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**CONSOLIDATED INTERIM FINANCIAL  
STATEMENTS FOR THE NINE MONTHS PERIOD  
ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

**City Service SE**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER  
2024 (UNAUDITED)**

Beginning of the reporting period	1 January 2024
End of the reporting period	30 September 2024
Business name	City Service SE
Registration number	12827710
Legal address	Narva mnt. 5, 10117 Tallinn, the Republic of Estonia
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E-mail	<a href="mailto:info@cityservice.eu">info@cityservice.eu</a>
Website	<a href="http://www.cityservice.eu">http://www.cityservice.eu</a>
Auditor	Ernst & Young Baltic AS

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## 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

29 November 2024

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Notes	As of 30 September 2024	As of 31 December 2023
Assets			
<b>NON-CURRENT ASSETS</b>			
Goodwill	3	9 611	8 799
Other intangible assets	5	19 504	18 956
Property, plant and equipment	6	914	813
Right of use assets	8	1 873	2 153
Non-current receivables	9	5 181	5 533
Deferred income tax asset		2 252	2 090
<b>TOTAL NON-CURRENT ASSETS</b>		<b>39 335</b>	<b>38 344</b>
<b>CURRENT ASSETS</b>			
Inventories		893	672
Prepayments		1 768	1 736
Trade receivables	9	26 011	25 506
Receivables from related parties	16	2 914	2 196
Other receivables		2 917	4 039
Prepaid income tax		208	200
Accrued income and other current assets		1 084	1 154
Cash and cash equivalents		6 601	9 176
<b>TOTAL CURRENT ASSETS</b>		<b>42 396</b>	<b>44 679</b>
<b>Total assets</b>		<b>81 731</b>	<b>83 023</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)**

	Notes	As of 30 September 2024	As of 31 December 2023
Equity and liabilities			
<b>EQUITY</b>			
Share capital		9 483	9 483
Share premium		8 490	8 490
Reserves		420	-
Retained earnings (deficit)		9 944	5 874
		<u>28 337</u>	<u>23 847</u>
Non-controlling interests		203	176
<b>TOTAL EQUITY</b>		<b>28 540</b>	<b>24 023</b>
Liabilities			
<b>NON-CURRENT LIABILITIES</b>			
Non-current borrowings	10	9 567	10 279
Lease liabilities	8	1 478	1 542
Non-current provisions for employee benefits		115	119
Deferred income tax liabilities		1 701	1 729
Non-current payables		4 125	3 876
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>16 986</b>	<b>17 545</b>
<b>CURRENT LIABILITIES</b>			
Current portion of non-current borrowings	10	1 357	1 138
Current portion of lease liabilities	8	543	681
Current loans	10	7 801	9 000
Trade payables and payables to related parties	16	8 681	13 281
Current provisions for employee benefits		157	155
Advances received		6 429	6 893
Income tax payable		815	975
Other current liabilities		10 421	9 332
<b>TOTAL CURRENT LIABILITIES</b>		<b>36 204</b>	<b>41 455</b>
Total liabilities		53 190	59 000
<b>Total equity and liabilities</b>		<b>81 730</b>	<b>83 023</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
(for the period 1 January – 30 September)

	Notes	2024 Q3	2023 Q3
Revenue from contracts with customers	1.7	80 165	73 696
Cost of sales	11	(58 909)	(54 340)
<b>Gross profit (loss)</b>		<b>21 256</b>	<b>19 356</b>
General and administrative expenses	12	(14 521)	(14 446)
Credit loss expenses on financial assets		(178)	(150)
Other operating income	13	355	251
Other operating expenses	13	(103)	(224)
<b>Profit (loss) from operations</b>		<b>6 809</b>	<b>4 787</b>
Interest income	14	127	122
Other finance income	14	-	349
Interest expenses	14	(977)	(1 727)
Other finance expenses	14	(1)	131
Gain on sale of investments	14	341	5 333
Loss on sale of investments	14	-	(3 150)
<b>Profit (loss) before tax</b>		<b>6 299</b>	<b>5 845</b>
Income tax		(107)	(1 235)
<b>Profit (loss) from continued operations</b>		<b>6 192</b>	<b>4 610</b>
<b>Discontinued operations</b>			
Net profit (loss) from discontinued operations	7	-	(60)
<b>Net profit (loss)</b>		<b>6 192</b>	<b>4 550</b>
<b>Other comprehensive income</b>			
Exchange differences on translation of foreign operations		-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Attributable to:</b>			
The shareholders of the Company		6 165	4 516
Non-controlling interests		27	34
		<b>6 192</b>	<b>4 550</b>
<b>Total comprehensive income attributable to:</b>			
The shareholders of the Company		6 165	4 516
Non-controlling interests		27	34
		<b>6 192</b>	<b>4 550</b>
<b>Basic and diluted earnings per share (EUR)</b>		<b>0,20</b>	<b>0,14</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
(for the period 1 July – 30 September)

	2024 Q3	2023 Q3
Revenue from contracts with customers	27 864	25 357
Cost of sales	(20 462)	(19 076)
<b>Gross profit (loss)</b>	<b>7 402</b>	<b>6 281</b>
General and administrative expenses	(4 329)	(4 279)
Credit loss expenses on financial assets	64	(294)
Other operating income	116	94
Other operating expenses	(75)	(218)
<b>Profit (loss) from operations</b>	<b>3 178</b>	<b>1 584</b>
Interest income	(7)	(699)
Interest expenses	(425)	(1 727)
Other finance income	-	1 729
Other finance expenses	(1)	131
Gain on sale of investments	341	5 333
Loss on sale of investments	(341)	(3 150)
<b>Profit (loss) before tax</b>	<b>2 745</b>	<b>3 201</b>
Income tax	(483)	(406)
<b>Profit (loss) from continued operations</b>	<b>2 262</b>	<b>2 795</b>
<b>Discontinued operations</b>		
Net profit (loss) from discontinued operations	-	-
<b>Net profit (loss)</b>	<b>2 262</b>	<b>2 795</b>



**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
<b>Balance as of 1 January 2023</b>	<b>9 483</b>	<b>21 067</b>	-	<b>948</b>	<b>(13 525)</b>	<b>(92)</b>	<b>17 881</b>	<b>138</b>	<b>18 019</b>
Net profit (loss)	-	-	-	-	4 516	-	4 516	34	4 550
Other comprehensive Income	-	-	-	-	-	-	-	-	-
Total comprehensive Income	-	-	-	-	4 516	-	4 516	34	4 550
Disposal of subsidiaries	-	-	-	-	-	92	92	-	92
<b>Balance as of 30 September 2023</b>	<b>9 483</b>	<b>21 067</b>	-	<b>948</b>	<b>(11 794)</b>	-	<b>22 489</b>	<b>172</b>	<b>22 661</b>
<b>Balance as of 1 January 2024</b>	<b>9 483</b>	<b>8 490</b>	-	-	<b>5 874</b>	-	<b>23 847</b>	<b>176</b>	<b>24 023</b>
Net profit (loss)	-	-	-	-	6 166	-	6 166	27	6 193
Other comprehensive Income	-	-	-	-	-	-	-	-	-
Total comprehensive Income	-	-	-	-	6 166	-	6 166	27	6 193
Transfers	-	-	-	420	(420)	-	-	-	-
Dividends paid	-	-	-	-	(1 675)	-	(1 675)	-	(1 675)
<b>Balance as of 30 September 2024</b>	<b>9 483</b>	<b>8 490</b>	-	<b>420</b>	<b>9 945</b>	-	<b>28 338</b>	<b>203</b>	<b>28 541</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Notes	2024 Q3*	2023 Q3*
<b>Cash flows from (to) operating activities</b>			
Net profit (loss) from continued operations		6 193	4 610
Net profit (loss) from discontinued operations		-	(60)
<b>Adjustments for non-cash items:</b>			
Income tax expenses		107	1 265
Depreciation and amortization	5,6,8	1 118	3 138
Impairment and write-off of accounts receivable		(102)	2 306
Gain (loss) on disposal of property, plant and equipment	13	(134)	160
Gain (loss) from sale of investments		(341)	(2 183)
Interest income		(112)	(80)
Interest expenses		977	1 767
Impairment of goodwill		-	581
Other financial activity result, net		1	(422)
		<b>7 707</b>	<b>11 082</b>
<b>Changes in working capital:</b>			
(Increase) decrease in inventories		(332)	539
(Increase) decrease in receivables, contract assets and other current assets		1 644	(4 326)
(Increase) decrease in prepayments		(10)	92
Increase (decrease) in trade payables and payables to related parties		(4 542)	6 503
Income tax (paid)		(531)	(650)
Increase (decrease) in advances received, contract liabilities and other current liabilities		375	(8 589)
<b>Net cash flows from (to) operating activities</b>		<b>4 311</b>	<b>4 651</b>
<b>Cash flows from (to) investing activities</b>			
(Acquisition) of non-current assets (except investments)	5,6	(1 895)	(4 008)
Proceeds from sale of non-current assets		191	3 482
(Acquisition) of investments in subsidiaries (net of cash acquired in the Group)		(478)	52
Disposal of investments in subsidiaries		-	(695)
Interest received		112	144
Loans (granted)		(1 198)	-
Loans (repaid)		937	-
<b>Net cash flows from (to) investing activities</b>		<b>(2 331)</b>	<b>(1 025)</b>
<b>Cash flows from (to) financing activities</b>			
Proceeds from loans		148	1 272
(Repayment) of financial lease liabilities		(158)	(2 341)
Dividends paid		(1 677)	-
Loans (repaid)		(1 889)	-
Interest (paid)		(977)	(1 767)
<b>Net cash flows from (to) financing activities</b>		<b>(4 553)</b>	<b>(2 836)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(2 573)</b>	<b>790</b>
Foreign exchange difference		-	48
<b>Cash and cash equivalents at the beginning of the period*</b>		<b>9 176</b>	<b>3 666</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>6 601</b>	<b>4 504</b>

\* Group cash flows for 2023 Q3 comprise total consolidated Group, including discontinued operations.

**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 15.4 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 30 September 2024. 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 30 September 2024 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 30 September 2024 the total number of shareholders of the Company was 72.

**COMPANY'S SHARES DISTRIBUTION AMONG SHAREHOLDERS WHO HAVE MORE THAN 5% SHARES OF THE COMPANY AS OF 30 SEPTEMBER 2024 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 30 SEPTEMBER 2024 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 30 September 2024	Share of the stock held by the Group as of 31 December 2023	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%	-	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%	-	Administration of dwelling-houses
SIA Nebruk Jelgava	Latvia	100%	-	Administration of dwelling-houses
SIA Nia Nami	Latvia	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 30 September 2024, 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 30 SEPTEMBER 2024 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):**

2024 Q3	Lithuania	Latvia	All other segments	Total
Revenue from contracts with customers:	73 584	6 582	-	80 166
<b>Total revenue from contracts with customers</b>				<b>80 166</b>
Segment results	7 893	239	-	8 132
Unallocated expenses				(1 323)
<b>Profit (loss) from operations</b>				<b>6 809</b>
Net financial income (expenses)				(510)
Profit (loss) before income tax				6 299
Income tax expenses				(107)
<b>Net profit (loss) for the year</b>				<b>6 192</b>

**OTHER SEGMENT INFORMATION**

Capital expenditure	1 758	139	-	<b>1 897</b>
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2023 Q3	Lithuania	Latvia	All other segments	Total
Revenue from contracts with customers:	68 830	4 753	113	73 696
<b>Total revenue from contracts with customers</b>				<b>73 696</b>
Segment results	6 627	(24)	(312)	6 291
Unallocated expenses				(1 504)
<b>Profit (loss) from operations</b>				<b>4 787</b>
Net financial income (expenses)				1 058
Profit (loss) before income tax				5 845
Income tax expenses				(1 235)
<b>Net profit (loss) for the year</b>				<b>4 610</b>

**OTHER SEGMENT INFORMATION**

Capital expenditure	3 273	9	-	<b>3 282</b>
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**1.7.**
**ACTIVITY AND SEGMENT INFORMATION (cont'd)**
**INFORMATION ON MAIN GROUP'S OPERATING SEGMENTS:**

	Lithuania	Latvia	All other segments	Total
<b>Revenue from contracts from external customers</b>				
2024 Q3	73 584	6 582	-	<b>80 166</b>
2023 Q3	68 830	4 753	113	<b>73 696</b>

	Lithuania	Latvia	All other segments	Total
<b>Segment non-current assets</b>				
As of 30 September 2024	33 589	5 746	-	<b>39 335</b>
As of 31 December 2023	33 017	5 327	-	<b>38 344</b>

**MAIN ACTIVITY INDICATORS FOR THE GROUP\*:**

	2024 Q3	2023 Q3	Change
Area of residential apartment buildings under administration (million square meters)***	10,3	10,7	(3,7%)
Area of public, commercial building and atypical properties under administration (million square meters)	5,0	4,7	6,4%
Number of employees	1 528	1 569	(2,6%)
Sales for the period	80 165	86 299	(7,1%)
Gross margin	26,5%	31,4%	(4,9) p.p.
EBITDA margin	10,5%	5,1%	5,4 p.p.
EBIT margin	8,5%	1,0%	7,5 p.p.
Net margin	7,7%	(2,1)%	9,8 p.p.
Number of shares (thousand)	31 610	31 610	-
Return on equity	21,7%	(6,9)%	28,6 p.p.
Return on assets	7,6%	(1,9)%	9,5 p.p.
Financial Net Debt to equity**	42,5%	90,0%	(47,5) p.p.

\* Main activity indicators are presented including subsidiaries that were disposed in 2023 (further disclosed in Note 7 discontinued operations)

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

\*\*\* The decrease in areas was mainly due to the sale of business in Poland.

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 29 November 2024 by responsible persons listed in the confirmation, which is attached to the Interim Financial Statements.

3.

**GOODWILL**

**COST:**

Balance as of 1 January 2023	<b>10 475</b>
Balance as of 31 December 2023	<b>10 475</b>
Acquisitions of subsidiaries	811
Balance as of 30 September 2024	<b>11 286</b>

**IMPAIRMENT:**

Balance as of 1 January 2023	<b>1 676</b>
Balance as of 31 December 2023	<b>1 676</b>
Balance as of 30 September 2024	<b>1 676</b>

<b>Net book value as of 31 December 2023</b>	<b>8 799</b>
<b>Net book value as of 30 September 2024</b>	<b>9 610</b>

3.

**GOODWILL (cont'd)**

During reporting period the Company through its subsidiary acquired SIA Jauntukums, SIA Nebruk Jelgava and SIA Nia Nami.

Fair value of assets, liabilities and contingent liabilities of acquired subsidiaries	SIA Jauntukums	SIA Nebruk Jelgava	SIA Nia Nami
<b>At the date of acquisition</b>	<b>10 March</b>	<b>10 March</b>	<b>10 March</b>
Property, plant and equipment	5	4	28
Trade receivables	73	105	96
Other current assets	302	148	107
<b>Total assets</b>	<b>380</b>	<b>257</b>	<b>231</b>
Long term liabilities	25	-	-
Trade payables	155	51	27
Other current liabilities	156	157	158
<b>Total liabilities</b>	<b>336</b>	<b>208</b>	<b>185</b>
<b>Total identifiable net assets at fair value</b>	<b>44</b>	<b>49</b>	<b>46</b>
Goodwill	161	163	487
<b>Total purchase consideration</b>	<b>205</b>	<b>212</b>	<b>533</b>
Cash acquired	248	128	95
<b>Total purchase consideration, net of cash acquired</b>	<b>(43)</b>	<b>84</b>	<b>438</b>

## 4.

**SIGNIFICANT EVENTS****Investments and other changes during the nine months of the year 2024**

On 8 January 2024 a member of the Management Board Mr. Dalius Šimaitis has resigned from the management board. As from 8 January 2024, City Service SE Management Board shall consist of 2 (two) members: Artūras Gudelis and Vytautas Turonis.

On 12 February 2024 the title of UAB Energetinių projektų valdymas was changed into UAB Kapitalo sprendimai. Other contact details did not change.

On 10 March 2024 the Group, through its Latvian subsidiary from unrelated party acquired 100% of the shares of SIA Jauntukums (acquisition price EUR 205 thousand) which is based in Latvia. SIA Jauntukums is engaged in administration of dwelling-houses.

On 10 March 2024 the Group, through its Latvian subsidiary from unrelated party acquired 100% of the shares of SIA Nebruk Jelgava (acquisition price EUR 212 thousand) which is based in Latvia. SIA Nebruk Jelgava is engaged in administration of dwelling-houses.

On 10 March 2024 the Group, through its Latvian subsidiary from unrelated party acquired 100% of the shares of SIA Nia Nami (acquisition price EUR 533 thousand) which is based in Latvia. SIA Nia Nami is engaged in administration of dwelling-houses.

On 29 March 2024 due to the acquisition of three new companies in the Republic of Latvia, credit agreement between City Service SE and Swedbank, AB concluded on 30 November 2023, have been amended, increasing the credit taken under the credit agreement from EUR 9 000 000 (nine million euros) to EUR 9 440 000 (nine million four hundred forty thousand euros) with borrowing capacity increased (the purpose of which is an overdraft) from EUR 8 925 000 (eight million nine hundred twenty-five thousand euros) to EUR 9 585 000 (nine million five hundred eighty five thousand euros).

On 6 June 2024 the Group sold UAB Exergio, which was providing IT energy saving solutions for buildings. Value of the share sale – purchase agreement is EUR 2,5 thousand. The carrying value of the net asset of the subsidiary disposed at the date of issuing these financial statements amounted to EUR 341 thousand.

On 23 August 2024 the Group through its Lithuanian subsidiary established a new company Monto EU, UAB (share capital of company is EUR 2.5 thousand).

5.

**OTHER INTANGIBLE ASSETS**

Movement of other intangible assets in 2024 Q3 and 2023 is presented below:

	Customer related intangibles	Computer software	Other	Total
<b>COST:</b>				
Balance as of 1 January 2023	19 397	3 961	2 825	26 183
Additions	-	1 209	-	1 209
Disposals and retirements	-	(95)	(989)	(1 084)
<b>Balance as of 31 December 2023</b>	<b>19 397</b>	<b>5 075</b>	<b>1 836</b>	<b>26 308</b>
Additions arising from acquisitions of subsidiaries	-	-	9	9
Additions	-	1 567	-	1 567
Disposals and retirements	-	(233)	(3 668)	(3 901)
Disposals of subsidiaries	-	(741)	-	(741)
Reclassifications	-	2 634	1 845	4 479
<b>Balance as of 30 September 2024</b>	<b>19 397</b>	<b>8 302</b>	<b>22</b>	<b>27 721</b>
<b>ACCUMULATED AMORTIZATION AND IMPAIRMENT:</b>				
Balance as of 1 January 2023	5 424	1 564	248	7 205
Charge for the period	642	496	-	1 175
Disposals and retirements	-	-	(1 022)	(1 028)
<b>Balance as of 31 December 2023</b>	<b>6 066</b>	<b>2 060</b>	<b>(774)</b>	<b>7 352</b>
Charge for the period	477	254	7	738
Disposals of subsidiaries	-	(233)	(3 668)	(3 901)
Disposals and retirements	-	(452)	-	(452)
Reclassifications	-	27	4 452	4 479
<b>Balance as of 30 September 2024</b>	<b>6 544</b>	<b>1 656</b>	<b>17</b>	<b>8 216</b>
<b>Net book value as of 31 December 2023</b>	<b>13 331</b>	<b>3 015</b>	<b>2 610</b>	<b>18 956</b>
<b>Net book value as of 30 September 2024</b>	<b>12 853</b>	<b>6 646</b>	<b>5</b>	<b>19 504</b>

6.

**PROPERTY, PLANT AND EQUIPMENT**

Movement of fixed assets in 2024 Q3 and 2023 is presented below:

	Buildings	Vehicles	Other property, plant and equipment	Total
<b>COST:</b>				
Balance as of 1 January 2023	482	1 337	1 686	3 505
Additions arising from acquisitions of subsidiaries	-	-	4	4
Additions	-	-	541	541
Disposals and retirements	(387)	(383)	(75)	(845)
Disposals related to discontinued operations	-	-	(1)	(1)
Reclassifications	-	128	-	128
<b>Balance as of 31 December 2023</b>	<b>95</b>	<b>1 082</b>	<b>2 155</b>	<b>3 332</b>
Additions arising from acquisitions of subsidiaries	35	7	43	85
Additions	-	1	328	329
Disposals and retirements	(36)	(44)	(65)	(145)
Disposals of subsidiaries	-	-	(8)	(8)
<b>Balance as of 30 September 2024</b>	<b>94</b>	<b>1 046</b>	<b>2 453</b>	<b>3 593</b>
<b>ACCUMULATED DEPRECIATION:</b>				
Balance as of 1 January 2023	147	1 317	1 047	2 511
Charge for the year	6	3	369	378
Disposals and retirements	(58)	(374)	53	(379)
Additions arising from acquisitions of subsidiaries	-	-	3	3
Disposals related to discontinued operations	-	-	(1)	(1)
Reclassifications	-	-	7	7
<b>Balance as of 31 December 2023</b>	<b>95</b>	<b>946</b>	<b>1 478</b>	<b>2 519</b>
Additions arising from acquisitions of subsidiaries	11	1	37	49
Charge for the year	-	1	223	224
Disposals and retirements	(11)	(39)	(56)	(106)
Disposals of subsidiaries	-	-	(6)	(6)
Reclassifications	-	-	(2)	(2)
<b>Balance as of 30 September 2024</b>	<b>95</b>	<b>909</b>	<b>1 674</b>	<b>2 678</b>
<b>Net book value as of 31 December 2023</b>	<b>-</b>	<b>136</b>	<b>677</b>	<b>813</b>
<b>Net book value as of 30 September 2024</b>	<b>(1)</b>	<b>137</b>	<b>779</b>	<b>915</b>

7.

**DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE**

Group management evaluated IFRS 5 criteria for assets held for sale and on 30 September 2024 as well as 31 December 2023 there were no entities which met the criteria to be classified as held for sale and represented in Consolidated Statement of financial position.

On May 2023 the Company signed the share purchase-sale agreement for the sale of UAB Baltijos būsto priežiūra and Deleterma Sp. z o.o. and all of these entities subsidiaries operating in Poland.

After evaluation of IFRS 5 Discontinued operations criteria in 2023 Q3 entities related to business segment in Poland (Deleterma Sp. z o.o., PROGRESLINE Sp.z o.o., ZZN Inwestycje Sp.z o.o., Tumieszkamy Sp.z o.o., Wolska Aparthotel Sp.z o.o., Parama Group Sp.z o.o., Atrium 21 Sp.z o.o., Skydas - Przeglądy Budowlane Sp.z o.o., Parama Red Sp.z o.o., Parama White Sp.z o.o., Concierge - Zarządzanie Nieruchomościami Sp.z o.o., Parama Blue Sp.z o.o., Parama Yellow Sp.z o.o., UAB Baltijos būsto priežiūra, EnergiaOK sp. z o.o., Grupa Techniczna 24 Sp. z o.o, UAB Neries būstas, Zespół Zarządców Nieruchomości sp. z o.o., Famix sp. z.o.o., TED Sp. z o.o., Dom - Best Sp. z o.o., SANTER Zarządzanie Nieruchomościami, Certus - Serwis Sp. z o.o) were classified as discontinued operations and presented as such in Consolidated Statement of Comprehensive Income. As of the date of 2024 Q3 there were no entities that met the criteria of IFRS 5 Discontinued operations.

The result of discontinued operations is as following:

	2024 Q3	2023 Q3
Revenue from contracts with customers	-	5 740
Cost of sales	-	(4 258)
<b>Gross profit (loss)</b>	-	<b>1 482</b>
General and administrative expenses	-	(466)
Credit loss expenses on financial assets	-	54
Other operating income	-	103
Other operating expenses	-	(1 035)
<b>Gain (loss) from operations</b>	-	<b>138</b>
Interest income	-	6
Interest expenses	-	(3)
<b>Gain (loss) before tax</b>	-	<b>141</b>
Income tax	-	(28)
<b>Net profit (loss)</b>	-	<b>113</b>

All income tax expenses presented in the disclosure are attributable to discontinued operations. Gain (loss) on sale of discontinued operation is non-taxable item.

The net cash flows incurred from discontinued operations are as follows:

	2024 Q3	2023 Q3
Net cash flows (to) from operating activities	-	1 393
Net cash flows (to) from investing activities	-	(483)
Net cash flows (to) from financing activities	-	(4)
<b>Net increase (decrease) in cash flows</b>	-	<b>906</b>



8.

**RIGHT OF USE ASSETS AND LEASE**

Effect to the consolidated statement of financial position as at 30 September 2024 and 2023:

	Buildings	Vehicles	Total
<b>ASSETS</b>			
Cost			
<b>Balance as of 1 January 2023</b>	<b>4 900</b>	<b>2 481</b>	<b>7 381</b>
Additions	385	171	556
Decrease related to lease modifications	(96)	-	(96)
Reclassifications	-	(127)	(127)
Decrease related to lease termination	(2 749)	(54)	(2 803)
<b>Balance as of 31 December 2023</b>	<b>2 440</b>	<b>2 471</b>	<b>4 911</b>
Additions	282	94	376
Decrease related to lease modifications	(2)	(63)	(65)
<b>Balance as of 30 September 2024</b>	<b>2 720</b>	<b>2 502</b>	<b>5 222</b>
Accumulated depreciation			
<b>Balance as of 1 January 2023</b>	<b>1 540</b>	<b>1 939</b>	<b>3 479</b>
Charge for the year	732	363	1 095
Decrease related to lease modifications	(28)	-	(28)
Decrease related to lease termination	(1 735)	(53)	(1 788)
<b>Balance as of 31 December 2023</b>	<b>509</b>	<b>2 249</b>	<b>2 758</b>
Charge for the year	482	155	637
Decrease related to lease modifications	1	(47)	(46)
<b>Balance as of 30 September 2024</b>	<b>992</b>	<b>2 357</b>	<b>3 349</b>
<b>Right of use assets as of 31 December 2023</b>	<b>1 931</b>	<b>222</b>	<b>2 153</b>
<b>Right of use assets as of 30 September 2024</b>	<b>1 728</b>	<b>145</b>	<b>1 873</b>

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

	2024 Q3	2023 Q3
Depreciation expense of right-of-use assets	637	867
Interest expense on lease liabilities	48	860
Expense relating to leases of low-value assets (included in administrative expenses)	250	241
<b>Profit (loss) from operations</b>	<b>935</b>	<b>1 968</b>

Group has no variable lease payments.

The Group had total cash outflows for leases of EUR 206 thousand as at 30 September 2024 (3,201 thousand as at 30 September 2023). The Group had EUR 376 thousand non-cash additions to right-of-use assets and lease liabilities as at 30 September 2024 (EUR 556 thousand as at 30 September 2023).

9.

**TRADE RECEIVABLES**

**TRADE RECEIVABLES OF THE GROUP AS OF 30 SEPTEMBER 2024 AND 31 DECEMBER 2023 WERE AS FOLLOWS:**

	Balance as of 30 September 2024	Balance as of 31 December 2023
Trade receivables, gross	32 176	31 755
Less: allowance for doubtful trade receivables	(6 165)	(6 249)
<b>Trade receivables, net</b>	<b>26 011</b>	<b>25 506</b>

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 30 SEPTEMBER 2024 AND 31 DECEMBER 2023 WERE AS FOLLOWS:**

	Currency	Balance as of 30 September 2024	Balance as of 31 December 2023
<b><u>CURRENT LOANS</u></b>			
Bank loans	EUR	7 801	9 000
<b>CURRENT LOANS BALANCE</b>		<b>7 801</b>	<b>9 000</b>
<b><u>NON-CURRENT LOANS</u></b>			
Bank loans	EUR	10 885	11 417
Less: current portion of non-current loans		(1 318)	(1 138)
<b>NON-CURRENT LOANS BALANCE</b>		<b>9 567</b>	<b>10 279</b>

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**

	2024 Q3	2023 Q3
Services of subcontractors and materials used	38 828	28 974
Wages and salaries and social security	20 079	18 515
Cost of goods sold	21	9
Depreciation	2	641
Other	(21)	6 201
<b>Total cost of sales</b>	<b>58 909</b>	<b>54 340</b>

12.

**GENERAL AND ADMINISTRATIVE EXPENSES**

	2024 Q3	2023 Q3
Wages and salaries and social security	7 852	7 540
Depreciation and amortization	1 598	2 056
Consulting and similar expenses	716	1 269
Computer software maintenance	516	417
Taxes other than income tax	315	200
Advertising	255	357
Rent of premises and other assets	250	241
Commissions for collection of payments	241	234
Insurance	240	214
Transportation	237	278
Business trips and training	171	113
Representational costs	167	180
Utilities	145	39
Communication expenses	79	122
Bank payments	71	82
Charity and support	44	12
Other	1 624	1 092
<b>Total general and administrative expenses</b>	<b>14 521</b>	<b>14 446</b>

13.

**OTHER OPERATING INCOME (EXPENSES)**

	2024 Q3	2023 Q3
Gain on disposal of property, plant and equipment	162	23
Fines and penalties	88	157
Other income	106	70
<b>Total other operating income</b>	<b>355</b>	<b>251</b>

	2024 Q3	2023 Q3
Fines and penalties	1	(11)
Loss on disposal of property, plant and equipment	27	(241)
Other expenses	75	28
<b>Total other operating expenses</b>	<b>103</b>	<b>(224)</b>

14.

**INTEREST AND OTHER FINANCE INCOME AND (EXPENSES)**

	2024 Q3	2023 Q3
Interest income	112	122
Foreign currency exchange gain (loss)	-	221
Gain (loss) on sale of investments	341	5 333
Other financial income	15	128
<b>Total finance income</b>	<b>468</b>	<b>5 804</b>

Interest (expenses)	(978)	(1 728)
Loss on sale of investments	-	(3 150)
Foreign currency exchange gain (loss)	-	131
<b>Total finance expenses</b>	<b>(978)</b>	<b>(4 747)</b>
<b>Financial activity, net</b>	<b>(510)</b>	<b>(1 057)</b>

15.

**DIVIDENDS PER SHARE**

	2024 Q3	2023 Q3
Number of shares (in thousand)	31 610	31 610
Approved dividends	1 675	-
<b>Approved dividends per share</b>	<b>0,05</b>	<b>-</b>

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.

2024 Q3	Purchases	Sales	Receivables and prepayments	Loans granted	Payables and advances received
UAB Medžiagų tiekimo centras	496	56	14	-	156
UAB Verslo finansavimo sprendimai	-	-	1 083	-	2 179
UAB ICOR	417	168	101	-	115
UAB PortalPRO	-	320	255	-	-
UAB Exergio	60	74	67	1 188	15
Associates and other related parties	290	1 106	206	-	91
<b>Total</b>	<b>1 263</b>	<b>1 724</b>	<b>1 726</b>	<b>1 188</b>	<b>2 551</b>

17.

## SUBSEQUENT EVENTS

On 14 October 2024 credit agreement between City Service SE and Swedbank, AB concluded on 30 November 2023, has been amended, increasing the credit taken under the credit agreement from EUR 9 440 000 (nine million four hundred forty thousand euros) to EUR 19 182 500 (nineteen million one hundred eighty thousand five hundred euros).

On 11 November 2024 the Group changed Latvian subsidiary company name SIA Jauntukums to SIA Manas MĀJAS Tukums.



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