

JSC "CAPITALIA INVESTMENT HOLDING"

Consolidated unaudited interim financial statements

For the period 01.01.2025 – 31.03.2025

Information about the group companies

Head of group	CAPITALIA INVESTMENT HOLDING
Legal status of the Company	joint-stock company
Number, place, and date of registration	40203483481, Commercial Register Latvija, Riga, 07.11.2023
Address	Stabu street 20-1, Riga, LV-1011, Latvia
Shareholders (beneficiaries)	Non-resident of the Republic of Estonia (77.55%) Resident of the Republic of Latvia (22.45%)
Names and positions of Council members	Laura Komisare – Chairman of the Council Mārtiņš Krūtainis – Deputy Chairman of Council Viktors Grišins – Council member
Names and positions of Board members	Juris Grišins – Chairman of the Board
The reporting period	January 1 to March 31, 2025

Subsidiary companies

Subsidiary Name	Capitalia, SE
Address of the subsidiary	Stabu street 20-1, Riga, LV-1011, Latvia
Number, place, and date of registration	40003933213, Latvia, registered in 21.06.2007
Subsidiary Name	Capitalia Fund Management AIFP, SIA
Address of the subsidiary	Stabu street 20-1, Riga, LV-1011, Latvia
Number, place, and date of registration	50203288031, Latvija, registered in 26.01.2021

Branches Capitalia SE

Branch Name	Capitalia, SE Lithuania branch
Address of the subsidiary	Smolensko g. 10B, Vilnius, LT-03201, Lithuania
Number, place, and date of registration	304914672, Lithuania, registered in 12.09.2018.
Branch Name	Capitalia, SE Estonia branch
Address of the subsidiary	Harjumaa, Tallinn, Tartu maantee 83, 10115, Estonia
Number, place, and date of registration	14558272, Estonia, registered in 04.09.2018

Group operations as classified by NACE	64.20 Holding company activities 64.91 Finance lease 64.92 Other credit service activities 64.99 Financial service activities not elsewhere specified, except insurance and pension accumulation 66.30 Fund management 70.22 Business and management consultancy
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Interim management report

On operating results

In the first quarter of 2025, Capitalia reported a turnover of EUR 474 thousand and a profit of EUR 28 thousand. The operating revenue and profit grew in the last reporting quarter. We expect the revenue to continue growing. January and February activity remained slow, and in March it has picked up. During the first quarter of 2025, we managed to issue funding of EUR 5.3 million.

On key events

In the first quarter of 2025, we managed to issue a funding amount of EUR 5.3 million (EUR 6.5 million in the last quarter of 2024). Among the financed businesses during this period were, for example, such companies as Sontransa, UAB (transportation), Betonmax, SIA (manufacturing), and Prosport.lt, UAB (retail trade).

In alternative fund management, we have made 1 new investment from our cost-efficient Baltic bond fund and acquired bonds of Delfingroup (consumer finance).

On plans for the next quarter

The second quarter of the new year started with strong business financing activity and we expect it to continue this way. The available capital of investors to be deployed in business loans continues to be at record levels. We continue focusing energy on building a strong sales pipeline and stronger relationships with our existing client portfolio.

Juris Grišins
Chairman of the board

Riga, January 24, 2025

Summary of financial performance

The summary of financial results portrays the development of key financial indicators of Capitalia over the last reporting period. Total assets have increased and loan portfolio on the books have decreased compared to the previous reporting period. Equity capital is EUR 656 thousand while profits were reported at EUR 27 thousand. Equity and other liabilities subordinated to the outstanding bond issues constituted 38% of the total assets or well above the benchmark bond covenant of 20%.

Summary of balance sheet figures

EUR	2022	2023	2024	Q1 2025
Total assets	2 798 569	3 585 070	2 695 198	2 725 421
Loan portfolio on books	1 325 140	1 621 996	1 792 450	1 721 933
Equity capital	629 064	615 737	624 515	656 152

Summary of profit and loss figures

EUR	2022	2023	2024	Q1 2025
Net sales	1 248 316	1 446 852	1 666 846	473 467
Costs of services provided	(139 219)	(203 582)	(231 703)	(46 324)
Sales and marketing expenses	(603 367)	(546 490)	(588 736)	(193 375)
Administrative costs	(492 065)	(744 881)	(880 101)	(216 748)
Net profit	48 034	10 881	8 778	27 979

Key operating ratios

EUR	2022	2023	2024	Q1 2025
Equity to assets	22.48%	17.18%	23.17%	24.08%
Turnover growth	4.53%	-	15.21%	13.62%
Return on equity (ROE)	11.37%	1.90%	1.44%	17.48%
Net profitability	3.85%	0.27%	0.53%	5.91%

Interim profit and loss statement, January 1, 2025 – March 31, 2025

	01.01.-31.03.2025	2024
	EUR	EUR
Net sales	473 467	1 666 846
Costs of services provided	(46 324)	(231 703)
Gross profit	427 143	1 435 143
Selling expense	(193 375)	(588 736)
Administrative expense	(216 748)	(880 101)
Other operating income	11 688	45 658
Other operating expense	(729)	(3 034)
Valuation of long-term financial assets	-	-
Profit/(loss) before taxes	27 979	8 930
Corporative income tax	-	(152)
Current year's profit/(loss)	27 979	8 778

Interim balance sheet, March 31, 2025

	31.03.2025	31.12.2024
	EUR	EUR
<u>Assets</u>		
Long term investments		
Intangible assets	134 493	120 286
Fixed assets	73 947	78 854
Other securities and investments	751 151	690 639
Issued loans	192 685	196 463
Total long-term investments:	1 152 276	1 086 242
Current assets		
Issued loans	778 097	905 348
Receivables	44 855	42 879
Other debtors	85 097	64 664
Loans to shareholders and management	264 299	258 972
Loans to related parties	161 023	158 818
Cash	239 774	178 275
Total current assets:	1 573 145	1 608 956
<u>Total assets</u>	2 725 421	2 695 198

Interim balance sheet, March 31, 2025

	31.03.2025	31.12.2024
	EUR	EUR
<u>Equity and liabilities</u>		
Shareholders' funds		
Share capital	535 000	535 000
Other reserves	(10 679)	(10 679)
Reorganization reserve	34 792	34 792
Prior year's accumulated profit/ losses	69 060	56 624
Current year's profit	27 979	8 778
Total shareholders' funds:	656 152	624 515
Liabilities		
Long-term liabilities		
Bonds issued	921 000	921 000
Other creditors	56 000	56 000
Total long-term liabilities:	977 000	977 000
Short-term liabilities		
Bonds issued	771 222	771 428
Other borrowing	201 550	201 550
Other liabilities, advances received	-	6 082
Accrued liabilities	49 212	57 978
Trade payables	19 329	8 521
Taxes	50 956	48 124
Total short-term liabilities:	1 092 269	1 093 683
<u>Total equity and liabilities:</u>	<u>2 725 421</u>	<u>2 695 198</u>