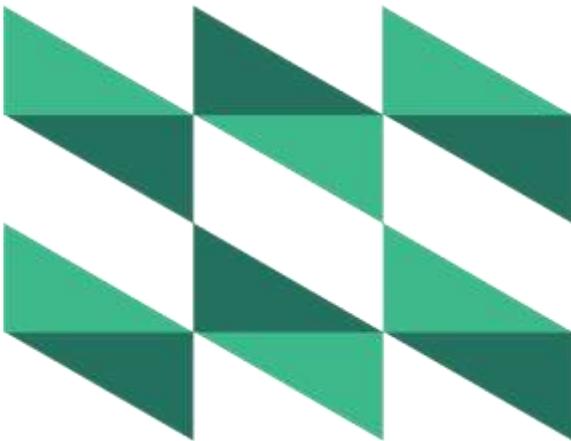


## URBO BANKAS UAB

CONDENSED INTERIM SEPARATE UNAUDITED  
FINANCIAL STATEMENTS OF THE BANK FOR THE SIX  
MONTHS PERIOD ENDING 30 JUNE 2025  
PREPARED IN ACCORDANCE WITH INTERNATIONAL  
ACCOUNTING STANDARD 34 *INTERIM FINANCIAL  
REPORTING* AS ADOPTED BY THE EUROPEAN UNION



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**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM STATEMENTS OF FINANCIAL POSITION**

Assets	Notes	The Bank	
		30 June 2025	31 December 2024
Cash and due from central bank			
<i>Cash in vaults</i>		11,341	16,450
<i>Placements with the central bank</i>		103,208	112,787
		114,549	129,237
Placements with banks and other credit, financial institutions		15,756	16,407
Derivatives at fair value through profit or loss		19	7
Debt securities	3	67,641	61,639
Loans and receivables			
<i>Loans to customers</i>	4	458,498	393,747
<i>Finance lease receivable</i>	4	20,644	20,802
		479,142	414,549
Investments in subsidiaries	5	-	1,773
Other equity instruments		27	27
Investment property		-	-
Tangible fixed assets		2,829	2908
Intangible fixed assets		146	252
Right of use assets		6,487	6,488
Tax assets			
<i>Current taxes</i>		641	-
<i>Deferred taxes</i>		60	175
		701	175
Other assets	6	1,001	1,324
<b>Total assets</b>		<b>688,298</b>	<b>634,786</b>

(continued on the next page)


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

Liabilities and shareholders' equity	Notes	The Bank	
		30 June 2025	31 December 2024
<b>Liabilities</b>			
Liabilities to banks and other credit institutions		-	-
Derivatives		7	3
Liabilities to customers	7	609,972	557,285
Debt securities issued		2,277	2,269
Provisions		181	191
Tax liabilities			
<i>Current tax</i>		-	320
<i>Deferred tax</i>		-	-
		-	320
Other liabilities	8	10,357	10,427
<b>Total liabilities</b>		<b>622,794</b>	<b>570,495</b>
<b>Shareholders' equity</b>			
Registered share capital	9	50,989	43,492
Retained earnings (loss)		8,873	8,063
Other reserves	9	5,642	12,736
<b>Total shareholders' equity</b>		<b>65,504</b>	<b>64,291</b>
<b>Total liabilities and shareholders' equity</b>		<b>688,298</b>	<b>634,786</b>

The explanatory notes on pages 12 to 40 are an integral part of these financial statements.

 Chairman of the Board and  
Head of Administration

M. Arlauskas

 Director of Accounting Department,  
Chief Accountant

L. Bertašienė


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM INCOME STATEMENTS**

		<b>The Bank</b>	
	<b>Notes</b>	<b>30 June 2025</b>	<b>30 June 2024</b>
Interest income	10	18,605	17,318
Interest expense	10	(6,974)	(6,237)
<b>Net interest income</b>		<b>11,631</b>	<b>11,081</b>
Fee and commission income	11	1,640	2,035
Fee and commission expense	11	(190)	(189)
<b>Net fee and commission income</b>		<b>1,450</b>	<b>1,846</b>
Net profit on foreign currency transactions	12	774	1,145
Net result from transactions in derivatives		51	23
Net result from transactions in investment property		-	16
Subsidiary sale income		344	-
Dividends from subsidiaries		-	452
Other revenue		13	975
<b>Total operating income</b>		<b>14,263</b>	<b>15,538</b>
Change in value of loans and other financial assets		(481)	(277)
<b>Operating income after impairment</b>		<b>13,782</b>	<b>15,261</b>
Salaries and benefits		(6,029)	(5,713)
Depreciation		(358)	(232)
Amortisation		(106)	(181)
Depreciation of leased assets		(656)	(582)
Other operating expenses	13	(3,171)	(3,171)
<b>Total operating expenses</b>		<b>(10,320)</b>	<b>(9,879)</b>
<b>Operating profit (loss)</b>		<b>3,462</b>	<b>5,382</b>
<b>Corporate income tax expenses</b>		<b>(549)</b>	<b>(998)</b>
<b>Profit (loss) for the reporting period</b>		<b>2,913</b>	<b>4,384</b>
<b>Attributable to: shareholders of the Bank</b>		<b>2,913</b>	<b>4,384</b>

The explanatory notes on pages 12 to 40 are an integral part of these financial statements.

Chairman of the Board and  
Head of Administration

M. Arlauskas

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L. Bertašienė


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM INCOME STATEMENTS FOR QUARTER**

	Notes	The Bank	
		2025-04-01- 2025-06-30	2024-04-01- 2024-06-30
Interest income	10	9,316	8,897
Interest expense	10	(3,472)	(3,209)
<b>Net interest income</b>		<b>5,844</b>	<b>5,688</b>
Fee and commission income	11	805	987
Fee and commission expense	11	(104)	(104)
<b>Net fee and commission income</b>		<b>701</b>	<b>883</b>
Net profit on foreign currency transactions	12	387	688
Net result from transactions in derivatives		54	(3)
Net result from transactions in investment property		-	-
Subsidiary sale income		344	-
Dividends from subsidiaries		-	-
Other revenue		5	504
<b>Total operating income</b>		<b>7,335</b>	<b>7,760</b>
Change in value of loans and other financial assets		(113)	(277)
<b>Operating income after impairment</b>		<b>7,222</b>	<b>7,483</b>
Salaries and benefits		(2,930)	(2,809)
Depreciation		(181)	(166)
Amortisation		(47)	(90)
Depreciation of leased assets		(327)	(309)
Other operating expenses	13	(1,743)	(1,368)
<b>Total operating expenses</b>		<b>(5,228)</b>	<b>(4,742)</b>
<b>Operating profit (loss)</b>		<b>1,994</b>	<b>2,741</b>
<b>Corporate income tax expenses</b>		<b>(304)</b>	<b>(580)</b>
<b>Profit (loss) for the reporting period</b>		<b>1,690</b>	<b>2,161</b>
<b>Attributable to: shareholders of the Bank</b>		<b>1,690</b>	<b>2,161</b>

The explanatory notes on pages 12 to 40 are an integral part of these financial statements.

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**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM STATEMENT OF COMPREHENSIVE INCOME**

The Bank	30 June 2025	30 June 2024
<b>Items that will never be reclassified to profit or loss</b>		
Change in PPE revaluation	-	-
Transfer of depreciation for PPE net of tax	-	-
Other	-	-
<b>Items that will never be reclassified to profit or loss</b>	<u>-</u>	<u>-</u>
<b>Other comprehensive income (expenses), net of tax</b>	<u>-</u>	<u>-</u>
Profit for the year	<u>2,913</u>	<u>4,384</u>
<b>Total comprehensive income</b>	<u><u>2,913</u></u>	<u><u>4,384</u></u>
<b>Attributable to:</b>		
<b>shareholders of the Bank</b>	<b>2,913</b>	<b>4,384</b>

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**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR QUARTER**

<b>The Bank</b>	<b>2025-04-01 - 2025-06-30</b>	<b>2024-04-01 - 2024-06-30</b>
<b>Items that will never be reclassified to profit or loss</b>		
Change in PPE revaluation	-	-
Transfer of depreciation for PPE net of tax	-	-
Other	-	-
	<hr/>	<hr/>
<b>Items that will never be reclassified to profit or loss</b>	-	-
	<hr/>	<hr/>
<b>Other comprehensive income (expenses), net of tax</b>	-	-
	<hr/>	<hr/>
Profit for the year	<b>1,690</b>	<b>2,161</b>
<b>Total comprehensive income</b>	<b>1,690</b>	<b>2,161</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Attributable to:</b>		
<b>Equity holders of the Bank</b>	<b>1,690</b>	<b>2,161</b>

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**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY**

The Bank	Share capital	Retained earnings (restated)	Revaluation reserve of property and equipment	Other reserves	Total
<b>On 31 December 2023</b>	<b>35,468</b>	<b>8,977</b>	-	<b>12,287</b>	<b>56,732</b>
Profit or loss	-	4,384	-	-	4,384
Other comprehensive income (expense)	-	-	-	-	-
Transfer to reserves	-	(449)	-	449	-
Payment of dividends	-	(503)	-	-	(503)
Share capital increase	8,024	(8 024)	-	-	-
<b>On 30 June 2024</b>	<b>43,492</b>	<b>4,385</b>	-	<b>12,736</b>	<b>60,613</b>
Profit or loss	-	2,997	-	-	2,997
Other comprehensive income (expense)	-	-	-	-	-
Impact of mergers	-	681	-	-	681
<b>On 31 December 2024</b>	<b>43,492</b>	<b>8,063</b>	-	<b>12,736</b>	<b>64,291</b>
Profit or loss	-	2,913	-	-	2,913
Other comprehensive income (expense)	-	-	-	-	-
Transfer to reserves	-	(403)	-	403	-
Payment of dividends	-	(1,700)	-	-	(1,700)
Share capital increase	7,497	-	-	(7,497)	-
<b>On 30 June 2025</b>	<b>50,989</b>	<b>8,873</b>	-	<b>5,642</b>	<b>65,504</b>

The explanatory notes on pages 12 to 40 are an integral part of these financial statements.

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L. Bertašienė


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**SEPARATE INTERIM CASH FLOW STATEMENT**

	Notes	The Bank	
		30 June 2025	30 June 2024
<b>Cash flows from operating activities</b>			
Profit (loss) for the reporting period		2,913	4,384
<b>Reversals of non-cash income and expenses</b>			
Depreciation and amortisation		1,120	995
Gain (loss) on sale of tangible fixed assets, intangible fixed assets, assets held for sale and investment property		-	(974)
Dividends from subsidiaries		-	(452)
Impairment of loans		481	277
Interest income on loans to customers		(15,923)	(13,672)
Interest expense on liabilities		6,974	6,237
Revaluation of derivatives		(8)	(64)
Elimination of accrued holiday pay		140	58
Corporate income tax expenses		549	998
Elimination of other non-cash items		(788)	1,173
<b>Cash flow from (to) operating activities before changes in working capital and liabilities</b>		<b>(4,542)</b>	<b>(1,040)</b>
<b>Change in working capital and liabilities</b>			
Changes in statutory reserves		(788)	(748)
Changes of funds in financial institutions		57	-
Loans to customers		(65,057)	(21,620)
Finance lease receivables		145	1,891
Changes in liabilities to banks and other credit institutions		-	(33)
Changes in liabilities to customers		50,903	25,082
Changes in other assets and liabilities		849	(449)
Change		(13,891)	4,123
Interest received on loans to customers and finance lease		15,751	13,681
Interest paid on liabilities		(5,634)	(3,714)
Corporate income tax paid		(1,386)	(1,833)
<b>Net cash flow from operating activities after corporate income tax</b>		<b>(9,702)</b>	<b>11,217</b>

(continued on the next page)


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

		<b>The Bank</b>	
	<b>Notes</b>	<b>30 June 2025</b>	<b>30 June 2024</b>
<b>Cash flows from investing activities</b>			
Acquisition of long-term investment property, tangible and intangible fixed assets		(155)	(2,705)
Proceeds from the sale of investment, tangible and intangible fixed assets		-	5,823
Sale of subsidiary		1,773	-
Dividends from subsidiaries		-	452
Redemption of debt securities		3,875	18,005
Acquisition of debt securities		(9,877)	(21,154)
<b>Net cash flows from investing activities</b>		<b>(4,384)</b>	<b>421</b>
<b>Cash flow from financing activities</b>			
Dividends paid		(1,700)	(503.00)
Bonds issued		-	-
Bonds redeemed		8	9
Part of the principal amount of lease payments		(736)	(652)
Loans received		2,816	5,042
Loans repaid		(2,299)	(5,320)
<b>Net cash flows from financing activities</b>		<b>(1,911)</b>	<b>(1,424)</b>
Effect of exchange rate changes on balance of cash and cash equivalents		(74)	(45)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(16,070)</b>	<b>10,169</b>
Cash and cash equivalents at 1 January		140,614	148,408
<b>Cash and cash equivalents at 30 June</b>	15	<b>124,544</b>	<b>158,577</b>

The explanatory notes on pages 12 to 40 are an integral part of these financial statements.

 Chairman of the Board and  
Head of Administration

M. Arlauskas

 Director of Accounting Department,  
Chief Accountant

L. Bertašienė


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**Note 1 General information**

Urbo Bankas UAB (hereinafter referred to as the “Bank”) was established on 24 November 1992 (as KB Ancorobank) and on 16 January 1997 was reorganised into Medicinos Bankas UAB. On 1 February 2024, Medicinos Bankas UAB changed its name and became Urbo Bankas.

The Bank’s head office address is: Konstitucijos pr. 18B, Vilnius, Lithuania.

The Bank accepts deposits and provides loans, carries out monetary and documentary settlements, exchanges currency and provides guarantees to its customers. The Bank also offers securities trading, advisory and custody services. The Bank provides services to corporate and retail customers.

At the end of the second quarter of 2025, the Bank had 25 customer service units in various regions of Lithuania.

As at 30 June 2025, the Bank had 281 employees (280 employees as at 31 December 2024).

As at 30 June 2025, the Bank’s shareholders were:

	<b>Number of ordinary shares held</b>	<b>Ownership interest (%)</b>
Konstantinas Karosas	91,909,763	90.13
Western Petroleum Ltd.	10,067,754	9.87
<b>Total</b>	<b>101,977,517</b>	<b>100.00</b>

As at 31 December 2024, the Bank’s shareholders were:

	<b>Number of ordinary shares held</b>	<b>Ownership interest (%)</b>
Konstantinas Karosas	78,395,759	90.13
Western Petroleum Ltd.	8,587,856	9.87
<b>Total</b>	<b>86,983,615</b>	<b>100.00</b>

As at 30 June 2025 the Bank’s share capital comprised 101,977,517 ordinary shares with a nominal value EUR 0.5 each (as at 31 December 2024: 86,983,615 ordinary shares with a nominal value EUR 0.5 each).

At 30 June 2025 and 31 December 2024, all shares were fully paid up.

By an agreement dated 12 March 2021, including amendment No. 1 dated 24 November 2023, Mr Konstantinas Karosas and Western Petroleum Limited transferred all voting rights at the Bank’s General Meeting of Shareholders to MB Valdymas UAB. Following the transfer of voting rights, MB Valdymas UAB has the right to vote in respect of all of the Bank’s shares at the Bank’s General Meeting of Shareholders.


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

 (All amounts are in TEUR, unless specified otherwise)
 

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**Note 2 Basis of preparation and significant accounting policies**
**Statement of compliance**

The separate and consolidated financial statements are prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union (EU). The condensed interim separate and consolidated financial statements should be read in conjunction with the annual separate and consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. Except as disclosed below, the accounting policies applied in the preparation of this condensed interim financial information are consistent with those applied in the Bank's annual financial statements for 2024.

**New and amended standards and interpretations**

Management of the Bank and the Group does not expect that newly published standards, amendments and interpretations that will be mandatory for the Bank for reporting periods beginning on or after 1 January 2024 will have a material impact on the Bank's and the Group's financial information, nor there are any newly published standards, amendments and interpretations that are mandatory for the Bank and the Group from 2024 and that would have a material impact on the financial information of the Bank and the Group.

The preparation of condensed interim separate and consolidated financial statements in accordance with IFRSs involves making assumptions and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While these estimates are based on management's knowledge of the current situation and actions, actual results may ultimately differ from these estimates. The significant assumptions and estimates used in the preparation of the condensed interim separate and consolidated financial statements are the same as those used in the preparation of the annual separate and consolidated financial statements for the year ended 31 December 2024.

There are no significant amounts of income or expenses, that are subject to significant seasonality.

**Functional and presentation currency**

These financial statements are presented in EUR, which is the functional currency of the Bank and the Group, unless otherwise stated.

The official exchange rates of the main currencies used for the revaluation of the items in the statement of financial position at the end of the reporting period are presented below (the ratio of EUR to the unit of the original currency):

	<b>30 June 2025</b>	<b>31 December 2024</b>
USD	1.1704	1.0444


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**Note 3 Debt securities**

Debt securities consist of:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Government bonds of the Republic of Lithuania	57,666	51,714
Government bonds of the Republic of Romania	4,783	5,058
Government bonds of the Republic of Poland	5,192	3,840
Government bonds of the Republic of Croatia	-	1,027
<b>Total</b>	<b>67,641</b>	<b>61,639</b>

**Note 4 Loans and receivables**

Loans to customers and receivables consist of:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Loans to customers, including short-term bills of exchange	462,512	397,675
Overdrafts	628	553
Factoring	924	599
Financial lease	20,744	20,905
	<b>484,808</b>	<b>419,732</b>
Impairment	(5,666)	(5,183)
<b>Loans and receivables, net</b>	<b>479,142</b>	<b>414,549</b>

 The "Impairment" line in the table "Loans and receivables", *net* excludes provisions for balances with banks and debt securities of EUR 50 thousand. (31 December 2024: EUR 54 thousand).


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

(All amounts are in TEUR, unless specified otherwise)

**Note 5 Investment in subsidiaries**

The main activities of a Subsidiary are real estate management and development.

	The Bank	
	2025	2024
<b>Balance at the beginning of the year</b>	<u>1,773</u>	<u>12,342</u>
Sale of subsidiary	1,773	-
Additional impairment of investment in subsidiaries	-	(10,569)
<b>Balance at the end of the year</b>	<u>-</u>	<u>1,773</u>

On June 25, 2025, the Bank sold 100% of the shares of its subsidiary UAB "TG invest-1" for EUR 2,462 thousand. The transaction was carried out with an independent buyer. Following the transaction, the Bank lost control and no longer has significant influence over the company. The gain on the sale, calculated as the difference between the proceeds received and the carrying amount of the investment, amounted to EUR 344 thousand and was recognized in the profit and loss statement.

**Note 6 Other assets**

Other assets include:

	The Bank	
	30 June 2025	31 December 2024
Prepayments	260	352
Debtors	14	27
Receivable value added tax	44	-
Deferred expenses	677	917
Other	6	28
	<u>1,001</u>	<u>1,324</u>
Impairment	-	-
<b>Total</b>	<u>1,001</u>	<u>1,324</u>


**CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL  
STATEMENTS FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2025**

 (All amounts are in TEUR, unless specified otherwise)
 

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**Note 7 Due to customers**

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Term deposits	403,677	364,153
Current accounts	188,015	166,518
Amounts payable, not yet assigned to customers	4,382	13,226
Loans from funds	13,898	13,388
<b>Total</b>	<b>609,972</b>	<b>557,285</b>
<b>Out of which held as security deposits against guarantees and loans</b>	<b>60,286</b>	<b>21,426</b>

**Note 8 Debt securities issued**
Bonds issued

In July 2018, the Bank issued subordinated debt securities. As at 31 March 2025, the net value of debt securities issued was EUR 2,234 thousand (31 December 2024: EUR 2,269 thousand). On 1 August 2018, the bonds of Urbo Bankas UAB (ISIN LT0000432114) were admitted to trading on the Nasdaq Stock Exchange (abbreviation: OPMB070025A).

The size of the Bank's bond issue is EUR 2,210 thousand. Each bond has a nominal value of EUR 1,000. The interest rate is 7% per annum, payable twice a year. The maturity date of the issue is 24 July 2025.


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**Note 9 Other liabilities**

Other liabilities consist of:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Accrued payments to employees	2,465	2,716
Property lease liabilities	6,668	6,668
Accrued expenses	220	225
Liabilities to the Tax Inspectorate	173	-
Liabilities to the Board of the State Social Fund	199	-
Sales VAT	54	84
Deferred income	200	141
Debt to suppliers	147	323
Other	231	270
<b>Total</b>	<b>10,357</b>	<b>10,427</b>

Right of use assets obligations by term:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Short-term (up to 1 year)	1,143	1,224
Long-term (over 1 years)	5,525	5,444
<b>Total</b>	<b>6,668</b>	<b>6,668</b>

The interest expenses for the right of use (ROU) agreements, which were in effect on 30 June 2025, until the end of their term will amount to EUR 516 thousand (31 December 2024- EUR 541 thousand).


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**Note 10 Shareholders' equity**

At the 2024 Annual General Meeting of Shareholders of UAB Urbo Bankas, a decision was made to increase the share capital of UAB Urbo Bankas 7,496,951 from the reserve capital by issuing 14,993,902 ordinary registered shares with a nominal value of EUR 0,50. To distribute the issued shares free of charge to the shareholders in proportion to the aggregate nominal value of the shares held by them at the close of business on the date of this Ordinary General Meeting of Shareholders 2025 of Urbo bankas UAB.

As at 31 March 2025 and 31 December 2024, the Bank's share capital consisted of 86,983,615 ordinary shares with a nominal value of EUR 0.50 each.

At 31 March 2025 and 31 December 2024, all shares were fully paid up.

Each share carries the same right to vote, to receive dividends and to participate in the distribution of residual assets in the event of liquidation.

The other reserves of the Bank are comprised of:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Special reserve to cover possible losses	2,528	2,528
Mandatory reserve	3,114	2,711
Reserve capital	-	7,497
<b>Total other reserves</b>	<b>5,642</b>	<b>12,736</b>

**Description of the reserves and the purpose of their use**
Special reserve for possible losses

The Bank's special reserve is built up by contributions from shareholders and can be used to cover losses incurred by a shareholders' resolution.

Legal reserve

Legal reserve is mandatory according to the legislation of the Republic of Lithuania. At least 5 percent of net profits must be transferred to it each year until the reserve reaches 10 percent of the share capital. This legal reserve can be used to cover the Bank's operating losses and to increase share capital.

Reserve capital

The Bank's reserve capital is drawn from the Bank's profits by a shareholders' resolution and its purpose is to guarantee the Bank's financial stability. Shareholders may decide to use the reserve capital to cover losses incurred or to increase the share capital.

Dividends

On March 21, 2025, the General Meeting of Shareholders decided to distribute dividends. A total amount of EUR 1 700 000 has been allocated for dividends. This represents approximately 21.09 % of the net profit earned from the financial year's operations. Each ordinary registered share with a nominal value of EUR 0.50 is entitled to a dividend of EUR 0.0195 (3.90 % of the nominal value).

Total amount was paid out.


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**Note 11 Net interest income**

	The Bank	
	30 June 2025	30 June 2024
On loans granted to customers	15,137	12,542
On finance lease	786	1,130
On debt securities	1,113	906
On balances with central banks	1,405	2,464
On balances with banks and other credit institutions	164	276
<b>Interest revenue</b>	<b>18,605</b>	<b>17,318</b>
On liabilities to depositors, including letters of credit	(6,365)	(5,873)
Deposit and portfolio guarantee insurance	(435)	(191)
On debt securities issued	(85)	(86)
On liabilities to banks and other credit institutions	(7)	(7)
Lease right	(82)	(80)
<b>Interest expenses</b>	<b>(6,974)</b>	<b>(6,237)</b>
<b>Total</b>	<b>11,631</b>	<b>11,081</b>

**Note 12 Net service fee and commission income**

Net fee and commission income comprise of:

	The Bank	
	30 June 2025	30 June 2024
Payment services	693	820
Commission income from currency exchange	34	45
Administration of bank accounts	385	359
Collection of payments	25	300
Brokerage income	14	34
Cash operations	341	321
Other	148	156
<b>Service fee and commission income</b>	<b>1,640</b>	<b>2,035</b>
Cash operations	(61)	(86)
Money transfer operations	(44)	(44)
Other	(85)	(59)
<b>Service fee and commission expense</b>	<b>(190)</b>	<b>(189)</b>
<b>Total</b>	<b>1,450</b>	<b>1,846</b>


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**Note 13 Net foreign exchange gain**

	The Bank	
	30 June 2025	30 June 2024
Gain on dealing in foreign currencies	861	1,190
Unrealized gains (losses) due to exchange rate fluctuation	(87)	(45)
<b>Total</b>	<b>774</b>	<b>1,145</b>

**Note 14 Operating expenses**

Operating expenses:

	The Bank	
	30 June 2025	30 June 2024
Maintenance cost of premises costs	(286)	(278)
Communication and stationery	(181)	(208)
Car maintenance cost	(94)	(111)
Information technology cost	(824)	(777)
Marketing cost	(438)	(664)
Taxes	(415)	(363)
Outsourcing services	(252)	(331)
Accounting services	(60)	(51)
Insurance cost (operational and cash)	(23)	(29)
Team building event expenses	-	(88)
Other costs	(598)	(271)
<b>Total</b>	<b>(3,171)</b>	<b>(3,171)</b>

**Note 15 Cash and cash equivalents**

Cash and cash equivalents in the cash flow statement consist of:

	The Bank	
	30 June 2025	30 June 2024
Cash	11,341	17,101
Current account with Central bank*	98,039	124,754
Current accounts with other credit institutions	8,953	4,811
Term deposits with credit institutions up to 90 days	6,211	11,911
<b>Cash and cash equivalents</b>	<b>124,544</b>	<b>158,577</b>

\* Cash balances with the Central bank are shown net of the amount of the reserve requirement, which amounted to EUR 5,169 thousand at 30 June 2025 (31 December 2024: EUR 4,381 thousand).

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**Note 16 Fair values of financial instruments**

Fair value is defined as the amount for which an instrument could be exchanged in a current transaction between willing parties under current market conditions, excluding forced sale, involuntary liquidation or speculative sale transactions. As trading in the majority of the financial assets and liabilities held by the Bank and the Group is not well-developed, fair value measurements require the use of assumptions based on current economic conditions and the risks inherent in the specific instrument.

The carrying amounts of financial assets and financial liabilities with short maturities (less than three months) are considered to approximate their fair values. This assumption also applies to floating rate financial instruments as the Group and the Bank have not identified any significant change in credit spreads.

The fair value of fixed rate assets and liabilities carried at amortised cost is estimated by comparing market interest rates with the interest rates offered for similar financial instruments at the time of initial recognition. The estimated fair value of fixed rate loans and deposits is based on discounted cash flows using interest rates prevailing in the market for debt with similar credit risk and maturity.

The following methods and assumptions were used to determine the fair value of these financial instruments:

**Cash.** This is cash on hand and in custody, with a carrying amount equal to its fair value.

**Cash balances with the central bank.** The fair value of cash balances with the Bank of Lithuania is equal to the carrying amount.

**Financial assets at fair value through profit or loss and available-for-sale financial assets.** The carrying amount of these investments is equal to their fair value.

**Debt securities.** Their fair value was estimated based on the market price.

**Cash balances and debts to credit institutions.** The carrying amount of an asset with a maturity of less than 3 months approximates fair value because of the relatively short maturity of this financial instrument. For deposits with longer maturities, the prevailing interest rates reflect market rates (due to re-fixing of interest on assets based on market interest rates) and therefore the fair value approximates the carrying amount.

**Loans to customers.** The valuation was carried out by discounting the future cash flows for each loan over its life using 12-month average interest rates on the market at year-end.

**Liabilities to customers.** The carrying amount of balances with a maturity of less than 3 months approximates fair value because of the relatively short maturity of this financial instrument. The fair value of deposits and other liabilities with longer-term fixed interest rates was calculated by discounting the cash flows using interest rates applicable to new debt with similar maturities and credit quality.

**Debt securities issued and subordinated loans.** Fair value is calculated by discounting the estimated future cash flows using current market interest rates.

The table below shows the carrying amounts and fair values of financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.


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The Bank	30 June 2025		31 December 2024	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and due from central bank	114,549	114,549	129,237	129,237
Placements with banks and other credit institutions	15,756	15,756	16,407	16,407
Debt securities	67,641	68,227	61,639	62,055
Loans and receivables	479,142	484,919	414,549	424,713
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>677,088</b>	<b>683,451</b>	<b>621,832</b>	<b>632,412</b>
<b>Financial liabilities</b>				
Due to banks and other credit institutions	-	-	-	-
Due to customers, including letters of credit	609,972	614,960	557,285	560,529
Debt securities issued	2,277	2,284	2,269	2,326
Other liabilities	10,357	10,357	10,427	10,427
<b>Total financial liabilities</b>	<b>622,606</b>	<b>627,601</b>	<b>569,981</b>	<b>573,282</b>

Financial instruments measured at fair value are presented in these financial statements at three fair value levels:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: fair value estimated using valuation techniques, where all variables that have a significant effect on the recorded fair value are either directly or indirectly observable in the market;
- Level 3: fair value estimated using valuation techniques for which the variables that have a significant effect on the recorded fair value are not based on observable market data.

The fair value of all derivatives held by the Bank is classified as Level 2. The largest part of these are forward foreign exchange contracts and currency swaps, which are revalued using the discounted cash flow or present value method. In all cases, the valuation is based on variables available on the market. Debt securities are priced according to market quotations and, where there is no active market for a particular security, the price is based on the prices of similar securities on the market.

The fair value of the securities is based on market prices, i.e., the fair value measurement method used corresponds to Level 1 of the fair value hierarchy.


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A breakdown of financial instruments carried at fair value by fair value levels:

**The Bank**

<b>30 June 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Derivative financial instruments	-	19	-	19
<b>Financial liabilities</b>				
Derivative financial instruments	-	7	-	7

**The Bank**

<b>31 December 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Derivative financial instruments	-	7	-	7
<b>Financial liabilities</b>				
Derivative financial instruments	-	3	-	3

Financial instruments not carried at fair value

The table below shows the financial instruments that are not measured at fair value and their analysis by level of the fair value hierarchy.

**The Bank**

<b>As of 30 June 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total carrying amount</b>
<b>Assets</b>				
Cash and due from banks	130,305	-	-	130,305
Debt securities	67,641	-	-	67,641
Loans to customers	-	-	458,498	458,498
Receivables from leasing	-	-	20,644	20,644
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>197,946</b>	-	<b>479,142</b>	<b>677,088</b>
<b>Liabilities</b>				
Due to banks and other credit institutions	-	-	-	-
Due to customers	-	609,972	-	609,972
Debt securities issued	-	2,277	-	2,277
Subordinated loan	-	-	-	-
Other liabilities	-	-	10,357	10,357
<b>Total financial liabilities</b>	-	<b>612,249</b>	<b>10,357</b>	<b>622,606</b>


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**The Bank**

<b>As of 31 December 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total carrying amount</b>
<b>Assets</b>				
Cash and due from banks	145,644	-	-	145,644
Debt securities	61,639	-	-	61,639
Loans to customers	-	-	393,747	393,747
Receivables from leasing	-	-	20,802	20,802
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>207,283</b>	<b>-</b>	<b>414,549</b>	<b>621,832</b>
<b>Liabilities</b>				
Due to banks and other credit institutions	-	-	-	-
Due to customers	-	557,285	-	557,285
Debt securities issued	-	2,269	-	2,269
Subordinated loan	-	-	-	-
Other liabilities	-	-	10,427	10,427
<b>Total financial liabilities</b>	<b>-</b>	<b>559,554</b>	<b>10,427</b>	<b>569,981</b>

The table below presents the measurement methods used by the Bank and the Group to measure Level 2 and Level 3 fair values (where fair value differs from carrying amount) and significant unobservable variables:

<b>Type</b>	<b>Measurement method</b>	<b>Significant unobservable variables</b>
Investments carried at amortised cost	Discounted cash flows	Discount rates
Loans and receivables, loans to banks, loans to financial institutions, hire purchase receivables	Discounted cash flows	Discount rates, probability of bankruptcy, expected useful life
Liabilities to customers	Discounted cash flows	Discount rates
Debt securities issued	Discounted cash flows	Discount rates
Subordinated loans	Discounted cash flows	Discount rates


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**Note 17 Related party transactions**

Transactions between the Bank and their related parties were conducted at arm's length, i.e., as transactions with unrelated parties.

The balances of loans, term deposits and bonds issued at 30 June 2025 and 31 December 2024 and the related income and expenses included in the profit and loss accounts at 30 June 2025 and 30 June 2024 are shown below:

<b>The Bank, 2025</b>	<b>Shareholders</b>	<b>Subsidiaries</b>	<b>Key management personnel</b>	<b>Other*</b>
Loans outstanding as of 30 June 2025, net	-	-	-	1,757
Interest rate, in percent	-	-	-	6,29-7,34
Impairment of loans	-	-	-	(7)
Term deposits as of 30 June 2025	-	1,024	418	1,100
Interest rate, in percent	-	3.5	2,5-3,7	2,6-3,5
Demand accounts as of 30 June 2025	152	1,022	149	2,952
Bonds issued as of 30 June 2025	100	-	-	-
Interest rate, in percent	7.00	-	-	-
Dividends paid	(1,700)	-	-	-
For the six month period ending 30 June 2025				
Service fee and commission revenue	-	-	-	30
Service fee and commission expenses	-	(11)	(3)	(14)
Interest expense on bonds	(2)	-	-	-
Dividend income	-	-	-	-
Other operating revenue	-	-	-	3
Other operating expenses	-	-	-	-

(continued on the next page)


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<b>The Bank, 2024</b>	<b>Shareholders</b>	<b>Subsidiaries</b>	<b>Key management personnel</b>	<b>Other*</b>
Loans outstanding as of 31 December 2024, net	-	-	-	1,798
Interest rate, in percent	-	-	-	7,29-8,38
Impairment of loans	-	-	-	(7)
Term deposits as of 31 December 2024	-	1,843	367	1,850
Interest rate, in percent	-	3,5-3,8	2,5-4,3	3,0-3,8
Demand accounts as of 31 December 2024	352	201	162	1,999
Bonds issued as of 31 December 2024	100	-	-	-
Interest rate, in percent	7.00	-	-	-
Dividends paid	(503)	-	-	-
For the six month period ending 30 June 2024				
Service fee and commission revenue	-	803	-	73
Service fee and commission expenses	-	(13)	(4)	(25)
Interest expense on bonds	(4)	-	-	-
Dividend income	-	452	-	-
Other operating revenue	-	7	-	5
Other operating expenses	-	-	-	-

\* Other related parties are companies controlled by members of the Bank's management or by the Bank's shareholders and other related parties.


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**Note 18 Segment information**

The key indicators of business segments that are included in the profit and loss statement as at 31 March 2025 and in the statement of financial position as at 31 March 2025 are summarized below.

	30 June 2025				
	Traditional banking operations and lending	Treasury	Other activities	Eliminations	Total
Internal	-	-	-	-	-
External	15,950	2,655	-	-	18,605
<b>Interest income</b>	<b>15,950</b>	<b>2,655</b>	-	-	<b>18,605</b>
Internal	-	-	-	-	-
External	(6,882)	(92)	-	-	(6,974)
<b>Interest expenses</b>	<b>(6,882)</b>	<b>(92)</b>	-	-	<b>(6,974)</b>
Internal	-	-	-	-	-
External	9,068	2,563	-	-	11,631
<b>Net interest income</b>	<b>9,068</b>	<b>2,563</b>	-	-	<b>11,631</b>
Internal	-	-	-	-	-
External	1,450	-	-	-	1,450
<b>Net fee and commission income</b>	<b>1,450</b>	-	-	-	<b>1,450</b>
Internal	-	-	-	-	-
External	10,518	2,563	-	-	13,081
<b>Net interest, fee and commissions income</b>	<b>10,518</b>	<b>2,563</b>	-	-	<b>13,081</b>
Internal	-	-	-	-	-
External	(9,710)	(146)	-	-	(9,856)
<b>Operating expenses</b>	<b>(9,710)</b>	<b>(146)</b>	-	-	<b>(9,856)</b>
Amortization charges	(106)	-	-	-	(106)
Depreciation charges	(358)	-	-	-	(358)
Internal	-	-	-	-	-
External	(481)	-	-	-	(481)
<b>Impairment expenses</b>	<b>(481)</b>	-	-	-	<b>(481)</b>
Internal	-	-	-	-	-
External	1,098	84	-	-	1,182
<b>Net other income</b>	<b>1,098</b>	<b>84</b>	-	-	<b>1,182</b>
<b>Profit (loss) before tax</b>	<b>961</b>	<b>2,501</b>	-	-	<b>3,462</b>
Income tax	(152)	(397)	-	-	(549)
<b>Profit (loss) per segment after tax</b>	<b>809</b>	<b>2,104</b>	-	-	<b>2,913</b>
Non-controlling interest	-	-	-	-	-
<b>Profit (loss) for the year attributable to the owners of the Bank</b>	<b>809</b>	<b>2,104</b>	-	-	<b>2,913</b>
Total segment assets	501,692	186,606	-	-	688,298
Total segment liabilities	619,292	3,502	-	-	622,794
<b>Net segment assets (shareholders equity)</b>	<b>(117,600)</b>	<b>183,104</b>	-	-	<b>65,504</b>

The key indicators of the business segments that are included in the profit and loss account as at 31 March 2025 and the statement of financial position as at 31 March 2025 are summarised below.


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	30 June 2024				
	Traditional banking operations and lending	Treasury	Other activities	Eliminations	Total
Internal	-	-	-	-	-
External	13,705	3,613	-	-	17,318
<b>Interest income</b>	<b>13,705</b>	<b>3,613</b>	-	-	<b>17,318</b>
Internal	-	-	-	-	-
External	(6,145)	(92)	-	-	(6,237)
<b>Interest expenses</b>	<b>(6,145)</b>	<b>(92)</b>	-	-	<b>(6,237)</b>
Internal	-	-	-	-	-
External	7,560	3,521	-	-	11,081
<b>Net interest income</b>	<b>7,560</b>	<b>3,521</b>	-	-	<b>11,081</b>
Internal	-	-	-	-	-
External	1,846	-	-	-	1,846
<b>Net fee and commission income</b>	<b>1,846</b>	-	-	-	<b>1,846</b>
Internal	-	-	-	-	-
External	9,406	3,521	-	-	12,927
<b>Net interest, fee and commissions income</b>	<b>9,406</b>	<b>3,521</b>	-	-	<b>12,927</b>
Internal	-	-	-	-	-
External	(9,324)	(142)	-	-	(9,466)
<b>Operating expenses</b>	<b>(9,324)</b>	<b>(142)</b>	-	-	<b>(9,466)</b>
Amortization charges	(181)	-	-	-	(181)
Depreciation charges	(232)	-	-	-	(232)
Internal	-	-	-	-	-
External	(277)	-	-	-	(277)
<b>Impairment expenses</b>	<b>(277)</b>	-	-	-	<b>(277)</b>
Internal	-	-	-	-	-
External	2,309	302	-	-	2,611
<b>Net other income</b>	<b>2,309</b>	<b>302</b>	-	-	<b>2,611</b>
<b>Profit (loss) before tax</b>	<b>1,701</b>	<b>3,681</b>	-	-	<b>5,382</b>
Income tax	(315)	(683)	-	-	(998)
<b>Profit (loss) per segment after tax</b>	<b>1,386</b>	<b>2,999</b>	-	-	<b>4,384</b>
Non-controlling interest	-	-	-	-	-
<b>Profit (loss) for the year attributable to the owners of the Bank</b>	<b>1,386</b>	<b>2,999</b>	-	-	<b>4,384</b>
Total segment assets	377,861	204,802	-	-	582,663
Total segment liabilities	519,789	2,261	-	-	522,050
<b>Net segment assets (shareholders equity)</b>	<b>(141,928)</b>	<b>202,541</b>	-	-	<b>60,613</b>

As at 30 June 2025 and 30 June 2024, income tax expenses are allocated proportionally to the traditional banking and lending and treasury segments.


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**Note 19 Risk management**
Credit risk

Credit risk is the risk that the Bank will incur losses as a result of the failure by their customers or other parties to meet their contractual obligations. The Bank manage and control credit risk by setting acceptable risk limits for individual borrowers and sectors of the economy, and by monitoring the potential for breaches of these limits. The Bank have credit quality review procedures in place to identify changes in the creditworthiness of counterparties in advance, including regular review of collateral. The credit quality review process allows the Bank to assess the potential losses that may occur and take appropriate action. The Bank issues guarantees to customers that require the Bank to make payments on their behalf. They expose the Bank to similar risks as loans and these risks are mitigated using the same control processes and policies.

Where the expected cash flow from non-performing loans is expected to come from the sale of collateral, the value of the collateral held is an important estimate in calculating loan impairment losses and receivables.

The Bank is also required to comply with the limit to large exposures (maximum exposure to a single customer) set out in Regulation (EU) No. 575/2013 of the European Parliament and of the Council. The exposure to a single customer or group of related customers cannot exceed 25% of the eligible capital. According to the provisions of Regulation (EU) No. 2019/876 of the European Parliament and of the Council effective as of 28 June 2021, the maximum exposure ratio is calculated based on Tier 1 capital. Compliance to this requirement is disclosed in the table below:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Maximum exposure to a single customer or group of related customers	13,738	10,676
Eligible capital	61,020	59,391
<b>Maximum exposure ratio, %</b>	<b>22.51</b>	<b>17.98</b>


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Maximum credit risk excluding collateral or other credit protection

The table below shows the maximum credit risk. The maximum risk is disclosed on a net basis before the impact of collateral agreements.

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
<b>Statement of financial position items, other than trading and investment activities</b>		
Balances with the Bank of Lithuania	103,208	112,787
Due from banks	15,756	16,407
Loans to customers	458,498	393,747
Receivables from leasing	20,644	20,802
	<b>598,106</b>	<b>543,743</b>
<b>Off balance sheet items</b>		
Guarantees	2,396	2,482
Loan commitments	42,665	37,839
<b>Total balance and off-balance sheet items, other than trading and investment activities</b>	<b>643,167</b>	<b>584,064</b>
<b>Trading and investment activities</b>		
Financial assets at fair value through profit or loss		
<i>Derivative financial instruments</i>	19	7
Financial assets accounted at amortized cost		
<i>Debt securities</i>	67,641	61,639
<b>Total trading and investment activities</b>	<b>67,660</b>	<b>61,646</b>
<b>Total credit exposure</b>	<b>710,827</b>	<b>645,710</b>

The amounts shown in the table for credit commitments are to be understood as pre-commitments. The guarantee amounts represent the maximum possible accounting loss at the reporting date in the event of a default by the other party to the contract.

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Government bonds	67,641	61,639
Derivatives	19	7
<b>Total</b>	<b>67,660</b>	<b>61,646</b>

**Bonds exposure by rating grade**

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
High grade (AAA-A)	62,858	56,581
Standard grade (B-BBB+)	4,783	5,058
<b>Total</b>	<b>67,641</b>	<b>61,639</b>

The debt securities held are purchased for investment purposes and are carried at amortised cost. The Bank did not have any overdue or impaired amounts in their investing activities.

The Bank have assigned to the high rating class debt securities whose issuers have a combined credit default rating of 'AAA' to 'A' as rated by a recognised international rating agency (Moody's, Standard & Poor's or Fitch Ratings), and to the standard rating class bonds whose issuers have a rating of 'BBB-'.


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Credit quality by financial asset class

The credit quality of financial assets in the Bank is managed using an internal credit risk assessment system as described below.

Credit risk assessment

In assessing financial instruments, the Bank applies specific criteria and procedures for assessing debtors. Financial instruments are classified into three stages of credit risk based on the change in credit risk since initial recognition:

- Stage 1 includes performing financial instruments for which no significant increase in credit risk has been identified since the initial recognition of the loan and the borrower is expected to be able to meet its contractual obligations.
- Stage 2 includes financial instruments for which a significant increase in credit risk is identified after the initial recognition of the loan.
- Stage 3 includes all non-performing financial instruments with a recognised loss event and POCI (purchased or originated credit-impaired) financial instruments.
- Credit risk assessment of financial instruments other than trading activities and off-balance-sheet items:

Credit risk assessment of financial instruments other than trading activities and off-balance-sheet items:

**The Bank**

	Not overdue	1 to 59 days	60 to 89 days	More than 90 days	Total
<b>30 June 2025</b>					
<b>Stage 1</b>					
Loans and receivables	423,912	3,053	-	-	<b>426,965</b>
Placements with BoL and other banks	118,965	-	-	-	<b>118,965</b>
Debt securities	67,641	-	-	-	<b>67,641</b>
<b>Total</b>	<b>610,517</b>	<b>3,053</b>	-	-	<b>613,570</b>
<b>Stage 2</b>					
Loans and receivables	38,936	3,337	194	-	<b>42,467</b>
Placements with BoL and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
<b>Total</b>	<b>38,936</b>	<b>3,337</b>	<b>194</b>	-	<b>42,467</b>
<b>Stage 3</b>					
Loans and receivables	3,130	954	530	5,096	<b>9,710</b>
Placements with BoL and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
<b>Total</b>	<b>3,130</b>	<b>954</b>	<b>530</b>	<b>5,096</b>	<b>9,710</b>
<b>Total</b>	<b>652,583</b>	<b>7,344</b>	<b>724</b>	<b>5,096</b>	<b>665,747</b>


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**The Bank**

	<b>Not overdue</b>	<b>1 to 59 days</b>	<b>60 to 89 days</b>	<b>More than 90 days</b>	<b>Total</b>
<b>31 December 2024</b>					
<b>Stage 1</b>					
Loans and receivables	364,622	3,246	-	-	<b>367,868</b>
Placements with BoL and other banks	129,194	-	-	-	<b>129,194</b>
Debt securities	61,639	-	-	-	<b>61,639</b>
<b>Total</b>	<b>555,455</b>	<b>3,246</b>	-	-	<b>558,701</b>
<b>Stage 2</b>					
Loans and receivables	29,850	3,119	281	-	<b>33,250</b>
Placements with BoL and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
<b>Total</b>	<b>29,850</b>	<b>3,119</b>	<b>281</b>	-	<b>33,250</b>
<b>Stage 3</b>					
Loans and receivables	7,017	4,457	1,131	826	<b>13,431</b>
Placements with BoL and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
<b>Total</b>	<b>7,017</b>	<b>4,457</b>	<b>1,131</b>	<b>826</b>	<b>13,431</b>
<b>Total</b>	<b>592,322</b>	<b>10,822</b>	<b>1,412</b>	<b>826</b>	<b>605,382</b>


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Estimated impairment by risk level

	30 June 2025					31 December 2024				
	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total
<b>The Bank</b>										
<b>Stage 1</b>	<b>2,408</b>	-	<b>172</b>	<b>8</b>	<b>2,588</b>	<b>2,074</b>	-	<b>181</b>	<b>9</b>	<b>2,264</b>
Loans and receivables	2,348	-	172	8	2,528	2,020	-	181	9	2,210
Placements with BoL and other banks	19	-	-	-	19	16	-	-	-	16
Debt securities	41	-	-	-	41	38	-	-	-	38
<b>Stage 2</b>	<b>1,002</b>	-	<b>1</b>	-	<b>1,003</b>	<b>736</b>	-	<b>1</b>	-	<b>737</b>
Loans and receivables	1,002	-	1	-	1,003	736	-	1	-	737
<b>Stage 3</b>	-	<b>2,313</b>	-	-	<b>2,313</b>	-	<b>2,427</b>	-	-	<b>2,427</b>
Loans and receivables	-	2,313	-	-	2,313	-	2,427	-	-	2,427
<b>Total</b>	<b>3,410</b>	<b>2,313</b>	<b>173</b>	<b>8</b>	<b>5,904</b>	<b>2,810</b>	<b>2,427</b>	<b>182</b>	<b>9</b>	<b>5,428</b>

Change in impairment

	The Bank				
	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total
<b>30 June 2025</b>					
<b>Stage 1</b>	<b>339</b>	-	<b>(9)</b>	<b>(1)</b>	<b>329</b>
Loans and receivables	329	-	(9)	(1)	319
Placements with BoL and other banks	6	-	-	-	6
Debt securities	4	-	-	-	4
<b>Stage 2</b>	<b>266</b>	-	-	-	<b>266</b>
Loans and receivables	266	-	-	-	266
<b>Stage 3</b>	-	<b>(114)</b>	-	-	<b>(114)</b>
Loans and receivables	-	(114)	-	-	(114)
Other financial assets	-	-	-	-	-
Write-offs	-	-	-	-	-
written off by selling portfolio	-	-	-	-	-
<b>Total change of impairment</b>	<b>605</b>	<b>(114)</b>	<b>(9)</b>	<b>(1)</b>	<b>481</b>


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Change in impairment (continued)

	The Bank				
31 December 2024	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total
<b>Stage 1</b>	<b>(494)</b>	-	<b>(20)</b>	<b>(1)</b>	<b>(515)</b>
Loans and receivables	(499)	-	(20)	(1)	(520)
Placements with BoL and other banks	1	-	-	-	1
Debt securities	4	-	-	-	4
<b>Stage 2</b>	<b>33</b>	-	<b>(6)</b>	-	<b>27</b>
Loans and receivables	33	-	(6)	-	27
<b>Stage 3</b>	-	<b>1,115</b>	-	-	<b>1,115</b>
Loans and receivables	-	1,115	-	-	1,115
Other financial assets	-	-	-	-	-
	<b>(461)</b>	<b>1,115</b>	<b>(26)</b>	<b>(1)</b>	<b>627</b>
Write-offs	-	-	-	-	-
written off by selling portfolio	-	(3)	-	-	(3)
<b>Total change of impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>624</b>

A credit risk assessment of individual customers to determine their dependence on war-affected countries and the impact on credit risk did not show any increase in credit risk. Enhanced monitoring is applied in 2025 in respect of customers on the watch list.

Liquidity risk

Liquidity risk is the risk that sufficient funds will not be available to meet maturing obligations on deposits and other financial instruments. To manage liquidity risk, the Bank monitor future expected cash flows from customers and banking activities on a daily basis as part of the asset/liability management process. The Board sets limits on the minimum amount of maturing funds to ensure that sufficient funds are available to pay out deposits, and sets a minimum level of inter-bank and other debt obligations to be drawn upon in the event of an unexpected increase in repayment demands.

The majority of term deposits in the Bank's deposit portfolios have a maturity of 6-24 months and, based on historical data, the average monthly volatility of this portfolio is below 6%. The Bank's statistics over several years show that the Bank's activities have ensured a stable level of these funds, most of which are renewable. This allows them to be invested in longer-term financial assets.

The Bank are also required to comply with the liquidity coverage ratio requirement under Regulation (EU) No. 575/2013 of the European Parliament and of the Council. Liquidity coverage ratio (LCR) refers to the Bank's highly liquid assets that are held to meet short-term liabilities. The Bank must hold highly liquid assets such as treasury bonds or other liquid financial instruments in an amount at least equal to the net cash outflows over a 30-day period, i.e., the liquidity coverage ratio must not be less than 100%.



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The liquidity coverage ratios of the Bank are as follows:

	<b>The Bank</b>	
	<b>30 June 2024</b>	<b>31 December 2024</b>
Liquid assets	177,599	186,861
Short-term (up to 30 days) obligations	63,171	58,024
<b>LCR, %</b>	<b>281</b>	<b>322</b>

The liquid assets of the Bank consist of cash, balances with the central bank (net of reserve requirements) and highly liquid debt securities (at current market value).

As of 28 June 2021, the Bank are also required by Regulation (EU) No. 2019/876 of the European Parliament and of the Council to maintain a net stable funding ratio (NSFR) of at least 100%. The net stable funding ratios of the Bank are as follows:

	<b>The Bank</b>	
	<b>30 June 2024</b>	<b>31 December 2024</b>
Current stable funding	590,203	544,146
Required stable funding	406,645	359,110
<b>NSFR, %</b>	<b>145</b>	<b>152</b>

The table below presents an analysis of the carrying amounts of total assets and total liabilities grouped by the period from the date of the statement of financial position to the contractual maturity:

<b>The Bank</b>	<b>30 June 2025</b>							<b>Total</b>
	<b>On demand</b>	<b>Less than 1 month</b>	<b>1 to 3 months</b>	<b>3 months to 1 year</b>	<b>1 to 3 years</b>	<b>Over 3 years</b>	<b>Without maturity</b>	
Assets	27,497	112,523	13,544	59,415	175,693	283,200	16,426	<b>688,298</b>
Liabilities	192,567	27,011	58,940	271,254	55,934	16,801	287	<b>622,674</b>
<b>Net gap</b>	<b>(165 070)</b>	<b>85,512</b>	<b>(45 396)</b>	<b>(211 839)</b>	<b>119,759</b>	<b>266,399</b>	<b>16,139</b>	<b>65,504</b>
Credit commitments	-	42,665	-	-	-	-	-	<b>42,665</b>

<b>The Bank</b>	<b>31 December 2024</b>							<b>Total</b>
	<b>On demand</b>	<b>Less than 1 month</b>	<b>1 to 3 months</b>	<b>3 months to 1 year</b>	<b>1 to 3 years</b>	<b>Over 3 years</b>	<b>Without maturity</b>	
Assets	31,320	120,219	10,977	54,427	160,581	243,145	14,117	<b>634,786</b>
Liabilities	179,878	25,047	41,230	237,759	67,192	19,098	291	<b>570,495</b>
<b>Net gap</b>	<b>(148,558)</b>	<b>95,172</b>	<b>(30 253)</b>	<b>(183,332)</b>	<b>93,389</b>	<b>224,047</b>	<b>13,826</b>	<b>64,291</b>
Credit commitments	-	37,839	-	-	-	-	-	<b>37,839</b>

Overdue loans are disclosed under "Without maturity".




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Currency risk

Currency risk is managed by controlling the risk limits set for individual currency positions. The positions are monitored daily. The Bank's policy is to keep the open currency exposure as low as possible.

The Bank are exposed to the risk of fluctuations in prevailing foreign exchange rates affecting their financial position and cash flows. The Board sets limits on currency position exposures, both for divisions, subsidiaries and overall. These limits are also in line with the Bank of Lithuania's minimum requirements. The Bank's foreign exchange exposure is:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Long positions	229	326
Short positions	(65)	(167)
Eligible capital	61,049	59,646
<b>Overall net currency position, %</b>	<b>0.38</b>	<b>0.55</b>

The pre-tax impact of changes in currency rates, calculated on linear basis, is presented below:

	<b>30 June 2025</b>	<b>31 December 2024</b>
Increase in FX rates by 10 %	16	16
Decrease in FX rates by 10 %	(16)	(16)


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**Note 20 Capital**

The Bank's capital is calculated and allocated to risks in accordance with the requirements of the EU Capital Requirements Directive (CRD) and the EU Capital Requirements Regulation (CRR) No. 575/2013. Additional capital buffers are required to be built up in line with these requirements:

- conservation buffer equal to 2.5% of the total assessed risk;
- as of 30 June 2023, requirement for sectoral systemic risk reserve was introduced. The sectoral systemic risk buffer is set at 2% of the sum of risk-weighted retail exposures secured by residential real estate of natural persons resident in Lithuania;
- as of 1 October 2023, a 1% countercyclical capital buffer requirement for exposures in Lithuania came into force.

On 31 October 2024, following the Supervisory Review and Evaluation Process (SREP) carried out for 2023, the Board of the Bank of Lithuania decided to set an additional minimum own funds requirement (Pillar 2) of 2.42%.

In line with the requirements of Regulation (EU) No. 575/2013 of the European Parliament and of the Council and the capital adequacy requirements, the Bank's total capital ratio must not be less than 14.12%. The capital adequacy ratio of the Bank exceeded the required minimum.

A leverage ratio requirement of 3% applies as of 28 June 2021. As at 30 June 2025, the Bank's leverage ratio stood at 8.32 %, above the minimum requirement.

The capital adequacy ratio, in accordance with the requirements of the Bank of Lithuania, has been calculated as shown in the table below (%):

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Capital adequacy ratio	<u>17.88</u>	<u>17.77</u>


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**Note 21 Quality of financial assets, profitability ratios and other information**

The quality indicators for financial assets as at 30 June 2025 are presented in the table below:

	<b>The Bank</b>	
	<b>Provisions</b>	<b>Provisions to financial assets ratio (%)</b>
Loans to customers and receivables	5,459	1.18
Hire purchase receivables	100	0.48
Debt securities	41	0.06
Balances with banks	16	0.10
<b>Total</b>	<b>5,616</b>	<b>0.99</b>

Financial asset quality indicators at 31 December 2024:

	<b>The Bank</b>	
	<b>Provisions</b>	<b>Provisions to financial assets ratio (%)</b>
Loans to customers and receivables	5,080	1.27
Hire purchase receivables	103	0.49
Debt securities	38	0.06
Balances with banks	16	0.1
<b>Total</b>	<b>5,237</b>	<b>1.05</b>

The Bank's key profitability indicators are shown in the table below in %:

	<b>The Bank</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
Return on assets (ROA)	0.9	1.25
Return on equity (ROE)	9.0	12.1

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**Note 22 Events after the reporting date**

On July 24, 2025, UAB Urbo Bankas redeemed a subordinated bond issue valued at EUR 2.210 million, which had been issued in August 2018. The annual interest rate on the bonds was 7%, and interest payments to investors were made twice a year.

There were no other material post-reporting events in the Bank that would require adjustment to these financial statements or disclosure.

**CONFIRMATION BY RESPONSIBLE PERSONS**

We, Marius Arlauskas, Chairman of the Board and Head of Administration of Urbo Bankas UAB, and Lina Bertašienė, Chief Financial Officer and Director of Accounting Department of Urbo Bankas UAB, hereby confirm that, to the best of our knowledge and belief, the financial statements for the end of the second quarter of 2025 have been prepared in accordance with the applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and give a true and fair view of the assets, liabilities, operating results and cash flows of Urbo Bankas UAB.

Chairman of the Board and  
Head of Administration

M. Arlauskas

Director of Accounting Department,  
Chief Accountant

L. Bertašienė

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