



## Iute Group Reports Unaudited Results for 3M/2026

Record Asset Quality, Improving Efficiency and Covenant Headroom Pave the Way Ahead

### Strategic Highlights

- Data-driven credit decisioning and AI-driven risk model refinement continue to strengthen portfolio quality, with gross NPL declining to 7,6% (31 Mar. 2025: 9,2%).
- AI-driven product bundling and personalized value proposition drives revenue growth; revenue per customer (LTM) up 11,8% to 493 EUR (3M/2025: 441 EUR).
- Non-lending revenues grow faster than core lending – insurance brokerage up 71,4% year-over-year, now 5,6% of total revenue (3M/2025: 3,7%).
- Mylute SuperApp surpassed 1,75 million cumulative downloads (+46,7% year-over-year), accelerating the shift to digital-only customer journeys.

### Operational Highlights

- Asset quality improved materially year-over-year: gross NPL ratio at 7,6% (31 Mar. 2025: 9,2%), with impairment coverage at 70,9%.
- Finco repayment discipline (CPI30) at 89,3% (3M/2025: 87,9%) – the highest level on record, driven by improved risk selection and credit model refinement.
- Gross loan portfolio at 381,6 million EUR (+19,6% year-over-year; 31 Mar. 2025: 319,0 million EUR); cost of risk improved to 7,7% (3M/2025: 8,1%).
- Loan payouts up 27,4% to 106,3 million EUR (3M/2025: 83,5 million EUR) across 4.653 active points of sale (+9,3% year-over-year).
- Headcount at 884 FTE (3M/2025: 908); 100 cardless ATMs operational (+27% year-over-year); digital channels absorbing a growing share of transactions.

### Financial Highlights

- Adjusted EBITDA up 36,7% to 15,7 million EUR (3M/2025: 11,5 million EUR).
- Interest income up 10,7% to 26,9 million EUR (3M/2025: 24,3 million EUR); total income up 13,0% to 32,5 million EUR (3M/2025: 28,8 million EUR).
- Adjusted cost-to-income ratio improved to 32,1% (3M/2025: 38,3%).
- Net interest margin at 19,3% (3M/2025: 24,5%), reflecting the step-up in refinancing costs of the EUR Bonds 2025/2030 issued in May 2025.
- FX-adjusted net profit up to 3,5 million EUR (3M/2025: 2,1 million EUR, adjusted for solidarity tax one-off in North Macedonia).
- Reported net profit at 2,6 million EUR (3M/2025: 3,4 million EUR), reflecting higher interest expense (+29,2%), increased D&A (+35,9%) from technology investment, and FX loss of 960 thousand EUR (3M/2025: gain of 25 thousand EUR).
- Both Eurobond covenants comfortably met: capitalization ratio at 22,6% (minimum 15%) and ICR at 1,55x (minimum 1,50x).

### Significant Events after the End of the Reporting Period

- Following the end of the reporting period, Energbank is expected to pay out dividends in the amount of 3.0 EURm in June/July 2026 (2025: 2.5 EURm), bringing total dividend distribution to 10.1 EURm since acquisition in 2022.

## Statement of the Management

Q1 was a positively challenging period for the Group. We continued balancing profitability while strengthening the core drivers of lute's virtuous growth flywheel and improving how we operate. In short, it is hot in the kitchen.

Our growth flywheel is built on six spokes:

- Customer experience management
- Building the Mylute SuperApp
- Developing customer-obsessed products
- Expanding the partner ecosystem
- Use of data science and AI-driven personalization
- Geographic expansion

How we operate is focused on cost efficiency. We are not fully satisfied with our results, considering the value of the inputs. While baseline expectations were met, we believe stronger performance is needed.

We continue to invest heavily in future technologies and new value streams to support our long-term objective: becoming a fully digital bank with the most-used superapp in every country where we operate. These investments require more than 15 million EUR of direct annual cash outflows (partly accounted for as opex and partly as capex), and we are already seeing tangible returns. By the end of 2028, we expect 90% of the Group's services to be delivered and used digitally via the Mylute app.

Building on this momentum, revenue increased by more than 13% year-on-year. Credit quality also improved: allowances for loan impairment rose by only 3.4% versus Q1 2025, while loan disbursements increased by 27% to more than 106 million EUR and the net loan portfolio expanded by 20.9% to 360.9 million EUR (Q1 2025: 298.4 million EUR). The adjusted cost-to-income ratio (excluding depreciation and amortization) improved to 32.1% – around six percentage points better than a year ago on a comparable basis. Stronger operational and credit risk efficiency enables continued investment in technology, new value streams, and geographic expansion.

Lending remains the primary revenue driver, contributing 28.5 million EUR (87.7% of total revenue). Wallet revenue amounted to 1.2 million EUR, broadly stable year-on-year as customers increasingly use low-fee SEPA payments. Insurance intermediation contributed 1.8 million EUR, up 71% year-on-year, supported by an expanded offering that now includes health, travel, and third-party liability coverage in selected countries.

As of the end of March 2026, the Group had 247,383 active customers – broadly stable year-on-year – reflecting our deliberate focus on higher-quality loan customers with larger exposures and stronger repayment profiles. (Active customers are defined as customers who make a payment to lute on a monthly basis.)

- Wallet services users: 101,783 (up approximately 16,000 vs. Q1 2025)
- Customers with at least one active insurance policy: 58,465 (up approximately 20,000 vs. Q1 2025)

Overall, the active customer base is increasing in value rather than in volume.

lute deployed its first AI agents in Albania to support insurance and loan sales. Today, 70% of lute's after-sales offers are personalized and generated automatically without human intervention. The share of fully automated loans increased to 35.9% (33,720 out of 94,011 loans issued).

In terms of geographic expansion, luteBank Ukraine was approved by the National Bank of Ukraine to operate independently. We have begun building operations with the aim of launching a fully digital bank for private customers in Q1 2027.

The interest coverage ratio stands at 1.55x, comfortably above the Eurobond covenant minimum of 1.50x, underscoring that ambitious growth and disciplined covenant compliance can go hand in hand. Our near-term priorities are:

- Grow revenue to 34 million EUR in Q2 2026
- Further improve the cost-to-income ratio
- Reduce credit risk costs and the cost of funding

The Group is considering tapping the EUR 2025/2030 Senior Secured Bonds in Q2 2026 to continue its profitable growth trajectory.

Tarmo Sild  
CEO of lute Group

## Consolidated key financial figures

	31 Mar. 2026	31 Dec. 2025	Δ in %
<b>Capitalization</b>			
Gross loan portfolio (in thousand EUR)	381.573	377.028	1,2%
<i>Finco</i>	277.231	269.823	2,7%
<i>Energbank</i>	104.342	107.206	-2,7%
Net loan portfolio (in thousand EUR)	360.899	358.257	0,7%
<i>Finco</i>	258.771	253.202	2,2%
<i>Energbank</i>	102.128	105.055	-2,8%
Assets (in thousand EUR)	526.956	510.601	3,2%
Equity (in thousand EUR)	81.574	80.621	1,2%
Equity to assets ratio	15,5%	15,8%	-0,3%
Capitalization ratio	22,6%	22,5%	0,1%
	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
<b>Profitability</b>			
Interest income	26.867	24.262	10,7%
<i>Finco</i>	22.794	20.487	11,3%
<i>Energbank</i>	4.112	3.825	7,5%
Net interest margin	19,3%	24,5%	-5,2%
<i>Finco</i>	21,8%	28,9%	-7,1%
<i>Energbank</i>	13,1%	14,9%	-1,8%
Adjusted cost to income ratio	32,1%	38,3%	-6,2%
<i>Finco</i>	28,8%	33,0%	-4,2%
<i>Energbank</i>	55,1%	72,5%	-17,4%
Post-allowances operating profit margin	4,6%	4,6%	-0,1%
<i>Finco</i>	4,8%	5,2%	-0,5%
<i>Energbank</i>	2,9%	3,3%	-0,4%
Adjusted EBITDA	15.686	11.472	36,7%
<i>Finco</i>	14.030	10.338	35,7%
<i>Energbank</i>	1.655	1.134	45,9%
Interest coverage ratio	1,55	1,69	-8,3%
Profit margin before tax	11,3%	15,6%	-4,3%
Net profit	2.578	3.427	-24,8%
Return on assets	2,0%	3,2%	-1,3%
Return on equity	12,7%	18,2%	-5,4%
	<b>31 Mar. 2026</b>	<b>31 Dec. 2025</b>	<b>Δ in %</b>
<b>Asset quality</b>			
Cost of risk	7,7%	8,1%	-0,4%
<i>Finco</i>	11,4%	11,5%	-0,1%
<i>Energbank</i>	0,4%	-1,4%	1,8%
Impairment coverage ratio	70,9%	73,7%	-2,8%
<i>Finco</i>	67,4%	69,2%	-1,8%
<i>Energbank</i>	124,3%	147,5%	-23,2%
Gross NPL ratio	7,6%	6,8%	0,9%
<i>Finco</i>	9,9%	8,9%	1,0%
<i>Energbank</i>	1,7%	1,4%	0,3%
Net NPL ratio	3,4%	4,6%	-1,2%
<i>Finco</i>	4,7%	6,4%	-1,7%
<i>Energbank</i>	0,4%	0,5%	-0,1%

## MANAGEMENT REPORT

### Group Corporate and Organizational Overview

**lute Group AS** (formerly luteCredit 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 31 Mar. 2022, lute Group had eleven operating subsidiaries: ICS OMF lute Credit SRL (**ICM**) and BC Energbank S.A. (**EB**) in Moldova, luteCredit Albania SHA (**ICA**) and lutePay Sh.p.k. (**IPA**) (formerly VeloxPay Sh.P.K ,Velox) in Albania, luteCredit Macedonia DOOEL–Skopje (**ICMK**), lute Safe AD Skopje (**ISMK**), and lute Pay DOOEL Skopje (IPMK) in North Macedonia, lutePay Bulgaria EOOD (**lutePay Bulgaria**) and luteCredit Bulgaria EOOD (**ICBG**) in Bulgaria, luteCredit BH d.o.o. Sarajevo (**ICBH**) in Bosnia and Herzegovina, luteCredit Finance S.á r.l. (**ICF**) in Luxembourg, luteCredit Romania IFN SA (**ICRO**). lutePay Bulgaria EOOD, MKD luteCredit BH d.o.o. Sarajevo, luteCredit Romania IFNSA, and lute Pay DOOEL Skopje (IPMK) were inactive in 3M/2025. lute Group AS and its subsidiaries form the **lute Group** or **lute** on a consolidated level.

Operationally active companies of the lending business are collectively shown as **Finco**, while the banking business of the lute Group as at 31 Mar. 2026 consists of **Energbank (EB)**. All subsidiaries are 100% owned by lute Group AS, except Energbank where lute Group AS holds a 95% stake. lute 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 lute Group AS are elected and approved by the National Bank of Moldova, lute 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
- Geographic expansion
- Customer-obsessed product design
- Superapp design and customer experience design
- Ecosystem management
- Technology design and development
- 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 science and AI driven solutions 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

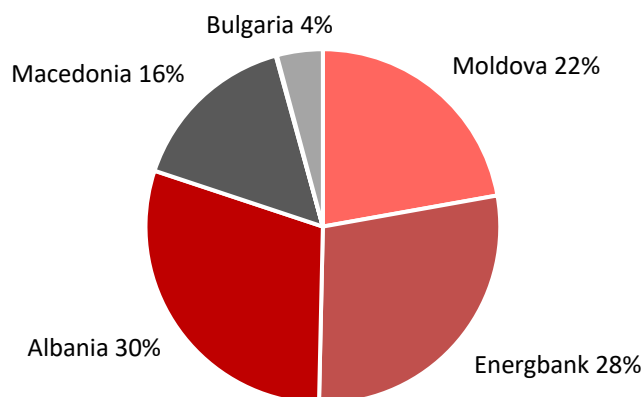
Iute Group serves retail customers and ecosystem partners as an everyday digital banking services provider centered around its proprietary superapp, providing digital-first financial services including installment lending, mortgage loans and leasing, current accounts and payment services, embedded digital insurance intermediation and other related services. Iute Group operates through its local subsidiaries that include Energbank in Moldova, microfinance institutions in each country, electronic money institutions and dedicated insurance intermediation companies.

The Group's core loan products include unsecured installment loans and buy-now-pay-later loans. The average unsecured loan amount is 900 EUR, while loan sizes range from 50 EUR to 16 thousand EUR and maturities range from 3 months to 60 months. The weighted average annual percentage rate (APR) of unsecured loans is above 30%, depending on the loan amount, maturity, and customer status. Core loan products are provided through the Group's finance companies and are primarily financed through senior secured bonds listed on the Regulated Market of the Frankfurt Stock Exchange and the Nasdaq Baltic Main List.

Mortgage loans and leasing solutions are provided through Group's bank in Moldova and financed primarily by local customer deposits at a net interest margin that exceeds 5%. The bank's assets and liabilities are separated from the rest of the Group's assets and liabilities and supervised by the National Bank of Moldova.

Current accounts and related payment services, often referred to as "Wallet", are offered through the Group's electronic money institutions, the bank and by selected licensed partners. Digital insurance intermediation is embedded into relevant customer journeys and offered across the finance companies, Energbank, and partners. The Group also provides other financial services such as foreign exchange, investments in securities, trade and warehouse financing, as well as promotional campaigns and a loyalty program. Each service line is operated through a dedicated Group company that functions as an autonomous profit center in a given country.

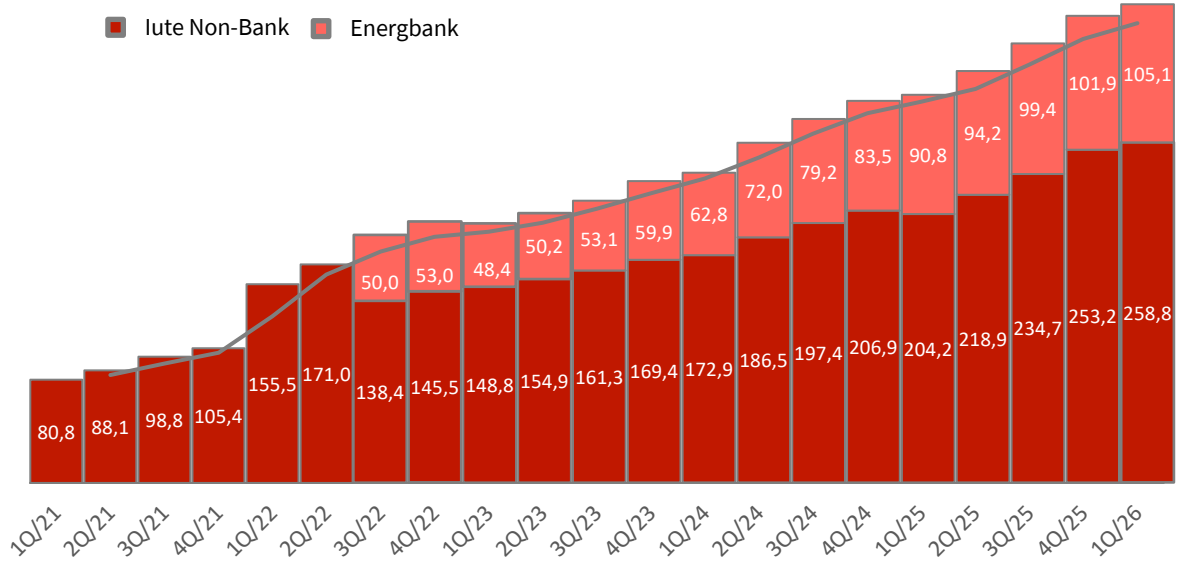
Breakdown of portfolio diversification as of 31/03/2026



Iute Group aims to serve customers with permanent employment and recurring income. The underwriting process is based on personal identification, income assessment, and customer performance data. On average, approximately 54% of loan applications by individual customers across the Group are approved.

Services are delivered through proprietary smartphone application Myiute, an established partner network, websites and other online channels, as well as branches. By the end of 2025, Iute Group had 35 Iute branches and 4,653 active points of sale, and 18 Energbank branches. The Group's proprietary ATM network in the operating countries amounts to 99 ATMs.

Breakdown of net portfolio development in EUR (million)



## Consolidated earnings, financial and asset position

Consolidated statement of profit and loss (condensed)

<b>(In thousand EUR)</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Interest and similar income	26.867	24.262	10,7%
Interest and similar expense	-10.087	-7.809	29,2%
<b>Net interest and commission fee income</b>	<b>16.780</b>	<b>16.453</b>	<b>2,0%</b>
Loan administration fees and penalties	1.649	1.833	-10,0%
<b>Total loan administration fees and penalties</b>	<b>1.649</b>	<b>1.833</b>	<b>-10,0%</b>
Other income	3.988	2.663	49,8%
Allowances for loan impairment	-6.388	-6.175	3,4%
<b>Net operating income</b>	<b>16.030</b>	<b>14.774</b>	<b>8,5%</b>
Personnel expenses	-6.126	-6.167	-0,7%
Depreciation/amortization charge	-1.592	-1.171	35,9%
Other operating expenses	-4.306	-3.677	17,1%
<b>Total operating expenses</b>	<b>-12.023</b>	<b>-11.015</b>	<b>9,2%</b>
Foreign exchange gains/losses	-960	25	n/a
<b>Net financial result</b>	<b>-960</b>	<b>25</b>	<b>n/a</b>
<b>Profit before tax</b>	<b>3.046</b>	<b>3.784</b>	<b>-19,5%</b>
Income tax expense	-468	-357	31,2%
<b>Net profit for the period</b>	<b>2.578</b>	<b>3.427</b>	<b>-24,8%</b>

## Total income

Total income before expenses increased by 13,0% to 32.504 thousand EUR (3M/2025: 28.758 thousand EUR), driven by higher interest and similar income as well as strong growth in insurance brokerage revenues of 71,4% year-over-year, advancing the Group's long-term goal of diversifying revenue streams beyond lending.

### Breakdown of consolidated total income

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Interest and similar income	26.867	24.262	10,7%
<i>Finco</i>	22.780	20.443	11,4%
<i>Energbank</i>	4.087	3.819	7,0%
Penalties and similar income	1.649	1.833	-10,0%
<i>Finco</i>	1.617	1.833	-11,8%
<i>Energbank</i>	32	0	n/a
Other income	3.988	2.663	49,8%
<i>Finco</i>	4.006	2.662	50,5%
<i>Energbank</i>	-17	1	n/a
<b>Total income</b>	<b>32.504</b>	<b>28.758</b>	<b>13,0%</b>

## Other income

Other income in 3M/2026 amounted to 3.988 thousand EUR (3M/2025: 2.663 thousand EUR) and mainly comprised extraordinary income from debt collectors of 1.138 thousand EUR (3M/2025: 1.120 thousand EUR), income from insurance intermediation of 1.814 thousand EUR (3M/2025: 1.062 thousand EUR), income of 612 thousand EUR (3M/2025: 542 thousand EUR) from sales of defaulted loan portfolio, and income from other operations not related to core business activity of 442 thousand EUR (3M/2025: 58 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 continued strong growth of insurance brokerage, which now represents 5,6% of total revenue (3M/2025: 3,7%).

## Interest income

Interest income increased by 10,7% to 26.867 thousand EUR (3M/2025: 24.262 thousand EUR), driven by portfolio expansion across all operating countries despite ongoing APR compression from regulatory caps and competition.

The net interest margin decreased to 19,3% (3M/2025: 24,5%), reflecting two structural effects: the step-up in bond financing costs following the May 2025 refinancing, and the temporary drag from the higher cash position at Iute Finco, which enhances the Group's liquidity profile but is not yet fully deployed into interest-earning assets.

### Breakdown of interest income

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Total value of loan principal issued	106.331	83.483	27,4%
<i>Finco</i>	92.868	67.655	37,3%
<i>Energbank</i>	13.463	15.828	-14,9%
Average net loan portfolio	359.133	300.097	19,7%
<i>Finco</i>	255.986	205.552	24,5%
<i>Energbank</i>	103.146	94.545	9,1%
Principal	357.122	296.646	20,4%
<i>Finco</i>	253.437	199.778	26,9%
<i>Energbank</i>	103.685	96.868	7,0%
Accrued interest	24.451	22.321	9,5%
<i>Finco</i>	23.794	21.457	10,9%
<i>Energbank</i>	657	864	-24,0%
Average annualized interest rate on performing principal portfolio	31,0%	36,6%	-15,3%
<i>Finco</i>	31,0%	36,6%	-15,3%
<i>Energbank</i>	12,2%	11,9%	2,5%
Interest income	26.867	24.262	10,7%
<i>Finco</i>	22.794	20.487	11,3%
<i>Energbank</i>	4.073	3.775	7,9%

### Breakdown of interest income by countries

	3M/2026	Total share in %	3M/2025	Total share in %	Δ in %
Moldova	6.165	22,9%	5.337	20,8%	15,5%
Energbank	4.073	15,2%	3.775	16,1%	7,9%
Albania	9.243	34,4%	8.946	37,3%	3,3%
Macedonia	6.276	23,4%	4.503	17,8%	39,4%
Bulgaria	1.111	4,1%	1.701	7,9%	-34,7%
<b>Total</b>	<b>26.867</b>	<b>100,0%</b>	<b>24.262</b>	<b>100,0%</b>	<b>10,7%</b>

## Interest expense

Interest expense increased by 29,2% to 10.087 thousand EUR (3M/2025: 7.809 thousand EUR), reflecting the step-up in refinancing costs of the EUR 2025/2030 Bonds issued in May 2025, as well as increased deposit-taking at Energbank.

Within Iute Finco, interest-bearing liabilities grew faster than the loan book as the Group pre-funded its balance sheet ahead of continued portfolio expansion, resulting in a temporarily higher cash position of 36,5 million EUR (31 December 2025: 29,0 million EUR).

Breakdown of interest expense

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Interest on amounts due to creditors	-2.754	-2.504	10,0%
Interest on financial lease liabilities	-64	-79	-19,0%
Interest on bonds	-6.476	-4.704	37,7%
Interests on deposits	-793	-521	52,1%
<b>Total</b>	<b>-10.087</b>	<b>-7.809</b>	<b>29,2%</b>

## Loan administration fees and penalties

Income from other fees and penalties decreased by 10,0% to 1.649 thousand EUR (3M/2025: 1.833 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)	3M/2026	3M/2025	Δ in %
Penalties under loans and delay interests	1.748	1.861	-6,1%
<i>Finco</i>	1.716	1.861	-7,8%
<i>Energbank</i>	32	0	n/a
Resigns under customer loans	30	100	-70,0%
Dealer bonuses	-217	-215	0,6%
Other fees from additional services	96	88	9,9%
<b>Total</b>	<b>1.657</b>	<b>1.833</b>	<b>-9,6%</b>

## Allowances for loan impairment

Net impairment charges on loans increased by 3,4% to 6.388 thousand EUR (3M/2025: 6.175 thousand EUR), broadly in line with portfolio growth. The allowance stock decreased at the beginning of the period to 18.772 thousand EUR (31 December 2025) from 20.459 thousand EUR (31 December 2024), reflecting utilizations of 4.487 thousand EUR during the quarter. Allowances at Energbank are determined at the end of June and December only; accordingly, Energbank recorded allowances of 125 thousand EUR in 3M/2026 (3M/2025: 88 thousand EUR). Changes in allowances for loan impairment at Finco increased by 2,5% to 6.262 thousand EUR (3M/2025: 6.109 thousand EUR).

### Breakdown of allowances for loan impairment

(In thousand EUR)	3M/2026	3M/2025	Δ in %
<b>At the beginning of period</b>	<b>-18.772</b>	<b>-20.459</b>	<b>-8,2%</b>
Allowances for loan impairment	-6.382	-2.571	148,2%
Utilized	4.487	2.346	91,3%
Exchange differences	-7	140	n/a
<b>At the end of the period</b>	<b>-20.674</b>	<b>-20.544</b>	<b>0,6%</b>
<b>(In thousand EUR)</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Impairment charges on loans	-6.388	-6.175	3,4%
<b>Net impairment charges</b>	<b>-6.388</b>	<b>-6.175</b>	<b>3,4%</b>

Overall net impairment losses represented 23,8% of interest income (3M/2025: 25,5%). The cost of risk, expressed as annualized net impairment charges to average gross loan portfolio, improved to 7,7% (3M/2025: 8,1%), reflecting continued improvement in CPI30 and credit quality despite portfolio expansion into new customer segments.

## Operating expenses

Operating expenses at 10.431 thousand EUR increased by 6,0% (3M/2025: 9.844 thousand EUR). Energbank operating expenses decreased by 12,6% to 2.253 thousand EUR (3M/2025: 2.577 thousand EUR), reflecting continued efficiency gains from its digitalization program. Advertising expenses and IT costs remained broadly stable, while legal and consulting fees declined by 9,6%.

### Breakdown of operating expenses

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Personnel	-6.126	-6.167	-0,7%
Advertising expenses	-1.132	-1.110	1,9%
IT	-924	-911	1,4%
Debt collection	-295	-308	-4,1%
Legal and consulting	-774	-856	-9,6%
Rent and utilities	-192	-195	-2,0%
Taxes	-119	-277	-56,9%
Travel	-71	-107	-33,7%
Other	-798	88	n/a
<b>Total</b>	<b>-10.431</b>	<b>-9.844</b>	<b>6,0%</b>
<i>Finco</i>	<i>-8.178</i>	<i>-7.267</i>	<i>12,5%</i>
<i>Energbank</i>	<i>-2.253</i>	<i>-2.577</i>	<i>-12,6%</i>

Excluding personnel expenses, operating expenses at 4.305 thousand EUR increased by 17,1% (3M/2025: 3.677 thousand EUR). Advertising expenses accounted for 10,9% (3M/2025: 11,3%) of operating expenses while expenses on IT accounted for 8,9% (3M/2025: 9,3%).

## Personnel expenses

Personnel expenses, mainly salaries and bonuses, and social security expenses decreased slightly by 0,7% to 6.126 thousand EUR (3M/2025: 6.167 thousand EUR). Efficiency measures at Energbank (-13,5% to 1.779 thousand EUR) offset continued selective recruitment at lute Finco in connection with the build-up of the in-house IT team (+5,7% to 4.347 thousand EUR). The average number of full-time employees decreased to 884 (3M/2025: 908 employees).

### Breakdown of personnel expenses

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Salaries and bonuses	-5.068	-5.189	-2,3%
Social security expenses	-740	-754	-1,8%
Medical insurance expenses	-30	-31	-5,6%
Other expenses	-288	-193	49,2%
<b>Total</b>	<b>-6.126</b>	<b>-6.167</b>	<b>-0,7%</b>
<i>Finco</i>	-4.347	-4.111	5,7%
<i>Energbank</i>	-1.779	-2.056	-13,5%
Number of employees adjusted to full-time	884	908	-2,6%
<i>Finco</i>	514	509	1,0%
<i>Energbank</i>	370	399	-7,3%

## Foreign exchange gains/losses

Foreign exchange movements resulted in a loss of 960 thousand EUR (3M/2025: gain of 25 thousand EUR), reflecting in particular EUR/MDL and EUR/ALL conversion rate movements.

### Profit before tax

Consolidated profit before tax decreased to 3.046 thousand EUR (3M/2025: 3.784 thousand EUR), reflecting the step-up in interest expense following the bond refinancing, higher depreciation and amortization from ongoing technology investment, and FX losses. The profit margin before tax stood at 9,4% (3M/2025: 13,2%).

## Income tax expense

Income tax expense increased to 468 thousand EUR (3M/2025: 357 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)	3M/2026	3M/2025	Δ in %
Consolidated profit before tax	3.046	3.784	-19,5%
Current income tax expense	-468	-357	31,2%
<b>Net profit for the period</b>	<b>2.578</b>	<b>3.427</b>	<b>-24,8%</b>

## Profit for the period

Net profit for the period decreased by 24,8% to 2.578 thousand EUR (3M/2025: 3.427 thousand EUR), with the decline fully attributable to the step-up in interest expense to 10.087 thousand EUR following the bond refinancing, higher depreciation and amortization from continued investment in technology and digital infrastructure, and FX losses.

Net profit before FX stood at 3.538 thousand EUR (3M/2025: 2.160 thousand EUR, adjusted for the solidarity tax one-off in North Macedonia).

## Transition statement of non-IFRS measures EBITDA and Adjusted EBITDA

Breakdown of transition to adjusted EBITDA

<b>(In thousand EUR)</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Profit for the period	2.578	3.427	-24,8%
Provision for corporate income tax	468	357	31,2%
Interest expense	10.087	7.809	29,2%
Depreciation and amortization	1.592	1.171	35,9%
<b>EBITDA</b>	<b>14.725</b>	<b>12.764</b>	<b>15,4%</b>
Adjustments	960	-1.292	n/a
<b>Adjusted EBITDA</b>	<b>15.686</b>	<b>11.472</b>	<b>36,7%</b>

Breakdown of adjustments to EBITDA

<b>(In thousand EUR)</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Foreign exchange gains/losses	-960	25	n/a
One-time expenses not attributable to operations	0	1.267	-100,0%
<b>Adjustments</b>	<b>-960</b>	<b>1.292</b>	<b>n/a</b>

**Note:** Adjustments in 3M/2026 comprise foreign exchange losses of 960 thousand EUR (excluded as non-cash, non-operational); one-time expenses not attributable to operations were zero (3M/2025: 1.267 thousand EUR related to solidarity tax in North Macedonia).

## Condensed statement of financial position

(In thousand EUR)	31 Mar. 2026	31 Dec. 2025	Δ in %
<b>ASSETS</b>			
Cash and cash equivalents	65.046	66.590	-2,3%
<i>Finco</i>	36.510	29.046	25,7%
<i>Energbank</i>	28.536	37.544	-24,0%
Loans to customers	360.899	358.257	0,7%
<i>Finco</i>	258.771	253.202	2,2%
<i>Energbank</i>	102.128	105.055	-2,8%
Prepayments	4.032	3.010	34,0%
Other assets	7.989	7.112	12,3%
Assets held for sales	73	71	2,1%
Other financial investments	57.796	47.148	22,6%
Property, plant, and equipment	6.925	6.641	4,3%
Right-of-use assets	2.595	2.253	15,2%
Intangible assets	21.601	19.519	10,7%
<b>Total assets</b>	<b>526.956</b>	<b>510.601</b>	<b>3,2%</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits from customers	115.250	123.616	-6,8%
Loans and bonds from investors	310.826	287.274	8,2%
Lease liabilities	2.087	2.314	-9,8%
Trade and other payables	1.794	1.748	2,6%
Current income tax liabilities	435	589	-26,0%
Other tax liabilities	79	86	-8,0%
Other liabilities	14.911	14.353	3,9%
<b>Total liabilities</b>	<b>445.382</b>	<b>429.980</b>	<b>3,6%</b>
<b>Equity</b>			
Minority share	4.730	4.819	-1,8%
Share capital	10.669	10.669	0,0%
Treasury shares	-14	-14	-3,7%
Share premium	1.401	1.402	-0,1%
Legal reserve	1.035	1.035	0,0%
Revaluation reserve	-9	446	n/a
Unrealized foreign exchange differences	4.653	5.712	-18,5%
Retained earnings	59.109	56.553	4,5%
<b>Total equity</b>	<b>81.574</b>	<b>80.621</b>	<b>1,2%</b>
<b>Total equity and liabilities</b>	<b>526.956</b>	<b>510.601</b>	<b>3,2%</b>

## Assets

Total assets grew by 3,2% quarter-on-quarter to 526.956 thousand EUR as of 31 Mar. 2026 (31 Dec. 2025: 510.601 thousand EUR) and by 22,4% year-over-year (31 Mar. 2025: 430.475 thousand EUR), driven by sustained loan portfolio expansion.

## Loan portfolio

The net loan portfolio increased by 0,7% to 360.899 thousand EUR as of 31 Mar. 2026 (31 Dec. 2025: 358.257 thousand EUR), representing year-over-year growth of 20,9% (31 Mar. 2025: 298.423 thousand EUR). The weighted average loan maturity stood at 33 months (3M/2025: 30 months), reflecting the continued shift towards longer-duration products.

### Breakdown of net portfolio

(In thousand EUR)	31 Mar. 2026	Total in %	31 Dec. 2025	Total in %	Δ in %
Moldova	79.558	22,0%	79.747	22,3%	-0,2%
Energbank	102.128	28,3%	105.055	29,3%	-2,8%
Albania	107.450	29,8%	104.925	29,3%	2,4%
Macedonia	56.753	15,7%	53.231	14,9%	6,6%
Bulgaria	15.011	4,2%	15.299	4,3%	-1,9%
<b>Total net loan portfolio</b>	<b>360.899</b>	<b>100,0%</b>	<b>358.257</b>	<b>100,0%</b>	<b>0,7%</b>

### Breakdown of loan applications

in pcs	3M/2026			3M/2025			Δ in %		
	Processed	Paid out	Approval rate in %	Processed	Paid out	Approval rate in %	Processed	Paid out	Approval rate in %
Moldova	55.825	34.715	60,2%	49.535	32.534	62,5%	12,7%	6,7%	-3,6%
Energbank	3.777	1.308	54,2%	1.630	1.135	72,7%	131,7%	15,2%	-25,4%
Albania	46.544	36.741	61,4%	38.232	31.495	62,4%	21,7%	16,7%	-1,6%
Macedonia	23.425	17.687	58,2%	20.560	12.027	53,6%	13,9%	47,1%	8,5%
Bulgaria	17.719	4.869	24,6%	29.105	6.222	15,2%	-39,1%	-21,7%	61,7%
<b>In total</b>	<b>147.290</b>	<b>95.320</b>	<b>51,7%</b>	<b>139.062</b>	<b>83.413</b>	<b>53,3%</b>	<b>5,9%</b>	<b>14,3%</b>	<b>-2,9%</b>

The recognition of loan applications according to Finco principles has not yet been implemented in Energbank's processes.

### Breakdown of issued loans Nominal APR on country level

(In %)	3M/2026	3M/2025	Δ in %	12M/2025	12M/2024	Δ in %	9M/2025	9M/2024	Δ in %	6M/2025	6M/2024	Δ in %
Moldova	29,9%	34,4%	-13,1%	30,8%	32,7%	-5,8%	31,7%	34,8%	-8,9%	32,8%	35,1%	-6,6%
Albania	31,7%	36,5%	-13,2%	33,6%	38,3%	-12,3%	35,0%	38,4%	-8,9%	36,0%	39,2%	-8,2%
Macedonia	30,6%	39,4%	-22,3%	34,1%	41,6%	-18,0%	35,6%	41,9%	-15,0%	37,3%	41,4%	-9,9%
Bulgaria	32,9%	41,0%	-19,8%	35,9%	40,7%	-11,8%	37,0%	41,6%	-11,1%	38,2%	42,3%	-9,7%
<b>Iute Group WAVG</b>	<b>31,0%</b>	<b>36,6%</b>	<b>-15,3%</b>	<b>33,0%</b>	<b>37,3%</b>	<b>-11,5%</b>	<b>34,1%</b>	<b>38,1%</b>	<b>-10,5%</b>	<b>35,3%</b>	<b>37,4%</b>	<b>-5,6%</b>
Energbank	12,2%	11,9%	2,4%	11,0%	11,5%	-4,2%	12,5%	11,9%	5,0%	11,9%	12,4%	-3,9%

## 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 %)	3M/2026	3M/2025	Δ in %	12M/2025	12M/2024	Δ in %	9M/2025	9M/2024	Δ in %	6M/2025	6M/2024	Δ in %
Moldova	29,9%	34,4%	-13,1%	30,8%	32,7%	-5,8%	31,7%	34,8%	-9,0%	32,8%	32,1%	2,2%
Albania	31,7%	36,5%	-13,2%	33,6%	38,3%	-12,3%	35,0%	38,4%	-8,7%	36,0%	38,5%	-6,5%
Macedonia	30,6%	39,4%	-22,3%	34,1%	41,6%	-18,0%	35,6%	41,9%	-15,0%	37,3%	41,3%	-9,7%
Bulgaria	32,9%	41,0%	-19,8%	35,9%	40,7%	-11,8%	37,0%	41,6%	-11,1%	38,2%	41,5%	-8,0%
<b>Iute Group WAVG</b>	<b>31,0%</b>	<b>36,6%</b>	<b>-15,3%</b>	<b>33,0%</b>	<b>37,3%</b>	<b>-11,5%</b>	<b>34,1%</b>	<b>38,1%</b>	<b>-10,5%</b>	<b>35,3%</b>	<b>37,4%</b>	<b>-5,6%</b>
Energbank	12,2%	11,9%	2,4%	11,0%	11,5%	-4,2%	12,5%	11,9%	5,0%	11,9%	12,4%	-3,9%

The decrease in average annual percentage rates (APR) at group level in 3M/2026 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, Albania and Bulgaria, tighter regulatory caps on APR became effective during the period.

## 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). Non-bank repayment discipline reached its highest level on record at 89,3% (3M/2025: 87,9%), with all operating countries improving year-over-year. Performance was particularly strong in Moldova (93,2%; 3M/2025: 91,3%) and Macedonia (89,2%; 3M/2025: 86,9%), reflecting the sustained impact of risk-based loan sizing, limit and duration management and ongoing credit model refinement. Albania also continued its steady improvement to 88,4% (3M/2025: 87,7%). In Bulgaria, regulatory changes implemented in 2025 – specifically the prohibition of charging delay interest and reminder fees – removed incentives for timely repayment and continue to affect portfolio performance; however, Bulgaria's CPI30 improved to 79,4% (3M/2025: 78,6%), indicating a strengthening recovery trajectory.

(In %)	3M/2026	3M/2025	Δ in %	12M/2025	12M/2024	Δ in %	9M/2025	9M/2024	Δ in %	6M/2025	6M/2024	Δ in %
Moldova	93,2%	91,3%	2,1%	92,3%	90,6%	1,9%	91,9%	90,3%	1,8%	91,5%	90,1%	1,6%
Albania	88,4%	87,7%	0,8%	87,6%	87,1%	0,6%	87,4%	86,8%	0,7%	87,5%	87,0%	0,6%
Macedonia	89,2%	86,9%	2,6%	88,1%	85,9%	2,6%	87,6%	85,4%	2,6%	87,3%	85,5%	2,1%
Bulgaria	79,4%	78,6%	1,0%	78,8%	80,3%	-1,9%	78,5%	80,4%	-2,4%	78,2%	81,8%	-4,4%
<b>Iute Group WAVG</b>	<b>89,3%</b>	<b>87,9%</b>	<b>1,5%</b>	<b>88,4%</b>	<b>86,8%</b>	<b>1,8%</b>	<b>88,1%</b>	<b>86,4%</b>	<b>1,9%</b>	<b>87,9%</b>	<b>86,4%</b>	<b>1,7%</b>

CPI30 is a proprietary Finco 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)	31 Mar. 2026				31 Dec. 2025			
	Gross amount	Provisions	Net amount	% of net portfolio	Gross amount	Provisions	Net amount	% of net portfolio
Performing	352.411	-5.772	346.639	96,0%	351.554	-5.529	346.025	96,6%
<i>Finco</i>	249.851	-4.667	245.184	94,7%	245.806	-4.437	241.369	95,3%
<i>Energbank</i>	102.560	-1.105	101.455	99,3%	105.748	-1.091	104.656	99,6%
Non-Performing	29.162	-14.902	14.260	4,0%	25.475	-13.243	12.232	3,4%
<i>Finco</i>	27.380	-13.793	13.587	5,3%	24.017	-12.184	11.833	4,7%
<i>Energbank</i>	1.782	-1.109	672	0,7%	1.458	-1.059	399	0,4%
<b>Total portfolio</b>	<b>381.573</b>	<b>-20.674</b>	<b>360.899</b>	<b>100,0%</b>	<b>377.028</b>	<b>-18.771</b>	<b>358.257</b>	<b>100,0%</b>
<i>Finco</i>	277.231	-18.460	258.771	71,7%	269.823	-16.621	253.202	70,7%
<i>Energbank</i>	104.342	-2.214	102.128	28,3%	107.206	-2.150	105.055	29,3%

(In thousand EUR)	31 Mar. 2026	Total share in %	31 Dec. 2025	Total share in %
Stage 1	343.293	95,1%	342.857	95,7%
<i>Finco</i>	242.071	67,1%	238.500	66,6%
<i>Energbank</i>	101.222	28,0%	104.357	29,1%
Stage 2	3.346	0,9%	3.168	0,9%
<i>Finco</i>	3.113	0,9%	2.869	0,8%
<i>Energbank</i>	233	0,1%	299	0,1%
Stage 3	14.260	4,0%	12.232	3,4%
<i>Finco</i>	13.587	3,8%	11.833	3,3%
<i>Energbank</i>	672	0,2%	399	0,1%
<b>Total net portfolio</b>	<b>360.899</b>	<b>100,0%</b>	<b>358.257</b>	<b>100,0%</b>
<i>Finco</i>	258.771	71,7%	253.202	70,7%
<i>Energbank</i>	102.128	28,3%	105.055	29,3%
<b>Gross NPL ratio</b>	<b>7,6%</b>		<b>6,8%</b>	
<i>Finco</i>	9,9%		8,9%	
<i>Energbank</i>	1,7%		1,4%	
<b>Impairment coverage ratio</b>	<b>70,9%</b>		<b>73,7%</b>	
<i>Finco</i>	67,4%		69,2%	
<i>Energbank</i>	124,3%		147,5%	

## Distribution principles between stages

	31 Mar. 2026	31 Dec. 2025
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)	31 Mar. 2026	31 Dec. 2025	Δ in %
Deferred tax assets	1.233	1.235	-0,2%
Prepayments of rent	79	70	12,9%
Prepayment of taxes	781	825	-5,4%
Prepayments to suppliers and deferred expenses	1.940	880	120,4%
<b>Prepayments in total</b>	<b>4.032</b>	<b>3.010</b>	<b>34,0%</b>
Receivables from collection companies	2.303	2.295	0,3%
Other receivables	1.835	1.301	41,1%
Deposit receivables from partners	3.923	3.587	9,4%
<b>Trade and other receivables in total</b>	<b>8.062</b>	<b>7.183</b>	<b>12,2%</b>
<b>TOTAL</b>	<b>12.094</b>	<b>10.193</b>	<b>18,6%</b>

## Liabilities

As of 31 Mar. 2026, total liabilities at 445.382 thousand EUR increased by 3,6% (31 Dec. 2025: 429.980 thousand EUR), primarily driven by growth in bond liabilities to 193.909 thousand EUR following the EUR 2025/2030 Senior Secured Bond issuance, partly offset by a slight reduction in loans from investors.

Breakdown of loans and borrowings

Loans and borrowings at 428.163 thousand EUR increased by 3,6% (31 Dec. 2025: 413.204 thousand EUR), accounting for 96,1% of all liabilities (31 Dec. 2025: 96,1%).

(In thousand EUR)	31 Mar. 2026	31 Dec. 2025	Δ in %
<b>Loans from investors</b>	<b>222.680</b>	<b>221.739</b>	<b>0,4%</b>
Due date during next 12 months	109.212	110.993	-1,6%
<i>Finco</i>	34.308	28.533	20,2%
<i>Energbank customer deposits</i>	74.904	82.460	-9,2%
Due date after 12 months	113.468	110.746	2,5%
<i>Finco</i>	73.211	69.680	5,1%
<i>Energbank customer deposits</i>	40.257	41.066	-2,0%
<b>Bond liabilities</b>	<b>193.909</b>	<b>185.696</b>	<b>4,4%</b>
Due date during next 12 months	46.486	47.297	-1,7%
Due date after 12 months	147.423	138.399	6,5%
<b>Lease liabilities</b>	<b>2.087</b>	<b>2.314</b>	<b>-9,8%</b>
Due date during next 12 months	945	1.106	-14,5%
Due date after 12 months	1.142	1.208	-5,5%
<b>Accrued interest</b>	<b>9.488</b>	<b>3.455</b>	<b>174,6%</b>
<b>TOTAL</b>	<b>428.163</b>	<b>413.204</b>	<b>3,6%</b>
<i>weighted average interest rate</i>	9,0%	8,8%	
<i>currency</i>	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 222.680 thousand EUR (31 Dec. 2025: 221.739 thousand EUR), of which 37.816 thousand EUR (31 Dec. 2025: 34.107 thousand EUR) are accounted for by P2P loans from the Mintos platform and/or others, and 131.478 thousand EUR (31 Dec. 2025: 121.965 thousand EUR) for customer deposits and current customer bank accounts at Energbank.

## Eurobond covenant ratios

	31 Mar. 2026	31 Mar. 2025	Δ in %
<b>Capitalization</b>			
Capitalization ratio (Equity/net loan portfolio)	22,6%	25,6%	-11,8%
Financial covenant at least	15%	15%	
	3M/2026	3M/2025	Δ in %
<b>Profitability</b>			
Interest coverage ratio (ICR), times (Adjusted EBITDA/interest expenses)	1,55	1,69	-8,3%
Financial covenant at least	1,50	1,50	

## Distribution of investor loan (Mintos)

(In thousand EUR)	Mintos loans			Net loan portfolio			
	31 Mar. 2026	31 Dec. 2025	Δ in %	31 Mar. 2026	Total share in %	31 Dec. 2025	Total share in %
Moldova	13.412	11.014	21,8%	79.558	16,9%	79.747	13,8%
Energbank	0	0	n/a	102.128	n/a	105.055	n/a
Albania	18.360	16.444	11,7%	107.450	17,1%	104.925	15,7%
Macedonia	5.150	5.938	-13,3%	56.753	9,1%	53.231	11,2%
Bosnia	0	0	n/a	0	n/a	0	n/a
Bulgaria	894	712	25,5%	15.011	6,0%	15.299	n/a
<b>Total</b>	<b>37.816</b>	<b>34.107</b>	<b>10,9%</b>	<b>360.899</b>	<b>14,6%</b>	<b>358.257</b>	<b>13,5%</b>

## Other liabilities

Breakdown of other liabilities

(In thousand EUR)	31 Mar. 2026	31 Dec. 2025	Δ in %
Trade payables	1.794	1.748	2,6%
Payables to employees	1.050	855	22,8%
Corporate income tax payables	435	589	-26,0%
Other tax payables	939	1.252	-25,0%
Allocations and other provisions	1.068	337	216,6%
Wallet balance	5.528	5.899	-6,3%
Deferred revenue	1.920	1.657	15,8%
Unpaid dividends	0	0	n/a
Over-/wrong payments from customers	775	762	1,6%
Other liabilities	3.710	3.675	0,9%
<b>TOTAL</b>	<b>17.219</b>	<b>16.776</b>	<b>2,6%</b>

## **Equity**

As of 31 Mar. 2026, equity increased by 1,2% to 81.574 thousand EUR (31 Dec. 2025: 80.621 thousand EUR), representing an equity to assets ratio of 15,5% (31 Dec. 2025: 15,8%). The equity to net loan portfolio ratio (capitalization ratio) stood at 22,6% (31 Dec. 2025: 22,5%), comfortably exceeding the 15% Eurobond covenant minimum.

## **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 other 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)	3M/2026	3M/2025	Δ in %
Interest and similar income	26.867	24.262	10,7%
Interest and similar expense	-10.087	-7.809	29,2%
<b>Net interest and commission fee income</b>	<b>16.780</b>	<b>16.453</b>	<b>2,0%</b>
Loan administration fees and penalties	1.649	1.833	-10,0%
<b>Loan administration fees and penalties in total</b>	<b>1.649</b>	<b>1.833</b>	<b>-10,0%</b>
Other income	3.988	2.663	49,8%
Allowances for loan impairment	-6.388	-6.175	3,4%
<b>Net operating income</b>	<b>16.030</b>	<b>14.774</b>	<b>8,5%</b>
Personnel expenses	-6.126	-6.167	-0,7%
Depreciation/amortization charge	-1.592	-1.171	36,0%
Other operating expenses	-4.306	-3.677	17,1%
<b>Total operating expenses</b>	<b>-12.023</b>	<b>-11.015</b>	<b>9,2%</b>
Foreign exchange gains/losses	-960	25	n/a
<b>Net financial result</b>	<b>-960</b>	<b>25</b>	<b>n/a</b>
<b>Profit before tax</b>	<b>3.046</b>	<b>3.784</b>	<b>-19,5%</b>
Income tax expense	-468	-357	31,1%
<b>Profit for the reporting period</b>	<b>2.578</b>	<b>3.427</b>	<b>-24,8%</b>
<b>Other comprehensive income</b>			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	-1.149	-1.076	6,8%
Revaluation reserve change	-474	0	n/a
<b>Other comprehensive income total</b>	<b>-1.623</b>	<b>-1.076</b>	<b>50,8%</b>
	<b>955</b>	<b>2.352</b>	<b>-59,4%</b>
<b>Comprehensive income total</b>			
<b>Profit attributable to:</b>			
Equity holders of the parent	2.556	2.205	15,9%
Equity holders of minority	22	17	29,4%
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent	1.044	2.205	-69,6%
Equity holders of minority	-89	147	n/a

## Finco statement of comprehensive income

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Interest and similar income	22.794	20.487	11,3%
Interest and similar expense	-9.197	-7.206	27,6%
<b>Net interest and commission fee income</b>	<b>13.597</b>	<b>13.280</b>	<b>2,4%</b>
Loan administration fees and penalties	1.617	1.833	-11,8%
<b>Loan administration fees and penalties in total</b>	<b>1.617</b>	<b>1.833</b>	<b>-11,8%</b>
Other income	4.006	2.662	50,5%
Allowances for loan impairment	-6.262	-6.109	2,5%
<b>Net operating income</b>	<b>12.957</b>	<b>11.666</b>	<b>11,1%</b>
Personnel expenses	-4.347	-4.111	5,7%
Depreciation/amortization charge	-1.365	-972	40,3%
Other operating expenses	-3.831	-3.156	21,4%
<b>Total operating expenses</b>	<b>-9.543</b>	<b>-8.240</b>	<b>15,8%</b>
Foreign exchange gains/losses	-967	71	n/a
<b>Net financial result</b>	<b>-967</b>	<b>71</b>	<b>n/a</b>
<b>Profit before tax</b>	<b>2.447</b>	<b>3.498</b>	<b>-30,0%</b>
Income tax expense	-413	-291	41,7%
<b>Profit for the reporting period</b>	<b>2.034</b>	<b>3.207</b>	<b>-36,6%</b>
<b>Other comprehensive income</b>			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations			
<b>Other comprehensive income total</b>	<b>-1.276</b>	<b>115</b>	<b>n/a</b>
<b>Comprehensive income total</b>	<b>758</b>	<b>3.322</b>	<b>-77,2%</b>
<b>Profit attributable to:</b>			
Equity holders	758	3.322	-77,2%
<b>Total comprehensive income attributable to:</b>			
Equity holders	758	3.322	-77,2%

## Energbank statement of comprehensive income

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Interest and similar income	4.112	3.825	7,5%
Interest and similar expense	-929	-603	54,1%
<b>Net interest and commission fee income</b>	<b>3.183</b>	<b>3.222</b>	<b>-1,2%</b>
Loan administration fees and penalties	32	0	#DIV/0!
<b>Loan administration fees and penalties in total</b>	<b>32</b>	<b>0</b>	<b>#DIV/0!</b>
Other income	-17	1	n/a
Allowances for loan impairment	-125	-88	42,1%
<b>Net operating income</b>	<b>3.072</b>	<b>3.135</b>	<b>-2,0%</b>
Personnel expenses	-1.779	-2.056	-13,5%
Depreciation/amortization charge	-227	-199	14,4%
Other operating expenses	-474	-521	-8,9%
<b>Total operating expenses</b>	<b>-2.481</b>	<b>-2.775</b>	<b>-10,6%</b>
Foreign exchange gains/losses	7	-46	n/a
<b>Net financial result</b>	<b>7</b>	<b>-46</b>	<b>n/a</b>
<b>Profit before tax</b>	<b>599</b>	<b>314</b>	<b>90,9%</b>
Income tax expense	-55	-65	-15,9%
<b>Profit for the reporting period</b>	<b>544</b>	<b>248</b>	<b>119,0%</b>

## Consolidated statement of financial position

(In thousand EUR)	31 Mar. 2026	31 Dec. 2025	Δ in %
<b>ASSETS</b>			
Cash and cash equivalents	65.046	66.590	-2,3%
Loans to customers	360.899	358.257	0,7%
Prepayments	4.032	3.010	34,0%
Other assets	7.989	7.112	12,3%
Other financial investments	57.796	47.148	22,6%
Property, plant, and equipment	6.925	6.641	4,3%
Right-of-use assets	2.595	2.253	15,2%
Intangible assets	21.601	19.519	10,7%
Assets held for sale	73	71	2,1%
<b>Total assets</b>	<b>526.956</b>	<b>510.601</b>	<b>3,2%</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits from customers	115.250	123.616	-6,8%
Loans and bonds from investors	310.826	287.274	8,2%
Lease liabilities	2.087	2.314	-9,8%
Trade and other payables	1.794	1.748	2,6%
Current income tax liabilities	435	589	-26,0%
Other tax liabilities	79	86	-8,0%
Other liabilities	14.911	14.353	3,9%
<b>Total liabilities</b>	<b>445.382</b>	<b>429.980</b>	<b>3,6%</b>
<b>Equity</b>			
Minority share	4.730	4.819	-1,8%
Share capital	10.669	10.669	0,0%
Treasury shares	-15	-14	-7,1%
Share premium	1.401	1.402	-0,1%
Legal reserve	1.035	1.035	0,0%
Revaluation reserve	-9	446	n/a
Unrealized foreign exchange differences	4.653	5.712	-18,5%
Retained earnings	59.109	56.553	4,5%
<b>Total equity</b>	<b>81.574</b>	<b>80.621</b>	<b>1,2%</b>
<b>Total equity and liabilities</b>	<b>526.956</b>	<b>510.601</b>	<b>3,2%</b>

## Finco statement of financial position

(In thousand EUR)	31 Mar. 2026	31 Dec. 2025	Δ in %
<b>ASSETS</b>			
Cash and cash equivalents	36.510	29.046	25,7%
Loans to customers	258.771	253.202	2,2%
Prepayments	3.112	2.544	22,3%
Other assets	7.283	6.777	7,5%
Other financial investments	53.230	44.899	18,6%
Property, plant, and equipment	1.601	1.120	43,0%
Right-of-use assets	2.452	2.058	19,2%
Intangible assets	19.750	17.727	11,4%
<b>Total assets</b>	<b>382.710</b>	<b>357.373</b>	<b>7,1%</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Loans and bonds from investors	301.725	276.211	9,2%
Lease liabilities	1.934	2.110	-8,3%
Trade and other payables	1.758	1.684	4,4%
Current income tax liabilities	335	528	-36,6%
Deferred tax liabilities	851	1.074	-20,7%
Other liabilities	10.955	10.787	1,6%
<b>Total liabilities</b>	<b>317.558</b>	<b>292.393</b>	<b>8,6%</b>
<b>Equity</b>			
Share capital	10.669	10.669	0,0%
Treasury shares	-14	-14	n/a
Share premium	1.401	1.402	-0,1%
Legal reserve	1.035	1.035	0,0%
Foreign currency exchange reserve	9.059	10.334	-12,3%
Retained earnings	43.002	41.553	3,5%
<b>Total equity</b>	<b>65.152</b>	<b>64.980</b>	<b>0,3%</b>
<b>Total equity and liabilities</b>	<b>382.710</b>	<b>357.373</b>	<b>7,1%</b>

## Energbank statement of financial position

(In thousand EUR)	31 Mar. 2026	31 Dec. 2025	Δ in %
<b>ASSETS</b>			
Cash and cash equivalents	28.536	37.544	-24,0%
Loans to customers	103.315	106.882	-3,3%
Prepayments	920	466	97,6%
Other assets	779	444	75,5%
Other financial investments	35.642	33.438	6,6%
Property, plant, and equipment	5.324	5.522	-3,6%
Right-of-use assets	142	195	-27,0%
Intangible assets	1.851	1.792	3,3%
<b>Total assets</b>	<b>176.508</b>	<b>186.282</b>	<b>-5,2%</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Loans and bonds from investors	125.538	134.679	-6,8%
Lease liabilities	152	204	-25,3%
Trade and other payables	36	44	-19,8%
Current income tax liabilities	100	47	115,8%
Deferred tax liabilities	79	86	-8,0%
Other liabilities	3.105	2.493	24,6%
<b>Total liabilities</b>	<b>129.011</b>	<b>137.552</b>	<b>-6,2%</b>
<b>Equity</b>			
Share capital	5.010	5.010	n/a
Share premium	6.151	6.151	0,0%
Legal reserve	518	518	0,0%
Revaluation reserve	-8	576	n/a
Foreign currency exchange reserve	-1.378	-318	333,3%
Other reserves	2.289	2.421	-5,4%
Retained earnings	34.916	34.372	1,6%
<b>Total equity</b>	<b>47.497</b>	<b>48.729</b>	<b>-2,5%</b>
<b>Total equity and liabilities</b>	<b>176.508</b>	<b>186.281</b>	<b>-5,2%</b>

## Consolidated statement of cash flows

<b>(In thousand EUR)</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Paid prepayments (-)	-3.094	-3.457	-10,5%
Received pre- and overpayments (+)	3.636	4.249	-14,4%
Paid trade payables outside the Group (-)	-6.306	-6.216	1,5%
Received debts from buyers and received other claims (+)	391	31	>1.000%
Received from debt collection companies (+)	57	113	-49,7%
Paid net salaries (-)	-5.256	-4.537	15,8%
Paid tax liabilities, excl. CIT (-)	-2.626	-2.675	-1,8%
Corporate income tax paid (-)	-574	-633	-9,2%
Paid out to customers outside the Group (-)	-86.897	-82.379	5,5%
Change in MasterCard settlement account (+/-)	-227	90	n/a
Principal repayments from customers outside the Group (+)	64.977	65.321	-0,5%
Interest, commission and other fees received outside the Group (+)	33.350	30.740	8,5%
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-2.571</b>	<b>646</b>	<b>n/a</b>
Purchase of fixed assets outside the Group, incl. prepayments (-)	-1.398	-1.260	10,9%
Received from the sale of fixed assets outside the Group (+)	12	11	10,6%
Payments for other financial investments (-)	-15.872	-12.356	28,5%
Receipts from other financial investments (+)	14.010	12.324	13,7%
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-3.247</b>	<b>-1.281</b>	<b>153,5%</b>
Loans received from investors outside the Group (+)	26.268	26.186	0,3%
Repaid loans to investors outside the Group (-)	-16.934	-18.297	-7,4%
Principal payments of financial lease contracts (-)	-365	-368	-0,9%
Interests paid outside the Group (-)	-3.083	-2.739	12,5%
Receipts from other financing activities (+)	18	11	68,0%
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>5.902</b>	<b>4.793</b>	<b>23,1%</b>
<b>Change in cash and cash equivalents</b>	<b>84</b>	<b>4.159</b>	<b>-98,0%</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>59.461</b>	<b>43.621</b>	<b>36,3%</b>
Change in cash and cash equivalents	84	4.159	-98,0%
Net foreign exchange difference	-804	-374	115,0%
<b>Cash and cash equivalents at the end of the period</b>	<b>58.741</b>	<b>47.406</b>	<b>23,9%</b>
<b>Cash and cash equivalents comprise</b>	<b>31 Mar. 2026</b>	<b>31 Dec. 2025</b>	<b>Δ in %</b>
Cash on hand	2.351	4.793	-51,0%
Non-restricted current account	56.390	54.668	3,1%

## Finco statement of cash flows

(In thousand EUR)	3M/2026	3M/2025	Δ in %
Paid prepayments (-)	-3.011	-3.457	-12,9%
Received pre- and overpayments (+)	3.636	4.249	-14,4%
Paid trade payables (-)	-5.565	-5.068	9,8%
Received debts from buyers and received other claims (+)	28	71	-61,1%
Received from debt collection companies (+)	57	113	-49,7%
Paid net salaries (-)	-3.982	-3.018	32,0%
Paid tax liabilities, excl. CIT (-)	-2.311	-2.305	0,3%
Corporate income tax paid (-)	-491	-578	-15,1%
Paid out to customers (-)	-63.926	-49.933	28,0%
Change in MasterCard settlement account (+/-)	-6	-3	122,9%
Principal repayments from customers (+)	47.234	41.402	14,1%
Interest, commission and other fees received (+)	29.497	27.016	9,2%
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>1.160</b>	<b>8.490</b>	<b>-86,3%</b>
Purchase of fixed assets, incl. prepayments (-)	-928	-925	0,3%
Received from the sale of fixed assets (+)	0	0	n/a
Payments for other financial investments (-)	-9.205	0	n/a
Receipts from other financial investments (+)	9.721	1.586	512,8%
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-412</b>	<b>661</b>	<b>n/a</b>
Loans received from investors (+)	26.206	22.875	14,6%
Repaid loans to investors (-)	-16.810	-17.009	-1,2%
Principal payments of financial lease contracts (-)	-318	-295	8,0%
Issue of ordinary shares	-3	0	n/a
Interests paid (-)	-2.161	-2.215	-2,4%
Receipts from other financing activities (+)	18	11	68,0%
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>6.932</b>	<b>3.366</b>	<b>105,9%</b>
<b>Change in cash and cash equivalents</b>	<b>7.680</b>	<b>12.517</b>	<b>-38,6%</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>29.046</b>	<b>14.019</b>	<b>107,2%</b>
Change in cash and cash equivalents	7.680	12.517	-38,6%
Net foreign exchange difference	-216	-176	22,7%
<b>Cash and cash equivalents at the end of the period</b>	<b>36.510</b>	<b>26.360</b>	<b>38,5%</b>

## Consolidated statement of changes in equity

(In thousand EUR)	Share capital	Treasury shares	Share premium	Legal reserve	Unrealized FX differences	Revaluation reserve	Fair value reserve	Retained earnings	Minority share	Total
<b>01/01/25</b>	<b>10.346</b>	<b>0</b>	<b>741</b>	<b>1.035</b>	<b>7.306</b>	<b>526</b>	<b>-103</b>	<b>49.819</b>	<b>4.797</b>	<b>74.467</b>
<b>Profit for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9.850</b>	<b>87</b>	<b>9.937</b>
<b>Other comprehensive income</b>										
Foreign currency translation	0	0	0	0	-1.596	0	0	0	-72	<b>-1.668</b>
Revaluation reserve of financial assets	0	0	0	0	0	-151	0	151	0	<b>0</b>
Change in fair value of investments at FTVOCI	0	0	0	0	0	0	173	0	7	<b>180</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1.596</b>	<b>-151</b>	<b>173</b>	<b>10.001</b>	<b>22</b>	<b>8.449</b>
Issue of ordinary shares	323	0	690	0	0	0	0	0	0	1.013
Payment of dividends	0	-14	-29	0	0	0	0	-25	0	<b>-67</b>
Allocation to legal reserve	0	0	0	0	0	0	0	-3.240	0	<b>-3.240</b>
<b>31/12/25</b>	<b>10.669</b>	<b>-14</b>	<b>1.402</b>	<b>1.035</b>	<b>5.710</b>	<b>375</b>	<b>70</b>	<b>56.554</b>	<b>4.819</b>	<b>80.621</b>
<b>01/01/26</b>	<b>10.669</b>	<b>-14</b>	<b>1.402</b>	<b>1.035</b>	<b>5.710</b>	<b>375</b>	<b>70</b>	<b>56.554</b>	<b>4.819</b>	<b>80.621</b>
<b>Profit for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2.556</b>	<b>22</b>	<b>2.578</b>
<b>Other comprehensive income</b>										
Foreign currency translation	0	0	0	0	-1.057	0	0	0	-92	<b>-1.149</b>
Revaluation reserve of financial assets	0	0	0	0	0	0	0	0	0	<b>0</b>
Change in fair value of investments at FTVOCI	0	0	0	0	0	0	-455	0	-19	<b>-474</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1.057</b>	<b>0</b>	<b>-455</b>	<b>2.556</b>	<b>-89</b>	<b>955</b>
Issue of ordinary shares	0	0	0	0	0	0	0	0	0	0
Acquisition of own shares	0	-1	-1	0	0	0	0	0	0	-2
Payment of dividends	0	0	0	0	0	0	0	0	0	0
<b>31/03/26</b>	<b>10.669</b>	<b>-15</b>	<b>1.401</b>	<b>1.035</b>	<b>4.653</b>	<b>375</b>	<b>-385</b>	<b>59.110</b>	<b>4.730</b>	<b>81.575</b>

## Additional consolidated key performance indicators

<b>Profitability</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Return on average assets	1,9%	2,4%	-0,5%
Return on average equity	11,5%	13,6%	-2,1%
Interest income/Average interest-earning assets	6,6%	6,8%	-0,3%
Interest income/Average gross loan portfolio	7,7%	7,6%	0,0%
Interest income/Average net loan portfolio	7,5%	8,1%	-0,6%
Interest expense/Interest income	37,5%	32,2%	5,4%
Cost of funds	2,3%	2,2%	0,1%
Cost of interest-bearing liabilities	3,4%	3,5%	-0,2%
Net interest margin	19,3%	24,5%	-5,2%
Net effective annualized yield	31,9%	33,6%	-1,7%
Net impairment/interest income	23,8%	25,5%	-1,7%
Net interest fee and commission income/Total operating income	87,7%	90,7%	-3,0%
Earnings before taxes/Average total assets	0,6%	0,9%	-0,3%
<b>Efficiency</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Total assets/Employee (in thousand EUR)	596	474	25,7%
Total operating income/Employee (in thousand EUR)	37	32	16,1%
Cost/Income ratio	32,1%	38,3%	-6,2%
Total recurring operating costs/Average total assets	0,3%	0,4%	-0,1%
Total operating income/ Average total assets	6,3%	6,8%	-0,5%
Personnel costs/Total recurring operating costs	410,4%	378,1%	32,3%
Personnel costs/Total operating income	18,8%	21,4%	-2,6%
Net operating income/Total operating income	49,3%	51,4%	-2,1%
Net income (Loss)/Total operating income	28,0%	35,6%	-7,6%
Profit before tax (Loss)/Interest income	11,3%	15,6%	-4,3%
<b>Liquidity</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Net loan receivables/Total assets	68,5%	69,3%	-0,8%
Average net loan receivables/Average total assets	69,2%	70,9%	-1,7%
Net loan receivables/Total liabilities	81,0%	84,3%	-3,3%
Interest-earning assets/Total assets	77,4%	82,3%	-4,9%
Average interest-earning assets/Average total assets	73,5%	78,9%	-5,4%
Liquid assets/Total assets	23,3%	21,3%	2,0%
Liquid assets/Total liabilities	27,6%	25,9%	1,6%
Total deposits/Total assets	4,6%	5,5%	-0,9%
Total deposits/Total liabilities	5,4%	6,6%	-1,2%
Total deposits/Shareholders' equity	29,6%	30,7%	-1,1%
Tangible common equity/Tangible assets	11,9%	14,8%	-2,9%
Tangible common equity/Net receivables	16,6%	20,6%	-3,9%
Net Loan Receivables/Equity (times)	4,4	3,9	13,4%
<b>Asset quality</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Loan loss reserve/Gross receivables from client	5,4%	6,4%	-1,0%
Average loan loss reserve/Average gross receivables from clients	5,9%	6,4%	-0,5%
Cost of risk	8,2%	8,1%	0,1%
Gross NPL ratio	7,6%	9,2%	-1,5%
Impairment coverage ratio	70,9%	70,4%	0,5%
<b>Selected operating data</b>	<b>3M/2026</b>	<b>3M/2025</b>	<b>Δ in %</b>
Number of employees (adjusted to full-time)	884	908	-2,6%
Average monthly gross salary in group (in EUR)	1.911	1.905	0,3%

## 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 3MECL 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 3MECL 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%.

**Finco** – 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.

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## **IMPRINT**

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## **ABOUT IUTE GROUP**

Iute is a fintech group established in 2008 in Estonia. The Group specializes through its subsidiaries in consumer finance, payment services, banking, and the intermediation of 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.

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