IUTECREDIT FINANCE S.À R.L.

Unaudited half year report with period ended 30 June 2025

Address:	16, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg
Registry code:	B234678

Contents

General information and contacts

Address:	16, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg
Registry code:	B234678
Main activity:	Financing company
Auditor:	KPMG Audit S.à r.l.
Reporting period:	1 January 2025 – 30 June 2025
Share capital:	EUR 12 thousand

Management report for unaudited half year report 2025

Executive overview

IuteCredit Finance S.à r.l. (hereinafter "the Company") started its business activity in May 2019. The Company`s main business activity is acting as a financing intermediary for its parent company – Iute Group AS which is registered and located in the Republic of Estonia. The Company is included in the consolidated financial statements of Iute Group AS which can be found on the official website of Iute Group AS www.iute.com.

Iute Group AS is a holding company which issues consumer and corporate credits and offers personal finance services via its owned operating subsidiaries in local markets. As at 30 June 2025, Iute Group AS had twelve subsidiaries:

1. ICS OMF IuteCredit SRL (**ICM**) in Moldova,
2. IuteCredit Albania SHA (**ICA**) in Albania,
3. IuteCredit Macedonia DOOEL–Skopje (**ICMK**) in North Macedonia,
4. IutePay Bulgaria EOOD (**IutePay Bulgaria**) in Bulgaria,
5. IuteCredit Bulgaria EOOD (**ICBG**) in Bulgaria,
6. MKD IuteCredit BH d.o.o. Sarajevo (**ICBH**) in Bosnia and Herzegovina,
7. IuteCredit Finance S.a.r.l. (**ICF**) in Luxembourg,
8. IutePay Sh.P.K. **(IPA)** in Albania,
9. BC Energbank S.A (**EB**) in Moldova,
10. IuteCredit Romania IFNSA **(ICRO)** in Romania,
11. Iute Safe AD Skopje (ISMK) in North Macedonia and
12. Iute Pay DOOEL Skopje (IPMK) in North Macedonia.

In the period 9 April 2025-7 May 2025, the Company carried out conditional exchange and cash tender offer for existing senior secured bonds (ISIN: XS2378483494). The existing bonds are listed at the Frankfurt Stock exchange and on the Regulated Market of the Nasdaq Tallinn Stock Exchange. The existing bonds carry a fixed coupon rate 11% and are with 5-year-maturity till 6 October 2026. Interest is paid semi-annually on 6 April and 6 October each year.

The offer was conditional upon, among other factors, reaching a minimum exchange and/or tender threshold of EUR 75 000 thousand of the outstanding senior secured bonds (ISIN: XS2378483494). The objective of the offer was to refinance the existing senior secured bonds (ISIN. XS2378483494) and issue new senior secured bonds (ISIN: XS3047514446) in a minimum amount of EUR 125 000 thousand.

As a result of the conditional offer, the minimum acceptance threshold of EUR 75 000 thousand was comfortably exceeded. Investors who held 520 248 bonds in the total amount of EUR 52 025 thousand, expressed their interest in the conditional exchange offer and investors, who held 256 778 bonds in the amount of total EUR 25 678 thousand, expressed their interest in the conditional cash tender offer.

Following the conditional offer, the Company carried out, in the period 20 May 2025-30 May 2025, the public offer for new senior secured bond (ISIN: XS3047514446) in total volume up to EUR 175 000 thousand.

As a result of the public offer, the company issued 1 400 000 new senior secured bonds (ISIN: XS3047514446) in the amount total EUR 140 000 thousand. The new senior secured bonds (ISIN: XS3047514446) carry a fixed coupon rate of 12% and are with 5- and – a - half year maturity till 06 December 2030. Interest is paid semi-annually during the first 48 months (on 06 June and 06 December) and quarterly thereafter (on 06 March, 06 June, 06 September and 06 December). The new senior secured bonds (ISIN: XS3047514446) are listed at the

Frankfurt Stock exchange and on the Regulated Market of the Nasdaq Tallinn Stock Exchange from 9 June 2025.

Financial review

Statement of profit and loss and other comprehensive income
The Company recorded a net profit of EUR 15 thousand for the reporting period ended 30 June 2025. Operating revenues amounted to EUR 9 516 thousand which consisted of interest income from granted loans to the parent entity.

The loans granted to the parent entity were financed by the issuance of bonds by the Company and the Company incurred financial expenses in the financial year in a total amount of EUR 9 433 thousand (including additional expected credit loss recognized in the amount of EUR 907 thousand).

Operating expenses amounted to EUR 68 thousand which were related to legal and consultation services purchased in 2025.

Statement of financial position
Total assets on 30 June 2025 amounted to EUR 185 650 thousand and liabilities amounted to EUR 185 386 thousand. The assets consist mostly of interest and loan receivable. The liabilities mostly consist of accrued interest payables and bond liabilities.

As at 30 June 2025 the liquidity ratio of the Company was 12,2.

The equity of the Company is in the amount of EUR 265 thousand as at 30 June 2025.

Future development

Considering the ongoing war in Ukraine which globally adds a level of uncertainty to the environment for the upcoming periods, the management of the Company believes that the effects will be very marginal, if any, for the Company as it does not have direct economic relations with counterparties of the war. Also, Iute Group AS does not have any direct economic relations with counterparties of the war which could cause difficulties for the group to settle timely its liabilities with the Company. The management of the Company will focus its activities in the upcoming 12 months on the main business operations and stay alert to any circumstance which may impact negatively the Company`s business operations.

Research & Development

No research and development costs occurred in the reporting period ended 30 June 2025.

Acquisition of own shares

No acquisition of own shares has occurred in the reporting period ended 30 June 2025.

Free shares

As at 30 June 2025, the Company has not granted any free shares to members of the Management of the Company. The Company is fully owned by Iute Group AS.

Existence of branches of the Company

The Company does not have any branches.

Risk management

The Company focuses in its operations on minimizing the potential adverse effects of the financial risks on the performance of the Company. The main focus is on management of risks arising from overall market conditions, in interest rates development on the financial market and their possible impact on the Company`s liquidity and capital as described in Note 6 Financial risk management policies of the financial statements.

Audit committee

Based on Art. 1 (20) of the Law of July 23, 2016 concerning the audit profession, the Company is classified as a public-interest entity. Based on Art. 52 (1), a public-interest entity shall establish an audit committee. However, based on Art. 52 (5) a), the Company is exempted from this obligation as an audit committee has been established at group level.

Corporate Governance Statement

Introduction

The Company is subject to and complies with – among the others – the Luxembourg law of 10 August 1915 on commercial companies, as amended and the law of 11 January 2008 on transparency requirements for issuers of securities, as amended (the "Luxembourg Company Law"), as well as the Rules and Regulations of the Frankfurt Stock Exchange. The Company does not apply additional requirements in addition to those required by the above.

Powers of the Shareholder

The shareholder`s general meeting exercises the power granted by the Luxembourg Company Law including:
- appointing and removing the managers (the "Managers") and the statutory or independent auditor of the Company as well as setting their remuneration,
- approving the annual financial statements of the Company,
- amending the articles of association of the Company,
- deciding on the dissolution and liquidation of the Company,
- changing the nationality of the Company, and
- rights to amend the financial statements after their issue.

General Powers of the Board of Managers

The Company is currently managed by a Board of Managers (the "Board") whose members have been appointed as one type A Manager and two type B Managers by the shareholder`s general meeting of the Company. In accordance with Luxembourg Company Law, each type A Manager and type B Manager may be removed at any time without cause (révocation ad nutum).

Meetings of the Board are convened upon request of the chairman of the Board or any two Managers of the Company as often as the interest of the Company so requires. The meetings of the Board are validly held if at the commencement of the meeting at least one type A Manager and one type B Manager is present or represented and decisions are validly taken by the majority of the Managers present or represented (including at least one type A Manager and at least one type B Manager). Any Manager may represent one or more other Managers at a Board meeting.

The Board of the Company may, from time to time, delegate its power to conduct the daily management (gestion journalière) of the Company to one or more Managers, i.e., the managing Manager(s) (administrateur(s) délégué(s)), commit the management of the affairs of the Company to one or more Managers or give special powers for determined matters to one or more proxy holders.

Pursuant to its articles of association, according to which the Company is administrated by the Board comprising several categories of Managers, it shall be bound by the joint signatures of a type A Manager and a type B Manager. Thus, the "four eyes" principle is established.

Based on the articles of association of the Company, Managers of each category are vested with the same individual powers and duties. The Managers of type B are Luxembourg residents, whereas the Manager of type A is not a Luxembourg resident and at the same time holds the position of CEO within the Company.

Financial reporting and auditing

The annual financial statements of the Company are audited. The Annual General Meeting of shareholders appoints the auditor for the next year.

One member of the Board of Managers has been appointed as responsible for financial reporting and auditing. The responsible member ensures the high quality of financial reporting by monitoring closely daily transactions and preparing monthly financial statements by using financial accounting and reporting software.

Ownership

The Company`s significant ultimate shareholders are Tarmo Sild with 36,55% and Allar Niinepuu with 43,98% as of period end, with all other shareholders holding less than 5%.

Subsequent events

There have been no such subsequent events which would cause corrections in the reported financial information, or which should be additionally disclosed as subsequent event.

The Board of Managers of the Company declares the sustainability of the Company within next 12 months from the date of signing of the un.

Luxembourg, 28 August 2025

Kristel Kurvits
Manager

Luxembourg, 28 August 2025

DocuSigned by:
54448A414D734FE...

Ann Leonie Lauwers
Manager

Financial statements

Statement of Profit and Loss and Other Comprehensive Income

in thousand EUR	Notes	01.01.2025-30.06.2025	01.01.2024-30.06.2024
Interest income	5	9 516	8 886
Interest expense	6	-8 526	-8 779
Net interest income		**990**	**107**
Other income		1	27
Total other income		**1**	**27**
Legal services, notary and bank fees	7	-68	-79
Allowances for loan impairment	9	-907	-24
Total operating expenses		**-975**	**-102**
Profit (-loss) before tax		**15**	**32**
Income tax expense		0	-23
Profit (-loss) for the reporting period		**15**	**9**
Other comprehensive income		0	0

Notes on pages 12-30 are an integral part of the financial statements.

Statement of Financial Position

in thousand EUR	Notes	30.06.2025	31.12.2024
Assets			
Non-current assets			
Loan receivables	9	156 648	107 749
Total non-current assets		***156 648***	***107 749***
Current assets			
Accrued interest from loan receivable	9	18 669	16 149
Cash and cash equivalents	8	10 333	19
Total current assets		***29 002***	***16 168***
Total assets		**185 650**	**123 917**
Equity and liabilities			
Equity			
Share capital	11	12	12
Reserves		1	1
Accumulated profit (-loss)		252	237
Total equity		***265***	***250***
Non-current liabilities			
Interest bearing loans and borrowings	10	183 008	120 384
Total non-current liabilities		***183 008***	***120 384***
Current liabilities			
Accrued interest on interest bearing loans and borrowings	10	2 377	3 278
Trade payables		0	6
Total current liabilities		***2 377***	***3 283***
Total liabilities		***185 385***	***123 667***
Total equity and liabilities		**185 650**	**123 917**

Notes on pages 12-30 are an integral part of the financial statements.

Statement of Changes in Equity

in thousand EUR	Share capital	Legal reserve	Retained earnings	Total
01.01.2024	**12**	**1**	**127**	**140**
Profit for the reporting period	0	0	9	9
Other comprehensive income	0	0	0	0
30.06.2024	**12**	**1**	**136**	**149**
01.01.2025	**12**	**1**	**237**	**250**
Profit for the reporting period	0	0	15	15
Other comprehensive income	0	0	0	0
30.06.2025	**12**	**1**	**252**	**265**

Additional information about share capital and legal reserve is disclosed in Note 11.

Notes on pages 12-30 are an integral part of the financial statements.

Statement of Cash Flows

in thousand EUR	Notes	01.01.2025-30.06.2025	01.01.2024-30.06.2024
Paid trade payables		-2 997	-242
Corporate income tax paid		-24	-23
Loan given to parent entity	9	-58 912	-3 900
Loan repaid by parent entity	9	3 747	2 110
Interest received		4 409	5 902
Net cash flows from operating activities		**-53 777**	**3 847**
Proceeds from issuance of bonds	10	97 776	6 671
Payments for repurchases of bonds	10	-25 421	-2 313
Interest paid	10	-8 264	-6 875
Net cash flows from financing activities		**64 091**	**-2 517**
Change in cash and cash equivalents		**10 314**	**1 330**
Cash and cash equivalents at the beginning of the period		**19**	**981**
Change in cash and cash equivalents		10 314	1 330
Cash and cash equivalents at the end of the period	**8**	**10 333**	**2 311**

Notes on pages 12-30 are an integral part of the financial statements.

Notes to the financial statements

1 Corporate information

The accompanying financial statements of IuteCredit Finance S.à r.l. (the Company) for the period from 1 January to 30 June 2025 were authorized for issue in accordance with a resolution of the Board of Managers on 28 August 2025.

IuteCredit Finance S.à r.l. is a limited liability company incorporated and domiciled in Luxembourg. The registered office is located at 16, rue Eugène Ruppert, Luxembourg. The Company was founded on 20 May 2019.

The sole shareholder of the Company is Iute Group AS which is registered and located in the Republic of Estonia. The Company`s significant ultimate shareholders are Tarmo Sild with 36,55% and Allar Niinepuu with 43,98% as of period end, with all other shareholders holding less than 5%.

In the period 9 April 2025-7 May 2025, the Company carried out conditional exchange and cash tender offer for existing senior secured bonds (ISIN: XS2378483494). The existing bonds are listed at the Frankfurt Stock exchange and on the Regulated Market of the Nasdaq Tallinn Stock Exchange. The existing bonds carry a fixed coupon rate 11% and are with 5-year-maturity till 6 October 2026. Interest is paid semi-annually on 6 April and 6 October each year.

The offer was conditional upon, among other factors, reaching a minimum exchange and/or tender threshold of EUR 75 000 thousand of the outstanding senior secured bonds (ISIN: XS2378483494). The objective of the offer was to refinance the existing senior secured bonds (ISIN. XS2378483494) and issue new senior secured bonds (ISIN: XS3047514446) in a minimum amount of EUR 125 000 thousand.

As a result of the conditional offer, the minimum acceptance threshold of EUR 75 000 thousand was comfortably exceeded. Investors who held 520 248 bonds in the total amount of EUR 52 025 thousand, expressed their interest in the conditional exchange offer and investors, who held 256 778 bonds in the amount of total EUR 25 678 thousand, expressed their interest in the conditional cash tender offer.

Following the conditional offer, the Company carried out, in the period 20 May 2025-30 May 2025, the public offer for new senior secured bond (ISIN: XS3047514446) in total volume up to EUR 175 000 thousand.

As a result of the public offer, the company issued 1 400 000 new senior secured bonds (ISIN: XS3047514446) in the amount total EUR 140 000 thousand. The new senior secured bonds (ISIN: XS3047514446) carry a fixed coupon rate of 12% and are with 5- and – a - half year maturity till 06 December 2030. Interest is paid semi-annually during the first 48 months (on 06 June and 06 December) and quarterly thereafter (on 06 March, 06 June, 06 September and 06 December). The new senior secured bonds (ISIN: XS3047514446) are listed at the Frankfurt Stock exchange and on the Regulated Market of the Nasdaq Tallinn Stock Exchange from 09 June 2025.

The financial year of the Company starts on 1 January and ends on 31 December.

2 Summary of material accounting policies

Basis of preparation

The half year report of the Company has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The principal accounting policies applied in the preparation of this half year report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The half year report has been prepared under historical cost basis, unless otherwise stated. The Company classifies its expenses by their nature.

The half year report provides comparative information in respect of the previous period. In addition, the Company presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

When the presentation or classification of items in the financial statements is amended, comparative amounts for the previous period are also reclassified, if not specified differently under the relevant accounting principle.

Reporting currency

The half year report is presented in thousands of Euros and all values are rounded to the nearest Euro (EUR). Due to this approach there might be rounding differences within different tables of the financial statements.

Functional currency

The Company`s functional currency is Euro (EUR).

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. The cash flows of the Company are prepared by using the direct method.

Recognition of interest income

The Company measures interest income by applying the effective interest rate (EIR) to the gross carrying amount of its financial assets measured at amortized cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset when the asset has become credit impaired.

The EIR (and therefore, the amortized cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle.

Financial instruments

Financial assets and liabilities are initially recognized on the trade date, i.e. the date on which the Company becomes a party to the contractual provisions on the instrument.

Financial assets

The Company initially measures a financial asset at its fair value plus, in case of a financial asset not valued at fair value through profit or loss, transaction costs. With a view on the Company`s Business Model which is "hold to collect" the Company classifies and measures financial assets at amortized cost.

The Company classifies and measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the EIR method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company`s financial assets at amortised cost include loan receivables.

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

A financial asset is derecognized when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual right to receive cash flows from the financial asset or;
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to third party under a "pass-through" arrangement.

Business model assessment

The Company`s business model assessment is based on a reasonably expected scenario. If cash flows after initial recognition are realized in a way that is different from the Company`s expectations, the Company does not change the classification of the remaining financial asset held in the business model.

Financial liabilities

Financial liabilities are initially recognized on the statement of financial position at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs. The Company`s financial liabilities include trade payables and borrowings.

After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortized cost.

Amortized cost is calculated by considering any discount or premium on issued funds, and costs are an integral part of the EIR.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

Expected losses on financial assets are recognized and measured using general approach.

The Company measures debt instruments (loans) at amortized cost using the ECL. The Company determines the ECL and creates provisions for credit losses at each reporting date. The principle of determining the ECL reflects: (i) an objective transaction-weighted amount determined by analysing a range of possible outcomes, (ii) the time value of money, and (iii) all reasonable and provable information about past events, current conditions and future projections available at the end of each reporting period without undue cost or effort. The future projections are estimated based on the financial forecast of the parent company which is the sole debtor of the Company. Taking into account that the parent company`s performance is related to the recoverability of the receivables in subsidiaries located in different locations, the Company uses GDP growth and unemployment rates of countries where the parent company`s subsidiaries are operating, as a forward looking information.

For monitoring of impairment under IFRS 9, the Company applies the general approach of a three-stage impairment model based on changes in credit quality since initial recognition.

A financial instrument that is not impaired at initial recognition is classified as a Stage 1 financial instrument. A Stage 1 financial asset is valued at an amount equal to the portion of the lifetime ECL that will arise in the event of default within the next 12 months or until the contractual maturity, whichever is shorter.

Where the Company identifies a significant increase in credit risk from initial recognition, the relevant asset is transferred to Stage 2 and its ECL is determined using the lifetime ECL.

If the Company determines that a financial asset is impaired, the asset is transferred to Stage 3 and measured using a lifetime ECL.

The Company calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to gross carrying amount of the financial asset. When a financial asset becomes credit-impaired and is therefore regarded as Stage 3, the Company calculates interest income by applying the EIR to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating income on a gross basis.

The Company considers a financial asset in default when contractual payments are 50 days past due or when indications exist that the debtor is experiencing significant financial difficulty, default or delinquency in receivable, interest or principal payments, the probability that it will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

A financial asset is written off when all legal actions have been performed by the Company to recover receivable and the Company has no reasonable expectation of recovering the contractual cash flows.

Fair value measurement

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

If there is no market price for a given financial asset or liability, its fair value is estimated on the basis of the price established in recent transactions involving similar instruments or, in the absence thereof, by using mathematical measurement models that are sufficiently tried and trusted by the international financial community. The estimates used in such models take into consideration the specific features of the asset or liability to be measured and, in particular, the various types of risk associated with the asset or liability. However, the limitations inherent in the measurement models and possible inaccuracies in the assumptions and parameters required by these models may mean that the estimated fair value of an asset or liability does not exactly match the price for which the asset or liability could be exchanged or settled on the date of its measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The detailed information about financial instruments fair value assessment is presented in Note 14.

Segment reporting

An operating segment is a component of a company that engages in business activities from which it may earn revenues and incur expenses. An operating segment's operating results are reviewed regularly by management of the company, which is also the Company`s chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

For management purpose, the Company is considered as a single operating segment which is involved in the provision of financing.

The Company does not distinguish geographical segments, as all of the Company`s income is derived from one country (Estonia) and the Company has no other locations which should be separately disclosed.

Distinction between short – and long-term assets and liabilities

The Company presents its assets and liabilities in the statement of financial position based on short-term/long-term classification.

Assets from which resources are expected to flow to the Company within 12 months are recognized as current assets.

The portion of assets with expected cash inflows later than 12 months after the end of the reporting period are recognized as non-current assets (see also section 6 Financial risk management policies).

Liabilities are classified as current when they are due within 12 months after the end of the reporting year or if the Company does not have an unconditional right to defer the payment for later than 12 months after the end of the reporting year. Financial liabilities received with due date within 12 months after the end of the reporting year which are refinanced as non-current after the end of the reporting period but before the financial statements are authorized for issue, are recognized as current. Loans received that the lender has the right to recall at the end of the reporting year due to breaches of contractual terms are also classified as current.

For all long-term assets and liabilities, the long-term portion is separately disclosed in the respective disclosure to these financial statements (see also section 6 Financial risk management policies).

Offsetting financial transactions

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legal right to offset transactions and an intention to settle net or realize the asset and settle the liability simultaneously.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Company`s half year report requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company`s accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Company`s control and are reflected in the assumptions when they occur. Items with the most significant effect on the amounts recognized in the half year report with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

Going concern

The Board of Managers has assessed the Company`s ability to continue as a going concern. The Company`s going concern ability depends directly on the parent company`s financial performance, therefore the parent company`s financial performance related information is exchanged between the parent company and the Company on an ongoing basis. Based on the parent company financial performance, the Board of Managers of the Company is not aware of any events or conditions that may cast significant doubt on the Company's ability to continue as a going concern as the parent company`s financial results, as of 30 June 2025, were strong and no significant downgrade in the financial position and business operations of the parent company are foreseen. In addition, the Company does not have overdue receivables from the parent company and there have been no such circumstances which would indicate the late payments by the parent company to the Company for its liabilities which may cause liquidity risk to the Company. Accordingly, the half year report of the Company is prepared on a going concern basis.

The Board of Managers assessed the potential impact of war in Ukraine and relevant events on the half year report, including going concern assumption. The Board of Managers has assessed that this matter will not affect the Company`s ability to continue as a going concern. The assessment takes into account also the possible impact of this event on the parent company`s business operations which has operated and continues to operate without any disruption.

The Board of Managers of the Company declares a going concern of the Company within next 12 months from the date of signing of the half year report.

4 Financial risk management policies

The business of the Company involves several financial risks: market risk (interest risk, currency risk, credit risk and liquidity risk) and business risk. Its risk management is aimed to minimize the negative impact of these risks to the Company`s financial results. The main purpose of the risk management is to assure the retention of the Company`s equity and to carry the Company`s activities as a going concern.

Market risks

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All the Company`s loan commitments bear fixed interest rate and therefore, pose no significant risk on the Company`s cash-flows.

Currency risk

The currency risk arises in case of exchange currency transactions, which are performed with currencies not related to euro. To ground the currency risk, all the relevant contracts in the Company are signed in euro. Since Company`s assets and liabilities are all in euro and all of the Company`s income comes from and expenses occurs from euro-based contracts, the Company is not exposed to currency risk.

Credit risk

The Credit risk expresses potential loss that occurs, when counterparties do not fulfil their contractual obligations to the Company resulting in financial loss. The Company is exposed to credit risk arising from its operating (mainly loan receivables) and investing activities. The credit risk is evaluated by the Board of Managers of the Company monthly, considering the creditor`s financial performance, financial position, future business development.

As at 30 June 2025, the maximum credit risk arising from all receivables is in the amount of EUR 175 312 (31 December 2024: EUR 123 898) thousand.

The aging structure of receivables is as follows:

in thousand EUR	30.06.2025	31.12.2024
Not due	175 317	123 898
including accrued interest from loan receivables	*18 669*	*16 149*
including loan receivables	*156 648*	*107 749*
TOTAL	**175 317**	**123 898**

Loan receivable and related accrued receivables are receivable from the parent company. The Board of Managers has assessed the potential 12-month expected credit loss from the receivables considering the parent company`s financial position and financial performance. Based on the assessment, the Board of Managers has identified 12-month expected credit loss for receivables as at 30 June 2025 in the amount of EUR 3 083 (31 December 2024: EUR 2 176) thousand. See also Note 2 and Note 9.

The cash and cash equivalents are held in BPER Bank Luxembourg S.A. accounts, based on latest Fitch Ratings, the rating of the Bank is BB; and in LHV Pank AS (Estonia) accounts, based on latest Moody`s Investors Service, the rating of the Bank is Baa1.

Liquidity risk

Liquidity risk expresses the potential risk that if the Company`s financial condition will change and that the Company`s ability to settle its liabilities on time will degrade. The Company manages liquidity risk by constantly monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Undiscounted financial liabilities of the Company by maturity dates are presented below:

in thousand EUR	30.06.2025	Maturity Up to 1 year	Maturity 1 to 5 years	Currency	Interest
Eurobonds **	281 424	24 379	257 045	EUR	11% and 12%
TOTAL	**281 424**	**24 379**	**257 045**		

in thousand EUR	31.12.2024	Maturity Up to 1 year	Maturity 1 to 5 years	Currency	Interest
Eurobonds **	159 695	13 750	145 945	EUR	11%
Trade payables	6	6	0	EUR	
TOTAL	**159 701**	**13 756**	**145 945**		

** Including undiscounted principal outstanding as at 30 June 2024 of EUR 187 297 (31 December 2024: EUR 125 000) thousand and estimated total undiscounted future interest payments as at 30 June 2025 of EUR 94 127 (31 December 2024: EUR 34 695) thousand.

The maturity of undiscounted receivables is as follows:

in thousand EUR	30.06.2025	Maturity Up to 1 year	Maturity 1 to 5 years	Currency	Interest
Loans and interest receivable ***	**250 901**	33 123	217 778	EUR	11% and 12%
TOTAL	**250 901**	**33 123**	**217 778**		

in thousand EUR	31.12.2024	Maturity Up to 1 year	Maturity 1 to 5 years	Currency	Interest
Loans and interest receivable ***	**146 674**	28 192	118 482	EUR	11%
TOTAL	**146 674**	**28 192**	**118 482**		

*** Including undiscounted principal outstanding as at 30 June 2025 of EUR 159 309 (31 December 2024: EUR 109 475) thousand and estimated total undiscounted future interest payments as at 30 June 2025 EUR 91 592 (31 December 2024: EUR 37 199) thousand.

The Company`s ability to fulfil its liabilities is dependent mostly on the parent company`s financial performance and its ability to fulfil its own obligations towards the Company. Therefore, the parent company`s financial performance related information, including cash flow forecasts, is exchanged between the parent company and the Company on an ongoing basis.

Business risk

The Board of Managers of the Company assesses the main business risk arising from issued bonds. The Company`s activity is subject to the financial covenants' measurement on a quarterly basis upon submission of the annual audited consolidated reports and interim unaudited quarterly consolidated reports of lute group. The financial covenants are measured on lute group level which comprises of the parent company lute Group AS and its subsidiaries, in addition to the Company, ICS OMF luteCredit SRL, luteCredit Albania SHA, luteCredit

Macedonia DOOEL–Skopje, IutePay Bulgaria EOOD, IuteCredit Bulgaria EOOD, MKD IuteCredit BH d.o.o. Sarajevo, IutePay Albania SH.P.K, BC Energbank S.A., IuteCredit Romania IFNSA, Iute Safe AD Skopje and Iute Pay DOOEL Skopje.

The financial covenants are:

	Bond with maturity 06 October 2026	Bond with maturity 06 December 2030
Capitalization ratio is not less than	15%	15%
Interest coverage ratio is not less than	1,5	1,25

Capitalization ratio is calculated as follows: Iute group consolidated equity/Iute group consolidated net finance loans and advances to customers.

Interest coverage ratio is calculated as follows: Iute group consolidated adjusted EBITDA*/Iute group consolidated interest expense.

The ratios for covenants were following:

	30.06.2025	31.12.2024
Capitalization		
Equity/Net finance loans and advances to customers	24,2%	25,0%
	2025	**2024**
Profitability		
Interest coverage ratio (ICR): adjusted EBITDA/interest expenses	1,6	1,7

The Board of Managers constantly observes the covenants required to be fulfilled by the Eurobond issuance. The Group has complied with the requirements in 2025 and 2024.

*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.

Capital management

The Company`s primary objective of capital (both debt and equity) management is to ensure a level of capital structure, which would support the stability of the Company`s operation, continuity of its operation and meeting the financial covenants agreed for the issued bonds as described in subsection "Business risk" above. To preserve and adjust the capital structure, the Company may regulate the dividends payable to the shareholder, resell shares, change the nominal value of shares, issue new shares or sell assets to cover liabilities. See also Note 11.

5 Interest income

in thousand EUR	01.01.2025-30.06.2025	01.01.2024-30.06.2024
Interest on loans	9 516	8 886
TOTAL	**9 516**	**8 886**

Interest on loans is earned from the loan issued to the parent company Iute Group AS.

6 Interest expense

in thousand EUR	01.01.2025-30.06.2025	01.01.2024-30.06.2024
Interest on bonds	-8 526	-8 779
TOTAL	**-8 526**	**-8 779**

Interest expense solely incurred with respect of the issued bonds on the market. Interest expense also includes transactions with related parties. See also Note 13.

7 Other operating expenses

in thousand EUR	01.01.2025-30.06.2025	01.01.2024-30.06.2024
Legal service, notary and bank fees	-68	-79
TOTAL	**-68**	**-79**

In the reporting period, legal service fees include legal annual audit fees (excluding VAT and Administrative Charges) in the amount of EUR 34 (2024: EUR 32) thousand.

8 Cash and cash equivalents

in thousand EUR	30.06.2025	31.12.2024
Bank accounts	10 333	19
TOTAL	**10 333**	**19**

9 Loan receivables

in thousand EUR	30.06.2025	31.12.2024
Loan receivables	156 648	107 749
Accrued interest from loan receivables	18 669	16 149
TOTAL	**175 317**	**123 898**

As at 31 December 2024, the Company had one loan outstanding with maturity on 1 October 2026 and with an interest rate of 11%. The interest is payable semi-annually on 6 April and 6 October of each year. The loan repayment date is the loan maturity date.

Loan is recorded at amortized cost by using an effective interest rate of 11,4%.

In June 2025, the Company conducted new loan agreement with the parent company, Iute Group AS, with maximum credit limit up to EUR 141 000 thousand. The loan maturity is 1 December 2030 and loan carries an interest rate 12%. The interest is paid semi-annually on 6 June and 6 December during first 48 months and quarterly on 6 September. 6 December, 6 June, 6 March of each year till the maturity of the loan. The loan repayment date is the loan maturity date.

Loan is recorded at amortized cost by using an effective interest rate of 12,37%.

The movement of loan receivables is as follows:

in thousand EUR	Loan with maturity 01 October 2026	Loan with maturity 06 December 2025	TOTAL
Loan at amortized cost 31.12.2024	**107 749**	**0**	**107 749**
Loan given*	1 350	58 513	**59 863**
Loan repaid**	-6 973	-3 056	**-10 029**
Loan reclassification	-52 025	52 025	**0**
Recognized expected credit loss	0	-1 861	**-1 861**
Reversal of recognized expected credit loss	998	0	**998**
Change in EIR balance	-274	203	**-72**
Loan at amortized cost 30.06.2025	**50 825**	**105 823**	**156 648**
Loan at amortized cost 31.12.2023	**106 724**	**0**	**106 724**
Loan given*	6 744	0	**6 744**
Loan repaid*	-2 230	0	**-2 230**
Reversal of recognized expected credit loss	16	0	**26**
Change in EIR balance	-771	0	**-771**
Loan at amortized cost 30.06.2024	**110 482**	**0**	**110 482**

*The amount representing the loan given includes also impact from change in EIR balance. In 2025, the impact amounted to EUR 951 thousand as an increase of loan receivable (2024: EUR 2 844 thousand as increase of loan receivable). The impact of amortized cost calculation is a non-monetary movement and therefore it is not presented in the statement of cash flows.

** In 2024, the Company has settled with the parent company loan receivables in the amount of EUR 6 282 (2024: EUR 120) thousand. The settlement was done with liabilities the parent company paid on behalf of the Company in the amount of EUR 3 200 (2024: EUR 120) thousand and transfer of bonds held by the parent company in the amount of EUR 3 082 (2024: EUR 0) thousand. The settlement was non-monetary and therefore it is not presented in the statement of cash flows.

The total maturity of receivables is as follows:

in thousand EUR	30.06.2025	Maturity Up to 1 year	Maturity 1 to 5 years	Currency	Interest
Loan receivables	**156 648**	0	156 648	EUR	11% and 12%
Accrued interest from loan receivables	**18 669**	18 669	0	EUR	
TOTAL	**175 317**	**18 669**	**156 648**		

in thousand EUR	31.12.2024	Maturity Up to 1 year	Maturity 1 to 5 years	Currency	Interest
Loan receivables	**107 749**	0	107 749	EUR	11%
Accrued interest from loan receivables	**16 149**	16 149	0	EUR	
TOTAL	**123 898**	**16 149**	**107 749**		

The loan receivables and related accrued interest receivables are assessed to be in Stage 1 in accordance with IFRS 9 in respect of ECL measurement. The Board of Managers has assessed the credit risk of the borrower and determined 12-month expected credit loss for the receivables as presented in the following table.

in thousand EUR	30.06.2025	31.12.2024
Loan receivables	159 402	109 640
Expected credit loss	-2 754	-1 892
Expected loss rate	1,73%	1,73%
Interest receivables	18 997	16 434
Expected credit loss	-328	-284
Expected loss rate	1,73%	1,73%

Changes in allowances for receivables are as follows:

in thousand EUR	Loan receivables 2025	Loan receivables 2024	Interest receivables 2025	Interest receivables 2024
Opening balance at 1 January	**-1 892**	**-463**	**-284**	**-36**
Changes incurred in 1 January to 30 June				
Recognition of expected credit loss	-1 861	-16	-44	-8
Reversal of expected credit loss recognized	998	0	0	0
Closing balance as 30 June	**-2 754**	**-479**	**-328**	**-44**

Please see also Note 2 for accounting policies and Note 13 for additional information on related parties.

10 Financial liabilities

in thousand EUR	30.06.2025	Maturity		Currency	Interest
		Up to 1 year	1 to 5 years		
Eurobonds (excl. accrued interest)	**183 008**	0	183 008	EUR	11% and 12%
Accrued interest from bonds	**2 378**	2 378	0	EUR	
TOTAL	**185 385**	**2 378**	**183 008**		

in thousand EUR	31.12.2024	Maturity		Currency	Interest
		Up to 1 year	1 to 5 years		
Eurobonds (excl. accrued interest)	**120 384**	0	120 384	EUR	11%
Accrued interest from bonds	**3 278**	3 278	0	EUR	
TOTAL	**123 662**	**3 278**	**120 384**		

As at 31 December 2024, the Company has issued EUR 125 000 thousand of senior secured bonds (ISIN: XS2378483494) at Frankfurt Stock Exchange and on the Regulated Market of the Nasdaq Tallinn Stock Exchange with a fixed coupon rate 11% and with maturity on 6 October 2026. Interest is payable semi-annually on 6 April and 6 October of each year. Interest will accrue from the issue date by actual days. The obligations of the issuer are guaranteed and pledged on a senior secured basis by lute Group AS and its subsidiaries taking into consideration all present and future receivables and bank accounts.

In the period 9 April 2025-7 May 2025, the Company carried out conditional exchange and cash tender offer for existing senior secured bonds (ISIN: XS2378483494). The offer was conditional upon, among other factors, reaching a minimum exchange and/or tender threshold of EUR 75 000 thousand of the outstanding senior secured bonds (ISIN: XS2378483494). The objective of the offer was to refinance the existing senior secured bonds (ISIN. XS2378483494) and issue new senior secured bonds (ISIN: XS3047514446) in a minimum amount of EUR 125 000 thousand.

As a result of the conditional offer, the minimum acceptance threshold of EUR 75 000 thousand was comfortably exceeded. Investors who held 520 248 bonds in the total amount of EUR 52 025 thousand, expressed their interest in the conditional exchange offer and investors, who held 256 778 bonds in the amount of total EUR 25 678 thousand, expressed their interest in the conditional cash tender offer.

Following the conditional offer, the Company carried out, in the period 20 May 2025-30 May 2025, the public offer for new senior secured bond (ISIN: XS3047514446) in total volume up to EUR 175 000 thousand.

As a result of the public offer, the company issued 1 400 000 new senior secured bonds (ISIN: XS3047514446) in the amount total EUR 140 000 thousand. The new senior secured bonds (ISIN: XS3047514446) carry a fixed coupon rate of 12% and are with 5- and – a - half year maturity till 06 December 2030. Interest is paid semi-annually during the first 48 months (on 06 June and 06 December) and quarterly thereafter (on 06 March, 06 June, 06 September and 06 December). The new senior secured bonds (ISIN: XS3047514446) are listed at the Frankfurt Stock exchange and on the Regulated Market of the Nasdaq Tallinn Stock Exchange from 09 June 2025. The obligations of the issuer are guaranteed and pledged on a senior secured basis by lute Group AS and its subsidiaries taking into consideration all present and future receivables and bank accounts.

The following changes in financial liabilities per bonds have occurred:

in thousand EUR	Bond with maturity 6 October 2026	Bond with maturity 6 December 2030	Total
Bonds in nominal value 31.12.2024	**125 000**	**0**	**125 000**
Bonds held on hand in nominal value 31.12.2024	**-2 741**	**0**	**-2 741**
Bonds exchanged*	-52 025	52 025	**0**
Bonds held on hand sold*	2 741	0	**2 741**
Bonds issued*	0	87 975	**87 975**
Bonds redeemed*	-25 678	0	**-25 678**
Bonds in nominal value 30.06.2025	**47 297**	**140 000**	**187 297**
Bonds held on hand in nominal value 30.06.2025	**0**	**0**	**0**
Bonds acquisition costs 31.12.2024	**-1 875**	**0**	**-1 875**
Change in bonds acquisition costs	1 129	-3 543	**-2 414**
Bonds acquisition costs 30.06.2025	**-746**	**-3 543**	**-4 289**
TOTAL 31.12.2024	**120 384**	**0**	**120 384**
TOTAL 30.06.2025	**46 551**	**136 457**	**183 008**

in thousand EUR	Bond with maturity 6 October 2026
Bonds in nominal value 31.12.2023	**125 000**
Bonds held on hand in nominal value 31.12.2023	**-10 878**
Bonds issued *	7 310
Bonds redeemed *	-2 313
Bonds in nominal value 30.06.2024	**125 000**
Bonds held on hand in nominal value 30.06.2024	**-5 881**
Bonds acquisition costs 31.12.2023	**-2 580**
Change in bonds acquisition costs	327
Bonds acquisition costs 30.06.2024	**-2 253**
TOTAL 31.12.2023	**111 542**
TOTAL 30.06.2024	**116 866**

*The amounts presented in the table are in bonds nominal value.

As at 31 December 2024, the Company held on hand bonds in the nominal value of EUR 2 741 thousand. The bonds held on hand were shown in the statement of financial position in offset amount. In the financial period 1 January – 30 June 2025, the Company has sold bonds held on hand in the amount of EUR 2 741 thousand.

Reconciliation of movements of liabilities to cash flows arising from financing activities

in thousand EUR	Eurobonds	Accrued interest	Total
Balance 01.01.2025	**120 384**	**3 278**	**123 662**
Other changes			
Changes from financing cash flows			
Proceeds from issuance of bonds	97 776	0	97 776
Payments for repurchases of bonds	-25 678	0	-25 678
Total changes from financing cash flows	**72 098**	**0**	**72 098**
Change in bonds acquisition costs	-6 650	0	-6 650
Interest expenses	0	8 526	8 526
Interest paid	0	-8 264	-8 264
Other changes*	-2 824	-1 164	-3 988
Total liability-related other changes	**-9 474**	**-901**	**-10 375**
Balance 30.06.2025	**183 008**	**2 377**	**185 385**
Balance 01.01.2024	**111 542**	**3 278**	**114 820**
Changes from financing cash flows			
Proceeds from issuance of bonds	7 310	0	7 310
Payments for repurchases of bonds	-2 313	0	-2 313
Total changes from financing cash flows	**4 997**	**0**	**4 997**
Other changes			
Liability-related			
Change in bonds acquisition costs	327	0	327
Interest expenses	0	8 779	8 779
Interest paid	0	-6 875	-6 875
Other changes*	0	-1 943	-1 943
Total liability-related other changes	**327**	**-38**	**288**
Balance 30.06.2024	**116 866**	**3 240**	**120 105**

*Other changes represent non-monetary changes in the financial liability`s amortized cost recognized as interest expense during the reporting period.

The financial liabilities include also liabilities payable to related parties. Please see Note 13 for additional information.

11 Shareholder`s equity

	30.06.2025	31.12.2024
Share capital	**EUR**	**EUR**
Share capital	12 000	12 000
Number of shares	12 000	12 000
Nominal value of share	1,00	1,00

All shares are fully paid. Each share carries one vote at meetings of the Company, granting the holder the right to participate in the management of the Company, the distribution of profits and the distribution of residual assets on the dissolution of the Company. No dividends were proposed in the financial periods 1 January 2025-30 June 2025 and 1 January 2024 -30 June 2024.

Legal reserve	EUR
Legal reserve as at 31.12.2023	1 200
Legal reserve as at 30.06.2024	1 200
Legal reserve as at 31.12.2024	1 200
Legal reserve as at 30.06.2025	1 200

Luxembourg companies are required to appropriate to the legal reserve a minimum of 5% of the net profit for the year after deduction of any losses brought forward, until this reserve equals 10% of the subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, during the life of the Company. The appropriation to legal reserve is effected after approval at the general meeting of shareholders.

12 Fair value measurement

The carrying amount of the Company`s assets and liabilities is a reasonable approximation of their fair value. The carrying amount of financial instruments approximates to their fair value.

As at 30 June 2025, the fair value of the bond from investors amounted to EUR 183 008 (31 December 2024: EUR 120 384) thousand, excluding interest in the amount of EUR 2 377 (31 December 2024: EUR 3 278) thousand. Loan claim amounted to EUR 156 648 (31 December 2024: EUR 107 749) thousand, excluding interest in the amount of EUR 18 669 (31 December 2024: EUR 16 149) thousand. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

In assessing the fair value of financial instruments, the Company uses a variety of methods and makes assumptions based on market conditions existing at the reporting date. The fair values of interest-bearing loans granted are estimated by discounting the future contractual cash flows at the current market interest rate available to the Company for similar financial instruments.

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgment is required to establish fair values.

Fair value hierarchy for financial instruments not measured at fair value as at:

		Fair value measurement using			
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets for which fair values are disclosed					
Loans and interest receivables	30.06.2025	0	0	175 317	**175 317**
Liabilities for which fair values are disclosed					
Bonds accrued interest payables	30.06.2025	0	0	185 385	**185 385**

Assets for which fair values are disclosed					
Loans and interest receivables	31.12.2024	0	0	123 898	**123 898**
Liabilities for which fair values are disclosed					
Bonds accrued interest payables	31.12.2024	0	0	123 662	**123 662**

13 Related parties

Parties are related if one party could control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties are defined as shareholders, and the Board of Managers, key management personnel, their close relatives, and companies in which they have a controlling interest as well as associated companies.

Sole shareholder of IuteCredit Finance S.à r.l. is Iute Group AS, registered in Estonia.

The Company`s management has not identified significant transfer pricing risks, as well as there are no significant price and tax risks arising from transactions between Company and the related parties. Transactions are entered into with related parties in the normal course of business.

The volumes of related party transactions are as follows:

in thousand EUR		Loans granted*	Calculated interest from loans granted	Loans repaid**	Interest received
Parent Company (Iute Group AS)	01.01.2025-30.06.2025	59 683	9 516	10 029	4 409
Parent Company (Iute Group AS)	01.01.2024-30.06.2024	3 900	8 221	2 110	5 902

in thousand EUR		Loans and borrowings received	Calculated interest on loan and borrowings	Loans repaid	Interest paid
Parent Company (Iute Group AS)	01.01.2025-30.06.2025	0	160	3 082	353
Shareholders and related companies to them	01.01.2025-30.06.2025	0	164	0	241
Parent Company (Iute Group AS)	01.01.2024-30.06.2024	0	391	0	354
Shareholders and related companies to them	01.01.2024-30.06.2024	0	179	0	181

The outstanding balances with related parties are as follows:

in thousand EUR		Loan receivable	Interest receivable	Loan and borrowings	Interest payable
Parent Company (Iute Group AS)	30.06.2025	156 648	18 669	0	0
Shareholders and related companies to them	30.06.2025	0	0	3 173	43
Parent Company (Iute Group AS)	31.12.2024	107 749	16 149	4 482	116
Shareholders and related companies to them	31.12.2024	0	0	3 357	84

*The movement includes monetary movements in amount of total EUR 58 912 (2024: EUR 3 900) thousand and non-monetary movements in amount of total EUR 951 (2024: EUR 0) thousand.

** The movement includes monetary movements in amount of total EUR 3 746 (2024: EUR 2 110) thousand and non-monetary movements in amount of total EUR 6 283 (2024: EUR 0) thousand.

During the financial periods 1 January 2025 - 30 June 2025 and 1 January 2024 – 30 June 2024 the Company did not employ personnel. Members of the Board of Managers were not remunerated. No advances and loans were granted during the financial period to the members of those bodies.

See also Notes 5,6, 9 and 10.

14 Commitments and contingent liabilities

Commitments

According to the issued bonds agreement, the bonds are guaranteed and pledged on a senior secured basis by Iute Group AS, the parent company of the Company, and its other subsidiaries taking into consideration all their present and future receivables and bank accounts until the maturity date of the bonds on 6 October 2026.

Contingent liabilities

According to issued bonds, the Company`s activity is subject to the financial covenants (interest coverage ratio and capitalization ratio) measurement on quarterly basis upon submission of the annual audited consolidated reports and interim unaudited quarterly consolidated reports. The financial covenants are measured on Iute group level which comprises of the parent company Iute Group AS and its subsidiaries, in addition to the Company, ICS OMF IuteCredit SRL, IuteCredit Albania SHA, IuteCredit Macedonia DOOEL– Skopje, IutePay Bulgaria EOOD, IuteCredit Bulgaria EOOD, MKD IuteCredit BH d.o.o. Sarajevo, IutePay SH.P.K, BC Energbank S.A, IuteCredit Romania IFNSA and Iute Safe AD Skopje.

As of the balance sheet date, 30 June 2025, there was no breach in the financial covenants.

15 Operating segment

The Company is a single operating segment from a management reporting perspective based on its business activity. The Company`s activity is reviewed by the management of the Company which is also the Company`s chief operating decision maker.

Reporting on segment income, expenses, profit, assets and liabilities

Breakdown of income, expense and profit in thousand EUR	01.01.2025-30.06.2025	01.01.2024-30.06.2024
Interest income	9 516	8 886
Interest expense	-8 526	-8 779
Other income	1	27
Legal services, notary and bank fees	-68	-79
Allowances for loan impairment	-907	-24
Reportable segment profit (-loss) before tax	15	32
Reportable segment profit (-loss) for the reporting year	15	9
Breakdown of assets and liabilities in thousand EUR	**30.06.2025**	**31.12.2024**
Reportable segment assets		
Loan receivables	156 648	107 749
Accrued interest from loan receivable	18 669	16 149
Cash and cash equivalents	10 333	19
Total reporting segment assets	**185 650**	**123 917**
Reportable segment liabilities		
Interest bearing loans and borrowings	183 008	120 384
Accrued interest on interest bearing loans and borrowings	2 377	3 278
Trade payables	0	6
Total reporting segment liabilities	**185 385**	**123 668**

Reconciliation of segment income, expenses, profit, assets and liabilities.

As the Company`s business activity is classified as one operating segment, then all income, expenses, profit, assets and liabilities reported in operating segment reporting are equal to income, expenses, profit, assets and liabilities reported in statement of Profit and Loss and Other Comprehensive Income and Statement of Financial Position.

16 Subsequent events

There have been no such subsequent events which would cause corrections in the reported financial information, or which should be additionally disclosed as subsequent event.

Managers`Statement

As managers of the Company, we hereby formally and expressly declare that, to the best of our knowledge, the unaudited half year report of the Company for the period ended 30 June 2025, has been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss and other comprehensive income of the Company, and that the management report of the Company includes a fair review of the development and performance of the business, and describes the principal risks and uncertainties associated with the Company.

28 August 2025

Kristel Kurvits
Member of the Board of Managers

DocuSigned by:
54448A414D734FE...

Ann Leonie Lauwers
Member of the Board of Managers

DocuSigned by:
B1BAF45E54BD4A4...

Pieter Adriaan van Nugteren
Member of the Board of Managers