



LONGO GROUP JSC • REG. NO. 42103081417

Condensed consolidated *interim* financial statements

For the six months ended 30 June 2026.
Prepared in accordance with IFRS Accounting
Standards as adopted by the European Union.

REPORTING PERIOD
01.01.2026 – 30.06.2026

ADDRESS
Mūkusalas iela 72A, Rīga,
Latvia

COMPARATIVE
01.01.2025 – 30.06.2025

LISTING
Nasdaq Baltic Main Market

UNAUDITED



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General *information*

Parent group	Longo Group
Legal form	Joint-stock company
Registration No.	42103081417
Place & date	Riga, Latvia • 30 Oct 2017
Registered office	Mūkusalas iela 72A, Riga
Financial period	01.01.2026 – 30.06.2026
Comparative	01.01.2025 – 30.06.2025

SHAREHOLDERS • 30.06.2026

SIA ALPPES Capital	45.07 %
Other shareholders	54.93 %
Total ownership	100.00 %

BOARD MEMBERS

Edgars Cērps	Chairman • from 28.12.2020
Jacob Willem Hoogenboom	Member • from 28.12.2020

COUNCIL MEMBERS

Māris Keišs	Chairman from 04.07.2025
Alberts Pole	Deputy Chairman from 04.07.2025
Kristaps Ozols	Member • from 01.03.2021
Jonathan Neil Smith	Member • from 01.03.2021

SUBSIDIARIES • 100 % OWNERSHIP

Longo Latvia SIA	Latvia
Longo Lithuania UAB	Lithuania
Longo Estonia OÜ	Estonia
Longo Shared Services UAB	Lithuania
Longo Netherlands B.V.	Netherlands
Longo Belgium B.V.	Belgium
Maxxus GmbH	Germany
Longo Poland sp. z o.o.	Poland
Longo IP Holdings SIA	Latvia

Longo's mission is to deliver 3 *customer* promises

01 Wide assortment

Largest and widest competitively priced assortment of popular used car models in the Baltics

02 Convenient and safe

Most convenient and safest used car shopping experience end-to-end both digital and on-site

03 Highest standards

Only quality cars with guaranteed mileage full available history and freshly serviced and cleaned

Longo controls each step of the business *from buying and transporting cars* to preparing and selling them

01

Sourcing - Car Purchasing Operations

Longo has established a network in Western Europe where it reviews inspects and buys cars

02

Preparation Operations

Longo transports cars to Panevėžys Lithuania where all cars are serviced repaired cleaned and photographed

03

Sales Operations

Longo stores markets and sells cars in the Baltics and Poland

04

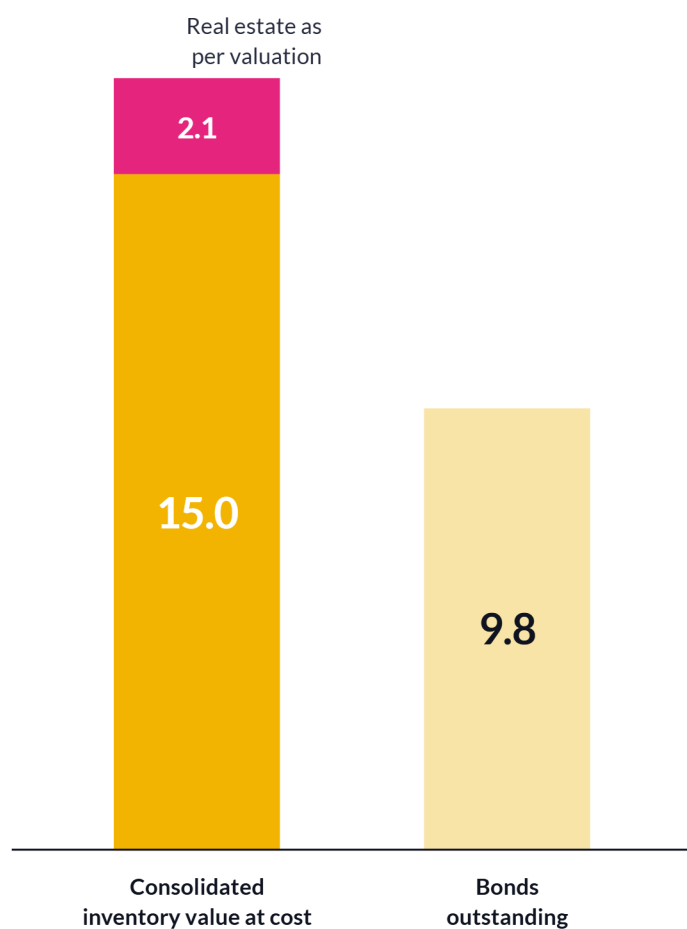
Aftersales

Longo also provides aftersales warranty and reengages customers for next purchase



Longo collateral comfortably covers the nominal value of outstanding secured bonds

Values in M EUR
As of 30 June 2026



Management Report

"The first half of 2026 shows our investments starting to pay off, with the profitability measures we put in place through 2025 delivering a clear profit and a strong year-on-year improvement – setting a solid foundation for continued progress in 2026 and beyond."



Edgars Cērps

Group CEO & Co-Founder

SIX MONTHS ENDED 30 JUNE

Group results, H1 2026

EUR	H1 2026	H1 2025	YOY CHANGE
Revenue	24.4 M	21.3 M	14%
Gross profit	4.7 M	3.7 M	28%
Gross margin	19.3 %	17.2 %	+2.1 pts
EBITDA	2.1 M	0.7 M	184%

CAPITALIZATION RATIO
As of 30.06.2026

41%

BUSINESS RESULTS

The first half of 2026 demonstrated the returns on the sustained investment Longo Group JSC has made across its platform, as the profitability measures developed through the second half of 2025 continued to strengthen results, delivering a clear profit underpinned by stronger margins, higher revenue and disciplined cost control.

In the first half of 2026, Longo Group generated total revenue of €24.4 million, an increase of 14% compared to the first half of 2025 (€21.3 million). Growth was driven primarily by a higher average value of car sold and continued growth across all supplementary income streams, reflecting the Group's ongoing investment in monetisation and value-added services. The stabilisation of volumes in Estonia, following the market's adjustment to the motor vehicle taxation framework introduced on 1 January 2025, provided a further contribution.

The Group's gross profit margin for the first half of 2026 increased by 2.1 percentage points year-on-year, reaching 19.3% (H1 2025: 17.2%) and producing total gross profit of €4.7 million (H1 2025: €3.7 million). The improvement reflects sustained investment in focused sourcing of high-demand vehicles and in the value-added services and profitability platform built up through 2025, supported by the Group's continued investment in AI across functions.

EBITDA rose to €2.1 million (H1 2025: €0.7 million), reflecting higher gross profitability and continued tight administrative cost management. Administrative expenses decreased to €2.4 million (H1 2025: €2.6 million), confirming the sustainability of the cost discipline established in 2025 and the early efficiency gains from embedding AI across administrative and operational workflows. The Group recorded a net profit of €0.9 million (H1 2025: loss of €(0.5) million), evidence that the Group's investments are now translating into durable, sustainable profitability.

FUTURE PROSPECTS

Looking ahead, the Group remains on track with its stated priorities: sustainable, profitability-led growth with the Baltics as the primary focus. Key priorities for the remainder of 2026 include further gross-margin improvement through disciplined sourcing, focused high-demand assortment selection, continued enhancement of vehicle-preparation workflows and stronger monetisation via value-added services.

The Group will maintain tight control over administrative costs and concentrate on profitable growth opportunities. In Poland, the approach will remain selective and profitability-led, prioritising returns over rapid expansion. As the Estonian market continues to adjust to the new taxation environment, management expects further stabilisation of volumes to support the Group's path of profitable growth.

CREDIT RISK

Receivables of the Group consist mainly of receivables from finance companies. Credit risk of the Group refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. Longo considers all of its material counterparties to be creditworthy as they represent well-established financial institutions. The Group's exposure to credit risk is continuously monitored, in particular if agreed payments are delayed.

The credit risk on cash and cash equivalents is limited because the counterparties are banks and payment systems. To spread the credit risk, Longo deposits its cash reserves with different banks and payment systems.

INTEREST RATE RISK

All Longo borrowings are structured at fixed interest rates, effectively eliminating interest-rate risk at Group level.

CAPITAL RISK

The Group's objective when managing capital (net debt and total equity) is to ensure the continuity of its operations and within foreseeable future achieve optimal returns to shareholders. Management aims to maintain an optimal capital and funding structure that ensures the lowest cost of capital available to the Group.

The Group monitors equity capital on the basis of the capitalisation ratio as defined in the Bond prospectus. This ratio is calculated as the ratio of Adjusted Equity (the aggregate book value of the Group's total equity on a consolidated basis, increased by Subordinated Debt) to consolidated assets of the Group. The ratio as at 30.06.2026 was 41%. Overall management of the borrowings is driven by monitoring and complying with the lender imposed covenants as well as planning the further borrowing needs to ensure business development of the Group.

LIQUIDITY RISK

Prudent liquidity risk management of Longo means maintaining sufficient cash reserve to cover planned liabilities of the Group.

EVENTS AFTER THE REPORTING PERIOD

There have been no significant events after the end of the reporting period.



Signed on behalf of the Group on 15 July 2026 by:

Edgars Cērps

Chairman of the Board

This document has been signed with a secure electronic signature and bears a qualified time-stamp.

Statement of Management Responsibility

Based on the information at the disposal of the Management Board of the Company, the financial statements for the period ended 30.06.2026 have been prepared in accordance with the requirements of the applicable regulatory enactments and provide a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the consolidation group, and the interim management report contains truthful information.

ON BEHALF OF THE MANAGEMENT BOARD

Edgars Cērps

Chairman of the Board

Longo Group JSC

Signed on 15 July 2026

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Consolidated *Financial* Statements



CONSOLIDATED FINANCIAL STATEMENTS

Statement of Comprehensive Income

EUR	NOTES	01.01.2026 – 30.06.2026	01.01.2025 – 30.06.2025
Revenues		24 351 820	21 302 406
Cost of sales		(19 641 702)	(17 636 441)
Gross profit		4 710 118	3 665 965
Selling expenses		(786 908)	(852 213)
Administrative expenses	1	(2 365 146)	(2 591 875)
Other operating income		20 758	—
Other operating expenses		(31 004)	(30 753)
Other interest and similar income		16 775	2 704
Interest expenses and similar expenses	2	(676 866)	(683 797)
Net operating expenses		(3 822 391)	(4 155 934)
Profit / (loss) before tax		887 727	(489 969)
Income tax		(24 704)	12 713
Profit / (loss) for the period		863 023	(477 256)
EBITDA		2 108 254	741 457
OTHER COMPREHENSIVE INCOME • ITEMS THAT ARE OR MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
Translation of foreign operations to presentation currency		3 947	(2 806)
Total comprehensive income for the period		866 970	(480 062)

The accompanying notes on pages 16 to 20 are an integral part of these consolidated financial statements.
Signed on behalf of the Group on 15 July 2026 by:

Edgars Cērps
Chairman of the Board

Olīvija Lavrenova
Group Chief Accountant

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CONSOLIDATED FINANCIAL STATEMENTS

Statement of Financial Position • Assets

EUR	NOTES	30.06.2026	31.12.2025
NON-CURRENT ASSETS			
Intangible assets		994 117	1 090 666
Intangible assets development costs		30 158	551
Total intangible assets		1 024 275	1 091 217
Right-of-use assets		1 322 356	1 563 538
Property and equipment		2 279 280	2 368 190
Leasehold improvements		66 024	79 789
Construction in progress		30 289	—
Total tangible assets		3 697 949	4 011 517
Deferred tax assets		353 892	378 427
Total other non-current assets		353 892	378 427
Total non-current assets		5 076 116	5 481 161
CURRENT ASSETS			
Goods for resale and raw materials	3	14 982 318	12 895 468
Work in progress	3	93 613	40 708
Total inventories		15 075 931	12 936 176
Other assets		468 194	270 782
Prepayments to suppliers and similar	4	690 670	430 471
Trade and other receivables		367 752	232 157
Contract assets		116 804	125 794
Total receivables and other current assets		1 643 420	1 059 204
Short-term financial investments		—	807 433
Cash and cash equivalents		1 003 616	988 192
Total current assets		17 722 967	15 791 005
Total assets		22 799 083	21 272 166

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Group Chief Accountant

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CONSOLIDATED FINANCIAL STATEMENTS

Statement of Financial Position · Equity & Liabilities

EUR	NOTES	30.06.2026	31.12.2025
EQUITY			
Share capital		13 110 809	13 080 810
Share premium		250 000	250 000
Share-based payment reserve		—	29 999
Subordinated debt restructuring reserve		—	174 962
Foreign currency translation reserve		(61 173)	(65 120)
Accumulated losses brought forward		(7 748 854)	(6 499 503)
Profit / (loss) for the period		863 023	(1 249 351)
Total equity		6 413 805	5 721 797
LIABILITIES			
Non-current loans and borrowings	5	12 384 679	13 339 416
Total non-current liabilities		12 384 679	13 339 416
Current loans and borrowings	5	1 650 049	1 075 667
Trade payables		1 271 571	374 868
Taxes payable		598 018	347 998
Corporate income tax		431	1 811
Other liabilities		188 151	100 513
Accrued liabilities		292 379	310 096
Total current liabilities		4 000 599	2 210 953
Total liabilities		16 385 278	15 550 369
Total equity and liabilities		22 799 083	21 272 166

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Edgars Cērps

Chairman of the Board

Olīvija Lavrenova

Group Chief Accountant

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CONSOLIDATED FINANCIAL STATEMENTS

Statement of Changes in Equity

EUR	SHARE CAPITAL	SHARE PREMIUM	FX RESERVE	OTHER RESERVES	ACCUMULATED LOSS	TOTAL
Balance at 01.01.2025	13 034 872	250 000	(59 367)	201 976	(6 499 503)	6 927 978
TOTAL COMPREHENSIVE INCOME						
Loss for the period	—	—	—	—	(1 249 351)	(1 249 351)
Other comprehensive loss	—	—	(5 753)	—	—	(5 753)
Total for the period	—	—	(5 753)	—	(1 249 351)	(1 255 104)
TRANSACTIONS WITH OWNERS OF THE GROUP						
Equity-settled share-based payment	45 938	—	—	2 985	—	48 923
Total transactions with owners	45 938	—	—	2 985	—	48 923
Balance at 31.12.2025	13 080 810	250 000	(65 120)	204 961	(7 748 854)	5 721 797
Balance at 01.01.2026	13 080 810	250 000	(65 120)	204 961	(7 748 854)	5 721 797
TOTAL COMPREHENSIVE INCOME						
Profit for the period	—	—	—	—	863 023	863 023
Other comprehensive income	—	—	3 947	—	—	3 947
Total for the period	—	—	3 947	—	863 023	866 970
TRANSACTIONS WITH OWNERS OF THE GROUP						
Equity-settled share-based payment	29 999	—	—	(29 999)	—	—
Subordinated debt restructuring reserve	—	—	—	(174 962)	—	(174 962)
Total transactions with owners	29 999	—	—	(204 961)	—	(174 962)
Balance at 30.06.2026	13 110 809	250 000	(61 173)	—	(6 885 831)	6 413 805

The accompanying notes on pages 16 to 20 are an integral part of these consolidated financial statements.

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Edgars Cērps

Chairman of the Board

Olīviņa Lavrenova

Group Chief Accountant

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CONSOLIDATED FINANCIAL STATEMENTS

Statement of Cash Flows

EUR	01.01.2026 – 30.06.2026	01.01.2025 – 30.06.2025
CASH FLOWS FROM / TO OPERATING ACTIVITIES		
Profit / (loss) before tax	887 727	(489 969)
Amortization and depreciation	568 787	594 896
Interest expense	668 516	634 619
Interest income	(16 775)	—
(Gain) / loss from disposal of property and equipment	(3 900)	2 674
Equity-settled share-based payment	—	45 939
Cash flow before working capital changes	2 104 355	788 159
(Increase) / decrease in inventories	(2 139 755)	(1 410 754)
(Increase) / decrease in trade and other receivables	(593 206)	(15 003)
(Decrease) / increase in advances received and trade payables	1 234 361	222 421
(Decrease) / increase in accrued liabilities	(17 716)	43 928
(Increase) / decrease in accrued income	8 990	41 256
Cash flows used in / from operations	597 029	(329 993)
Corporate income tax paid	(1 551)	(2 750)
Net cash flows from operating activities	595 478	(332 743)
CASH FLOWS FROM / TO INVESTING ACTIVITIES		
Interest received	22 884	—
Acquisition of property and equipment and intangibles	(121 167)	(465 727)
Proceeds from sale of other securities	801 103	—
Payments for sale of other securities	222	—
Net cash flows from investing activities	703 042	(465 727)
CASH FLOWS FROM / TO FINANCING ACTIVITIES		
Repayment of liabilities for right-of-use assets	(342 498)	(320 783)
Interest paid	(938 080)	(500 000)
Repayments of borrowings issuance costs	(1 800)	(8 840)
Cash payments for interest portions of lease liabilities	(4 664)	—
Net cash flows from financing activities	(1 287 042)	(829 623)
Change in cash	11 477	(1 628 093)
Effect of currency translation on cash	3 947	(2 118)
Cash at the beginning of the period	988 192	2 206 214
Cash at the end of the period	1 003 616	576 003

The accompanying notes on pages 16 to 20 are an integral part of these consolidated financial statements.
Signed on behalf of the Group on 15 July 2026 by:

Edgars Cērps
Chairman of the Board

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Group Chief Accountant

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Notes to the consolidated *Financial* Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Selected notes

1 ADMINISTRATIVE EXPENSES

EUR	01.01.2026 – 30.06.2026	01.01.2025 – 30.06.2025
Employees' salaries	1 096 168	1 097 147
Amortization and depreciation	568 787	594 904
Social tax contributions	169 869	158 859
Office and branches' maintenance	134 339	154 929
Professional services	85 857	91 718
IT services	79 619	110 037
Other personnel expenses	77 113	173 512
Audit fees	50 342	51 732
Insurance	28 838	26 958
Other administrative expenses	20 834	37 396
Business trips	11 822	11 346
Communication expenses	9 802	10 987
Legal services	9 341	27 314
Representation	7 037	21 793
Bank commissions	5 416	7 761
Recruitment fees	5 067	11 991
Transportation expenses	4 895	3 491
Total	2 365 146	2 591 875

2 INTEREST EXPENSES AND SIMILAR EXPENSES

EUR	01.01.2026 – 30.06.2026	01.01.2025 – 30.06.2025
Interest expenses on issued bonds	628 131	634 958
Interest expenses on lease liabilities	40 385	43 977
Other financial expenses	8 350	4 862
Total	676 866	683 797

3 INVENTORIES

Carrying value of vehicles and raw materials

Inventory is measured at the lower of cost and net realisable value. The cost of an individual car in the inventory balance is determined using the purchase price, including directly and indirectly attributable sourcing, transport and repair costs.

EUR	30.06.2026	31.12.2025
Acquired vehicles held for sale	14 842 120	12 878 529
NRV allowance	—	(99 922)
Raw materials	140 198	116 861
Work in progress	93 613	40 708
Total inventories	15 075 931	12 936 176

At the reporting date, a detailed review for net realisable value was executed on cars held in inventory at 30 June 2026. Management's analysis of profit margins on all cars sold in 2026 concluded that no adjustment to NRV should be expensed through profit or loss in 2026. Inventory write-offs included in cost of goods sold were €0 for the period ended 30 June 2026 (period ended 31 December 2025: €99 922). In Latvia and Lithuania inventories are pledged as bond collateral — the total pledged inventory in these countries is €11 273 731 (31.12.2025: €10 991 100).

4 PREPAYMENTS TO SUPPLIERS AND SIMILAR

EUR	30.06.2026	31.12.2025
VAT receivable and other taxes	454 340	228 873
Prepayments to suppliers	96 594	73 824
Security deposits	84 751	84 047
Advances paid for goods and services	54 985	43 727
Total	690 670	430 471

5 LOANS AND BORROWINGS

Non-current

EUR	RATE P.A.	MATURITY	30.06.2026	31.12.2025
Bonds — €10 M notes issue ¹⁾	10%	30.11.2027	8 700 197	9 064 131
Bonds — €3 M subordinated notes ²⁾	6%	31.12.2029	2 844 838	3 205 770
Total bonds (non-current)			11 545 035	12 269 901
Lease liabilities ³⁾	3% – 9%	up to 5 years	839 645	1 069 515
Total non-current borrowings			12 384 679	13 339 416

Current

EUR	RATE P.A.	MATURITY	30.06.2026	31.12.2025
Bonds — €10 M notes issue ¹⁾	10%	30.11.2027	918 877	505 136
Bonds — €3 M subordinated notes ²⁾	6%	31.12.2029	174 338	—
Total bonds (current)			1 093 215	505 136
Lease liabilities ³⁾	3% – 9%	up to 12 months	556 834	570 531
Total current borrowings			1 650 049	1 075 667

1) On 30 November 2024, the Group registered with the Latvian Central Depository a bond facility through which it can raise up to €20 M. In the first tranche (ISIN LV0000804987) the Group raised €10 M as at 30 November 2024. In November and December 2025 the Group repurchased part of its outstanding bonds, reducing the nominal amount outstanding to €9 795 500 at 31 December 2025; this nominal remained at €9 795 500 as at 30 June 2026. The issue is secured by the assets of Longo Latvia LLC, Longo LT LLC and the real estate of Longo Shared Services LLC. Notes carry a 10% coupon paid monthly in advance and have been admitted to trading on the Nasdaq Baltic Main Market by Nasdaq Riga since 9 December 2024.

2) On 30 December 2021, the Group registered a subordinated bond facility through which it could raise up to €3 M; €3 000 000 had been raised as at 31 December 2025. The notes were issued at par with a five-year maturity and a 6% coupon paid monthly in advance. In 2024 the terms were amended, extending maturity to 31 December 2029 and shifting coupon frequency to once at maturity. As all subordinated bondholders are also shareholders, the modification gain reduced the carrying amount of subordinated debt and increased the subordinated bonds reserve within equity by €174 962 at 31 December 2025. At the end of 2025 Longo notified Noteholders and the Custodian that the coupon payment shall be made monthly, starting January 2026. All accrued coupon up to 31 December 2025 has been paid out; as a result the subordinated bonds reserve within equity has been reversed and is €0 as at 30 June 2026.

3) The Group has entered into several lease agreements for office premises, car lots and a number of vehicles. The related liabilities are split between current and non-current as at 30 June 2026.

6 COMMITMENTS AND CONTINGENCIES

Bond covenants

The prospectus for the secured bonds (ISIN LV0000804987) defines three financial covenants that the Group must maintain at the end of each quarter. During the reporting period, the Group complied with all externally imposed capital requirements.

Collateral coverage ratio

Collateral value plus adjusted cash ÷ secured financial indebtedness · required $\geq 1.30\times$

1.6x

Capitalization ratio

Adjusted equity ÷ consolidated assets · required $\geq 30\%$

41%

Debt service coverage ratio

EBITDA ÷ debt service charges over the relevant period · required $\geq 1.20\times$

2.2x

7 EVENTS AFTER THE REPORTING PERIOD

There have been no significant events after the end of the reporting period.

Signed on behalf of the Group on 15 July 2026 by:

Edgars Cērps

Chairman of the Board

Olīvija Lavrenova

Group Chief Accountant

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