

**REPORT**

**beginning of financial year:** 01.07.2025  
**end of the financial year:** 31.12.2025  
**business name:** Invego Latvia OÜ  
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**Table of contents**

<b>Management report</b>	<b>3</b>
<b>The accounts</b>	<b>4</b>
<b>Statement of financial position</b>	<b>4</b>
<b>Income statement</b>	<b>5</b>
<b>Statement of cash flows</b>	<b>6</b>
<b>Statement of changes in equity</b>	<b>7</b>
<b>Notes</b>	<b>8</b>
<b>Note 1 Accounting policies</b>	<b>8</b>
<b>Note 2 Receivables and prepayments</b>	<b>9</b>
<b>Note 3 Investments in subsidiaries and associates</b>	<b>10</b>
<b>Note 4 Shares of subsidiaries</b>	<b>10</b>
<b>Note 5 Loan receivables</b>	<b>10</b>
<b>Note 6 Loan commitments</b>	<b>11</b>
<b>Note 7 Payables and prepayments</b>	<b>12</b>
<b>Note 8 Labor expense</b>	<b>12</b>
<b>Note 9 Related parties</b>	<b>12</b>

## Management report

Invego group is a new-generation real estate developer operating in three countries, specializing in the creation of large-scale residential areas and business quarters with an integrated concept that creates future urban space. With over 10 years of operational history, the Invego group includes over 60 companies in Estonia, Latvia, and Portugal, and has about 30 different development projects in progress. Invego has developed more than 150,000 m<sup>2</sup> and has an additional 500,000 m<sup>2</sup> of residential and commercial real estate in progress.

Among companies developing real estate in Tallinn and its surroundings, Invego ranks second in terms of new homes sold over the past five years, with 900 homes. Its largest developments to date include the completed Vana-Peetri, Tiskreoja, and Tabasalu Kodu, as well as the currently ongoing Verve, Luccaranna, Uus-Järveküla, and Keila Pargikodud residential areas. The company has also developed over 50,000 m<sup>2</sup> of commercial space.

In the capital of Latvia Invego is developing the residential districts Torņakalna Terasas and Vītoli Parks as well as, in partnership with developer Reterra, Parka Kvartāls, Skanstes Rezidences, and Miera Rezidences. Just outside Riga, Invego is developing Mārupes Sirds residential district and row house residential area Vide Ādaži. In southern Portugal, Invego is developing Silves Hills — a 154-villa project spread across 65 hectares, suitable for both year-round living and seasonal use.

### **Invego Latvia OÜ and Bond Issuance**

Invego Latvia OÜ was established on 18 March 2025 with the aim of streamlining the group's structure and increasing transparency. It is a holding-type company that holds interests in Invego's Latvian development projects through its subsidiary Invego Latvia SIA.

In the spring of 2025, Invego Latvia OÜ, a member of the Invego Group, successfully carried out a public bond offering that attracted strong interest from investors across all three Baltic countries. A total of 2,038 investors participated in the offering, which took place from May 12 to May 22, subscribing to bonds in the total amount of €15.8 million. This resulted in the base volume being oversubscribed by 3.95 times, with the average subscription amount per investor reaching €7,750. Due to the high demand, the offering volume was increased to 8,000 bonds, or €8 million. The first trading day of the bonds on Nasdaq Tallinn's alternative market, First North, was May 30, 2025. A total of 8,000 bonds were issued, each with a nominal value of €1,000 and an annual interest rate of 11%. Interest payments will be made quarterly—on February 28, May 29, August 29, and November 29—with the first payment date set for August 29, 2025. The bonds will mature on May 29, 2029, and are secured by shares of Invego Latvia SIA.

More detailed terms and additional information about the bonds are available on Invego's website: <https://invego.ee/investor/tutvustus/>.

## The accounts

### Statement of financial position

(In Euros)

	31.12.2025	30.06.2025	Note
Assets			
Current assets			
Cash and cash equivalents	450 225	2 275 663	
<b>Total current assets</b>	<b>450 225</b>	<b>2 275 663</b>	
Non-current assets			
Investments in subsidiaries and associates	5 000 000	1 328 610	3,4
Receivables and prepayments	5 237 667	6 932 367	2,9
<b>Total non-current assets</b>	<b>10 237 667</b>	<b>8 260 977</b>	
<b>Total assets</b>	<b>10 687 892</b>	<b>10 536 640</b>	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	93 083	75 778	7
<b>Total current liabilities</b>	<b>93 083</b>	<b>75 778</b>	
Non-current liabilities			
Loan liabilities	8 000 000	9 130 811	6,9
Payables and prepayments	0	52 460	7,9
<b>Total non-current liabilities</b>	<b>8 000 000</b>	<b>9 183 271</b>	
<b>Total liabilities</b>	<b>8 093 083</b>	<b>9 259 049</b>	
Equity			
Issued capital	15 000	10 000	
Share premium	2 514 773	1 321 110	
Retained earnings (loss)	-53 519	0	
Period profit (loss)	118 555	-53 519	
<b>Total equity</b>	<b>2 594 809</b>	<b>1 277 591</b>	
<b>Total liabilities and equity</b>	<b>10 687 892</b>	<b>10 536 640</b>	

**Income statement**

(In Euros)

	<b>01.07.2025 - 31.12.2025</b>	<b>18.03.2025 - 30.06.2025</b>	<b>Note</b>
Administrative expense	-1 282	0	
<b>Operating profit (loss)</b>	<b>-1 282</b>	<b>0</b>	
Gain (loss) from subsidiaries	207 706	0	4
Interest income	371 646	64 789	
Interest expenses	-455 392	-100 881	
Other financial income and expense	-4 123	-17 427	
<b>Profit (loss) before tax</b>	<b>-89 151</b>	<b>-53 519</b>	
<b>Period profit (loss)</b>	<b>-89 151</b>	<b>-53 519</b>	

## Statement of cash flows

(In Euros)

	01.07.2025 - 31.12.2025	18.03.2025 - 30.06.2025	Note
Cash flows from operating activities			
Operating profit (loss)	-1 282	0	
Changes in receivables and prepayments related to operating activities	17 305	0	2
<b>Total cash flows from operating activities</b>	<b>16 023</b>	<b>0</b>	
Cash flows from investing activities			
Loans given	-2 620 800	-5 288 126	5,9
Repayments of loans given	898 733	0	5,9
Interest received	324 729	590	9
<b>Total cash flows from investing activities</b>	<b>-1 397 338</b>	<b>-5 287 536</b>	
Cash flows from financing activities			
Loans received	0	8 225 000	6,9
Repayments of loans received	0	-618 510	6,9
Interest paid	-440 000	-28 364	9
Proceeds from issuing shares	0	2 500	
Other cash outflows from financing activities	-4 123	-17 427	
<b>Total cash flows from financing activities</b>	<b>-444 123</b>	<b>7 563 199</b>	
<b>Total cash flows</b>	<b>-1 825 438</b>	<b>2 275 663</b>	
Cash and cash equivalents at beginning of period	2 275 663	0	
<b>Change in cash and cash equivalents</b>	<b>-1 825 438</b>	<b>2 275 663</b>	
Cash and cash equivalents at end of period	450 225	2 275 663	

**Statement of changes in equity**

(In Euros)

				<b>Total</b>
	Issued capital	Share premium	Retained earnings (loss)	
Annual period profit (loss)	0	0	-53 519	-53 519
Issue of equity	10 000	1 321 110	0	1 331 110
<b>30.06.2025</b>	10 000	1 321 110	-53 519	1 277 591
Annual period profit (loss)	0	0	118 555	118 555
Issue of equity	5 000	1 193 663	0	1 198 663
<b>31.12.2025</b>	15 000	2 514 773	65 036	2 594 809

## Notes

### Note 1 Accounting policies

#### General information

The accounting policies of Invego Latvia OÜ have been prepared in accordance with the Estonian Financial Reporting Standard. The Estonian Financial Reporting Standard is based on internationally accepted accounting and financial reporting principles, and its fundamental requirements are established by the Accounting Act of Estonia, supplemented by guidelines issued by the Estonian Accounting Standards Board.

The financial year of the private limited company is from 1 January to 31 December.

The income statement has been prepared in accordance with Scheme No. 2 of the income statement format approved by the Estonian Accounting Standards Board. The annual financial statements have been prepared in euros, with amounts rounded to whole units.

The Company does not prepare consolidated financial statements, as the parent company prepares consolidated financial statements for the entire group.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and in bank accounts, demand deposits, and short-term bank deposits.

#### Shares in subsidiaries and associates

A subsidiary is an entity controlled by the parent company. Control is presumed if the parent directly or indirectly owns more than 50% of the voting rights or otherwise has the power to govern the financial and operating policies of the subsidiary.

An associate is an entity over which the parent has significant influence but does not control. Significant influence is generally presumed if the company holds between 20% and 50% of the voting rights in the associate.

Investments in subsidiaries and associates are recognized applying the cost model.

#### Receivables and prepayments

##### Receivables from Customers

Trade receivables are measured in the balance sheet at the amounts expected to be collected. Each customer's receivables are assessed individually, based on available information about their creditworthiness. Doubtful receivables are partially or fully written down, depending on the cause of uncollectibility, and expensed as other operating expenses. Bad debts are written off from the balance sheet.

##### Other Receivables

All other receivables (accrued income, loans granted, and other short- and long-term receivables), except for those acquired for resale, are measured at amortized cost.

For short-term receivables, the acquisition cost generally equals the nominal value (less any allowances), and they are presented at their expected collectible amount. Long-term receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method. Receivables acquired for resale purposes are measured at fair value.

#### Financial liabilities

All financial liabilities (trade payables, borrowings, accrued expenses, and other short- and long-term liabilities) are initially recognized at cost, which includes all transaction costs directly attributable to their acquisition. Subsequent measurement is based on amortized cost.

The amortized cost of short-term liabilities is usually equal to their nominal value, so they are presented at the amount payable. Long-term liabilities are measured using the effective interest rate method.

Financial liability is classified as short-term if it is due within 12 months from the balance sheet date or if the company does not have an unconditional right to defer settlement beyond 12 months. Loans that are due within 12 months but refinanced as long-term after the balance sheet date, but before the approval of the financial statements, are still classified as short-term.

### Revenue recognition

Revenue from the sale of goods is recognized when all significant risks and rewards of ownership have been transferred to the buyer, the amount of revenue and the associated costs can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the company.

Revenue from the provision of services is recognized based on the stage of completion, meaning revenue and associated profit are recognized proportionally in the same periods as the related costs are incurred.

### Taxation

According to the Estonian Income Tax Act, corporate profits are not taxed in Estonia. Income tax is payable on dividends, fringe benefits, gifts, donations, representation expenses, non-business expenses, and transfer pricing adjustments.

The tax rate on distributed profits is 22%, i.e., 22/78 of the net amount distributed.

A precondition for exemption from income tax on dividends received and re-distributed is that the company held at least a 10% participation in the distributing entity at the time the dividends were received.

The previous reduced tax rate of 14%, i.e., 14/86 of the net amount, which applied to regularly paid dividends, is no longer applicable as of 1 January 2025. A transitional provision may be applied when redistributing dividends received before that date and taxed at the lower rate.

### Related parties

Parties are considered related when one party has control or significant influence over the other party's business decisions. For the purposes of the private limited company's financial report, related parties include: the management board and supervisory board members, and private individuals who hold significant ownership, unless such persons do not have the ability to influence the company's business decisions.

In addition, close family members of these individuals and the entities related to them are also considered related parties.

## Note 2 Receivables and prepayments

(In Euros)

	31.12.2025	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Loan receivables	5 235 922	0	5 235 922	9
Other receivables	1 745	0	1 745	9
Interest receivables	1 745	0	1 745	9
<b>Total receivables and prepayments</b>	<b>5 237 667</b>	<b>0</b>	<b>5 237 667</b>	
	30.06.2025	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Loan receivables	6 812 447	0	6 812 447	9
Other receivables	119 920	0	119 920	9
Interest receivables	119 920	0	119 920	9
<b>Total receivables and prepayments</b>	<b>6 932 367</b>	<b>0</b>	<b>6 932 367</b>	

## Note 3 Investments in subsidiaries and associates

(In Euros)

	31.12.2025	30.06.2025
Shares of subsidiaries	5 000 000	1 328 610
<b>Total investments in subsidiaries and associates</b>	<b>5 000 000</b>	<b>1 328 610</b>

## Note 4 Shares of subsidiaries

(In Euros)

Shares of subsidiaries, general information					
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	Ownership interest (%)	
				30.06.2025	31.12.2025
40203479575	Invego Latvia SIA	Latvia	Holding company activities	100	100

Shares of subsidiaries, detailed information:			
Name of subsidiary	30.06.2025	Acquisition	31.12.2025
Invego Latvia SIA	1 328 610	3 671 390	5 000 000
<b>Total shares of subsidiaries at end of previous period</b>	<b>1 328 610</b>	<b>3 671 390</b>	<b>5 000 000</b>

Invego Latvia OÜ recognised a gain related to a subsidiary amounting to EUR 207,706 in connection with a non-cash contribution carried out during the financial year. In the annual financial statements, the transaction is recognised in accordance with its economic substance over the full financial year.

## Note 5 Loan receivables

(In Euros)

	31.12.2025	Allocation by remaining maturity		Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years				
Loan receivables	5 235 922	0	5 235 922	12%	EUR	2027	9
<b>Loan receivables</b>	<b>5 235 922</b>	<b>0</b>	<b>5 235 922</b>				
	30.06.2025	Allocation by remaining maturity		Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years				
Loan receivables	6 812 447	0	6 812 447	12%	EUR	2027	9
<b>Loan receivables</b>	<b>6 812 447</b>	<b>0</b>	<b>6 812 447</b>				

## Note 6 Loan commitments

(In Euros)

	31.12.2025	Allocation by remaining maturity			Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years	Over 5 years				
Non-current loans								
Long-term loans	0	0	0	0	10%	EUR	2027	9
<b>Non-current loans total</b>	0	0	0	0				
Non-current bonds								
Long-term bonds	8 000 000	0	8 000 000	0	11%	EUR	2029	
<b>Non-current bonds total</b>	8 000 000	0	8 000 000	0				
<b>Loan commitments total</b>	8 000 000	0	8 000 000	0				
	30.06.2025	Allocation by remaining maturity			Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years	Over 5 years				
Non-current loans								
Long-term loans	1 130 811	0	1 130 811	0	10%	EUR	2027	9
<b>Non-current loans total</b>	1 130 811	0	1 130 811	0				
Non-current bonds								
Long-term bonds	8 000 000	0	8 000 000	0	11%	EUR	2029	
<b>Non-current bonds total</b>	8 000 000	0	8 000 000	0				
<b>Loan commitments total</b>	9 130 811	0	9 130 811	0				

## Note 7 Payables and prepayments

(In Euros)

	31.12.2025	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Trade payables	1 920	1 920	0	
Tax payables	15 385	15 385	0	
Other payables	75 778	75 778	0	9
Interest payables	75 778	75 778	0	9
<b>Total payables and prepayments</b>	<b>93 083</b>	<b>93 083</b>	<b>0</b>	

  

	30.06.2025	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Other payables	128 238	75 778	52 460	9
Interest payables	128 238	75 778	52 460	9
<b>Total payables and prepayments</b>	<b>128 238</b>	<b>75 778</b>	<b>52 460</b>	

## Note 8 Labor expense

(In Euros)

The accounting entity has no employees.

## Note 9 Related parties

(In Euros)

Name of accounting entity's parent company	Invego Group OÜ
Country where accounting entity's parent company is registered	Estonia

### Related party balances according to groups

LONG TERM	31.12.2025	30.06.2025	Note
Receivables and prepayments			
Subsidiaries	612 595	3 563 545	2,5
Other entities belonging into same consolidation group	4 625 072	3 368 822	2,5
<b>Total receivables and prepayments</b>	<b>5 237 667</b>	<b>6 932 367</b>	
Loan commitments			
Parent company	0	1 130 811	6
	<b>0</b>	<b>1 130 811</b>	
Payables and prepayments			
Parent company	0	52 460	7
<b>Total payables and prepayments</b>	<b>0</b>	<b>52 460</b>	

<b>GIVEN LOANS</b>	<b>18.03.2025</b>	<b>Given loans</b>	<b>Given loans repayments</b>	<b>30.06.2025</b>	<b>Interest accrued for period</b>	<b>Note</b>
Subsidiaries	0	3 459 321	0	3 459 321	48 503	2,5
Other entities belonging into same consolidation group	0	3 353 126	0	3 453 126	15 696	2,5
<b>Total given loans</b>	<b>0</b>	<b>6 812 447</b>	<b>0</b>	<b>6 912 447</b>	<b>64 199</b>	

  

<b>GIVEN LOANS</b>	<b>30.06.2025</b>	<b>Given loans</b>	<b>Given loans repayments</b>	<b>31.12.2025</b>	<b>Interest accrued for period</b>	<b>Note</b>
Subsidiaries	3 459 321	767 800	3 614 730	612 391	89 934	2,5
Other entities belonging into same consolidation group	3 453 126	1 853 000	582 595	4 623 531	274 250	2,5
<b>Total given loans</b>	<b>6 912 447</b>	<b>2 620 800</b>	<b>4 197 325</b>	<b>5 235 922</b>	<b>364 184</b>	

  

<b>LOAN COMMITMENTS</b>	<b>18.03.2025</b>	<b>Loans received</b>	<b>Loans received repayments</b>	<b>30.06.2025</b>	<b>Interest accrued for period</b>	<b>Note</b>
Parent company	0	1 130 811	0	1 130 811	19 433	6,7
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	0	681 510	681 510	0	5 670	6,7
<b>Total loan commitments</b>	<b>0</b>	<b>1 812 321</b>	<b>681 510</b>	<b>1 130 811</b>	<b>25 103</b>	

  

<b>LOAN COMMITMENTS</b>	<b>30.06.2025</b>	<b>Loans received</b>	<b>Loans received repayments</b>	<b>31.12.2025</b>	<b>Interest accrued for period</b>	<b>Note</b>
Parent company	1 130 811	0	1 130 811	0	15 392	6,7
<b>Total loan commitments</b>	<b>1 130 811</b>	<b>0</b>	<b>1 130 811</b>	<b>0</b>	<b>15 392</b>	