

CITYSERVICE

In service of your property

**CONSOLIDATED INTERIM FINANCIAL
STATEMENTS FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH 2025 (UNAUDITED)**

City Service SE

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025
(UNAUDITED)**

Beginning of the reporting period	1 January 2025
End of the reporting period	31 March 2025
Business name	City Service SE
Registration number	12827710
Legal address	Narva mnt. 5, 10117 Tallinn, the Republic of Estonia
Telephone	+370 5 239 49 00
E-mail	info@cityservice.eu
Website	http://www.cityservice.eu
Auditor	Ernst & Young Baltic AS

CONTENTS

DECLARATION OF THE MANAGEMENT.....	4
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	5
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	7
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	8
CONSOLIDATED STATEMENT OF CASH FLOWS	9
GENERAL INFORMATION	10
1.1. ACTIVITY	10
1.2. SHARE CAPITAL OF THE COMPANY	11
1.3. SHAREHOLDERS OF THE COMPANY.....	11
1.4. CITY SERVICE GROUP	12
1.5. COMPANY’S SUPERVISORY BOARD	14
1.6. COMPANY’S MANAGEMENT BOARD.....	15
1.7. ACTIVITY AND SEGMENT INFORMATION	16
ACCOUNTING POLICIES.....	18
GOODWILL.....	18
SIGNIFICANT EVENTS	20
OTHER INTANGIBLE ASSETS.....	21
PROPERTY, PLANT AND EQUIPMENT.....	22
RIGHT OF USE ASSETS AND LEASE	24
TRADE RECEIVABLES	25
BORROWINGS.....	25
COST OF SALES.....	26
GENERAL AND ADMINISTRATIVE EXPENSES.....	26
INTEREST AND OTHER FINANCE INCOME AND (EXPENSES)	27
DIVIDENDS PER SHARE	27
RELATED PARTY TRANSACTIONS	28
SUBSEQUENT EVENTS.....	29

Declaration of the management

According to Management Board Regulations of City Service SE, Chairman of the Management Board hereby declares and confirms that according to his best knowledge, the financial statements, prepared according to the accounting standards in force, present a correct and fair view of the assets, liabilities, financial situation and loss or profit of the issuer and the undertakings involved in the consolidation as a whole, and the management report gives a correct and fair view of the development and results of the business activities and financial status of the issuer and the undertakings involved in the consolidation as a whole and contains a description of the main risks and doubts.

Chairman of the Management Board



Artūras Gudelis

30 May 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As of 31 March 2025	As of 31 December 2024
Assets			
NON-CURRENT ASSETS			
Goodwill	3	9.166	9.129
Other intangible assets	5	21.844	20.156
Property, plant and equipment	6	979	860
Right of use assets	8	2.157	2.252
Non-current receivables	9	5.280	5.278
Deferred income tax asset		2.669	2.395
TOTAL NON-CURRENT ASSETS		42.095	40.070
CURRENT ASSETS			
Inventories		648	581
Prepayments		1.867	1.923
Trade receivables	9	26.271	25.353
Receivables from related parties	16	14.897	14.443
Other receivables		3.797	3.224
Prepaid income tax		189	174
Accrued income and other current assets		1.369	1.523
Cash and cash equivalents		7.501	4.826
TOTAL CURRENT ASSETS		56.539	52.047
Total assets		98.634	92.117

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)

	Notes	As of 31 March 2025	As of 31 December 2024
Equity and liabilities			
EQUITY			
Share capital		9.483	9.483
Share premium		8.490	8.490
Reserves		420	420
Retained earnings (deficit)		11.925	10.285
		<u>30.318</u>	<u>28.678</u>
Non-controlling interests		230	220
TOTAL EQUITY		30.548	28.898
Liabilities			
NON-CURRENT LIABILITIES			
Non-current borrowings	10	18.986	19.353
Lease liabilities	8	1.697	1.694
Non-current provisions for employee benefits		112	112
Contract liabilities, non- current		2.265	2.265
Deferred income tax liabilities		2.029	1.759
Non-current payables		985	999
TOTAL NON-CURRENT LIABILITIES		26.074	26.182
CURRENT LIABILITIES			
Current portion of non-current borrowings	10	1.957	1.967
Current portion of lease liabilities	8	565	678
Current loans	10	7.677	5.469
Trade payables and other payables	16	21.007	19.753
Current provisions for employee benefits		209	209
Income tax payable		1.566	1.185
Contract liabilities, current		9.030	7.776
TOTAL CURRENT LIABILITIES		42.011	37.037
Total liabilities		68.085	63.219
Total equity and liabilities		98.633	92.117

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 (for the period 1 January – 31 March)

	Notes	2025 Q1	2024 Q1
Revenue from contracts with customers	1.7	26.858	24.824
Cost of sales	11	(19.104)	(18.259)
Gross profit (loss)		7.754	6.565
General and administrative expenses	12	(5.796)	(5.241)
Credit loss expenses on financial assets		78	(7)
Other operating income	13	45	212
Other operating expenses	13	2	(73)
Profit (loss) from operations		2.083	1.456
Interest income	14	203	26
Interest expenses	14	(375)	(297)
Other finance income	14	216	-
Other finance expenses	14	(125)	-
Profit (loss) before tax		2.002	1.185
Income tax		(352)	(221)
Profit (loss) from continued operations		1.650	964
Other comprehensive income			
Exchange differences on translation of foreign operations		-	-
Total comprehensive income		-	-
Attributable to:			
The shareholders of the Company		1.640	955
Non-controlling interests		10	9
		1.650	964
Total comprehensive income attributable to:			
The shareholders of the Company		1.640	955
Non-controlling interests		10	9
		1.650	964
Basic and diluted earnings per share (EUR)		0,05	0,03

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Foreign currency translation reserve	Other reserves	Retained earnings	Assets held for sale	Total	Non-controlling interest	Total
Balance as of 1 January 2024		9.483	8.490	-	-	5.874	-	23.847	176	24.023
Net profit (loss)	-	-	-	-	-	955	-	955	9	964
Other comprehensive Income	-	-	-	-	-	-	-	-	-	-
Total comprehensive Income	-	-	-	-	-	955	-	955	9	964
Balance as of 31 March 2024		9.483	8.490	-	-	6.829	-	24.802	185	24.987
Balance as of 1 January 2025		9.483	8.490	-	420	10.285	-	28.678	220	28.898
Net profit (loss)	-	-	-	-	-	1.640	-	1.640	10	1.650
Other comprehensive Income	-	-	-	-	-	-	-	-	-	-
Total comprehensive Income	-	-	-	-	-	1.640	-	1.640	10	1.650
Balance as of 31 March 2025		9.483	8.490	-	420	11.925	-	30.318	230	30.548

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2025 Q1	2024 Q1
Cash flows from (to) operating activities			
Net profit (loss) from operations		1.650	964
Adjustments for non-cash items:			
Income tax expenses		352	221
Depreciation and amortization	5,6,8	530	676
Impairment and write-off of accounts receivable		129	(15)
Gain (loss) on disposal of property, plant and equipment	13	(3)	(135)
Other adjustments for non-cash items		-	43
Interest income		(203)	(26)
Interest expenses		500	297
		2.955	2.025
Changes in working capital:			
(Increase) decrease in inventories		(67)	(44)
(Increase) decrease in receivables, contract assets and other current assets		(1.090)	2.864
(Increase) decrease in prepayments		23	133
Increase (decrease) in trade payables and payables to related parties		149	(3.126)
Income tax (paid)		(221)	(288)
Increase (decrease) in advances received, contract liabilities and other current liabilities		83	(598)
Net cash flows from (to) operating activities		1.832	966
Cash flows from (to) investing activities			
(Acquisition) of non-current assets (except investments)	5,6	(560)	(1.161)
Proceeds from sale of non-current assets		38	58
(Acquisition) of investments in subsidiaries (net of cash acquired in the Group)		-	(95)
Disposal of investments in subsidiaries		-	-
Interest received		203	26
Loans (granted)		(230)	-
Loans (repaid)		242	-
Net cash flows from (to) investing activities		(307)	(1.172)
Cash flows from (to) financing activities			
Proceeds from loans		2.208	11
(Repayment) of financial lease liabilities		(181)	(134)
Dividends paid		-	-
Loans (repaid)		(377)	(1.384)
Interest (paid)		(500)	(297)
Net cash flows from (to) financing activities		1.150	(1.804)
Net increase (decrease) in cash and cash equivalents		2.675	(2.010)
Cash and cash equivalents at the beginning of the period		4.826	9.176
Cash and cash equivalents at the end of the period		7.501	7.166

1.

GENERAL INFORMATION

City Service SE (hereinafter – “the Company”) is a public limited liability company registered in the Republic of Estonia on 2 April 2015, which in the course of reorganization has taken over a public limited liability company City Service AS rights and liabilities.

The Company controls corporate group, engaged in provision of facility management and integrated utility services in Eastern Europe. The City Service group is the market leader in facility management and integrated utility services in the Baltic States. It provides services in whole Lithuania and Latvia.

1.1.

ACTIVITY

City Service group provides facility management; maintenance and repair of engineering systems; management and renovation of energy resources; technical and energy audit of buildings; maintenance and cleaning of territories and premises; maintenance and construction of gas stations.

The most important buildings segments, administered by the City Service group are: residential apartment buildings; commercial buildings; public buildings; industrial buildings. The total area of buildings under the management of the Group is 15.3 million sq. m. at present.

1.2.

SHARE CAPITAL OF THE COMPANY

The share capital of the Company is EUR 9,483 thousand as of 31 March 2025. It is divided into 31,610 thousand ordinary shares with the nominal value of EUR 0.30 each. All shares of the Company are paid up.

The Company does not have any other classes of shares than ordinary shares mentioned above, there are no any restrictions of share rights or special control rights for the shareholders settled in the Articles of Association of the Company. No shares of the Company are held by itself or its subsidiaries. No convertible securities, exchangeable securities or securities with warrants are outstanding; likewise, there are no outstanding acquisition rights or undertakings to increase share capital.

As of 31 March 2025 all 31,610 thousand ordinary shares of the Company are included into the Parallel Market of Warsaw Stock Exchange and Baltic First North Foreign Shares trading list of NASDAQ Baltic Market (ISIN Code of the shares is EE3100126368). Trading Code of the shares on Warsaw Stock Exchange is CTS, on NASDAQ Baltic Market - CTS1L.

1.3.

SHAREHOLDERS OF THE COMPANY

As of 31 March 2025 the total number of shareholders of the Company was 73.

COMPANY'S SHARES DISTRIBUTION AMONG SHAREHOLDERS WHO HAVE MORE THAN 5% SHARES OF THE COMPANY AS OF 31 MARCH 2025 WAS THE FOLLOWING:

	Number of shares held	Owned percentage of the share capital and votes, %
UAB Unit Invest, legal entity code 305873584, address: Ozo str. 12A-1, Vilnius, Lithuania	26,813,293	84.83%
Other private and institutional shareholders	4,796,707	15.17%
TOTAL	31,610,000	100 %

1.4.

CITY SERVICE GROUP

AS OF 31 MARCH 2025 THE CITY SERVICE GROUP CONSISTS OF CITY SERVICE SE AND THE FOLLOWING SUBSIDIARIES (HEREINAFTER REFERRED TO AS „THE GROUP“):

Company	Region	Share of the stock held by the Group as of 31 March 2025	Share of the stock held by the Group as of 31 December 2024	Main activities
UAB Alytaus namų valda	Lithuania	76%	76%	Dormant
UAB Baltijos NT valdymas	Lithuania	100%	100%	Real estate management
UAB Baltijos transporto valdymas	Lithuania	100%	100%	Asset management
UAB Biržų butų ūkis	Lithuania	57.71%	57.71%	Administration of dwelling-houses
UAB BonoDomo	Lithuania	100%	100%	IT services
UAB BonoDomo Pay	Lithuania	100%	100%	Intermediary activities of an electronic money institution
UAB Butų ūkio valdos	Lithuania	100%	100%	Administration of dwelling-houses
UAB Būsto aplinka	Lithuania	100%	100%	Maintenance and cleaning of dwelling-houses territories and premises
UAB Mano būstas	Lithuania	100%	100%	Holding company
UAB City Service Cleaning	Lithuania	100%	100%	Maintenance and cleaning of commercial real estate, territories and premises
UAB City Service Engineering	Lithuania	100%	100%	Commercial real estate management and building maintenance
UAB CSG IT	Lithuania	100%	100%	IT services
UAB Energijos taupymo paslaugos	Lithuania	100%	100%	Energy saving solution services
UAB Kapitalo Sprendimai	Lithuania	100%	100%	PPP project company
UAB EPC projektai	Lithuania	100%	100%	Dormant
UAB Mano aplinka	Lithuania	100%	100%	Maintenance and cleaning of public territories and premises
UAB Mano bendrabutis	Lithuania	100%	100%	Administration of buildings
UAB Mano Būsto klientų patirčių centras	Lithuania	100%	100%	Client service center services
UAB Mano Būstas Alytus	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Aukštaitija	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Baltija	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Dainava	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Neris	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas NPC	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Kaunas	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Klaipėda	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Radviliškis	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Sostinė	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Šiauliai	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Ukmergė	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būstas Vakarai	Lithuania	99.97%	99.97%	Administration of dwelling-houses
UAB Mano Būstas Vilnius	Lithuania	100%	100%	Administration of dwelling-houses
UAB Mano Būsto priežiūra	Lithuania	100%	100%	Building maintenance
UAB Merlangas	Lithuania	100%	100%	Administration of dwelling-houses
UAB Nacionalinis renovacijos fondas	Lithuania	100%	100%	Administration of dwelling-houses renovation projects

UAB Pastatų priežiūra	Lithuania	100%	100%	Building maintenance
UAB Pastatų valdymas	Lithuania	100%	100%	Administration of dwelling-houses
UAB Rinkų vystymas	Lithuania	100%	100%	Dormant
UAB Skolos LT	Lithuania	100%	100%	Debt collection services
UAB Šiaulių NT valdymas	Lithuania	100%	100%	Dormant
UAB Unitechna	Lithuania	100%	100%	Maintenance and construction of gas stations
UAB Monto EU	Lithuania	100%	100%	Administrator for rented properties
Concentra Servicios y Mantenimiento, S.A.*	Spain	100%	100%	Commercial real estate management and building maintenance
Vetell dos iberica, S.L.*	Spain	100%	100%	Administration of dwelling-houses
SIA BILANCE	Latvia	100%	100%	Administration of dwelling-houses
SIA BonoDomo	Latvia	100%	100%	Dormant
SIA City Service	Latvia	100%	100%	Holding company
SIA City Service Engineering	Latvia	100%	100%	Commercial real estate management and building maintenance
SIA Ēku pārvaldīšanas serviss	Latvia	100%	100%	Building maintenance
SIA Latvijas Namsaimnieks	Latvia	100%	100%	Administration of dwelling-houses
SIA Livonijas Nami	Latvia	100%	100%	Administration of dwelling-houses
SIA Namu serviss APSE	Latvia	100%	100%	Administration of dwelling-houses
SIA Manas MĀJAS	Latvia	100%	100%	Administration of dwelling-houses
SIA Manas MĀJAS 2	Latvia	100%	100%	Administration of dwelling-houses
SIA Manas Mājas Salnas 21	Latvia	100%	100%	Administration of dwelling-houses
SIA Manas MĀJAS 3	Latvia	100%	100%	Administration of dwelling-houses
SIA Multihouse	Latvia	100%	100%	Administration of dwelling-houses
SIA Ventspils nami	Latvia	100%	100%	Administration of dwelling-houses
SIA Jauntukums	Latvia	100%	100%	Administration of dwelling-houses
SIA Nebruk Jelgava	Latvia	100%	100%	Administration of dwelling-houses
SIA Nia Nami	Latvia	100%	100%	Administration of dwelling-houses

* The Group ceased to consolidate Concentra Servicios y Mantenimiento, S.A. (including sub-consolidated subsidiary Vetell dos iberica, S.L.) in its Financial statements after bankruptcy administrator was appointed on 10 May 2017, as from that date the Group has lost its control.

1.5.

COMPANY'S SUPERVISORY BOARD

AS OF 31 MARCH 2025, THE SUPERVISORY BOARD OF THE COMPANY COMPRISES OF THE FOLLOWING PERSONS:

Name and surname	Position	Start of term	End of term
Andrius Janukonis	Chairman of the Supervisory Board	June 21, 2023	June 21, 2027
Gintautas Jaugielavičius	Member of the Supervisory Board	June 21, 2023	June 21, 2027

The Supervisory Board members do not own any shares of the Company.



Andrius Janukonis

Andrius Janukonis (born in 1971) is the Chairman of the Supervisory Board of City Service SE (since 2009 until 2015 the Chairman of the Board). He holds a Master's degree in Law. He is a member of the board of UAB Unit Invest (since 2021).



Gintautas Jaugielavičius

Gintautas Jaugielavičius (born in 1971) is a Member of the Supervisory Board of City Service SE (since 2005 until 2015 a Member of the Board). He holds a Bachelor's degree in Economics. At present, he works as a consultant for UAB Unit Invest and is a member of the board of UAB Unit Invest (since 2021).

1.6.

COMPANY'S MANAGEMENT BOARD

AS OF 31 MARCH 2025 AND AS OF DATE OF SUBMISSION OF THIS REPORT, THE MANAGEMENT BOARD OF THE COMPANY COMPRISES OF THE FOLLOWING PERSONS:

Name and surname	Position within the Group	Start of term	End of term
Artūras Gudelis	Chairman of the Management Board	June 26, 2021	June 26, 2025
Vytautas Turonis	Member of the Management Board	June 26, 2021	June 26, 2025

They do not own any shares of the Company.

Artūras Gudelis



Artūras Gudelis (born in 1977) is a Chairman of the Management Board of City Service SE (since 2017). Artūras Gudelis was a Member of the Supervisory Board of City Service SE (2015 – 2017). He holds Bachelor's degree in Economics and Master's degree in Business Management.

Artūras Gudelis is responsible for carrying the formal functions of the chairman of the Management Board as well as for signing of the consolidated financial statements, representing the Company in the stock exchanges, securities depositories and in relations with the investors, as well as in all other general matters related to the Company.

Vytautas Turonis



Vytautas Turonis (born in 1972) is a Member of the Management Board of City Service SE (since 2017). Vytautas Turonis works as the General Manager for the Baltics at CS SE. He holds a Bachelor's degree in International Business. Previously he worked as the Marketing Manager of UAB Specialus Autotransportas (2003 – 2004). He started to work in the Company as the Market Development Department Manager (2004 – 2008).

Vytautas Turonis is responsible and accountable for the organization and supervision of Group activities (including the financial matters) in Lithuania, Latvia and Estonia.

1.7.

ACTIVITY AND SEGMENT INFORMATION

INFORMATION ON MAIN GROUP'S OPERATING SEGMENTS (CONTINUED OPERATIONS):

2025 Q1	Lithuania	Latvia	Total
Revenue from contracts with customers:	25.209	1.649	26.858
Total revenue from contracts with customers			26.858
Cost of goods sold	(18.164)	(944)	(19.108)
General and administrative expenses	(4.354)	(582)	(4.936)
Segment results	2.691	123	2.814
Unallocated expenses			(731)
Profit (loss) from operations			2.083
Net financial income (expenses)			(81)
Profit (loss) before income tax			2.002
Income tax expenses			(352)
Net profit (loss) for the year			1.650

OTHER SEGMENT INFORMATION

Capital expenditure	2.225	2	2.227
---------------------	-------	---	--------------

2024 Q1	Lithuania	Latvia	Total
Revenue from contracts with customers:	22.596	2.228	24.824
Total revenue from contracts with customers			24.824
Cost of goods sold	(70.692)	(4.395)	(82.374)
General and administrative expenses	(49.932)	(2.258)	(59.477)
Segment results	1.836	91	1.927
Unallocated expenses			(470)
Profit (loss) from operations			1.457
Net financial income (expenses)			(272)
Profit (loss) before income tax			1.185
Income tax expenses			(221)
Net profit (loss) for the year			964

OTHER SEGMENT INFORMATION

Capital expenditure	1.113	48	1.161
---------------------	-------	----	--------------

1.7.

ACTIVITY AND SEGMENT INFORMATION (cont'd)

INFORMATION ON MAIN GROUP'S OPERATING SEGMENTS:

	Lithuania	Latvia	All other segments	Total
Revenue from contracts from external customers				
2025 Q1	25.209	1.649	-	26.858
2024 Q1	22.596	2.228	-	24.824

MAIN ACTIVITY INDICATORS FOR THE GROUP:

	2025 Q1	2024 Q1	Change
Area of residential apartment buildings under administration (million square meters)	10,2	11,0	(7,3%)
Area of public, commercial building and atypical properties under administration (million square meters)	5,0	5,1	(2,0%)
Number of employees	1.485	1.585	(6,3%)
Sales for the period	26.858	24.824	8,2%
Gross margin	28,9%	26,4%	2,5
EBITDA margin	9,7%	8,6%	1,1
EBIT margin	7,8%	5,9%	1,9
Net margin	6,1%	3,9%	2,2
Number of shares (thousand)	31.610	31.610	-
Return on equity	5,4%	3,9%	1,5
Return on assets	1,7%	1,2%	0,5
Financial Net Debt to equity*	69,1%	47,3%	21,8

* Interest bearing debt (net of cash balance) to Shareholders' equity.

2.

ACCOUNTING POLICIES

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

In the Interim Financial Statements same accounting policies and methods of computation are followed as compared with the most recent annual financial statements.

Interim Financial Statements are prepared in compliance with International Accounting Standard (IAS) 34 Interim financial reporting.

These Interim Financial Statements were authorized for issue on 30 May 2025 by responsible persons listed in the confirmation, which is attached to the Interim Financial Statements.

3.

GOODWILL

COST:

Balance as of 1 January 2024	10.475
Acquisitions of subsidiaries	330
Balance as of 31 December 2024	10.805
Other movement	37
Balance as of 31 March 2025	10.842

IMPAIRMENT:

Balance as of 1 January 2024	1.676
Balance as of 31 December 2024	1.676
Balance as of 31 March 2025	1.676

Net book value as of 31 December 2024	9.129
Net book value as of 31 March 2025	9.166

4.

SIGNIFICANT EVENTS

Investments and other changes during the three months of the year 2025

There were no investments or other changes during the three months of the year 2025.

5.

OTHER INTANGIBLE ASSETS

Movement of other intangible assets in 2025 Q1 and 2024 is presented below:

	Customer related intangibles	Computer software	Other	Total
COST:				
Balance as of 1 January 2024	19.397	5.075	1.836	26.308
Additions arising from acquisitions of subsidiaries	495	-	-	495
Additions	-	1.979	1	1.980
Disposals and retirements	-	(233)	(172)	(405)
Disposals of subsidiaries	-	(741)	-	(741)
Reclassifications	-	2.634	(2.634)	-
Balance as of 31 December 2024	19.892	8.714	(969)	27.637
Additions arising from acquisitions of subsidiaries	-	-	-	-
Additions	-	276	1.666	1.942
Balance as of 31 March 2025	19.892	8.990	697	29.579
ACCUMULATED AMORTIZATION AND IMPAIRMENT:				
Balance as of 1 January 2024	6.066	2.093	(807)	7.352
Charge for the period	649	337	-	986
Disposals and retirements	-	(233)	(172)	(405)
Disposals of subsidiaries	-	(453)	-	(453)
Balance as of 31 December 2024	6.716	1.744	(979)	7.480
Charge for the period	-	77	176	253
Balance as of 31 March 2025	6.716	1.821	(803)	7.733
Net book value as of 31 December 2024	13.176	6.970	10	18.956
Net book value as of 31 March 2025	13.176	7.169	1.500	21.845

6.

PROPERTY, PLANT AND EQUIPMENT

Movement of fixed assets in 2025 Q1 and 2024 is presented below:

	Buildings	Vehicles	Other property, plant and equipment	Total
COST:				
Balance as of 1 January 2024	95	1.082	2.155	3.332
Additions arising from acquisitions of subsidiaries	-	18	37	55
Additions	-	44	425	469
Disposals and retirements	(1)	(183)	(267)	(451)
Balance as of 31 December 2024	94	961	2.350	3.405
Additions arising from acquisitions of subsidiaries	-	-	-	-
Additions	-	-	355	355
Disposals and retirements	-	(16)	(672)	(688)
Balance as of 31 March 2025	94	881	2.033	3.008
ACCUMULATED DEPRECIATION:				
Balance as of 1 January 2024	95	946	1.478	2.519
Charge for the year	-	54	331	385
Disposals and retirements	(1)	(133)	(226)	(360)
Additions arising from acquisitions of subsidiaries	-	-	1	1
Balance as of 31 December 2024	94	867	1.584	2.545
Additions arising from acquisitions of subsidiaries	-	-	-	-
Charge for the year	-	-	136	136
Disposals and retirements	-	(16)	(637)	(653)
Balance as of 31 March 2025	94	851	1.083	2.028
Net book value as of 31 December 2024	-	94	766	860
Net book value as of 31 March 2025	-	30	950	980

8.

RIGHT OF USE ASSETS AND LEASE

Effect to the consolidated statement of financial position as at 31 March 2025 and 2024:

	Buildings	Vehicles	Total
ASSETS			
Cost			
Balance as of 1 January 2024	2.440	2.471	4.911
Additions	645	262	907
Decrease related to lease modifications	(9)	-	(9)
Balance as of 31 December 2024	3.076	2.733	5.809
Additions	-	33	33
Decrease related to lease modifications	-	(9)	(9)
Reclassification	-	64	64
Balance as of 31 March 2025	3.076	2.821	5.897
Accumulated depreciation			
Balance as of 1 January 2024	509	2.249	2.758
Charge for the year	656	144	800
Decrease related to lease termination	(1)	-	(1)
Balance as of 31 December 2024	1.164	2.393	3.557
Charge for the year	165	28	193
Decrease related to lease termination	-	(9)	(9)
Balance as of 31 March 2025	1.329	2.412	3.741
Right of use assets as of 31 December 2024	1.912	340	2.252
Right of use assets as of 31 March 2025	1.747	409	2.156

Set out below are IFRS 16 impact to profit (loss) statement:

	2025 Q1	2024 Q1
Depreciation expense of right-of-use assets	193	221
Interest expense on lease liabilities	22	17
Expense relating to leases of low-value assets (included in administrative expenses)	94	72
Other expenses related to right-of-use assets	-	-
Profit (loss) from operations	309	310

Group has no variable lease payments.

The Group had total cash outflows for leases of EUR 203 thousand as at 31 March 2025 (151 thousand as at 31 March 2024). The Group had EUR 33 thousand non-cash additions to right-of-use assets and lease liabilities as at 31 March 2025 (EUR 19 thousand as at 31 March 2024).

9.

TRADE RECEIVABLES

TRADE RECEIVABLES OF THE GROUP AS OF 31 MARCH 2025 AND 31 DECEMBER 2024 WERE AS FOLLOWS:

	Balance as of 31 March 2025	Balance as of 31 December 2024
Trade receivables, gross	32.631	31.400
Less: allowance for doubtful trade receivables	(6.359)	(6.047)
Trade receivables, net	26.272	25.353

Trade receivables and other receivables generally have 30 - 90 days payment terms.

Non-current receivables mainly comprise of long-term part of receivables for residential buildings' repair works performed.

10.

BORROWINGS

BORROWINGS OF THE GROUP AND THE COMPANY AS OF 31 MARCH 2025 AND 31 DECEMBER 2024 WERE AS FOLLOWS:

	Currency	Balance as of 31 March 2025	Balance as of 31 December 2024
<u>CURRENT LOANS</u>			
Bank loans	EUR	7.677	5.469
CURRENT LOANS BALANCE		7.677	5.469
<u>NON-CURRENT LOANS</u>			
Bank loans	EUR	20.943	21.320
Less: current portion of non-current loans		(1.957)	(1.967)
NON-CURRENT LOANS BALANCE		18.986	19.353

For the loans and overdraft the Company has pledged to the bank the shares of UAB Mano būstas. Under credit agreement SIA City Service and UAB Mano būstas have provided surety for City Service SE.

11.

COST OF SALES

	2025 Q1	2024 Q1
Services of subcontractors and materials used	12.218	11.595
Wages and salaries and social security	6.883	6.656
Cost of goods sold	6	5
Depreciation	-	3
Other	(3)	(0)
Total cost of sales	19.104	18.259

12.

GENERAL AND ADMINISTRATIVE EXPENSES

	2025 Q1	2024 Q1
Wages and salaries and social security	2.921	2.548
Depreciation and amortization	530	673
Computer software maintenance	300	162
Consulting and similar expenses	395	358
Advertising	110	77
Rent of premises and other assets	94	72
Insurance	119	77
Commissions for collection of payments	96	84
Transportation	69	90
Taxes other than income tax	94	40
Representational costs	54	65
Utilities	22	196
Business trips and training	34	60
Communication expenses	26	22
Bank payments	29	26
Charity and support	16	13
Administrative expenses	5	-
Other	882	678
Total general and administrative expenses	5.796	5.241

14.

INTEREST AND OTHER FINANCE INCOME AND (EXPENSES)

	2025 Q1	2024 Q1
Interest income	203	26
Other financial income	216	-
Total finance income	419	26
Interest (expenses)	(375)	(297)
Other financial (expenses)	(125)	-
Total finance expenses	(500)	(297)
Financial activity, net	(81)	(271)

15.

DIVIDENDS PER SHARE

	2025 Q1	2024 Q1
Number of shares (in thousand)	31.610	31.610
Approved dividends	-	-
Approved dividends per share	-	-

16.

RELATED PARTY TRANSACTIONS

The parties are considered related when one party has the possibility to control the other one or have significant influence over the other party in making financial and operating decisions. The related parties of the Group and the Company are considered the following:

- UAB Unit Invest – the ultimate parent of the Company;
- Subsidiaries and associates of UAB Unit Invest (same ultimate controlling shareholder);
- Associates of City Service SE subsidiaries (for the list of the associates, see also Note 1.4);
- A. Gudelis, V. Turonis (Company’s management board);

Transactions with related parties include sales and purchases of goods and services in the ordinary course of business and acquisitions and disposals of property, plant and equipment.

UAB Mano būstas and SIA City Service have provided surety for City Service SE to AB Swedbank under credit agreement. Companies are liable to the extent of all its assets to the Bank with respect to the same amount as the City Service SE. Shares of UAB Mano būstas are pledged to AB Swedbank well.

Payables and receivables between related parties are non-interest bearing. Receivables and payables payment terms between the related parties are up to 15-30 days, except for the dividends and loans, which are repaid in accordance to the legal and contractual requirements, respectively.

2025 Q1	Purchases	Sales	Receivables and prepayments	Loans granted	Payables and advances received
UAB Unit Invest	-	126	184	10.400	-
UAB Verslo finansavimo sprendimai	-	-	1.770	-	(1.770)
UAB Portal Pro	1	77	272	-	-
UAB Exergio	91	64	198	1.600	(198)
Associates and other related parties	310	429	473	-	5.423
Total	402	696	2.897	12.000	3.455

17.

SUBSEQUENT EVENTS

There were no material subsequent events after the reporting date and at the date of the release of the financial statements.



City Service SE
Narva mnt. 5, 10117,
Tallinn, the Republic of Estonia;
address in Lithuania:
Ozo str. 12A, LT – 08200 Vilnius,
Phone (+370 5) 2394900,
E-mail info@cityservice.eu
www.cityservice.eu