URBO BANKAS UAB

CONDENSED INTERIM SEPARATE UNAUDITED FINANCIAL STATEMENTS OF THE BANK FOR THE THREE MONTHS PERIOD ENDING 31 MARCH 2026 PREPARED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING STANDARD 34 *INTERIM FINANCIAL REPORTING* AS ADOPTED BY THE EUROPEAN UNION

CONTENTS OF FINANCIAL STATEMENTS

(All amounts are in TEUR, unless specified otherwise)

SEPARATE INTERIM STATEMENTS OF FINANCIAL POSITION

		The Bank	
Assets	**Notes**	**31 March 2026**	**31 December 2025**
Cash and due from central bank			
Cash in vaults		*12,270*	*14,686*
Placements with the central bank		*93,915*	*68,011*
		106,185	82,697
Placements with banks and other credit, financial institutions		21,340	9,968
Derivatives at fair value through profit or loss		5	1
Debt securities	3	92,512	91,604
Loans and receivables			
Loans to customers	*4*	*551,131*	*526,082*
Finance lease receivable	*4*	*20,515*	*19,077*
		571,646	545,159
Other equity instruments		27	27
Investment property		-	-
Tangible fixed assets		2,415	2554
Intangible fixed assets		220	262
Right of use assets		7,134	6,037
Tax assets			
Current taxes		*857*	*739.00*
Deferred taxes		*300*	*184*
		1,157	923
Other assets	5	1,535	1,021
Total assets		**804,176**	**740,253**

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(All amounts are in TEUR, unless specified otherwise)

		The Bank	
Liabilities and shareholders’ equity	**Notes**	**31 March 2025**	**31 December 2025**
Liabilities			
Liabilities to banks and other credit institutions		-	-
Derivatives		-	11
Liabilities to customers	6	714,206	654,753
Debt securities issued	7	6,852	6,850
Provisions		238	235
Tax liabilities			
Current tax		-	-
Deferred tax		-	-
		-	-
Other liabilities	8	13,978	10,288
Total liabilities		**735,274**	**672,137**
Shareholders’ equity			
Registered share capital	9	50,989	50,989
Retained earnings (loss)		1,786	11,485
Other reserves	9	16,127	5,642
Total shareholders’ equity		**68,902**	**68,116**
Total liabilities and shareholders’ equity		**804,176**	**740,253**

The explanatory notes on pages 10 to 36 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	

(All amounts are in TEUR, unless specified otherwise)

SEPARATE INTERIM INCOME STATEMENTS

	Notes	The Bank 31 March 2026	The Bank 31 March 2025
Interest income	10	10,074	9,289
Interest expense	10	(3,729)	(3,502)
Net interest income		**6,345**	**5,787**
Fee and commission income	11	825	835
Fee and commission expense	11	(164)	(86)
Net fee and commission income		**661**	**749**
Net profit on foreign currency transactions	12	457	387
Net result from transactions in derivatives		(31)	(3)
Other revenue		7	8
Total operating income		**7,439**	**6,928**
Change in value of loans and other financial assets		(30)	(368)
Operating income after impairment		**7,409**	**6,560**
Salaries and benefits		(3,297)	(3,099)
Depreciation		(181)	(177)
Amortisation		(42)	(59)
Depreciation of leased assets		(345)	(329)
Other operating expenses	13	(1,383)	(1,428)
Total operating expenses		**(5,248)**	**(5,092)**
Operating profit (loss)		**2,161**	**1,468**
Corporate income tax expenses		**(375)**	**(245)**
Profit (loss) for the reporting period		**1,786**	**1,223**
Attributable to: shareholders of the Bank		**1,786**	**1,223**

The explanatory notes on pages 10 to 36 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	

(All amounts are in TEUR, unless specified otherwise)

SEPARATE INTERIM STATEMENT OF COMPREHENSIVE INCOME

The Bank	31 March 2026	31 March 2025
Items that will never be reclassified to profit or loss		
Change in PPE revaluation	-	-
Transfer of depreciation for PPE net of tax	-	-
Other	-	-
Items that will never be reclassified to profit or loss	**-**	**-**
Items that may/will subsequently be reclassified to profit or loss	**-**	**-**
Other comprehensive income (expenses), net of tax	**-**	**-**
Profit for the year	**1,786**	**1,223**
Total comprehensive income	**1,786**	**1,223**
Attributable to:		
Shareholders of the Bank	**1,786**	**1,223**

The explanatory notes on pages 10 to 36 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	

(All amounts are in TEUR, unless specified otherwise)

SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY

The Bank	Share capital	Retained earnings (restated)	Paid but unregistered capital, from reserve funds, retained earnings	Other reserves	Total
On 31 December 2024	**43,492**	**8,063**	**-**	**12,736**	**64,291**
Profit or loss	-	1,223	-	-	1,223
Other comprehensive income (expense)	-	-	-	-	-
Transfer to reserves	-	(403)		403	-
Payment of dividends	-	(1,700)	-	-	(1,700)
Share capital increase	-	-	7,497	(7,497)	-
On 31 March 2025	**43,492**	**7,183**	**7,497**	**5,642**	**63,814**
Profit or loss	-	4,302	-	-	4,302
Other comprehensive income (expense)	-	-	-	-	-
Share capital increase	7,497		(7,497)		-
On 31 December 2025	**50,989**	**11,485**	**-**	**5,642**	**68,116**
Profit or loss	-	1,786	-	-	1,786
Other comprehensive income (expense)	-	-	-	-	-
Transfer to reserves	-	(10,485)	7,911	2,574	-
Dividends payable to shareholders	-	(1,000)	-	-	(1,000)
On 31 March 2026	**50,989**	**1,786**	**7,911**	**8,216**	**68,902**

The explanatory notes on pages 10 to 36 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	

(All amounts are in TEUR, unless specified otherwise)

SEPARATE INTERIM CASH FLOW STATEMENT

		The Bank	
	Notes	31 March 2026	31 March 2025
Cash flows from operating activities			
Profit (loss) for the reporting period		1,786	1,223
Reversals of non-cash income and expenses			
Depreciation and amortisation		568	565
Gain (loss) on sale of tangible fixed assets, intangible fixed assets, assets held for sale and investment property		-	-
Impairment of loans		30	368
Interest income on loans to customers		(8,832)	(7,872)
Interest expense on liabilities		3,729	3,502
Revaluation of derivatives		(15)	17
Elimination of accrued holiday pay		98	53
Corporate income tax expenses		375	245
Elimination of other non-cash items		(2,323)	(628)
Cash flow from (to) operating activities before changes in working capital and liabilities		**(4,584)**	**(2,527)**
Change in working capital and liabilities			
Changes in statutory reserves		(272)	(464)
Changes of funds in financial institutions		(20)	14
Loans to customers		(24,981)	(26,439)
Finance lease receivables		(1,437)	(1,361)
Changes in liabilities to banks and other credit institutions		-	-
Changes in liabilities to customers		60,623	31,860
Changes in other assets and liabilities		3,421	1,751
Change		37,334	5, 361
Interest received on loans to customers and finance lease		8,736	7,784
Interest paid on liabilities		(3,889)	(2,839)
Corporate income tax paid		(611)	(639)
Net cash flow from operating activities after corporate income tax		**36,986**	7,**140**

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(All amounts are in TEUR, unless specified otherwise)

		The Bank	
	Notes	**31 March 2026**	**31 March 2025**
Cash flows from investing activities			
Acquisition of long-term investment property, tangible and intangible fixed assets		(65)	(106)
Proceeds from the sale of investment, tangible and intangible fixed assets		-	-
Redemption of debt securities		-	760
Acquisition of debt securities		-	(4,959)
Net cash flows from investing activities		**(65)**	**(4,305)**
Cash flow from financing activities			
Dividends for shareholders		(1,000)	(1,700)
Bonds issued		-	-
Bonds redeemed		-	(35)
Part of the principal amount of lease payments		(343)	(371)
Loans received		374	1,240
Loans repaid		(1,422)	(1,160)
Net cash flows from financing activities		**(2,391)**	**(2,026)**
Effect of exchange rate changes on balance of cash and cash equivalents		38	(24)
Net increase (decrease) in cash and cash equivalents		**34,568**	**785**
Cash and cash equivalents at 1 January		86,062	140,614
Cash and cash equivalents at 31 March	14	**120,630**	**141,399**

The explanatory notes on pages 10 to 36 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	

(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 UAB.

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 thirst quarter of 2026, the Bank had 25 customer service units in various regions of Lithuania.

As at 31 March 2026, the Bank had 282 employees (281 employees as at 31 December 2025).

As at 31 March 2026, the Bank’s shareholders were:

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

As at 31 December 2025, the Bank’s shareholders were:

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

As at 31 March 2026 the Bank’s share capital comprised 101,977,517 ordinary shares with a nominal value EUR 0.50 each (as at 31 December 2025: 101,977,517 ordinary shares with a nominal value EUR 0.50 each).

At 31 March 2026 and 31 December 2025, all shares were fully paid up.

By an agreement dated 12 March 2021, 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.

(All amounts are in TEUR, unless specified otherwise)

Note 2 Basis of preparation and significant accounting policies

Statement of compliance

Condensed interim financial statements are prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union (EU). The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025, 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 2025.

New and amended standards and interpretations

Management of the Bank 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 2026 will have a material impact on the Bank's financial information, nor there are any newly published standards, amendments and interpretations that are mandatory for the Bank from 2026 and that would have a material impact on the financial information of the Bank.

The preparation of condensed interim 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 financial statements are the same as those used in the preparation of the annual financial statements for the year ended 31 December 2025

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, 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):

	31 March 2026	**31 December 2025**
USD	1.1484	1.1757

(All amounts are in TEUR, unless specified otherwise)

Note 3 Debt securities

Debt securities consist of:

		The Bank	
		31 March 2026	31 December 2025
Government bonds of the Republic of Lithuania		79,134	78,550
Government bonds of the Republic of Poland		8,925	8,707
Government bonds of the Republic of Romania		4,509	4,403
	Total	**92,568**	**91,659**
Impairment		(56)	(55)
	Total	**92,512**	**91,604**

Note 4 Loans and receivables

Loans to customers and receivables consist of:

	The Bank	
	31 March 2026	31 December 2025
Loans to customers, including short-term bills of exchange	554,539	529,881
Overdrafts	894	830
Factoring	1,262	884
Financial lease	20,596	19,178
	577,291	**550,773**
Impairment	(5,645)	(5,614)
Loans and receivables, net	**571,646**	**545,159**

The “Impairment” line in the table “Loans and receivables”, net excludes provisions for balances with banks and debt securities of EUR 78 thousand. (31 December 2025: EUR 67 thousand).

(All amounts are in TEUR, unless specified otherwise)

Note 5 Other assets

Other assets include:

	The Bank	
	31 March 2026	31 December 2025
Prepayments	307	268
Debtors	9	10
Receivable value added tax	424	-
Deferred expenses	783	732
Other	12	11
	1,535	1,021
Impairment	-	-
Total	**1,535**	**1,021**

Note 6 Due to customers

	The Bank	
	31 March 2026	31 December 2025
Term deposits	473,605	465,933
Current accounts	220,762	172,618
Amounts payable, not yet assigned to customers	7,416	2,730
Loans from funds	12,423	13,472
Total	**714,206**	**654,753**
Out of which held as security deposits against guarantees and loans	**63,616**	**59,312**

(All amounts are in TEUR, unless specified otherwise)

Note 7 Debt securities issued

Bonds issued

In October 2025, the Bank issued subordinated debt securities. As at 31 March 2026, the net value of debt securities issued was EUR 6,852 thousand (31 December 2025 EUR 6,850 thousand). On 24 November 2025, the bonds of Urbo Bankas UAB (ISIN LT000013565) were admitted to trading on the Nasdaq Stock Exchange (abbreviation: URBO070035A).

The size of the Bank's bond issue is EUR 6,858 thousand. Each bond has a nominal value of EUR 1,000. The interest rate is 7% per annum, payable four times a year. The maturity date of the issue is 21 October 2035.

Note 8 Other liabilities

Other liabilities consist of:

	The Bank	
	31 March 2026	**31 December 2025**
Accrued payments to employees	3,446	2,909
Property lease liabilities	7,362	6,259
Accrued expenses	208	238
Liabilities to the Tax Inspectorate	642	14
Liabilities to the Board of the State Social Fund	199	-
Dividends payable to shareholders	848	-
Sales VAT	492	46
Deferred income	207	152
Debt to suppliers	187	206
Funds for credit project analysis	143	180
OMX Baltic Benchmark Fund	152	156
Other	92	128
Total	**13,978**	**10,288**

Right of use assets obligations by term:

	The Bank	
	31 March 2026	**31 December 2025**
Short-term (up to 1 year)	1,349	1,288
Long-term (over 1 years)	6,013	4,971
Total	**7,362**	**6,259**

The interest expenses for the right of use (ROU) agreements, which were in efect on 31 March 2026, until the end of their term will amount to EUR 455 thousand (31 December 2025- EUR 541 thousand).

(All amounts are in TEUR, unless specified otherwise)

Note 9 Shareholders' equity

At the Annual General Meeting of Shareholders of UAB Urbo Bankas for 2025, held on March 27, 2026, a decision was made to increase the share capital of UAB Urbo Bankas by EUR 7,496,951 from the reserve capital (reserve fund) by issuing 14,993,902 ordinary registered shares with a nominal value of EUR 0.50 each. The newly issued shares are to be allocated free of charge to shareholders in proportion to the total nominal value of the shares held by them at the end of the day of the 2025 Annual General Meeting of Shareholders of UAB Urbo Bankas.

As at 31 March 2026 and 31 December 2025, the Bank's share capital consisted of 101,977,517 ordinary shares with a nominal value of EUR 0.50 each.

At 31 March 2026 and 31 December 2025, 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:

	The Bank	
	31 March 2026	31 December 2025
Special reserve to cover possible losses	2,528	2,528
Mandatory reserve	3,688	3,114
Reserve for the purchase of own shares	2,000	-
Reserve for capital increase	7,911	-
Total other reserves	**16,127**	**5,642**

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 27, 2026, the General Meeting of Shareholders decided to distribute dividends. A total amount of EUR 1 000 000 has been allocated for dividends. This represents approximately 18.10 % of the net profit earned from the financial year's operations in 2025. Each ordinary registered share with a nominal value of EUR 0.50 is entitled to a dividend of EUR 0.0058 (0.98 %of the nominal value).

Total amount was distributed as of the reporting date.

(All amounts are in TEUR, unless specified otherwise)

Note 10 Net interest income

	The Bank	
	31 March 2026	31 March 2025
On loans granted to customers	8,513	7,479
On finance lease	319	393
On debt securities	725	550
On balances with central banks	471	782
On balances with banks and other credit institutions	46	85
Interest revenue	**10,074**	**9,289**
On liabilities to depositors, including letters of credit	(3,384)	(3,197)
Deposit and portfolio guarantee insurance	(185)	(217)
On debt securities issued	(121)	(42)
On liabilities to banks and other credit institutions	(1)	(4)
Lease right	(38)	(42)
Interest expenses	**(3,729)**	**(3,502)**
Total	**6,345**	**5,787**

Note 11 Net service fee and commission income

Net fee and commission income comprise of:

	The Bank	
	31 March 2026	31 March 2025
Payment services	320	355
Commission income from currency exchange	14	15
Administration of bank accounts	201	200
Collection of payments	9	12
Brokerage income	6	7
Cash operations	152	166
Other	123	80
Service fee and commission income	**825**	**835**
Cash operations	(33)	(29)
Money transfer operations	(48)	(23)
Other	(83)	(34)
Service fee and commission expense	**(164)**	**(86)**
Total	**661**	**749**

(All amounts are in TEUR, unless specified otherwise)

Note 12 Net foreign exchange gain

	The Bank	
	31 March 2026	31 March 2025
Gain on dealing in foreign currencies	424	399
Unrealized gains (losses) due to exchange rate fluctuation	33	(12)
Total	**457**	**387**

Note 13 Operating expenses

Operating expenses:

	The Bank	
	31 March 2026	31 March 2025
Maintenance cost of premises costs	(166)	(150)
Communication and stationery	(87)	(99)
Car maintenance cost	(44)	(48)
Information technology cost	(459)	(430)
Marketing cost	(139)	(139)
Taxes	(217)	(235)
Outsourcing services	(112)	(160)
Accounting services	(27)	(30)
Insurance cost (operational and cash)	(51)	(12)
Payment cards administration costs	(33)	(11)
Other costs	(48)	(114)
Total	**(1,383)**	**(1,428)**

Note 14 Cash and cash equivalents

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

	The Bank	
	31 March 2026	31 March 2025
Cash	12,270	11,381
Current account with Central bank*	87,641	116,456
Current accounts with other credit institutions	16,318	5,554
Term deposits with credit institutions up to 90 days	4,401	8,008
Cash and cash equivalents	**120,630**	**141,399**

* Cash balances with the Central bank are shown net of the amount of the reserve requirement, which amounted to EUR 6,274 thousand at 31 March 2026 (31 December 2025: EUR 6,002 thousand).

Note 15 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 three months is close to their fair value due to the relatively short term of these financial instruments. The fair value of fixed-interest deposits with longer maturities is calculated using market interest rates for the respective terms and currencies, and the fair value is calculated using discounted the cash flows.

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.

(All amounts are in TEUR, unless specified otherwise)

The Bank	31 March 2026		31 December 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and due from central bank	106,185	106,185	82,697	82,697
Placements with banks and other credit institutions	21,340	21,340	9,968	9,968
Debt securities	92,512	92,109	91,604	91,765
Loans and receivables	571,646	596,450	545,159	564,703
Other assets	-	-	-	-
Total financial assets	**791,683**	**816,084**	**729,428**	**749,133**
Financial liabilities				
Due to banks and other credit institutions	-	-	-	-
Due to customers, including letters of credit	714,206	716,411	654,753	657,652
Debt securities issued	6,852	6,407	6,850	6,398
Other liabilities	13,978	13,978	10,288	10,288
Total financial liabilities	**735,036**	**736,796**	**671,891**	**674,338**

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.

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

The Bank

31 March 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial instruments	-	5	-	5
Financial liabilities				
Derivative financial instruments	-	-	-	-

The Bank

31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial instruments	-	1	-	1
Financial liabilities				
Derivative financial instruments	-	11	-	11

(All amounts are in TEUR, unless specified otherwise)

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

As of 31 March 2026	**Level 1**	**Level 2**	**Level 3**	**Total carrying amount**
Assets				
Cash and due from banks	127,525	-	-	127,525
Debt securities	92,512	-	-	92,512
Loans to customers	-	-	551,131	551,131
Receivables from leasing	-	-	20,515	20,515
Other assets	-	-	-	-
Total financial assets	**220,037**	**-**	**571,646**	**791,683**
Liabilities				
Due to banks and other credit institutions	-	-	-	
Due to customers	-	714,206	-	714,206
Debt securities issued	-	6,852	-	6,852
Subordinated loan	-		-	
Other liabilities	-		13,978	13,978
Total financial liabilities	**-**	**721,058**	**13,978**	**735,036**

The Bank

As of 31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total carrying amount**
Assets				
Cash and due from banks	92,665	-	-	92,665
Debt securities	91,604	-	-	91,604
Loans to customers	-	-	526,082	526,082
Receivables from leasing	-	-	19,077	19,077
Other assets	-	-	-	-
Total financial assets	**184,269**	**-**	**545,159**	**729,428**
Liabilities				
Due to banks and other credit institutions	-	-	-	
Due to customers	-	654,753	-	654,753
Debt securities issued	-	6,850	-	6,850
Subordinated loan	-		-	
Other liabilities	-		10,288	10,288
Total financial liabilities	**-**	**661,603**	**10,288**	**671,891**

The table below presents the measurement methods used by the Bank and the Group to measure Level 1, 2 and Level 3 fair values (where fair value differs from carrying amount) and significant unobservable variables:

Type	**Measurement method**	**Significant unobservable variables**
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

(All amounts are in TEUR, unless specified otherwise)

Note 16 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 31 March 2026 and 31 December 2025 and the related income and expenses included in the profit and loss accounts at 31 March 2026 and 31 December 2025 are shown below:

The Bank, 2025	Shareholders	Subsidiaries	Key management personnel	Other*
Loans outstanding as of 31 March 2026, net	-	-	-	1,641
Interest rate, in percent	-	-	-	5,77-6,77
Impairment of loans	-	-	-	(6)
Term deposits as of 31 March 2026	-	-	398	136
Interest rate, in percent	-	-	0,25-3,7	1,8–2,2
Demand accounts as of 31 March 2026	284	-	218	4,242
Bonds issued as of 31 March 2026	-	-	97	-
Interest rate, in percent	-	-	7.00	-
Dividends payable to shareholders	(1,000)	-	-	-
For the three month period ending 31 March 2026				
Service fee and commission revenue	-	-	-	24
Service fee and commission expenses	-	-	(4)	(3)
Interest expense on bonds	-	-	(2)	-
Dividend income	-	-	-	-
Other operating revenue	-	-	-	3
Other operating expenses	-	-	-	-

(continued on the next page)

(All amounts are in TEUR, unless specified otherwise)

The Bank, 2025	Shareholders	Subsidiaries	Key management personnel	Other*
Loans outstanding as of 31 December 2025, net	-	-	-	1,641
Interest rate, in percent	-	-	-	5,77-6,77
Impairment of loans	-	-	-	(6)
Term deposits as of 31 December 2025	-	-	496	848
Interest rate, in percent	-	-	2,2-3,7	2,0–2,99
Demand accounts as of 31 December 2025	123	-	192	1,510
Bonds issued as of 31 December 2025	-	-	-	-
Interest rate, in percent	-	-	-	-
Dividends paid	(1,700)	-	-	-
For the three month period ending 31 March 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	-	-	-	-

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

(All amounts are in TEUR, unless specified otherwise)

Note 17 Segment information

The key indicators of business segments that are included in the profit and loss statement as at 31 March 2026 and in the statement of financial position as at 31 March 2026 are summarized below.

	31 March 2026		
	Traditional banking operations and lending	**Treasury**	**Total**
Internal	-	-	-
External	8,842	1,232	10,074
Interest income	**8,842**	**1,232**	**10,074**
Internal	-	-	-
External	(3,728)	(1)	(3,729)
Interest expenses	**(3,728)**	**(1)**	**(3,729)**
Internal	-	-	-
External	5,114	1,231	6,345
Net interest income	**5,114**	**1,231**	**6,345**
Internal	-	-	-
External	661	-	661
Net fee and commission income	**661**	**-**	**661**
Internal	-	-	-
External	5,775	1,231	7,006
Net interest, fee and commissions income	**5,775**	**1,231**	**7,006**
Internal	-	-	-
External	(4,609)	(71)	(4,680)
Operating expenses	**(4,609)**	**(71)**	**(4,680)**
Amortization charges	(42)	-	(42)
Depreciation charges	(526)	-	(526)
Internal	-	-	-
External	(30)	-	(30)
Impairment expenses	**(30)**	**-**	**(30)**
Internal	-	-	-
External	360	73	433
Net other income	**360**	**73**	**433**
Profit (loss) before tax	**928**	**1,233**	**2,161**
Income tax	(161)	(214)	(375)
Profit (loss) per segment after tax	**767**	**1,019**	**1,786**
Non-controlling interest	-	-	-
Profit (loss) for the year attributable to the owners of the Bank	**767**	**1,019**	**1,786**
Total segment assets	596,408	207,768	804,176
Total segment liabilities	725,985	9,289	735,274
Net segment assets (shareholders equity)	**(129,577)**	**198,479**	**68,902**

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.

(All amounts are in TEUR, unless specified otherwise)

	31 March 2025		
	Traditional banking operations and lending	**Treasury**	**Total**
Internal	-	-	-
External	7,889	1,400	9,289
Interest income	**7,889**	**1,400**	**9,289**
Internal	-	-	-
External	(3,456)	(46)	(3,502)
Interest expenses	**(3,456)**	**(46)**	**(3,502)**
Internal	-	-	-
External	4,433	1,354	5,787
Net interest income	**4,433**	**1,354**	**5,787**
Internal	-	-	-
External	479	-	749
Net fee and commission income	**749**	**-**	**749**
Internal	-	-	-
External	5,182	1,354	6,536
Net interest, fee and commissions income	**5,182**	**1,354**	**6,536**
Internal	-	-	-
External	(4,451)	(76)	(4,527)
Operating expenses	**(4,451)**	**(76)**	**(4,527)**
Amortization charges	(59)	-	(59)
Depreciation charges	(506)	-	(506)
Internal	-	-	-
External	(368)	-	(368)
Impairment expenses	**(368)**	**-**	**(368)**
Internal	-	-	-
External	335	57	392
Net other income	**335**	**57**	**392**
Profit (loss) before tax	**133**	**1,335**	**1,468**
Income tax	(22)	(223)	(245)
Profit (loss) per segment after tax	**111**	**1,112**	**1,223**
Non-controlling interest	-	-	-
Profit (loss) for the year attributable to the owners of the Bank	**111**	**1,112**	**1,223**
Total segment assets	467,126	201,337	668,463
Total segment liabilities	601,182	3,467	604,649
Net segment assets (shareholders equity)	**(134,056)**	**197,870**	**63,814**

As at 31 March 2026 and 31 March 2025, income tax expenses are allocated proportionally to the traditional banking and lending and treasury segments.

(All amounts are in TEUR, unless specified otherwise)

Note 18 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:

	The Bank	
	31 March 2026	**31 December 2025**
Maximum exposure to a single customer or group of related customers	12,966	13,238
Eligible capital	63,961	64,858
Maximum exposure ratio, %	**20.27**	**20.41**

(All amounts are in TEUR, unless specified otherwise)

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.

	The Bank	
	31 March 2026	**31 December 2025**
Statement of financial position items, other than trading and investment activities		
Balances with the Bank of Lithuania	93,915	68,011
Due from banks	21,340	9,968
Loans to customers	551,131	526,082
Receivables from leasing	20,515	19,077
	686,901	**623,138**
Off balance sheet items		
Guarantees	4,188	3,593
Loan commitments	45,582	42,370
Total balance and off-balance sheet items, other than trading and investment activities	**736,671**	**669,101**
Trading and investment activities		
Financial assets at fair value through profit or loss		
Derivative financial instruments	*5*	*1*
Financial assets accounted at amortized cost		
Debt securities	92,512	91,604
Total trading and investment activities	**92,517**	**91,605**
Total credit exposure	**829,188**	**760,706**

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.

	The Bank	
	31 March 2026	**31 December 2025**
Government bonds	92,512	91,604
Derivatives	5	1
Total	**92,517**	**91,605**

Bonds exposure by rating grade	The Bank	
	31 March 2026	**31 December 2025**
High grade (AAA-A)	88,005	87,203
Standard grade (B-BBB+)	4,507	4,401
Total	**92,517**	**91,604**

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-'.

(All amounts are in TEUR, unless specified otherwise)

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 30 days	31 to 90 days	More than 90 days	Total
31 March 2026					
Stage 1					
Loans and receivables	506,180	3,068	-	-	**509,248**
Placements with BoL and other banks	115,255	-	-	-	**115,255**
Debt securities	92,512	-	-	-	**92,512**
Total	**713,947**	**3,068**	**-**	**-**	**717,015**
Stage 2					
Loans and receivables	48,146	3,234	1564	-	**52,944**
Placements with BoL and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Total	**48,146**	**3,234**	**1564**	**-**	**52,944**
Stage 3					
Loans and receivables	7,974	595	377	508	**9,454**
Placements with BoLand other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Total	**7,974**	**595**	**377**	**508**	**9,454**
Total	**770,067**	**6,897**	**1,941**	**508**	**779,413**

(All amounts are in TEUR, unless specified otherwise)

The Bank 31 December 2025	Not overdue	1 to 30 days	31 to 90 days	More than 90 days	Total
Stage 1					
Loans and receivables	477,684	4,628	-	-	**482,312**
Placements with BoL and other banks	77,979	-	-	-	**77,979**
Debt securities	91,604	-	-	-	**91,604**
Total	**647,267**	**4,628**	**-**	**-**	**651,895**
Stage 2					
Loans and receivables	49,611	2,740	593	-	**52,944**
Placements with BoL and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Total	**49,611**	**2,740**	**593**	**-**	**52,944**
Stage 3					
Loans and receivables	8,441	180	266	1016	**9,903**
Placements with BoLand other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Total	**8,441**	**180**	266	**1016**	**9,903**
Total	**705,319**	**7,548**	**859**	**1016**	**714,742**

(All amounts are in TEUR, unless specified otherwise)

Estimated impairment by risk level

The Bank	31 March 2026					31 December 2025				
	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total
Stage 1	**2,498**	**-**	**167**	**8**	**2,673**	**2,568**	**-**	**160**	**7**	**2,735**
Loans and receivables	2,421	-	167	8	**2,596**	2,502	-	160	7	**2,669**
Placements with BoL and other banks	21	-	-	-	**21**	10	-	-	-	**2502**
Debt securities	56	-	-	-	**56**	56	-	-	-	**56**
Stage 2	**1,228**	**-**	**3**	**60**	**1,291**	**1248**	**-**	**-**	**68**	**1316**
Loans and receivables	1,228	-	3	60	**1,291**	1248	-	-	68	1316
Stage 3	**-**	**1,997**	**-**	**-**	**1,997**	**-**	**1,865**	**-**	**-**	**1,865**
Loans and receivables	-	1,996	-	-	**1,996**	-	1,864	-	-	**1,864**
Placements with BoL and other banks	-	1	-	-	**1**	-	1	-	-	**1**
Total	**3,726**	**1,997**	**170**	**68**	**5,961**	**3,816**	**1,865**	**160**	**75**	**5,916**

Change in impairment

31 March 2026	The Bank				
	Collective impairment	Individual impairment	Credit commitments	Guarantees	Total
Stage 1	**(70)**	**-**	**7**	**1**	**(62)**
Loans and receivables	(81)	-	7	1	**(73)**
Placements with BoL and other banks	11	-	-	-	**11**
Debt securities	-	-	-	-	**-**
Stage 2	**(20)**	**-**	**3**	**-8**	**(25)**
Loans and receivables	(20)	-	3	(8)	**(25)**
Stage 3	**-**	**132**	**-**	**-**	**132**
Loans and receivables	-	132	-	-	**132**
Other financial assets	-	-	-	-	**-**
Write-offs	**-**	-	-	-	**-**
written off by selling portfolio	**-**	(15)	-	-	**(15)**
Total change of impairment	**(90)**	**117**	**10**	**(7)**	**30**

(All amounts are in TEUR, unless specified otherwise)

Change in impairment (continued)

	The Bank				
31 March 2025	**Collective impairment**	**Individual impairment**	**Credit commitments**	**Guarantees**	**Total**
Stage 1	**214**	**-**	**(15)**	**-**	**199**
Loans and receivables	214	-	(15)	-	**199**
Placements with BoL and other banks	(2)	-	-	-	**(2)**
Debt securities	2	-	-	-	**2**
Stage 2	**136**	**-**	**2**	**-**	**138**
Loans and receivables	136	-	2	-	**138**
Stage 3	**-**	**31**	**-**	**-**	**31**
Loans and receivables	-	31	-	-	**31**
Other financial assets	-	-	-	-	**-**
Write-offs	**-**	-	-	-	**-**
written off by selling portfolio	**-**	-	-	-	**-**
Total change of impairment	**350**	**31**	**(13)**	-	**368**

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 2026 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 6-12 months and, based on historical data, the average monthly volatility of this portfolio is below 4%. 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%.

(All amounts are in TEUR, unless specified otherwise)

The liquidity coverage ratios of the Bank are as follows:

	The Bank	
	31 March 2026	31 December 2025
Liquid assets	189,360	168,448
Short-term (up to 30 days) obligations	80,407	75,504
LCR, in percent	**236**	**223**

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:

	The Bank	
	31 March 2026	31 December 2025
Current stable funding	678,251	643,258
Required stable funding	488,676	459,262
NSFR, in percent	**139**	**140**

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:

The Bank	31 March 2026							
	On demand	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 3 years	Over 3 years	Without maturity	Total
Assets	29,039	109,754	14,768	84,459	197,678	355,998	13,480	**804,176**
Liabilities	228,340	48,524	87,447	315,857	30,817	24,006	283	**735,274**
Net gap	**(200,301)**	**61,230**	**(72,679)**	**(231 398)**	**166,861**	**331,992**	**13,197**	**68,902**
Credit commitments	-	45,583	-	-	-	-	-	**45,583**

	31 December 2025							
	On demand	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 3 years	Over 3 years	Without maturity	Total
Assets	29,829	69,923	10,446	84,548	195,679	337,618	12,210	**740,253**
Liabilities	175,577	41,408	69,633	324,824	36,112	24,305	278	**672,137**
Net gap	**{145 748}**	**28,515**	**(59 187}**	**(240 276)**	**159,567**	**313,313**	**11,932**	**68,116**
Credit commitments	-	42,370	-	-	-	-	-	**42,370**

Overdue loans are disclosed under “Without maturity”.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market variables such as interest rates, exchange rates and the prices of equity instruments. Market risk is managed and controlled through continuous market monitoring and analysis of forecast market developments.

Interest rate risk

Interest rate risk arises from the possibility of a change in interest rates that will affect future cash flows or the fair values of financial instruments. The Board has set interest rate gap limits for specified periods. Exposures are monitored at a frequency determined by the Bank. Interest rate risk is forecasted using market interest rates and managed by matching the gap between assets and liabilities based on revaluation maturities. The Bank use interest rate risk management techniques that allow the sensitivity of the Bank to changes in interest rates to be determined by calculating the impact on annual net interest income if the yield curve changes.

(All amounts are in TEUR, unless specified otherwise)

The tables below summarize the Bank's interest rate risk at 31 March 2026 and 31 December 2025. The tables include the Bank's assets and liabilities at their carrying amounts, classified according to the earlier of the interest rate reset or maturity date.

	31 March 2026						
The Bank	**Less than 1 month**	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 to 3 years**	**Over 3 years**	**Total**
Assets:							
Sensitive assets to interest rate fluctuation	94,513	196,928	247,294	15,913	84,293	26,910	665,851
Non-sensitive assets to interest rate fluctuation							138,325
Liabilities:							
Sensitive liabilities to interest rate fluctuation	42,097	85,276	136,146	176,275	28,939	24,150	492,883
Non-sensitive liabilities and equity to interest rate fluctuation							311,293
Interest sensitivity gap	**52,416**	**111,652**	**111,148**	**(160,362)**	**55,354**	**2,760**	**-**

	31 December 2025						
The Bank	**Less than 1 month**	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**1 to 3 years**	**Over 3 years**	**Total**
Assets:							
Sensitive assets to interest rate fluctuation	78,023	153,225	254,762	36,001	82,114	30,578	634,703
Non-sensitive assets to interest rate fluctuation							105,550
Liabilities:							
Sensitive liabilities to interest rate fluctuation	35,753	71,427	118,004	198,386	38,331	24,365	486,266
Non-sensitive liabilities and equity to interest rate fluctuation							253,987
Interest sensitivity gap	**42,270**	**81,798**	**136,758**	**(162,385)**	**43,783**	**6,213**	**-**

(All amounts are in TEUR, unless specified otherwise)

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 and overall. These limits are also in line with the Bank of Lithuania's minimum requirements. The Bank's foreign exchange exposure is:

	The Bank	
	31 March 2026	31 December 2025
Long positions	149	179
Short positions	(216)	(196)
Eligible capital	70,813	67
Overall net currency position, percent	**0.31**	**0.29**

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

	31 March 2026	31 December 2025
Increase in FX rates by 10 percent	7	2
Decrease in FX rates by 10 percent	(7)	(2)

Note 19 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 31 March 2026, the Bank's leverage ratio stood at 7.52 %, 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 (%):

	The Bank	
	31 Kovo 2026	31 December 2025
Capital adequacy ratio	**18.09**	**19.42**

(All amounts are in TEUR, unless specified otherwise)

Note 20 Quality of financial assets, profitability ratios and other information

The quality indicators for financial assets as at 31 March 2026 are presented in the table below:

	The Bank	
	Provisions	**Provisions to financial assets ratio (%)**
Loans to customers and receivables	5,563	1.00
Hire purchase receivables	82	0.40
Debt securities	56	0.06
Balances with banks	22	0.10
Total	**5,723**	**0.83**

Financial asset quality indicators at 31 December 2025:

	The Bank	
	Provisions	**Provisions to financial assets ratio (%)**
Loans to customers and receivables	5,513	1.04
Hire purchase receivables	101	0.53
Debt securities	56	0.06
Balances with banks	11	0.11
Total	**5,681**	**0.87**

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

	The Bank	
	31 March 2026	**31 December 2025**
Return on assets (ROA)	0.9	0.77
Return on equity (ROE)	10.4	8.38

Note 21 Events after the reporting date

There were no 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 first quarter of 2026 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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