

Iute Group Reports Unaudited Results for 6M/2025

Riding on Data for Sustained Growth in a Competitive Environment

Strategic Highlights

- Predictive modelling and other data-intense solutions enable personalized loan offering at lower effective annual interest rates and offset the rising interest costs.
- Number of active customers down 0,8% to 260 thousand (31 Dec. 2024: 262 thousand) with revenue per customer (LTM) up 4,8% to 452 EUR (12M/2024: 432 EUR).
- Energbank's increase in revenue and improvement of opex-to-revenue ratio started in Q2 2025 as emerging results of turnaround.
- Wallet services and digital insurance intermediation growth outpaces the growth of lending business – further acceleration expected.
- Partial refinancing of around 78 million EUR of Iute Group's EUR 2021/2026 Bonds 125 million EUR outstanding completed ahead of schedule with successful issue of new Senior Secured EUR 2025/2030 Bonds with a total volume of EUR 140 million.

Operational Highlights

- Loan payouts increased by 3,0% to 190,2 million EUR (6M/2024: 184,6 million EUR) – the overall focus remained on improved risk management and improved selection of loan customers.
- Number of loans signed with 184 thousand up 10,1% (6M/2024: 167 thousand).
- Group cost of risk, expressed as net impairment charges to average gross loan portfolio, decreased to 8,8% (12M 2024: 9,1%), underlying trajectory to improvement of customer quality.
- Gross loan portfolio at 338,8 million EUR (31 Dec. 2024: 317,6 million EUR), of which principal amount of 315,9 million EUR (31 Dec. 2024: 296,3 million EUR).
- Non-bank repayment discipline (Customer Performance Index, CPI30) at 87,9% (6M/2024: 86,4%), reflecting improved risk management through implementation of credit risk models, risk-based loan amount and loan duration management.

Financial Highlights

- Interest and commission fee income up 9,2% to 49,3 million EUR (6M/2024: 45,2 million EUR).
- Net interest and commission fee income up 5,0% to 32,9 million EUR (6M/2024: 31,3 million EUR).
- Net interest margin (NIM) down to 22,9% (31 Dec. 2024: 25,4%) as a result of decreasing APRs – risk-adjusted net interest margin (NIM) at 14,0% (31 Dec. 2024: 15,3%).
- Total revenue up 10,9% to 59,5 million EUR (6M/2024: 53,6 million EUR).
- Adjusted cost-to-revenue ratio 37,7% (6M/2024: 43,8%).
- EBITDA adjusted for FX and one-off gains (refund of solidarity tax in North Macedonia) up 17,9% to 24,2 million EUR (6M/2024: 20,5 million EUR adjusted for FX).
- Net profit at 6,7 million EUR compared to 4,1 million EUR.

Significant events after the end of the reporting period

- Fitch confirmed B- (Stable Outlook) Long-Term Issuer Default Rating (IDR) and B- Senior Secured Debt Ratings for Corporate Bonds 2021/2026 and 2025/2030 in July 2025.
- Significant expansion of insurance offering with the start of partnerships with Allianz and GrECo in Albania.
- Expansion of digital payment services in Southeast Europe with EMI license in North Macedonia.

Statement of the Management

lute Group continued to pursue its long-term vision of becoming a fully digital bank with the most widely used super app in each of our operating markets. This transformation requires a seamless integration of advanced technological development and new skills, while maintaining current operational excellence. In H1 2025, we faced the ongoing challenge of delivering on this ambition in a balanced and aligned manner. Our daily struggles should not overshadow our long-term vision, and our long-term vision must have traction with our ‘this morning, today.’

Strategic Progress and Financial Performance

In the bigger picture, however, we made meaningful progress despite macroeconomic volatility and intensifying competition. lute Group is on track to meet its full-year revenue and net profit targets. And even more importantly, we have realized significant qualitative advancements that are already unlocking an even better customer experience and generating additional demand. Although the growing active customer base was muted in early 2025, positive signs of an upswing emerged in June.

Against this strategic backdrop, lute Group’s performance in H1 2025 reflects disciplined execution, growing operational leverage, and clear progress in its transformation agenda. We remain confident that the capital entrusted to us by investors is being put to productive use, for the benefit of both our investors and our customers.

In the following sections, I will summarize the key financial results and strategic developments.

Revenue Growth and Cost Discipline

Total revenue increased by 10.9 % year-on-year to 59 million EUR in H1 2025 (H1 2024: 53 million EUR). This growth was achieved despite a two-percentage-points decline in APR to 35.3%, reflecting more competitive pricing and improved customer segmentation.

Operating expenses remained stable at 23.6 million EUR year-over-year. Additionally, lute Group reduced its headcount from 941 to 899, in line with our focus on efficiency and scalability. This stability in cost, paired with top-line growth, demonstrates the inherent scalability of our model.

Strong Profitability and Stable Capital Structure

Net profit increased by more than 50% in H1 2025, even after adjusting for the positive effects of foreign exchange gains. This puts lute Group firmly on track to reach its full-year net profit target of 13 million EUR.

It is clear that our business model follows a clear economic logic: We invest capital, technology, and expertise to create services that deliver tangible value to our customers. That value translates into willingness to pay – and therefore into revenue.

Our profitability is characterized by the fact that our costs for providing this added value are structurally lower than the price the customer is willing to pay. Many of our customers love our products and services and are therefore happy to pay more for them.

Through disciplined execution, automation, and data-driven decision-making, we enhance this margin, creating operational leverage and attractive returns on invested capital.

Although the APR trend remains downward, profitability is supported by productivity gains through digitalization. As a result, the opex-to-revenue ratio remained below 40%. Our data-driven functions perform consistently, unaffected by external volatility, sentiment, or seasonality.

Importantly, lute Group’s long-term capital structure is secured until 2030, providing financial stability and headroom for continued growth.

Digitalization and Automation as Strategic Enablers

By the end of H1 2025, lute Group had implemented more than four predictive models that support credit risk management, customer personalization, and operational decision-making.

More than 100,000 customer interactions per month are now automatically scored using AI-driven models. In the non-bank business, fully automated loans accounted for 30.5% of all new payouts and increasing. By end of the year, we should see every second loan being issued fully automated and yet personalized.

Insurance Intermediation Gains Momentum

In H1 2025, lute Group significantly expanded its insurance offering with the start of partnerships with Allianz and GrECo. Revenues from insurance intermediation nearly doubled year-over-year, contributing to the diversification of revenue streams and increasing the relevance of the Mylute app for customers. It also proves the attractiveness of Mylute digital ecosystem for solid external partners and adds momentum to our growth flywheel.

Energbank Pilots Core Lending Platform as Part of Transition to lutebank

Energbank has entered the testing phase for the Group's proprietary lending software with digitally engaged customers, marking a key milestone in its transformation into lutebank.

Improved Credit Quality and Loan Performance

The quality of the loan portfolio and the cash flow of performing loans improved in H1 2025. The CPI30 rose to 87.9% (H1 2024: 86.4%). Typically, each percentage point improvement in CPI30 equates to approximately 1 million EUR in incremental cash flow per 100 million EUR of loan portfolio. This improvement is also reflected in the provisions increase of just 8% to 20.5 million EUR, while the net loan portfolio grew by 20% year-on-year.

Successful Early Refinancing of Eurobond

Well ahead of the maturity of the outstanding 125 million EUR 2021/2026 Eurobond, lute Group proactively completed its refinancing in H1 2025. The new 140 million EUR 2025/2030 Eurobond was successfully placed under turbulent capital market conditions. This early refinancing strengthens lute Group's long-term financial stability and secures its capital base through 2030. We are grateful for the continued trust of our investors and remain focused on delivering attractive returns on this solid foundation.

Outlook and Priorities

Operational and financial metrics are developing positively overall. The number of active customers, which is currently at 260,000, remains below target. We are committed to strengthening our value proposition, driving customer engagement, and growth of active customers in the coming quarters.

Tarmo Sild
CEO of lute Group

Consolidated key financial figures

	30 June 2025	31 Dec. 2024	Δ in %
Capitalization			
Gross loan portfolio (in thousand EUR)	338.770	317.599	6,7%
<i>Iute Non-Bank</i>	235.454	223.324	5,4%
<i>Energbank</i>	103.316	94.275	9,6%
Net loan portfolio (in thousand EUR)	318.271	297.638	6,9%
<i>Iute Non-Bank</i>	218.869	206.870	5,8%
<i>Energbank</i>	99.403	90.761	9,5%
Assets (in thousand EUR)	462.023	415.701	11,1%
Equity (in thousand EUR)	76.915	74.466	3,3%
Equity to assets ratio	16,6%	17,9%	-1,3%
Capitalization ratio	24,2%	25,0%	-0,9%
	6M/2025	6M/2024	Δ in %
Profitability			
Interest income	49.340	45.196	9,2%
<i>Iute Non-Bank</i>	41.639	37.587	10,8%
<i>Energbank</i>	7.701	7.608	1,2%
Net interest margin	22,9%	25,9%	-3,1%
<i>Iute Non-Bank</i>	27,1%	28,2%	-1,2%
<i>Energbank</i>	13,9%	20,4%	-6,4%
Adjusted cost to income ratio	37,7%	43,8%	-4,1%
<i>Iute Non-Bank</i>	33,6%	39,4%	-4,4%
<i>Energbank</i>	63,8%	68,5%	0,5%
Post-allowances operating profit margin	9,4%	10,6%	-1,2%
<i>Iute Non-Bank</i>	10,0%	10,6%	-0,6%
<i>Energbank</i>	6,6%	9,0%	-2,5%
Adjusted EBITDA	24.200	20.520	17,9%
<i>Iute Non-Bank</i>	21.351	17.566	21,5%
<i>Energbank</i>	2.848	2.954	-3,6%
Interest coverage ratio	1,6	1,5	6,0%
Profit margin before tax	15,0%	10,9%	4,13%
Net profit	6.664	4.068	63,8%
Return on assets	2,7%	2,0%	0,7%
Return on equity	15,4%	10,9%	4,5%
	30 June 2025	31 Dec. 2024	Δ in %
Asset quality			
Cost of risk	8,8%	9,1%	-0,4%
<i>Iute Non-Bank</i>	12,3%	12,6%	-0,4%
<i>Energbank</i>	0,6%	0,2%	0,4%
Impairment coverage ratio	71,5%	69,7%	1,9%
<i>Iute Non-Bank</i>	65,0%	64,2%	0,8%
<i>Energbank</i>	124,4%	115,7%	8,7%
Gross NPL ratio	8,5%	9,0%	-0,6%
<i>Iute Non-Bank</i>	10,8%	11,5%	-0,6%
<i>Energbank</i>	3,0%	3,2%	-0,2%
Net NPL ratio	4,2%	4,6%	-0,4%
<i>Iute Non-Bank</i>	5,9%	6,4%	-0,5%
<i>Energbank</i>	0,3%	0,5%	-0,2%

MANAGEMENT REPORT

Group Corporate and Organizational Overview

Iute Group AS (formerly IuteCredit Europe) is a holding company which issues consumer and corporate credits and offers personal finance services via its owned operating subsidiaries in local markets (**Subsidiaries**). As of 30 June 2025, Iute Group had ten operating subsidiaries: ICS OMF Iute Credit SRL (**ICM**) and BC Energbank S.A. (**EB**) in Moldova, IuteCredit Albania SHA (**ICA**) and IutePay Sh.p.k. (**IPA**) (formerly VeloxPay Sh.P.K ,Velox) in Albania, IuteCredit Macedonia DOOEL-Skopje (**ICMK**) and Iute Safe AD Skopje (**ISMK**) in North Macedonia, IutePay Bulgaria EOOD (**IutePay Bulgaria**) and IuteCredit Bulgaria EOOD (**ICBG**) in Bulgaria, IuteCredit BH d.o.o. Sarajevo (**ICBH**) in Bosnia and Herzegovina, IuteCredit Finance S.á r.l. (**ICF**) in Luxembourg, IuteCredit Romania IFN SA (**ICRO**). IutePay Bulgaria EOOD, MKD IuteCredit BH d.o.o. Sarajevo and IuteCredit Romania IFNSA were inactive in 6M/2025. Iute Group AS and its subsidiaries form the **Iute Group** or **Iute** on a consolidated level.

Operationally active companies of the lending business are collectively shown as **Iute Non-Bank (INB)**, while the banking business of the Iute Group consists of **Energbank (EB)**. All subsidiaries are 100% owned by Iute Group AS, except Energbank where Iute Group AS holds a 95% stake. Iute Group AS plans to acquire the largest possible stake in the bank by purchasing shares at market conditions. Once the new members of the Bank's governing bodies seconded by Iute Group AS are elected and approved by the National Bank of Moldova, Iute Group AS will be able to exercise full operational control over the Bank.

The Group's Headquarters (**HQ**) is located in Tallinn, Estonia. HQ's responsibilities include:

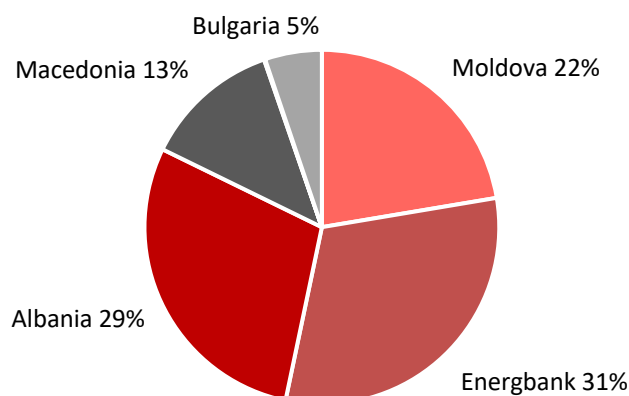
- Strategic targeting
- Scalability of business
- Business capabilities design, including organizations design, process design, and technology design
- Technology development and integration
- Composition of management teams at subsidiaries
- Human resource and customer experience framework rules and targeting guidance
- Financial management framework rules and targeting guidance
- Marketing and sales framework rules and targeting guidance
- Enterprise risk management, including loan risk parameters and general compliance framework
- Data harvesting
- The Group's financing and investor relations

Each subsidiary is autonomously managed by the respective country's local management within the boundaries and targets set by the HQ and by the country's regulatory framework.

Business Model

The Group's core loan products are unsecured installment loans and buy-now-pay-later loans with maturities between 3 months and 48 months and pledge-secured loans with maturities of up to 72 months. The median loan amount is 500 EUR, while loan amounts range from 50 EUR to 10 thousand EUR. The weighted average annual percentage rate (APR) is 35% and the effective interest rate (EIR) is 47% depending on the loan amount, maturity, and customer status (new or recurring customer with good payment history).

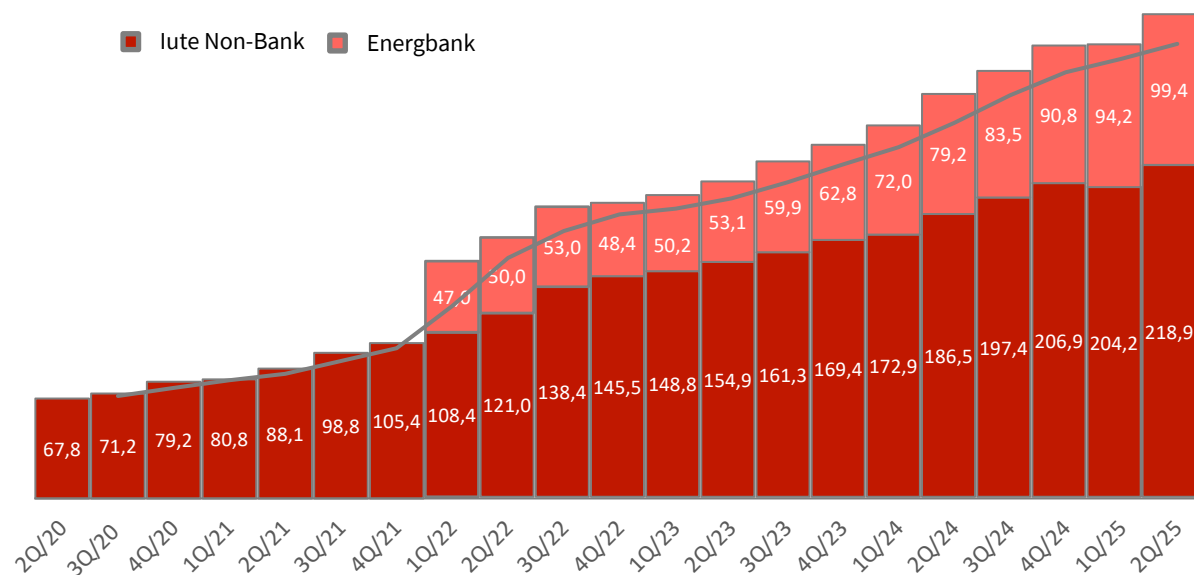
Breakdown of portfolio diversification as of 30/06/2025



lute Group aims to serve only clients with a permanent workplace and stable income. The loan underwriting process is based on personal identification, personal income assessment, and personal loan performance data. Approximately 54% of loan applications by individual customers across the Group are approved on average.

Loans are handled via established partners network (such as shops, money transfer companies, and postal agencies), web portals, and other online channels, as well as lute branches (retail offices). By the end of June 2025, lute Group had 35 lute branches and 4.517 active points of sale, and 20 Energbank branches. Traditionally, lute Non-Bank handles money only via bank accounts or over the counter through its agents. With the introduction of lute ATMs, the operating country subsidiaries are increasingly carrying out cash transactions.

Breakdown of net portfolio development in EUR (million)



Consolidated earnings, financial and asset position

Consolidated statement of profit and loss (condensed)

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Interest and similar income	49.340	45.196	9,2%
Interest and similar expense	-16.483	-13.909	18,5%
Net interest and commission fee income	32.856	31.286	5,0%
Loan administration fees and penalties	3.620	3.600	0,5%
Total loan administration fees and penalties	3.620	3.600	0,5%
Other income	6.498	4.808	35,1%
Allowances for loan impairment	-13.624	-12.432	9,6%
Net operating income	29.350	27.263	7,7%
Personnel expenses	-11.969	-11.638	2,8%
Depreciation/amortization charge	-2.693	-2.345	14,8%
Other operating expenses	-8.954	-9.514	-5,9%
Total operating expenses	-23.615	-23.498	0,5%
Foreign exchange gains/losses	1.686	1.167	44,5%
Net financial result	1.686	1.167	44,5%
Profit before tax	7.420	4.932	50,5%
Income tax expense	-756	-864	-12,4%
Net profit for the period	6.664	4.068	63,8%

Total income

Total income before expenses increased by 10,9% to 59.457 thousand EUR (6M/2024: 53.604 thousand EUR), driven by higher interest and similar income as well as higher wallet and insurance brokerage revenues.

Breakdown of consolidated total income

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Interest and similar income	49.340	45.196	9,2%
<i>Iute Non-Bank</i>	41.595	37.588	10,7%
<i>Energbank</i>	7.744	7.608	1,8%
Penalties and similar income	3.675	3.600	0,5%
<i>Iute Non-Bank</i>	3.620	3.554	1,9%
<i>Energbank</i>	55	46	19,6%
Other income	6.443	4.808	35,1%
<i>Iute Non-Bank</i>	5.996	4.294	39,7%
<i>Energbank</i>	446	515	-2,6%
Total income	59.457	53.604	10,9%

Other income

Other income in 6M/2025 of 6.498 thousand EUR included, primarily, extraordinary income from debt collectors of 2.125 thousand EUR (6M/2024: 1.989 thousand EUR), income of 1.324 thousand EUR (6M/2024: 461 thousand EUR) from sales of defaulted loan portfolio, and income from other operations not related to core business activity of 740 thousand EUR (6M/2024: 236 thousand EUR). Defaulted loan portfolio sale depends on the offered price and Iute Group's own expectations of the collection. In case the collection results promise better cash flow than portfolio sales, the defaulted loans are not sold. Particularly noteworthy is the 67% increase in revenues from insurance brokerage to 2.309 thousand EUR (6M/2024: 1.384 thousand EUR).

Interest income

Interest income increased by 9,2% to 49.340 thousand EUR (6M/2024: 45.196 thousand EUR).

Breakdown of interest income

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Total value of loan principal issued	190.222	184.632	3,0%
<i>Iute Non-Bank</i>	154.515	144.691	6,8%
<i>Energbank</i>	35.707	39.941	-10,6%
Average net loan portfolio	310.006	248.942	24,5%
<i>Iute Non-Bank</i>	212.869	177.966	19,6%
<i>Energbank</i>	97.137	70.976	36,9%
Principal	315.968	264.905	19,3%
<i>Iute Non-Bank</i>	213.505	182.993	16,7%
<i>Energbank</i>	102.463	81.912	25,1%
Accrued interest	22.802	19.831	15,0%
<i>Iute Non-Bank</i>	21.949	18.971	15,7%
<i>Energbank</i>	853	861	-0,9%
Average annualized interest rate on performing principal portfolio	35,3%	37,4%	-5,6%
<i>Iute Non-Bank</i>	35,3%	37,4%	-5,6%
<i>Energbank</i>	11,2%	12,4%	-9,5%
Interest income	49.340	45.196	9,2%
<i>Iute Non-Bank</i>	41.639	37.587	10,8%
<i>Energbank</i>	7.701	7.608	1,2%

Breakdown of interest income by countries

	6M/2025	Total share in %	6M/2024	Total share in %	Δ in %
Moldova	11.020	22,3%	9.414	23,1%	17,1%
Energbank	7.701	15,6%	7.608	13,9%	1,2%
Albania	18.158	36,8%	17.163	38,4%	5,8%
Macedonia	9.335	18,9%	7.608	17,2%	22,7%
Bulgaria	3.150	6,4%	3.333	7,1%	-5,5%
Total	49.340	100,0%	45.196	100,0%	9,2%

Interest expense

Interest expense increased by 18,5% to 16.483 thousand EUR (6M/2024: 13.909 thousand EUR).

Breakdown of interest expense

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Interest on amounts due to creditors	-5.309	-4.787	10,9%
Interest on financial lease liabilities	-154	-121	26,9%
Interest on bonds	-9.320	-7.889	18,1%
*Interest on earlier redemption of EUR 2021/2026 bonds	-556	0	n/a
Interests on deposits	-1.144	-1.112	2,9%
Total	-16.483	-13.909	18,5%

* The amortized costs resulting from the early redemption of the EUR bond 2021/2026 are recognized as a one-time effect under interest expenses.

Loan administration fees and penalties

Income from other fees and penalties increased by 2,1% to 3.675 thousand EUR (6M/2024: 3.600 thousand EUR) reflecting penalties and delay interests, resigns, deduction by dealer bonuses, and other secondary fees.

Breakdown of administration fees and penalties

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Penalties under loans and delay interests	3.766	3.615	4,2%
<i>Iute Non-Bank</i>	3.711	3.569	4,0%
<i>Energbank</i>	55	46	19,6%
Resigns under customer loans	203	190	6,8%
Dealer bonuses	-465	-319	46,0%
Other fees from additional services	171	114	50,2%
Total	3.675	3.600	2,1%

Allowances for loan impairment

Change in allowances for consolidated loan impairment increased by 9,6% to 13.624 thousand EUR (6M/2024: 12.432 thousand EUR), in line with the increase in the loan book. Allowances at Energbank are determined at the end of June and Dec. only, accordingly, allowances at Energbank increased at 482 thousand EUR (6M/2024: 199 thousand EUR). Here, increased coverage of Stage 3 loans was particularly noticeable, which were recognized with allowances for loan impairment in the amount of 260 thousand EUR. Changes in allowances for loan impairment at lute Non-Bank increased by 8,3% to 13.222 thousand EUR (6M/2024: 12.204 thousand EUR).

Breakdown of allowances for loan impairment

(In thousand EUR)	6M/2025	6M/2024	Δ in %
At the beginning of period	-19.967	-19.778	1,0%
Allowances for loan impairment	-13.624	-12.432	9,6%
Utilized	12.988	12.991	0,0%
Exchange differences	105	196	-46,4%
At the end of the period	-20.499	-19.023	7,8%
(In thousand EUR)	6M/2025	6M/2024	Δ in %
Impairment charges on loans	-13.624	-12.432	9,6%
Net impairment charges	-13.624	-12.432	9,6%

Starting from Sep. 2024, lute Group changed the logic of LGD calculation. Historical data on defaulted loans will be replaced by 5-year historical data for LGD calculation in IFRS9 provision calculation. The impact of the logic change was recognized in Sep. 2024 in the amount of 1.6 million EUR.

Overall net impairment losses represented 27,6% of interest income (6M/2024: 27,5%), broadly stable compared to the previous year. The cost of risk, expressed as net impairment charges to average gross loan portfolio, decreased to 8,8% (12M 2024: 9,1%).

Operating expenses

Operating expenses at 20.923 thousand EUR decreased by 1,1% (6M/2024: 21.152 thousand EUR). In particular, legal and consulting fees were incurred in connection with auditing procedures. In the prior-year period, legal and consulting costs were incurred in connection with the integration of Energbank. The one-time solidarity tax in North Macedonia in the previous year was refunded in the reporting period. Advertising expenses accounted for 11,2% (6M/2024: 11,5%) of operating expenses while expenses on IT accounted for 8,9% (6M/2024: 8,1%).

Breakdown of operating expenses

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Personnel	-11.969	-11.638	2,8%
Advertising expenses	-2.333	-2.438	-4,3%
IT	-1.863	-1.713	8,8%
Debt collection	-598	-701	-14,7%
Legal and consulting	-1.691	-1.134	49,2%
Rent and utilities	-356	-330	8,0%
Taxes	-516	-437	18,0%
Travel	-265	-281	-5,5%
Other	-1.331	-2.481	-46,4%
Total	-20.923	-21.152	-1,1%
<i>lute Non-Bank</i>	<i>-15.971</i>	<i>-16.164</i>	<i>-1,2%</i>
<i>Energbank</i>	<i>-4.952</i>	<i>-4.988</i>	<i>-0,7%</i>

Excluding personnel expenses, operating expenses at 8.954 thousand EUR decreased by 5,9% (6M/2024: 9.514 thousand EUR).

Personnel expenses

Personnel expenses, mainly salaries and bonuses, and social security expenses increased by 2,8% to 11.969 thousand EUR (6M/2024: 11.638 thousand EUR). Here, the recruitment of top-class talent in the areas of insurance brokerage and wallet services as well as to decrease reduce dependency and costs on external service providers was offset by efficiency measures at Energbank. The average number of full-time employees decreased to 899 (6M/2024: 938 employees).

Breakdown of personnel expenses

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Salaries and bonuses	-10.066	-9.553	5,4%
Social security expenses	-1.470	-1.662	-11,5%
Medical insurance expenses	-60	-87	-31,4%
Other expenses	-373	-336	11,0%
Total	-11.969	-11.638	2,8%
<i>Iute Non-Bank</i>	-8.023	-7.713	4,0%
<i>Energbank</i>	-3.947	-3.925	0,5%
Number of employees adjusted to full-time	899	938	-4,2%
<i>Iute Non-Bank</i>	518	492	5,3%
<i>Energbank</i>	381	446	-14,6%

Foreign exchange gains/losses

Foreign exchange movements resulted in a gain of 1.686 thousand EUR (6M/2024: gain of 1.167 thousand EUR) reflecting, in particular, EUR/MDL and EUR/ALL conversion rates.

Profit before tax

Consolidated profit before tax increased to 7.420 thousand EUR (6M/2024: 4.932 thousand EUR). The profit margin before tax increased to 15,0% (6M/2024: 10,9%).

Income tax expense

Income tax expense decreased to 756 thousand EUR (6M/2024: 864 thousand EUR), in particular, as a result of different taxation regulations in home markets, i.e., differences between provisions accounting in national GAAP and IFRS.

Breakdown of income tax

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Consolidated profit before tax	7.420	4.932	50,5%
Current income tax expense	-756	-864	-12,4%
Net profit for the period	6.664	4.068	63,8%

Profit for the period

Net profit for the period increased by 63,8% to 6.664 thousand EUR (6M/2024: 4.068 thousand EUR), attributable to one-off gains related to refunds of solidarity tax in North Macedonia and higher FX gains.

Transition statement of non-IFRS measures EBITDA and Adjusted EBITDA

Breakdown of transition to adjusted EBITDA

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Profit for the period	6.664	4.068	63,8%
Provision for corporate income tax	756	864	-12,4%
Interest expense	16.483	13.909	18,5%
Depreciation and amortization	2.693	2.345	14,8%
EBITDA	26.596	21.187	25,5%
Adjustments	-2.397	-667	259,4%
Adjusted EBITDA	24.200	22.520	17,9%

Breakdown of adjustments to EBITDA

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Foreign exchange gains/losses	1.686	1.167	44,5%
One-time expenses not attributable to operations	711	-500	n/a
Adjustments	2.397	667	259,4%

Note: Adjustments comprise one-off expenses of 1,3 million EUR related to a solidarity tax in North Macedonia; in the prior-year period, one-off expenses not attributable to the operating business related to FX.

Condensed statement of financial position

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
ASSETS			
Cash and cash equivalents	76.664	53.656	42,9%
<i>lute Non-Bank</i>	52.950	14.019	277,7%
<i>Energbank</i>	23.714	39.637	-40,2%
Loans to customers	318.271	297.631	6,9%
<i>lute Non-Bank</i>	218.869	206.870	5,8%
<i>Energbank</i>	99.403	90.761	9,5%
Prepayments	2.596	2.856	-9,1%
Other assets	18.833	9.185	105,0%
Assets held for sales	269	432	-37,6%
Other financial investments	29.821	28.735	3,8%
Property, plant, and equipment	6.442	6.540	-1,5%
Right-of-use assets	2.674	2.482	7,7%
Intangible assets	16.454	14.184	16,0%
Total assets	462.023	415.701	11,1%
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	97.152	111.256	-12,7%
Loans and bonds from investors	271.945	214.122	27,0%
Lease liabilities	2.724	2.533	7,6%
Trade and other payables	2.069	1.868	10,8%
Current income tax liabilities	271	508	-46,6%
Other tax liabilities	86	98	-12,9%
Other liabilities	10.861	10.851	0,1%
Total liabilities	385.108	341.235	12,9%
Equity			
Minority share	4.742	4.797	-1,1%
Share capital	10.669	10.346	3,1%
Share premium	1.431	741	93,2%
Legal reserve	1.035	1.035	0,0%
Revaluation reserve	367	423	-13,3%
Unrealized foreign exchange differences	5.457	7.306	-25,3%
Retained earnings	53.214	49.819	6,8%
Total equity	76.915	74.466	3,3%
Total equity and liabilities	462.023	415.701	11,1%

Assets

Total assets increased by 11,1% to 462.023 thousand EUR as of 30 June 2025 (31 Dec. 2024: 415.701 thousand EUR).

Loan portfolio

The net loan portfolio increased by 6,9% to 318.271 thousand EUR as of 30 June 2025 (31 Dec. 2024: 297.638 thousand EUR). The weighted average loan maturity stood at 28 months (6M/2024: 28 months).

Breakdown of net portfolio

(In thousand EUR)	31 Mar. 2025	Total in %	31 Dec. 2024	Total in %	Δ in %
Moldova	70.604	22,2%	66.465	22,3%	6,2%
Energbank	99.403	31,2%	90.761	30,5%	9,5%
Albania	90.788	28,5%	87.546	29,4%	3,7%
Macedonia	42.529	13,4%	36.641	12,3%	16,1%
Bulgaria	14.948	4,7%	16.223	5,5%	-7,9%
Total net loan portfolio	318.271	100,0%	297.638	100,0%	6,9%

Breakdown of loan applications

in pcs	6M/2025			6M/2024			Δ in %		
	Processed	Paid out	Approval rate in %	Processed	Paid out	Approval rate in %	Processed	Paid out	Approval rate in %
Moldova	107.567	68.729	62,3%	101.900	57.498	59,7%	5,6%	19,5%	4,4%
Energbank	5.188	3.696	73,6%	4.201	3.861	82,9%	23,5%	-4,3%	-11,2%
Albania	86.993	70.496	63,1%	80.521	64.691	68,6%	8,0%	9,0%	-8,0%
Macedonia	42.680	28.374	55,9%	41.722	27.366	60,3%	2,3%	3,7%	-7,2%
Bulgaria	59.473	12.869	17,3%	62.960	13.915	22,9%	-5,5%	-7,5%	-24,4%
In total	301.901	184.164	54,4%	291.304	167.331	58,9%	3,6%	10,1%	-7,5%

The recognition of loan applications according to Iute Non-Bank principles has not yet been implemented in Energbank's processes.

Breakdown of issued loans Nominal APR on country level

(In %)	6M/2025	6M/2024	Δ in %	3M/2025	3M/2024	Δ in %	12M/2024	12M/2023	Δ in %	9M/2024	9M/2023	Δ in %
Moldova	32,8%	32,1%	2,2%	34,4%	32,5%	5,8%	32,7%	41,3%	-20,8%	34,8%	40,4%	-13,9%
Albania	36,0%	38,5%	-6,5%	36,5%	38,0%	-3,9%	38,3%	45,8%	-16,4%	38,4%	45,8%	-16,2%
Macedonia	37,3%	41,3%	-9,7%	39,4%	42,2%	-6,6%	41,6%	45,2%	-8,0%	41,9%	44,2%	-5,2%
Bulgaria	38,2%	41,5%	-8,0%	41,0%	42,5%	-3,5%	40,7%	42,5%	-4,2%	41,6%	42,7%	-2,6%
Iute Group WAVG	35,3%	37,4%	-5,6%	36,6%	37,7%	-2,9%	37,3%	43,9%	-15,0%	38,1%	43,3%	-12,0%
Energbank	11,2%	12,4%	-9,5%	11,8%	12,6%	5,4%	11,5%	13,8%	-16,7%	11,9%	14,3%	-16,8%

Breakdown of issued loans Active APR on country level

Active APR is the WA APR for all currently active loans. It is measured in addition to the Nominal APR (which is calculated upon signing of the loan agreement), in order to understand how the APR of a portfolio has evolved in reality (reflecting various changes in the initially agreed repayment schedule). Moreover, since the durations (and APRs) of loans are very different, some loans are amortized much faster than others and their share in the payout can be significantly higher than in the portfolio.

(In %)	6M/2025	6M/2024	Δ in %	3M/2025	3M/2024	Δ in %	12M/2024	12M/2023	Δ in %	9M/2024	9M/2023	Δ in %
Moldova	32,8%	32,1%	2,2%	34,4%	32,5%	5,8%	32,7%	41,3%	-20,8%	34,8%	42,8%	-18,7%
Albania	36,0%	38,5%	-6,5%	36,5%	38,0%	-3,9%	38,3%	45,8%	-16,4%	38,4%	48,4%	-20,7%
Macedonia	37,3%	41,3%	-9,7%	39,4%	42,2%	-6,6%	41,6%	45,2%	-8,0%	41,9%	47,1%	-11,0%
Bulgaria	38,2%	41,5%	-8,0%	41,0%	42,5%	-3,5%	40,7%	42,5%	-4,2%	41,6%	42,1%	-1,2%
lute Group WAVG	35,3%	37,4%	-5,6%	36,6%	37,7%	-2,9%	37,3%	43,9%	-15,0%	38,1%	45,6%	-16,4%
Energbank	11,2%	12,4%	-9,4%	11,9%	12,6%	-5,4%	11,5%	13,8%	-16,7%	11,9%	14,3%	-16,8%

The decrease in average annual percentage rates (APR) at group level in 6M/2025 relates to intensified competition across operating countries as well as to the shift to longer loan maturities and the increasing share of repeating customers. In Moldova and Albania, tighter regulatory caps on APR became effective.

Breakdown of customer performance index (CPI30)

The following table sets out the ratio of actual loan repayments compared to expected repayments according to loan repayment schedules, plus 30 days delay tolerance, i.e., Customer Performance Index (CPI30). Performance of newly paid out loans improved with promising trends most significantly in Moldova and Macedonia. Performance of newly paid out loans improved with promising trends, most specifically in Moldova and Macedonia. The CPI of the overall portfolio is improving as the proportion of newly paid out loans increases in total repayment expectations, strengthened by better limit and loan duration management. While the improvements in Bulgaria are better than in other countries (but still below expectations), a more sustainable quality improvement across entire portfolio is expected by end of 2025 with further optimization of credit risk models and parameters as well as in marketing activities.

(In %)	6M/2025	6M/2024	Δ in %	3M/2025	3M/2024	Δ in %	12M/2024	12M/2023	Δ in %	9M/2024	9M/2023	Δ in %
Moldova	91,6%	90,1%	1,6%	91,3%	89,8%	1,7%	90,6%	90,0%	0,7%	90,3%	90,0%	0,3%
Albania	87,5%	87,0%	0,5%	87,7%	87,0%	0,8%	87,1%	87,2%	-0,1%	86,8%	86,2%	0,7%
Macedonia	87,3%	85,5%	2,2%	86,9%	85,2%	2,0%	85,9%	86,0%	-0,1%	85,4%	86,2%	-0,9%
Bulgaria	78,2%	81,8%	-4,4%	78,6%	80,8%	-2,7%	80,3%	80,9%	-0,7%	80,4%	80,8%	-0,5%
lute Group WAVG	87,9%	86,4%	1,7%	87,9%	86,4%	1,7%	86,8%	87,3%	-0,6%	86,4%	87,3%	-1,0%

CPI30 is a proprietary lute Non-Bank metric that has not yet been implemented in Energbank processes.

Breakdown of portfolio classification

The following tables set out the classification of the Group's net loan portfolio in terms of overdue buckets as well as the total impairment coverage ratio. Non-performing loans are recorded according to DPD+50.

(In thousand EUR)	30 June 2025				31 Dec. 2024			
	Gross amount	Provisions	Net amount	% of net portfolio	Gross amount	Provisions	Net amount	% of net portfolio
Performing	310.120	-5.066	305.054	95,8%	288.946	-4.983	283.963	95,4%
Iute Non-Bank	209.950	-4.003	205.947	94,1%	197.708	-4.052	193.656	93,6%
Energbank	100.170	-1.063	99.107	99,7%	91.238	-931	90.308	99,5%
Non-Performing	28.650	-15.432	13.217	4,2%	28.652	-14.984	13.668	4,6%
Iute Non-Bank	25.504	-12.582	12.922	5,9%	25.616	-12.401	13.214	6,4%
Energbank	3.146	-2.850	296	0,3%	3.037	-2.583	454	0,5%
Total portfolio	338.770	-20.499	318.271	100,0%	317.599	-19.967	297.631	100,0%
Iute Non-Bank	235.454	-16.585	218.869	68,8%	223.324	-16.454	206.870	69,5%
Energbank	103.316	-3.913	99.403	31,2%	94.275	-3.514	90.761	30,5%

(In thousand EUR)	30 June 2025	Total share in %	31 Dec. 2024	Total share in %
Stage 1	301.585	94,8%	280.840	94,4%
Iute Non-Bank	202.730	63,7%	190.873	64,1%
Energbank	98.855	31,1%	89.967	30,2%
Stage 2	3.469	1,1%	3.123	1,0%
Iute Non-Bank	3.217	1,0%	2.783	0,9%
Energbank	252	0,1%	340	0,1%
Stage 3	13.217	4,2%	13.668	4,6%
Iute Non-Bank	12.922	4,1%	13.214	4,4%
Energbank	296	0,1%	454	0,2%
Total net portfolio	318.271	100,0%	297.631	100,0%
Iute Non-Bank	218.869	68,8%	206.870	69,5%
Energbank	99.403	31,2%	90.761	30,5%
Gross NPL ratio	8,5%		9,0%	
Iute Non-Bank	10,8%		11,5%	
Energbank	3,0%		3,2%	
Impairment coverage ratio	71,5%		69,7%	
Iute Non-Bank	65,0%		64,2%	
Energbank	124,4%		115,7%	

Distribution principles between stages

	30 June 2025	31 Dec. 2024
Stage 1	DPD <=30	DPD <=30
Stage 2	30 < DPD <=50	30 < DPD <=50
Stage 3	DPD > 50	DPD > 50

Other assets and prepayments

Breakdown of other assets and prepayments

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
Deferred tax assets	886	856	4%
Prepayments of rent	79	80	-1%
Prepayment of taxes	536	389	37,7%
Prepayments to suppliers and deferred expenses	1.095	1.531	-28,5%
Prepayments in total	2.596	2.856	-9,1%
Receivables from collection companies	2.546	757	236,1%
Other receivables	1.465	1.108	32,2%
Deposit receivables from partners	3.718	3.117	19,3%
Trade and other receivables in total	7.728	4.983	55,1%
TOTAL	10.324	7.839	31,7%

Liabilities

As of 30 June 2025, total liabilities at 385.108 thousand EUR increased by 12,9% (31 Dec. 2024: 341.235 thousand EUR).

Breakdown of loans and borrowings

Loans and borrowings at 371.821 thousand EUR increased by 13,4% (31 Dec. 2024: 327.911 thousand EUR), accounting for 96,5% of all liabilities (31 Dec. 2024: 96,1%).

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
Loans from investors	182.775	207.242	9,2%
Due date during next 12 months	99.080	100.602	4,9%
<i>lute Non-Bank</i>	25,861	27.825	7,3%
<i>Energbank customer deposits</i>	73,219	72.777	4,0%
Due date after 12 months	83.695	106.640	13,2%
<i>lute Non-Bank</i>	59.851	68.252	18,5%
<i>Energbank customer deposits</i>	23.844	38.388	3,8%
Bond liabilities	183.008	114.085	22,3%
Due date during next 12 months	0	0	n/a
Due date after 12 months	183.008	114.085	22,3%
Lease liabilities	2.724	2.533	7,6%
Due date during next 12 months	1.076	994	8,2%
Due date after 12 months	1.648	1.538	7,1%
Accrued interest	3.314	4.052	-18,2%
TOTAL	371.821	327.911	13,4%
weighted average interest rate	9,7%	9,2%	
currency	EUR, MDL, USD; ALL; MKD; RUB; GBP;RON;CAD;BAM	EUR, MDL, USD; ALL; MKD; RUB; GBP;RON;CAD, BAM	

Loans from investors increased to 182.775 thousand EUR (31 Dec. 2024: 207.242 thousand EUR), of which 55.441 thousand EUR (31 Dec. 2024: 43.122 thousand EUR) are accounted for by P2P loans from the Mintos platform and/or others and 127.334 thousand EUR (31 Dec. 2024: 109.256 thousand EUR) for customer deposits and current customer bank accounts.

Eurobond covenant ratios

	30 June 2025	31 Dec. 2024	Δ in %
Capitalization			
Capitalization ratio (Equity/net loan portfolio)	24,2%	27,5%	-12,0%
Financial covenant at least	15%	15%	
	6M/2025	6M/2024	Δ in %
Profitability			
Interest coverage ratio (ICR), times (Adjusted EBITDA/interest expenses)	1,6	1,5	5,1%
Financial covenant at least	1,5	1,5	

Distribution of investor loan (Mintos)

(In thousand EUR)	Mintos loans			Net loan portfolio			
	30 June 2025	31 Dec. 2024	Δ in %	30 June 2025	Total share in %	31 Dec. 2024	Total share in %
Moldova	21.040	15.121	39,1%	70.604	29,8%	59.369	25,5%
Energbank	0	0	n/a	99.403	n/a	79.195	n/a
Albania	25.064	20.127	24,5%	90.788	27,6%	80.578	25,0%
Macedonia	8.945	7.874	13,6%	42.529	21,0%	32.584	24,2%
Bosnia	0	0	n/a	0	n/a	192	n/a
Bulgaria	392	0	n/a	14.948	2,6%	13.795	n/a
Total	55.441	43.122	28,6%	318.271	25,3%	265.713	23,1%

Other liabilities

Breakdown of other liabilities

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
Trade payables	2.069	1.868	10,8%
Payables to employees	833	718	16,0%
Corporate income tax payables	271	508	-46,6%
Other tax payables	1.131	1.037	9,0%
Allocations and other provisions	484	740	-34,6%
Wallet balance	4.848	5.134	-5,6%
Deferred revenue	552	182	202,3%
Unpaid dividends	8	0	n/a
Over-/wrong payments from customers	625	756	-17,4%
Other liabilities	2.467	2.381	3,6%
TOTAL	13.287	13.324	-0,3%

Equity

As of 30 June 2025, equity increased by 3,3% to 76.915 thousand EUR (31 Dec. 2024: 74.466 thousand EUR), representing an equity to assets ratio of 16,6% (31 Dec. 2024: 17,9%). The equity to net loan portfolio ratio stood at 24,2% (31 Dec. 2024: 27,5%), reflecting the Group's strong capitalization, and exceeds Iute Group Eurobond covenants of at least 15% significantly.

Off-balance sheet arrangements

Future receivable commission fees, guarantee fees, administration fees, collaterals of car loan credit, and penalties (penalties are also called: secondary receivables) are not accounted in the Group's balance sheet, although the customers have a legally binding, irreversible obligation to pay those receivables in full according to the terms of signed loan agreements.

Recent developments

There were no significant events affecting earnings, assets and financial position after the end of the reporting period.

FINANCIAL STATEMENTS

Consolidated statement of comprehensive income

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Interest and similar income	49.340	45.196	9,2%
Interest and similar expense	-16.483	-13.909	18,5%
Net interest and commission fee income	32.856	31.286	5,0%
Loan administration fees and penalties	3.620	3.600	0,5%
Loan administration fees and penalties in total	3.620	3.600	0,5%
Other income	6.498	4.808	35,1%
Allowances for loan impairment	-13.624	-12.432	9,6%
Net operating income	29.350	27.263	7,7%
Personnel expenses	-11.969	-11.638	2,8%
Depreciation/amortization charge	-2.693	-2.345	14,8%
Other operating expenses	-8.954	-9.514	-5,9%
Total operating expenses	-23.615	-23.498	0,5%
Foreign exchange gains/losses	1.686	1.167	44,5%
Net financial result	1.686	1.167	44,5%
Profit before tax	7.420	4.932	50,5%
Income tax expense	-756	-864	-12,4%
Profit for the reporting period	6.664	4.068	63,8%
Other comprehensive income			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	-1.932	1.516	n/a
Revaluation reserve change	-56	0	n/a
Other comprehensive income total	-1.988	1.516	n/a
Comprehensive income total	4.676	5.584	-16,3%
Profit attributable to:			
Equity holders of the parent	6.636	4.031	64,6%
Equity holders of minority	28	37	-24,3%
Total comprehensive income attributable to:			
Equity holders of the parent	4.727	5.486	-13,8%
Equity holders of minority	-51	99	n/a

Iute Non-Bank statement of comprehensive income

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Interest and similar income	41.639	37.587	10,8%
Interest and similar expense	-15.132	-12.671	19,4%
Net interest and commission fee income	26.507	24.916	6,4%
Loan administration fees and penalties	3.620	3.554	1,9%
Loan administration fees and penalties in total	3.620	3.554	1,9%
Other income	5.996	4.294	39,7%
Allowances for loan impairment	-13.222	-12.204	8,3%
Net operating income	22.901	20.559	11,4%
Personnel expenses	-8.023	-7.713	4,0%
Depreciation/amortization charge	-1.986	-1.734	14,5%
Other operating expenses	-7.948	-8.451	-5,9%
Total operating expenses	-17.956	-17.898	0,3%
Foreign exchange gains/losses	1.695	1.173	44,5%
Net financial result	1.695	1.173	44,5%
Profit before tax	6.640	3.834	73,2%
Income tax expense	-650	-638	1,8%
Profit for the reporting period	5.990	3.195	87,4%
Other comprehensive income			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	-610	2.978	n/a
Other comprehensive income total	-610	2.978	n/a
Comprehensive income total	5.379	6.173	-12,9%
Profit attributable to:			
Equity holders	5.379	6.173	-12,9%
Total comprehensive income attributable to:			
Equity holders	5.379	6.173	-12,9%

Energbank statement of comprehensive income

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Interest and similar income	7.803	7.608	2,6%
Interest and similar expense	-1.351	-1.238	9,1%
Net interest and commission fee income	6.451	6.370	1,3%
Loan administration fees and penalties	55	46	19,6%
Loan administration fees and penalties in total	55	46	19,6%
Other income	446	515	-13,3%
Allowances for loan impairment	-482	-199	142,3%
Net operating income	6.471	6.733	-3,9%
Personnel expenses	-3.947	-3.925	0,5%
Depreciation/amortization charge	-707	-611	15,7%
Other operating expenses	-1.005	-1.063	-5,5%
Total operating expenses	-5.659	-5.599	1,1%
Foreign exchange gains/losses	-9	-6	48,7%
Net financial result	-9	-6	48,7%
Profit before tax	803	1.127	-28,8%
Income tax expense	-106	-225	-52,8%
Profit for the reporting period	697	902	-22,7%

Consolidated statement of financial position

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
ASSETS			
Cash and cash equivalents	66.664	53.656	24,2%
Loans to customers	318.271	297.631	6,9%
Prepayments	2.596	2.856	-9,1%
Other assets	18.833	9.185	105,0%
Other financial investments	29.821	28.735	3,8%
Property, plant, and equipment	6.442	6.540	-1,5%
Right-of-use assets	2.674	2.482	7,7%
Intangible assets	16.454	14.184	16,0%
Assets held for sale	269	432	-37,6%
Total assets	462.023	415.701	11,1%
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	115.652	111.256	4,0%
Loans and bonds from investors	253.445	214.122	18,4%
Lease liabilities	2.724	2.533	7,6%
Trade and other payables	2.069	1.868	10,8%
Current income tax liabilities	271	508	-46,6%
Other tax liabilities	86	98	-12,9%
Other liabilities	10.861	10.851	0,1%
Total liabilities	385.108	341.235	12,9%
Equity			
Minority share	4.742	4.797	-1,1%
Share capital	10.669	10.346	3,1%
Share premium	1.431	741	93,2%
Legal reserve	1.035	1.035	0,0%
Revaluation reserve	367	423	-13,3%
Unrealized foreign exchange differences	5.457	7.306	-25,3%
Retained earnings	53.214	49.819	6,8%
Total equity	76.915	74.466	3,3%
Total equity and liabilities	462.023	415.701	11,1%

Iute Non-Bank statement of financial position

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
ASSETS			
Cash and cash equivalents	52.950	14.019	277,7%
Loans to customers	218.869	206.870	5,8%
Prepayments	1.913	1.281	49,4%
Other assets	6.824	4.143	64,7%
Other financial investments	44.921	37.880	18,6%
Property, plant, and equipment	1.086	934	16,3%
Right-of-use assets	2.380	2.057	15,7%
Intangible assets	15.037	13.133	14,5%
Total assets	343.980	280.316	14,5%
LIABILITIES AND EQUITY			
Liabilities			
Loans and bonds from investors	268.053	208.211	28,7%
Lease liabilities	2.420	2.101	15,2%
Trade and other payables	2.016	1.705	18,2%
Current income tax liabilities	129	243	-46,8%
Deferred tax liabilities	1.021	880	15,9%
Other liabilities	8.221	8.207	0,2%
Total liabilities	281.859	221.347	16,9%
Equity			
Share capital	10.669	10.346	3,1%
Share premium	1.431	741	93,2%
Legal reserve	1.035	1.035	0,0%
Foreign currency exchange reserve	9.342	9.952	-6,1%
Retained earnings	39.646	36.896	7,5%
Total equity	62.122	58.969	5,3%
Total equity and liabilities	343.980	280.316	22,7%

Energbank statement of financial position

(In thousand EUR)	30 June 2025	31 Dec. 2024	Δ in %
ASSETS			
Cash and cash equivalents	23.714	39.637	-40,2%
Loans to customers	101.436	92.838	9,3%
Prepayments	683	1.449	-52,9%
Other assets	904	747	21,0%
Other financial investments	19.312	28.178	-31,5%
Property, plant, and equipment	5.356	5.606	-4,5%
Right-of-use assets	293	425	-31,0%
Intangible assets	1.417	1.052	34,7%
Total assets	153.114	169.932	-9,9%
LIABILITIES AND EQUITY			
Liabilities			
Loans and bonds from investors	101.044	117.167	-13,8%
Lease liabilities	304	431	-29,5%
Trade and other payables	53	244	-78,3%
Current income tax liabilities	142	46	209,2%
Deferred tax liabilities	86	213	-59,7%
Other liabilities	1.620	1.696	-4,5%
Total liabilities	103.249	119.798	-13,8%
Equity			
Share capital	5.010	5.010	n/a
Share premium	6.020	6.151	-2,1%
Legal reserve	507	518	-2,1%
Revaluation reserve	368	348	5,7%
Foreign currency exchange reserve	164	950	-82,7%
Other reserves	2.424	2.481	-2,3%
Retained earnings	35.372	34.675	2,0%
Total equity	49.865	50.133	-0,5%
Total equity and liabilities	153.114	169.932	9,9%

Consolidated statement of cash flows

(In thousand EUR)	6M/2025	6M/2024	Δ in %
Paid prepayments (-)	-6.488	-5.779	12,3%
Received pre- and overpayments (+)	8.132	7.627	6,6%
Paid trade payables outside the Group (-)	-18.429	-13.225	39,4%
Received debts from buyers and received other claims (+)	333	1.965	-83,0%
Received from debt collection companies	456	0	n/a
Paid net salaries (-)	-9.062	-8.400	7,9%
Paid tax liabilities, excl. CIT (-)	-5.222	-4.152	25,8%
Corporate income tax paid (-)	-1.264	-1.529	-17,3%
Paid out to customers outside the Group (-)	-183.624	-161.084	14,0%
Change in MasterCard settlement account (+/-)	-75	-362	-79,2%
Principal repayments from customers outside the Group (+)	143.759	135.188	6,3%
Interest, commission and other fees received outside the Group (+)	62.405	40.793	53,0%
NET CASH FLOWS FROM OPERATING ACTIVITIES	-9.079	-8.956	1,4%
Purchase of fixed assets outside the Group, incl. prepayments (-)	-2.413	-1.702	41,8%
Payments for other financial investments (-)	-12.633	-2.434	419,0%
Receipts from other financial investments (+)	13.192	16.450	-19,8%
NET CASH FLOWS FROM INVESTING ACTIVITIES	-1.287	12.314	n/a
Loans received from investors outside the Group (+)	101.331	37.057	173,44%
Repaid loans to investors outside the Group (-)	-57.997	-29.636	95,70%
Principal payments of financial lease contracts (-)	-712	-625	173,4%
Interests paid outside the Group (-)	-13.914	-11.609	95,7%
Paid dividends	-3.232	0	n/a
Issue of ordinary shares	0	-3.997	n/a
Receipts from other financing activities (+)	20	23	-11,0%
NET CASH FLOWS FROM FINANCING ACTIVITIES	25.497	-8.787	n/a
Change in cash and cash equivalents	15.130	-5.429	n/a
Cash and cash equivalents at the beginning of the period	43.621	59.251	-26,4%
Change in cash and cash equivalents	15.130	-5.429	n/a
Net foreign exchange difference	-636	117	n/a
Cash and cash equivalents at the end of the period	58.114	53.939	7,7%
Cash and cash equivalents comprise	30 June 2025	31 Dec. 2024	Δ in %
Cash on hand	3.776	5.484	-54,1%
Non-restricted current account	55.351	38.136	21,1%

Consolidated statement of changes in equity

(In thousand EUR)	Share capital	Share premium	Legal reserve	Unrealized FX differences	Revaluation reserve	Retained earnings	Fair value reserve	Minority share	Total
01/01/24	10.346	741	1.000	5.650	799	0	40.621	4.661	63.818
Profit for the year	0	0	0	0	0	0	4.031	37	4.068
Other comprehensive income									
Foreign currency translation	0	0	0	1.454	0	0	0	62	1.516
Revaluation reserve of financial assets	0	0	0	0	0	0	0	0	0
Revaluation gain	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	1.454	0	0	4.031	99	5.584
Issue of ordinary shares	0	0	0	0	0	0	0	0	0
Payment of dividends	0	0	0	0	0	0	0	0	0
Allocation to legal reserve	0	0	35	0	0	0	-35	0	0
30/06/24	10.346	741	1.035	7.104	799	0	44.618	4.760	69.403
01/01/25	10.346	741	1.035	7.306	526	-103	49.819	4.797	74.467
Profit for the period	0	0	0	0	0	0	6.636	28	6.664
Other comprehensive income									
Foreign currency translation	0	0	0	-1.849	0	0	0	-83	-1.932
Revaluation reserve of financial assets	0	0	0	0	0	-56	0	0	-56
Change in fair value of investments at FTVOCI	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	-1.849	0	-56	6.636	-55	4.676
Issue of ordinary shares	323	690	0	0	0	0	0	0	1.013
Payment of dividends	0	0	0	0	0	0	-3.240	0	-3.240
30/06/25	10.669	1.431	1.035	5.457	526	-159	53.215	4.742	76.915

Additional consolidated key performance indicators

Profitability	6M/2025	6M/2024	Δ in %
Return on average assets	2,7%	2,0%	0,7%
Return on average equity	15,4%	10,9%	4,5%
Interest income/Average interest-earning assets	14,9%	15,6%	-0,7%
Interest income/Average gross loan portfolio	15,8%	17,5%	-1,7%
Interest income/Average net loan portfolio	15,9%	18,2%	-2,2%
Interest expense/Interest income	33,4%	30,8%	2,6%
Cost of funds	4,5%	4,4%	0,2%
Cost of interest-bearing liabilities	6,8%	4,6%	2,2%
Net interest margin	22,9%	25,9%	-3,1%
Net effective annualized yield	33,0%	38,1%	-5,2%
Net impairment/interest income	27,6%	27,5%	0,1%
Net interest fee and commission income/Total operating income	89,2%	91,0%	-1,9%
Earnings before taxes/Average total assets	1,7%	1,3%	0,4%
Efficiency	6M/2025	6M/2024	Δ in %
Total assets/Employee (in thousand EUR)	514	423	21,6%
Total operating income/Employee (in thousand EUR)	66	57	15,7%
Cost/Income ratio	39,7%	43,8%	-4,1%
Total recurring operating costs/Average total assets	0,8%	0,9%	-0,1%
Total operating income/ Average total assets	13,5%	13,9%	-0,3%
Personnel costs/Total recurring operating costs	361,8%	351,4%	10,4%
Personnel costs/Total operating income	20,1%	21,7%	-1,6%
Net operating income/Total operating income	49,4%	50,9%	-1,5%
Net income (Loss)/Total operating income	19,6%	13,7%	5,8%
Profit before tax (Loss)/Interest income	15,0%	10,9%	4,1%
Liquidity	6M/2025	6M/2024	Δ in %
Net loan receivables/Total assets	68,9%	67,0%	1,9%
Average net loan receivables/Average total assets	70,6%	64,5%	6,2%
Net loan receivables/Total liabilities	82,6%	81,2%	1,4%
Interest-earning assets/Total assets	73,9%	73,0%	1,0%
Average interest-earning assets/Average total assets	74,6%	73,1%	1,5%
Liquid assets/Total assets	20,9%	24,6%	-3,7%
Liquid assets/Total liabilities	25,1%	29,8%	-4,8%
Total deposits/Total assets	3,8%	7,1%	-3,2%
Total deposits/Total liabilities	4,6%	8,6%	-4,0%
Total deposits/Shareholders' equity	23,1%	40,4%	-17,3%
Tangible common equity/Tangible assets	13,6%	15,0%	-1,4%
Tangible common equity/Net receivables	19,0%	21,7%	-2,7%
Net Loan Receivables/Equity (times)	4,1	3,8	8,1%
Asset quality	6M/2025	12M/2024	Δ in %
Loan loss reserve/Gross receivables from client	6,1%	6,3%	-0,2%
Average loan loss reserve/Average gross receivables from clients	6,5%	7,0%	-0,5%
Cost of risk	8,8%	9,1%	-0,4%
Gross NPL ratio	8,5%	9,0%	-0,6%
Impairment coverage ratio	71,5%	69,7%	1,9%
Selected operating data	6M/2025	6M/2024	Δ in %
Number of employees (adjusted to full-time)	899	938	-4,2%
Average monthly gross salary in group (in EUR)	3.732	1.697	119,9%

DEFINITIONS

EBITDA – EBITDA means for the reporting period prior the calculation date, the consolidated net earnings of the Borrower prepared in accordance with the IFRS before any provision on account of taxation, depreciation and amortization, any interest, commissions, discounts and other fees incurred in respect of any financial debt or any interest earned on debts

Adjusted EBITDA – A non-IFRS measure that represents EBITDA (profit for the period plus tax, plus interest expense, plus depreciation and amortization) adjusted for income/loss from discontinued operations, non-cash gains and losses attributable to movement in the mark-to-market valuation of hedging obligations under IFRS, goodwill write-offs and certain other one-off or non-cash items

Adjusted interest coverage – Adjusted EBITDA/interest expense

Cost of risk – Annualized net impairment charges/average gross loan portfolio (total gross loan portfolio as of the start and end of each period divided by two)

Cost/income ratio – Operating costs/operating income

Equity/assets ratio – Total equity/total assets

Equity/net loan portfolio – Total equity/net customer receivables (including accrued interest)

Gross NPL ratio – Non-performing loan portfolio (including accrued interest) with a delay of over 50 days/gross loan portfolio (including accrued interest)

Gross loan portfolio – Total amount receivable from customers, including principal and accrued interest, after deduction of deferred income

Impairment coverage ratio – Total impairment/gross NPL (+50 days overdue)

Intangible assets – Intangible IT assets (software and developments costs)

Interest and similar income – Generated from our customer loan portfolio

Loss given default – Loss on non-performing loan portfolio (i.e., 1 – recovery rate) based on recoveries during the appropriate time window for the specific product, reduced by costs of collection, discounted at the weighted average effective interest rate

Net effective annualized yield – Annualized interest income (excluding penalties)/average net loan principal

Net impairment to interest income ratio – Net impairment charges on loans and receivables/interest income

Net interest margin – Annualized net interest income/average gross loan principal (total gross loan principal as of the start and end of each period divided by two)

Net loan portfolio – Gross loan portfolio (including accrued interest) less impairment provisions

Non-performing loans (NPLs) – Loan principal or receivables (as applicable) that are over 50 days past due

Overall provision coverage – Allowance account for provisions/non-performing receivables

Profit before tax margin – Profit before tax/interest income

Performing customers – Online lending customers with open loans that are up to 30 days past due

Poorly performing customers – Online lending customers with open loans that are over 30 days and less than 50 days past due

Return on average assets – Annualized profit from continuing operations/average assets (total assets as of the start and end of each period divided by two)

Return on average equity – Annualized profit from continuing operations/average equity (total equity as of the start and end of each period divided by two)

Tangible equity – Total equity minus intangible assets

STAGE 1 – The 12MECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12MECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

STAGE 2 – When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

STAGE 3 – For loans considered credit-impaired, the Group recognizes the lifetime expected credit losses for these loans. The method is similar for Stage 2 assets, with the PD set at 100%.

Iute Non-Bank – Iute Group’s lending business is focused on performing customers and avoiding poorly performing or defaulting customers. Accordingly, fee income predominantly results from performing customers and primary fees. Primary loan agreement commission fees are charged for receiving, processing loan applications and issuing loans, or modifying valid loan conditions. Interest is charged on the outstanding principal loan amounts. Other primary fees are charged for various services. Secondary fees are applied as a consequence of non-performance of loan repayment payments on the due date. Secondary fees are used to offset the Group’s exposure to payments past due related to the original loan agreements. Secondary fees are accounted as collected, whereas primary fees are accounted as accrued.

Energbank – Iute Groups’ banking business primarily generates interest revenues, investment revenues, and no-interest revenues. Primary loan agreement commission fees are charged for receiving, processing loan applications and issuing loans, or modifying valid loan conditions and are recognized as interest revenues generated by the loan portfolio (retail and corporate). Interest is charged on the outstanding principal loan amounts. Other primary fees are charged for various services. Secondary fees are applied as a consequence of non-performance of loan repayment payments on the due date, being accounted as collected, whereas primary fees are accounted as accrued. Investment revenues mainly result from fixed and variable revenues from mid-term treasury bills and government bonds (both with a maturity of up to 12 months), payable at maturity or monthly. Non-interest revenues consist mainly of fees and commissions for accounts servicing, bank card (VISA, MasterCard) transactional fees, money transfer systems (Western Union, MoneyGram, etc.), and currency exchange.

DISCLAIMER

The information contained herein is not for release, publication or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or any other countries or otherwise in such circumstances in which the release, publication or distribution would be unlawful. The information contained herein does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction. Persons into whose possession this announcement may come are required to inform themselves of and observe all such restrictions.

This announcement does not constitute an offer of securities for sale in the United States. The bonds have not been and will not be registered under the Securities Act or under the applicable securities laws of any state of the United States and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This announcement does not constitute a prospectus for the purposes of Directive 2003/71/EC, as amended (the "Prospectus Directive") and does not constitute a public offer of securities in any member state of the European Economic Area (the "EEA").

This announcement does not constitute an offer of bonds to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the bonds. Accordingly, this announcement is not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of this announcement as a financial promotion may only be distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons in (i), (ii) and (iii) above together being referred to as "Relevant Persons"). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this announcement or any of its contents.

PROFESSIONAL INVESTORS ONLY – Manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the bonds do not constitute packaged products and will be offered to eligible counterparties and professional clients only.

IMPRINT

IuteCredit Finance S.à r.l.
16, Rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg
www.iute.com

CONTACT

Iute Group
Kristel Kurvits, Group Chief Financial Officer (CFO)
Email: investor@iute.com
Phone: +372 622 9177

ABOUT IUTE GROUP

Iute Group is a fintech company established in 2008 in Estonia. The Group specializes in consumer finance, payment services, banking, and insurance products. It serves customers in Albania, Bulgaria, Moldova, and North Macedonia. Iute Group finances its loan portfolios with equity, deposits, and secured bonds on the Regulated Market of the Frankfurt Stock Exchange and the Nasdaq Baltic Main List.

www.iute.com