AB "Civinity"

SEPARATE AUDITED FINANCIAL STATEMENTS
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS AS
ADOPTED BY THE EUROPEAN UNION FOR PERIOD ENDED 31 DECEMBER 2024

CONTENTS

INFORMATION ABOUT THE COMPANY

Name of the Company	AB „Civinity“
Legal form	Public limited liability company
Company code	302247881
Registered office address	Naugarduko st. 98, 03160 Vilnius
Date of registration	13 November 2008
Registrar	State enterprise Centre of Registers
Profile of activities	Business and other management consultations
Company’s financial year	Calendar year
Chief Executive Officer	Virgeda Jackaitė

REPORT OF THE GROUP FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

AB "Civinity" controls corporate group which are engaged in provision of facility management and integrated utility services in Baltics region and provides professional management, risk controls, investment planning and financial services for the Group companies Currently the Group companies operates in Lithuania, Latvia and United Kingdom (subsidiary of Civinity Engineering, UAB).
AB "Civinity" gets revenues from management consulting services, what is core of company business and from investment activities in form of dividends from controlled subsidiaries and interests from loans. Services to the group companies are provided base on transfer pricing documentation and approved principles.
The company assesses general risks relating to economical, political and social factors and therefore it is careful in choosing investments. Such factors as consumer price inflation, rising remuneration base and economic growth are considered as the most important ones for the company daily operations and investment decisions.

In June 2024, AB "Civinity" sold all its shares in the subsidiary SIA City Billing Solutions. In July 2024, AB "Civinity" completed the transaction to acquire a 9.99% stake in SIA Mobilly SPV, the sole owner of SIA Mobilly. Additionally, in December 2024, the Company signed an agreement to buy out the remaining shares in UAB Valandinis (with the buy-out expected to close in 2025).

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

The Company's income for year 2024 EUR 5 495 thousand (2023: EUR 1817 thousand). Revenue has increased due to dividends paid by subsidiaries EUR 4 403 thousand. Due to increase in revenue in 2024 the Company has net profit of EUR 1 633 thousand comparing to 2023 loss of EUR 642 thousand. As at 31 December 2024 the Company fulfill legal requirement of having atleast 50% equity of share capital, at December 31 2023 the Company had breached this requirment.

The Company has acquired SIA Mobilly which significantly increased portfolio of investments into subsidiaries and as Group entered new business segment. Purchase consideration of the subsidiary is EUR 7 342 thousand, expenses related to acquisition was EUR 439 thousand. Net profit of the SIA Mobilly from acquisition date (August 1 2024) till the end of 2024 was EUR 630 thousand.

3. The Company's key management personnel

As at 31 December 2024, the Group's key management personnel included the following persons:
- Deividas Jacka, Chairman of the Board (since 22 January 2021) and chief business development officer (29 May 2023 - 29 December 2023),
Deividas Jacka is the Chairman of the Board of AB "Civinity" (since 2020). He holds a Master's degree in business administration and executive MBA diploma.
- Virgeda Jackaitė, Member of the Board and chief executive officer (since 29 May 2023),
Virgeda Jackaitė is the Member of the Board of AB "Civinity". She holds a degree in accounting and finance from University of Birmingham. She is a CEO of the group companies Civinity LT UAB and Civinity Engineering UK and board member of the companies SPV 31 UAB, Civinity engineering UAB.
- Diana Dominienė, independent Member of the Board (since 14 December 2023),
Diana Dominienė is the Member of the Board of AB "Civinity". She holds a master's degree in Finance and Credit (Vilnius University).
- Vilius Kucinas, independent Member of the Board (since 14 December 2023),
Vilius Kucinas is the Member of the Board of AB "Civinity". He holds a master's degree in Business Administration (MBA, Executive MBA from BMI Executive Institute).
- Šarūnas Stanislovėnas, independent Member of the Board (since 8 February 2024),
Šarūnas Stanislovėnas is the Member of the Board of AB "Civinity". He holds a Executive MBA in Business/Managerial Economics/Marketing/Management accounting (ISM University of Management and Economics).

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

The share capital of the Company is EUR 100 thousand as at 31 December 2024. It is divided into 100 ordinary shares with the nominal value of EUR 1 thousand. All shares of the Company are paid up. As of 31 December 2024 the Company neither acquired nor disposed any shares of the Company and on 31 December 2023 the Company held no shares of the Company.

The Company does not have any other classes of shares than ordinary shares mentioned below, there are no restrictions of share rights or special control rights for the shareholders settled in the Articles of Association of the Company. No convertible securities, exchangeable securities or securities with warrants are outstanding, likewise, there are no outstanding acquisition rights or undertakings to increase share capital.

As of 31 December 2024 the sole shareholder of the Company was SIA Nord Finn Assets (Latvia).

5. Information on branches and representative offices of the entity

The Company has no branches neither representative offices.

6. Significant events subsequent to the end of the current reporting period

For the significant events after the reporting financial year please refer to a note 25.

7. The Company's operation plans and prospects

In 2025, the Company's management plan to operate consistently in view of improving its productivity, business process efficiency and optimizing business processes. A special focus will be on research and development property management solutions to improve customers service.

In 2022 the Company started developing its ESG [Environment - Social - Governance] strategy. As part of the strategy creation process the Company conducted a thorough materiality analysis and identified key sustainability topics that represent the Company's largest impacts and are the most important to all stakeholder groups. As a result, the Company identified 12 sustainability focus areas: Efficient energy use, Carbon footprint, Good working conditions & well-being, Training & development opportunities, Health & safety, Fair remuneration, Involving and empowering employees, Employee retention & recruitment, Service efficiency, Competitive advantage, Compliance & anti-corruption, Data protection. The Company will continue to identify goals, KPI's, and an action plan for management of each material topic, and will announce the ESG strategy with its related policies during the year 2025.

Civinity and the Group keep the main focus on the multiapartment modernization (renovation) projects including availability to install and service solar plants and provide green energy solutions to our customers. Company also researching and investigating solutions to invest into EV charging solutions applicable to multiapartment house usage.

8. Financial risks of the Company

In July 2024 the Company has successfully raised full amount of EUR 5 million private bonds at 14% interest per annum.
In October 2023 Civinity AB has successfully raised the full amount of EUR 8 million bonds at 11% interest per annum. The funds raised were used to redeem the debt securities placed in 2021. The Company's borrowings mostly comprise borrowings and finance lease liabilities bearing a variable interest rate linked with EURIBOR that expose the Group to the interest rate risk, but it is considerred not significant one. As at 31 December 2024 and as at 31 December 2023, there were no financial instruments designated to control the risk of interest rate fluctuations.
The Company planning to refinance both private and public bonds in 2025 and is in control of liquidity risk by receiving dividends from subsidiaries.

The Company's liquidity ratio (total current assets / total current liabilities) was approximately equal to 0.13 as at 31 December 2024 (31 December 2023: 2.03). The Company is the parent company controlling the Civinity group cash flows and approving the cash distribution within the group.

Virgeda Jackaitė
Chief Executive Officer
30 April 2025

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2024	2023
Management service revenue		1 619	1 291
Dividend income		4 403	281
Interest income		175	245
Impairment of subsidiaries	10	(703)	-
Impairment of financial assets	11	-	(196)
Employee related expenses	5	(469)	(541)
IT service expenses		(6)	(63)
Depreciation and amortisation	7, 8, 9, 16	(402)	(405)
Business consultations expenses		(1 110)	(291)
Legal expenses		(186)	(78)
Transportation related expenses		(37)	(60)
Other operating expenses		(170)	(78)
Gain / (Loss) on disposal of Property, Plant and Equipment		13	15
Other gains		141	149
Profit on disposal of subsidiaries	10	3	76
Operating profit		**3 270**	**347**
Interest expenses		(1 636)	(989)
Profit before income tax		**1 635**	**(642)**
Income tax expenses	6	(2)	-
Profit for the period		**1 633**	**(642)**
Other comprehensive income		-	-
Total profit or loss and other comprehensive income for the period		**1 633**	**(642)**

The accompanying notes on pages from 10 to 23 form an integral part of these financial statements.
The financial statement were approved and signed by:

Chief Executive Officer	Virgeda Jackaitė	30 April 2025
Chief accountant	Vilma Marciukaitė	30 April 2025

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

STATEMENT OF FINANCIAL POSITION

	Note	At 31 December 2024	At 31 December 2023
ASSETS			
Non-current assets			
Intangible assets	7	243	347
Property, plant, and equipment	8	306	366
Right - of - use assets	9	218	143
Investments in subsidiaries	10	16 221	9 583
Loans granted to related parties	11	2 526	2 037
Other receivables	13	961	262
Total non-current assets		20 475	12 738
Current assets			
Trade and other receivables	13	1 854	1 815
Loans granted to related parties		-	108
Cash and cash equivalents	14	159	8
Total current assets		2 013	1 932
TOTAL ASSETS		22 488	14 670
EQUITY			
Share capital	15	100	100
Retained earnings		114	(1 519)
Total equity		214	(1 419)
LIABILITIES			
Non-current liabilities			
Borrowings	16	5 790	14 825
Lease liabilities	9	545	311
Total non-current liabilities		6 334	15 136
Current liabilities			
Borrowings	16	13 500	36
Lease liabilities	9	293	258
Trade and other payables	17	2 148	659
Total current liabilities		15 940	953
Total liabilities		22 275	16 089
TOTAL EQUITY AND LIABILITIES		22 488	14 670

The accompanying notes on pages from 10 to 23 form an integral part of these financial statements.

Chief Executive Officer	Virgeda Jackaitė	30 April 2025
Chief accountant	Vilma Marciukaitė	30 April 2025

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

STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Retained earnings	Total equity
Equity as at 1 January 2023		100	(878)	(778)
Profit for the period			(642)	(642)
Total profit or loss and other comprehensive income for the period			(642)	(642)
Equity as at 31 December 2023		100	(1 520)	(1 420)
Profit for the period			1 633	1 633
Total profit or loss and other comprehensive income for the period		-	1 633	1 633
Equity as at 31 December 2024	15	100	112	212

The accompanying notes on pages from 10 to 23 form an integral part of these financial statements.

Chief Executive Officer	Virgeda Jackaitė	30 April 2025
Chief accountant	Vilma Marciukaitė	30 April 2025

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

STATEMENT OF CASH FLOWS

	Note	At 31 December 2024	At 31 December 2023
Cash flows from operating activities			
Profit (loss) before income tax		1 633	(642)
Adjustments for:			
Depreciation and amortisation	7, 8, 9, 16	402	405
Interest expenses		1 636	989
Interest income		(175)	(245)
Loss on disposal of property, plant and equipment		13	-
Profit on disposal of subsidiaries		(3)	(76)
Impairment of subsidiaries	10	703	-
Impairment of financial assets	11	-	196
Dividends		(4 403)	(281)
Changes in working capital			
(Increase) decrease in trade and other receivables	12	(129)	(559)
Increase (decrease) in trade and other payables	17	90	(249)
Cash generated from operations		(234)	(462)
Interest received		-	8
Interest paid		(1 150)	(400)
Net cash flows generated from operating activities		(1 384)	(854)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(76)	(6)
Prepayments for subsidiaries shares		(333)	-
Acquisition of subsidiaries		(6 000)	-
Sale of property, plant and equipment	8	21	-
Loans granted	11	(461)	(357)
Loan repayments received	11	255	999
Dividends received		3 131	390
Net cash flow generated from (used in) investing activities		(3 463)	1 026
Cash flows from financing activities			
Issues of the bonds	16	5 000	8 000
Borrowings received		350	464
Repayments of borrowings	16	(270)	(8 660)
Lease payments		(82)	(33)
Net cash flows generated from (used in) financing activities		4 998	(229)
Net increase (decrease) in cash flows		151	(58)
Cash and cash equivalents at the beginning of the period		8	66
Cash and cash equivalents at end of the period		159	8

The accompanying notes on pages from 10 to 23 form an integral part of these financial statements.

Chief Executive Officer	Virgeda Jackaitė	30 April 2025
Chief accountant	Vilma Marciukaitė	30 April 2025

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

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1.Information about the Company

Civinity, AB (referred to as the Company, registration code 302247881) is a public limited liability company registered in the Republic of Lithuania. It was established on 13 November 2008. The Company's registered office and head office address is Naugarduko g. 98, Vilnius, Lithuania. The principal activity of the Company is to provide management related services to its subsidiaries and holding activities. From 29 May 2023, the Company's chief executive officer is Virgeda Jackaitė.

From 30 March 2020 the sole shareholder and ultimate shareholder of the Company is Nord Fin Asset, SIA (registration number 44103136863, address: Dubultu prospekts 3, Jurmala, Latvia). Nord Fin Asset, SIA acquired 100% of shares of the Company from previous shareholder Civinity OU. The sole ultimate beneficiary holding a 100% ownership interest of Nord Fin Asset, SIA is Deividas Jacka.

The Company's board consists of:

- Deividas Jacka, Board Member (from 10 August 2018 until 10 April 2020 and since 23 December 2020), Chairman of Board (since 22 January 2021);
- Virgeda Jackaitė, Board Member and Chief Executive Officer (since 29 May 2023);
- Diana Dominienė, Board Member (since 14 December 2023);
- Vilius Kucinas, Board Member (since 14 December 2023)
- Šarūnas Stanislovėnas, Board Member (since 8 February 2024)

As at 31 December 2024 and as at 31 December 2023, the Company's authorised share capital consisted of 100 ordinary registered shares with par value of EUR 1 thousand each. All the shares of the Company have been fully paid up. The subsidiaries do not hold the Company's shares. The Company's shares are not publicly traded.

As at 31 December 2024, the Company had 7 employees (31 December 2023: 8 employees).

Along with these separate financial statements, the management of the Company have prepared the set of consolidated financial statements combining the balances and the financial results of the Company and its' controlling entities (the Group). The consolidated financial statements of the Group were issued and approved by the Management and are available at the Company's registered office address.

Company's direct and indirect investments into subsidiaries:

Name of subsidiary	Address	Date of acquisition or establishment	Ownership % 31 December 2024	Ownership % 31 December 2023	Activity
UAB Civinity namai Kaunas	Chemijos 15, Kaunas, Lithuania	2013.02.28	100%	100%	Facility management services
UAB Civinity namai Vakarai	Danės 5-41, Klaipėda, Lithuania	2014.07.11	82%	81,72%	Facility management services
UAB Civinity meistrai	Naugarduko 98 Vilnius, Lithuania	2022.02.25	100%	100%	Construction and repair services
UAB Civinity namai Vilnius	Naugarduko 98 Vilnius, Lithuania	2016.02.11	51%	51%	Facility management services
UAB Pastatų meistrai	Naugarduko 98 Vilnius, Lithuania	2016.04.26	51%	51%	Construction and repair services
UAB Civinity namai	Naugarduko 98 Vilnius, Lithuania	2010.06.17	51%	51%	Facility management services
UAB Debreceno NT	Taikos pr. 101D, Klaipėda, Lithuania	2021.04.21	95%	95,44%	Real estate administration
UAB Civinity renovacija	Naugarduko 98 Vilnius, Lithuania	2010.01.12	100%	100%	Construction and repair services
UAB Civinity namai Palanga	Virbališkės 3F-1, Palanga, Lithuania	2021.12.15	99%	99,44%	Facility management services
UAB Civinity namai Klaipėda	Danės 5-41, Klaipėda, Lithuania	2005.09.01	100%	100%	Facility management services
UAB Smart technologies	Naugarduko 98 Vilnius, Lithuania	2018.08.29	100%	100%	IT services
UAB Civinity MD	Naugarduko 98 Vilnius, Lithuania	2021.12.28	100%	100%	Projects management
UAB Civinity LT	Naugarduko 98 Vilnius, Lithuania	2017.12.06	100%	100%	Services center
UAB City Billing Solutions	Naugarduko 98 Vilnius, Lithuania	2021.08.13	100%	100%	Accounting services
SIA SPV-4	Dēļu iela 5, Rīga, Latvia	2017.01.11	100%	100%	Holding company
SIA Civinity engineering LV	Dēļu iela 5, Rīga, Latvia	2019.12.16	100%	100%	Construction and repair services
SIA Civinity solutions	Dēļu iela 5, Rīga, Latvia	2016.09.21	100%	100%	Commercial sector facility management services
SIA Civinity LV	Dēļu iela 5, Rīga, Latvia	2017.04.04	100%	100%	Services center
SIA City billing solutions	Dēļu iela 5, Rīga, Latvia	2021.12.01	0%	100%	Accounting services
AS Civinity majas	Dēļu iela 5, Rīga, Latvia	2016.07.28	100%	100%	Facility management services
UAB SPV 32	A. Goštauto 40B, Vilnius, Lithuania	2018.01.29	51%	51%	Holding company
UAB SPV 31	Šv. Stepono 7, Vilnius, Lithuania	2018.01.29	51%	51%	Holding company
SIA Civinity Majas Jūrmala	Dubultu prospekts 3, Jūrmala, Latvia	2014.12.29	100%	100%	Facility management services
SIA CS Renovacija	Dubultu prospekts 3, Jūrmala, Latvia	2017.02.07	100%	100%	Construction and repair services
Civinity Group Latvija PS	Dēļu iela 5, Rīga, Latvia	2021.07.27	100%	100%	Commercial sector facility management services
UAB Civinity Solution	Naugarduko 98 Vilnius, Lithuania	2018.07.01	51%	51%	Commercial sector facility management services
UAB Civinity Engineering	Naugarduko 98 Vilnius, Lithuania	2018.07.01	51%	51%	Commercial sector facility management services
LTD Civinity Engineering UK	United Kingdom	2020.12.15	51%	51%	
UAB Servico	Naugarduko 98 Vilnius, Lithuania	2022.03.01	51%	51%	Facility management services
UAB Inservis	Naugarduko 98 Vilnius, Lithuania	2022.05.18	51%	51%	Facility management services
UAB Jurita	Naugarduko 98 Vilnius, Lithuania	2022.05.18	51%	51%	Facility management services
UAB Priemiestis	Naugarduko 98 Vilnius, Lithuania	2022.05.18	51%	51%	Facility management services
SIA Inservis	Smilšu iela, Rīga, Latvia	2022.05.18	51%	51%	Facility management services
UAB Valandinis	Naugarduko 98 Vilnius, Lithuania	2023.01.01	51%	51%	Platform for freelancerconstruction professionals
SIA Ionica serviss	Jūrkalnes 15, Rīga, Latvia	2023.12.01	80%	80%	Commercial sector facility management services
SIA Mobilly SPV	Dzirnavu iela 91 k-3, Rīga, Latvia	2024.08-01	10%	0%	Holding company
SIA Mobilly	Dzirnavu iela 91 k-3, Rīga, Latvia	2024.08-01	10%	0%	Payment solutions

In January 2023 Company bought 51% shares of UAB "Valandinis"
In January 2023 sold 100% shares of Pilsetas lifti SIA
in December 2023 the Company acquired 80% shares of Ionica serviss SIA
In May 2024 the Company sold 100% shares of Rekini pro SIA (City Billing solutions, SIA)
In January 2024 the Company acquired 9.99% of SIA Mobilly SPV and in August 2024 SIA Mobilly SPV acquires 100% of SIA Mobilly

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

In August 2024 SPV acquires Mobilly for a consideration of EUR 7 million plus contingent part.

On August 9, 2024, the Group signed a deep in the money option agreement with other SPV shareholders, according to which the Group has the right to acquire the remaining 90% of SPV shares for 2.5 thousand EUR at any time. In addition, the Group signed shareholders' agreement giving it the power, ability and exposure from this investment.

May 2024 AB "Civinity" sold 100 percent stake of shares of Rekini pro SIA to Lithuania based company UAB "Profi Invest". This transaction is further clarification of group business model and business segments. Pilsetas Lifti SIA sales consideration amounts to EUR 2.7 thousand and profit from the sale of the subsidiary amounts to EUR 0.7 thousand.

In January 2023 AB "Civinity" finalized the procedures of the acquisition of Valandinis UAB majority stake of shares (51%) from UAB "Partly". The transaction details were initially stated in Information Document for the offering of bonds of AB "Civinity" from 30 September 2021 and public announcement in Nasdaq system from 04 October 2022. Transaction value amounted to EUR 543 thousand.

On 26 January 2023 AB "Civinity" sold 100 percent stake of shares of Pilsetas Lifti SIA to Lithuania based company UAB "Profi Invest". This transaction is further clarification of group business model and business segments. Pilsetas Lifti SIA sales consideration amounts to EUR 137 thousand and profit from the sale of the subsidiary amounts to EUR 76 thousand.

On 1 December 2023 AB "Civinity" finalized the procedures of the acquisition of Ionica serviss SIA majority stake of shares (80%) from related party UAB "Pentaframe". Transaction value amounted to EUR 300 thousand.

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

2. BASIS OF PREPARATION AND SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements of Civinity Group are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

2.1.Basis of prepara tion

These financial statements include the Company's financial statements for the year 2024.

The presented financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by and effective in the European Union (the "EU"). Civinity Group consolidated financial statements for the year ended 31 December 2023 are prepared separately.

The financial statements have been prepared on a going concern basis and under the historical cost convention.

All amounts in the financial statements, including amounts disclosed in notes to the financial statements, are presented in the thousands euros (EUR) unless otherwise stated.
The Company's financial year starts as at 1st of January and ends as at 31st of December of the corresponding calendar year.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to make assumptions in the process of applying the Company's accounting policies. The areas involving important assumptions, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3 "Critical accounting estimates".

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

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

Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. The October 2022 amendment established that loan covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Management's expectations whether they will subsequently exercise the right to defer settlement do not affect classification of liabilities. A liability is classified as current if a condition is breached at or before the reporting date even if a waiver of that condition is obtained from the lender after the end of the reporting period. Conversely, a loan is classified as non-current if a loan covenant is breached only after the reporting date. In addition, the amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. 'Settlement' is defined as the extinguishment of a liability with cash, other resources embodying economic benefits or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument. The Group evaluated Admendments to IAS 1, there is no significant impact to Financial statements, because liabilities classified as non-current have essential right to postpone excerisie of liabilities for more than 12 months.

The Company has evaluated there is no other standars or it's interpretations effective from 2024, which have significant impact to Financial statements. The Company has no leaseback agreements or vendor financing agreements.

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

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). The Group does not expect this amendment to have a material impact on its operations or financial statements.

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

Classification of liabilities as current or non-current – Amendments to IAS 1

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
Annual Improvements to IFRS Accounting Standards
Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7
IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 19 Subsidiaries without Public Accountability: Disclosures
IFRS 14, Regulatory Deferral Accounts
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

2.3.Investments in subsidiaries

Investments in subsidiaries are stated at costs less impairment, if any.

2.4.Intangible assets

Amortisation is calculated on the straight-line method to allocate the cost of intangible asset over estimated benefit period as follows:

- Computer software, licences	3 years
- Trademark	10 years
- Other	3 years

2.5.Property, plant, and equipment

Property, plant and equipment are stated at cost, less subsequent accumulated depreciation and impairment losses.
Land is not depreciated. Depreciation of other assets is calculated using the straight-line method over useful lives established as follows (in years):

- Vehicles	5-10 years
- Equipment	5 years

Depreciation methods, useful lives and residual values are reviewed each reporting period and adjusted, if it is required due to the nature of use of non-current assets.

2.6.Financial assets and liabili ties

Under IFRS 9, Financial Instruments, the Company classifies its financial assets into the following 3 categories: financial asset at amortised cost, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss. During the current and prior periods the Company did not hold any financial assets at fair value through profit or loss. All the Company's financial assets are measured at amortised cost at the end of the current period.
At initial recognition, the Company measures financial assets at fair value, except for trade receivables that do not have a significant financing component. Transaction costs comprise all charges and commission that the Company would not have paid if it had not entered into an agreement on the financial instrument.
If the fair value of the financial asset at initial recognition differs from the transaction price, the difference is recognised in profit or loss.
In view of the business model applied for managing the Company of financial assets, the accounting for financial assets is as follows:

Financial assets measured at amortised cost
Loans granted by the Company and amounts receivable are accounted for under the business model the purpose of which is to hold financial assets in order to collect contractual cash flows that can contain cash flows related to the payment of the principal amount and interest inflows.
Loans and amounts receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the date of the statement of financial position. These are classified as non-current assets.
Loans and receivables are initially recognised at cost (the fair value of consideration receivable) and subsequently carried at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when these assets are derecognised, impaired or amortised.

Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:
a) significant financial difficulty of the borrower;
b) a breach of contract, such as a default or event that is past due for more than 90 days;
c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
e) the disappearance of an active market for that financial asset because of financial difficulties;
f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.
The combined effect of several events that may occur simultaneously or subsequently throughout the term of validity of the agreement on the financial assets may have caused financial assets to become credit-impaired.
The lifetime expected credit losses of loans receivable and trade receivables are recognised in profit or loss through the contra account of doubtful receivables.
The Company writes off the loans receivable and trade receivables when it loses the right to receive contractual cash flows from financial assets.

Other financial liabilities
Other financial liabilities, including borrowings, are recognised at fair value, less transaction costs.
In subsequent periods, other financial liabilities are measured at amortised cost using the effective interest rate method. Interest expenses are recognised using the effective interest rate method.
Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
If a financing agreement concluded before the balance sheet date proves that the liability was non-current by its nature as of the date of the balance sheet, that financial liability is classified as non-current.

2.7.Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and short-term deposits with an original maturity of three months or less.

2.8.Impairment of non-financial assets

Non-financial assets are assessed for impairment when events and circumstances indicate that the value of assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.
Where the carrying amount of an asset exceeds its recoverable amount, impairment loss is accounted for in profit or loss. The previously recognised impairment loss is reversed when there are indications that recognised loss on impairment of an asset no longer exists or has reduced significantly. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal is accounted for in profit or loss under the same item as impairment loss.

2.9.Leases

The Company recognises a right-of-use asset and a corresponding lease liability at the lease commencement date, i.e. at the date at which the leased assets are available for use by the Company. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date, discounted using the interest rate of Group's incremental borrowing rate. To determine the incremental borrowing rate, the Group uses recent financing received under other contracts of financial liabilities.
Lease liabilities are subsequently measured using the effective interest rate method. The lease term is a non-cancellable period of lease; periods covered by options to extend and terminate the lease (if such options exist) are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated.

The Company is a sub-lessor of the right-of-use assets. A lease is classified as a finance lease if it transfers substantially all the risks and rewards from the right-of-use asset, otherwise, it is classified as an operating lease.
The Companie's subleases classified as operating leases. The lease income from operating leases is recognised on a straight-line basis over the lease term.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee (no residual value guarantees as at 31 December 20234), or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised (no extension options were accounted for the leases due to uncertainties as at 31 December 2024).

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability. No lease incentives, initial direct costs, restoration costs or other costs were recognised for the leased assets by the Company as at 31 December 2023 and as at 31 December 2024.
Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The leased term straight-line basis was applied for depreciation of the right-of-use assets leased by the Company as at 31 December 2023 and as at 31 December 2024.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the statements of comprehensive income.

2.10.Revenue recogni tion

Management services revenue
Revenue comprises the fair value of the consideration received or receivable for the services in the ordinary course of the Company's activities. Revenue of the Company is shown net of value -added tax, returns, rebates and discounts, sales taxes. Revenue is measured based on the consideration specified in a contract with a customer. Revenue from contracts with customers is recognised when a performance obligation by transferring service to a customer is satisfied at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Revenue from contracts with customers is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. More over the Company also are responsible for the quality of rendered services and are the owners of pricing.
Revenue from providing management services is recognised in the accounting period in which the services are rendered.

Interest income
Interest income is recognized on a time - proportion basis using the effective interest method to the gross carrying amount of a financial asset except for credit-impaired financial assets. Interest revenue for credit-impaired financial assets is calculated by applying the e effective interest rate to the amortised cost of the financial asset from initial recognition.

Dividend income
Dividend income from investments is recognized when the right to receive payment has been established.

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

2.11.Income tax and deferred income tax

Corporate income tax (CIT) for the reporting period is included in the financial statements based on management's calculations prepared in accordance with local tax legislation. The CIT rate is 15% for Lithuania.
Deferred income tax is not recognised in financial statements.

2.12.Fair value estimation

The different levels of methods used to measure the fair value of the financial instruments (which are carried at fair value in the statement of financial position) have been defined as follow:
In determining the fair value of assets and liabilities the Company uses as much as possible inputs that are observable in the market. A fair value hierarchy categorises into three levels the inputs to valuation techniques used to measure fair value:
- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3. CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements requires the Company management to exercise its judgement and use estimates that affect reported amounts of income and expenses, assets and liabilities, disclosure of contingent liabilities at the date of the preparation of the financial statements. Uncertainties relating to these assumptions and estimates may cause important adjustments to the carrying amounts of the related assets and liabilities in the next financial year.
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Recoverable amount of Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Due to possible impairment indicators of investments in certain subsidiaries, the Company has performed impairment tests as at 31 December 2023. Each subsidiary is treated as a separate cash-generating unit for the purpose of impairment testing. The recoverable amount is determined based on value-in-use calculation. The investment's value in use is calculated by discounting future cash flows to their present value using a pre-tax discount rate reflecting actual market assumptions regarding the time value of money and the risks specific to the asset concerned (Note10).

4. FINANCIAL RISK MANAGEMENT

4.1.Financial risk factors

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

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

The Company's main financial liabilities comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company holds various financial assets: trade receivables, loans granted and other amounts receivable. The Company has not used any derivative financial instruments, because, in view of management, there is no such need.
The main risks arising from financial instruments are market risk (including cash flow and fair value interest rate risk, price risk), liquidity risk and credit risk. The risks are identified and described below.

Market risk
Cash flow and fair value interest rate risk. The Company is exposed to risk of changes in market interest rates mainly from assets and liabilities which are subject to variable interest rates.

As at 31 December 2024 and 31 December 2023 financial assets and liabilities exposing the Company to interest rate risk were as follow:

	At 31 December 2024	At 31 December 2023
Loans granted	2 526	2 145
Borrowings (variable interest rate)	5 790	6 825
Bonds (fixed interests rate)	13 500	8 037
Lease liabilities	837	569
Total	**17 601**	**13 285**

-
As at 31 December 2024 and 31 December 2023, there were no interest-free borrowings.

At 15 October 2023 the Company issued public bonds emission for the value of EUR 8.000 thousand and repaid the remaining previous hold bonds. The issue of new bonds emission was subscribed by the independent Company Legisperitus UAB. The nominal value of each bond is EUR 1 thousand, the bonds to be redeemed upon two years with semi-annual interest payment schedule and fixed rate calculated as margin of 11%.
At 17 July 2024 the Company issued private bonds emission for the value of EUR 5.000 thousand to finance acquisition of SIA Mobilly. The bonds to be redeemed upon 1 year and interest payment at redemption date with fixed rate calculated as margin of 14%.

The table below presents the sensitivity analysis of the Company's profit before tax to reasonably possible changes in variable interest rates (EURIBOR) with all other variables held constant (by assessing impact on borrowings with a variable interest rate). There is no impact on the Company's equity, except for impact on the current year profit.

		Impact on profit before income tax	
	Increase / decrease, pp	2024	2023
in EUR	1%	(41)	(52)
in EUR	-1%	41	52

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

The Company's objective is to maintain balance between the continuity and flexibility of funding using bank borrowings. Liquidity risk management consists of non-current and current liquidity risk management. The liquidity ratio, when current liabilities exceeds current assets is constant at the end of financial year as company significant part of their investing activities expenses "cover" with dividends payable from subsidiaries in following financial year.

The Company's liquidity ratio (total current assets / total current liabilities) was approximately equal to 0.06 as at 31 December 2024 (31 December 2023: 2.03). The Company is the parent company controlling the Civinity group cash flows and approving the cash distribution within the group. The Company is planning to improve liquidity rate by refinancing current bonds and receiving dividends from subsidiaries.

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

The table below summarises the contractual maturity profile of financial liabilities:

At 31 December 2024

Non-derivative financial liabilities	Carrying amount	Total contractual cash flows	3 months or less	3-12 months	1-5 years	More than 5 years
Lease liabilities	837	1 161	82	235	845	-
Bonds	13 500	14 580	-	14 580	-	-
Borrowings from related parties	5 790	6 948	-	-	6 948	-
Trade payables	2 148	2 148	749	1 399	-	-
Total	**22 275**	**24 837**	**831**	**16 214**	**7 793**	**-**

At 31 December 2023

Non-derivative financial liabilities	Carrying amount	Total contractual cash flows	3 months or less	3-12 months	1-5 years	More than 5 years
Lease liabilities	569	691	71	205	357	-
Bonds	8 037	9 760	-	880	8 880	-
Borrowings from related parties	6 825	8 573	168	374	8 030	-
Trade payables	659	659	549	110	-	-
Total	**16 089**	**19 683**	**789**	**1 569**	**17 267**	**-**

Cash flows included in the maturity analysis are not expected to arise significantly earlier or be equal to a significantly different amount.

Credit risk

Credit risk arises from cash and cash equivalents, outstanding trade and other receivable and outstanding loans granted to related parties.
The Company's aging and expected credit loss calculation procedures are disclosed in Note 13.
Maximum exposure to credit risk is as follows:

	At 31 December 2024	At 31 December 2023
Trade and other receivables	2 815	2 077
Loans granted to related parties	2 526	2 145
Cash and cash equivalents	159	8
Total	**5 500**	**4 231**

The credit quality of cash and cash equivalents can be assessed by reference to the external credit ratings of banks.
The ratings of the rating agencies:

Moody's	At 31 December 2024	At 31 December 2023
Aa3	157	6
Baa3	2	2
Total	**159**	**8**

Although economic circumstances may impact the recoverability of trade and other receivables, in view of management, the Company is not exposed to significant risk of incurring losses that would exceed already recognised
Company's loans granted are to related parties (mostly to the subsidiaries and the shareholder) and the risk for the repayment failure is considered to be low. Therefore the expected credit loss is immaterial and is not recognized
Cash and cash equivalents include cash and cash balances in bank accounts, therefore credit risk arising from them is minimal.

4.2.Capital management

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

The Company defines its capital as the authorised share capital and retained earnings. The Company manages its capital structure and makes the adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities.

The company is obliged to keep financials and business related consolidated covenants in accordance the terms of issued bonds:

Civinity Group covenants	31 December 2024	31 December 2023	Public bonds requirements	INVL Bridge Finance bonds requirements from 2024
Equity ratio	21%	20%	>10%	>15%
Debt to EBITDA	2,74	2,07	<4	-
Net Debt to EBITDA	2,39	1,82	-	<3.5
New loans provided	461	250	<500	-
Liquidity ratio	0,67	1,01	-	-

All covenants are met at 31 December 2024 and 31 December 2023. Covenants are reported quarterly, next reporting is 31 March 2025, at the date of sign there is no indications that the Company and the Group may not met financial covenants.

4.3.Fair value estimation

The following methods and assumptions are used to determine the fair value of each class of financial assets and liabilities:
- The carrying amount of current trade and other receivable, trade and other payables and borrowings approximates their fair value.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

5. EMPLOYEE RELATED EXPENSES

Employee related expenses	2024	2023
Salaries	461	532
Social insurance expenses	8	9
Total employee related expenses	**469**	**541**

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

6. INCOME TAX

Income tax expenses and income, and the components of assets and liabilities:

Components of income tax (expenses) income	2024	2023
Current year income tax expenses	(2)	-
Deferred income tax change	-	-
Income tax (expenses) income recognised in profit or loss	**(2)**	**-**

There are no income tax expenses (income) recognised in other comprehensive income or directly in equity. Deferred income tax assets are recognised to the extent that is probable that these assets will be realised in future periods. Deferred income tax assets were calculated using a tax rate of 15 per cent.
Company is not recognizing deferred income tax assets due to the future uncertainty.

The movement in deferred income tax assets and liabilities of the Company during 2024 is as follows:

	Balance at 31 December 2024	Balance at 31 December 2023
Deferred income tax assets		
Accruals	29	24
Taxable losses	2 039	618
Deferred income tax assets	**2 068**	**642**
Deferred income tax assets – net	**2 068**	**642**
Unrecognised deferred tax asset	**(2 068)**	**(642)**
Total deferred tax assets	**-**	**-**

The total amount of income tax expenses can be reconciled to the theoretical amount of income tax using the Company's income tax rates as follows:

	2024	2023
Profit (loss) before income tax	**1 635**	**(642)**
Income tax expenses calculated using a tax rate of 15%	245	(96)
Non taxable income	(661)	(42)
Non deductible expenses	26	7
Not recognized deferred tax assets	387	132
Income tax expenses recognised in the statement of profit or loss and other comprehensive income	**(2)**	**-**

7. INTANGIBLE ASSETS

	Trademark	Computer software, licences	Other	Total
At 1 January 2023				
Cost of fair value	360	1 085	36	1 481
Accumulated depreciation	(72)	(902)	(17)	(991)
Net book amount	**288**	**183**	**20**	**491**
Year ended 31 December 2023				
Opening net book amount	288	183	20	491
Depreciation charge	(36)	(96)	(12)	(144)
Closing net book amount	252	87	8	347
At 31 December 2023				
Cost of fair value	360	1 085	36	1 481
Accumulated depreciation	(108)	(998)	(29)	(1 134)
Net book amount	**252**	**87**	**8**	**347**
Year ended 31 December 2024				
Opening net book amount	252	87	8	347
Depreciation charge	(36)	(63)	(5)	(104)
Closing net book amount	216	24	2	243
At 31 December 2024				
Cost of fair value	360	1 085	36	1 481
Accumulated depreciation	(144)	(1 061)	(34)	(1 239)
Net book amount	**216**	**24**	**2**	**243**

8. PROPERTY, PLANT AND EQUIPMENT

	Equipment	Total
At 1 January 2023		
Cost or fair value	571	571
Accumulated depreciation	(101)	(101)
Net book amount	**470**	**470**
Year ended 31 December 2023		
Opening net book amount	470	470
Additions	6	6
Transfer	(1)	(1)
Depreciation charge	(109)	(109)
Closing net book amount	365	365
At 31 December 2023		-
Cost or fair value	576	576
Accumulated depreciation	(210)	(210)
Net book amount	**366**	**366**
Year ended 31 December 2024		
Opening net book amount	366	366
Additions	76	76
Depreciation charge	(136)	(136)
Closing net book amount	306	306
At 31 December 2024		-
Cost or fair value	652	652
Accumulated depreciation	(347)	(347)
Net book amount	**306**	**306**

Company's property, plant and equipment with the acquisition cost of EUR 12 thousand as at 31 December 2024 (31 December 2023: EUR 12 thousand) were fully depreciated but still in use.

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

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The balance sheet shows the following amounts relating to leases:

Right-of-use assets	At 31 December 2024	At 31 December 2023
Buildings	10	36
Vehicles	208	107
	218	143

Lease receivables	At 31 December 2024	At 31 December 2023
Current	227	183
Non-current	626	241
	853	423

Lease liabilities	At 31 December 2024	At 31 December 2023
Current	293	258
Non-current	545	311
	837	569

There was no additions of right use assets during year 2024 (the same for 2023).

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:	2024	2023
Depreciation charge of right-of-use assets		
Buildings	4	10
Vehicles	74	21
	79	31
Interest expense (included in finance cost)	12	15
	12	15

The total cash outflow for leases as of 82 December 2024 was EUR 33 thousands (in 2023 was EUR 33 thousands).

10. INVESTMENT IN SUBSIDIARIES

Movement of the investments into subsidiaries and associate during the respective year is provided below:

	At 31 December 2024	At 31 December 2023
At the beginning of the period	9 583	8 801
Purchase of investment in subsidiaries	7 342	843
Impairment of investments	(703)	-
Share capital increase of subsidiaries	-	-
Sale of subsidiaries shares	(1)	(61)
Subsidiaries established	-	-
	16 221	9 583

In December 2023 the Company finalized the procedure of the acquisition of Ionica serviss, SIA majority stake of shares (80%) from UAB "Pentaframe Capital". Transaction value amounts to EUR 300 thousand.
In January 2023 AB "Civinity" finalized the procedures of the acquisition of Valandinis UAB majority stake of shares (51%) from UAB "Partly". Transaction value amounts to EUR 543 thousand.
In February 2022 AB "Civinity" capitalised the loan of Civinity Namai Vilnius UAB amounted to EUR 204 thousand into the increased authorised capital of Civinity Namai Vilnius UAB.
On 16 December 2021 AB "Civinity" and Sail Invest UAB signed the SPV 31 UAB shareholders agreement which states increase of share capital in SPV 31 UAB. On 1 March 2022 the authorized capital of the SPV31 UAB was increased to EUR 6.533 thousand on 18 March 2022. AB "Civinity" acquired SPV-31 new emission shares for EUR 3.331 thousand. Also Civinity AB sold its investments into subsidiaries Civinity Namai UAB, Civinity Namai Vilnius UAB and Pastatų meistrai UAB (building maintenance and services, construction activities in Vilnius region) shares to SPV31 UAB for total amount EUR 3.331 thousand. Civinity AB payables for the new emission shares of SPV-31 and the receivables for the sold subsidiaries were offset as non-cash transaction. As of 1 March 2022, SPV31 UAB becomes the sole shareholder of the Civinity Namai UAB, Civinity Namai Vilnius UAB, Servico UAB and Pastatų meistrai UAB (building maintenance and construction activities Vilnius) companies.

As at 31 December 2024 the Company's management performed impairment test for the investment in subsidiaries. During the test, the value of investment in subsidiaries against the net assets value of those subsidiaries as at 31 December 2024. Where the net assets value was lower than the investment, the management concluded that there existed impairment indications for the investment in that subsidiary and estimated the recoverable amount of the specific subsidiary using the discounted cash flow method. The forecast annual cash flows were determined with reference to the budget for year 2025. The calculations were based on the following assumptions: forecast period of 5 years, annual growth rate 1-3%, discount rate 8,6%. Sensitivity to change in key assumptions used in the impairment test: increase or decrease in annual growth rate by 3% or increase or decrease in WACC by 1% would have no impact on goodwill impairment loss.
Based on the impairment test at 31 December 2024 impairment loss for investment in subsidiary SIA Civinity Engineering were recognised in 2024.

As at 31 December 2023 the Company's management performed impairment test for the investment in subsidiaries. During the test, the value of investment in subsidiaries against the net assets value of those subsidiaries as at 31 December 2023. Where the net assets value was lower than the investment, the management concluded that there existed impairment indications for the investment in that subsidiary and estimated the recoverable amount of the specific subsidiary using the discounted cash flow method. The forecast annual cash flows were determined with reference to the budget for year 2024. The calculations were based on the following assumptions: forecast period of 5 years, annual growth rate 1-3%, discount rate 8,51%. Sensitivity to change in key assumptions used in the impairment test: increase or decrease in annual growth rate by 3% or increase or decrease in WACC by 1% would have no impact on goodwill impairment loss.
Based on the impairment test at 31 December 2023, no impairment loss for investment in subsidiary were recognised in 2023.

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

The list of the Company's direct holdings into subsidiaries and associates are provided below:

Name of subsidiary	At 31 December 2024	At 31 December 2023
SIA Mobilly SPV	7 342	-
UAB SPV 31	3 332	3 332
AS Civinity majas	2 540	2 540
SIA Civinity solutions	1 755	1 755
UAB Civinity namai Palanga	810	810
UAB Civinity namai Klaipėda	787	787
SIA Civinity Engineering	703	703
UAB Valandinis	543	543
SIA Ionica serviss	300	300
UAB Civinity namai [illegible]	249	249
UAB Civinity namai Vakarai	253	253
UAB Debreceno NT	46	46
UAB Civinity renovacija	3	3
UAB Smart technologies	3	3
UAB Civinity MD	3	3
UAB Civinity LT	3	3
UAB City Billing Solutions	3	3
SIA Civinity LV	3	3
UAB Civinity meistrai	3	3
SIA City billing solutions	-	1
UAB SPV 32	1	1
UAB Civinity namai	1	1
Impairment in subsidiaries	(2 458)	(1 755)
Total	16 221	9 583

Profit on disposal of subsidiaries for the period ended 31 December 2024 and in year 2023:

At 26 January 2023 AB "Civinity" s sold its investments in Pilsetas Lifti SIA . Pilsetas Lifti SIA sales consideration amounts to EUR 137 thousand and profit from the sale of the subsidiary amounts to EUR 76 thousand.
In May 2024 AB "Civinity" s sold its investments in Rekini pro SIA (City billing solutions SIA) .Sales consideration amounts to EUR 2.8 thousand and profit from the sale of the subsidiary amounts to EUR 0.7 thousand.

	At 31 December 2024	At 31 December 2023
Sale proceeds EUR from the subsidiaries	3	137
Investment costs EUR of the subsidiaries	(1)	(61)

11. LOANS GRANTED TO RELATED PARTIES

Debtor	Repayment date	Weighted average interests * 31 December 2024	Weighted average interests * 31 December 2023	At 31 December 2024	At 31 December 2023
Parent	2027.12.31	8,0%	8,5%	624	585
Subsidiaries	2027.12.31	8,0%	8,5%	1 727	1 687
Other related parties	2027.12.31	8,0%	8,5%	371	69
Total				**2 723**	**2 342**
Impairment of financial assets				(196)	(196)
Total loans granted				**2 526**	**2 145**
Non-current				2 526	2 037
Current				-	108
Total loans granted				**2 526**	**2 145**

Loans granted movement:

	At 31 December 2024	At 31 December 2023
Beginning of the year	**2 145**	**3 589**
Interest charged	175	245
Interests received as monetary transaction	-	(8)
Loans repayment as non-monetary transaction	-	(843)
Loans repayment as monetary transaction	(255)	(999)
Loans granted as monetary transaction	461	357
Impairment of financial assets	-	(196)
End of the year	**2 526**	**2 145**

12. FINANCIAL INSTRUMENTS BY CATEGORY

	At 31 December 2024	At 31 December 2023
Financial assets at amortised cost		
Loans granted to related parties	2 526	2 145
Trade and other receivables	2 297	1 932
Cash and cash equivalents	159	8
Total	**4 982**	**4 086**

Financial liabilities at amortised cost	At 31 December 2024	At 31 December 2023
Borrowings	19 289	14 861
Lease liabilities	837	569
Trade and other payables	658	320
Total	**20 784**	**15 750**

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

13. TRADE AND OTHER RECEIVABLES

	At 31 December 2024	At 31 December 2023
Trade receivables from related parties	1 105	907
Trade receivables, net	**1 105**	**907**
Lease receivables from related parties, gross	853	423
Prepayments	518	145
Dividends receivable	21	376
Receivables from subsidiary sale	140	137
Other receivables	178	89
Total	**2 815**	**2 077**
Non current	961	262
Current	**1 854**	**1 815**

Expected credit loss

The Company applies the simplified, individual approach for calculation of lifetime expected credit losses using the provision matrix for 3rd parties trade receivables. Company receivables from the 3rd parties are insignificant, and Company estimates trade receivables from the related parties as minor risk receivables, because more then 90% of issued invoices for the services rendered are covered at the date these financial statements are signed. Company's management considers that loss allowance provision is immaterial and therefore is not recognized.

Lease receivables are also from related parties therefore the risk is considered to be low and possible credit loss is treated as immaterial.

Other receivables are immaterial, therefor the loss allowances are not calculated.

Trade receivables from related parties

	Not past due and past due up to 30 days	31-60 days past due	61-90 days past due	91-120 days past due	121-180 days past due	180-360 days past due	More than 361 days	Total
31 December 2024	406	97	86	46	78	130	64	**907**
31 December 2023	384	72	109	88	103	229	120	**1 105**

Expected changes in macroeconomic situation is incorporated as part of the internal rating model. The Company's management reviews key macroeconomic indicators for the markets where Company's debtors are operating and

14. CASH AND CASH EQUIVALENTS

	At 31 December 2024	At 31 December 2023
Cash at bank	159	8
Cash and cash equivalents	**159**	**8**

The Company cash and cash equivalents, are not pledged.

15. SHARE CAPITAL AND LEGAL RESERVE

Share capital

As at 31 December 2024 and 31 December 2023, the Company's authorised share capital consisted of 100 ordinary registered shares with par value of EUR 1.000 each. All shares are fully paid-up.

The Company's Articles of Association do not provide for any restrictions of shareholders' rights to shares or any derivative control rights. The Company has not issued any convertible securities, exchangeable securities or

Legal reserve

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of 5 percent of net profit are required until the reserve reaches 10 percent of the authorised share capital.

16. BORROWINGS

	At 31 December 2024	At 31 December 2023
Non-current		
Bonds	-	8 037
Borrowings from the related parties	5 790	6 788
	5 790	**14 825**
Current		
Bonds	13 500	
Borrowings from the related parties	-	36
	13 500	**36**
Total	**19 289**	**14 861**

Borrowings movement:

	At 31 December 2024	At 31 December 2023
Bonds at the beginning of the year	**8 037**	**7 958**
Proceeds from bonds	5 000	8 000
Capitalization of the costs, related with the bonds issue	-	(160)
Bonds repaid	-	(8 000)
Depreciation of the capitalization of the costs, related with the bonds issue	140	122
Reclass from other liabilities	-	15
Interest charged	1 203	501
Interest repaid	(880)	(400)
Bonds at the end of the period	**13 500**	**8 037**
Borrowings from the related parties at the beginning of the year	**6 825**	**6 548**
Proceeds from borrowings as monetary transaction	350	464
Borrowings repaid as monetary transaction	(270)	(660)
Borrowings repaid as non-monetary transaction	(1 535)	-
Interest charged	421	473
Interests repaid as monetary transaction	-	-
Borrowings from the related parties at the end of the year	**5 790**	**6 825**
Total borrowing at the end of the year	**19 289**	**14 861**

The contractual maturity of borrowings:

	At 31 December 2024		At 31 December 2023	
	Fixed interest rate	Variable interest rate	Fixed interest rate	Variable interest rate
Within one year	13 500	-	-	36
One to five years	-	5 790	8 037	6 788
	13 500	5 790	8 037	6 825

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

17. TRADE AND OTHER PAYABLES

	At 31 December 2024	At 31 December 2023
Trade payables to 3rd parties	658	320
Prepayments received	13	203
Employees related benefits	45	49
Payable VAT	-	19
Accrued expenses	33	66
Payable for Mobilly shares	1 399	-
Other taxes related payables	-	2
Total	2 148	659
Non-current liabilities	-	-
Current other liabilities	2 148	659

18. RELATED-PARTIES TRANSACTIONS

The parties are deemed to be related when one party has a power to exercise control over the other party or make significant influence on its financial and operation decisions.
During the year 2024 and during 2023 year, the Company's related parties are as follows:
- Ultimate Parent and Parent entity - Nord Fin Assets, SIA (registration number 44103136863, Latvia);
- Company's subsidiaries

Other related parties:
- Management, Board members (note 1) and companies related to the Management;

Remuneration of the key Company's management
Payments made to the Company's Directors and Board members and executive personnel:

	2024	2023
Wages and salaries, bonuses	310	260
Expenses of social security contributions	5	5
Professional services	111	-
Car rent expenses	5	5
Total remuneration of key management personnel	431	270

No loans, guarantees or any other amounts were paid or calculated to the Company's management and no assets were transferred.

Other transactions with related parties
Presented below are the transactions with related parties reported in the Company's statement of profit or loss and other comprehensive income and the statement of financial position:

	2024	2023
Sale of services		
Subsidiaries	1 619	1 291
	1 619	1 291

	2024	2023
Other income		
Dividends from Subsidiaries	4 403	281
Interests income	175	245
	4 578	526

	2024	2023
Purchases of goods and services		
Subsidiaries	98	137
	98	137

Trade and other receivable	At 31 December 2024	At 31 December 2023
Board members	72	74
Parent company	27	42
Subsidiaries	1 105	907
	1 204	1 023

Trade and other payables

	At 31 December 2024	At 31 December 2023
Subsidiaries	0	0
	0	0

Loans granted and interest receivable from related parties

	At 31 December 2024	At 31 December 2023
Parent company	624	585
Subsidiaries	1 727	1 491
Other related parties	371	69
	2 723	2 145

19. EVENTS AFTER THE REPORTING PERIOD

Dovilė Grigienė appointed as a Member of the Board of AB "Civinity" on 4 February 2025.