2024	Public bonds requirements	Private bonds requirements	Luminor loan requirements
Civinity Group covenants				
Equity ratio	21%	>10%	>15%	
Debt to EBITDA	2.74	<4	-	
Net Debt to EBITDA	2.39	-	<3.5	
New loans provided	461	<500	-	
Liquidity ratio	0.67	-	-	
SPV31 group covenants				
Equity ratio	40.7%			>30%
Debt to EBITDA	1.70			<3.5
Debt service coverage ratio	1.21			>1.2
Adjusted liquidity ratio	1.20			>1.1
Mobilly covenants				
LTM Revenue	4 197		>2 000	
LTM EBITDA	1 242		>0	
Civinity Majas Jurmala covenants				
LTM EBITDA	674		>600	

EBITDA = Operating profit + Depreciation and amortization**Pro Forma EBITDA** - A Pro Forma EBITDA mean EBITDA adjusted as follows: in case the Group has acquired any entity or business within last 12 (twelve) months immediately preceding the last day of the relevant period, it is assumed for the purposes of Pro Forma EBITDA calculation that the respective entity or business has been acquired before the relevant period.

	2025	2024
Operating profit	5 018	4 486
Depreciation and amortisation	3 264	2 531
EBITDA	8 281	7 017
Acquired entities EBITDA before the relevant period (Mobilly Jan-July 2024)	-	423
Pro Forma EBITDA	8 281	7 440

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Equity ratio = equity/total assets

	31 December 2025	31 December 2024
Equity	13 473	12 990
Total assets	70 372	61 422
Equity ratio	19.14%	21.15%

Net Debt:

	31 December 2025	31 December 2024
Cash and cash equivalents	9 850	7 118
Compulsory accumulated funds paid* (Note 23)	(5 561)	(4 665)
Borrowings (including bond, bank and related parties loans)	(22 591)	(17 177)
Lease liabilities	(2 587)	(2 059)
Net debt	(20 890)	(16 783)
Debt (borrowings and lease liabilities) to EBITDA	3.04	2.74
Net Debt to EBITDA	2.52	2.39
Net Debt to Pro Forma EBITDA	2.52	2.26

*Compulsory accumulated funds paid shall mean cash funds at bank that are legally or contractually set aside for specific purposes and are not available for general operational use. These funds include mandatory client contributions collected for future maintenance, repairs, capital improvements, or other designated works, which are maintained in a separate account until utilized as intended. Also, may include security deposits, reserve accounts for major expenditures, escrow or trust accounts held for regulatory or contractual compliance, as well as funds restricted under loan or guarantee covenants, government grants, or legal reserves.

All financial and business covenants are met. The Group's management has no indications that it can't be met in the future.

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Net debt reconciliation according to IAS 7:

	Liabilities from financing activity				Other liabilities	Assets	Net debt
	Bonds	Bank loans	Loans from related parties	Lease liabilities	Compulsory accumulative funds paid	Cash and cash equivalents	
Net debt as at 1 January 2024	(8 037)	(3 462)	(1 146)	(1 968)	(4 499)	6 215	(12 897)
Proceeds from borrowings	(5 000)	-	-	-	-	-	(4 515)
Repayments of borrowings	-	1 020	-	-	-	-	1 020
Payment of principal portion of lease liabilities	-	-	-	1 103	-	-	1 103
New leases	-	-	-	(1 278)	-	-	(1 278)
Capitalized cost	(146)	-	-	-	-	-	(146)
Accrued interest	(1 197)	(270)	(89)	(150)	-	-	(1 706)
Interest paid	880	270	-	150	-	-	1 300
Changes in fair value	-	-	-	(53)	(166)	-	200
Net increase in cash and cash equivalents	-	-	-	-	-	903	903
Net debt as at 31 December 2024	(13 500)	(2 442)	(1 235)	(2 196)	(4 665)	7 119	(16 919)
Proceeds from borrowings	(11 350)	(5 960)	-	-	-	-	(17 310)
Repayments of borrowings	11 000	1 768	-	-	-	-	12 768
Payment of principal portion of lease liabilities	-	-	-	1 096	-	-	1 096
New leases	-	-	-	(1 554)	-	-	(1 554)
Capitalized cost	67	-	-	-	-	-	67
Accrued interest	(1 701)	(266)	(75)	(198)	-	-	(2 240)
Interest paid	836	266	-	198	-	-	1 300
Changes in fair value	-	-	-	-	(896)	-	(896)
Net increase in cash and cash equivalents	-	-	-	-	-	2 731	2 731
Net debt as at 31 December 2025	(14 647)	(6 634)	(1 310)	(2 654)	(5 561)	9 850	(20 957)

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5. Business segments

The Board of Directors of the Group examines the group's performance from a product and service perspective and has identified four reportable segments of its business: facility management separately for residential and commercial buildings; engineering system design and installations; and providing payment services. The segments are distinguished by different type of clients and the services provided as follows:

1. Residential buildings facility management (Residential). Facility management for residential buildings provides wide variety of facility management, administration, maintenance and repair services, participation in renovation projects, carrying out indoor, outdoor area maintenance and cleaning, providing household administrative services.
2. Commercial buildings facility management (Commercial). Facility management for commercial buildings includes facility management, administration, maintenance and repair services, carry out indoor, outdoor area maintenance and cleaning.
3. Engineering systems (Engineering). Engineering system design and installation includes integrated engineering solutions, specializing in residential, commercial, public, and industrial buildings, and offer design and installation of heating, ventilation, cooling, water supply and sewage, fire safety systems, as well as Building Information Modelling (BIM) and building management systems (BMS).
4. Payment solutions. This is a new business segment after acquisition of Mobilly in 2024. Payment solutions allow mobile phone users to make and receive payments with their phones. With the Mobilly mobile phone application, clients can pay for car parks, entry fees in Jurmala, EV charge, taxi services, purchase train and bus tickets, as well as Riga public transport tickets, make donations and pay for other goods and services. By the reporting date these services were provided only in Latvian market.

The Board of Directors uses measures of revenue, gross profit and EBITDA (earnings before interest, tax, depreciation and amortisation) to assess the performance of the operating segments. EBITDA is not IFRS measure and the Group calculates it as Operating profit plus depreciation and amortization (Notes 25 and 26).

As of 31 December 2025, the Group is divided into four reportable segments: Residential, Commercial, Engineering and Payment Solutions:

	<u>Residential</u>	<u>Commercial</u>	<u>Engineering</u>	<u>Payment solutions</u>	<u>Not classified</u>	<u>Total</u>
Total segment revenue	45 845	18 994	30 804	5 934	2 579	104 156
Intercompany segment revenue	(33)	(1 163)	(15)	-	(2 579)	(3 790)
Revenue from contracts with external customers	45 812	17 831	30 789	5 934	-	100 366
Cost of sales	(33 004)	(15 847)	(28 901)	(1 045)	0	(78 797)
GROSS PROFIT	12 808	1 984	1 888	4 889	0	21 569
Selling expenses	(283)	(117)	(180)	(450)	(172)	(1 202)
Administrative expenses	(5 854)	(2 213)	(1 416)	(2 944)	(2 931)	(15 358)
Other gains (losses)	4	-	6	-	(1)	9
OPERATING PROFIT	6 674	(346)	298	1 495	(3 103)	5 018
Depreciation and amortization	1 207	629	180	724	522	3 264
EBITDA	7 882	283	479	2 219	(2 581)	8 282

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Segment assets are measured consistently with the financial statements. Segment assets are allocated based on the operations of the segment and the physical location of the asset.

Non-current assets	17 003	5 496	1 152	7 772	3 160	34 584
Current assets	14 453	3 958	9 970	5 991	1 417	35 789
Total assets	31 456	9 454	11 122	13 763	4 577	70 373

Segment liabilities are measured consistently with the financial statements. Segment liabilities are allocated based on the operations of the segment.

The group's general borrowings are not considered to be segment liabilities, because the group's financing activities are managed by the central treasury function.

Non-current liabilities	1 490	462	485	3 433	17 633	23 504
Current liabilities	17 301	4 012	7 288	2 871	1 924	33 396
Total liabilities	18 791	4 474	7 774	6 304	19 557	56 900

As of December 31, 2024, the Group is divided into four reportable segments: Residential, Commercial, Engineering and Payment solutions.

	<u>Residential</u>	<u>Commercial</u>	<u>Engineering</u>	<u>Payment solutions</u>	<u>Not classified</u>	<u>Total</u>
Total segment revenue	43 414	18 856	27 076	2 518	2 106	93 970
Intercompany segment revenue	(411)	(2 400)	(571)	-	(2 106)	(5 489)
Revenue from contracts with external customers	43 003	16 455	26 505	2 518	(0)	88 481
Cost of sales	(31 559)	(13 510)	(24 945)	(798)	0	(70 812)
GROSS PROFIT	11 499	2 893	1 557	1 720	(0)	17 669
Selling expenses	(223)	(57)	(75)	(210)	(163)	(728)
Administrative expenses	(5 002)	(2 511)	(1 270)	(908)	(2 916)	(12 607)
Other gains (losses)	54	3	10	(27)	112	152
OPERATING PROFIT (LOSS)	6 328	328	222	575	(2 967)	4 486
Depreciation and amortization	1 034	460	231	244	561	2 531
EBITDA	7 362	788	453	819	(2 406)	7 017
Non-current assets	16 629	5 182	1 455	6 935	1 996	32 196
Current assets	12 863	4 003	7 803	2 765	1 791	29 226
Total assets	29 492	9 185	9 258	9 700	3 787	61 422
Non-current liabilities	1 020	529	528	120	2 587	4 784
Current liabilities	15 330	3 870	5 044	1 930	17 474	43 648
Total liabilities	16 350	4 400	5 572	2 050	20 061	48 432

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6. Intangible assets

	Goodwill	Customer base	Brand	Software, licenses	Intangible assets being prepared for use	Total
Cost						
1 January 2024	12 189	9 998	360	2 272	-	24 819
- additions	-	-	-	857	64	921
- additions during business combinations (Note 17)	1 841	2 055	332	2 236	-	6 465
31 December 2024	14 030	12 053	692	5 365	64	32 204
- additions	-	-	-	1 532	-	1 532
- reclassification	-	-	-	64	(64)	-
- acquisition of non-controlling interest*	522	-	-	-	-	522
31 December 2025	14 552	12 053	692	6 961	-	34 258
Accumulated amortisation						
1 January 2024	-	(3 316)	(108)	(1 216)	-	(4 640)
- amortisation charges	-	(815)	(36)	(447)	-	(1 298)
31 December 2024	-	(4 131)	(144)	(1 663)	-	(5 938)
- amortisation charges	-	(929)	(69)	(942)	-	(1 941)
31 December 2025	-	(5 061)	(213)	(2 605)	-	(7 879)
Net book amount						
31 December 2024	14 030	7 921	548	3 702	64	26 266
31 December 2025	14 552	6 992	479	4 356	-	26 379

*The Group has acquired 51% of UAB Valandinis shares in 2023 for EUR 543 thousand. In 2025 the Group recognised non-controlling interest and goodwill for the amount EUR 522 thousand. In 2025 the Group has acquired 49% of UAB Valandinis shares for EUR 720 thousand.

As at 31 December 2025 and 31 December 2024, The Group had no gratuitous intangible assets that were used in its activities.

Intangible assets being prepared for use consist of the upgrade for facility management system as at 31 December 2024.

In 2025 and 2024, the amortisation charges of The Group's intangible assets were included in cost of sales (Note 25) and operating expenses (Note 26) in the statement of comprehensive income, and part of amortisation charges were offset against grants related to assets.

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Goodwill was created during the acquisition of companies, which reflects increasing market share and reduced administration burden as percentage of revenue overall. Goodwill and client base separated by segments and represented at net book value:

	Goodwill		Client base	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Residential segment	8 765	8 765	4 684	5 169
Commercial segment	3 299	2 776	347	574
Engineering segment	647	647	134	180
Payment solutions segment	1 841	1 841	1 826	1 998
	14 552	14 030	6 992	7 921

The management performs impairment tests once per year. In 2025 Management performed an impairment test separately for each cash generating unit. The post tax discount rate used was 7.79% (2024 – 8.61%) except for Mobilly, SIA was 16.62% (2024 – 16.62%), after five years a final value growth rate of 0.5%-2% was used.

	Segment	31 December 2025	Revenue in 2026	Revenue in 2030	Gross profit in 2026	Gross profit in 2030
Civinity Namai Klaipėda UAB	Residential	349	4 962	5 397	19.61%	19.61%
Civinity Namai Palanga UAB	Residential	464	862	970	17.00%	17.00%
Civinity Namai UAB	Residential	666	6 665	7 250	18.48%	18.48%
Civinity Namai Kaunas UAB	Residential	422	6 918	7 525	22.29%	22.29%
Civinity Namai Vakarai UAB	Residential	451	1 119	1 165	18.00%	18.00%
Civinity Mājas Jūrmala SIA	Residential	321	5 003	5 416	29.24%	29.24%
Civinity Namai Vilnius UAB	Residential	69	1 210	1 315	10.65%	10.65%
Civinity Mājas AS	Residential	2 769	8 000	8 660	23.00%	25.00%
Civinity Solutions UAB	Commercial	720	6 769	9 910	21.95%	21.95%
Civinity Engineering UAB*	Engineering	647	17 175	26 654	7.01%	10.13%
Valandinis, UAB	Commercial	522	4 674	5 261	13.24%	13.24%
Servico UAB	Residential	1 197	6 311	7 178	13.00%	15.00%
Inservis group	Residential	2 057	4 816	5 420	28.00%	28.00%
Inservis group	Commercial	2 057	10 056	11 318	17.00%	17.00%
Mobilly, SIA	Payment solutions	1 841	6 742	8 195	95.55%	95.55%
		14 552	91 282	111 634	23.60%	24.08%

* Civinity Engineering UAB revenue in 2026 is forecasted significantly lower than forecasted in 2025 due to significant projects are in completion stage and company is not participating in low margin projects tenders.

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	Segment	31 December 2024	Revenue in 2025	Revenue in 2029	Gross profit in 2025	Gross profit in 2029
Civinity Namai Klaipėda UAB	Residential	349	4 891	5 320	17.99%	17.99%
Civinity Namai Palanga UAB	Residential	464	775	830	25.85%	25.85%
Civinity Namai UAB	Residential	666	6 212	6 757	21.55%	21.55%
Civinity Namai Kaunas UAB	Residential	422	7 272	7 915	19.18%	19.18%
Civinity Namai Vakarai UAB	Residential	451	885	921	38.52%	38.52%
Civinity Mājas Jūrmala SIA	Residential	321	5 517	5 954	35.03%	35.03%
Civinity Namai Vilnius UAB	Residential	69	1 210	1 315	10.65%	10.65%
Civinity Mājas AS	Residential	2 769	8 718	9 437	20.18%	20.18%
Civinity Solutions UAB	Residential	720	5 551	6 747	24.26%	24.26%
Civinity Engineering UAB	Engineering	647	27 397	28 510	8.93%	8.93%
Servico UAB	Residential	1 197	5 626	6 194	17.05%	18.04%
Inservis group	Residential	2 057	5 163	6 848	35.21%	35.21%
Inservis group	Commercial	2 057	10 326	12 057	15.90%	15.90%
Mobilly, SIA	Payment solutions	1 841	5 030	5 445	89.40%	89.40%
		14 029	94 573	104 250	27.12%	27.19%

The sensitivity of the impairment test was calculated taking into account the key assumptions: annual turnover growth reduced by 3%, discount rate increased by 1% and EBITDA decreased by 10%. All these changes do not indicate impairment in 2025 and 2024.

The customer base as an intangible fixed asset consists of the following asset units, represented by their book value:

	Segment	Acquisition date	Acquisition value	Book value	Remaining amortization period in years
Civinity Mājas Jūrmala SIA	Residential	2014-12-19	1 151	544	5
Civinity Mājas AS	Residential	2016-07-28	3 617	1 856	7
UAB Servico	Residential	2022-02-28	1 552	1 180	12
Inservis Group	Residential	2022-05-18	1 423	1 104	12
Inservis Group	Commercial	2022-05-18	944	267	2
UAB Valandinis	Commercial	2023-01-01	196	79	2
SIA Ionica Serviss	Engineering	2023-12-01	229	134	3
SIA Mobilly	Payment solutions	2024-08-01	2 055	1 826	10
			11 167	6 992	

The cost of intangible assets fully amortised but still used in The Group's activities was as follows:

	31 December 2025	31 December 2024
Software	1 522	830
Other intangible assets	453	277
Total	1 975	1 107

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7. Property, plant and equipment

	Land	Buildings and structures	Plant and machinery	Motor vehicles	Other fixtures, fittings, tools and equipment	Total
Cost						
1 January 2024	8	158	381	658	1 526	2 731
- additions	-	-	103	220	163	486
- reclassifications	-	-	(242)	-	242	-
- additions during business combinations	-	-	-	-	186	186
31 December 2024	8	158	243	878	2 118	3 404
- additions	-	-	46	25	184	254
- disposals and write-offs	-	-	(35)	(112)	-	(147)
31 December 2025	8	158	253	790	2 302	3 511
	Land	Buildings and structures	Plant and machinery	Motor vehicles	Other fixtures, fittings, tools and equipment	Total
Accumulated depreciation						
1 January 2024	-	(31)	(346)	(241)	(832)	(1 450)
- depreciation charges	-	(7)	(87)	(169)	(185)	(449)
- reclassifications	-	-	228	-	(228)	-
31 December 2024	-	(38)	(205)	(410)	(1 245)	(1 899)
- depreciation charges	-	(7)	(47)	(96)	(197)	(346)
- disposals and write-offs	-	-	31	112	-	143
31 December 2025	-	(45)	(221)	(394)	(1 442)	(2 102)
	Land	Buildings and structures	Plant and machinery	Motor vehicles	Other fixtures, fittings, tools and equipment	Total
Net book amount						
31 December 2024	8	120	37	467	873	1 505
31 December 2025	8	113	32	396	860	1 408

In 2025 and 2024, the depreciation charges of The Group's property, plant and equipment were included in cost of sales (Note 25) and operating expenses (Note 26) in the statement of comprehensive income, and part of depreciation charges were offset against grants related to assets.

The impairment result of property, plant and equipment were recognised under operating expenses in the statement of comprehensive income.

The cost of property, plant and equipment fully depreciated but still used in The Group's activities was as follows:

	31 December 2025	31 December 2024
Buildings and structures	1	1
Plant and machinery	37	72
Motor vehicles	503	584
Other fixtures, fittings, tools and equipment	502	457
Total	1 043	1 114

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8. Right-of-use assets

	<u>Premises</u>	<u>Vehicles</u>	<u>Total</u>
Cost			
1 January 2024	2 059	1 104	3 163
- additions	774	504	1 278
- expired leases	(441)	(289)	(730)
31 December 2024	2 392	1 319	3 711
- additions	794	761	1 554
- expired leases	(487)	(392)	(879)
31 December 2025	2 699	1 688	4 386
Accumulated depreciation			
1 January 2024	(1 020)	(331)	(1 351)
- depreciation charges	(469)	(315)	(784)
- expired leases	412	154	566
31 December 2024	(1 077)	(492)	(1 569)
- depreciation charges	(568)	(409)	(977)
- expired leases	432	392	824
31 December 2025	(1 213)	(509)	(1 722)
Net book amount			
31 December 2024	1 315	827	2 142
31 December 2025	1 486	1 179	2 665

The Group's right-of-use assets include long-term rental of premises, long-term rental of transport vehicles and other equipment, car leasing. The Group does not sublease any of its assets. The Group has no lease contracts with variable payments. The Group's estimates at the reporting date excluded the lease extension options, since at the time of assessment of lease contracts The Group had no reasonable grounds to believe that the extension option will be exercised.

New leases concluded during 2025 are subject to discount rate of 7 % (2024: 8.5 %). Lease liabilities comprised as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Non-current lease liabilities	1 732	1 259
Current lease liabilities	855	800
	2 587	2 059

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Premise and vehicle lease contracts have lease term of 5 years.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Within one year	855	800
Between 1 and 5 years	1 732	1 259
Total lease liabilities	<u>2 587</u>	<u>2 059</u>

The principal cash outflow for leases in 2025 was EUR 1 096 thousand (2024: EUR 1 103 thousand) and interest paid EUR 198 thousand (2024: EUR 150 thousand). Interest expenses on leased assets of EUR 198 thousand were reported under finance costs in the statement of comprehensive income in 2025 (2024: EUR 150 thousand). Short-term lease expenses in 2025 were EUR 307 thousand, in 2024 were EUR 164 thousand.

9. Non-current amounts receivable

	<u>31 December 2025</u>	<u>31 December 2024</u>
Loans granted to related parties	1 832	1 064
Loans granted	40	93
Total	<u>1 872</u>	<u>1 157</u>

As at 31 December 2025 largest part of the total loans granted (with accrued interest) are to two related parties: EUR 685 thousand (as at 31 December 2024 EUR 627 thousand) - parent company Nord fin assets SIA and EUR 1 148 thousand (as at 31 December 2024 EUR 341 thousand) - ultimate shareholder's company Pentraframe Capital UAB. The loan granted to parent company will be settled with dividends any time with dividends in the future. There is no expected credit loss for loans granted recognised due to expected credit loss rate is 0,5% and the expected credit loss amount is insignificant.

All loans have the same conditions. Maturity date 31 December 2027, Interest rate 5% +3 months EURIBOR.

10. Investment Property

	<u>Investment Property</u>
Cost	
31 December 2024	-
- acquisitions	1 252
- capitalized costs	443
31 December 2025	<u>1 694</u>

Investment property

In 2025 the Group has acquired premium residential villa held for rent and capital appreciation in Neringa region, Lithuania. Acquisition cost of EUR 1 252 thousand was financed by bank loan. In 2025 the Group has capitalized EUR 443 thousand of installation works. Installation works expected to be completed in 2026. The acquired property was partially finished and will finalize interior installation which is represented by capitalized costs. The management has estimated that fair value of the property is close to the cost as at 31 December 2025, since the property was acquired in 2025 and capitalized cost increased the value. The management is expecting that construction works will be completed at the end of 2026 and lease revenue will start generating in 2027. No contractual obligation exists.

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11. Other investments

	31 December 2025	31 December 2024
Investments in the professional bodies	75	75
Investment into investment fund	100	100
Advance payments for acquisition of non-controlling interest	-	333
Total	175	508

Advance payments for acquisition of non-controlling interest

As at 31 December 2024 amount of EUR 333 thousands were paid for non-controlling interest of subsidiary UAB Valandinis. Total amount of UAB Valandis non-controlling interest is EUR 720 thousand and this amount according to the agreement between shareholders was paid at the end of 2025. On 31 December 2025 the control of 49% is transferred to the Group and there is no advance payment for acquisition of non-controlling interest. The Group's management has performed impairment test for the investments into subsidiaries and estimated recoverable amount exceeds the carrying value of the investment.

Investment into investment fund

The Group has investment into closed-end investment fund for informed investors. There is no impairment indication for a financial asset. The investment in the professional bodies are insignificant.

12. Inventories

	Raw materials and consumables	Finished products	Total
Cost			
31 December 2024	724	21	745
Write-down allowance (-)	-	-	-
Net realisable value at 31 December 2024	724	21	745
Cost			
31 December 2025	1 033	37	1 069
Write-down allowance (-)	-	-	-
Net realisable value at 31 December 2025	1 033	37	1 069

As at 31 December 2025, inventories held by The Group are expected to be realised over the next 12 months. Since the most of inventories will be used before the issue of financial statements as well as amount is many times less than Cost of materials per year there is no need for allowance.

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13. Trade receivables

	31 December 2025	31 December 2024
Residential segment trade receivables at nominal value	11 031	9 864
Residential segment trade receivables at nominal value, where group acts as an agent	1 466	1 461
Commercial segment trade receivables at nominal value	4 003	4 473
Trade receivables with collective assessment	16 500	15 798
Engineering segment trade receivables at nominal value	6 252	4 134
Payment solutions segment trade receivables at nominal value	1 230	1 176
Trade receivables with individual assessment	7 483	5 310
Impairment of doubtful trade receivables recognised under IFRS 9 (-)	(2 881)	(3 025)
Trade receivables after impairment	21 102	18 082

As at 31 December 2025 residential trade receivables has increased due higher sales in last quarter of 2025 comparing to last year. Also the Group has written of EUR 113 thousands of residential bad debts. Commercial trade receivables and loss allowance provision have decreased due better collection of debts which was impacted by additional resources allocated for debt collection. Engineering trade receivables increased, because invoices were issued in advance based on several contracts.

The table below presents information on the amount of lifetime ECL for trade receivables, which was estimated using a simplified approach under IFRS 9:

	Collective assessment	Individual assessment	Total
1 January 2024	(2 449)	(79)	(2 528)
Expected credit losses reversed (formed)	(497)	-	(497)
31 December 2024	(2 946)	(79)	(3 025)
Expected credit losses reversed (formed)	103	(73)	30
Writeoffs	113	-	113
31 December 2025	(2 729)	(152)	(2 881)

In 2025 and 2024 the change in the impairment gain and loss for doubtful receivables is recorded in the operating expenses item in the statement of comprehensive income.

Customer debts are interest-free and have a payment term of 15-60 days.

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The Group uses a provision matrix to estimate the amount of expected credit losses (ECL) for trade receivables. The ECL rates are grouped by customer type based on historical past due information. The provision matrix is based on The Group's historical information on default events, and it is adjusted by The Group to incorporate forward-looking information.

When measuring impairment of trade receivables, trade receivables from individual customers were grouped based on days past due. The following ECL rates were used to estimate the amount of ECL:

	Days past due						Total
	Not due	up to 30	31-90	91-360	1-3 years	>3 years	
31 December 2025							
Residential sector gross carrying amount	8 219	273	304	760	1 389	1 552	12 497
Expected loss rate %	1.30%	5.26%	8.74%	11.68%	29.72%	100.00%	17.62%
Loss allowance provision	(107)	(14)	(27)	(89)	(413)	(1 552)	(2 201)
Commercial sector gross carrying amount	2 616	182	169	190	452	393	4 003
Expected loss rate %	0.50%	2.00%	5.00%	10.00%	20.00%	100.00%	13.18%
Loss allowance provision	(13)	(4)	(8)	(19)	(90)	(393)	(528)
31 December 2024							
Residential sector gross carrying amount	7 727	154	198	569	1 097	1 579	11 325
Expected loss rate %	1.45%	5.81%	11.17%	21.55%	39.31%	100.00%	20.10%
Loss allowance provision	(112)	(9)	(22)	(123)	(431)	(1 579)	(2 276)
Commercial sector gross carrying amount	2 647	279	251	510	353	433	4 473
Expected loss rate %	0.50%	2.00%	7.21%	18.30%	30.14%	100.00%	14.96%
Loss allowance provision	(13)	(6)	(18)	(93)	(106)	(433)	(669)

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14. Contract assets

	31 December 2025	31 December 2024
Assets under fixed price contracts for engineering projects	1 992	1 905
Total	1 992	1 905

As at 31 December 2025 and 31 December 2024 expected credit loss on contract assets was calculated based on individual approach since only engineering sector has contract assets. Based on management assessment less than 0.1% of Engineering sector receivables are not collected, thus expected credit loss is not significant.

15. Other current assets

	31 December 2025	31 December 2024
Advance payments to subcontractors and suppliers	989	777
Advance tax payments	131	77
Prepaid expenses	656	535
Expected credit losses on advance payments to subcontractors and suppliers	-	(13)
Total	1 776	1 376

As at 31 December 2025 and 31 December 2024 expected credit loss on prepayment was calculated based on individual approach.

16. Cash and cash equivalents

	31 December 2025	31 December 2024
Cash at bank	9 772	6 871
Cash in transit	78	247
Total	9 850	7 118

Due to immaterial impact, no ECL were recognised for the balances of cash and cash equivalents as at 31 December 2025 and 31 December 2024. Cash in transit is cash collected till 31 December 2025 by the payment gateways from customer and received to bank accounts till 2 January 2026.

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17. Business combinations**2024 Business combination - Mobilly**

SIA Mobilly SPV (hereinafter referred to as SPV) is a NewCo established on 27 December 2023. Upon its establishment the Group acquired 9,99% of shares, total capital of SPV was EUR 2.8 thousand. In July 2024, the Group acquired one additional newly issued share of SPV, by contributing EUR 6 million into the capital of SPV. Ownership proportion had not changed as a result and Civinity group owned 9,99% of share capital. The sole purpose of these funds was to finance the acquisition of SIA Mobilly (hereinafter referred to as Mobilly), which is existing operating business.

In August 2024 SPV acquired Mobilly for a consideration of EUR 7 million including contingent part.

On August 9, 2024, the Group signed a deep in the money call option agreement with other SPV shareholders, according to which the Group has the right to acquire the remaining 90% of SPV shares for 2.5 thousand EUR at any time. Management assessed this call option under IFRS 10 and concluded that the risks and rewards of ownership of remaining 90,1% of SPV's shares have transferred to the parent. Hence, non-controlling interest was not recognised. In addition, the Group signed shareholders' agreement giving it the power, ability to use its power and the majority of the economic exposure (variable returns) from this investment. Based on the facts discussed in detail in Note 3.3, the management has concluded that the Group has control over SPV and its subsidiary Mobilly and is required to fully consolidate both entities under IFRS10.

According to IFRS3, the consideration for Mobilly is EUR 7 342 thousand:

- EUR 6 million paid in cash
- EUR 940 thousand, the discounted amount of the EUR 1 million deferred payment, obligation to pay until 18 July 2025
- EUR 399 thousand, Mobilly's cash balance after deducting liabilities to customers and suppliers payable, obligation to pay until 18 July 2025
- EUR 2.5 thousand payment for the remaining Mobilly shares under the option agreement must be paid when option agreement executed

The deferred consideration was paid in 2025 (Note 21).

SIA Mobilly is a leading payment solutions company in Latvia. Mobilly provides car parking, various public transport tickets, electric vehicle charging stations, local toll payment solutions and cash collection services. Mobilly has high potential for acquiring larger market share and entering new markets such as Lithuania.

Acquisition related costs are EUR 439 thousand. These expenses are accounted in Administrative expenses.

The fair value of the assets acquired and liabilities assumed during the acquisition, the acquired goodwill, customer base, brand and amortization periods were assessed by an independent expert:

	31 July 2024
Cash	1 275
Trade receivables	1 371
Plant and equipment	186
Intangible assets Patents, concessions and software	2 236
Intangible assets Brand	332
Intangible assets Customer base	2 055
Trade and other payables	(1 712)
Liabilities under contracts with customers	(77)
Accrued expenses	(166)
Net identifiable assets acquired	5 501
Add: goodwill	1 841
Net assets acquired	7 342

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Outflow of cash to acquire subsidiary, net of cash acquired

	31 December 2024
Purchase consideration	7 342
Deferred payments	(1 342)
Payments for the acquisition of subsidiary	6 000
Less: Balances acquired	(1 275)
Acquired cash	(1 275)
Settlement with loans granted to associated companies	-
Acquisition of subsidiaries, net of cash acquired	(4 725)

Acquired trade receivables are at fair value. The gross contractual amount for trade receivables amounts to EUR 1 371 thousand. The amount of expected credit losses is immaterial.

All undistributed corporate profits are tax exempt in Latvia. The taxation of corporate profits is postponed until the profits are distributed as dividends. The distribution of the profits are under the control of the Group. No profits are planned to be distributed in the nearest future, therefore, deferred tax liability is not recognised at the date of acquisition. As at the date of acquisition, the undistributed retained earnings amounts to EUR 887 thousand.

Goodwill is attributable to the acquired company's high profitability, competencies and large market share. It will not be deductible for tax purposes.

Revenue and profit contribution

The acquired business contributed revenues of EUR 2 518 thousand and net profit of EUR 630 thousand to the group for the period from 1 August 2024 EUR to 31 December 2024. If the acquisition had occurred on 1 January 2024, consolidated pro-forma revenue and profit for the year ended 31 December 2024 would have been EUR 4 197 thousand and EUR 850 thousand respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional amortisation that would have been charged assuming the fair value adjustments to intangible assets had applied from 1 January 2024, together with the consequential tax effects.

18. Capital and reserves

a) Share capital

The sole shareholder was SIA NORD FIN ASSETS, registration number 44103136863, address Dubultu prospekts 3, Jūrmala, Latvia as at 31 December 2025 and 2024.

	31 December 2025	31 December 2024
Number of shares	100	100
Nominal value of one share	1	1
Total share capital	100	100

The share capital of the company is fully paid. The Company has no issued, but not yet paid shares.

b) Legal reserves

Legal reserve consist of legal reserves of subsidiaries for amount of EUR 310 thousands as at 31 December 2025 (31 December 2024 – EUR 310 thousands). The legal reserve is compulsory under the Lithuanian laws. Annual transfers of at least 5% of net profit, calculated in accordance with the Lithuanian regulatory legislation on accounting, are compulsory until the reserve reaches 10% of the authorised share capital. The legal reserve can be used to cover the accumulated losses only.

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19. Non-controlling interest**Retained earnings attributable to non-controlling interests:**

	Non-controlling interest	31 December 2025	31 December 2024
SPV31 group	49%	1 987	1 564
SPV32 group	49%	1 881	2 759
Valandinis, UAB*	0%	-	130
Ionica Serviss, SIA	20%	21	16
Civinity namai Vakarai	15%	93	94
		3 983	4 562

In 2025 the Group acquired remaining 49% of Valandinis, UAB shares (Note 6).

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The

Consolidates statement of financial position:

	SPV31 group		SPV32 group	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Current assets	9 849	10 148	8 390	8 091
Current liabilities	(10 596)	(11 765)	(5 088)	(3 924)
Current net assets	(747)	(1 617)	3 302	4 168
Non-current assets	9 434	9 637	1 117	1 780
Non-current liabilities	(4 645)	(4 839)	(586)	(326)
Non-current net assets	4 789	4 798	531	1 454
Net assets	4 042	3 181	3 833	5 621
Non-controlling interest, %	49%	49%	49%	49%
Non controlling interest	1 987	1 564	1 881	2 759

Consolidated statement on comprehensive income:

	SPV31 group		SPV32 group	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Revenue	31 537	27 890	25 578	23 120
Net profit	864	203	106	594
Profit attributable to non-controlling interests	423	99	52	291
Dividends distributed to non-controlling interests	-	-	(929)	(759)

In 2025, dividends EUR 544 thousand were paid in cash (2024: EUR 759 thousand). The remaining amount will be paid in 12 months.

Summarised cash flows:

	SPV31 group		SPV32 group	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Cash flows from operating activities	2 302	2 019	(103)	1 652
Cash flows from investing activities	(241)	(255)	(20)	(138)
Cash flows from financing activities	(1 109)	(1 608)	(826)	(1 266)
Net increase/(decreas) in cash and cash equivalents	953	156	(948)	249

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20. Borrowings

	31 December 2025	31 December 2024
Bond issues	14 647	13 500
Loans from banks	6 634	2 442
Loans from related parties	1 310	1 235
Total	22 591	17 177
Non-current borrowings	20 983	2 624
Current borrowings	1 608	14 553

More details about the Group's borrowings as at 31 December 2025 and 2024 are presented below:

Financial debt	31 December 2025	Loan origination date	Repayment date	Interest rate
Bond issues on the Nasdaq Regulated market	10 754	2025-07-17	2029-07-17	10%
Bond issues UAB „Mundus“ (INVL Bridge Finance)	3 893	2025-06-12	2027-06-12	12%
Luminor bank loan (SPV31)	1 773	2022-05-10	2027-05-10	2.95+EURIBOR
Luminor bank loan (Civinity meistrai)	1 028	2025-10-09	2030-02-25	3.4+EURIBOR
Signet bank loan (Mobilly SPV)	3 833	2025-08-07	2030-08-07	2.75%+EURIBOR
Related party „UAB“ Sail Invest loan	1 310	2022-05-18	2027-05-18	5%+EURIBOR

Financial debt	31 December 2024	Loan origination date	Repayment date	Interest rate
Bond issues on the Nasdaq First North market	8 137	2023-10-16	2025-10-16	11%
Bond issues UAB „Mundus“ (INVL Bridge Finance)	5 363	2024-07-19	2025-07-19	14%
Luminor bank loan	2 368	2022-05-10	2027-05-10	3.65%+EURIBOR
AS „Citadele banka“ bank loan	74	2023-04-01	2025-04-01	3.8%+EURIBOR
Related party UAB „Sail Invest“ loan	1 235	2022-05-18	2027-05-18	5%+EURIBOR

In 2025, interest charged totalled EUR 2 041 thousand, and it was included in finance costs in the statement of comprehensive income (2024: EUR 1 556 thousand).

Movement on borrowings account during the year:

	Bonds	Bank loans	Loans from related parties	Total
Net balance of borrowings 1 January 2024	8 037	3 462	1 146	12 645
Proceeds from borrowings	5 000	-	-	5 000
Repayments of borrowings	-	(1 020)	-	(1 020)
Reclassifications and capitalized costs	146	-	-	146
Accrued interest	1 197	270	89	1 556
Interest paid	(880)	(270)	-	(1 150)
Net balance of borrowings at 31 December 2024	13 500	2 442	1 235	17 177
Proceeds from borrowings	11 350	5 960	-	17 310
Repayments of borrowings	(11 000)	(1 768)	-	(12 768)
Capitalized costs	(67)	-	-	(67)
Accrued interest	1 701	266	75	2 041
Interest paid	(836)	(266)	-	(1 102)
Net balance of borrowings at 31 December 2025	14 647	6 634	1 310	22 591

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21. Other non-current and current liabilities

Non-current:

	31 December 2025	31 December 2024
Accounts payables	120	121
	120	121

Current:

	31 December 2025	31 December 2024
Accrued expenses	377	415
Tax, other than corporate income tax, payables	607	423
Dividends payable	385	-
Payables for Mobilly shares*	-	1 399
Total	1 369	2 237

As at 31 December 2024, payables for Mobilly shares consist of the discounted postponed amount of EUR 1 342 thousand (Note 17) and unwinding of the discount. In 2025 this amount was paid by the Company's subsidiary SPV Mobilly.

The Company is not involved in litigations proceedings and, accordingly, there were no provisions established for potential unfavorable outcomes.

22. Employment-related liabilities

	31 December 2025	31 December 2024
Wages and salaries payable	1 498	1 462
Accrued vacation reserve	2 171	1 752
Annual bonuses	157	405
Social security contributions payable*	1 069	642
Personal income tax payable	547	370
Other employment related amounts payable	8	14
Total	5 449	4 645

Lithuania's social security contribution consist of employee part, which is 19.5%, and employer part, which is 1.77%.

*The Group has received tax loans in Latvia with 5% interest. As at 31 December 2025 tax loans amounted for EU 567 thousand (31 December 2024 - EUR 186 thousand). All tax loan are current liabilities and will be paid in 2026.

23. Contract liabilities

	31 December 2025	31 December 2024
Compulsory accumulated funds paid	5 561	4 665
Targeted accumulated funds paid	1 757	1 966
Unpaid accumulated funds	1 452	1 092
Total amount of accumulated funds	8 770	7 723
Contractual obligations to commercial customers	141	246
Liabilities under fixed price contracts from engineering projects	1 146	310
Liabilities under fixed price contracts from Mobilly	154	181
Total	10 210	8 459

Accumulated funds:

In accordance with IFRS requirements, the Group classifies all prepayments received from households as current liabilities, as the Group does not have an unconditional right to defer settlement of these liabilities for at least 12 months after the reporting period. Based on the historical experience and practice, the Group observes that compulsory accumulated funds from households for future construction, repair and current maintenance works can reduce year-over-year during 12-month period by only up to 26% (which in the view of Management represents best estimate of current liabilities based on historical use). The remaining 74% of the Group's liability for accumulated funds paid by residents are expected to be carried forward and settled by delivering services after more than one year. In 2025 construction and repair works performed from accumulated funds amounted to EUR 3 093 thousand, in 2024 - EUR 2 785 thousand.

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Liabilities under fixed price contracts from engineering projects:

Aggregate amount of the transaction price allocated to long-term fixed price contracts which performance obligations are partially unsatisfied as at the 31 December 2025 was EUR 16 640 thousand, at the end of 2024 year was EUR 15 267 thousand.

24. Revenue from contracts with customers

	2025	2024
Property management and maintenance services	63 927	55 576
Construction and renovation	30 505	30 387
Payment solutions	5 934	2 518
Total	100 366	88 481

	Payment solutions	Property management and maintenance services	Construction and renovation	Total
Revenue by segments 2025				
Residential	-	45 812	-	45 812
Commercial	-	17 831	-	17 831
Engineering	-	-	30 789	30 789
Payment solutions	5 934	-	-	5 934
	5 934	63 644	30 789	100 366

	Payment solutions	Property management and maintenance services	Construction and renovation	Total
Revenue by segments 2024				
Residential	-	43 003	-	43 003
Commercial	-	16 455	-	16 455
Engineering	-	-	26 505	26 505
Payment solutions	2 518	-	-	2 518
	2 518	59 458	26 505	88 481

Breakdown of revenue by geographical region:

	2025	2024
Lithuania	77 448	64 629
Latvia	21 781	22 603
UK	1 137	1 249
	100 366	88 481

25. Cost of sales

	2025	2024
Employee wages and salaries and related expenses	26 709	22 644
Expenses for defined contribution plans	1 899	1 796
Raw materials, supplies and consumables	16 520	16 512
Cost of subcontractors	29 784	26 648
Depreciation	341	260
Client base amortization	929	815
Other costs	2 614	2 137
Total	78 797	70 812

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26. Distribution and administrative expenses

	2025	2024
Marketing and sales costs	1 203	728
Total	1 203	728

	2025	2024
Office maintenance expenses	304	427
Employee wages and salaries and related expenses	6 983	5 830
Expenses for defined contribution plans	745	281
Depreciation and amortization expenses of fixed assets	1 993	1 455
Provision expenses (reversal)	(144)	497
Vehicle maintenance and repair expenses	375	403
Maintenance and support of computer hardware	1 454	731
Legal and consultation services	1 774	1 468
Expenses related to acquisition activities	463	439
Other general and administrative expenses	1 410	1 076
Total	15 357	12 607

Fees to independent auditors of the Group amounted to EUR 284 thousand (2024: EUR 243 thousand) and comprise of EUR 250 thousand audit fees (2024: 189 EUR thousand) and other non-audit related services EUR 34 thousand (2024 EUR 54 thousand).

27. Income tax

Income tax expenses (benefit) comprised as follows:

	31 December 2025	31 December 2024
Income tax for the reporting period	(643)	(585)
Adjustment of last year's corporate tax	-	2
Deferred income tax	(66)	47
	(709)	(536)

The total income tax charge can be reconciled to the accounting profit before tax as follows:

	31 December 2025	31 December 2024
Profit before income tax	2 829	2 807
Tax using Lithuania tax rate of 16% (2024 - 15%)	(453)	(421)
Non-taxable income	24	2
Expenses not deductible for tax purposes	(382)	(75)
Latvian corporate tax rate difference (1)	177	206
Unrecognized deferred tax from tax losses	(76)	(248)
Income tax expenses	(709)	(536)
Effective income tax rate	25%	17%

(1) In Latvia Corporate Income tax is 0% comparing to Lithuania's it is 16%. In 2025 Profit before income tax in Latvia was EUR 966 thousand (2024 EUR 1 373 thousand) from which the Group does not pay Corporate income tax of EUR 177 thousand (2024: EUR 206 thousand).

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Deferred tax assets movement:

	Trade receivables loss allowance	Accruals	Lease liabilities	Total
1 January 2024	241	389	10	640
Recognised to profit or loss	24	(49)	4	(21)
31 December 2024	265	339	14	618
Recognised to profit or loss	(117)	(167)	55	(229)
31 December 2025	148	172	69	390

Deferred tax liabilities movement:

	Customer base	Other temporary differences	Right of use assets	Total
1 January 2024	522	25	8	555
Recognised to profit or loss	(65)	(7)	4	(68)
31 December 2024	457	18	12	486
Recognised to profit or loss	(154)	(18)	9	(163)
31 December 2025	303	(0)	21	323

As at 31 December 2025, the Company estimated the components of deferred income tax assets at income tax rate of 17% (31 December 2024 was 16%).

The Group has not recognised DTA from losses. As at 31 December 2025 amount of losses EUR 2 312 thousands (EUR 370 thousand of deferred tax assets), as at 31 December 2024 EUR 1 838 thousands (EUR 275 thousand of deferred tax assets). Tax losses can be carried forward for unlimited period in the future.

The OECD Pillar Two model rules apply to enterprises that have consolidated revenues of EUR 750 million. The Group's or it's ultimate parents consolidated revenue is below the threshold. Therefore, the Group is not within the scope of the OECD Pillar Two model rules.

28. Related-party transactions

The parties are defined as related when one party has a possibility to exercise control or have significant influence over another party in making the financial and business decisions. The Group's related parties are: parent company - SIA Nord fin assets, ultimate shareholder's companies Pentaframe Capital, UAB and Devi LT, UAB, non-controlling shareholder of SPV31 and SPV32 - Sail Invest, UAB and Sail Invest, UAB ultimate shareholder. Key management is also a related party, the transactions are disclosed below.

The Group's transactions and outstanding balances with related parties during the years 31 December 2025 and 2024 were as follows:

	Year	Purchases	Sales
Nord Fin assets, SIA	2025	300	64
	2024	300	72
Pentaframe Capital, UAB	2025	-	71
	2024	12	11
Sail Invest, UAB	2025	184	-
	2024	241	-
Devi, UAB	2025	42	-
	2024	-	-
Total transactions with related parties	2025	526	135
	2024	553	83

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	<u>Year</u>	<u>Amounts receivable*</u>	<u>Amounts payable*</u>
Nord Fin assets, SIA	2025	685	-
	2024	627	-
Pentaframe Capital, UAB	2025	1 148	-
	2024	341	-
Sail Invest, UAB	2025	-	1 360
	2024	-	1 235
Devi, UAB	2025	-	42
	2024	-	-
Total transactions with related parties	2025	1 832	1 402
	2024	968	1 235

*Includes loan receivable and payable.

No guarantees or security deposits were issued or received in respect of the amounts payable to/receivable from the related parties. Amounts receivable from/ payable to related parties are expected to be settled in cash or as a set-off against the respective amounts payable to/receivable from the respective related parties.

Key management personnel compensation:

	<u>2025</u>		<u>2024</u>	
	<u>Administration personnel *</u>	<u>Board of Directors</u>	<u>Administration personnel</u>	<u>Board of Directors</u>
Wages and related expenses	210	-	316	-
Expenses for defined contribution plans	4	-	6	-
Professional services	-	152	-	111
Car rental	13	-	5	-
Total	227	152	326	111

Average number of management personnel during the period	2	5	3	5
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*Administration personnel include CEO, CFO and COO. In 2025 CEO and CFO functions are performed by the same person.

29. Events after the reporting period

On 2 January 2026 Tadas Matjošaitis (Executive director of the Group) appointed as member of the board.

On 31 March 2026 the Group's subsidiary SPV31 has signed shares purchasing agreement to acquire 100% shares of Vilnius-based residential property management company UAB Admeo. Agreement amount is EUR 3 900 thousand plus cash balance without accumulated funds.