



LONGO GROUP JSC • REG. NO. 42103081417

Condensed consolidated *interim* financial statements

For the nine months ended 30 September 2026.
Prepared in accordance with IFRS Accounting
Standards as adopted by the EU.

REPORTING PERIOD
01.01.2026 - 30.09.2026

COMPARATIVE
01.01.2025 - 30.09.2025

ADDRESS
Mūkusalas street 72A, Riga,
LV-1004, Latvia

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 street 72A, Riga
Financial period	01.01.2026 – 30.09.2026
Comparative	01.01.2025 – 30.09.2025

SHAREHOLDERS • 30.09.2026

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 LLC	Latvia
Longo Lithuania LLC	Lithuania
Longo Estonia LLC	Estonia
Longo Shared Services LLC	Lithuania
Longo Netherlands LLC	Netherlands
Longo Belgium LLC	Belgium
Maxxus LLC	Germany
Longo Poland LLC	Poland
Longo IP Holdings LLC	Latvia

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



Wide assortment

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



Convenient and safe

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



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 8 locations across Baltics



04

Aftersales

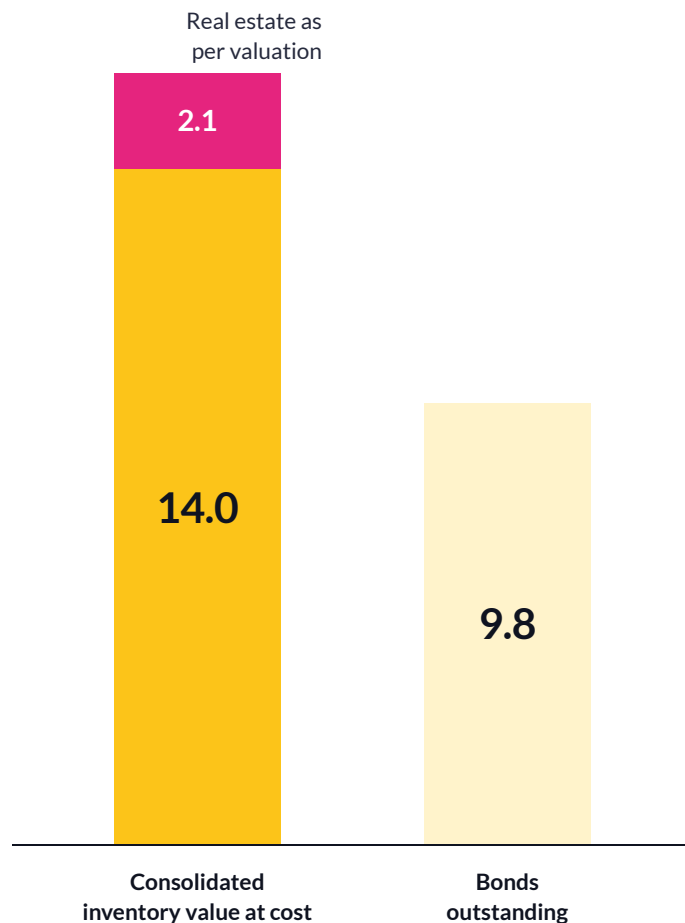
Longo also provides aftersales warranty and reengages customers for next purchase



Longo collateral comfortably covers the nominal value of outstanding secured bonds

Values in M EUR

As of 30 September 2026



Management Report

15 October 2026

“The first nine months of 2026 show that Longo Group's planned strategy is sustainable: revenue grew by 16%, gross margin strengthened to 19.5% and EBITDA more than doubled year-on-year. With a clear focus on the Baltic markets, we enter the final quarter of 2026 on a solid foundation for a year of profitable growth.”



Edgars Cērps

Group CEO and Co-Founder

BUSINESS RESULTS

The first nine months of 2026 confirmed that the planned strategy achieved in the first half of the year is sustainable. The profitability measures rolled out in the second half of 2025 continued to deliver, with the Group more than doubling EBITDA year-on-year and moving to a clear net profit, underpinned by higher revenue, stronger margins and disciplined cost control. The third quarter delivered the Group's highest quarterly revenue and gross profit.

In the first nine months of 2026, Longo Group JSC generated total revenue of EUR 40.1 million, an increase of 16.2% compared to the same period of 2025 (EUR 34.5 million). In the third quarter alone, revenue reached EUR 15.8 million, up 19.3% year-on-year (Q3 2025: EUR 13.2 million). The growth was driven primarily by a higher average value of car sold and continued growth across all supplementary income streams, in line with the Group's focus on 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 positive contribution.

The Group's gross profit margin for the first nine months of 2026 increased by 2.5 percentage points year-on-year, reaching 19.5% (9M 2025: 17.0%) and resulting in total gross profit of EUR 7.8 million (9M 2025: EUR 5.9 million), an increase of 33.4%. The improvement was driven mainly by focused sourcing on high-demand vehicles and higher income from value-added services, in line with the profitability platform embedded during the second half of 2025.

EBITDA increased to EUR 3.6 million (9M 2025: EUR 1.6 million), reflecting higher gross profitability and continued cost discipline across the Group. Administrative expenses fell 1% to EUR 3.8 million despite revenue growth of 16%, reducing their share of revenue to 9.4% (9M 2025: 11.0%). Within this, personnel costs rose 13% to EUR 2.2 million, mainly reflecting selective strengthening of the core business teams and one-off employee termination costs arising from the discontinuation of retail operations in Poland.

NINE MONTHS ENDED 30 SEPTEMBER

Group results, 9M 2026

EUR	9M 2026	9M 2025	YOY CHANGE
Revenue	40.1 M	34.5 M	+16%
Gross profit	7.8 M	5.9 M	+33%
Gross margin	19.5 %	17.0 %	+2.5 pts
EBITDA	3.6 M	1.6 M	+127%

CAPITALIZATION RATIO
As of 30.09.2026

45%

The increase was more than offset by a 26% reduction in other administrative overheads, led by IT services, professional services and travel, following the efficiency measures introduced during the second half of 2025. The Group recorded a net profit of EUR 1.8 million (9M 2025: loss of EUR (0.3) million), confirming the Group's return to sustainable profitability.

In September 2026 the Group discontinued the retail operations of its Polish subsidiary and has concentrated its resources on the Baltic markets. The closure was completed within the third quarter.

FUTURE PROSPECTS

Looking ahead, the Group remains on track with the priorities set out, namely sustainable, profitability-led growth with the Baltics as the primary focus. Key priorities for the final quarter of 2026 include maintaining the gross margin improvement through disciplined sourcing, focusing on 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. With Polish retail operations discontinued, the Group's resources are now concentrated on the Baltic markets, which are its core markets and its principal source of profitability. 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.

To mitigate the effect of seasonality on the Group's results, the Group began reducing its inventory levels during the third quarter ahead of the low season. Inventories stood at EUR 14.0 million at 30 September 2026, down from EUR 15.1 million at 30 June 2026. Liquidity released in the process is temporarily placed in short-term investments.

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.

As at 30 September 2026, the Group also held short-term investments in bonds of EUR 1.3 million. Under agreements with the counterparties, these investments will be sold by the end of Q1 2027 at their acquisition value. As a result, the associated credit risk is assessed as limited.

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 of Longo's debt is structured with fixed interest rates, effectively eliminating interest rate risk for the Group.

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 30.09.2026 was 45%. 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 October 2026 by:

Edgars Cērps

Chairman of the Board

This document has been signed with a secure electronic signature and has a 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 30.09.2026 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 October 2026

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

Consolidated *Financial* Statements



CONSOLIDATED FINANCIAL STATEMENTS

Statement of Comprehensive Income

EUR	NOTES	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Revenues		40 132 178	34 528 609
Cost of sales		(32 303 971)	(28 658 660)
Gross profit		7 828 207	5 869 949
Selling expenses		(1 273 707)	(1 260 575)
Administrative expenses	1	(3 755 499)	(3 803 659)
Other operating income		20 087	-
Other operating expenses		(25 435)	(41 695)
Other income from interest and similar income		27 296	3 829
Interest expenses and similar expenses	2	(1 018 810)	(1 035 249)
Net operating expenses		(6 026 068)	(6 137 349)
Profit / (Loss) before tax		1 802 139	(267 400)
Income tax		(43 296)	(49 769)
Profit / (Loss) for the period		1 758 843	(317 169)
EBITDA		3 631 598	1 602 870
OTHER COMPREHENSIVE INCOME · ITEMS THAT ARE OR MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
Translation of foreign operations to presentation currency		10 242	(6 605)
Total comprehensive income for the period		1 769 085	(323 774)

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 October 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	30.09.2026	31.12.2025
NON-CURRENT ASSETS			
Intangible assets		962 014	1 090 666
Intangible assets development costs		34 218	551
Total intangible assets		996 232	1 091 217
Right-of-use assets		1 163 744	1 563 538
Property and equipment		2 263 123	2 368 190
Leasehold improvements		59 141	79 789
Construction in progress		593	-
Total tangible assets		3 486 601	4 011 517
Deferred tax assets		335 331	378 427
Total other non-current assets		335 331	378 427
TOTAL NON-CURRENT ASSETS		4 818 164	5 481 161
CURRENT ASSETS			
Goods for resale and raw materials	3	13 921 130	12 895 468
Work in progress	3	51 552	40 708
Total inventories		13 972 682	12 936 176
Other assets		472 974	270 782
Prepayments to suppliers and similar	4	699 416	430 471
Trade and other receivables		345 557	232 157
Contract assets		99 965	125 794
Total receivables and other current assets		1 617 912	1 059 204
Other investments		1 302 239	807 433
Cash and cash equivalents		1 104 213	988 192
TOTAL CURRENT ASSETS		17 997 046	15 791 005
TOTAL ASSETS		22 815 210	21 272 166

CONSOLIDATED FINANCIAL STATEMENTS

Statement of Financial Position • Equity & Liabilities

EUR	NOTES	30.09.2026	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		(54 878)	(65 120)
Accumulated losses / Retained earnings			
brought forward		(7 748 854)	(6 499 503)
for the period		1 758 843	(1 249 351)
TOTAL EQUITY		7 315 920	5 721 797
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	5	12 290 498	13 339 416
Total non-current liabilities		12 290 498	13 339 416
CURRENT LIABILITIES			
Loans and borrowings	5	1 607 810	1 075 667
Trade payables		596 262	374 868
Taxes payable		546 157	347 998
Corporate income tax		242	1 811
Other liabilities		201 647	100 513
Accrued liabilities		256 674	310 096
Total current liabilities		3 208 792	2 210 953
TOTAL LIABILITIES		15 499 290	15 550 369
TOTAL EQUITY AND LIABILITIES		22 815 210	21 272 166

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	—	—	—	—	1 758 843	1 758 843
Other comprehensive income	—	—	10 242	—	—	10 242
Total for the period	—	—	10 242	—	1 758 843	1 769 085
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 30.09.2026	13 110 809	250 000	(54 878)	—	(5 990 011)	7 315 920

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 October 2026 by:

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 - 30.09.2026	01.01.2025 - 30.09.2025
CASH FLOWS TO/FROM OPERATING ACTIVITIES		
Profit/ (loss) before tax	1 802 139	(267 400)
Adjustments for:		
Amortization and depreciation	850 360	914 884
Interest expense 2	1 006 395	959 528
Interest income	(27 296)	-
(Gain)/Loss from disposal of property and equipment	44 113	35 119
Equity settled share-based payment transactions	-	45 938
Partial write-off of capitalized bond issuance costs	241	-
Foreign currency translation differences	690	
Cash flow from operating activities before working capital changes	3 676 642	1 688 069
(Increase)/ decrease in inventories	(1 036 506)	(1 564 167)
(Increase)/ decrease in trade and other receivables	(584 537)	97 873
(Decrease)/ increase in advances received and trade payables	520 687	461 995
(Decrease)/ increase in accrued liabilities	(53 422)	46 107
(Increase)/ decrease in accrued income	25 829	26 498
Cash flows used in/from operations	2 548 693	756 375
Corporate income tax paid	(1 769)	(3 553)
Net cash flows from operating activities	2 546 924	752 822
CASH FLOWS TO/FROM INVESTING ACTIVITIES		
Other securities acquired	(1 300 000)	-
Payments for acquisition of securities	(6 811)	-
Interest received	37 977	-
Acquisition of property and equipment and other intangible assets	(214 750)	(621 083)
Proceeds from sale of other securities	801 103	-
Repayments for sale of other securities	222	-
Net cash flows to/from investing activities	(682 259)	(621 083)
CASH FLOWS TO/FROM FINANCING ACTIVITIES		
Bonds repurchased	(10 100)	-
Repayment of liabilities for right-of-use assets	(461 742)	(481 881)
Interest paid	(1 227 934)	(750 000)
Payments of borrowings issuance costs	(1 800)	(9 399)
Cash payments for the interest portions of lease liabilities	(57 310)	-
Net cash flows to/from financing activities	(1 758 886)	(1 241 280)
Change in cash	105 779	(1 109 541)
Effects of currency translation on cash and cash equivalents	10 242	(5 585)
Cash at the beginning of the period	988 192	2 206 214
Cash at the end of the period	1 104 213	1 091 088

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 October 2026 by:

Edgars Cērps
Chairman of the Board

Olīviņa Lavrenova
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 - 30.09.2026	01.01.2025 - 30.09.2025
Employees' salaries	1 899 099	1 638 074
Amortization and depreciation	850 360	914 493
Social tax contributions	262 827	228 471
Office and branches' maintenance expenses	189 562	216 647
Professional services	125 765	159 782
IT services	115 620	217 923
Other personnel expenses	85 909	128 906
Audit fees	75 412	73 646
Insurance	42 055	39 618
Other administrative expenses	29 709	33 321
Business trips	15 963	26 726
Legal services	14 589	24 762
Communication expenses	14 539	26 537
Representation	10 468	8 586
Recruitment fees	9 040	14 362
Bank commissions	8 291	10 794
Transportation expenses	6 291	41 011
TOTAL:	3 755 499	3 803 659

2 INTEREST EXPENSES AND SIMILAR EXPENSES

EUR	01.01.2026 - 30.09.2026	01.01.2025 - 30.09.2025
Interest expenses on issued bonds	947 914	959 867
Interest expenses on lease liabilities	58 481	68 506
Other financial expenses	12 415	6 876
TOTAL:	1 018 810	1 035 249

3 INVENTORIES

EUR	30.09.2026	31.12.2025
Acquired vehicles for purpose of selling them to customers	13 835 243	12 878 529
Raw materials	185 809	116 861
Work in progress	51 552	40 708
NRV allowance	(99 922)	(99 922)
TOTAL:	13 972 682	12 936 176

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

At the reporting date a detailed net realisable value review was performed on cars held in inventory at 30 September 2026. Management analysed profit margins on cars sold after 30 September 2026 and on cars still held in stock, and concluded that the required net realisable value allowance at 30 September 2026 is EUR 99,922 (31.12.2025: EUR 99,922).

No net realisable value write-downs were recognised in cost of goods sold for the period ended 30 September 2026 (year ended 31 December 2025: EUR 99,922).

In Latvia and Lithuania inventories are pledged as collateral for the bonds; the total amount of pledged inventory in these countries is EUR 11,435,985 (31.12.2025: EUR 10,991,100).

4 PREPAYMENTS TO SUPPLIERS AND SIMILAR

EUR	30.09.2026	31.12.2025
VAT receivable and other taxes	464 776	228 873
Prepays	136 872	73 824
Security deposits	84 541	84 047
Advances paid for goods and services	13 227	43 727
TOTAL:	699 416	430 471

5 LOANS AND BORROWINGS

Non-current

EUR	RATE P.A.	MATURITY	30.09.2026	31.12.2025
Bonds — €10 M notes issue ¹⁾	10%	30.11.2027	8 722 097	9 064 131
Bonds — €3 M subordinated notes ²⁾	6%	31.12.2029	2 843 871	3 205 770
Total bonds (non-current)			11 565 968	12 269 901
Lease liabilities ³⁾	3% – 9%	up to 5 years	724 530	1 069 515
Total non-current borrowings			12 290 498	13 339 416

Current

EUR	RATE P.A.	MATURITY	30.09.2026	31.12.2025
Bonds — €10 M notes issue ¹⁾	10%	30.11.2027	918 013	505 136
Bonds — €3 M subordinated notes ²⁾	6%	31.12.2029	174 338	—
Total bonds (current)			1 092 351	505 136
Lease liabilities ³⁾	3% – 9%	up to 12 months	515 459	570 531
Total current borrowings			1 607 810	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 EUR 20 million.

In the first tranche (ISIN LV0000804987) The Group has raised a total of EUR 10 000 000 as at 30 November 2024. In November and December 2025, the Group repurchased part of its outstanding bonds thus decreasing nominal amount of outstanding bonds to EUR 9 795 500 at 31 December 2025. In September 2026, the Group repurchased bonds with a nominal value of EUR 10 100, decreasing the nominal amount of outstanding bonds to EUR 9 785 400 as at 30 September 2026.

This bond issue is secured by the assets of Longo Latvia LLC, Longo LT LLC and real estate of Longo shared services LLC. The notes are issued at par, have a maturity of three years and carry a coupon of 10% per annum, paid monthly in advance.

The bonds of Longo Group JSC have been admitted to trading on the Nasdaq Baltic Main Market by Nasdaq Riga since December 9, 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 September 2026.

3) The Group has entered into several lease agreements for office premises and car lots as well as several vehicle rent agreements. Accordingly, those liabilities are split between current and non-current as at 30 September 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 $\geq 30\%$

45%

Debt service coverage ratio

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

2.5x

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 October 2026 by:

Edgars Cērps

Chairman of the Board

Olīvija Lavrenova

Group Chief Accountant

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