

JSC DEVELOPMENT FINANCE INSTITUTION ALTUM

Unaudited interim condensed financial report
for the nine months ended 30 September 2025

TABLE OF CONTENTS

Altum	2
Management Report	3
Supervisory Council and Management Board	13
Statement of Management's Responsibility	14
Financial statements:	
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Financial Statements	19
Other Notes to the Interim Condensed Report	81

AS Attīstības finanšu institūcija Altum
Doma laukums 4, Rīga, LV-1050, Latvia
Registration No: 50103744891
Phone: + 371 67774010
E-mail: altum@altum.lv
www.altum.lv

Altum

MISSION	We help Latvia grow!
VISION	To be a partner and financial expert in economic development
VALUES	Excellence / Team / Responsibility

AS Attīstības finanšu institūcija Altum (the joint stock company Development Finance Institution Altum) is a Latvian state-owned company that implements the aid and development programmes by means of financial instruments and grants pursuing the state's policy in the national economy and provides for execution of other government assignments stipulated and delegated by laws and regulations. Elimination of the market failures with the help of various support instruments that enhance the development of national economy is the fundamental purpose of Altum's activities.

Strategy 2025-2027

In accordance with the strategy of JSC Development Finance Institution Altum for the period 2025–2027, the following strategic development directions and most significant long-term objectives have been set:

- The main financial objective when implementing the state aid programmes is to ensure positive return on Altum's capital;
- The main non-financial objective is to facilitate access to finance for economic development, focusing on the following key areas:
 - implementation of the new programmes for EU programming period 2021-2027. The programmes focus on solutions for climate change mitigation and sustainable finance for business, including developing a range of financial instruments in the areas of innovation, R&D, productivity and digitalisation, and energy efficiency in both the residential and corporate segments;
 - promoting affordable housing in the regions;
 - increasing the role of venture capital instruments in business financing through actively introducing the 5th generation venture capital funds in the scope of early- to growth-stage funds;
- launching the Baltic Capital Markets Acceleration Fund (IPO Fund) to support capital market development;
- further development of the Latvian Land Fund;
- Increasing Altum's role in direct lending through active lending and servicing; given the inadequate funding offer from the private sector, this would include the initiation of mortgage lending in the regions of Latvia;
- Replacement of IT systems and implementation of Customer Relationship Management (CRM) platform technologies to modernise customer service and ensure effective loan application appraisal and underwriting processes.



Management Report

Activity during the reporting period

In the 9 months of 2025, the Development Finance Institution Altum (hereinafter – the Company) has ensured stable financial results and earned a profit of EUR 25.8 million.

Key financial and performance indicators

Based on data from audited financial statements for the respective years

	2025 9M	2024 9M	2024
Key financial data			
Net interest income (EUR '000)	14 937	16 672	23 026
Operating profit (EUR '000)	25 841	26 647	28 663
Profit for the period (EUR '000)	25 841	26 647	28 663
Cost to income ratio (CIR)	21.6%	20.97%	23.3%
Employees	257	258	254
Total assets (EUR '000)	1 722 138	1 391 224	1 455 350
Financial debt (EUR '000)	950 175	707 837	755 011
Tangible common equity (TCE) / Tangible managed assets (TMA) ¹	19.4%	23.1%	21.6%
Equity and reserves (EUR '000)	439 368	424 107	416 055
Return on average equity (ROE)	4.5%	8.7%	7.1%
Total risk coverage: (EUR '000)	349 366	302 980	309 853
Risk coverage reserve	317 495	246 549	269 321
Risk coverage reserve used for provisions	(53 061)	(41 311)	(46 585)
Portfolio loss reserve (specific reserve capital)	84 922	96 462	85 736
Portfolio loss reserve used to compensate provisions in the distribution of annual profit	10	1 280	1 381
Liquidity ratio for 180 days ²	351%	248%	342%
Net Cash flows from operating activities (EUR '000)	149 226	19 199	135 234
Net Cash flows from financing activities (EUR '000)	2 805	2 805	4 579
Net Cash flows from investing activities (EUR '000)	114 585	(170 986)	(249 994)
Support instruments gross value (EUR '000), of which	1 432 714	1 165 444	1 234 002 ⁴
Grants	4 600	3 150	3 159
Financial instruments gross value (EUR '000) ⁵			
Loans (excluding sales and leaseback transactions)	580 795	450 420	474 193 ³
Guarantees	603 656	501 345	523 538
Venture capital funds	89 789	94 054	97 999
Latvian Land Fund, of which:	153 874	116 475	135 113
- sales and leaseback transactions	44 526	39 531	42 137
- investment properties	109 348	76 944	92 976
Total	1 428 114	1 162 294	1 230 843 ⁴
Number of transactions	42 046	37 740	38 730
Volumes issued (EUR '000) (by financial instrument) ⁵			
Loans (excluding sales and leaseback transactions)	202 612	154 995	221 741
Guarantees	153 222	102 058	142 902
Venture capital funds	11 894	11 890	15 745
Latvian Land Fund, of which:	24 684	25 272	40 506
- sales and leaseback transactions	8 152	15 546	19 692
- investment properties	16 532	9 726	20 814
Total	392 412	294 215	420 894
Number of transactions	6 409	4 791	6 710
Total contribution to economy by volumes issued in the reporting period, including the participation of the final recipients (EUR '000)	978 319 ⁶	946 008 ⁶	978 319
Leverage for raised private funding	133%	233%	129%
Volume of support programmes funding per employee (EUR '000)	5 557	4 505	4 625
Long-term rating assigned by Moody's Ratings	Baa1	Baa1	Baa1

Management Report (cont'd)

Key financial and performance indicators (cont'd)

¹ TMA includes the off-balance sheet item, namely, guarantees at net carrying amount.

² The calculation of liquidity ratio takes into account the previous experience and management estimate of the expected amount and timing of guarantee claims.

³ The gross loan portfolio has consistently been presented in accordance with the definition of the gross loan portfolio. The KPI reported as at 31 December 2024 is presented taking into account the impact of fair value change on the future potential capital rebate component - loans with a capital rebate. However, this decrease should not have occurred under the gross loan portfolio definition, subsequently this indicator as at 31 December 2024 amounts EUR 474,193 thousand (previously: EUR 418,079 thousand).

⁴ Taking into account reference No.3, the total Financial instruments gross value as at 31 December 2024 should amount to EUR 1,230,843 thousand (previously: EUR 1,174,729 thousand), and the total Support instruments gross value as at 31 December 2024 should amount to EUR 1,234,002 thousand (previously: EUR 1,177,888 thousand).

⁵ Taking into account the significance of the volume, Latvian Land Fund portfolio, which consists of leaseback transactions and investment properties, is also presented in the operational volumes for the period. As in compliance with the accounting principles and IFRS the leaseback transactions are accounted for under the loans, the loan volume in this table has been reduced for the volume of the leaseback transactions as it is recorded under Latvian Land Fund portfolio.

⁶ Data as at 31 December 2024 / data as at 31 December 2023, considering that the indicator "Total contribution to the national economy, including beneficiary participation, based on issued volumes during the reporting (EUR thousands)" is assessed annually at the end of the reporting year.

The figures are explained in the section '*Key Financial and Performance Indicators*' under Other Notes to the Interim condensed report.

Management Report (cont'd)

Operational volumes

Altum's operational volumes are characterized by two dimensions: (i) support instruments that include lending, issuing of guarantees, investments in capital instruments, transactions of the Latvian Land Fund (hereinafter - the Land Fund) and servicing of grants, and (ii) segments that include SME and Midcaps, Agriculture, Individuals and Financial intermediaries.

Support instruments

In the 9 months of 2025, the gross portfolio of Altum, support instruments was EUR 1,432 million (30 September 2024: EUR 1,165 million), of which the gross portfolio of financial instruments (excluding grants) was EUR 1,428 million, that increased by EUR 197 million (+16%) compared with the end of 2024. The largest increase was in the Loan portfolio, which grew by EUR 107 million (+23%) in the first 9 months of 2025, of which 50% comprised loans under the Resilience and Recovery Fund (RRF) and 21% were investment loans with a capital rebate. The guarantee portfolio grew by EUR 80 million (15%). Unlike in previous periods, portfolio growth in the third quarter was significantly influenced by guarantees for merchants, which accounted for

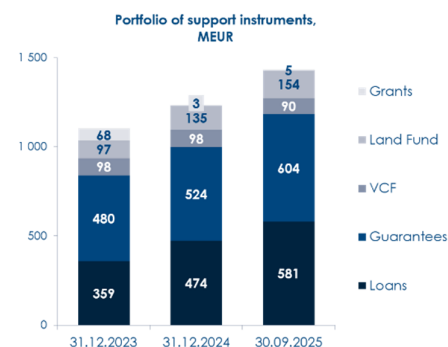
51% of the total increase. The remaining 49% resulted from support programmes for private individuals - specifically, housing guarantees for families, soldiers and young specialists, as well as guarantees aimed at improving the energy efficiency of apartment buildings.

The portfolio of Land Fund increased by EUR 19 million (+14 %).

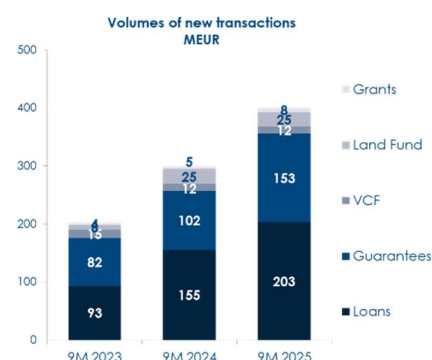
The gross portfolio of support instruments, by the number of projects increased by EUR 2,047 million (+5.2%).

In the 9 months of 2025, the volume of new transactions reached EUR 400 million, 34 % (+EUR 101 million) higher than in the corresponding period in 2024. The increase was mainly attributable to higher volumes of new guarantees and loans (+EUR 51 million in guarantees and +EUR 48 million in loans, respectively). In the loan portfolio, the volume of new transactions continued to be driven primarily by programmes under the Recovery fund, with EUR 73 million issued during the 9 months (+EUR 49 million higher than in the corresponding period in 2024).

The volume of new transactions under the fund's programs was influenced almost equally by new activity in the digital transformation promotion programme for merchants, the energy efficiency programme for apartment buildings, and the affordable housing construction programme. There is also strong demand for SME loans, with EUR 48 million (EUR +10 million) issued during the first nine months of the year.



* The loan portfolio is presented in accordance with the definition of gross portfolio, including as at 31 December 2024 the amount of the loan issued and outstanding, which is not reduced by the component of a possible capital rebate



Management Report (cont'd)

Operational volumes (cont'd)

Support instruments (cont'd)

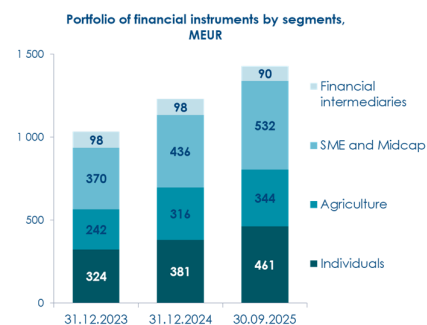
In the 9 months of 2025, the increase in the volume of new guarantee transactions was driven by strong demand for merchant guarantees, particularly SME guarantees. The total volume of guarantees issued to merchants during this period amounted to EUR 84 million (+EUR 36 million higher than in the corresponding period in 2024). The high demand is driven by Altum's attractive product terms and also indicates an increase in lending rates in the banking sector. High demand also persisted for housing guarantees with the volume of new transactions reaching EUR 43 million in the 9 months of 2025 (+ EUR 16 million).

In the 9 months of 2025, demand for the Land fund remained stable. The volume of new transactions amounted EUR 25 million, matching the level recorded in the corresponding period of 2024.

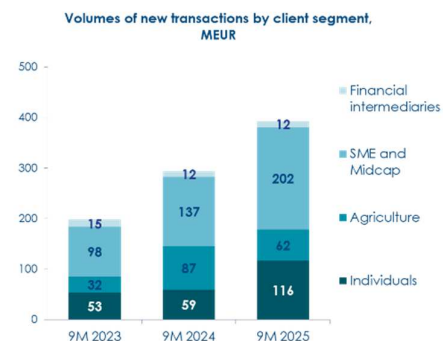
Segments

The Individuals segment accounts for 32% of the total portfolio (at the end of 2024: 31%). The largest part (78%) of the Individuals segment consists of guarantee instruments, mainly housing guarantees and guarantees for energy efficiency of multi-apartment buildings, as well as study portfolio guarantees. The largest portfolio growth in the nine months of 2025 was in this segment: +EUR 81 million (+21%). Compared to the corresponding period in 2024, the volume of new transactions increased by EUR 57 million (+97%). The largest volume of new transactions in the first nine months of 2025 was recorded in housing guarantees for families, soldiers and young professionals, totalling EUR 43 million. A significant volume of new transactions also continues under the Recovery Fund's Energy Efficiency Programme for apartment buildings, with EUR 17 million issued in loans and EUR 15 million in guarantees. New transactions continued to be actively disbursed under the RRF affordable housing construction programme, with EUR 18 million disbursed during the reporting period.

The portfolio of the SMEs and Midcaps segment makes up 37% (at the end of 2024: 36%), of which the majority (57%) consists of loan instruments. The loan portfolio in this segment continues to grow. In the nine months of 2025, the portfolio of the SMEs and Midcaps segment increased by EUR 54 million (+22%). The volume of new transactions increased by EUR 66 million compared to the corresponding period in 2024 (+48%). This growth was driven by new transactions under programmes implemented with funding available under EU cohesion policy 2021-2027 programming period. The total



* The loan portfolio is presented in accordance with the definition of gross portfolio, including as at 31 December 2024 the amount of the loan issued and outstanding, which is not reduced by the component of a possible capital rebate



Management Report (cont'd)

Operational volumes (cont'd)

Segments (cont'd)

volume of new transactions under these programmes reaching EUR 94 million in the nine months of 2025 (+44 million euros compared to the corresponding period in 2024). The growth rate of new business continues to increase under Recovery Fund for digital transformation and energy efficiency with EUR 35 million issued in the nine months 2025, on average, compared to EUR 20 million in the same period in 2024. This growth in 2025 is also accompanied by higher demand for SME loans, with EUR 32 million additionally issued - EUR 7 million more than in the corresponding period of 2024.

The portfolio of the Agriculture segment accounted for 24% (at the end of 2024: 26%). In this segment the portfolio continued to grow in the nine months of 2025, in this case by EUR 28 million (+9%). The increase of the portfolio is still influenced by a high volume of new transactions under the Land Fund. In the nine months of 2025, EUR 25 million in new transactions have been concluded, resulting in EUR 19 million increase in the Land Fund portfolio (+14%). In this segment, loan portfolio has grown by 11 million in the nine months of 2025. This growth is mainly supported by new transactions and the Small Loans in Rural Areas programme, where EUR 13 million (EUR +2 million compared to the corresponding period in 2024) were issued and the Land Acquisition programme, where EUR 11 million were issued during the same period ((+EUR 2 million compared to the corresponding period in 2024).

Financial intermediaries formed under venture capital programs account for 6% (31 December 2024: 8%) of the total segment portfolio. In the third quarter of 2025, the portfolio of financial intermediaries continued to decline, driven by both investment repayments and low volumes of new business. Although investments were made at the beginning of the second quarter in fifth-generation venture capital funds supported by EU Cohesion Policy funding under the 2021-2027 programming period. This had a limited impact on portfolio growth. Total invested EUR 5 million.

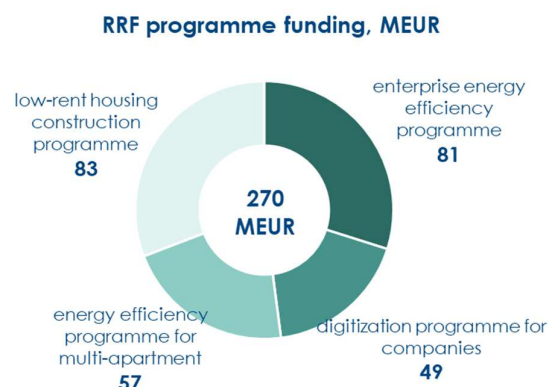
Altum plays an important role in ensuring the availability of financial instruments specifically in the regions, which is ensured through the development of targeted programmes for financing enterprises in the regions (small loans in rural areas, loans for the purchase of agricultural land, land fund, etc.), as well as by proactively introducing conditions encouraging lending in the regions in general programmes implemented by Altum. Since the start of 2024, in order to encourage lending in regions, Altum has been issuing loans of up to EUR 100 thousand to businesses with substantially reduced collateral requirements. In 2025, 65% of new transactions (by number) in this portfolio are regional transactions. Also, in the overall loan portfolio, the volume of new transactions in the regions increased during the nine months of 2025 compared to the same period in 2024: EUR 139 million in 2025 and EUR 113 million in 2024.

Management Report (cont'd)

New products and increasing operational efficiency

As at 30 September 2025, transactions amounting to EUR 226 million were approved under the RRF programmes, of which EUR 157 million were issued in new transactions. The total amount of capital rebates paid out reached EUR 35.3 million.

To promote the active uptake of Recovery Fund programmes. A new application run for the ANM Enterprise Energy Efficiency Programme was announced on 15 August 2025 and closed in September. Another application round is expected to be launched by the end of 2025.



In 2025, the review of project applications received under **the Large Investment Loan Programme offering a capital rebate for medium-sized and Midcaps** continued. Until 30 September 2025, 23 applications for granting support to projects for a total project amount of more than EUR 650 million (the amount of the attributable capital EUR 150 million) have been approved, of which contracts have already been concluded for 20 (attributable amount of capital rebate EUR 127 million), while 6 applications (attributable amount of capital rebate EUR 44 million) are still being evaluated by Altum. The volume of new transactions in this program in the nine months of 2025 was EUR 22 million. The launch of this round is planned for the fourth quarter of 2025. A faster increase in the volume of new transactions in this programme is expected in the following months as the pace of implementation of the financed projects increases.

As part of the implementation of the **EU Cohesion Policy under the programming period 2021-2027**, starting with 2024, more than EUR 400 million in the form of financial instruments will be available to support entrepreneurship in at least 10 support programmes. In 2024, EUR 86 million was available for 5 programmes under the EU Cohesion Policy actions in the programming period 2021-2027. While at least four new programmes are planned to be launched in 2025, with terms of reference approved at the end of 2024 and in January 2025 (energy efficiency improvement in multi-apartment buildings, productive loans for business innovation, use of the renewable energy resources and energy efficiency improvement in district heating and cooling, promotion of renewable energy – biomethane) (total funding of more than EUR 300 million). On 3 April 2025, Altum began accepting applications for the programme aimed at improving the energy efficiency of multi-apartment buildings. In May 2025, two new support programs for entrepreneurs were launched, which will provide up to EUR 100 million for innovation, production and dual-use products, as well as research and development.

Management Report (cont'd)

New products and increasing operational efficiency (cont'd)

In the third quarter of 2025, the fifth-generation growth venture capital fund "FlyCap Private Debt Fund III AIF KS" began operations, followed in October 2025 by the pre-seed and seed venture capital funds "Buildit 5G Fund AIF KS". Altum, in collaboration with Lithuanian's national development Institution ILTE, also completed the establishment of the Baltic Capital Market Acceleration Fund and signed an agreement with its manager. The total planned amount of the fund is EUR 48.8 million of which Altum has invested EUR 20 million. The fund is expected to launch in the fourth quarter of 2025, once the required co-financing from private investors has been secured. The Fund Manager, in collaboration with private market participants, will invest in SME's as well as small and initiative mid-sized companies at the pre-IPO and IBO stages, operating in Latvia, Lithuania and other regions of the European Union.

At the end of 2024, the Ministry of Economics submitted a draft notification to the European Commission regarding Altum planned entry into mortgage lending in segments identified based on Latvia Bank's research - as significantly underserved, particularly outside Riga and its suburbs. Altum subsequently received a decision from the European Commission, along with a license from the Consumer Rights Protection Centre, to launch the programme. The program was officially launched on 29 October 2025.

Continuing the implementation of increasing Altum's operational efficiency and proceeding with the centralised reviewing of the applications for small loans (with the ticket size up to EUR 100 thousand) as part of the automation process, Altum since the beginning of 2024, increased the limit of the loan amount in the centralized remote evaluation from EUR 50 thousand to EUR 100 thousand, while also introducing a scoring system in the small loan segment with the aim of achieving a significant reduction in the terms of application review compared to the average indicators in previous years. In the first nine months of 2025, 704 projects worth EUR 22 million were approved through centralized remote assessment, accounting for 42% of all approved loan transactions during the period (2024 average: 40%). The rejection rate for applications during the same period averaged 22% of all applications received.

Management Report (cont'd)

Rating

On 28 January 2025, Moody's Ratings (Moody's) affirmed Altum's Baa1 long-term issuer rating, with outlook stable, following update of rating methodology. The rating is the same as affirmed on 2 February 2024. The short-term issuer rating is also affirmed at the same P-2. Altum's credit rating is based on Moody's Finance Companies Methodology of July 2024. Altum's long-term credit rating Baa1 is one of the highest credit ratings assigned to a corporate entity in Latvia.

The high rating allows Altum to better pursue its long-term strategy of raising finance by being a regular capital market participant and issuing bonds.

On May 23, 2025, ALTUM successfully issued 5-year bond placement, totalling EUR 70 million, marking the Company's largest bond issuance to date. Overall, 18 institutional investors participated in the bond offering, including Nordic Investment Bank. The allocation of the issued volume was as follows: 69% to asset management funds, 14% to Nordic Investment Bank, 13% to banks, and 4% to insurance companies. Geographically 43% of the bond was allocated to Latvian investors, 32% to – Lithuanian, 11% to – Estonian and 14% to investor based in Finland. Bond yield level 3.576%.

Risk Management

To have an adequate risk management, Altum has developed the Risk Management System that provides both preventive risk management and timely implementation of risk mitigation or prevention measures. While assuming risks, Altum retains the long-term capability of implementing the established operational targets and assignments.

To manage risks, Altum applies various risk management methods and instruments as well as establishes risk limits and restrictions. The choice of the risk management methods is based on the materiality of the particular risk and its impact on Altum's operations.

In view of Altum's activities in high-risk areas when implementing the state aid programmes, as of 30 September 2025 Altum has the risk coverage of EUR 349 million (31 December 2024: EUR 310 million) to cover the expected credit loss of the State aid programmes. The expected loss is assessed before implementing the respective aid programme and a portion of the public funding received within this programme is earmarked for the Risk Coverage. The Risk Coverage consists of the sum of the Risk Coverage Reserve and Portfolio Loss Reserve (Special Reserve Capital) less provisions for expected credit losses.

In view of the invasion of Ukraine by the Russian Federation and the continued geopolitical tension Altum continues to implement the restrictions on cooperation with the Russian Federation and the Republic of Belarus set in the risk management policies. This includes by ongoing monitoring of changes in applicable sanctions.

Management Report (cont'd)

Contribution to Sustainability

The financial sector has a crucial role to play in achieving the European Green Deal objectives, including the transition to a climate-neutral, climate-resilient, resource-efficient, and fair economy. Sustainability is a key part of the Altum's business and strategy and has become an important strategic driver for the banking sector as well as for development finance institutions in Europe. Altum takes responsibility for the long-term impact of its day-to-day activities and continuously works to ensure that the investment decisions it makes in building its portfolio contribute to sustainable development, do not adversely impact sustainability factors, and facilitates its clients' transition towards a sustainable economy and encourages responsible business practices

To promote the transition of companies to a low-carbon economy, reduce the CO₂ footprint across product and service lifecycles, adapt to supply chain ESG requirements, and strengthen resilience to physical climate risks, dedicated "transition-facilitating financing" product was introduced in the SME segment as early as summer 2023. This "bridge financing" product for the agricultural sector became available in November 2025, marking the conclusion of an active adaption phase during the year. The phase included both product development for farmers and the adoption of a unified methodology, approved within the European Union's financial sector for identifying sustainability projects across all loan programmes. The volume of new transactions continues to benefit from an additional incentive introduced in autumn 2023 - a financing price discount for sustainable projects, initially applied for 18 months from the date of loan issuance. From November 2025, all sustainable loan projects (loans without capital rebate) in both the SME and agricultural segments that comply with the European Investment Banks 'green project' tool framework (EIB Green Checker) will benefit from financing price discount for the entire duration of the loan.

Taking into account the results of ESG risk materiality analysis conducted in 2023, during the development of ALTUM's medium term strategy for 2025-2027, sustainability aspects were integrated into both the lending function - with an emphasis on transaction financing and tailored products across various segments to support companies' transformation - and the risk management framework. In line with the hierarchy of strategic documents, the Company will expand on the directions set out in Altum Sustainability Strategy for 2025 – 2027: financing the transition to low-carbon economy and moving towards carbon neutrality. Altum has set a goal to reduce the CO₂ emissions of its financed portfolio by funding certain segments engaged in sustainability projects. The Company will focus on financing projects aimed at improving energy efficiency in businesses and residential buildings, promote use of smart energy resources and related infrastructure, support 'green buildings', sustainable transport, circular economy project and the transition to a low carbon economy. Altum plans to expand support and financing for supply chain partners in these sectors to promote the overall decarbonisation of companies' products and services throughout the supply chain. In addition, Altum will support projects that contribute to social wellbeing and productivity, such as the construction of affordable housing, improving the energy efficiency of apartment buildings and supporting social entrepreneurship.

Management Report (cont'd)

Contribution to Sustainability (cont'd)

ALTUM Capital Fund conducts investments with due consideration for each company's, ESG performance and the anticipated effects of economic shifts on its supply and value chains. In line with the Sustainable Finance Disclosure Regulation, AKF published its guidelines at the end of 2022, outlining the approach to assessing the principal adverse impacts of investment decisions on sustainability factors (Principal Adverse Impact report), as required under Article 4 of SFDR. It should be noted that the key adverse impact indicators of the portfolio managed by the Fund do not indicate any significant negative effect of investment decisions on sustainability factors, both at the end of 2023 and in the updated assessment at the end of 2024.

Future Outlook

To prepare for the implementation of the new InvestEU programme of the European Union, in 2023, in cooperation with the selected independent auditor, Altum conducted the Pillar Assessment. Pillar assessment is a prerequisite for Altum to apply for the role of the InvestEU implementing partner and, in the future, also for the role of cooperation partner in the implementation of EU funds thus increasing the scope of new specialized and customized financial instruments to companies in Latvia. The first phase of the assessment was completed at the end of 2023 with the submission of a draft report to the European Commission. After coordinating the draft report with the European Commission, key recommendations were identified. The recommendations were implemented and a repeated assessment by independent auditors received. The assessment is submitted to the European Commission for consideration and providing opinion. The assessment is planned to be completed in the 4th quarter of 2025 after the European Commission, on the basis of the information provided by Altum and the auditors' opinion, has obtained reasonable assurance on the implementation of the recommendations. The decision on submitting the application for the role of the InvestEU implementing partner has not yet been made.

On 19 May 2025, The Altum mid-term Strategy for 2025-2027 was approved by Supervisory Council.

Reinis Bērziņš
Chairman of the Management
Board

THE DOCUMENT IS ELECTRONICALLY SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS A TIME STAMP

Supervisory Council and Management Board

Supervisory Council

Name, Surname	Position	Appointment Date	Date of expiry of the term of the mandate
Ieva Jansone-Buka	Chairperson of the Council	01.09.2025	temporarily ¹
Ilze Lore	Member of the Council	02.09.2025	temporarily ¹
Krišjānis Znotiņš	Member of the Council	01.05.2024.	30.04.2027.
Līga Kļaviņa	Chairperson of the Council	27.12.2022.	31.08.2025.
Ansis Grasmanis	Member of the Council	01.05.2024.	01.09.2025

¹ For the time until a new candidate is selected in line with the procedures of nominating supervisory board members, according to the Law on Governance of Capital Shares of a Public Person and Capital Companies.

Līga Kļaviņa ceased to hold office as Chairman of ALTUM on 31 August 2025.

Ieva Jansone-Buka was appointed as Chairman of ALTUM's Interim Council on 1 September 2025.

Ansis Grasmanis ceased to hold office as a member of the Council of ALTUM on 1 September 2025.

Ilze Lore was appointed as a member of ALTUM Interim Council on 2 September 2025.

Management Board

Name, Surname	Position	Appointment Date	Date of expiry of the term of the mandate
Reinis Bērziņš	Chairman of the Board	27.05.2024.	06.11.2028.
Jēkabs Krieviņš	Member of the Board	02.04.2024.	01.04.2027.
Inese Zīle	Member of the Board	02.04.2024.	01.04.2027.
Juris Jansons	Member of the Board	09.01.2023	08.01.2026
Ieva Jansone-Buka	Member of the Board	18.03.2024.	05.06.2025.

As at 6 June 2025, Ieva Jansone – Buka ceases to hold office as a member of the Management Board.

Reinis Bērziņš was reappointed as Chairman of the Board from 7 November 2025 until 6 November 2028.

Statement of Management's responsibility

The Supervisory Board and the Management Board (hereinafter – Management) of the joint stock company Development Finance Institution Altum (hereinafter - Company) are responsible for preparation of the financial statements of the Company as well as for information disclosed in the Other notes to the Interim Condensed Report.

The financial statements and notes thereto set out on pages 19 to 80 are prepared in accordance with the source documents and give a true and fair view of the financial position of the Company as of 30 September 2025 and 31 December 2024 and the results of its operations, changes in the shareholders' equity and cash flows for the nine months periods ended 30 September 2025 and 30 September 2024.

The aforementioned financial statements are prepared on a going concern basis in conformity with IFRS Accounting Standards as adopted by the European Union. Prudent and reasonable judgements and estimates have been made by the Management in the preparation of the financial statements.

The Management are responsible for maintenance of proper accounting records, safeguarding of the Company's assets, and prevention and detection of fraud and other irregularities in the Company. The Management are also responsible for operating the Company in compliance with the Law of the Republic of Latvia on Development Finance Institution and other laws of the Republic of Latvia as well as European Union Regulations applicable to the Company.

Reinis Bērziņš
Chairman of the Management
Board

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Statement of Comprehensive Income

All amounts in thousands of euros

	Notes	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Interest income at effective interest rate	4	22 546	23 686
Other interest and similar income	4	8 168	5 812
Interest expense	4	(15 777)	(12 826)
Net interest income		14 937	16 672
Income from implementation of state aid programmes	5	6 319	5 966
Expenses to be compensated for implementation of state aid programmes	6	(5 973)	(5 283)
Net income for implementation of state aid programmes		346	683
(Losses) from trading securities and foreign exchange translation	4	(7)	(1)
Share of gains of investment in associate and other investments	7	8 380	6 367
(Losses) of investment in associate and other investments less losses from liabilities at fair value through profit or loss	8	(3 585)	(414)
Net gain from loans at fair value through profit or loss	9	7 465	1 611
Other income		3 390	2 215
Other expense		(783)	(773)
Operating income before operating expenses		30 143	26 360
Staff costs	4	(4 702)	(4 172)
Administrative expense	4	(1 252)	(815)
Amortisation of intangible assets and depreciation of property, plant and equipment	4	(552)	(540)
Allowances for expected credit losses	10	2 204	5 814
Profit before corporate income tax		25 841	26 647
Profit for the period		25 841	26 647
Other comprehensive income:		(333)	2 114
Items to be reclassified to profit or loss in subsequent periods			
Net profit / (loss) from financial assets measured at fair value through other comprehensive income		(333)	2 114
Total comprehensive income for the period		25 508	28 761

The accompanying notes on pages 19 through 80 form an integral part of these financial statements.

Reinis Bērziņš
Chairman of the Management
Board

Rudīte Bērziņa
Chief Accountant

THE DOCUMENT IS ELECTRONICALLY SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND
CONTAINS A TIME STAMP

Statement of Financial Position

All amounts in thousands of euros

	Notes	30.09.2025.	31.12.2024.
Assets			
Due from credit institutions and the State Treasury		883 091	627 769
<i>including cash and cash equivalents</i>		722 331	455 715
Financial assets at fair value through other comprehensive income - investment securities	11	96 776	183 572
Financial assets at amortised cost:			
Loans	12	451 600	412 249
Financial assets at fair value through profit or loss - loans with capital rebate	13	59 147	24 971
Grants		4 569	3 128
Deferred expense		591	522
Accrued income		8 037	723
Investments in associates	14	65 442	72 227
Other investments	15	34 292	29 043
Investment property	16	109 348	92 976
Property, plant and equipment		4 142	4 287
Intangible assets		1 634	946
Other assets		3 469	2 937
Total assets		1 722 138	1 455 350
Liabilities			
Due to credit institutions		33 798	40 366
Due to general government entities		239 180	207 634
Financial liabilities at amortised cost - Issued debt securities	17	90 828	65 491
Deferred income		5 837	5 439
Accrued expense		1 156	785
Liabilities from financial guarantees	18	54 441	49 262
Provisions for off-balance sheet liabilities		1 229	609
Support programme funding	19	850 803	664 256
Other liabilities		5 498	5 453
Total liabilities		1 282 770	1 039 295
Equity			
Share capital		211 033	211 033
Reserves	20	200 333	173 865
Revaluation reserve of financial assets measured at fair value through other comprehensive income	23	2 161	2 494
Retained earnings		25 841	28 663
Total equity		439 368	416 055
Total equity and liabilities		1 722 138	1 455 350

The accompanying notes on pages 19 through 80 form an integral part of these financial statements.

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Statement of Changes in Equity

All amounts in thousands of euros

	Share capital	Reserves			Revaluation reserve of financial assets measured at fair value through other comprehensive income	Retained earnings	Total equity
		Specific reserves for support programmes	General reserve capital	Other specific reserves-difference recognised in reorganisation reserve			
As at 1 January 2024	204 862	125 629	57 265	(15 935)	(278)	17 810	389 353
Profit for the period	-	-	-	-	-	26 647	26 647
Other comprehensive income	-	-	-	-	2 114	-	2 114
Total comprehensive income	-	-	-	-	2 114	26 647	28 761
Increase of share capital	6 171	-	-	-	-	-	6 171
Increase of reserve capital (Note 20)	-	5 610	-	-	-	-	5 610
Reallocation of general reserves to specific reserves attributable to support programmes (Note 20)	-	(5 788)	-	-	-	-	(5 788)
Distribution of 2023 profit	-	-	17 810	-	-	(17 810)	-
Distribution of Specific Reserves to General reserve capital at distribution of the profit for year 2023	-	53	(53)	-	-	-	-
As at 30 September 2024	211 033	125 504	75 022	(15 935)	1 836	26 647	424 107
Profit for the period	-	-	-	-	-	2 016	2 016
Other comprehensive income	-	-	-	-	658	-	658
Total comprehensive income	-	-	-	-	658	2 016	2 674
Increase of reserve capital (Note 20)	-	1 774	-	-	-	-	1 774
Reallocation of general reserves to specific reserves attributable to support programmes (Note 20)	-	(12 500)	-	-	-	-	(12 500)
As at 31 December 2024	211 033	114 778	75 022	(15 935)	2 494	28 663	416 055
Profit for the period	-	-	-	-	-	25 841	25 841
Other comprehensive income	-	-	-	-	(333)	-	(333)
Total comprehensive income	-	-	-	-	(333)	25 841	25 508
Increase of reserve capital (Note 20)	-	2 805	-	-	-	-	2 805
Reallocation of general reserves to specific reserves attributable to support programmes (Note 20)	-	(5 000)	-	-	-	-	(5 000)
Distribution of 2024 profit	-	-	28 663	-	-	(28 663)	-
Distribution of Specific Reserves to General reserve capital at distribution of the profit for year 2024	-	1 381	(1 381)	-	-	-	-
As at 30 September 2025	211 033	113 964	102 304	(15 935)	2 161	25 841	439 368

The accompanying notes on pages 19 through 80 form an integral part of these financial statements.

Statement of Cash Flows

All amounts in thousands of euros

	Notes	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Cash and cash equivalents at the beginning of period		455 715	565 896
Cash flows from operating activities			
Profit before taxes		25 841	26 647
Amortisation of intangible assets and depreciation of property, plant and equipment		552	540
(Decrease) in allowances for expected credit losses	10	(2 204)	(5 814)
Revaluation of investment properties		(90)	(21)
Revaluation of Investments in associates	14	(3 395)	(5 213)
Revaluation of other investment funds	15	(3 136)	(740)
Revaluation of loans with capital rebate	13	7 465	(1 611)
Interest income at the effective interest rate		(22 546)	(23 686)
Interest and similar income		(8 168)	(5 812)
Interest expense		15 777	12 826
(Gain) / loss from exchange differences		7	1
(Decrease) of cash and cash equivalents from operating activities before changes in assets and liabilities		10 103	(2 883)
(Increase) of loans		(142 781)	(106 821)
(Increase) of grants		(6 779)	(3 989)
Increase / (Decrease) of due to credit institutions and general government entities		22 799	(2 801)
Increase / (Decrease) in deferred income and accrued expense		(8 575)	1 108
(Increase) in deferred expense and accrued income		(7 383)	(8 560)
Increase of support programmes		247 803	121 674
(Increase) / Decrease of other assets		(469)	2 872
(Decrease) in other liabilities		(349)	(557)
Increase of cash and cash equivalents from operating activities after changes in operating assets and liabilities		114 369	43
Interest received		40 332	26 542
Interest paid		(5 475)	(7 386)
Net cash flows from operating activities		149 226	19 199
Cash flows from investment activities			
Financial assets at fair value through other comprehensive income - investment securities (Increase)		87 356	(152 705)
Debt securities issued: net issuance/(repayment)	17	24 896	-
Term deposits (Increase)		10 000	(11 000)
Acquisition of property, plant and equipment and intangible assets		(1 165)	(484)
Purchase of investment properties	16	(16 602)	(10 564)
Sale of investment properties	16	2 034	2 074
Investments in associates	14	10 180	(24)
Investments in other investment funds	15	(2 114)	1 717
Net cash flows from investing activities		114 585	(170 986)
Cash flows from financing activities			
Increase of reserve capital		2 805	2 805
Net cash flows from financing activities		2 805	2 805
Increase / (decrease) in cash and cash equivalents		266 616	(148 982)
Cash and cash equivalents at the end of the period		722 331	416 914

The accompanying notes on pages 19 through 80 form an integral part of these financial statements.

Approval of the Financial Statements

The Management of the Company has approved these unaudited interim condensed financial statements on 25 November 2025.

1 General Information

(1) Corporate Information

These unaudited interim condensed financial statements contain financial information on the joint-stock company Development Finance Institution Altum (Company).

Comparatives on the Company's financial performance for the 9 months of 2025 are included in the Statement of Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement, respectively, as well as in the relevant notes to the financial statements.

JSC Development Finance Institution Altum is a Latvia state-owned company that ensures access of the enterprises and households to the financial resources by means of support financial instruments - loans, guarantees, investments in venture capital funds - in the areas defined as important and to be supported by the state, thus developing the national economy and enhancing mobilization of the private capital and financial resources. On 28 January 2025, Moody's Ratings (Moody's) affirmed Altum's Baa1 long-term issuer rating, with outlook stable. The rating is the same as affirmed on 2 February 2024. The short-term issuer rating is also affirmed at the same P-2. Altum is rated by Moody's Finance Companies Methodology, published in July 2024. Altum's standalone assessment set at Baa3 is same as before. Altum's long-term credit rating Baa1 is one of the highest credit ratings assigned to a corporate entity in Latvia.

JSC Development Finance Institution Altum was established on 27 December 2013 by a decision of the Cabinet of Ministers. The mission of the Company's establishment is by merging three prior independently operating companies providing state support into a single institution and further allocate the state funds for implementation of financial instrument state support and development programmes in one place. The Company's operations are governed by its specific law – Development Finance Institution Law. The Company's Article of Association has been approved by the Cabinet of Ministers. All voting shares of the Company are owned by the Republic of Latvia. The holders of the shares are ministries of the Republic of Latvia as stipulated by the Development Finance Institution Law with following split of the shares – the Ministry of Finance 40%, the Ministry of Economics 30% and the Ministry of Agriculture 30% respectively.

The Company does not perform any regulated activities related to the financial and capital markets as financial institution, therefore the Company is not required to comply with capital adequacy requirements. However, the Company operates in accordance with the best financial and capital market practices regarding internal control, risk management and compliance.

1 General Information (cont'd)

(1) Corporate Information (cont'd)

The Company holds investment in alternative investment fund "Altum Capital Fund" (the Fund) registered on 31 July 2020. The Fund is created with the aim to support well-managed, perspective Mid-cap companies to overcome the effect of Covid-19 that as a result of the virus impact are ready to adjust their operations by changing their business model, adjusting product development, introducing new technology and expanding to new export markets. The Fund's committed capital was fully subscribed on 16 September 2020, reaching EUR 100 million, of which the majority (EUR 51.1 million or 51.1%) were largest private pension funds and EUR 48.9 million consists of public funding invested by the Company. The Company is also the manager of the Fund registered with the Financial and Capital Market Commission on 26 May 2020. The investment period agreed with the EC ended on 30 June 2022, after its end, new investments were no longer approved, but investments in the portfolio's companies approved until 30 June 2022 continued. The capital investment paid into the Fund as at 30 September 2025 amounted to EUR 40.6 million (the Company's share EUR 19.9 million).

The below listed venture capital funds - are treated as associates during the reporting period for purposes of financial accounting.

Legal Title	Legal Address	Generation	Investment % in share capital
BIFI AIF KS	Lastādijas iela 12/3, Rīga, Latvija, LV-1050	5	84.5
Outlast Fund I AIF, KS	Lastādijas iela 12/3, Rīga, Latvija, LV-1050	5	89.7
KS Overkill Ventures Fund I	Dzirnavu iela 105, Rīga, Latvija, LV-1011	4	100.0
KS Buildit Latvia Pre-Seed Fund	Lastādijas iela 12/3, Rīga, Latvija, LV-1050	4	100.0
KS Commercialization Reactor Pre-seed Fund	Brīvības gatve 300 -9, Rīga, Latvija, LV-1006	4	100.0
KS INEC 1	Vilandes iela 3 - 7, Rīga, Latvija, LV-1010	4	75.0
KS INEC 2	Vilandes iela 3 - 7, Rīga, Latvija, LV-1010	4	90.0
KS Overkill Ventures Fund II	Dzirnavu iela 105, Rīga, Latvija, LV-1011	4	80.0
KS Buildit Latvia Seed Fund	Lastādijas iela 12/3, Rīga, Latvija, LV-1050	4	80.0
KS Commercialization Reactor Seed Fund	Brīvības gatve 300 -9, Rīga, Latvija, LV-1006	4	80.0
KS ZGI-4	Roberta Hirša iela 1, Rīga, Latvija, LV-1045	4	60.0
FlyCap Mezzanine Fund II	Matrožu iela 15A, Rīga, Latvija, LV-1048	4	60.0
KS Baltcap Latvia Venture Capital Fund (fund is in the process of liquidation)	Jaunmoku iela 34, Rīga, Latvija, LV-1046	2	66.7
KS Imprimatur Capital Technology Venture Fund (fund is in the process of liquidation)	Ščecinas iela 4, Rīga, Latvija, LV-1014	2	67.0
KS Imprimatur Capital Seed Fund (fund is in the process of liquidation)	Ščecinas iela 4, Rīga, Latvija, LV-1014	2	100.0
KS ZGI-3 (fund is in the process of liquidation) ²	Roberta Hirša iela 1, Rīga, Latvija, LV-1045	3	95.2
KS FlyCap investment Fund ¹	Matrožu iela 15A, Rīga, Latvija, LV-1048	3	95.2
KS Expansion Capital Fund (fund is in the process of liquidation) ²	Vilandes iela 3 - 7, Rīga, Latvija, LV-1010	3	95.2
Baltic Innovation Fund	European Investment Fund, 37B, avenue J.F. Kennedy, L-2968 Luxembourg		20.0
KS AIF "Altum capital fund"	Doma laukums 4, Rīga, LV-1050		48.9

¹ The term of venture capital fund's operations is 31 December 2025 followed by commencement of fund's liquidation.

² The term of 3rd generation venture capital funds' Expansion Capital Fund and ZGI-3 operations was 31 December 2024 followed by commencement of funds' liquidation. During the liquidation process, the fund managers will continue the exit in remaining portfolio investments at the most favourable terms and conditions.

1 General Information (cont'd)

(1) Corporate Information (cont'd)

For the financial reporting purposes Altum's investments in VC funds are classified as associates or investments in subsidiaries depending on existence of significant influence or control indicators assessed based on annual control assessment following IFRS requirements.

In implementing Altum Venture Capital's 5th generation investment programme, a public procurement process for the selection of fund managers was concluded in 2024. As a result, one growth-stage fund manager and three pre-seed and seed stage fund managers were selected. At the end of 2024 and the beginning of 2025, agreements were signed with fund managers to initiate the establishment of funds and ensure the necessary conditions for the start of operations. In the first quarter of 2025, Subscription agreements were signed with the manager of the pre-seed and seed stage KS AIF BIFI Fund, and in the second quarter, with the manager of the fund KS AIF Outlast Fund I, in turn, in the third quarter, Subscription Agreements were signed with the manager of the KS AIF FlyCap Private Debt Fund III, and the funds have commenced investment activities. In the second quarter of 2025, KS AIF BIFI, and in the third quarter, KS AIF Outlast Fund I made their first investment.

Based on a preliminary assessment of significant influence and control indicators as required by IFRS, the rights identified are considered protective in nature (they are time limited and can only be exercised under exceptional circumstances). Accordingly, they are not treated as indicators of control, and both above mentioned funds are accounted as associates for financial accounting purposes.

On 22 September 2025 Altum signed an agreement with the manager of Baltic Capital Market Acceleration Fund. The Fund, co-founded by Altum and ILTE (Lithuania) and attracting private investors, is the first initiative of its kind in the Baltic region. It will support small and medium sized enterprises, primarily from Latvia and Lithuania, seeking to list on Baltic exchanges to initiate investment activities. The fund will raise private capital and provide the required documentation.

2 Accounting Policies

(1) Basis of presentation

The Company's financial statements are prepared in accordance with IFRS Accounting Standards as adopted in the European Union (IFRS), on a going concern basis. In preparation of these financial statements on a going concern basis the management considered the Company's financial position, access to financial resources and analysed the impact of the external factors on future operations of the Company.

The Company's financial statements are prepared under the historical cost convention as modified by:

- the fair valuation of investment securities measured at fair value through other comprehensive income,
- investments in associates measured at fair value through profit or loss,
- investment properties measured at fair value,
- support programme financing measured at fair value,
- loans with capital rebate measured at fair value.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

In the financial statements the amounts are presented in thousands of euros, unless specified otherwise. The functional and presentation currency of the Company is euro.

(2) Application of new and/or amended IFRS and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC)

The adoption of new or amended IFRSs or Interpretations implemented in 2025 had no impact on the disclosures or amounts presented in these financial statements.

Other new or amended IFRSs or interpretations issued and not yet endorsed for use in the EU as at 30 September 2025 are not expected to have an impact on the Company's financial position, performance, cash flows or disclosures.

3 Risk Management

The major risks that the Company is exposed to are credit, liquidity and operational risks. These unaudited interim condensed financial statements do not include all information on risk management and disclosures required in the annual financial statements. They are to be viewed together with the complete financial statements for the year 2024.

(1) Credit Risk

Breakdown of financial assets, off-balance sheet items and contingent liabilities by their qualitative assessment, in thousands of euros:

	Stage 1		Stage 2		Stage 3		Simplified approach		Total	
	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
Financial assets at AC										
Due from credit institutions and the Treasury	883 119	627 797	-	-	-	-	-	-	883 119	627 797
Allowances for expected credit losses	(28)	(28)	-	-	-	-	-	-	(28)	(28)
Total net due from credit institutions and the Treasury	883 091	627 769	-	-	-	-	-	-	883 091	627 769
Investment securities	-	-	-	-	3 557	4 023	-	-	3 557	4 023
Allowances for expected credit losses	-	-	-	-	(3 557)	(4 023)	-	-	(3 557)	(4 023)
Total net investment securities	-	-	-	-	-	-	-	-	-	-
Loans and receivables	369 564	326 523	65 894	74 685	35 916	34 037	-	-	471 374	435 245
Allowances for expected credit losses ^{1, 2}	(5 303)	(7 177)	(3 013)	(4 520)	(11 458)	(11 299)	-	-	(19 774)	(22 996)
Total net loans and receivables	364 261	319 346	62 881	70 165	24 458	22 738	-	-	451 600	412 249
Other financial assets	978	2 176	-	-	1 245	841	2 337	842	4 560	3 859
Allowances for expected credit losses	(41)	(41)	-	-	(916)	(746)	(134)	(135)	(1 091)	(922)
Total net other financial assets	937	2 135	-	-	329	95	2 203	707	3 469	2 937
Total financial assets at AC	1 253 661	956 496	65 894	74 685	40 718	38 901	2 337	842	1 362 610	1 070 924
Allowances for expected credit losses	(5 372)	(7 246)	(3 013)	(4 520)	(15 931)	(16 068)	(134)	(135)	(24 450)	(27 969)
Total net financial assets at AC	1 248 289	949 250	62 881	70 165	24 787	22 833	2 203	707	1 338 160	1 042 955

3 Risk Management (cont'd)

(1) Credit Risk (cont'd)

Breakdown of financial assets, off-balance sheet items and contingent liabilities by their qualitative assessment, in thousands of euros: (cont'd)

	Stage 1		Stage 2		Stage 3		Simplified approach		Total	
	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
Financial assets at FVOCI										
Investment securities	97 147	183 943	-	-	-	-	-	-	97 147	183 943
Allowances for expected credit losses	(371)	(371)	-	-	-	-	-	-	(371)	(371)
Total net investment securities	96 776	183 572	-	-	-	-	-	-	96 776	183 572
Total financial assets at FVOCI	97 147	183 572	-	-	-	-	-	-	97 147	183 943
Allowances for expected credit losses	(371)	(371)	-	-	-	-	-	-	(371)	(371)
Total net financial assets at FVOCI	96 776	183 201	-	-	-	-	-	-	96 776	183 572
Off-balance sheet items and contingent liabilities										
Outstanding guarantees	577 762	496 051	18 483	21 993	7 411	5 494	-	-	603 656	523 538
Allowances for expected credit losses ¹	(44 675)	(39 859)	(2 728)	(3 241)	(3 236)	(2 424)	-	-	(50 639)	(45 524)
Total net outstanding guarantees	533 087	456 192	15 755	18 752	4 175	3 070	-	-	553 017	478 014
Loan commitments	215 384	169 889	138	156	-	-	-	-	215 522	170 045
Allowances for expected credit losses ¹	(1 172)	(551)	(2)	(3)	-	-	-	-	(1 174)	(554)
Total net loan commitments	214 212	169 338	136	153	-	-	-	-	214 348	169 491
Total off-balance items and contingent liabilities	793 146	665 940	18 621	22 149	7 411	5 494	-	-	819 178	693 583
Allowances for expected credit losses	(45 847)	(40 410)	(2 730)	(3 244)	(3 236)	(2 424)	-	-	(51 813)	(46 078)
Total net off-balance items and contingent liabilities	747 299	625 530	15 891	18 905	4 175	3 070	-	-	767 365	647 505

¹ Includes total net impairment provisions of EUR 124 thousand, to be derecognized from the Portfolio Lost Reserve (Special Reserve Capital) risk coverage upon approval of the 2025 Annual Report. For additional information, see Appendix 20(3).

² Includes a provision of EUR 1,895 thousand (31 December 2024: EUR 3,841 thousand) for interest rate reduction, which is not to be classified as a credit impairment provision. The decrease in the provision reserve of EUR 1,946 thousand, recognized in second quarter of 2025, includes interest compensation paid to customers for a portion of interest income received in 2024.

3 Risk Management (cont'd)

(1) Credit Risk (cont'd)

Changes in credit loss allowance and gross carrying amount for loans, in thousands of euros:

	Credit loss allowance				Total	Gross carrying amount				Total
	Stage 1	Stage 2	Stage 3	Simplified approach		Stage 1	Stage 2	Stage 3	Simplified approach	
As at 31 December 2024	7 177	4 520	11 299	-	22 996	326 523	74 685	34 037	-	435 245
Transfers between stages:										
from Stage 1 to Stage 2	(166)	545	-	-	379	(13 809)	14 676	-	-	867
to credit impaired (from Stage 1 and Stage 2 to Stage 3)	(42)	(149)	2 427	-	2 236	(6 043)	(6 891)	11 889	-	(1 045)
from Stage 3 to Stage 2	-	14	(204)	-	(190)	-	620	(729)	-	(109)
to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	25	(137)	-	-	(112)	3 800	(4 745)	-	-	(945)
New originated or purchased	522	-	-	-	522	77 367	-	-	-	77 367
Derecognised during the period	(217)	(611)	(1 155)	-	(1 983)	(20 853)	(7 236)	(6 052)	-	(34 141)
Changes to ECL measurement model assumptions (PD, LGD)	-	-	-	-	-	-	-	-	-	-
Changes to ECL measurement model assumptions (macroeconomic factors)	49	15	-	-	64	-	-	-	-	-
Changes in ECL impairment overlay	(134)	(842)	-	-	(976)	-	-	-	-	-
Decrease in the allowance for mortgage interest refunds	(1 946)	-	-	-	(1 946)	-	-	-	-	-
Write-offs	-	-	(432)	-	(432)	-	-	(432)	-	(432)
Change of outstanding balance ²	35	(342)	(477)	-	(784)	2 579	(5 215)	(2 797)	-	(5 433)
As at 30 September 2025	5 303	3 013	11 458	-	19 774¹	369 564	65 894	35 916	-	471 374

¹ Includes an expected credit loss provision of EUR 702 thousand (31 December 2024: EUR 988 thousand) for SME and Midcaps portfolio, reflecting continued high uncertainty caused by Russia's invasion of Ukraine and the impact of increased interest rates on the credit risk of borrowers of EUR 666 thousand (31 December 2024: EUR 1,356 thousand), see Appendix 3(3). The net decrease in the expected credit loss provision reserve of EUR 976 thousand includes the conversion of EUR 650 thousand from the general reserve to individual provisions, and the reversed reserve of EUR 326 thousand due to portfolio amortization.

² Change of outstanding balance includes cash flows from repayment of principal.

3 Risk Management (cont'd)

(1) Credit Risk (cont'd)

Changes in credit loss allowance and gross carrying amount for outstanding guarantees, in thousands of euros:

	Credit loss allowance				Gross carrying amount			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at 31 December 2024	39 859	3 241	2 424	45 524	496 051	21 993	5 494	523 538
Transfers between stages:								
from Stage 1 to Stage 2	(528)	676	-	148	(4 693)	4 750	-	57
to credit impaired (from Stage 1 and Stage 2 to Stage 3)	(233)	(396)	2 032	1 403	(3 195)	(1 702)	4 466	(431)
from Stage 3 to Stage 2	-	22	(116)	(94)	-	123	(125)	(2)
to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	290	(350)	(201)	(261)	3 080	(2 774)	(425)	(119)
New originated or purchased	9 785	-	-	9 785	138 801	-	-	138 801
Derecognised during the period	(2 976)	(334)	(849)	(4 159)	(40 767)	(3 134)	(1 779)	(45 680)
Changes to ECL measurement model assumptions (PD, LGD)	3	1	-	4	-	-	-	-
Changes to ECL measurement model assumptions (macroeconomic factors)	-	-	-	-	-	-	-	-
Changes in impairment overlay for interest rate discounts	-	-	-	-	-	-	-	-
Paid-out guarantees	(4)	(10)	(111)	(125)	(4)	(2)	(196)	(202)
Write-offs	-	-	-	-	-	-	-	-
Change of outstanding balance ¹	(1 521)	(122)	57	(1 586)	(11 511)	(771)	(24)	(12 306)
As at 30 September 2025	44 675	2 728	3 236	50 639	577 762	18 483	7 411	603 656

¹ Change of outstanding balance includes cash flows from repayment of principal of underlying loan

Breakdown of issued loans at amortised cost by overdue periods, including accrued interest on loans, in thousands of euros:

	30.09.2025.	31.12.2024.
Performing	429 931	387 723
Past due up to 30 days	18 455	32 503
Past due from 31 to 60 days	8 031	3 090
Past due from 61 to 90 days	1 100	1 749
Past due over 90 days	13 857	10 180
Total gross loans, without interest accrued on the loans	471 374	435 245
Impairment allowances	(19 774)	(22 996)
Total net loans	451 600	412 249

3 Risk Management (cont'd)

(1) Credit Risk (cont'd)

Breakdown of granted loans at fair value by overdue periods, including accrued interest on loans, in thousands of euros:

	30.09.2025	31.12.2024
Performing	151 109	80 891
Past due up to 30 days	2 572	193
Past due from 31 to 60 days	168	-
Past due from 61 to 90 days	98	-
Total gross loans at fair value	153 947	81 084
Fair value (decrease) of potential future capital rebate component	(99 037)	(61 529)
Increase in fair value of the loan component	4 237	5 416
Total net loans at fair value	59 147	24 971

In calculating the ECL due to default on loan principal or interest payments or other loss events the following is taken into account collateral, including real estate and commercial pledges measured at market value. The value of collateral is based on the valuations performed by independent valuers.

Information on the value of collateral assessed and position against net loan portfolio, in thousands of euros:

	30.09.2025.	31.12.2024.
Real estate (loans)	263 919	238 585
Real estate (sales and leaseback)	44 526	42 137
Movable property	109 962	92 635
Guarantees	1 316	1 640
Total collateral	419 723	374 997
Loan portfolio, gross	625 321	516 329
Impairment allowances	(19 774)	(22 996)
Fair value (decrease) of potential future capital rebate component	(99 037)	(61 529)
Increase in fair value of the loan component	4 237	5 416
Loan portfolio, net ¹	510 747	437 220
Exposed	17.82%	14.23%

¹ The item *Loan portfolio, net* includes loans for which, according to the terms of the support programme, no pledge of immovable or movable property is required as collateral, but the credit risk is fully covered by available risk coverage. This applies, for example, to the Energy Efficiency programme for multi-apartment buildings and for the Renovation Loan programme. The combined balance of these programmes as of 30 September 2025 amounts to EUR 52,587 thousand (31 December 2024: EUR 46,424 thousand). In 2024 the issuance of loans with reduced collateral requirements – for amounts up to EUR 100,000 – was launched under support programmes in the agriculture and SME segments. As of 30 September 2025, the balance of these loans amounted to EUR 41,881 (31 December 2024: EUR 16,665 thousand).

Support programmes under which loans are granted with a capital rebate and issued mainly without collateral and/or in cooperation with other financiers as parallel loans (including affordable housing, construction loans, large investment loans, and energy efficiency loans for apartment buildings) amounting to EUR 104,330 thousand as of 30 September 2025 (31 December 2024: EUR 44,191 thousand). The aforementioned programmes, implemented according to shareholder-delegated tasks, address market gaps in lending and have access to risk coverage from public financing.

3 Risk Management (cont'd)

(1) Credit Risk (cont'd)

Maximum credit risk exposures of the balance and off-balance sheet items (not including collateral held or other security), in thousands of euros:

	30.09.2025.	31.12.2024.
Assets exposed to credit risk		
Due from credit institutions and the Treasury	883 091	627 769
Financial assets at fair value through other comprehensive income - investment securities	96 776	183 572
Financial assets at amortised cost:		
Loans	451 600	412 249
Financial assets at fair value through profit or loss - Loans with capital rebate	59 147	24 971
Investments in associates	65 442	72 227
Other investments	34 292	29 043
Other assets	3 469	2 937
Total	1 593 817	1 352 768
Off-balance sheet items exposed to credit risk		
Contingent liabilities	603 656	523 538
Financial commitments	311 043	238 700
Total	914 699	762 238

Part of subitem "Loans" are loans to agriculture segment (see Note 12) that are secured by agricultural land with a cautious valuation. Loans to other segments are secured mostly by real estate, to a lesser extent – by other types of assets or commercial pledges. The expected cash flows from collateral are taken into account when estimating impairment allowances for expected credit losses. Risk Coverage Reserve and Specific Reserve Capital is available to the Company to cover expected credit losses arising from deterioration of quality of loan portfolio. For more detailed information on Risk Coverage Reserve and Specific Reserve Capital see Note 19 and Note 20.

As of 30 September 2025, part of the Company's assets in amount of EUR 287,715 thousand (31 December 2024: EUR 250,464 thousand) were pledged. In accordance with the agreements the Company ensures, that assets in amount of EUR 101,394 thousand (31 December 2024: EUR 121,097 thousand) are free from any security.

Article 49 of the Law on State Budget 2025 provides that guarantees issued by the Company in amount of EUR 260,000 thousand is backed by the state according to the Agriculture and Rural Development Law and the Development Finance Institution Law. Actual amount of guarantees issued under these conditions as at 30 September 2025 was EUR 236,837 thousand (31 December 2024: EUR 239,350 thousand).

3 Risk Management (cont'd)

(2) Liquidity Risk

Maturity profile of expected undiscounted future cash flows of financial liabilities, off-balance liabilities and liquid assets as at 30 September 2025, in thousands of euros:

	Up to 1 year ¹	1 to 5 years	5 to 10 years	10 to 15 years	Over 15 years and w/o maturity	Total
Due to credit institutions	10 394	24 987	-	-	-	35 381
Due to general governments	36 964	103 349	71 952	39 225	52 691	304 181
Issued debt securities	3 359	99 212	-	-	-	102 571
Support programme funding ²	38 771	308 050	103 825	140 654	259 503	850 803
Other liabilities	5 498	-	-	-	-	5 498
Total financial liabilities	94 986	535 598	175 777	179 879	312 194	1 298 434
Off-balance sheet items and contingent liabilities	600 358	121 892	192 449	-	-	914 699
Total financial liabilities, off-balance items and contingent liabilities ³	695 344	657 490	368 226	179 879	312 194	2 213 133
Due from credit institutions and the Treasury	883 091	-	-	-	-	883 091
Investment securities	1 149	95 627	-	-	-	96 776
Liquid assets	884 240	95 627	-	-	-	979 867

¹ According to IAS 7 "Financial Instruments: Disclosures" requirements the major part of the guarantee portfolio issued by the Company has been classified within maturity "Up to 1 year". The exception is the housing guarantees for families with children and housing guarantees for young specialists – these guarantees with remaining contractual maturity exceeding 3 years, counting from the reporting date, are classified within maturity "1 to 5 years", because the compensation mechanism for housing guarantee for families with children and housing guarantee for young specialists stipulates that compensation for the declared guarantee cases is paid within 3 years from the date the guarantee case is declared. In turn, the housing guarantees for families with children and housing guarantees for young specialists with remaining contractual maturity shorter than 1 year, counting from the reporting date, are presented in accordance with the remaining contractual maturity.

Track records of claimed guarantee compensations presents that the volume of guarantees claimed within such terms are considerably less than the amount of the commitment disclosed in the above maturity analyses.

Maturity profile of the Company's expected undiscounted future cash flows of financial liabilities, off-balance liabilities and liquid assets "Up to 1 year" as at 30 September 2025 and supporting analysis is presented in table below.

² After expiring of the support programme its funding remains on the Company's balance sheet since any repayment from the existing support programme accumulates and are used to finance new support programmes.

At the end of support programme's operation, its funding remains on the Company's balance sheet, as any refunds from existing support programme are accumulated and used to finance new ones. According to recent estimates, the funding for support programmes currently included in the 1–5-year term, in the amount of EUR 103,649 thousand, will have its repayment period extended.

The financing of support programmes includes received funding intended for future transactions where capital rebate may be applied, which would reduce the amount of public funding. Since the potential size of the capital rebate depends on loan issuance rates, the probability of rebate application, and the uncertainty surrounding the timing of its occurrence, the related public funding is reported in the term structure on a precautionary basis. As a result, EUR 38 million is reflected under the Up to 1 year term, EUR 92 million under the 1–5-year term, EUR 27 million under the 5–10-year term.

³ Since part of off-balance sheet items and contingent liabilities is backed by funding which has already been recognized as financial liabilities in amount of EUR 265,335 thousand, then this amount is included in both the Company's financial liabilities and the Company's off-balance sheet items and contingent liabilities.

3 Risk Management (cont'd)

(2) Liquidity Risk (cont'd)

Maturity profile of expected undiscounted future cash flows of financial liabilities, off-balance liabilities and liquid assets "Up to 1 year" as at 30 September 2025, in thousands of euros:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total up to 1 year
Due to credit institutions	1 194	4 885	-	4 315	10 394
Due to general governments	-	2 033	19 115	15 816	36 964
Issued debt securities	-	-	839	2 520	3 359
Support programme funding	331	-	-	38 440	38 771
Other liabilities	4 433	682	-	383	5 498
Total financial liabilities	5 958	7 600	19 954	61 474	94 986
Off-balance sheet items and contingent liabilities ¹	583 669	3 592	5 599	7 498	600 358
Total financial liabilities, off-balance items and contingent liabilities	589 627	11 192	25 553	68 972	695 344
Due from credit institutions and the Treasury ²	737 396	80 458	65 237	-	883 091
Investment securities	115	-	1 000	34	1 149
Liquid assets	737 511	80 458	66 237	34	884 240

¹ Split of off-balance sheet items and contingent liabilities by type of financial instrument – outstanding financial guarantees, loan commitments as well as commitments to AIF "Altum capital fund", investments in associates and other investments, are presented in Note 21.

² includes the contractual expected cash flows from term deposits with credit institutions, which are available within 1 month for the purpose of liquidity management in accordance with the signed agreements, therefore in the calculation of the liquidity ratio is included in the maturity group up to 1 month.

Contingent liabilities and financial commitments are funded from various funding sources available to the Company.

Outstanding financial guarantees in amount of EUR 366,733 thousand (up to 1 year) – from respective guarantee support programme funding (see Note 19) and Specific reserve capital (see Note 20).

Loan commitments in amount of EUR 215,522 thousand (up to 1 year) – from financial facilities (either received by the Company or available upon request), in accordance with loan agreements concluded with financial institutions and the State Treasury and respective loan support programme funding (see Note 19), as well as corresponding financing of loan support programs.

Grant commitments in amount of EUR 3,297 thousand (up to 1 year) – from respective grant support programme funding (see Note 19).

Commitments to investments in associates in amount of EUR 12,399 thousand (up to 1 year) – from respective venture capital fund support programme funding (see Note 19).

Commitments to AIF "Altum capital fund" in amount of EUR 104 thousand (up to 1 year) – from specific reserve capital (see Note 20).

Commitments to other investments in amount of EUR 5,600 thousand (up to 1 year) – for Baltic Innovation Fund 2 from support programme funding and repayments on different support programmes (see Note 19) and the Company's own funding for Three Seas Initiatives Investment Fund.

As a consequence, the liquidity of the Company is not deteriorated.

3 Risk Management (cont'd)

(2) Liquidity Risk (cont'd)

Maturity profile of expected undiscounted future cash flows of financial liabilities, off-balance liabilities and liquid assets as at 31 December 2024, in thousands of euros:

	Up to 1 year ¹	1 to 5 years	5 to 10 years	10 to 15 years	Over 15 years and w/o maturity	Total
Due to credit institutions	13 414	29 561	-	-	-	42 975
Due to general governments	21 163	95 537	66 210	39 381	53 000	275 291
Issued debt securities	45 736	20 046	-	-	-	65 782
Support programme funding	29 614	108 521	297 000	88 371	140 750	664 256
Other liabilities	5 023	430	-	-	-	5 453
Total financial liabilities	114 950	254 095	363 210	127 752	193 750	1 053 757
Off-balance sheet items and contingent liabilities ²	495 317	109 965	156 956	-	-	762 238
Total financial liabilities, off-balance items and contingent liabilities ³	610 267	364 060	520 166	127 752	193 750	1 815 995
Due from credit institutions and the Treasury	627 769	-	-	-	-	627 769
Investment securities	88 475	95 097	-	-	-	183 572
Liquid assets	716 244	95 097	-	-	-	811 341

¹ According to IAS 7 "Financial Instruments: Disclosures" requirements the major part of the guarantee portfolio issued by the Company has been classified within maturity "Up to 1 year". The exception is the housing guarantees for families with children and housing guarantees for young specialists – these guarantees with remaining contractual maturity exceeding 3 years, counting from the reporting date, are classified within maturity "1 to 5 years", because the compensation mechanism for housing guarantee for families with children and housing guarantee for young specialists stipulates that compensation for the declared guarantee cases is paid within 3 years from the date the guarantee case is declared. In turn, the housing guarantees for families with children and housing guarantees for young specialists with remaining contractual maturity shorter than 1 year, counting from the reporting date, are presented in accordance with the remaining contractual maturity.

Track records of claimed guarantee compensations presents that the volume of guarantees claimed within such terms are considerably less than the amount of the commitment disclosed in the above maturity analyses.

Maturity profile of the Company's expected undiscounted future cash flows of financial liabilities, off-balance liabilities and liquid assets "Up to 1 year" as at 31 December 2024 and supporting analysis is presented in table below.

² After expiring of the support programme its funding remains on the Company's balance sheet since any repayment from the existing support programme accumulates and are used to finance new support programmes.

³ Since part of off-balance sheet items and contingent liabilities is backed by funding recognized as financial liabilities, EUR 233,375 thousand are included in both the Company's financial liabilities and the Company's off-balance sheet items and contingent liabilities.

3 Risk Management (cont'd)

(2) Liquidity Risk (cont'd)

Maturity profile of expected undiscounted future cash flows of financial liabilities, off-balance liabilities and liquid assets "Up to 1 year" as at 31 December 2024, in thousands of euros:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total up to 1 year
Due to credit institutions	-	1 264	5 895	6 255	13 414
Due to general governments	5 584	354	3 658	11 567	21 163
Issued debt securities	56	45 619	20	41	45 736
Support programme funding	1 699	-	-	27 915	29 614
Other liabilities	4 461	534	-	28	5 023
Total financial liabilities	11 800	47 771	9 573	45 806	114 950
Off-balance sheet items and contingent liabilities ¹	486 911	792	1 492	6 122	495 317
Total financial liabilities, off-balance items and contingent liabilities	498 711	48 563	11 065	51 928	610 267
Due from credit institutions and the Treasury	505 411	55 912	46 235	20 211	627 769
Investment securities	23 388	765	295	64 027	88 475
Liquid assets	528 799	56 677	46 530	84 238	716 244

¹ Split of off-balance sheet items and contingent liabilities by type of financial instrument – outstanding financial guarantees, loan commitments as well as commitments to AIF "Altum capital fund", investments in associates and other investments, are presented in Note 21.

Contingent liabilities and financial commitments are funded from various funding sources available to the Company.

Outstanding financial guarantees in amount of EUR 318,634 thousand (up to 1 year) – from respective guarantee support programme funding (see Note 19) and Specific reserve capital (see Note 20).

Loan commitments in amount of EUR 170,045 thousand (up to 1 year) – from financial facilities (either received by the Company or available to the Company upon request) concluded with financial institutions and the Treasury and respective loan support programme funding (see Note 19).

Grant commitments in amount of EUR 1,922 thousand (up to 1 year) – from respective grant support programme funding (see Note 19).

Commitments to investments in associates in amount of EUR 3,070 thousand (up to 1 year) – from respective venture capital fund support programme funding (see Note 19).

Commitments to AIF "Altum capital fund" in amount of EUR 100 thousand (up to 1 year) – from specific reserve capital (see Note 20).

Commitments to other investments in amount of EUR 3,468 thousand (up to 1 year) – for Baltic Innovation Fund 2 from support programme funding and repayments on different support programmes (see Note 19) and the Company's own funding for Three Seas Initiatives Investment Fund.

As a consequence, the liquidity of the Company is not deteriorated.

3 Risk Management (cont'd)

(2) Liquidity Risk (cont'd)

Breakdown of assets and liabilities by maturity profile as at 30 September 2025 based on the time remaining from the reporting date to their contractual maturity, in thousands of euros:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years and w/o maturity	Total
Assets							
Due from credit institutions and the Treasury ¹	737 396	80 458	65 237	-	-	-	883 091
Investment securities ²	115	-	1 000	34	95 627	-	96 776
Loans ³	16 308	27 983	29 154	31 276	213 618	192 408	510 747
Grants	501	330	552	475	2 711	-	4 569
Deferred expense and accrued income	579	8 050	-	(1)	-	-	8 628
Investments in associates	7 445	668	-	6 058	47 857	3 414	65 442
Other investments	-	-	-	-	-	34 292	34 292
Investment property	-	-	-	-	-	109 348	109 348
Property, plant and equipment	-	-	-	-	-	4 142	4 142
Intangible assets	-	-	-	-	-	1 634	1 634
Other assets	2 521	2	15	755	162	14	3 469
Total assets	764 865	117 491	95 958	38 597	359 975	345 252	1 722 138
Liabilities							
Due to credit institutions	1 111	4 828	-	3 971	23 888	-	33 798
Due to general governments	-	2 033	17 081	12 089	79 773	128 204	239 180
Issued debt securities	-	-	839	64	89 925	-	90 828
Deferred income and accrued expense	243	6 750	-	-	-	-	6 993
Provisions	32 900	200	245	395	4 138	17 792	55 670
Support programme funding ⁴	331	-	-	38 440	308 050	503 982	850 803
Other liabilities	4 433	682	-	383	-	-	5 498
Total liabilities	39 018	14 493	18 165	55 342	505 774	649 978	1 282 770
Net liquidity	725 847	102 998	77 793	(16 745)	(145 799)	(304 726)	439 368

¹ Includes term deposits with credit institutions, split by the remaining maturity according to the contracts, but for the purpose of liquidity management, they are available within 1 month in accordance with the signed contracts, therefore, they are included in the calculation of the liquidity ratio in the maturity group up to 1 month.

² Investments in securities reflect their contractual coupon amortisations.

³ With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the effective interest rate.

⁴ At the end of support programme's operation, its funding remains on the Company's balance sheet, as any refunds from existing support programme are accumulated and used to finance new ones. According to recent estimates, the funding for support programmes currently included in the 1–5-year term, in the amount of EUR 103,649 thousand, will have its repayment period extended.

The financing of support programmes includes received funding intended for future transactions where capital rebate may be applied, which would reduce the amount of public funding. Since the potential size of the capital rebate depends on loan issuance rates, the probability of rebate application, and the uncertainty surrounding the timing of its occurrence, the related public funding is reported in the term structure on a precautionary basis. As a result, EUR 38 million is reflected under the *Up to 1 year* term, EUR 92 million under the *1–5-year* term, EUR 27 million under the *5–10-year* term.

3 Risk Management (cont'd)

(2) Liquidity Risk (cont'd)

Breakdown of assets and liabilities by maturity profile as at 30 September 2025 based on the time remaining from the reporting date to their contractual maturity, in thousands of euros (cont'd):

	Up to 1 year	1 to 5 years	5 to 10 years	10 to 15 years	Over 15 years and w/o maturity	Total
Due to credit institutions	9 910	23 888	-	-	-	33 798
Due to general governments	31 203	79 773	54 869	29 140	44 195	239 180
Issued debt securities	903	89 925	-	-	-	90 828
Support programme funding	38 771	308 050	103 825	140 654	259 503	850 803
Other liabilities	5 498	-	-	-	-	5 498
Total financial liabilities	86 285	501 636	158 694	169 794	303 698	1 220 107

3 Risk Management (cont'd)

(2) Liquidity Risk (cont'd)

Breakdown of assets and liabilities by maturity profile as at 31 December 2024 based on the time remaining from the reporting date to their contractual maturity, in thousands of euros:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years and w/o maturity	Total
Assets							
Due from credit institutions and the Treasury	505 411	55 912	46 235	20 211	-	-	627 769
Investment securities	23 388	765	295	64 027	95 097	-	183 572
Loans ¹	19 761	11 615	15 545	46 652	181 608	162 039	437 220
Grants	827	480	192	238	1 391	-	3 128
Deferred expense and accrued income	522	-	-	723	-	-	1 245
Investments in associates	6 386	-	-	-	65 841	-	72 227
Other investments	-	-	-	-	-	29 043	29 043
Investment property	-	-	-	-	-	92 976	92 976
Property, plant and equipment	-	-	-	-	-	4 287	4 287
Intangible assets	-	-	-	-	-	946	946
Other assets	667	37	82	533	1 602	16	2 937
Total assets	556 962	68 809	62 349	132 384	345 539	289 307	1 455 350
Liabilities							
Due to credit institutions	-	1 199	5 625	5 764	27 778	-	40 366
Due to general governments	3 607	354	1 773	7 896	72 702	121 302	207 634
Issued debt securities	-	45 508	-	-	19 983	-	65 491
Deferred income and accrued expense	857	622	688	874	3 860	(677)	6 224
Provisions	27 771	257	324	477	5 087	15 955	49 871
Support programme funding	1 699	-	-	27 915	108 521	526 121	664 256
Other liabilities	4 461	534	-	28	430	-	5 453
Total liabilities	38 395	48 474	8 410	42 954	238 361	662 701	1 039 295
Net liquidity	518 567	20 335	53 939	89 430	107 178	(373 394)	416 055

¹ With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the effective interest rate. Investments in securities reflect their contractual coupon amortisations.

	Up to 1 year	1 to 5 years	5 to 10 years	10 to 15 years	Over 15 years and w/o maturity	Total
Due to credit institutions	12 588	27 778	-	-	-	40 366
Due to general governments	13 630	72 702	48 733	28 865	43 704	207 634
Issued debt securities	45 508	19 983	-	-	-	65 491
Support programme funding	29 614	108 521	297 000	88 371	140 750	664 256
Other liabilities	4 461	534	-	28	430	5 453
Total financial liabilities	105 801	229 518	345 733	117 264	184 884	983 200

3 Risk Management (cont'd)

(3) Impact of geopolitical risks

The ongoing war in Ukraine and related sanctions against the Russian Federation and the Republic of Belarus have not had significant impact the book value of the Company's assets and liabilities. The Company has already assessed and mitigated the direct and indirect impact of these events.

The Company does not issue loans directly to companies in Ukraine, the Russian Federation and the Republic of Belarus. Contracts with business partners for the execution of client settlements, as well as for concluding financial transactions to ensure the Company's liquidity and asset and liability management, are concluded only with financial institutions registered in the Republic of Latvia.

The Company may be directly affected by the military invasion of Ukraine only in relation to export credit guarantees issued within the guarantee portfolio, covering political and buyer risk losses in trade transactions where the counterparties of the company's customers are residents of Ukraine. As of 30 September 2025, the Company's exposure related to these customers' counterparties located in Ukraine amounted to EUR 194 thousand, for which a provision of EUR 64 thousand was recognised. The Company ceased issuing new export guarantees to the Russian Federation and the Republic of Belarus as of 25 February 2022.

The Company has made investments in the AIF Altum Capital Fund totalling EUR 19.87 million. As at 30 September 2025, the total amount repaid to the company reaches EUR 15.28 million and the capital account balance at fair value amounts to EUR 13 million. Given that the investment portfolio has decreased significantly, and the remaining investments are diversified across sectors and the regions in which the portfolio companies generate revenue, the impact of the direct and indirect consequences of the Russian Federation's war in Ukraine, and related sanctions, on the portfolio companies of the AIF Altum Capital Fund is assessed as insignificant. As at 30 September 2025, the cumulative direct impact of the Russian Federation's war in Ukraine was zero thousand euros.

To account for persistently elevated uncertainty, primarily related to the geopolitical situation and the resulting weaker economic growth outlook, the Company reviews the forward-looking macroeconomic forecasts of indicators used in the calculation of expected losses on a quarterly basis. In the event of significant changes, these forecasts are revised, and three economic scenarios, including - adverse and optimistic scenarios – are applied:

- The base case scenario reflects the most likely path of future economic development, assuming no significant deterioration in the geopolitical situation and no sharp escalation of hostilities, and no substantial economic impact on the growth of the Latvian economy beyond what has already been observed.
- The adverse scenario reflects a less likely but plausible deterioration, incorporating elevated geopolitical and economic uncertainty, including risks arising from the impact of new US trade tariffs, which are expected to slow the growth of the Latvian economy.
- The optimistic scenario reflects a less likely but potentially more favourable outcome compared to the base case scenario.

3 Risk Management (cont'd)

(3) Impact of geopolitical risks (cont'd)

Macroeconomic forecasts to 30 September, 2025:

	2025	2026	2027
GDP annual growth rate, in %			
Base case scenario ¹	1.2	2.5	2.7
Adverse scenario	0.0	1.3	2.2
Optimistic scenario	1.6	3.5	3.1
Weighted average ²	1.0	2.3	2.6

¹ The base case scenario combines two external scenarios, using the information available by 9 September 2025:

(i) The Ministry of Finance's Macroeconomic Development Scenario (published on 16 June 2025) forecasts slow growth, with GDP expected to increase by 1.1% in 2025 (in the December 2024, forecast was 2.9%), followed by an acceleration to 2.1% in 2026 and to 2.2% in 2027 (in December 2024, the forecast was 2.8% for 2026 and 2.6% for 2027).

(ii) The Bank of Latvia's Macroeconomic Development Scenario (published on 10 June 2025) forecasts GDP growth of 1.2% in 2025, 2.8% in 2026, and 3.2% in 2027.

² A weighting of 70% was applied to the base case scenario, 20% to the adverse scenario, and 10% to the optimistic scenario.

Macroeconomic forecasts to 31 December 2024:

	2025	2026	2027
GDP annual growth rate, in %			
Base case scenario	2.5	2.9	3.0
Adverse scenario	1.8	2.8	2.6
Optimistic scenario	3.1	3.0	3.3
Weighted average	2.4	2.9	2.9

The indirect cumulative impact of forward-looking macroeconomic forecasts used to calculate expected credit losses on loans, credit commitments and guarantees as at 30 September 2025 was EUR 1,028 thousand (31 December 2024: EUR 919 thousand).

Taking into account the persistently high geopolitical uncertainty and its potential impact on economic activity and the solvency of the companies, the Company continued to recognise the general provision reserve for expected credit losses during the reporting period, amounting EUR 1,368 thousand (31 December 2024: EUR 2,344 thousand). In the nine months of 2025, the general provision reserve for loans was reduced by EUR 650 thousand to offset provisioning expenses for loans reclassified to Stage 2 or Stage 3, and for loans fully written off in the amount of EUR 326 thousand (see Note 3 (1)). For additional information on the general provision reserve and its assessment criteria, refer to Note 3(8) of the 2024 financial statement.

3 Risk Management (cont'd)

(3) Impact of geopolitical risks (cont'd)

The venture capital funds co-financed by Altum operate in accordance with the current sanctions framework and actively monitor changes in relevant legislation. The venture capital funds co-financed by Altum operate in accordance with the current sanctions framework and actively monitor changes in relevant legislation. Each quarter, Altum organises discussions with fund managers and conducts an individual assessment of all venture capital funds (VCF), taking into account the specific circumstances of each case. Altum's assessment of the VCF investments is based on Altum's conservative approach. When valuing investments, Altum considers future prospects, and the fair value of portfolio companies is adjusted in a timely manner.

During the 3rd quarter of 2025, following discussions with fund managers and the revaluation of investments in Altum's portfolio companies, no companies newly exposed to the impact of the war were identified.

As of 30 September 2025, the cumulative impact of the Russian Federation's war in Ukraine amounted EUR 2.5 million (31 December 2024: EUR 4.7 million).

4 Segment Information

The Company's management considers that the Company's operations are performed in 7 operational segments:

- Loan,
- Guarantee,
- Venture capital fund,
- Grant,
- Latvian Land Fund,
- Management of AIF "Altum capital fund"
- Other services.

Other services include transactions with repossessed collaterals taken over in the debt collection process and development of new support programmes as well as transactions, which cannot be attributed to support programmes.

Segment information is prepared in a manner consistent with the internal management information provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Management board of the Company is the chief operating decision maker. The Company doesn't provide detailed information on the type of transaction since all the transactions are external.

4 Segment Information (cont'd)

Analysis of the operating segments for the period from 1 January 2025 till 30 September 2025, in thousands of euros:

	Loans ¹	Guarantees ¹	Venture capital funds	Grants	Latvian Land Fund	Management of AIF "Altum capital fund"	Other services	Total
Interest income at effective interest rate	19 151	237	1	-	2 759	-	398	22 546
of which from loans:	17 653	-	-	-	2 759	-	-	20 412
of which pass-through arrangement from loans	4 321	-	-	-	-	-	-	4 321
of which from deposits	1 498	237	1	-	-	-	398	2 134
Other interest and similar income:	3 447	4 342	350	-	29	-	-	8 168
of which from loans:	1 995	-	-	-	19	-	-	2 014
of which pass-through arrangement from loans	1 204	-	-	-	-	-	-	1 204
of which from guarantees:	-	2 200	-	-	-	-	-	2 200
of which pass-through arrangement from guarantees	-	503	-	-	-	-	-	503
of which from investment securities:	1 452	2 142	350	-	10	-	-	3 954
of which pass-through arrangement from investment securities	-	1 303	350	-	-	-	-	1 653
Interest expense:	(11 560)	(1 820)	(350)	-	(1 648)	-	(399)	(15 777)
of which pass-through arrangement	(5 525)	(1 806)	(350)	-	-	-	-	(7 681)
Income for implementation of state aid programmes	3 299	1 261	1 108	283	-	-	368	6 319
Expenses to be compensated for implementation of state aid programmes	(3 192)	(1 020)	(1 110)	(283)	-	-	(368)	(5 973)
Gains from debt securities and foreign exchange translation	(7)	-	-	-	-	-	-	(7)
Share of profit/(losses) of investment in associates and other investment funds	-	-	8 380	-	-	-	-	8 380
Gains less losses from liabilities at fair value through profit or loss	-	-	(3 585)	-	-	-	-	(3 585)
Net gain on loans at fair value through profit or loss:	7 465	-	-	-	-	-	-	7 465
Other income	-	-	-	30	3 195	124	41	3 390
Other expense	(173)	(64)	(10)	(15)	(396)	(124)	(1)	(783)
Staff costs	(2 837)	(428)	(318)	(446)	(333)	-	(340)	(4 702)
Administrative expense	(889)	(99)	(106)	(175)	(104)	-	121	(1 252)
Amortisation of intangible assets and depreciation of property, plant and equipment	(370)	(83)	(25)	(50)	(22)	-	(2)	(552)
Allowance for expected credit-losses, net	2 052	(399)	3	-	(1)	-	-	1 655
Profit or (loss) from assets held for sale revaluation	549	-	-	-	-	-	-	549
Total segment profit/(loss)	16 935	1 927	4 338	(656)	3 479	-	(182)	25 841
Financial assets at fair value through profit or loss	-	-	65 442	-	-	-	-	65 442
Other investments	-	-	34 292	-	-	-	-	34 292
Additions of property and equipment, intangible assets and investment property	769	177	64	104	16 650	-	3	17 767
Total segment assets	1 078 986	149 709	203 779	10 958	153 259	-	125 447	1 722 138
Total segment liabilities	845 106	160 025	32 580	9 441	105 136	-	130 482	1 282 770
Total off-balance	215 074	603 656	95 521	3 297	448	-	-	917 996
Assets under management (AUM)	-	-	-	-	-	16 626	-	16 626

¹ The financial result of the segment also includes the financial result of the combined financial instruments, which are not disclosed separately in the segment analysis, but which include the component of financial instrument (such as a loan or guarantee) and the component of the capital rebate.

4 Segment Information (cont'd)

Analysis of the operating segments for the period from 1 January 2024 till 30 September 2024, in thousands of euros:

	Loans	Guarantees	Venture capital funds	Grants	Latvian Land Fund	Management of AIF "Altum capital fund"	Other services	Total
Interest income at effective interest rate:	19 264	2 044	110	-	2 177	-	91	23 686
of which from loans:	17 501	-	-	-	2 177	-	-	19 678
of which pass-through arrangement from loans	3 465	-	-	-	-	-	-	3 465
of which from deposits	1 763	2 044	110	-	-	-	91	4 008
Other interest and similar income (Note5):	1 828	3 841	62	-	78	-	3	5 812
of which from loans:	1 525	-	-	-	40	-	-	1 565
of which pass-through arrangement from loans	421	-	-	-	-	-	-	421
of which from guarantees:	-	2 788	-	-	-	-	-	2 788
of which pass-through arrangement from guarantees	-	641	-	-	-	-	-	641
of which from investment securities:	143	526	62	-	25	-	3	759
of which from investment securities	-	690	59	-	-	-	-	749
Interest expense:	(10 659)	(1 395)	(85)	-	(666)	-	(21)	(12 826)
of which pass-through arrangement	(3 886)	(1 331)	(59)	-	-	-	-	(5 276)
Income for implementation of state aid programmes	2 954	1 153	949	791	-	-	119	5 966
Expenses to be compensated for implementation of state aid programmes	(2 901)	(885)	(902)	(476)	-	-	(119)	(5 283)
Gains from debt securities and foreign exchange translation	(1)	1	-	-	-	-	(1)	(1)
Share of profit/(losses) of investment in associates and other investment funds	-	-	6 367	-	-	-	-	6 367
Gains less losses from liabilities at fair value through profit or loss	-	-	(414)	-	-	-	-	(414)
Net gain from loans at fair value through profit or loss	1 611	-	-	-	-	-	-	1 611
of which pass-through arrangement from loans at fair value	893	-	-	-	-	-	-	893
Other income	-	-	-	1	2 014	151	49	2 215
Other expense	(160)	(54)	(9)	(16)	(376)	(151)	(7)	(773)
Staff costs	(2 159)	(658)	(194)	(520)	(235)	-	(406)	(4 172)
Administrative expense	(383)	(162)	(22)	(138)	(66)	-	(44)	(815)
Amortisation of intangible assets and depreciation of property, plant and equipment	(274)	(106)	(44)	(67)	(26)	-	(23)	(540)
Allowance for expected credit-losses, net	2 844	1 330	31	907	(1)	-	47	5 158
Profit or (loss) from assets held for sale revaluation	656	-	-	-	-	-	-	656
Total segment profit/(loss)	13 513	5 109	5 849	482	2 899	-	(312)	27 540
Financial assets at fair value through profit or loss	-	-	70 788	-	-	-	-	70 788
Other investments	-	-	25 365	-	-	-	-	25 365
Additions of property and equipment, intangible assets and investment property	272	83	25	51	10 580	-	30	11 041
Total segment assets	858 676	183 325	204 418	7 152	116 084	-	21 569	1 391 224
Total segment liabilities	676 442	117 457	10 170	7 234	97 167	-	58 647	967 117
Total off-balance	163 956	501 345	73 472	1 544	-	23 913	-	764 230
Assets under management (AUM)	-	-	-	-	-	33 597	-	33 597

Segment assets, liabilities and off-balance as at 31 December 2024:

	Loans	Guarantees	Venture capital funds	Grants	Latvian Land Fund	Management of AIF "Altum capital fund"	Other services	Total
Total segment assets	557 289	162 114	200 777	9 583	507 826	-	17 761	1 455 350
Total segment liabilities	724 886	152 272	10 900	8 984	76 312	-	65 941	1 039 295
Total off-balance	170 015	523 538	68 655	1 992	30	-	-	764 230
Assets under management (AUM)	-	-	-	-	-	33 514	-	33 514

5 Income from implementation of state aid programmes

All amounts in thousands of euros

	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Compensation of expenses for management of state support programmes	5 018	5 044
Compensated administrative expense	955	553
Compensated venture capital fund management fees	308	369
Income on compensated placement expenses of unrestricted funds	38	-
Total income from implementation of state support programmes	6 319	5 966

6 Expenses to be compensated for implementation of state aid programmes

All amounts in thousands of euros

	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Compensated staff costs	3 679	3 717
Compensated administrative expense	1 339	1 013
Compensated venture capital fund management fees	955	553
Total compensated expense for implementation of state support programmes	5 973	5 283

7 Share of gain / loss of investment in associate and other investments

All amounts in thousands of euros

	Net gain / loss	Incl. realised gains	Net gain / loss	Incl. realised gains
	01.01.2025.-30.09.2025.		01.01.2024.-30.09.2024.	
RKF 2 nd , 3 rd , un 4 th generation	3 541	42	414	860
Baltic Innovation Fund	265	-	4 318	-
AIF Altum Capital Fund	1 438	587	895	(2)
Total investment in associates	5 244	629	5 627	858
Baltic Innovation Fund-2	294	-	(14)	-
Three Seas Initiative Investment Fund	2 842	-	754	-
Total other investments	3 136	-	740	-
Share of net gain /(loss) of investment in associate and other investments	8 380	629	6 367	858

¹ Incl. AIF Altum Capital Fund interest income in the 9 months of 2025: EUR 602 thousand (in the 9 months of 2024: EUR 860 thousand).

8 Gain/(loss) less losses from liabilities at fair value through profit or loss

All amounts in thousands of euros

	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Revaluation (loss) on investments in 2nd and 3rd generation venture capital funds, net	1 993	(425)
Realised gain on investments in 2nd and 3rd generation venture capital funds, net	49	860
Mezzanine interest received from investments in 2nd and 3rd generation venture capital funds	362	792
Revaluation (loss) on investments in 4th generation venture capital funds, net	(257)	(1 568)
Revaluation (loss) on investments in 4th generation venture capital funds	(7)	-
Mezzanine interest received from investments in 4th generation venture capital funds	1 445	755
Total gain less losses from liabilities at fair value through profit or loss	3 585	414
Gains/(losses) of investment in associate less losses from liabilities at fair value through profit or loss at September 30	(3 585)	(414)

9 Net losses from loans at fair value through profit or loss

All amounts in thousands of euros

	Change in fair value of capital rebate component	Change in fair value of loan component	Change in fair value of public funding	Changes in fair value compensated from public funding ¹	Net profit/ (loss)
	01.01.2025.- 30.09.2025.	01.01.2025.- 30.09.2025.	01.01.2025.- 30.09.2025.	01.01.2025.- 30.09.2025.	01.01.2025.- 30.09.2025.
Net increase/(decrease) in fair value of capital rebate component	(55 352)	-	59 486	-	4 134
Net increase/ (decrease in fair value of loan component	-	(1 179)	-	-	(1 179)
Write-off of previously recognised fair value change upon appliance of capital rebate	17 844	-	(15 570)	-	2 274
Total net increase / (decrease) in fair value	(37 508)	(1 179)	43 916	-	5 229
Net increase in fair value compensated from public funding (allocated to public funding)	-	-	-	(5 229)	(5 229)
Changes in fair value for 2024 offset by 2025 amendments to public funding agreements	-	-	-	7 465	7 465
Total					7 465

For details on valuation of the loans at fair value see Note 23 Loans with capital rebate.

¹ According to the 2025 amendments to the public funding agreements, the public financing is permitted to cover expenses arising from accounting for loans with capital rebate under IFRS.

When determining the fair value of loans with capital rebate to be recognised through profit or loss, the fair value measurement of the loan component for which no capital rebate will be applied is based on discounted expected future cash flows of the loan until maturity. By this measurement the difference between the fair value of financial asset and the transaction price at initial recognition was deferred and recognised within Deferred income since the fair value can't be measured using a quoted price in an active market for identical asset (i.e., a Level 1 in the Fair value hierarchy). The deferred difference was amortised over the life of respective individual loan on a linear basis. From 2025, the approach has been revised, and changes in the fair value of the loan component are no longer deferred or recognised in Deferred income.

9 Net losses from loans at fair value through profit or loss (cont'd)

As at 30 September 2025 the Company has issued the loans with capital rebate amounting EUR 154 million, including EUR 73 million in the nine months of 2025. For majority of these loans, a capital rebate of 100% may be applied if the performance of the financed project is deemed eligible. The initial loan assessment indicates a high probability that the capital rebate will be applied in the future. Accordingly, fair value losses have been recognized in the nine months of 2025, resulting from the initial measurement of loans with a capital rebate.

Received public funding, issued for loans with capital rebate is interest-free or at interest rate below market rate. At initial recognition the difference between received funding and its fair value is classified as grant. Based on probability level for appliance of capital rebate in the future the said grant is recognised in profit and loss statement upon issue of the loan (high level of certainty) or later when high certainty on appliance of capital rebate in the future incur.

10 Allowances for expected credit losses

Analysis of expected credit loss movements for the period from 1 January 2025 till 30 September 2025, in thousands of euros:

	Loss/(income) on expected credit losses and recoveries of written-off credit risk assets	incl. impairment losses covered by Portfolio Loss Reserve	impairment losses covered by Risk Coverage Reserve	a reduction in the provision for revenue recognised over 90 days	Total
Impairment losses on:	21 597	1 249	(18 850)	(178)	2 569
Loans	4 821	123	(3 279)	(178)	1 364
Financial assets related to loan agreements	9	-	-	-	9
Guarantees	15 645	1 126	(14 471)	-	1 174
Loan commitments	1 122	-	(1 100)	-	22
Reversal of impairment on:	(16 518)	(1 152)	12 294	-	(4 224)
Loans	(5 940)	(611)	2 360	-	(3 580)
Disbursed guarantee compensations	(11)	-	11	-	-
Investment securities	(3)	-	-	-	(3)
Financial assets related to loan agreements	(1)	-	-	-	(1)
Guarantees	(10 331)	(541)	9 695	-	(636)
Loan commitments	(232)	-	228	-	(4)
Total impairment losses / (reversal), net	5 079	97	(6 556)	(178)	(1 655)
(Income) from the recovery of written-down assets	(554)	(221)	5	-	(549)
Total ECL reduction (income) and (income) from recoveries of written-off assets.	4 525	(124)	(6 551)	(178)	(2 204)

10 Allowances for expected credit losses (cont'd)

Analysis of expected credit loss movements for the period from 1 January 2024 till 30 September 2024, in thousands of euros:

	Loss/(income) on expected credit losses and recoveries of written-off credit risk assets	incl. impairment losses covered by Portfolio Loss Reserve	impairment losses covered by Risk Coverage Reserve	a reduction in the provision for revenue recognised over 90 days	Total
Impairment losses on:	15 448	1 713	(11 807)	(209)	3 432
Loans	4 333	508	(2 089)	(209)	2 035
Other assets	27	-	(27)	-	-
Financial assets related to loan agreements	2	-	-	-	2
Guarantees	10 425	1 205	(9 076)	-	1 349
Loan commitments	661	-	(615)	-	46
Reversal of impairment on:	(20 883)	(2 807)	12 293	-	(8 590)
Loans	(7 261)	(1 198)	2 142	-	(5 119)
Disbursed guarantee compensations	(317)	(181)	23	-	(294)
Grants	(905)	-	-	-	(905)
Guarantees	(12 118)	(1 424)	9 885	-	(2 233)
Loan commitments	(282)	(4)	243	-	(39)
Total impairment losses / (reversal), net	(5 435)	(1 094)	486	(209)	(5 158)
(Income) from the recovery of written-down assets	(937)	(337)	281	-	(656)
Total ECL reduction (income) and (income) from recoveries of written-off assets.	(6 372)	(1 431)	767	(209)	(5 814)

11 Investment securities

All amounts in thousands of euros:

	30.09.2025.	31.12.2024.
Investment securities valued at amortised cost		
OECD corporate bonds	3 557	4 023
Total investment securities valued at amortised cost	3 557	4 023
Impairment allowances	(3 557)	(4 023)
Net investment securities valued at amortised cost	-	-
Investment securities valued at fair value through other comprehensive income		
Latvian Treasury bills and government bonds	97 147	183 943
Total investment securities valued at fair value through other comprehensive income	97 147	183 943
Impairment allowances	(371)	(371)
Total net investment securities valued at fair value through other comprehensive income	96 776	183 572
Total gross investment securities	100 704	187 966
Total net investment securities	96 776	183 572

12 Loans

The loans granted constitute the Company's balances due from residents of Latvia.

(1) Analysis of loan portfolio by client segments as at 30 September 2025, in thousands of euros:

	Stage 1		Stage 2		Stage 3		Total gross loans	Total impairment allowance
	Gross loans	Impairment allowance	Gross loans	Impairment allowance	Gross loans	Impairment allowance		
Financial Intermediaries	11	-	-	-	-	-	11	-
Agriculture	133 894	(453)	32 619	(628)	12 507	(2 890)	179 020	(3 971)
SME and Midcaps	140 500	(1 995)	27 605	(1 432)	22 543	(8 481)	190 648	(11 908)
Private individuals	52 115	(343)	4 595	(197)	459	(85)	57 169	(625)
Latvian Land Fund	43 044	(5)	1 075	-	407	(2)	44 526	(7)
Total segments without impairment overlay	369 564	(2 796)	65 894	(2 257)	35 916	(11 458)	471 374	(16 511)
Impairment overlay	-	(612)	-	(756)	-	-	-	(1 368)
Impairment overlay for interest rate discounts	-	(1 895)	-	-	-	-	-	(1 895)
Total segments	369 564	(5 303)	65 894	(3 013)	35 916	(11 458)	471 374	(19 774)

(2) Analysis of the loan amount, equalling to or exceeding EUR 1,000 thousand, issued to one customer:

	30.09.2025.	31.12.2024.
Number of customers	62	53
Total credit exposure of customers (EUR '000)	100 451	87 426
Percentage of total gross portfolio of loans	21.3%	19.9%

As at 30 September 2025 the average annual interest rate for the loan portfolio of the Company was 4.78% (31 December 2024: 5.46%).

12 Loans (cont'd)

(3) Breakdown of loans by industries, in thousands of euros:

	30.09.2025.	31.12.2024.
Agriculture and forestry	237 809	231 199
Manufacturing	47 557	49 404
Electricity, gas and water utilities	34 015	30 286
Retail and wholesale	15 513	17 336
Real estate	9 879	8 765
Construction	10 078	7 414
Health and social care	7 950	8 071
Professional, science and technical services	5 906	6 634
Hotels and restaurants	6 652	5 034
Municipal authorities	6 065	5 081
Transport, warehousing and communications	6 285	5 527
Arts, sports and recreation	3 809	2 324
Education	2 493	918
Fishing	1 668	1 937
Telecommunication, computer programming, consulting, computing infrastructure and other information service activities	872	863
Other industries	18 154	6 073
Private individuals	56 669	48 379
Total gross loans	471 374	435 245
Impairment allowances	(19 774)	(22 996)
Total net loans	451 600	412 249

12 Loans (cont'd)

(4) Movement in impairment allowances, in thousands of euros:

	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Impairment allowances at the beginning of the period	22 996	25 490
Increase in impairment allowances	4 643	4 124
Decrease in impairment allowances	(5 940)	(7 261)
Write-off of loans covered by Portfolio Loss Reserve	(227)	(50)
Write-off of loans covered by Risk Coverage Reserve	(82)	(45)
Write-off of loans Company's share of impairment allowances	(123)	(111)
Decrease in the allowance for mortgage interest refunds	(1 941)	(25)
Loan interest overdue for more than 90 days	178	209
Increase of impairment allowances due to changes in off-balance sheet and balance sheet	270	278
Impairment allowances at the end of the period ended 30 September	19 744 ¹	22 609
Company's share of impairment allowances	10 300	13 421
Impairment allowances covered by Portfolio Loss Reserve	1 285	2 862
Impairment allowances covered by Risk Coverage Reserve	8 189	6 326
Impairment allowances at the beginning of the period		22 609
Increase in impairment allowances		3 565
Decrease in impairment allowances		(2 440)
Loan interest overdue for more than 90 days		60
Write-off of loans covered by Portfolio Loss Reserve		(826)
Write-off of loans covered by Risk Coverage Reserve		(2)
Write-off of loans Company's share of impairment allowances		(59)
Decrease in the allowance for mortgage interest refunds		(11)
Increase of impairment allowances due to changes in off-balance sheet and balance sheet		100
Impairment allowances at the end of the period ended 31 December		22 996
Company's share of impairment allowances		13 900
Impairment allowances covered by Portfolio Loss Reserve		2 000
Impairment allowances covered by Risk Coverage Reserve		7 096

¹ Includes impairment provision of EUR 1,894 thousand (31 December 2024: EUR 3,841 thousand) for interest rate discounts and as such not to be treated as allowance for ECL.

13 Loans with capital rebate

Loans with capital rebate fair value 30 September 2025, in thousands of euros:

	Nominal value of issued loans with capital rebate	Potential future capital rebate component	Fair value (decrease) of potential future capital rebate component	Loan component at fair value	Total
Investment loans with capital rebate	60 280	54 480	(54 480)	13 324	13 324
RRF energy efficiency loans	20 798	9 567	(9 567)	11 036	11 036
RRF digitization loans	29 460	13 486	(13 486)	16 241	16 241
RRF Energy Efficiency Loans for Multi-apartment Buildings	21 611	12 010	(12 010)	8 695	8 695
RRF Loans for construction of affordable housing	21 086	8 797	(8 797)	9 817	9 817
Energy Efficiency Loans for Multi-apartment Buildings 3	712	697	(697)	34	34
Total	153 947	99 037	(99 037)	59 147	59 147

As at 30 September 2025 the Company has issued the loans with capital rebate amounting EUR 154 million. Since the loans with capital rebate are measured at fair value (see Note 23), then the fair value is determined separately for (a) a potential future capital rebate and (b) the component of the loan for which no capital rebate will be applied.

The maximum amount of the capital rebate is determined at the time the loan is issued (at the end of reporting period for issued loans with capital rebate amount EUR 106 million), however the actual amount of the capital rebate will depend on the performance of the financed project in the post-monitoring phase, taking into account the degree of achievement of the project's set goals, so the fair value calculation estimates the expected amount of the capital rebate based on assumptions about the timing and probability of the capital rebate being applied, allowing for the possibility that not all borrowers will achieve the set project goals to qualify for the capital rebate. The probability of the capital allowance to be applied is determined by assessing the likelihood of each major project financed achieving its set goals or by using historical data on the amount of capital rebate applied.

The column "Potential future capital rebate component" the estimated amount of capital rebate expected to apply, based on eligibly assumptions at the end of the reporting period. At that point, the initial valuation of loans indicated a high probability of a capital rebate totalling EUR 99 million. As a result, fair value losses were recognized in the nine months of 2025, reflecting the fair value of this component as at the end of the reporting period. (see Note 9).

13 Loans with capital rebate(cont'd)

Considering the received public funding classified within State support funding in liabilities, to finance the issued loans with capital rebate, after measurement of the fair value of the said public funding, the difference between the received financing nominal value and its the fair value is classified as grant following IAS 20 requirements. The said grant is recognised in profit and loss statement at full amount to cover the loss on change in fair value of respective asset – loan with capital rebate (see Note 9).

Loans with capital rebate fair value 31 December 2024, in thousands of euros:

	Nominal value of issued loans with capital rebate	Potential future capital rebate component	Fair value (decrease) of potential future capital rebate component	Loan component at fair value	Total
Investment loans with capital rebate	38 503	34 731	(34 731)	8 832	8 832
RRF energy efficiency loans	15 759	9 425	(9 425)	6 401	6 401
RRF digitization loans	16 101	9 600	(9 600)	6 871	6 871
RRF Energy Efficiency Loans for Multi-apartment Buildings	5 716	3 575	(3 575)	2 364	2 364
RRF Loans for construction of affordable housing	5 006	4 198	(4 198)	503	503
Total	81 085	61 529	(61 529)	24 971	24 971

Movement of Loans with capital rebate in 9 months of 2025, in thousands of euros:

	Potential future capital rebate component ¹	Loan component ¹	Total
Fair value at the beginning of the period	-	24 971	24 971
Net increase at nominal value	56 725	35 355	92 080
Applied capital rebate in the reporting period ²	(19 217)	-	(19 217)
Changes in fair value, net	-	(1 179)	(1 179)
(Decrease) of fair value of potential future capital rebate component	(37 508)	-	(37 508)
Total fair value at the end of the period	-	59 147	59 147

¹ For details on valuation of the loans at fair value see Note 23 Loans with capital rebate.

² See Note 19 (2) Movement in the Company's support programme funding in 9 months of 2025.

13 Loans with capital rebate(cont'd)

Fair value adjustment of loans with capital rebate in 9 months of 2025, in thousands of euros:

	Change in fair value of capital rebate component	Change in fair value of loan component	Changes in fair value of public funding	Net change in fair value compensated from public funding
Accumulated change in fair value at the beginning of the period 01.01.2025	(61 529)	5 416	54 064	-
Changes in fair value offset by public funding by amendments to public funding agreements	-	-	-	7 465
Changes in fair value of loan component offset by public funding by amendments to public funding agreements	-	-	-	(5 416)
Net increase/(decrease) in fair value of capital rebate component	(55 352)	-	59 486	(4 134)
Net increase/(decrease) in fair value of loan component	-	(1 179)	-	1 179
Write-off of previously recognised fair value changes upon appliance of capital rebate.	17 844	-	(15 570)	(2 274)
Total net increase / (decrease) in fair value	(37 508)	(1 179)	43 916	(3 180)
Accumulated change in fair value at the end of the period	(99 037)	4 237	97 980	(3 180)

Movement of Loans with capital rebate in 2024, in thousands of euros:

	Potential future capital rebate component ¹	Loan component ¹	Total
Fair value at the beginning of the period	9 883	3 205	13 088
Net increase at nominal value	62 068	17 902	79 970
Applied capital rebate in the reporting period	(10 422)	-	(10 422)
Increase in fair value	-	3 864	3 864
(Decrease) of fair value of potential future capital rebate component	(61 529)	-	(61 529)
Total fair value at the end of the period	-	24 971	24 971

¹ For details on valuation of the loans at fair value see Note 23 Loans with capital rebate.

14 Investments in Associates

(1) Investments in associates based on information provided by venture capital fund managers, in thousands of euros:

Company or venture capital fund generation	Country of incorporation	Net asset value, VCF		Net asset value, Altum	
		30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
The 2nd generation VCFs	LV	10 026	7 503	6 981	5 187
The 3rd generation VCFs	LV	2 361	2 431	1 133	1 199
The 4th generation VCFs	LV	41 723	44 048	28 526	30 099
The 5th generation VCFs	LV	3 938	-	3 413	-
AIF "Altum capital fund" ¹	LV	16 630	33 515	8 134	16 392
Baltic Innovation Fund ¹	LU	87 272	96 750	17 255	19 350
Total investments in associates		161 950	184 247	65 442	72 227

¹ Investments in associates are carried at fair value through profit or loss.

(2) Movement in investments in associates, in thousands of euros:

As at 30 September 2025 the total venture capital fund's portfolio value at cost value was EUR 62,501 thousand (31 December 2024: EUR 73,690 thousand).

	Investments in venture capital funds		Investments in AIF "Altum capital fund"		Investments in Baltic Innovation Fund		Total	
	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
Carrying amount at the beginning of period	36 485	34 764	16 392	16 327	19 350	15 501	72 227	66 592
Invested	4 613	5 974	56	1 457	720	660	5 389	8 091
Refunded	(2 737)	(3 791)	(9 752)	(2 237)	(3 080)	(1 088)	(15 569)	(7 116)
Revaluation	1 692	(1 992)	1 438	895	265	4 318	3 395	3 221
Net carrying amount at the end of the period ended 30 September	40 053	34 955	8 134	16 442	17 255	19 391	65 442	70 788
Invested		1 543		25		-		1 568
Refunded		(68)		(465)		-		(533)
Revaluation		55		390		(41)		404
Net carrying amount at the end of the period ended 31 December		36 485		16 392		19 350		72 227

Venture capital funds management fees in the 9 months of 2025, expenses included:

- Management fees for the 4th generation venture capital funds amounted to EUR 517 thousand (9 months of 2024: EUR 553 thousand) which were 100% compensated by public funding (see Note 19 (2)).
- Management fees for the 5th generation venture capital funds amounted to EUR 438 thousand (9 months of 2024: EUR 0 thousand) which were 100% compensated by public funding (see Note 19 (2)).
- Management fees for the AIF "Altum capital fund" amounted to EUR 124 thousand (9 months of 2024: EUR 151 thousand).

15 Other Investments

Total cost of *Other investments* on 30 September 2025 was EUR 27,288 thousand (31 December 2024: EUR 23,766 thousand). The total cost of the investment includes the management fees paid to the funds' managers.

All amounts in thousands of euros

	Investments in Baltic Innovation Fund 2		Three Seas Initiatives Investment Fund		Total	
	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
Carrying amount at the beginning of period	11 543	7 739	17 500	17 659	29 043	25 398
Invested	3 150	2 944	-	-	3 150	2 944
Refunded	(1 036)	(127)	-	(3 590)	(1 036)	(3 717)
Revaluation	294	(14)	2 841	754	3 135	740
Net carrying amount at the end of period ended 30 September	13 951	10 542	20 341	14 823	34 292	25 365
Invested		350		1 832		2 182
Refunded		-		-		-
Revaluation		651		845		1 496
Net carrying amount at the end of period ended 31 December		11 543		17 500		29 043

Baltic Innovation Fund 2 (BIF 2) is a EUR 156 million Fund-of-Funds initiative launched by the European Investment Fund (EIF) in co-operation with the Baltic national promotional institutions – KredEx (Estonia), Altum (Latvia) and Invega (Lithuania). BIF 2 continues to sustain investments into private equity and venture capital funds focused on the Baltic States to boost equity investments into SMEs with high growth potential. The Company signed agreement on BIF 2 on 16 August 2019. The total capital committed by the Company to the BIF2 is EUR 26.5 million thus arriving at the ownership rate 16.99% of the total committed capital of the BIF 2 (EUR 156 million).

The Three Seas Initiative Investment Fund is a new financial instrument for financing and developing infrastructure projects in 12 countries, including Latvia, aimed at reducing infrastructure development gaps between different European regions. The Three Seas Initiative Investment Fund supports transport, energy and digitalization infrastructure projects in Central and Eastern Europe. The Company signed the subscription agreement on 16 September 2020. The total capital committed by the Company to the Three Seas Initiative Investment Fund is EUR 20 million thus arriving at the ownership rate of 2.15% on 30 September 2025 (31 December 2024: 2.15%) of the total committed capital the Three Seas Initiative Investment Fund 30 September 2025: EUR 928.1 million, (31 December 2024: EUR 928.1 million). The amount of capital investment paid by the Company to the Three Seas Initiative Investment Fund on 30 September 2025 was EUR 14.3 million (31 December 2024: EUR 14.3 million).

16 Investment Properties

All amounts in thousands of euros

	30.09.2025.	31.12.2024.
Carrying amount at the beginning of period	92 976	68 246
Acquired during the reporting period ¹	16 602	21 711
New Exposures after Expiry of Reverse Leases	1 714	188
Sold during the reporting period	(2 034)	(2 308)
Revaluation gains	106	5 161
Revaluation losses	(16)	(22)
Carrying amount at the end of the period	109 348	92 976

¹ All acquisitions of investment properties made were related to the activities of Latvian Land Fund programme.

Latvian Land Fund was established on 1 July 2015. According to the Cabinet of Ministers decree dated March 11, 2015, the Company is the manager of Latvian Land Fund. The Law "On Land Privatisation in Rural Areas" stipulated establishment of Latvian Land Fund. Latvian Land Fund is one of the tools used to ensure that agricultural land is preserved and used for agricultural purposes.

Real estate (including investment property) owned by Altum is revalued annually in accordance with accounting requirements and on disposal.

The revaluation of Altum's real estate in 2024 was carried out by certified real estate appraisers on the basis of an outsourcing contract resulting from procurement.

17 Issued Debt Securities

All bonds are listed on the Baltic bond list by Nasdaq Riga.

All amounts in thousands of euros

ISIN	Currency	Number of initially issued securities	Par Value	Date of issuance	Maturity Date	Discount / Coupon Rate	30.09.2025.	31.12.2024.
LV0000880037	EUR	10 000	1 000	07.03.2018	07.03.2025	1.30%	-	10 106
LV0000880037	EUR	15 000	1 000	05.06.2019	07.03.2025	1.30%	-	15 172
LV0000880037	EUR	20 000	1 000	15.04.2020	07.03.2025	1.30%	-	20 213
LV0000870095	EUR	20 000	1 000	08.10.2021	08.10.2026	0.44%	20 080	20 000
LV0000104669	EUR	70 000	1 000	30.05.2025	30.05.2030	3.58%	70 748	-
Total issued debt securities at the end of period ended 31 December							90 828	65 491

To date, the company has issued 6 bonds with a total value of EUR 155 million (31 December 2024: EUR 85 million). It entered the regulated capital markets in October 2017 through the issuance of green bonds. In May of this year, the company issued bonds amounting to EUR 70 million, representing its largest bond issuance to date.

17 Issued Debt Securities (cont'd)

Movements in issued debt securities, in thousands of euros:

	30.09.2025.	31.12.2024.
At the beginning of period	65 491	85 533
Redemption of bonds	69 882	-
Accrued coupon	(45 000)	(20 000)
Coupon pay-out	1 027	879
Discount amortisation	(585)	(933)
Commission amortisation	13	12
Total issued debt securities at the end of period	90 828	65 491

Information about bondholders structure according to holders groups and total number of bondholders at the end of period:

	30.09.2025.		31.12.2024.	
Bondholders group	Number	%	Number	%
Pension plans and investment funds	57	73%	45	42%
Financial institutions	7	9%	9	8%
Other legal entities	3	4%	7	7%
Insurance companies	4	5%	8	8%
Private individuals	7	9%	37	35%
Total	78	100%	106	100%

18 Liabilities from financial guarantees

Movement of Liabilities from financial guarantees, in thousands of euros:

	30.09.2025.	31.12.2024.
Provisions at the beginning of the period	49 262	47 319
Increase in provisions	1 174	1 349
Impairment losses covered by Risk Coverage Reserve	14 471	9 076
Decrease in provisions	(636)	(2 233)
Reversal of impairment covered by Risk Coverage Reserve	(9 695)	(9 885)
Reclassification (Disbursed guarantee)	(199)	(343)
Compensation for guarantee premium	-	(547)
Fair value component - guarantee premiums	64	(41)
Provisions at the end of the period	54 441	44 695
<i>Fair value component - guarantee premiums</i>	3 802	3 718
<i>Company's share of provisions</i>	257	437
<i>Provisions covered by Portfolio Loss Reserve</i>	7 397	6 653
<i>Provisions covered by Risk Coverage Reserve</i>	42 985	33 887
Increase in provisions		949
Impairment losses covered by Risk Coverage Reserve		7 360
Decrease in provisions		(684)
Reversal of impairment covered by Risk Coverage Reserve		(2 578)
Reclassification (Disbursed guarantee)		(312)
Compensation for guarantee premium		(188)
Fair value component - guarantee premiums		20
Provisions at the end of the period		49 262
<i>Fair value component - guarantee premiums</i>		3 738
<i>Company's share of provisions</i>		305
<i>Provisions covered by Portfolio Loss Reserve</i>		6 862
<i>Provisions covered by Risk Coverage Reserve</i>		38 357

19 Support programme funding

(1) The Company's information on the risk coverage reserve included in the support programme funding and state aid, which can be used for covering the Company's credit risk losses as at 30 September 2025, in thousands of euros:

Financial Instrument / Programme	Programme funding	Of which, Risk Coverage Reserve	Of which, committed liability for reserved capital rebate	Programme funding fair Value Correction	Provisions covered by Risk Coverage Reserve	Net programme funding
Loans						
ERDF II	3 095	-	-	-	-	3 095
ESF II	897	-	-	-	-	897
Microcredits of Swiss programme	331	-	-	-	-	331
ERDF I	33	-	-	-	-	33
ESF I	154	-	-	-	-	154
ERDF II (second round)	1 203	4	-	-	-	1 203
Fund of Funds programme – Start-up loans	2 639	348	-	(38)	(35)	2 566
Fund of Funds programme – Microcredits	292	1	-	(1)	-	291
Fund of Funds programme – Parallel loans	4 012	223	-	(259)	(90)	3 663
Energy Efficiency Loans for Multi-apartment Buildings (I)	17 352	14 260	-	(327)	(188)	16 837
Start-up State Aid Cumulation Lending Programme	1 841	1 841	-	(615)	(212)	1 014
Other loans to start-ups	320	-	-	-	-	320
Mezzanine Programme – Loans	3 384	3 316	-	-	(460)	2 924
Guarantees and interest grants programme	4 287	4 287	-	(1 201)	-	3 086
SME energy efficiency loans	3 723	3 723	-	(74)	(946)	2 703
SME growth loans	3 000	3 000	-	(346)	(759)	1 895
ERAF SME growth loans	22 064	1 324	-	-	(778)	21 286
ERAF loans for business sustainability	18 930	4 117	-	-	(1 026)	17 904
Parallel loans	2 000	2 000	-	(159)	(113)	1 728
Parallel loans 2	3 680	1 362	-	-	(386)	3 294
Loans for enterprises in rural territories	9 298	9 298	-	(270)	(156)	8 872
Start-up loans to innovative entrepreneurs	7 912	1 582	-	-	(172)	7 740
Multi-apartment building improvement loans	4 500	4 500	-	(44)	(135)	4 321
Energy Efficiency Loans for Multi-apartment Buildings (II)	9 363	562	-	-	(64)	9 299
Cultural industry support programme ²	245	-	-	-	-	245
ELFLA Agricultural and rural development loans	22 872	1 402	-	-	(207)	22 665
Working capital loans to Agriculture	12 535	10 542	-	(239)	(1 478)	10 818
Co-funding loans for the construction of affordable housing	6 020	613	-	-	(310)	5 710
RRF energy efficiency loans ¹	54 553	8 361	-	-	-	54 553
RRF digitization loans ¹	24 412	3 913	-	-	-	24 412
RRF Energy Efficiency Loans for Multi-apartment Buildings ¹	15 245	1 604	-	-	-	15 245
RRF housing construction loans ¹	31 567	4 361	-	-	-	31 567
RRF the affordable housing construction loans/parallel loans	29 021	-	-	-	-	29 021
Investment Loans with capital rebate ¹	144 098	14 401	-	(88)	-	144 010
Investment Loans with capital rebate – co-funding loans	38 511	13 498	-	-	(703)	37 808
Loans for sustainability	5 000	5 000	-	(222)	(133)	4 645
Loans for biomethane projects	6 460	2 050	-	-	-	6 460
Energy efficiency loans across regions	12 458	-	-	-	-	12 458
PF1 Start-up and Micro ERDF loans	23 318	3 409	-	-	(765)	22 553
PF1 Productivity growth loans	9 826	1 459	-	-	(90)	9 736
PF1 Business sustainability loans	16 608	2 466	-	-	(143)	16 465
PF1 Innovation loans	8 465	1 406	-	-	-	8 465
PF2 Energy Efficiency Loans for Multi-apartment Buildings (III)	8 839	-	-	-	-	8 839
Total loans	594 363	130 233	-	(3 883)	(9 349)	581 131

19 Support programme funding (cont'd)

(1) The Company's information on the risk coverage reserve included in the support programme funding and state aid, which can be used for covering the Company's credit risk losses as at 30 September 2025, in thousands of euros (cont'd):

Financial Instrument / Programme	Programme funding	Of which, Risk Coverage Reserve	Of which, committed liability for reserved capital rebate	Programme funding fair Value Correction	Provisions covered by Risk Coverage Reserve	Net programme funding
Guarantees						
Fund of Funds programme – Guarantees	47 224	47 224	-	-	(7 177)	40 047
Energy Efficiency Guarantees for Multi-apartment Buildings	12 418	12 419	-	-	(1 196)	11 222
Housing Guarantee Programme	27 173	27 172	-	(2 545)	(18 361)	6 267
Housing Guarantee Programme for NAF soldiers	1 061	1 061	-	(571)	(490)	-
Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	8 753	8 753	-	(1 424)	(2 391)	4 938
Mezzanine Programme – Guarantees	1 434	1 405	-	-	(12)	1 422
Portfolio Guarantee Fund	9 394	8 138	-	(1 252)	(3 003)	5 139
Export credit guarantees	5 199	5 199	-	(1 304)	(208)	3 687
Study and student portfolio guarantees ³	914	-	-	-	-	914
Agricultural Guarantees	1 388	1 388	-	(495)	(713)	180
ELFLA Agricultural and rural development guarantees	992	992	-	-	(237)	755
RRM energy car guarantees	1 392	119	564	-	(16)	1 376
RRM Energy efficiency guarantees for multi-apartment buildings ¹	17 891	895	15 433	-	(553)	17 338
PF1 Guarantees for full-cycle business	15 225	8 964	-	-	(8 964)	6 261
PF1 Portfolio guarantees for full-cycle business	2 868	1 297	-	-	(391)	2 477
Total guarantees	153 326	125 026	15 997	(7 591)	(43 712)	102 023
Grants						
Energy Efficiency Grants for Multi-apartment Buildings	6	-	-	-	-	6
Housing grant programme "Balsts"	3 499	-	-	-	-	3 499
Grants for energy efficiency improvement of family buildings	699	-	-	-	-	699
Social Entrepreneurship Programme II	1 383	-	-	-	-	1 383
Energy efficiency project grant	391	-	-	-	-	391
Grants for improving energy efficiency of family buildings	511	-	-	-	-	511
Energoefektivitātes granti DME	1 701	-	-	-	-	1 701
PF1 Multi-apartment buildings grants with consecutive grant payments	81	-	-	-	-	81
Total grants	8 271	-	-	-	-	8 271
Venture Capital Funds						
Fund of Funds and venture capital funds	40 028	38 897	-	-	-	40 028
Investment Fund Activity	9 398	8 458	-	-	-	9 398
Baltic Innovation Fund	2 000	600	-	(182)	-	1 818
Baltic Innovation Fund II	2 531	759	-	(148)	-	2 383
PF1 Contingent equity investments (5G)	18 209	6 995	-	-	-	18 209
Total venture capital funds	72 166	55 709	-	(330)	-	71 836
Other Activities						
Energy Efficiency Fund	5	-	-	-	-	5
Total other activities	5	-	-	-	-	5
2021-2027 Participation fund 1	14 376	-	-	-	-	14 376
2021-2027 Participation fund 2	73 161	6 527	-	-	-	73 161
Total support programme funding	915 668 ⁴	317 495	15 997	(11 804)	(53 061)	850 803

¹ Combined financial instrument.

² Risk coverage (Portfolio Loss Reserve) of EUR 798 thousand has been included in the reserve for mitigation of the consequences of Covid-19, which is part of the specific reserves attributable to support programs.

³ Risk coverage (Portfolio Loss Reserve) of EUR 6,856 thousand has been included in the reserve, which is part of the specific reserves attributable to support programs (see Note 20 (2))

⁴ Support programme funding contains EUR 33,074 thousand allocated for management costs of the Company to be compensated from support programme funding.

19 Support programme funding (cont'd)

(1) The Company's information on the risk coverage reserve included in the support programme funding and state aid, which can be used for covering the Company's credit risk losses as at 31 December 2024, in thousands of euros:

Financial Instrument / Programme	Programme funding	Of which, Risk Coverage Reserve	Of which, committed liability for reserved capital rebate	Programme funding fair Value Correction	Provisions covered by Risk Coverage Reserve	Net programme funding
Loans						
ERDF II	6 275	-	-	-	-	6 275
ESF II	897	-	-	-	-	897
Microcredits of Swiss programme	335	-	-	-	-	335
ERDF I	33	-	-	-	-	33
ESF I	154	-	-	-	-	154
ERDF II (second round)	1 199	5	-	-	-	1 199
ERDF II 2 Public fund	226	-	-	-	-	226
Fund of Funds programme – Start-up loans	2 635	411	-	(38)	(37)	2 560
Fund of Funds programme – Microcredits	292	3	-	(1)	-	291
Fund of Funds programme – Parallel loans	4 012	1 877	-	(259)	(431)	3 322
Energy Efficiency Loans for Multi-apartment Buildings (I)	17 351	15 842	-	(327)	(178)	16 846
Start-up State Aid Cumulation Lending Programme	1 886	1 886	-	(615)	(230)	1 041
Other loans to start-ups	320	2	-	-	-	320
Mezzanine Programme – Loans	3 609	3 536	-	-	(621)	2 988
Guarantees and interest grants programme	4 287	4 287	-	(1 201)	-	3 086
SME energy efficiency loans	3 723	3 723	-	(74)	(1 005)	2 644
SME growth loans	3 000	3 000	-	(346)	(349)	2 305
ERAF SME growth loans	23 045	1 383	-	-	(995)	22 050
ERAF loans for business sustainability	23 732	5 162	-	-	(963)	22 769
Parallel loans	2 000	2 000	-	(159)	(117)	1 724
Parallel loans 2	3 548	1 313	-	-	(513)	3 035
Loans for enterprises in rural territories	9 298	9 298	-	(270)	(146)	8 882
Start-up loans to innovative entrepreneurs	7 781	1 556	-	-	(224)	7 557
Multi-apartment building improvement loans	4 500	4 500	-	(44)	(73)	4 383
Energy Efficiency Loans for Multi-apartment Buildings (II)	9 125	510	-	-	(47)	9 078
Cultural industry support programme ²	245	-	-	-	-	245
ELFLA Agricultural and rural development loans	18 432	4 424	-	-	(154)	18 278
Working capital loans to Agriculture	12 535	11 051	-	(239)	(682)	11 614
Co-funding loans for the construction of affordable housing	2 611	338	-	-	(278)	2 333
RRF energy efficiency loans ¹	32 257	5 257	-	-	-	32 257
RRF digitization loans ¹	31 817	6 123	-	-	-	31 817
RRF Energy Efficiency Loans for Multi-apartment Buildings ¹	17 611	1 148	-	-	-	17 611
RRF housing construction loans ¹	40 022	4 615	-	-	-	40 022
Investment Loans with capital rebate ¹	129 455	10 667	-	(88)	-	129 367
Investment Loans with capital rebate – co-funding loans	33 511	2 334	-	-	-	33 511
Loans for sustainability	1 000	1 000	-	(222)	(42)	736
PF1 Start-up and Micro ERDF loans	9 299	1 128	-	-	(330)	8 969
PF1 Productivity growth loans	14 200	2 080	-	-	(103)	14 097
PF1 Business sustainability loans	8 725	1 288	-	-	(122)	8 603
PF1 Innovation loans	8 474	1 258	-	-	-	8 474
Total loans	493 457	113 005	-	(3 883)	(7 640)	481 934

19 Support programme funding (cont'd)

(1) The Company's information on the risk coverage reserve included in the support programme funding and state aid, which can be used for covering the Company's credit risk losses as at 31 December 2024, in thousands of euros (cont'd):

Financial Instrument / Programme	Programme funding	Of which, Risk Coverage Reserve	Of which, committed liability for reserved capital rebate	Programme funding fair Value Correction	Provisions covered by Risk Coverage Reserve	Net programme funding
Guarantees						
Fund of Funds programme – Guarantees	45 870	45 870	-	-	(7 610)	38 260
Energy Efficiency Guarantees for Multi-apartment Buildings	12 083	10 492	-	-	(1 289)	10 794
Housing Guarantee Programme	29 672	29 672	-	(2 545)	(18 360)	8 767
Housing Guarantee Programme for NAF soldiers	1 061	1 061	-	(571)	(490)	-
Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	8 753	8 753	-	(1 424)	(1 471)	5 858
Mezzanine Programme – Guarantees	1 158	1 135	-	-	(186)	972
Portfolio Guarantee Fund	9 394	8 594	-	(1 252)	(3 408)	4 734
Export credit guarantees	5 199	5 199	-	(1 305)	(391)	3 503
Study and student portfolio guarantees ³	794	-	-	-	-	794
Agricultural Guarantees	1 388	1 388	-	(495)	(893)	-
ELFLA Agricultural and rural development guarantees	984	984	-	-	(228)	756
RRM energy car guarantees	1 504	128	319	-	(14)	1 490
RRM Energy efficiency guarantees for multi-apartment buildings ¹	11 092	555	9 898	-	(297)	10 795
PF1 Individual guarantees for digitalisation and automation	1 460	649	-	-	(11)	1 449
PF1 Guarantees for full-cycle business	11 374	5 065	-	-	(4 297)	7 077
PF1 Portfolio guarantees for full-cycle business	2 838	1 262	-	-	-	2 838
Total guarantees	144 624	120 807	10 217	(7 592)	(38 945)	98 087
Grants						
Energy Efficiency Grants for Multi-apartment Buildings	6	-	-	-	-	6
Housing grant programme "Balsts"	4 704	-	-	-	-	4 704
Grants for energy efficiency improvement of family buildings	809	-	-	-	-	809
Social Entrepreneurship Programme II	586	-	-	-	-	586
Energy efficiency project grant	846	-	-	-	-	846
Grants for improving energy efficiency of family buildings	543	-	-	-	-	543
PF1 Multi-apartment buildings grants with consecutive grant payments	294	-	-	-	-	294
Total grants	7 788	-	-	-	-	7 788
Venture Capital Funds						
Fund of Funds and venture capital funds	36 251	18 011	-	-	-	36 251
Investment Fund Activity	7 036	6 333	-	-	-	7 036
Baltic Innovation Fund	1 956	587	-	(182)	-	1 774
Baltic Innovation Fund II	2 531	759	-	(148)	-	2 383
PF1 Contingent equity investments (5G)	25 656	9 819	-	-	-	25 656
Total venture capital funds	73 430	35 509	-	(330)	-	73 100
Other Activities						
Energy Efficiency Fund	6	-	-	-	-	6
Total other activities	6	-	-	-	-	6
2021-2027 Participation fund I	3 341	-	-	-	-	3 341
Total support programme funding	722 646	269 321	10 217	(11 805)	(46 585)	664 256

¹ Combined financial instrument.

² Risk coverage (Portfolio Loss Reserve) of EUR 810 thousand has been included in the reserve for mitigation of the consequences of Covid-19, which is part of the specific reserves attributable to support programs.

³ Risk coverage (Portfolio Loss Reserve) of EUR 5,610 thousand has been included in the reserve, which is part of the specific reserves attributable to support programs (see Note 20 (2))

19 Support programme funding (cont'd)

Based on the concluded programme implementation contracts, the funding received could be reduced by the outstanding principal amount of the loans classified as lost, non-repaid loan principal amount and / or disbursements of guarantee compensations. The Company need not have to repay the reductions of funding to the funding provider.

(2) Movement in the Company's support programme funding in 9 months of 2025, in thousands of euros:

Financial Instrument / Programme	Financing, net	Financing received	Reallo- cated funding between program- mes	Compen- sated grants/ capital rebate	Compen- sated income and expense	Change in fair value of the financing component	Revaluation of liabilities / Fair value adjustment for loans with capital rebate	Programmes' income/ profit distri- bution	Other changes	Changes in provi- sions covered by Risk Coverage Reserve	Financing, net
	31.12.2024.										30.09.2025.
Loans											
ERDF II	6 275	-	(3 180)	-	-	-	-	-	-	-	3 095
ESF II	897	-	-	-	-	-	-	-	-	-	897
Microcredits of Swiss programme	335	-	(4)	-	-	-	-	-	-	-	331
ERDF I	33	-	-	-	-	-	-	-	-	-	33
ESF I	154	-	-	-	-	-	-	-	-	-	154
ERDF II (second round)	1 199	-	-	-	-	-	-	4	-	-	1 203
ERDF II 2 Public fund	226	-	(226)	-	-	-	-	-	-	-	-
Fund of Funds programme – Start-up loans	2 560	-	-	-	-	-	-	-	4	2	2 566
Fund of Funds programme – Microcredits	291	-	-	-	-	-	-	-	-	-	291
Fund of Funds programme – Parallel loans	3 322	-	-	-	-	-	-	-	-	341	3 663
Energy Efficiency Loans for Multi- apartment Buildings (I)	16 846	-	-	-	-	-	-	-	1	(10)	16 837
Start-up State Aid Cumulation Lending Programme	1 041	-	-	-	-	-	-	-	(45)	18	1 014
Other loans to start-ups	320	-	-	-	-	-	-	-	-	-	320
Mezzanine Programme – Loans	2 988	-	(272)	-	-	-	-	47	-	161	2 924
Guarantees and interest grants programme	3 086	-	-	-	-	-	-	-	-	-	3 086
SME energy efficiency loans	2 644	-	-	-	-	-	-	-	-	59	2 703
SME growth loans	2 305	-	-	-	-	-	-	-	-	(410)	1 895
ERDF SME growth loans	22 050	-	(2 000)	-	-	-	-	974	45	217	21 286
ERDF loans for business sustainability	22 769	-	(5 500)	-	-	-	-	612	86	(63)	17 904
Parallel loans	1 724	-	-	-	-	-	-	-	-	4	1 728
Parallel loans 2	3 035	-	-	-	-	-	-	127	5	127	3 294
Loans for enterprises in rural territories	8 882	-	-	-	-	-	-	-	-	(10)	8 872
Start-up loans to innovative entrepreneurs	7 557	-	-	-	-	-	-	164	(33)	52	7 740

19 Support programme funding (cont'd)

(2) Movement in the Company's support programme funding in 9 months of 2025, in thousands of euros: (cont'd)

Financial Instrument / Programme	Financing, net	Financing received	Reallocated funding between programmes	Compensated grants/capital rebate	Compensated income and expense	Change in fair value of the financing component	Revaluation of liabilities / Fair value adjustment for loans with capital rebate	Programmes' income/profit distribution	Other changes	Changes in provisions covered by Risk Coverage Reserve	Financing, net
	31.12.2024.										30.09.2025.
Multi-apartment building improvement loans	4 383	-	-	-	-	-	-	-	-	(62)	4 321
Energy Efficiency Loans for Multi-apartment Buildings (II)	9 078	-	-	-	-	-	-	238	-	(17)	9 299
Cultural industry support programme ¹	245	-	-	-	-	-	-	-	-	-	245
ELFLA Agricultural and rural development loans	18 278	4 000	-	-	-	-	-	441	(1)	(53)	22 665
Working capital loans to agriculture	11 614	-	-	-	-	-	-	-	-	(796)	10 818
Co-funding loans for the construction of affordable housing	2 333	-	3 406	-	(6)	-	-	9	-	(32)	5 710
RRF energy efficiency loans ¹	32 257	32 234	-	(8 880)	(229)	(818)	(408)	397	-	-	54 553
RRF digitization loans ¹	31 817	3 515	-	(6 623)	(157)	(4 557)	(172)	589	-	-	24 412
RRF Energy Efficiency Loans for Multi-apartment Buildings ¹	17 611	22 913	(11 500)	(3 767)	(233)	(9 385)	(894)	497	3	-	15 245
RRF housing construction loans ¹	40 022	-	-	-	(60)	(6 417)	(2 050)	72	-	-	31 567
RRF the affordable housing construction loans/parallel loans	-	29 021	-	-	-	-	-	-	-	-	29 021
Investment Loans with capital rebate	129 367	30 000	-	-	-	(22 057)	6 700	-	-	-	144 010
Investment Loans with capital rebate – co-funding loans	33 511	5 000 ⁸	-	-	-	-	-	-	-	(703)	37 808
Loans for sustainability	736	-	4 000	-	-	-	-	-	-	(91)	4 645
Loans for biomethane projects	-	6 440	-	-	-	-	-	20	-	-	6 460
Energy efficiency loans across regions	-	12 458	-	-	-	-	-	-	-	-	12 458
PF1 Start-up and Micro ERDF loans	8 969	-	14 142	-	(569)	-	-	446	-	(435)	22 553
PF1 Productivity growth loans	14 097	-	(4 340)	-	(234)	-	-	200	-	13	9 736
PF1 Business sustainability loans	8 603	-	7 990	-	(369)	-	-	262	-	(21)	16 465
PF1 Innovation loans	8 474	-	-	-	(9)	-	-	-	-	-	8 465
PF2 Energy Efficiency Loans for Multi-apartment Buildings (III)	-	1 500	8 000	-	-	(682)	4	17	-	-	8 839
Total loans	481 934	147 081	10 516	(19 270)⁶	(1 866)	(43 916)⁵	(3 180)	5 116	65	(1 709)	581 131

19 Support programme funding (cont'd)

(2) Movement in the Company's support programme funding in 9 months of 2025, in thousands of euros: (cont'd)

Financial Instrument / Programme	Financing, net	Financing received	Reallocated funding between programmes	Compensated grants/ capital rebate	Compensated income and expense	Change in fair value of the financing component	Revaluation of liabilities / Fair value adjustment for loans with capital rebate	Programmes' income/ profit distribution	Other changes	Changes in provisions covered by Risk Coverage Reserve	Financing, net
	31.12.2024.										30.09.2025.
Guarantees											
Fund of Funds programme - Guarantees	38 260	-	-	-	-	-	-	1 069	285	433	40 047
Energy Efficiency Guarantees for Multi-apartment Buildings	10 794	-	-	-	-	-	-	335	-	93	11 222
Housing Guarantee Programme	8 767	-	(2 500)	-	-	-	-	-	1	(1)	6 267
Housing Guarantee Programme for NAF soldiers	-	-	-	-	-	-	-	-	-	-	-
Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	5 858	-	-	-	-	-	-	-	-	(920)	4 938
Mezzanine Programme - Guarantees	972	-	272	-	-	-	-	4	-	174	1 422
Portfolio Guarantee Fund	4 734	-	-	-	-	-	-	-	-	405	5 139
Export credit guarantees	3 503	-	-	-	-	-	-	-	1	183	3 687
Study and student portfolio guarantees	794	120	-	-	-	-	-	-	-	-	914
Agricultural Guarantees	-	-	-	-	-	-	-	-	-	180	180
ELFLA Agricultural and rural development guarantees	756	-	-	-	-	-	-	8	-	(9)	755
RRM energy car guarantees	1 490	-	-	(123)	-	-	-	11	-	(2)	1 376
RRM Multi-apartment building energy efficiency guarantees	10 795	-	11 500	(4 372)	(329)	-	-	-	-	(256)	17 338
PF1 Individual guarantees for digitalisation and automation	1 449	-	(1 432)	-	(5)	-	-	(23)	-	11	-
PF1 Guarantees for full-cycle business	7 077	-	3 942	-	(404)	-	-	313	-	(4 667)	6 261
PF1 Portfolio guarantees for full-cycle business	2 838	-	-	-	(39)	-	-	69	-	(391)	2 477
Total guarantees	98 087	120	11 782	(4 495)	(777)	-	-	1 786	287	(4 767)	102 023

19 Support programme funding (cont'd)

(2) Movement in the Company's support programme funding in 9 months of 2025, in thousands of euros: (cont'd)

Financial Instrument / Programme	Financing, net	Financing received	Reallocated funding between programmes	Compensated grants/capital rebate	Compensated income and expense	Change in fair value of the financing component	Revaluation of liabilities / Fair value adjustment for loans with capital rebate	Programmes' income/profit distribution	Other changes	Changes in provisions covered by Risk Coverage Reserve	Financing, net
	31.12.2024.										30.09.2025.
Grants											
Energy Efficiency Grants for Multi-apartment Buildings	6	-	-	-	-	-	-	-	-	-	6
Housing grant programme "Balsts"	4 704	-	2 500	(3 705)	-	-	-	-	-	-	3 499
Grants for energy efficiency improvement of family buildings ¹	809	-	4	(114)	-	-	-	-	-	-	699
Social Entrepreneurship Programme II	586	1 520	-	(603)	(120)	-	-	-	-	-	1 383
Energy efficiency project grant	846	-	-	(455)	-	-	-	-	-	-	391
Grants for improving energy efficiency of family buildings	543	-	-	(24)	(8)	-	-	-	-	-	511
Energoefektivitātes granti DME	-	1 701	-	-	-	-	-	-	-	-	1 701
PF1 Multi-apartment Buildings grants with consecutive grant payments	294	225	-	(438)	-	-	-	-	-	-	81
Total grants	7 788	3 446	2 504	(5 339)	(128)	-	-	-	-	-	8 271
Venture Capital Funds											
Fund of Funds and venture capital funds	36 251	-	3 500	-	(480) ²		(257)	1 438 ³	(424)	-	40 028
Investment Fund Activity	7 036	-	-	-	-		1 949	4134	-	-	9 398
Baltic Innovation Fund	1 774	-	-	-	-		44	-	-	-	1 818
Baltic Innovation Fund II	2 383	-	-	-	-		-	-	-	-	2 383
PF1 Contingent equity investments (5G)	25 656	-	(7 314)	-	(478) ⁷		-	345	-	-	18 209
Total venture capital funds	73 100	-	(3 814)	-	(958)		1 736	2 196	(424)	-	71 836

19 Support programme funding (cont'd)

(2) Movement in the Company's support programme funding in 9 months of 2025, in thousands of euros: (cont'd)

Financial Instrument / Programme	Financing, net	Financing received	Reallocated funding between programmes	Compensated grants/ capital rebate	Compensated income and expense	Change in fair value of the financing component	Revaluation of liabilities / Fair value adjustment for loans with capital rebate	Programmes' income / profit distribution	Other changes	Changes in provisions covered by Risk Coverage Reserve	Financing, net
31.12.2024.											30.09.2025.
Other Activities											
Energy Efficiency Fund	6	-	-	-	(1)		-	-	-	-	5
Total other activities	6	-	-	-	(1)		-	-	-	-	5
2021-2027 Participation fund 1	3 341	25 037	(12 988)	-	(1 014)	-	-	-	-	-	14 376
2021-2027 Participation fund 2	-	80 763	(8 000)	-	-	-	-	398	-	-	73 161
Total support programme funding	664 256	256 447	-	(29 104)	(4 744)	(43 916)⁵	4 916	9 496	(72)	(6 476)	850 803

¹ Combined financial instrument.

² include EUR 517 thousand management fees for the 4th generation venture capital funds and EUR (37) thousand in refunded management fees.

³ include EUR 1,445 thousand mezzanine interest received in 9 months of 2025.

⁴ include EUR 362 thousand mezzanine interest received in 9 months of 2025.

⁵ The received public funding to finance the issued loans with capital rebate are measured at fair value. After measurement of the fair value of the said public funding, the difference between the received financing nominal value and its the fair value is classified as grant following IAS 20 requirements, see more in Note 13 *Loans with capital rebate*. The said grant is recognised in profit and loss statement at full amount to cover the loss on change in fair value of respective asset – loan with capital rebate. As a consequence the said grant amounting EUR 43,916 thousand has been recognised as income in the financial statements (see Note 9).

⁶ See Note 13 *Loans with capital rebate*

⁷ include EUR 438 thousand management fees for the 5th generation venture capital funds.

⁸ Includes an increase of EUR 5,000 thousand, reducing the Special Reserve Capital. See Appendix 20(2).

20 Reserves

(1) Analysis of the Company's reserves movements, in thousands of euros:

	Specific reserves for support programmes	Other specific reserves- difference recognised in reorganisation reserve	General reserve capital	Total reserves
Reserves as of 1 January 2024	125 629	(15 935)	57 265	166 959
Increase of reserve capital	5 610	-	-	5 610
Reduction of reserve capital due to increased funding of Support Programmes	(5 788)	-	-	(5 788)
Increase of Specific Reserves from General reserve capital at distribution of the profit for year 2023	2 821	-	(2 821)	-
Reduction of Specific Reserves from General reserve capital at distribution of the profit for year 2023	(2 768)	-	2 768	-
2023 profit of the Company	-	-	17 810	17 810
Reserves as of 30 September 2024	125 504	(15 935)	75 022	184 591
Increase of reserve capital	1 774	-	-	1 774
Reduction of reserve capital due to increased funding of Support Programmes	(12 500)	-	-	(12 500)
Reserves as of 31 December 2024	114 778	(15 935)	75 022	173 865
Increase of reserve capital	2 805	-	-	2 805
Reduction of reserve capital due to increased funding of Support Programmes	(5 000)	-	-	(5 000)
Increase of Specific Reserves from General reserve capital at distribution of the profit for year 2024	3 118	-	(3 118)	-
Reduction of Specific Reserves from General reserve capital at distribution of the profit for year 2024	(1 737)	-	1 737	-
2024 profit of the Company	-	-	28 663	28 663
Reserves as of 30 September 2025	113 964	(15 935)	102 304	200 333

20 Reserves (cont'd)

(2) Breakdown of the Company's "Specific reserves for support programmes", in thousands of euros:

	Reserve capital for non-Covid-19 guarantees programmes							Reserve capital for mitigating of impact of Covid-19		Reserve capital for AIF "Altum capital fund"	Total specific reserves for support programmes
	Housing Guarantee Programme	Study and student portfolio guarantees	Guarantees for agriculture, fisheries and rural development	Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	Loans for mitigating the consequences of the Ukrainian war	Guarantees for mitigating the consequences of the Ukrainian war	Baltic SME Initial Public Offering Fund	Working capital loans	Loan holiday guarantees		
Specific reserves as of 1 January 2024	21 977	1 402	5 788	4 018	21 500	12 500	13 829	15 551	5 157	23 907	125 629
of which:											
Portfolio Loss Reserve (Specific Reserves)	21 977	1 402	5 788	4 018	21 234	12 500	1 018	15 551	5 157	7 942	96 587
Increase of reserve capital	-	5 610	-	-	-	-	-	-	-	-	5 610
Reduction of reserve capital due to increased funding of Support Programmes	-	-	(5 788)	-	-	-	-	-	-	-	(5 788)
Increase of Specific Reserves from General reserve capital at distribution of the profit for year 2023	-	-	-	-	-	-	-	717	2 030	73	2 820
Reduction of Specific Reserves from General reserve capital at distribution of the profit for year 2023	-	(1 402)	-	(718)	(647)	-	-	-	-	-	(2 767)
Specific reserves as of 30 September 2024	21 977	5 610	-	3 300	20 853	12 500	13 829	16 268	7 187	23 980	125 504
of which:											
Portfolio Loss Reserve (Specific Reserves)	21 977	5 610	-	3 300	20 587	12 500	1 018	16 268	7 187	8 015	96 462
Increase of reserve capital	1 774	-	-	-	-	-	-	-	-	-	1 774
Reduction of reserve capital due to increased funding of Support Programmes	-	-	-	-	-	(12 500)	-	-	-	-	(12 500)
Specific reserves as of 31 December 2024	23 751	5 610	-	3 300	20 853	-	13 829	16 268	7 187	23 980	114 778
of which:											
Portfolio Loss Reserve (Specific Reserves)	23 751	5 610	-	3 300	20 587	-	1 018	16 268	7 187	8 015	85 736

20 Reserves (cont'd)

(2) Breakdown of the Company's "Specific reserves for support programmes", in thousands of euros (cont'd):

	Reserve capital for non-Covid-19 guarantees programmes							Reserve capital for mitigating of impact of Covid-19		Reserve capital for AIF "Altum capital fund"	Total specific reserves for support programmes
	Housing Guarantee Programme	Study and student portfolio guarantees	Guarantees for agriculture, fisheries and rural development	Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	Loans for mitigating the consequences of the Ukrainian war	Guarantees for mitigating the consequences of the Ukrainian war	Baltic SME Initial Public Offering Fund	Working capital loans	Loan holiday guarantees		
Increase of reserve capital	-	2 805	-	-	-	-	-	-	-	-	2 805
Reduction of reserve capital due to increased funding of Support Programmes	-	-	-	-	(5 000)	-	-	-	-	-	(5 000)
Increase of Specific Reserves from General reserve capital at distribution of the profit for year 2024	-	-	-	75	63	-	-	1 305	1 675	-	3 118
Reduction of Specific Reserves from General reserve capital at distribution of the profit for year 2024	-	(1 558)	-	-	-	-	-	-	-	(179)	(1 737)
Specific reserves as of 30 September 2025	23 751	6 857	-	3 375	15 916	-	13 829	17 573	8 862	23 801	113 964
of which:											
Portfolio Loss Reserve (Specific Reserves)	23 751	6 857	-	3 375	15 650	-	1 018	17 573	8 862	7 836	84 922

20 Reserves (cont'd)

(2) Breakdown of the Company's "Specific reserves for support programmes", in thousands of euros (cont'd):

The item *Reserve capital for non-Covid-19 programs* includes:

- an increase in the special reserve capital for Portfolio Guarantees for Studies and Students for the total amount of EUR 2,805 thousand in accordance with the decision of the Extraordinary Shareholders' Meeting of 20 March 2025, which has been taken on the basis of the Cabinet Regulation No.231 of 21 April 2020 Regulations regarding Loans for Studies and Students for Studying in Latvia from the Resources of Credit Institutions Guaranteed by the State Budget's Resources, and the Agreement of 10 August 2020 (with amendments of 14 December 2023) concluded with the Ministry of Education and Science regarding funding, implementation, co-operation, monitoring and information exchange of the Guarantee Program for Studies and Student Loans.
- includes a reduction in the Special Reserve allocated to the programme Loans for mitigating the consequences of the war in Ukraine, in the amount of EUR 5000 thousand. The reallocated funds increase the financing of support programmes under the Investment Loans with Capital Rebate additional loan, in accordance with the resolution of the Shareholders' Meeting held on 30 April 2025. The decision is based on Cabinet of Ministers Regulation, No.628 of October 31, 2023 "Amendments to the Cabinet of Ministers Regulation No.503 of July 6, 2021, Regulations Regarding Loans with a capital rebate for Investment Projects for Promoting Projects of Merchants for Facilitating Competitiveness" clause 7; Cabinet of Ministers Regulation No. 627 of 31 October 2023 "Amendment to Cabinet of Ministers Regulation No. 349 of 14 June 2022, "Regulations on the Loan Programme to Mitigate the Economic Consequences of Russia's Military Aggression Against Ukraine", and Agreement No. 2 of 3 March 2025 to the agreement of 19 October 2022, concluded between Altum and the Ministry of Economics, regarding the redistribution of funding to reserve capital to ensure financing for the Ukraine Loan Programme No. 2022-0163."

The reallocation of the funds resulting from the reduction in the specific capital reserve will be redirected to the financing of the (Investment) Loans with a capital rebate program. Thus, the reduction of the specific capital reserve by reducing the funding for certain support programs and the corresponding transfer of funding to liabilities of EUR 5,000 thousand for the financing of the Loans with a capital rebate program will ensure that the same nature of funding is maintained - funding for the implementation of a new support program and for the coverage of expected losses.

The funding included in the Specific Reserves will be used to cover the expected credit losses of the programs at full extent as well as such are disclosed separately as Portfolio Loss Reserve within respective reserve capital.

20 Reserves (cont'd)

(3) Analysis of portfolio loss reserve movements, in thousands of euros:

	Portfolio loss reserve for non-Covid-19 guarantees programmes							Portfolio loss reserve for mitigating of impact of Covid-19		Reserve capital for AIF "Altum capital fund"	Total portfolio loss reserve
	Housing Guarantee Programme	Study and student portfolio guarantees	Guarantees for agriculture, fisheries and rural development	Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	Loans for mitigating the consequences of the Ukrainian war	Guarantees for mitigating the consequences of the Ukrainian war	Baltic SME Initial Public Offering Fund	Working capital loans	Loan holiday guarantees		
Portfolio Loss Reserve as of 1 January 2024	21 977	1 402	5 788	4 018	21 234	12 500	1 018	15 551	5 157	7 942	96 587
of which:											
Portfolio Loss Reserve (Specific Reserves) to be used to cover credit loss upon approval of the 2023 annual report	-	(1 402)	-	(718)	(647)	-	-	717	2 030	73	53
Increase of specific reserves	-	5 610	-	-	-	-	-	-	-	-	5 610
Reduction of reserve capital due to increased funding of Support Programmes	-	-	(5 788)	-	-	-	-	-	-	-	(5 788)
Increase of Specific Reserves from General reserve capital at distribution of the profit for year 2023	-	-	-	-	-	-	-	717	2 030	73	2 820
Reduction of Specific Reserves from General reserve capital at distribution of the profit for year 2023	-	(1 402)	-	(718)	(647)	-	-	-	-	-	(2 767)
Portfolio Loss Reserve as of 30 September 2024	21 977	5 610	-	3 300	20 587	12 500	1 018	16 268	7 187	8 015	96 462
of which:											
Portfolio Loss Reserve (Specific Reserves) to be used to cover credit loss upon approval of the 2024 annual report	(45)	(842)	-	171	97	-	-	935	1 115	(151)	1 280
Increase of specific reserves	1 774	-	-	-	-	-	-	-	-	-	1 774
Reduction of reserve capital due to increased funding of Support Programmes	-	-	-	-	-	(12 500)	-	-	-	-	(12 500)
Portfolio Loss Reserve as of 31 December 2024	23 751	5 610	-	3 300	20 587	-	1 018	16 268	7 187	8 015	85 736
of which:											
Portfolio Loss Reserve (Specific Reserves) to be used to cover credit loss upon approval of the 2024 annual report	-	(1 558)	-	75	63	-	-	1 305	1 675	(179)	1 381

20 Reserves (cont'd)

(3) Analysis of portfolio loss reserve movements, in thousands of euros (cont'd):

	Portfolio loss reserve for non-Covid-19 guarantees programmes							Portfolio loss reserve for mitigating of impact of Covid-19		Reserve capital for AIF "Altum capital fund"	Total portfolio loss reserve
	Housing Guarantee Programme	Study and student portfolio guarantees	Guarantees for agriculture, fisheries and rural development	Guarantee Programme for Clients of State Aid Accumulation, Grace Period and Large Economic Operators	Loans for mitigating the consequences of the Ukrainian war	Guarantees for mitigating the consequences of the Ukrainian war	Baltic SME Initial Public Offering Fund	Working capital loans	Loan holiday guarantees		
Increase of specific reserves	-	2 805	-	-	-	-	-	-	-	-	2 805
Reduction of reserve capital due to increased funding of Support Programmes	-	-	-	-	(5 000)	-	-	-	-	-	(5 000)
Increase of Specific Reserves from General reserve capital at distribution of the profit for year 2024	-	-	-	75	63	-	-	1 305	1 675	-	3 118
Reduction of Specific Reserves from General reserve capital at distribution of the profit for year 2024	-	(1 558)	-	-	-	-	-	-	-	(179)	(1 737)
Portfolio Loss Reserve as of 30 September 2025	23 751	6 857	-	3 375	15 650	-	1 018	17 573	8 862	7 836	84 922
of which:											
Portfolio Loss Reserve (Specific Reserves) to be used to cover credit loss upon approval of the 2025 annual report	(93)	(546)	-	7	129	-	-	580	47	(114)	10

21 Off-balance sheet items and contingent liabilities

All amounts in thousands of euros

	30.09.2025.	31.12.2024.
Contingent liabilities:		
Outstanding guarantees	603 656	523 538
Financial commitments:		
Loan commitments	215 522	170 045
Commitments to AIF "Altum capital fund" ¹	29 040	29 096
Commitments to investments in associates	49 099	19 027
Commitments to other investments	17 382	20 532
Grant commitments	3 297	1 992
Total contingent liabilities and financial commitments	917 996	764 230

¹ Includes commitments based on the limited partnership agreement concluded between the Company, as a limited partner, and the participants of the AIF Altum Capital Fund, which obligates the Company to invest in the Fund for a total amount of EUR 48.9 million. As the fund's investment period has ended and no additional investments in existing portfolio companies are expected, the indicated amount could decrease by at least EUR 26 million.

Impairment allowances for loan commitments, in thousands of euros:

	30.09.2025.	31.12.2024.
Unutilised loan facilities	215 522	170 045
Impairment allowances	(1 174)	(554)
Total unutilized loan facilities, net	214 348	169 491

Impairment allowances for grant commitments, in thousands of euros:

	30.09.2025.	31.12.2024.
Grant commitments	3 297	1 992
Impairment allowances	(55)	(55)
Total grant commitments, net	3 242	1 937

Analysis of the guarantee portfolio by client segments as at 30 September 2025, in thousands of euros:

	Stage 1		Stage 2		Stage 3		Total outstanding guarantees	Total impairment allowance
	Outstanding guarantees	Impairment allowance	Outstanding guarantees	Impairment allowance	Outstanding guarantees	Impairment allowance		
Agriculture	9 866	(797)	1 647	(153)	-	-	11 513	(950)
SME and Midcaps	210 808	(17 241)	13 807	(2 183)	6 676	(2 545)	231 291	(21 969)
Private individuals	357 088	(26 637)	3 029	(392)	735	(691)	360 852	(27 720)
Total segments, gross	577 762	(44 675)	18 483	(2 728)	7 411	(3 236)	603 656	(50 639)
Impairment overlay for interest rate decrease	-	-	-	-	-	-	-	-
Total segments, net	577 762	(44 675)	18 483	(2 728)	7 411	(3 236)	603 656	(50 639)

21 Off-balance sheet items and contingent liabilities (cont'd)

Breakdown of off-balance sheet assets and contingent liabilities by remaining contractual maturities as at 30 June 2025, in thousands of euros:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years and w/o maturity	Total
Contingent liabilities							
Outstanding guarantees	366 434 ¹	-	-	299	47 838	189 085	603 656
Financial commitments							
Loan commitments	215 522	-	-	-	-	-	215 522
Commitments to AIF "Altum capital fund" ²	8	15	27	54	28 936	-	29 040
Commitments to investments in associates	1 405	2 977	2 672	5 345	34 686	2 014	49 099
Commitments to other investments	300	600	2 900	1 800	10 432	1 350	17 382
Total financial commitments	217 235	3 592	5 599	7 199	74 054	3 364	311 043
Grant commitments	3 297	-	-	-	-	-	3 297
Total contingent liabilities and financial commitments	586 966	3 592	5 599	7 498	121 892	192 449	917 996

¹ Outstanding financial guarantees are presented "Up to 1 month" as these guarantees can be claimed on demand and the Company has to make a decision on payment of guarantee claim within one month.

² Includes commitments based on the limited partnership agreement concluded between the Company, as a limited partner, and the participants of the AIF Altum Capital Fund, which obligates the Company to invest in the Fund for a total amount of EUR 48.9 million. As the fund's investment period has ended and no additional investments in existing portfolio companies are expected, the indicated amount with term 1-5 years could decrease by at least EUR 26 million.

Breakdown of off-balance sheet assets and contingent liabilities by remaining contractual maturities as at 31 December 2024, in thousands of euro:

	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years and w/o maturity	Total
Contingent liabilities							
Outstanding guarantees	316 338 ¹	-	305	1 991	55 040	149 864	523 538
Financial commitments							
Loan commitments	170 045	-	-	-	-	-	170 045
Commitments to AIF "Altum capital fund" ²	8	17	25	50	28 996	-	29 096
Commitments to investments in associates ³	231	197	295	2 347	15 957	-	19 027
Commitments to other investments	289	578	867	1 734	9 972	7 092	20 532
Total financial commitments	170 573	792	1 187	4 131	54 925	7 092	238 700
Grant commitments	1 992	-	-	-	-	-	1 992
Total contingent liabilities and financial commitments	488 903	792	1 492	6 122	109 965	156 956	764 230

¹ Outstanding financial guarantees are presented "Up to 1 month" as these guarantees can be claimed on demand and the Company has to make a decision on payment of guarantee claim within one month.

² Considering the investments made by AIF Altum capital fund as of 31 December 2024 EUR 19.8 million, as well as scheduled contributions to cover management fee EUR 0.3 million, the position "Commitments to AIF Altum capital fund" could decrease by EUR 28.8 million.

³ Considering the investments are realized in the 2nd and 3rd generation venture capital funds and the subsequent liquidation of the funds, the position "Commitments to investments in associates" could decrease by EUR 0.9 million.

22 Related party transactions

Related parties include members of the Supervisory Council and the Management Board of the Company, their close family members, as well as companies under their control.

In accordance with [International Accounting Standard \(IAS\) 24](#) "Related Party Disclosures", the key management personnel, directly or indirectly authorised and responsible for planning, management and control of the Company's operations are treated as related parties to the Company. The powers granted to the heads of the structural units of the Company do not entitle them to manage the operations of the Company and decide on material transactions that could affect the Company's operations and/or result in legal consequences.

The Company has entered into a number of transactions with other public authorities. The most significant were obtaining financing from the Investment and Development Agency of Latvia, Ministry of Finance, Ministry of Economics, Ministry of Agriculture, Rural Support Service and Central Finance and Contracting Agency, which co-finance the development programmes of the Company.

Balances from transactions with related parties, including off-balance sheet financial liabilities, in thousands of euros:

	Transactions with shareholders		Associates		Other companies owned by the shareholders	
	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
Investments in venture capital funds	-	-	57 308	55 835	-	-
Investments in AIF "Altum capital fund"	-	-	8 134	16 392	-	-
Due to general governments	-	-	-	-	1 946	1 978
Support programme funding	615 942	543 225	-	-	232 365	126 422
Off-balance sheet financial liabilities for venture capital funds	-	-	49 099	19 227	-	-
Off-balance sheet financial liabilities for AIF "Altum capital fund"	-	-	29 040	29 096	-	-

Transactions with related parties, in thousands of euros:

	Received State aid funding		Issued State aid funding or funding paid back	
	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Transactions with shareholders				
Ministry of Finance of the Republic of Latvia	40 540	18 532	(10 995)	(11 450)
Ministry of Agriculture of the Republic of Latvia	55	-	(3)	-
Ministry of Economics of the Republic of Latvia	89 183	92 719	-	-
Associates				
Venture capital funds	8 539	8 094	(16 605)	(7 119)
Other companies owned by the shareholders				
Rural Support Service	4 000	6 200	-	-
Central Finance and Contracting Agency of the Republic of Latvia	124 924	19 093	-	(2 008)
Ministry of Education and Science of the Republic of Latvia	2 925	2 925	-	-
Ministry of Culture of the Republic of Latvia	-	-	-	(132)
Ministry of Wealth Fair of the Republic of Latvia	1 202	500	(350)	-

The remuneration of the members of the Supervisory Council, Audit Committee and the Management Board of the Company in the 9 months of 2025 amounted to EUR 544 thousand (9 months of 2024: EUR 574 thousand), including social insurance tax.

	01.01.2025.- 30.09.2025.	01.01.2024.- 30.09.2024.
Remuneration to the Supervisory Council and the Management Board	440	473
to the Supervisory Council	68	69
to the Management Board	339	368
to the Audit Committee	33	36
Social insurance tax	104	111
Total	544	584

23 Fair values of assets and liabilities

The fair values of financial assets and financial liabilities and their differences to their carrying amount are presented below, in thousands of euros:

	Total carrying amount		Total fair value incl.		Level 2		Level 3	
	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.	30.09.2025.	31.12.2024.
Assets measured at fair value								
Financial assets at fair value through other comprehensive income - investment securities	96 776	183 572	96 776	183 572	96 776	183 572	-	-
Other investments	65 442	72 227	65 442	72 227	-	-	65 442	72 227
Investments in associates	34 292	29 043	34 292	29 043	-	-	34 292	29 043
Investment properties	109 348	92 976	109 348	92 976	-	-	109 348	92 976
Loans with capital rebate	59 147	24 971	59 147	24 971	-	-	59 147	24 971
Assets with fair values disclosed								
Due from credit institutions and the Treasury	883 091	627 769	882 741	627 168	882 741	627 168	-	-
Financial assets at amortised cost:								
Loans	451 600	412 249	402 433	377 187	-	-	402 433	377 187
Other financial assets	3 469	2 937	3 469	2 937			3 469	2 937
Total assets	1 703 165	1 445 744	1 653 648	1 410 081	979 517	810 740	674 131	599 341
Liabilities measured at fair value								
Support programme funding	850 803	664 256	850 803	664 256	-	-	850 803	664 256
Liabilities with fair value disclosed								
Due to credit institutions	33 798	40 366	33 798	40 366	-	-	33 798	40 366
Due to general governments	239 180	207 634	222 125	196 654	-	-	222 125	196 654
Liabilities from financial guarantees	54 441	49 262	54 441	49 262	-	-	54 441	49 262
Financial liabilities at amortised cost - Issued debt securities	90 828	65 491	88 254	63 139	-	-	88 254	63 139
Total liabilities	1 269 050	1 027 009	1 249 421	1 013 677	-	-	1 249 421	1 013 677
Off-balance-sheet commitments for which the fair value is disclosed:								
Outstanding guarantees	603 656	523 538	603 656	523 538	-	-	603 656	523 538
Total off-balance sheet liabilities	603 656	523 538	603 656	523 538	-	-	603 656	523 538

23 Fair values of assets and liabilities (cont'd)

Loans with capital rebate

The fair value of loans with capital rebate is determined separately for (a) for a potential future capital rebate and (b) the component of the loan for which no capital rebate will be applied. The fair value is determined based on a discounted cash flow method using inputs that are primarily unobservable in an active market, which are based on the Company's assumptions and estimates and are regularly reviewed and adjusted based on the most recent information available.

The maximum amount of the capital rebate is determined at the time the loan is granted, but the actual amount of the capital rebate will depend on the performance of the financed project in the post-monitoring phase, taking into account the degree of achievement of the project's stated objectives, so the fair value calculation estimates the expected amount of the capital rebate based on assumptions about the timing and probability of the capital rebate being applied, allowing for the possibility that not all borrowers will achieve the stated project objectives to qualify for the capital rebate. The probability of the capital allowance being applied is determined by assessing the likelihood of each major project financed achieving its stated objectives or by using historical data on the amount of capital rebate applied.

The fair value measurement of the component of the loan to which the capital rebate will not be applied is based on assumptions about the expected future cash flows of the loan until maturity. The cash flows include the expected repayments of principal, reduced by the expected capital rebate at the date of application of the capital rebate, as well as interest payments and related costs (e.g. applicable administrative costs). To determine the fair value of future cash flows, the cash flows are reduced by the expected loss given default of the borrower's probability of default (PD) and loss given default (LGD) measures and discounted at respective loans interest rate.

Assets

Where possible, the fair value of securities is estimated on the basis of quoted market prices. For determining the fair value of other securities, the Management has applied the discounted cash flow method where the cash flow forecasts are based on assumptions and up-to-date market information available at the time of measurement. The fair value of loans with interest payable at fixed rates by specified dates was determined by applying the discounted cash flow method, whilst in regard to the fair value of loans with their basic interest rate tied to variable market rates, the Company have assumed that the carrying amount of such loans corresponds to their fair value.

23 Fair values of assets and liabilities (cont'd)

Liabilities

The fair value of financial liabilities stated at amortised cost, for example, the fair value of balances due to credit institutions, is estimated using the discounted cash flow method and the interest rates applied to similar products at the end of the year. The fair value of financial liabilities (for example, balances due to credit institutions) repayable on demand or subject to a variable interest rate, approximately corresponds to their carrying amount.

Fair value hierarchy of financial assets and liabilities

The Company classify the fair value measurements based on the fair value hierarchy, reflecting the significance of the input data. The fair value hierarchy of the Company has 3 levels:

- Level 1 includes listed financial instruments for which an active market exists, if in determining their fair value the Company use unadjusted quoted market prices, obtained from a stock-exchange or reliable information systems.
- Level 2 includes balances due from other credit institutions and the Treasury as well as financial instruments traded over the counter (OTC) and financial instruments having no active market or a declining active market whose fair value measurement are based to a significant extent on observable market inputs (e.g., rates applied to similar instruments, benchmark financial instruments, credit risk insurance transactions, etc.).
- Level 3 includes financial instruments whose fair value measurements rely on observable market inputs requiring significant adjustment and have to be supported by unobservable market inputs, and financial instruments whose fair value measurements are based to a significant extent on data that cannot be observed on the active market and assumptions and estimates of the Company that enable a credible measurement of the financial instrument's value.

Investment securities

Investment securities are valued by adjusting the nominal value of the relevant securities to their market price, excluding the accrued coupon. The market price is determined based on the average offer price quotations from 3 banks with which the Company has a settlement services agreement.

Investment securities are measured applying quoted prices or valuation techniques using observable or unobservable market inputs or combination of both. The majority of investment securities recognised at fair value are the Latvian treasury bills with a quoted price, but not traded on the active market. The Management has estimated that it is reasonable to presume the fair value of these securities to be equal to their quoted price.

23 Fair values of assets and liabilities (cont'd)

Investments in venture capital funds

The Company have a number of investments in venture capital funds.

Investments in venture capital funds, except for investment in Baltic Innovation Fund, Baltic Innovation Fund 2, the Three Seas Fund, and the Altum Capital Fund, are measured using the equity method at the Company level. Investments in Baltic Innovation Fund, Baltic Innovation Fund 2, the Three Seas Fund, and the Altum Capital Fund are measured at fair value through profit or loss.

Investment properties

The fair value of the Company's investment property is determined based on reports of independent appraisers, who hold a recognised and relevant professional qualification, and who have had recent experience of the valuation of property in similar locations and of similar category. Investment properties are measured at fair value applying one or complex of the following three methods: (a) market approach, (b) income approach and (c) cost approach.

Support programme funding

Support programme funding are liabilities used to ensure the liquidity of the support programme and to cover expected credit losses, as well as to compensate the costs of managing the support programme. Expected credit losses of the support programme throughout the life of the programme are covered by the Risk Coverage Reserve, which is part of the support programme funding. The Company determines the fair value of the support programme funding once a year using the discounted cash flow method. The discounted cash flow method is used to determine the present value of the estimated expected credit losses in the next three years after the end of the reporting period in those support programme in which the Company is a principal and new volumes are issued. The Company uses internal information to estimate the expected credit losses, which are included in the cash flows in an amount that does not exceed the amount of the Risk Coverage Reserve at the end of the reporting period. On the other hand, the discount rate used in the calculations reflects the Company's current financial market borrowing rate at the end of the reporting period. The discount rate is an unobservable input, therefore the Company performed its sensitivity analysis.

24 Events after the reporting date

There are no events outside the normal course of business since the last day of the reporting year, which would have a significant effect on the financial position of the Company.

OTHER NOTES TO Unaudited interim condensed report

Key financial and performance indicators	77 - 80
Definitions of indicators	81 - 82

OTHER NOTES TO THE interim condensed report

KEY FINANCIAL AND PERFORMANCE INDICATORS

Based on data from financial statements for the respective reporting period

	2025 9M	2025 6M	2025 3M
Key financial data			
Net interest income (EUR '000)	14 937	9 787	5 538
Operating profit (EUR '000)	25 841	8 813	4 701
Profit for the period (EUR '000)	25 841	8 813	4 701
Cost to income ratio (CIR)	21.6%	39.4%	41.8%
Employees	257	256	255
Total assets (EUR '000)	1 722 138	1 703 185	1 538 845
Financial debt (EUR '000)	950 175	975 102	817 391
Tangible common equity (TCE) / Tangible managed assets (TMA) ¹	19.4%	19.1%	20.8%
Equity and reserves (EUR '000)	439 368	423 256	423 275
Return on average equity (ROE)	4.5%	4.2%	4.5%
Total risk coverage: (EUR '000)	349 366	327 361	326 931
Risk coverage reserve	317 495	287 118	286 009
Risk coverage reserve used for provisions	(53 061)	(49 547)	(47 965)
Portfolio loss reserve (specific reserve capital)	84 922	89 922	88 541
Portfolio loss reserve used to compensate provisions in the distribution of annual profit	10	(132)	346
Liquidity ratio for 180 days ²	351%	387%	401%
Net Cash flows from operating activities (EUR '000)	149 226	152 778	28 263
Net Cash flows from financing activities (EUR '000)	2 805	2 805	2 805
Net Cash flows from investing activities (EUR '000)	114 585	127 363	83 308
Support instruments gross value (EUR '000), of which	1 432 714	1 357 347	1 291 026
Grants	4 600	4 451	3 974
Financial instruments gross value (EUR '000) ³			
Loans (excluding sales and leaseback transactions)	580 795	535 947	494 749
Guarantees	603 656	570 559	548 176
Venture capital funds	89 789	93 894	97 305
Latvian Land Fund, of which:	153 874	152 496	146 822
- sales and leaseback transactions	44 526	44 140	43 942
- investment properties	109 348	108 356	102 880
Total	1 428 114	1 352 896	1 287 052
Number of transactions	42 046	40 841	39 725
Volumes issued (EUR '000) (by financial instrument) ³			
Loans (excluding sales and leaseback transactions)	202 612	128 237	58 215
Guarantees	153 222	94 662	48 908
Venture capital funds	11 894	6 449	1 794
Latvian Land Fund, of which:	24 684	21 874	14 537
- sales and leaseback transactions	8 152	6 590	5 370
- investment properties	16 532	15 284	9 167
Total	392 412	251 222	123 455
Number of transactions	6 409	4 099	1 948
Total contribution to economy by volumes issued in the reporting period, including the participation of the final recipients (EUR '000)	978 319 ⁴	978 319 ⁴	978 319 ⁴
Leverage for raised private funding	133%	126%	120%
Volume of support programmes funding per employee (EUR '000)	5 047	5 047	5 047
Long-term rating assigned by Moody's Ratings	Baa1	Baa1	Baa1

¹ TMA includes the off-balance sheet item, namely, guarantees at net carrying amount.

OTHER NOTES TO THE INTERIM CONDENSED REPORT (cont'd)

KEY FINANCIAL AND PERFORMANCE INDICATORS (cont'd)

² The calculation of liquidity ratio takes into account the previous experience and management estimate of the expected amount and timing of guarantee claims.

³ Taking into account the significance of the volume, Latvian Land Fund portfolio, which consists of leaseback transactions and investment properties, is also presented in the operational volumes for the period. As in compliance with the accounting principles and IFRS the leaseback transactions are accounted for under the loans, the loan volume in this table has been reduced for the volume of the leaseback transactions as it is recorded under Latvian Land Fund portfolio.

⁴ Data as at 31 December 2024, considering that the indicator "Total contribution to the national economy, including beneficiary participation, based on issued volumes during the reporting (EUR thousands)" is assessed annually at the end of the reporting year.

OTHER NOTES TO THE INTERIM CONDENSED REPORT (cont'd)

KEY FINANCIAL AND PERFORMANCE INDICATORS (cont'd)

Based on data from audited financial statements for the respective years

	2024	2023	2022	2021	2020	2019
Key financial data						
Net interest income (EUR '000)	23 026	17 765	16 974	16 717	14 572	11 569
Operating profit (EUR '000)	28 663	17 810	11 484	13 829	5 539	8 131
Profit for the period (EUR '000)	28 663	17 810	11 484	13 829	5 539	8 131
Cost to income ratio (CIR)	23.32%	26.34%	38.26%	39.46%	47.51%	52.58%
Employees	254	255	234	226	211	203
Total assets (EUR '000)	1 455 350	1 316 086	1 099 588	976 204	850 704	560 061
Financial debt (EUR '000)	755 011	599 305	458 382	360 909	342 490	217 943
Tangible common equity (TCE) / Tangible managed assets (TMA) ¹	21.6%	23.4%	27.01%	33.82%	33.56%	29.40%
Equity and reserves (EUR '000)	416 055	389 353	395 983	440 736	382 594	232 738
Return on average equity (ROE)	7.1%	4.5%	2.7%	3.4%	1.8%	3.6%
Total risk coverage: (EUR '000)	309 853	281 355 ²	297 218	285 954	180 205	87 456
Risk coverage reserve	269 321	226 793 ²	230 524	159 196	112 567	99 778
Risk coverage reserve used for provisions	(46 585)	(42 078)	(38 039)	(29 496)	(28 197)	(27 829)
Portfolio loss reserve (specific reserve capital)	85 736	96 587	109 979	159 700	102 264	15 507
Portfolio loss reserve used to compensate provisions in the distribution of annual profit	1 381	53	(5 246)	(3 446)	(6 429)	-
Liquidity ratio for 180 days ³	342%	430%	366%	518%	464%	582%
Net Cash flows from operating activities (EUR '000)	135 234	138 724 ⁴	89 534	49 555	21 966	39 813
Net Cash flows from financing activities (EUR '000)	4 579	9 009	3 526	43 768	165 800	18 700
Net Cash flows from investing activities (EUR '000)	(249 994)	(121 467) ⁴	(8 437)	4 553	(4 016)	(11 230)
Support instruments gross value (EUR '000), of which	1 234 002 ⁶	1 101 797	1 064 821	979 130	872 302	667 649
Grants	3 159	68 132	58 280	45 397	31 107	17 186
Financial instruments gross value (EUR '000)						
Loans (excluding sales and leaseback transactions)	474 193 ⁵	359 246	311 844	315 674	302 481	225 144
Guarantees	523 538	480 025	481 013	414 978	359 605	284 232
Venture capital funds	97 999	97 456	90 277	85 973	73 165	68 331
Latvian Land Fund, of which: ⁷	135 113	96 938	80 542	79 163	68 258	39 634
- sales and leaseback transactions	42 137	28 692	27 089	32 999	31 500	15 268
- investment properties	92 976	68 246	53 453	46 164	36 758	24 366
Total	1 230 843 ⁶	1 033 665	963 676	895 788	803 509	617 341
Number of transactions	38 730	35 260	33 976	30 978	26 578	22 437
Volumes issued (EUR '000) (by financial instrument)						
Loans (excluding sales and leaseback transactions)	221 741	141 993	95 820	100 966	138 238	64 320
Guarantees	142 902	99 440	153 067	126 997	137 425	98 240
Venture capital funds	15 745	23 920	18 526	29 158	14 014	9 022
Latvian Land Fund, of which: ⁷	40 506	17 676	7 414	10 595	28 191	16 384
- sales and leaseback transactions	19 692	7 916	3 105	3 254	16 796	7 239
- investment properties	20 814	9 760	4 309	7 341	11 395	9 145
Total	420 894	283 029	274 827	267 716	317 868	187 966
Number of transactions	6 710	4 846	6 539	6 579	6 147	5 559
Total contribution to economy by volumes issued in the reporting period, including the participation of the final recipients (EUR '000)	978 319	946 008	765 577	791 646	696 306	531 661
Leverage for raised private funding	129%	229%	123%	177%	114%	142%
Volume of support programmes funding per employee (EUR '000)	4 625	4 054	4 118	3 964	3 808	3 041
Long-term rating assigned by Moody's Ratings	Baa1	Baa1	Baa1	Baa1	Baa1	Baa1

¹ TMA includes off-balance sheet item outstanding guarantees.

OTHER NOTES TO THE INTERIM CONDENSED REPORT (cont'd)

KEY FINANCIAL AND PERFORMANCE INDICATORS (cont'd)

² As of Q3 2024 Risk Coverage Reserve excludes the public funding for full coverage of potential capital rebate component. Thus 1) restated comparatives for Risk Coverage Reserve as at 31 December 2023 are EUR 226 793 thousand instead of EUR 315 649 thousand and 2) restated comparatives for Total Risk Coverage as at 31 December 2023 are EUR 281 355 thousand instead of EUR 370 211 thousand.

³ Liquidity ratio calculation takes into account the previous experience and management estimate of expected amount and timing of guarantees claims

⁴ As of Q2 2024 Term deposits increase is reclassified within Cash flows from investment activities from Cash flows from operating activities. Thus restated comparatives for Net cash flows from operating activities as at 31 December 2023 should be EUR 138 724 thousand instead of EUR 35 724 thousand and restated comparatives for Net cash flows from investing activities as at 31 December 2023 should be EUR (121 467) thousand instead of EUR (18 467) thousand.

⁵ The gross loan portfolio has consistently been presented in accordance with the definition of the gross loan portfolio. The KPI reported as at 31 December 2024 is presented taking into account the impact of fair value change on the future potential capital rebate component - loans with a capital rebate. However, this decrease should not have occurred under the gross loan portfolio definition; subsequently this indicator amounts EUR 474,193 thousand (previously: EUR 418,079 thousand).

⁶ Taking into account reference No.5, the total Financial instruments gross value as at 31 December 2024 should amount to EUR 1,230,843 thousand (previously: EUR 1,174,729 thousand), and the total Support instruments gross value as at 31 December 2024 should amount to EUR 1,234,002 thousand (previously: EUR 1,177,888 thousand).

⁷ Taking into account the significance of the volume, Latvian Land Fund portfolio, which consists of sales and leaseback transactions and investment properties, is also presented in the operational volumes for the period. As in compliance with the accounting principles and IFRS the sales and leaseback transactions are accounted for under the loans, the loan volume in this table has been reduced for the volume of the sales and leaseback transactions as it is recorded under Latvian Land Fund portfolio.

Definitions of ratios

<i>Net interest income</i>	<p>"Net interest income" is equal to the item "Net interest income" in the Statement of Comprehensive Income. Until 2018 this ratio included the following items of the Statement of Comprehensive Income: "Net interest income" and "Net income from fees and commissions". In 2019 following the industry practise fee and commission income from lending activities is reclassified to "Net interest income" from "Net income from fees and commissions". Subsequently the fee and commission income not related to lending activities is reclassified within "Other income" and as such is not included in this ratio. The item "Net income from fees and commissions" is not applicable in the Statement of Comprehensive Income anymore. The comparatives have been reclassified accordingly. Altum uses this indicator as the key financial metric for profitability by evaluating Altum net income amount generated by the portfolio of financial instruments and recognised in the Statement of Comprehensive income. Altum management measures and monitors the actual performance of this indicator on a quarterly basis compared to the approved level in Altum budget.</p>
<i>Operating profit</i>	<p>"Operating profit" is calculated by deducting "Operating expenses" from "Operating income before operating expenses" included in the Statement of Comprehensive Income. "Operating expenses" is calculated as the sum of "Staff costs", "Administrative expense", "Amortisation of intangible assets and depreciation of property, plant and equipment" and "Allowance for expected credit losses" included in the Statement of Comprehensive Income.</p>
<i>Cost to income ratio (CIR)</i>	<p>"Cost to income ratio" (CIR) is calculated by dividing the amount of "Staff costs", "Administrative expense", "Amortisation of intangible assets and depreciation of property, plant and equipment" by "Operating income before operating expenses" included in the Statement of Comprehensive Income. Altum uses CIR to evaluate the operational efficiency. This is one of the measures of operational efficiency which Altum management assesses on a quarterly basis in the management reports to evaluate the outputs from different operational activities and efficiency improving measures.</p>
<i>Financial debt</i>	<p>"Financial debt" is calculated as the sum of "Due to credit institutions", "Due to general government entities", "Financial liabilities at amortised cost – issued debt securities" and "Support programme funding" included in the Statement of Financial Position less difference between "Risk Coverage Reserve" and "Risk Coverage Reserve Used for Provisions".</p> <p>"Risk Coverage Reserve" is disclosed in the Note on Support Programme Funding to the Financial statements of Altum. "Risk Coverage Reserve Used for Provisions" is the amount of "Risk Coverage Reserve" allocated to and used for allowance for expected credit losses on loan portfolio and guarantees which in its turn is disclosed in the Note on Support Programme Funding to the Financial statements of Altum.</p>
<i>Tangible common equity (TCE) / Tangible managed assets (TMA)</i>	<p>"Tangible Common Equity" (TCE) is calculated by subtracting the revaluation reserve of financial assets measured at fair value through Other Comprehensive Income.</p> <p>The amount of "Total managed assets" (TMA) is calculated by adding the guarantees shown as off-balance sheet items to the total assets of Altum taking into account provisions for these guarantees and subtracting "Deferred expense", "Accrued income", "Property, plant and equipment", "Intangible assets" and "Other assets".</p> <p>Data for the calculation of both indicators (TCE, TMA) are obtained from Altum Financial statements: Statement of Financial Position and Statement of Changes in Equity, notes - Off balance sheet items and contingent liabilities and Provisions. ALTUM uses the ratio "TCE/TMA" to evaluate Altum capital position adequacy and to measure Altum tangible common equity in terms of Altum tangible managed assets including the off-balance sheet item Guarantee portfolio. The Risk, Assets and Liabilities Management Committee of Altum monitors its level on a quarterly basis.</p>
<i>Return on average equity (ROE)</i>	<p>"Return on average equity" (ROE) is calculated by dividing the "Profit for the period" of the relevant period, converted into annual terms, by the average amount of "Equity and reserves" at the beginning and end of the period.</p>

Definition of ratios (cont'd)

<i>Total risk coverage</i>	<p>"Total Risk Coverage" is the net funding available for covering the expected credit losses of the support programmes implemented by Altum. "Total Risk Coverage" is calculated as the total of "Risk Coverage Reserve" and "Portfolio Loss Reserve (Specific Capital Reserves)" less "Risk Coverage Reserve Used for Provisions" and "Portfolio loss reserve used to compensate provisions upon approval of the annual report". The expected credit losses are estimated before implementation of the respective support programme and part of the public funding received under respective support programme for coverage of expected credit losses is transferred either to "Portfolio Loss Reserve" as Altum specific capital reserve or accounted separately as provisions for risk coverage under liabilities item "Risk Coverage Reserve". "Portfolio Loss Reserve (specific capital reserve)" is disclosed in the Note on Reserves to the Financial statements of the Altum. "Risk Coverage Reserve" is disclosed in the Note on Support Programme Funding to the Financial statements of Altum. "Risk Coverage Reserve Used for Provisions" is the amount of "Risk Coverage Reserve" allocated to and used for allowance for expected credit losses on loan portfolio and guarantees which in its turn is disclosed in the Note on Support Programme Funding to the Financial statements of Altum. "Portfolio loss reserve used to compensate provisions upon approval of the annual report" is disclosed in the Note on Reserves to the Financial statements of the Altum.</p> <p>"Total Risk Coverage" is key indicator to be used for assessment of Altum risk coverage on implemented programmes and long-term financial stability.</p>
<i>180-day liquidity ratio</i>	<p>"180-days-liquidity ratio" is calculated by dividing the amount of the balances "Due from other credit institutions and the Treasury" with a maturity of up to 1 month and "Financial assets at fair value through other comprehensive income - investment securities" by the amount of the total liabilities maturing within 6 months and total financial commitments maturing within 6 months (off-balance sheet items. The data required for the calculation of the "180-days liquidity ratio" is disclosed in the following Altum Financial statements: Statement of Financial Position and notes – Maturity profile of assets and liabilities under the section of Risk Management, Off-balance sheet items and contingent liabilities. Altum uses the "180-days-liquidity ratio" to assess and monitor Altum ability to fulfil Altum contractual and/or contingent liabilities during 6 months with the currently available liquidity resources. "180-days-liquidity ratio" helps to manage Altum's liquidity risk in line with Altum funding management objectives and risk framework. Risk, Assets and Liabilities Management Committee of Altum monitors its level on a quarterly basis.</p>
<i>Gross Value of Support Instruments</i>	<p>For loans – the issued and outstanding amount; for guarantees – the issued amount of guarantees recorded off-balance sheet; for grants and investments in venture capital funds – at the original acquisition value; for investment properties – at the carrying amount.</p>
<i>Total contribution to the economy, including the participation of the final recipients, by volumes issued in the period</i>	<p>"Total contribution to the economy, including the participation of the final recipients, by volumes issued in the period" is calculated by adding the financing provided by the private co-financier and the project promoter to the volumes issued by Altum.</p>
<i>Leverage for raised private funding</i>	<p>"Leverage for raised private funding" indicates the amount of additional private funding invested in a project in addition to Altum financing. "Leverage for raised private funding" is determined considering the financing invested by a private co-financier and a project's implementer.</p>
<i>Employees</i>	<p>Average number of full-time employees in the report period excluding members of the Supervisory Board and the Audit Committee.</p>
<i>Volume of support programmes funding per employee</i>	<p>"Support programmes funding per employee" is calculated by dividing the gross value of the Financial Instruments Portfolio by "Employees".</p>
<i>Venture capital</i>	<p>The Venture Capital Funds presented at their gross value.</p>