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2025 Annual Report

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Company information

Company name

ESTO HOLDINGS OÜ (Private Limited company)

Registry code

14996345 (Commercial Register of the Republic of Estonia)

VAT number

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Country of origin

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Reporting period

1 January 2025 – 31 December 2025

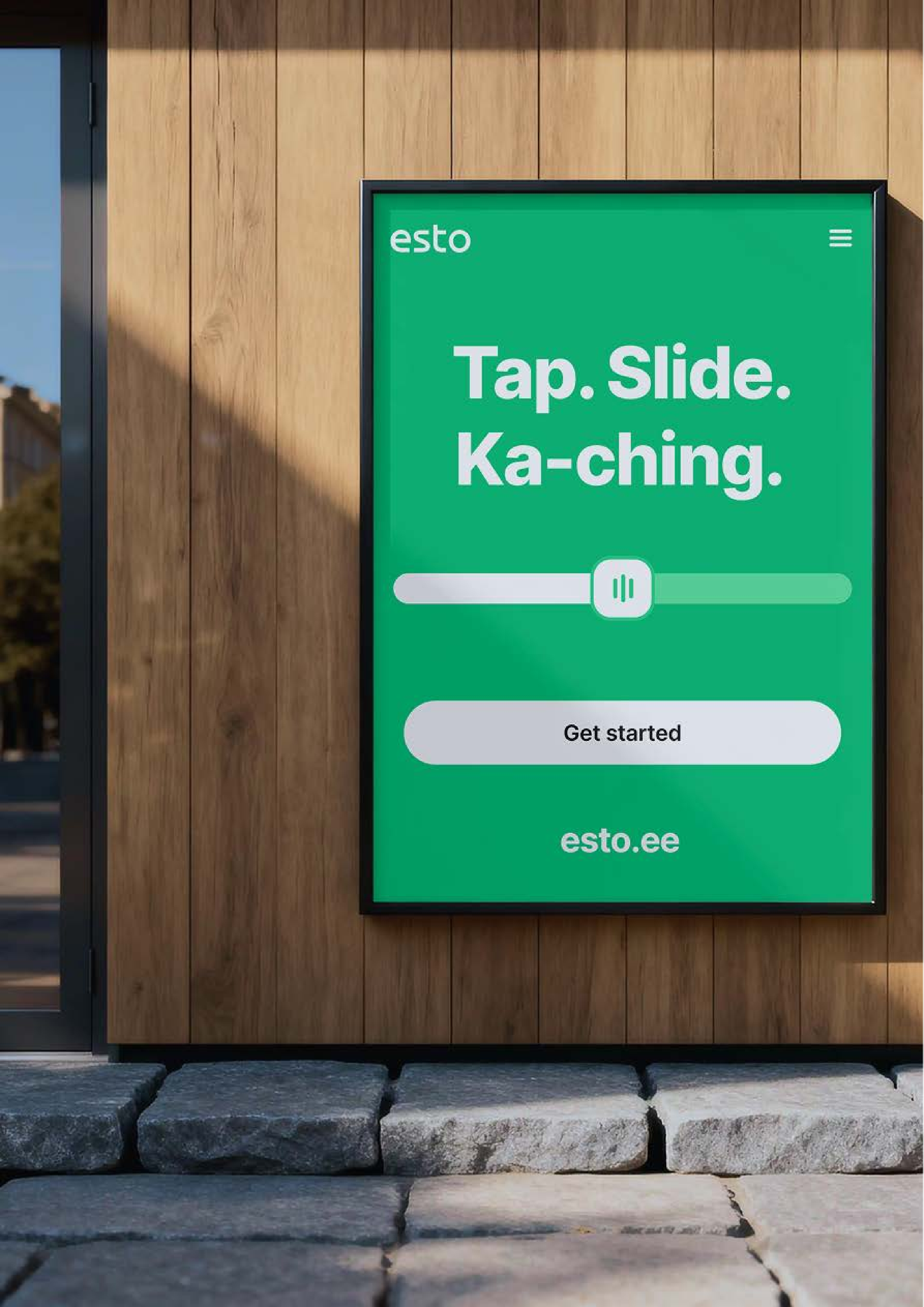
Independent auditor

KPMG Baltics OÜ

The reporting currency is the euro (EUR). In the consolidated financial statements in the 2025 annual report units are presented in thousands. The consolidated financial statements contained in 2025 Annual report, are audited.

Future of commerce REIMAGINED

ESTO is redefining how credit, payments, and commerce work together. We are building a pan-Baltic financial ecosystem where intelligent credit sits at the core, powering seamless purchasing, higher conversion for merchants, and long-term customer relationships. We go beyond traditional payments and lending. ESTO integrates financing, checkout, and distribution into a single platform designed for the next era of commerce - where AI-driven decisioning, agentic commerce, and automation reshape how people buy and how businesses sell. As shopping becomes more personalised, real-time, and autonomous, ESTO aims to remain at the forefront, embedding new payment and financing models directly into everyday consumer and merchant experiences. By combining disciplined risk management, modern technology, and scale, ESTO is building a financial platform that evolves with commerce itself - across channels, markets, and future interaction models in the Baltics and beyond.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Management report

Letter from the CEO

Record-breaking run

2025 was a historic year for ESTO. We broke records across every core financial metric and delivered the strongest results in the Group's history. Net profit reached an all-time high of €10.1 million, EBITDA exceeded €18 million, and total assets crossed €100 million for the first time. This performance was achieved while maintaining disciplined risk standards, strengthening our balance sheet, and operating with a level of capital and cost efficiency that is rare in consumer finance.

These results were not driven by a single initiative or market tailwind. They reflect the cumulative effect of decisions taken over multiple years: building a vertically integrated platform, prioritising credit quality over volume, and running the organisation with strict financial discipline.

Business activities and platform scope

ESTO operates a multi-vertical financial platform organised around three core pillars: Personal, Business, and Commerce. Together, these verticals form an integrated ecosystem where payments, credit, and distribution reinforce each other across the full lifecycle of consumers and merchants.

The Personal vertical focuses on consumer credit products delivered through checkout, credit lines, and related payment methods. These products are increasingly designed to function as an integrated spending layer, usable both within the ESTO merchant network and beyond it. Management sees significant opportunity to further deepen personal product integration, expanding how credit is utilised across everyday commerce while maintaining disciplined risk control.

The Business vertical is built on ESTO's merchant relationships and checkout infrastructure. Today, ESTO's core checkout product already serves as a critical cash-collection and conversion tool for merchants across the Baltics. Building on this position, management sees clear long-term opportunities to expand the offering toward structured financing solutions for merchants and businesses. These may include various forms of credit products designed to support liquidity, working capital needs, and repeat purchasing activity. Over time, this positions ESTO not only as a payment partner, but as a financing and cash-flow engine for businesses operating within the ecosystem.

The Commerce vertical functions as a controlled distribution and conversion layer. Rather than acting as a standalone marketplace, it is designed to strengthen network effects across the platform by driving higher-quality traffic, repeat engagement, and more efficient conversion into both personal and business credit products.

Across all three verticals, the unifying principle is integration. ESTO's platform is designed so that payments, credit, and data operate on a shared infrastructure, enabling intelligent capital allocation, efficient risk pricing, and scalable monetisation. This integrated structure is what allows the Group to identify and pursue adjacent opportunities - such as deeper personal credit usage and merchant-focused financing - while preserving execution discipline and capital efficiency.

Financial performance and capital strength

2025 marked a step-change in ESTO's financial profile. The Group delivered all-time-high net profit, EBITDA, revenue, and balance-sheet scale, while materially strengthening its capital position. These results were achieved without relaxing underwriting standards or increasing risk appetite.

Total assets surpassed €100 million by year-end, with the gross loan portfolio approaching €95 million (excluding other loans). Importantly, portfolio growth was accompanied by a nominal reduction in loan losses year-on-year, reflecting tighter underwriting, improved risk segmentation, and more effective lifecycle management. Estonia continued to operate as a strong cash-generating core market, while Latvia and Lithuania scaled materially and contributed an increasing share of origination and portfolio growth.

The Group's equity position improved materially during the year through a combination of strong organic profitability and external capital injection. This deliberate strengthening of capital was aimed at building a fortress balance sheet - one that reduces funding risk, improves resilience across cycles, and enables disciplined growth without dependence on marginal or high-cost capital. Alongside equity strengthening, funding sources were diversified and maturities extended, resulting in improved interest coverage, stronger liquidity headroom, and a more robust capital structure overall.

As a result, ESTO exited the year with a balance sheet designed for durability: capable of absorbing volatility, funding growth through internally generated capital, and supporting long-term value creation.

Investment discipline and frugality

Frugality is not a constraint at ESTO; it is a core operating principle. The Group operates with a deliberately lean organisational structure, a low employee count relative to scale, and a high degree of automation across core processes. Technology, data, and AI are used systematically to replace manual work, not to add organisational complexity.

Investment during 2025 was selective and return-driven. Resources were allocated primarily to new product features across Personal, Business and Commerce, credit infrastructure, data science and machine learning capabilities, legal and compliance, and treasury and collateral management. Headcount growth was minimal and targeted. Management deliberately avoided geographic expansion, banking or other licences, or non-core initiatives, prioritising execution quality and capital efficiency over scale optics.

Research, development, data science and AI

Research, development, data science and AI are central to ESTO's long-term competitiveness. Management views artificial intelligence not as a marginal productivity tool, but as a structural shift in how financial institutions operate. The scale and speed of change driven by AI represent a transformation not seen in previous technology cycles, and companies that do not actively rethink their operating models around AI risk being structurally left behind. ESTO does not intend to be one of them.

During 2025, the Group materially expanded its investment in data science, machine learning, and AI-driven systems. Proprietary models were developed and deployed across default prediction, fraud detection, growth decisioning, pricing, limit allocation, and lifecycle optimisation. These models now sit at the core of how capital is allocated, how risk is priced, and how customer behaviour is managed over time.

Beyond modelling, ESTO has moved decisively toward the use of AI and agentic systems across internal operations. AI-driven workflows are increasingly embedded in underwriting, fraud prevention, collections, customer communications, and operational decision-making. The objective is not experimentation, but replacement: systematically reducing manual processes, increasing decision consistency, and improving throughput without proportional increases in headcount.

At the same time, AI is being brought directly into ESTO's products and servicing layer. Intelligent systems are increasingly used to support how consumers interact with credit products and how merchants engage with the platform, enabling more personalised, real-time, and scalable experiences. Over time, this approach allows ESTO to embed financing, servicing, and decisioning more deeply into everyday commerce, both online and offline.

R&D expenditure is expected to remain elevated into 2026 as these systems move from initial deployment to optimisation and scale. Management expects the returns on these investments to compound through higher credit utilisation among strong customers, improved risk outcomes, lower marginal operating costs, and greater operating leverage across the organisation.

In ESTO's view, AI is not a separate initiative. It is becoming part of the firm's operating fabric - how work gets done, how decisions are made, and how the platform evolves. This mindset underpins the Group's confidence that it can continue to scale efficiently while maintaining discipline on risk and capital.

Events after the reporting period

No material events occurred after the reporting period that would require adjustment of the financial statements. Following year-end, the Group moved directly into execution of already established priorities. Budgets, product development plans, and operational roadmaps for 2026 had been finalised prior to year-end, and the post-period focus has been on delivery rather than planning.

The organisation entered 2026 in full execution mode, progressing product development, data and AI initiatives, and operational improvements in line with approved strategies. These activities represent continuation of the Group's normal course of business and are not expected to have a material impact on the financial position beyond what is reflected in the accounts.

Macroeconomic environment and cyclicality

The operating environment in 2025 was shaped by elevated interest rates, tighter monetary conditions, and a more cautious consumer across Europe. Globally, capital became more selective, funding costs repriced higher, and financial institutions were forced to operate with greater discipline. In the Baltics, these dynamics translated into uneven retail demand, heightened price sensitivity, and increased scrutiny across consumer finance and payments.

At the same time, the Baltic economies demonstrated relative resilience. Employment levels remained stable, digital commerce penetration continued to increase, and demand for embedded payment and financing solutions remained structurally intact. Platforms integrated directly into commerce benefited from this shift, particularly those able to price risk accurately and operate with low marginal cost.

Consumer finance is inherently exposed to macroeconomic cycles. ESTO mitigates this exposure through short product durations, conservative underwriting, diversified origination channels, and active portfolio management. While elevated interest rates increased funding costs during the year, pricing discipline, capital structure optimisation, and improving credit performance offset these pressures.

Seasonality remains present, primarily linked to retail cycles and calendar effects. However, the Group demonstrated that profitability is structural rather than seasonal. Performance during traditionally weaker periods confirmed the resilience of the operating model and the effectiveness of frugality, automation, and data-driven decisioning in stabilising results across cycles.

Environmental and social considerations

ESTO operates a digital-first platform with no material physical infrastructure. As a result, the Group's direct environmental footprint is limited and not considered material to its financial performance.

Social considerations are more relevant. ESTO operates in a sector where access to credit must be balanced with responsibility. The Group's products are designed to promote transparent pricing, predictable repayment structures, and disciplined credit allocation. Management views responsible underwriting, continuous monitoring, and lifecycle management as both a commercial imperative and a social obligation, particularly as digital credit becomes increasingly embedded in everyday commerce.

Financial risk management

The Group's principal financial risks relate to interest rate movements, funding availability, and credit performance. These risks are actively managed through pricing discipline, diversified funding sources, conservative provisioning, and continuous governance of credit and risk models.

Interest rate risk is mitigated through product pricing, portfolio duration management, and capital structure optimisation. Elevated rates during the year were managed without compromising profitability or risk appetite. Foreign exchange exposure remains limited and closely monitored, as the Group's operations are primarily euro-denominated. The Group has no material exposure to equity market volatility.

Risk management is treated as a core profit-protecting function rather than a control overlay. Continuous model review, data-driven monitoring, and conservative capital buffers underpin the Group's ability to grow while maintaining resilience across market cycles.

Outlook

Entering 2026, ESTO is fully in execution mode. This is not a transition year and not an expansion year. The focus is on monetising the ecosystem already built, increasing operating leverage, and deploying capital with discipline across Estonia, Latvia, and Lithuania.

The Group enters this phase in its strongest position to date: record profitability, a materially strengthened balance sheet, a lean and highly automated operating model, and institutional-grade credit, data, and AI-driven decision infrastructure. Management's mandate is clear - to compound value through rigorous execution, maintain discipline on risk and capital, and remain at the forefront of how payments, credit, and commerce converge.

Mikk Metsa
Founder/CEO

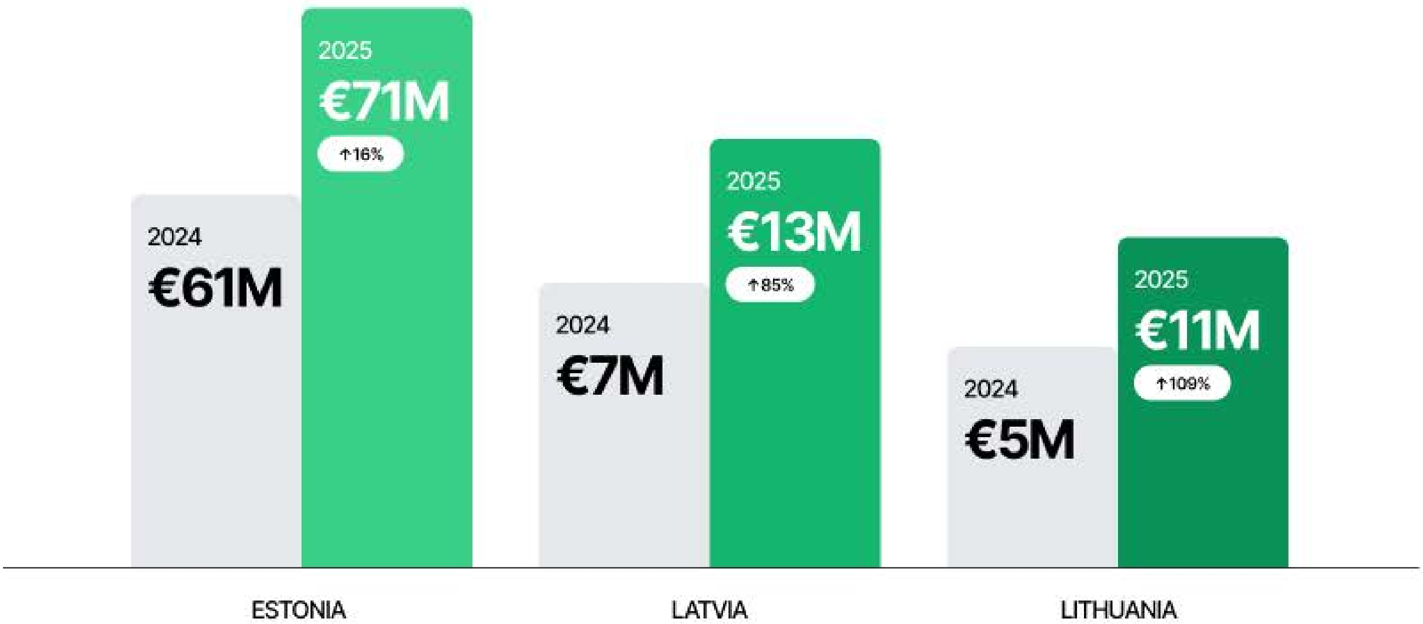
Letter from the CFO

The Baltic powerhouse

As Chief Financial Officer of ESTO Group, I am pleased to present our 2025 Annual Report. This year was an important one for ESTO as we operated in a Baltic economic environment marked by moderate growth, ongoing inflationary pressure, and shifting trade dynamics. Despite these conditions, ESTO delivered strong financial results, reflecting our focus on sustainable growth, disciplined risk management, and efficient use of capital. Our gross loan portfolio (excluding other loans) grew to €94.8 million by year-end, a 30% increase from 2024, while net profit exceeded our €10 million guidance, reaching €10.1 million, a 48% year-over-year increase.

These results position ESTO as the leading non-bank consumer finance provider in the Baltics, with 109% portfolio growth in Lithuania, 85% portfolio growth in Latvia, and a continued market-leading position in Estonia.

Portfolio growth



Capital markets

A key driver of our 2025 performance was a deliberate, diversified funding strategy that provided stability and flexibility to support portfolio growth.

We began the year by securing a €4.9 million overdraft facility with Citadele Bank in February, establishing a new banking relationship and diversifying beyond our existing lenders. In August, we increased the facility to €10 million, reflecting ESTO's operational progress, credit performance, and repayment track record. The facility provided reliable working capital support, helping to manage liquidity during peak issuance periods and seasonal fluctuations.

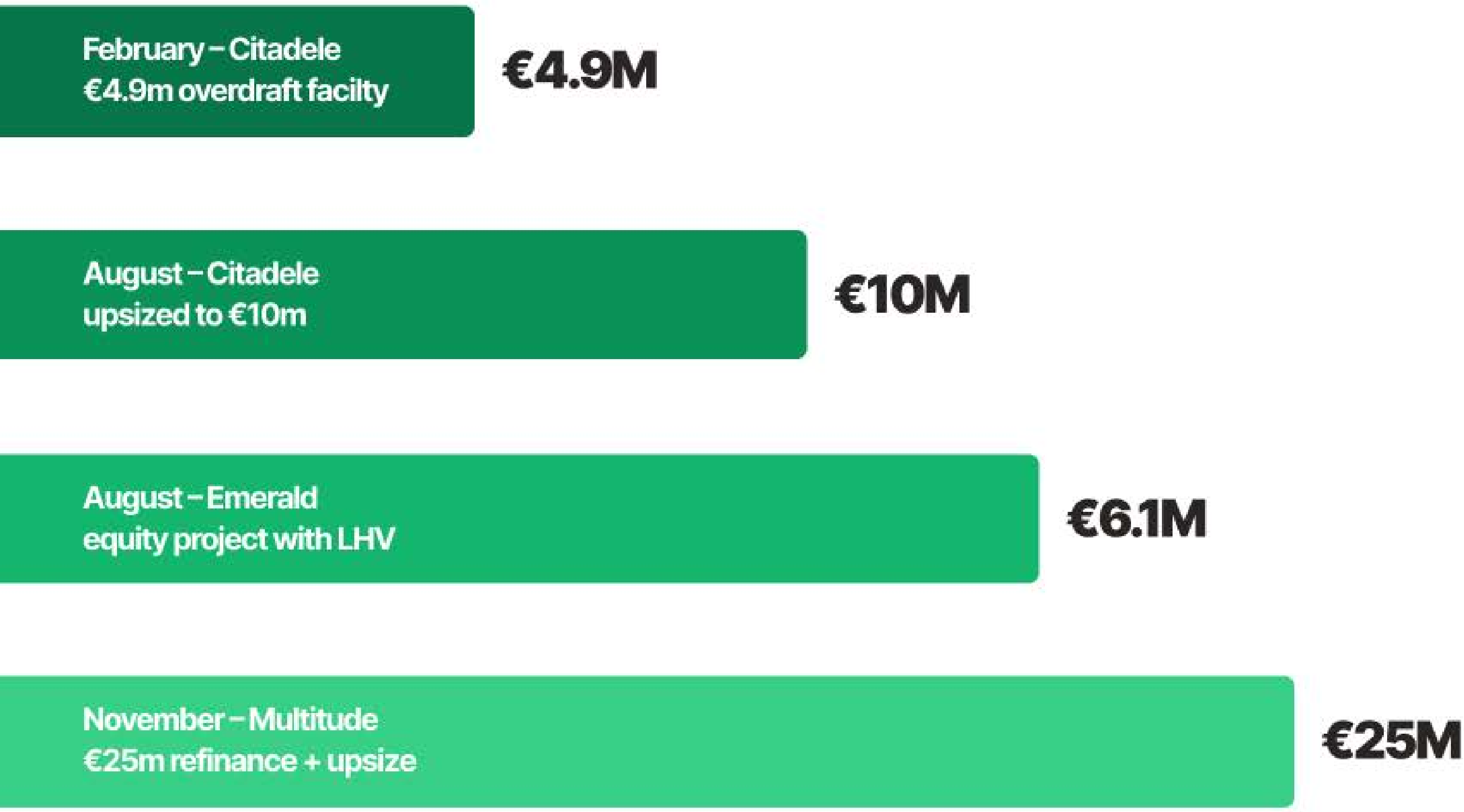
Also in August, we completed the strategic equity capital project "Emerald" with LHV Investment Bank. This transaction strengthened our equity base as the portfolio accelerated and funding needs increased. Combined with the Citadele upsizing, it supported our capitalization metrics and reinforced the long-term commitment of our shareholder base.

In November, we refinanced and upsized our Multitude Bank facility to €25 million (€20 million refinancing + €5 million fresh capital). The improved terms reflected our stronger credit profile and operating performance and reduced funding risk while providing additional capacity for continued growth.

Throughout the year, we maintained a balanced funding mix through bilateral arrangements, shareholder support where needed, these bank facilities, and the equity raise. Key metrics improved: monthly interest coverage ratios consistently above 2.0, equity-to-assets at 31%, and capitalization at 33%. This structure enabled us to fund €108 million in credit issuance (up 32% from 2024) without straining the balance sheet or compromising margins.

This sequence of actions, building the Citadele relationship, strengthening equity through Emerald, and upsizing the Multitude facility, reduced blended funding costs, lowered refinancing pressure at any single point, strengthened our negotiating position with lenders, and supported accelerated but controlled expansion. We expect continued access to cost-effective capital in 2026, assuming stable Euribor levels and no sharp disruptions in regional banking appetite.

Funding & Capital Milestones (2025)



Risk Discipline and Financial performance

Risk management remained central in 2025, allowing us to grow the gross loan portfolio (excluding other loans) 30% year-on-year to €94.8 million while keeping absolute credit costs under control.

Despite the significant increase in scale, net loan losses in nominal terms were lower than in 2024. This reflects strong execution: absolute credit costs did not increase with portfolio size - in fact, they declined - supported by tighter underwriting, better cohort performance, ML-driven scoring, tiered limits, proactive tools, and improved recoveries.

This supported strong profitability (2025 EBITDA margin: 51%), strengthened lender confidence (reflected in improved funding terms), and achieved return on equity to 54%. It also gives us capacity to continue growing in 2026 without tightening our risk appetite.

Macro risks (e.g. slower Estonian growth, wage/inflation pressure) are monitored monthly via early-delinquency leading indicators and stress scenarios. The framework has proven it can scale profitably when discipline is maintained.

In closing, ESTO's 2025 performance reflects disciplined execution in a complex environment. We remain committed to transparent governance, stakeholder value, and Baltic leadership.

Gustav Juurikas
CFO

2025 SUMMARY

	Revenue	Users	EBITDA	Net profit	Merchants
2025	€35M (↑14%)	790K (↑20%)	€18M (↑27%)	€10M (↑48%)	9K (↑48%)
2024	€31M	657K	€14M	€7M	6K

ESTO Group delivered a strong, profitable year in 2025, accelerating growth while maintaining discipline on risk, costs, and capital. We expanded market leadership in the Baltics, crossed key portfolio milestones, and achieved record profitability levels.

2025 major achievements

€94.8M

Gross loan portfolio (excluding other loans) increased to €94.8 million at year-end 2025 (year-end 2024: €73.1 million).

€10M+

FY2025 net profit exceeded the €10 million guidance, supported by portfolio quality and operating leverage in H2.

3 major milestones

Funding position improved during FY2025. We initiated a Citadele overdraft facility (€4.9 million) and subsequently upsized it to €10 million. We also refinanced and upsized the Multitude facility to €25 million, with improved terms and extended maturity.

We increased market share in Latvia, Lithuania and Estonia.

€100M+

Operational milestones included record monthly origination volumes (above €10 million in peak months), expansion of the broker channel, new major merchant partnerships (including the Pigu pan-Baltic rollout), and product enhancements.

These results reflect ESTO's continued shift toward scalable, margin-protected growth. We entered 2026 well capitalized and funded, with continued focus on profitable expansion across the Baltics.

About ESTO

Our journey

ESTO was founded in 2017 in Tallinn, at a time when financial services were undergoing a fundamental shift. The company began with a simple idea discussed over coffee in downtown Tallinn - at a small café called Kohvipaus - but with a clear conviction: commerce and finance would increasingly converge, and the winners would be those who could embed credit seamlessly, responsibly, and at scale into everyday transactions.

The early years coincided with the broader fintech revolution. ESTO started as a focused payments and financing solution, built with pragmatism rather than ambition for its own sake. From the outset, the company operated with financial discipline and achieved profitability already in its first year of operations. This early focus on unit economics, risk control, and execution set the foundation for everything that followed.

As the platform grew, so did its scope. ESTO expanded across Estonia, Latvia, and Lithuania, steadily building a merchant network, a growing consumer base, and the operational infrastructure required to support scale. Each phase of growth was approached deliberately, prioritising regulatory alignment, credit quality, and long-term sustainability over rapid expansion.

Over time, ESTO evolved from a single-product fintech into a multi-vertical financial platform. The organisation matured alongside the business, strengthening governance, institutionalising risk management, and investing in technology and data capabilities. While the scale of the company changed, the underlying principles remained constant: integrity in decision-making, transparency with partners and investors, and a long-term approach to value creation.

Today, ESTO is a profitable, well-capitalised financial platform serving consumers, merchants, and partners across the Baltics. Having been built during the fintech revolution, the Group now enters its next phase positioned to scale through the AI revolution - leveraging automation, data, and intelligent systems to operate more efficiently, allocate capital more precisely, and deliver better outcomes for clients, employees, shareholders, and capital providers.

The journey from a coffee shop conversation to a leading regional financial platform has been shaped by disciplined execution and continuous learning. While much has been achieved, management views this as the beginning rather than the destination. There remains significant opportunity ahead - to deepen the platform, better serve stakeholders, and continue building with honesty, responsibility, and ambition.

THE TIMELINE

2017

ESTO is founded in Tallinn. The initial product proves strong product-market fit, and the Group reaches profitability within the first year of operations. From the outset, ESTO operates with disciplined underwriting, strong unit economics, and a focus on sustainable growth. Group-level EBITDA and net profitability are achieved and maintained from this point forward.

2018

The business model is validated further. ESTO secures its first meaningful capital markets funding while expanding merchant partnerships in parallel. This period establishes trust with both investors and merchants, demonstrating the Group's ability to combine growth with financial discipline and transparency.

2019

ESTO expands its product suite beyond the initial offering. The platform evolves toward a broader financial solution, marking the early transition from a single-product fintech into a wider financial platform. Internal systems, credit processes, and operational infrastructure scale in parallel.

2020

The platform reaches a new level of scale. ESTO increases its engagement with capital markets to support portfolio growth, while continuing to deliver consistent financial performance. Investor confidence is reinforced through stable results and proactive communication during a volatile global environment.

2021

ESTO expands geographically into Latvia and Lithuania. Alongside geographic growth, the product offering broadens and group-level risk, compliance, and operational frameworks are strengthened to support multi-market execution.

2022

ESTO reaches major scale milestones, including €100 million in annual GMV and a €50 million credit portfolio. The Group makes its professional capital markets debut with the issuance of its first corporate bond. The bond is successfully placed and remains well serviced, establishing long-term credibility and trust with institutional investors.

2023

The Group reaches a €60 million credit portfolio, doubling in size within two years. Significant progress is made in Latvia and Lithuania, with increasing market capture, improving unit economics, and growing operational maturity. The scalability of the ESTO model across markets is further validated.

2024

A record year for ESTO in terms of revenue and profitability. Group-level EBITDA and net profitability are maintained for the eighth consecutive year since inception. In addition, Latvia and Lithuania reach EBITDA profitability, marking a key milestone in the Group's pan-Baltic expansion. The Commerce vertical is launched, and AI-driven processes are rolled out more broadly across credit, operations, and servicing. The Group's net loan portfolio reaches €70 million.

2025

A historic year for ESTO. The Group delivers record profitability across the platform, with all core markets net profitable or very close to profitability while maintaining growth momentum. The balance sheet is materially strengthened into a fortress position, supported by strong organic profits and external capital. Product capabilities expand across the Personal, Business, and Commerce verticals, and AI becomes deeply embedded across decisioning, servicing, and internal operations.

Our mission

ESTO's mission is to build and operate a disciplined, technology-driven financial platform that helps people buy and businesses sell responsibly, efficiently, and at scale.

We do this by embedding credit, payments, and financing directly into commerce, connecting consumers and merchants through a unified ecosystem. Our focus is on allocating capital intelligently, pricing risk transparently, and delivering simple, reliable financial products that work seamlessly across online and offline channels.

ESTO is built on the principle that sustainable growth comes from execution, not excess. We operate with strict financial discipline, a lean and highly automated organisation, and a long-term mindset toward risk and capital. Profitability, integrity, and transparency are not outcomes for us—they are requirements.

As commerce evolves, our mission remains constant: to serve customers, partners, employees, shareholders, and capital providers by building infrastructure that compounds value over time, adapts to new technologies, and remains resilient across economic cycles.

Our business and STRATEGY

Ecosystem

ESTO operates a pan-Baltic financial ecosystem structured around three interconnected pillars: Personal, Business, and Commerce. Each pillar serves a distinct role, but they are designed to reinforce one another through shared infrastructure, data, and capital allocation. Together, they form a closed-loop platform that connects consumers and merchants and enables disciplined monetisation across the full lifecycle.

Personal

The Personal pillar serves consumers through credit and payment products embedded directly into everyday shopping and spending. The objective is to provide simple, transparent, and reliable access to credit while maintaining disciplined risk management across the full credit spectrum.

Key products and capabilities include:

- Buy Now, Pay Later (BNPL) solutions offered at checkout, including interest-free instalment products
- Consumer loans and credit agreements
- Revolving credit line products
- Integrated payment and purchase flows across online and offline channels

Personal products are designed to function as an integrated spending layer rather than isolated financial tools. Credit limits, pricing, and utilisation are managed centrally, allowing ESTO to allocate capital intelligently, reward responsible behaviour, and maintain consistent customer experience across merchants and channels.

Business

The Business pillar is built on ESTO's merchant relationships and checkout infrastructure. Its primary role is to enable merchants to sell more efficiently by improving conversion, simplifying payments, and embedding financing into the point of sale.

Key products and capabilities include:

- ESTO Checkout for online and offline merchants
- Payment technology supporting bank transfers, cards, BNPL, and instalment products
- Merchant settlement, reconciliation, and reporting tools
- Marketing and visibility tools that connect merchants to ESTO's consumer base

Today, the checkout and payment layer already functions as a cash-collection and conversion engine for businesses. Building on this position, ESTO sees clear opportunities to expand the Business pillar over time toward structured financing solutions for merchants and businesses, including various forms of credit products designed to support liquidity, working capital, and repeat purchasing activity. This positions ESTO not only as a payment partner, but increasingly as a financing and growth partner for businesses operating within the ecosystem.

Commerce

The Commerce pillar functions as the ecosystem's distribution, engagement, and conversion layer. Its role is to drive higher-quality traffic, repeat usage, and deeper interaction between consumers and merchants, reinforcing the economic flywheel across the Personal and Business pillars.

Key products and capabilities include:

- ESTO Deals, enabling merchants to run targeted promotions and discounted offers across the ESTO user base
- Shopping offers and loyalty-driven engagement tools
- Direct marketing and visibility channels integrated into user journeys
- ESTO Marketplace (planned rollout starting 2026), a curated commerce platform designed to connect merchants and consumers within the ESTO ecosystem

The Marketplace initiative is envisioned as a pan-Baltic commerce layer - often described internally as a "Baltic Amazon" - built on ESTO's existing merchant network, checkout infrastructure, and credit capabilities. Rather than operating as a standalone e-commerce platform, the Marketplace is designed to embed payments, financing, and distribution into a single, integrated shopping experience.

Commerce is not intended to function as an independent profit centre in isolation. Its primary objective is to increase transaction frequency, improve conversion efficiency, and lower customer acquisition costs across the ecosystem. By controlling both distribution and financing within the same platform, ESTO can deepen engagement, enhance monetisation, and maintain disciplined risk and capital allocation.

This approach allows Commerce to act as a strategic accelerator for the entire ecosystem - supporting growth across Personal and Business products while preserving platform coherence and execution discipline.

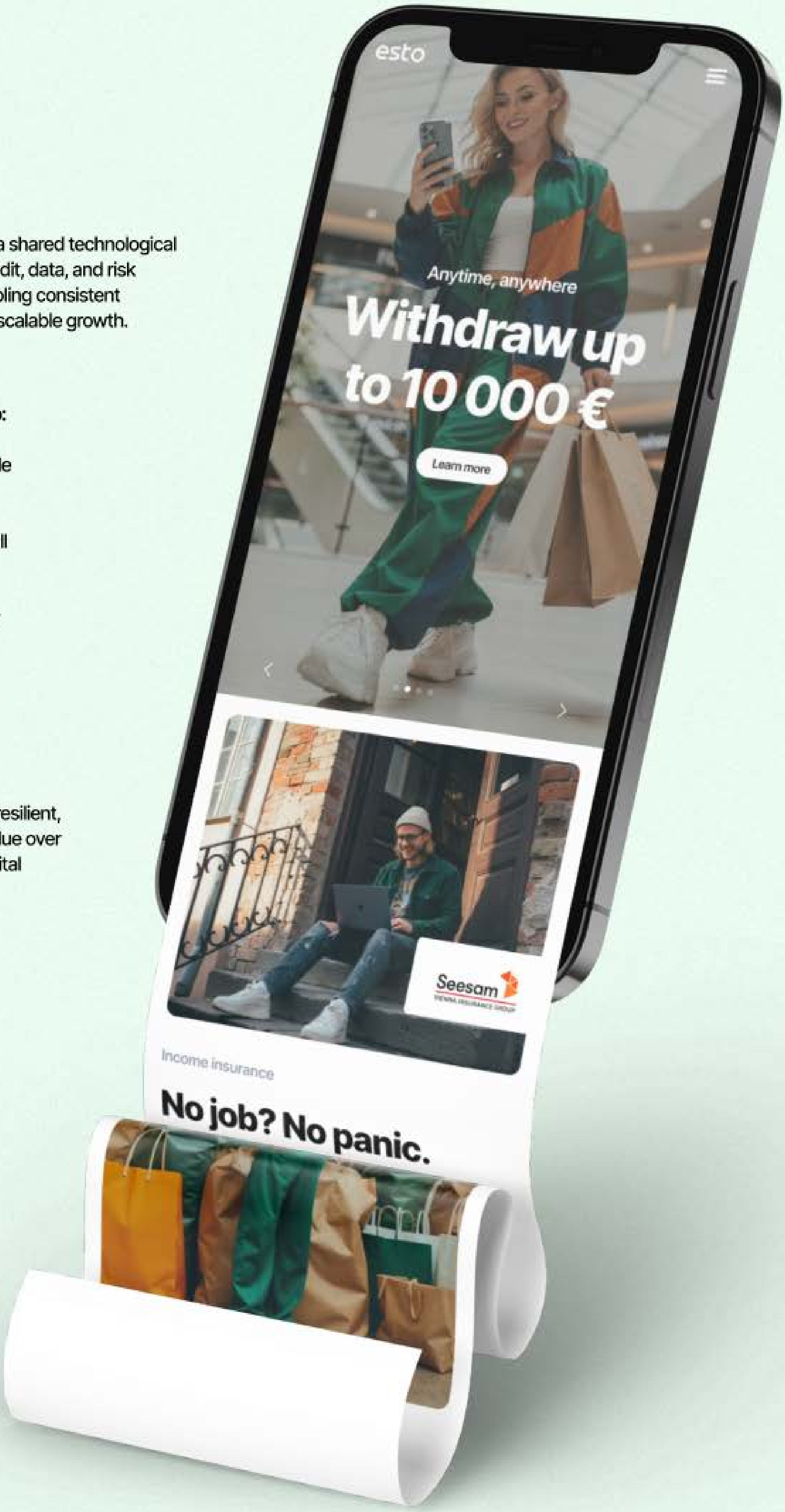
Ecosystem logic

Across all three pillars, ESTO operates on a shared technological and financial infrastructure. Payments, credit, data, and risk management are centrally governed, enabling consistent execution, efficient capital allocation, and scalable growth.

This ecosystem structure allows ESTO to:

- ✔ monetise transactions through multiple layers, not a single product
- ✔ optimise risk and pricing across the full customer lifecycle
- ✔ operate with high automation and low marginal cost
- ✔ expand product capabilities without fragmenting the platform

The result is a financial ecosystem that is resilient, adaptable, and designed to compound value over time - for consumers, merchants, and capital providers alike.



Customer value

ESTO offers flexible ways to pay and finance purchases that are easy for consumers and simple for merchants to integrate. Our products are connected through the ESTO account, which provides a single, consistent customer experience across different financing options - from everyday spending to larger purchases - while keeping checkout simple for merchants.

Value for consumers

- **More choice and flexibility:** customers can select the financing option that fits their situation - credit line for ongoing flexible use, consumer loan for broader personal financing needs, and point-of-sale options to split purchases into manageable payments.
- **Simple, consistent experience:** products are accessible through one ecosystem, so customers can apply, confirm and manage their financing via the ESTO account, with a consistent experience across products.
- **Additional protection:** income insurance can provide support in difficult situations and help strengthen customers' financial resilience.

Value for merchants and partners

- **Higher conversion and larger baskets:** offering multiple financing options at checkout helps more customers complete purchases and supports higher-value transactions.
- **Simple integration and operations:** merchants can add ESTO as a payment solution once and offer multiple methods through a single partner, reducing complexity.
- **Better customer experience at checkout:** customers can choose the payment option that fits them best, leading to smoother purchasing and fewer abandoned carts.

All these products work together through the ESTO account, providing a connected experience where:

- ✔ customers can access suitable options across different purchase needs, and
- ✔ merchants can offer a broad set of payment methods without needing separate solutions for each one.

The strategy

ESTO's strategy is built around disciplined execution, capital efficiency, and long-term value creation. The Group does not pursue growth for its own sake. Instead, strategy is anchored in quality growth, technology as an enabler, and margin and balance-sheet protection across economic cycles.

Quality growth

ESTO prioritises growth that improves the quality of the portfolio, the durability of earnings, and the resilience of the balance sheet. This means focusing on risk-adjusted returns rather than volume metrics, and scaling products and markets only where unit economics are proven.

In the near term, this translates into deeper monetisation of the existing ecosystem across Estonia, Latvia, and Lithuania. The emphasis is on increasing utilisation, transaction frequency, and lifetime value within the current user and merchant base, rather than expanding into new geographies or adjacent regulatory regimes.

Over the long term, quality growth is driven by compounding effects within the ecosystem - where Personal, Business, and Commerce reinforce one another and enable expansion of product capabilities without fragmenting the platform or increasing risk appetite.

Technology and data as strategic enablers

Technology is not a standalone strategy at ESTO; it is an execution multiplier. The Group uses technology, data science, and AI to improve decision quality, automate workflows, and scale operations with minimal incremental cost.

In 2025, the strategic focus is on embedding these capabilities deeper into credit decisioning, pricing, servicing, and internal processes. Automation and AI-driven systems are designed to replace manual effort, reduce error rates, and improve consistency across markets and products.

Over the long term, technology enables ESTO to adapt as commerce evolves - whether through new payment methods, agentic commerce models, or more autonomous customer interactions—while preserving centralised control over risk and capital allocation.

Margin and balance-sheet protection

Margin protection is a core strategic priority. ESTO operates with strict cost discipline, a lean organisational structure, and high levels of automation. This allows the Group to maintain strong margins even as competitive pressure and regulatory requirements evolve.

Balance-sheet protection is equally critical. The Group manages capital conservatively, maintains strong equity buffers, and diversifies funding sources to reduce dependency on any single capital provider. This approach ensures resilience during periods of macroeconomic stress and preserves strategic flexibility.

In the near term, this means continued focus on profitability, liquidity, and covenant headroom. Over the long term, it enables ESTO to fund growth increasingly through internally generated capital and to deploy external capital opportunistically rather than out of necessity.

Execution over expansion

ESTO's strategy is deliberately execution-driven. The Group avoids premature expansion, structural complexity, or product proliferation that could dilute focus or strain risk controls. New initiatives are introduced only when they strengthen the ecosystem and meet defined return and risk thresholds.

This disciplined approach allows ESTO to compound value steadily, remain adaptable to technological change, and continue building a platform that is profitable, resilient, and relevant over the long term.

Our CULTURE

Our culture is built on shared values and consistent ways of working across teams and markets. It influences how we support our people, build trust with customers, and contribute to the communities.

Ownership

We don't wait for success – we create it. Taking ownership of each of our roles and growth isn't optional; it's the foundation of our success. Anything less isn't part of the equation.

- We are not just completing tasks; we're driving impact. We are a company where every individual feels empowered to contribute to our shared success.
- We also understand the power of collaboration. We support each other, share knowledge, and work together to achieve common goals.

Speed

Plans are good, but action is better. Start now, progress, and learn along the way. Speed is our advantage. At ESTO, we move fast, break boundaries, and solve problems as we go. If you believe it can be done, just do it - we will work together to make it a success.

- We take meaningful actions, and we are fast.
- We empower a culture where swift decisions and adapting quickly give us a leading edge, always heading in the right direction.

Communication

We value transparency and accountability. Communication drives everything - good or bad. We speak our truth, keep things moving, and never hold back.

- We use communication to identify and solve problems quickly.
- We create an environment of trust, where open dialogue is the foundation for strong relationships and effective teamwork.

Competitors by heart

ESTO was founded by athletes, and it's this competitive spirit that drives us. We don't just play for fun; we aim for the Super Bowl in everything we do. Above all, we're a high performing team - where ownership, determination, and teamwork are what make us winners.

- We never lose sight of our goals and always aim to win.
- We celebrate big wins and encourage everyone to exceed expectations.

Our people and impact

At ESTO, people come first. We work hard to build a workplace where employees feel supported, can grow, and can do their best work. We move fast, take ownership, and support each other to get things done - while creating value for our customers and contributing positively to the communities where we work.

Performance

We use digital tools and data to support key people processes - from recruitment and onboarding to goal setting, performance reviews, and engagement. Bringing these activities into one system helps ensure a consistent approach across teams, with performance discussions linked to clear objectives and our values.

The platform also provides managers with better visibility to support hiring decisions, smooth onboarding, and early identification of engagement topics. Clear, transparent goals help employees understand expectations, track progress, and connect performance with development. This strengthens our ability to attract and retain talent while supporting a fair and inclusive workplace where contributions are recognized.

Culture

Culture is part of the day-to-day - not something separate from performance. In 2025, we focused on making our values easier to apply in real situations, from how we work together to how we make decisions. Colleagues across teams act as Culture Champions, helping keep our values visible and encouraging others to bring them into everyday work. We also look for both skills and values fit when hiring, and we recognise achievements that reflect the behaviours we want to strengthen.

Supporting growth is just as important. Every employee has an individual training budget to develop both technical and soft skills. Promotions, bonuses, and career progression are based on merit and impact. Overall, these practices help us create a workplace where people can grow, contributions are recognised, and our values show up from onboarding through everyday collaboration.

Well-being

We know that people do their best work when they feel supported and appreciated. Our hybrid work model gives employees flexibility, including home office days and the option to adjust schedules when needed to keep a healthy work–life balance.

We also invest in workspaces that make it easier to focus and collaborate, with ergonomic desks, quiet areas, good acoustics, natural light, and greenery. Our well-being benefits include sport compensation, health days, and birthday leave. We recognise great work through peer-to-peer feedback, team awards, and company-wide celebrations - so achievements don't go unnoticed.

These efforts help employees feel valued, connected, and motivated. Looking ahead, we will continue investing in development, digital tools, and well-being to support sustainable growth and keep our performance culture strong.

Community

We aim to create value for both our people and our customers, and to contribute positively in the places where we work. Alongside our day-to-day work, we support local initiatives that promote healthier and more active lifestyles. This includes donations to a local gym program that helps children and young people access training and sports activities.

Customer protection framework

Customer safety is integrated into the Group's risk control environment and product governance. We apply a combination of preventative controls, automated monitoring, and customer-facing features to reduce fraud risk and support responsible use of credit. These measures are continuously reviewed and strengthened across markets and channels, from onboarding checks to ongoing monitoring and credit-building product improvements.

Fraud prevention

Fraud prevention is treated as part of the Group's credit risk control environment. The approach combines automated signals within the underwriting and monitoring stack with operational procedures and ongoing calibration. This supports early detection of suspicious activity at onboarding and during the customer lifecycle, helps limit fraud-driven credit losses, and supports more consistent outcomes across markets and channels.

During 2025, fraud controls were strengthened through targeted enhancements to signals, processes and governance. The Group expanded the use of device and browser information within fraud tooling and introduced additional preventive controls such as blacklist checks. Automation in identity verification processes was increased to reduce manual handling and support timely reviews. In parallel, key fraud decision logic was further centralised to improve consistency, monitoring and traceability, while maintaining the ability to adjust settings based on observed performance.

Credit-building features to protect and empower users

The Group aims to support sustainable access to credit by applying responsible lending principles and by structuring products and customer journeys to encourage positive repayment behaviour. Credit-building features are designed to help customers use credit in a controlled manner, with clear terms and predictable repayment expectations. This includes applying appropriate eligibility and limit-setting logic, using customer segmentation to tailor offers, and maintaining transparency in customer communication to support informed decisions.

During 2025, the Group continued work to strengthen the foundations for credit-building across products and markets. Initiatives included improvements to underwriting consistency for existing customers with established repayment behaviour, further development of user-level limit logic and segmentation principles, and enhancements to monitoring and analytics that support timely adjustments to limits and decision rules. These developments are intended to protect customers by reducing the likelihood of overextension while enabling a structured pathway for customers to access additional credit capacity as their repayment performance demonstrates lower risk.

Regulatory compliance and governance

ESTO operates in a highly regulated environment across Estonia, Latvia and Lithuania, and we actively monitor regulatory developments to understand expectations and implement necessary changes in a timely and controlled way. As a regional non-bank lender and BNPL provider, we see strong risk management and regulatory compliance as enablers of sustainable growth, not as constraints. We maintain constructive relationships with supervisors and industry bodies, aiming not only to meet regulatory requirements, but also to support the responsible development of financial services in the Baltics. In 2025, we continued to develop Group-wide frameworks that support responsible lending, financial crime prevention and data protection, while keeping our products simple and convenient for customers and merchants.

Responsible lending

Responsible lending is at the centre of ESTO's business model. Our goal is to offer flexible and accessible credit while ensuring that customers can manage their obligations comfortably over time.

We are subject to consumer credit and consumer protection rules in all our Baltic markets. These rules require lenders to assess the customer's creditworthiness before granting credit, to communicate clearly about costs and terms, and to avoid practices that may lead to over-indebtedness. ESTO embraces these principles. We use a combination of local credit bureau information, internal scoring models and product-specific criteria to make consistent and data-driven decisions. Our underwriting rules and scorecards are reviewed regularly and adjusted when we see changes in customer behaviour, macroeconomic conditions or regulatory expectations.

Legal and Compliance team is involved in the development of new products, terms and marketing materials. Their role covers both proactive advice and independent oversight, helping to ensure that our offerings align with national legislation in Estonia, Latvia and Lithuania, as well as with emerging supervisory guidance and market practice in European consumer finance.

AML / CTF and sanctions

As we scale our business, we are steadily building out our capabilities in anti-money laundering, counter-terrorist financing and sanctions compliance. Our objective is to create an AML and sanctions framework that is robust, scalable and comparable with what regulators expect from leading financial services providers in the region, while remaining efficient and user-friendly for customers and merchants. To support this, we are developing a stronger financial crime framework across Estonia, Latvia and Lithuania, with clearer Group-level policies, defined roles and responsibilities, and gradually more advanced tools and processes.

Given the evolving geopolitical and regulatory landscape, our focus is on putting in place governance, risk assessments and controls that are appropriate for the size and complexity of our business today, and that can scale as we continue to grow.

Data protection and information security

Data and technology are at the heart of our business. Customers, merchants and investors trust us with sensitive information, and we take that trust seriously. ESTO is subject to the GDPR and national data protection laws in all three Baltic states, and we are continuously lifting our standards in line with supervisory expectations and industry practice.

In 2025, we continued to strengthen our data protection framework. We maintain clear rules around what personal data we collect, why we process it and how long we keep it. We aim to be transparent with customers about how their data is used and to provide simple ways to exercise rights such as access and correction. For higher-risk initiatives - such as new data sources, scoring models or integrations - we conduct structured assessments to understand data protection implications and build in appropriate safeguards. In Estonia, ESTO successfully closed a supervisory inquiry by the Estonian Data Protection Inspectorate in 2025, cooperating closely with the authority and incorporating its feedback into our ongoing data protection improvements.

To support this work, we made important organisational changes. From August 2025, our legal and regulatory risk management has been centralised under a newly created Chief Legal Officer (CLO), reporting directly to the CEO. In parallel, we have appointed a Head of Privacy, who leads Group-wide data protection strategy and coordinates implementation across Estonia, Latvia and Lithuania. These roles bring more focus, consistency and speed to our regulatory compliance agenda and position ESTO well for further growth in a tightening regulatory environment.

Technology and innovation

In 2025, ESTO continued to improve its technology platform with a clear focus on operational efficiency and innovation. The year marked a transition toward a more modern engineering organization - one that uses automation and AI, reduces long-term technical risk, and supports growth. Investments in systems, processes, and talent supported faster delivery and clearer prioritisation, while maintaining reliability, security, and performance.

Key technology improvements

We delivered several improvements across technology platform and engineering operations.

- **Platform and system modernization.** We completed foundational work to make core systems more modular and scalable. This included simplifying architecture, clarifying responsibilities across systems, and preparing for future separation of system components.
- **Performance and reliability enhancements.** Ongoing optimisation improved stability and response times, supporting increased usage and complexity without reducing reliability.
- **Security and infrastructure maturity.** We strengthened security practices across environments and increased standardisation and automation of infrastructure. We also continued the transition toward infrastructure-as-code to improve consistency.
- **Engineering process improvements.** We refined development workflows and quality assurance practices to improve delivery predictability while maintaining high standards for code quality and system stability.

Together, these improvements established a stronger and future-ready technology foundation.

Innovation and engineering transformation

In 2025, innovation focused not only on adopting new technology, but also on improving how engineering work is performed.

- **Operational efficiency through automation.** Engineering teams streamlined internal processes, reducing manual effort and cycle time across development, support, and operational tasks.
- **Reduction of technical debt.** We introduced a clearer approach to reducing legacy complexity, enabling faster iteration and lowering long-term maintenance costs.
- **Talent and capability development.** ESTO invested in engineering talent and supported continuous learning. Expectations for adaptability, speed, and quality increased to match how the industry is evolving.
- **Modern development practices.** We started preparing for a new, more agile software development life cycle (SDLC), designed to support decentralized teams, faster feedback loops, and improved cross-functional collaboration.

These initiatives helped turn innovation into clear business benefits while supporting long-term stability.

Use of AI

AI played an increasingly important role across ESTO's engineering and operational activities in 2025.

- **Productivity and quality improvements.** AI-assisted development tools and copilots were introduced to support engineers in design, coding, testing, and troubleshooting, improving efficiency and consistency.
- **Operational automation.** AI-based solutions were applied to internal support and help desk workflows, reducing manual handling of routine requests and improving response times.

AI was introduced in a structured way, with clear expectations for responsible and effective use.

Our work will continue, with further focus on automation across internal workflows, ongoing improvements to our development lifecycle and tooling, and a continued move toward more modular and scalable system architecture.

Business HIGHLIGHTS

2025 was a historic year for ESTO, marked by record financial performance, operational maturity, and a decisive shift into execution at scale. The Group delivered strong growth while materially strengthening its balance sheet, deepening its ecosystem, and institutionalising its operating model.

New initiatives and product launches

New products and customer-facing initiatives:

- **Income insurance.** Launched a new protection product that strengthens customer value by adding a financial safety net alongside credit products.
- **ESTO Deals.** Launched as a commerce/marketing channel to connect customers with merchant offers; sunset at the end of 2025 and is planned to be replaced by ESTO Market in 2026.
- **Updated B2C homepage and renewed application experience.** Launched refreshed customer-facing journeys to better align with the ESTO brand and improve usability.

New distribution and go-to-market initiatives:

- **Affiliate and broker integrations.** Expanded partnerships where customers apply via a partner channel and are redirected to ESTO to receive an offer, broadening acquisition beyond direct channels.
- **Robocalls for customer outreach.** Introduced automated outbound calling as an operational tool to contact customers with support and improved offers.

Platform, risk and operations improvements:

- Improved fraud detection and procedures to strengthen risk management and reduce losses.
- Improved billing/settlement capabilities to support more seamless transactions and reduce manual inquiries.

Partnerships and users

- **Merchant network growth.** The Group continued to expand its merchant network during the year, adding 2,771 new points of sale and bringing the total to 8,553 at year end. This steady growth strengthened ESTO's distribution footprint across the Baltics and supported broader availability of ESTO payment solutions for consumers. From a strategic perspective, the year also included notable pan-Baltic partnerships, including Denim Dream and Ballzy. These collaborations are important not only because of their multi-market reach, but also because they help create a more consistent merchant offering across Estonia, Latvia, and Lithuania. This, in turn, enables ESTO to scale integrations more efficiently and provide customers with a familiar payment experience regardless of country. The combination of a high integration volume and selected pan-Baltic partners reflects ESTO's focus on expanding coverage while prioritising merchants that contribute to long-term network value and regional scalability.

- **User base and customer satisfaction.** At the end of 2025, ESTO's user base reached 789,691 users across the Baltics, reflecting strong trust and continued adoption of our products in the region. Customer feedback remained strong, with Google ratings of 4.6 in Estonia, 4.7 in Latvia, and 4.8 in Lithuania.

Main highlights

- **Record financial performance.** ESTO achieved all-time-high profitability across the Group. Net profit, EBITDA, revenue, and balance-sheet size all reached record levels, while maintaining disciplined risk standards. Importantly, this performance was sustained throughout the year, including during seasonally weaker periods, confirming that profitability is structural rather than cyclical. All core markets were profitable or very close to profitability, with Estonia continuing to operate as a strong cash-generating base and Latvia and Lithuania scaling into meaningful contributors without compromising growth momentum.

- **Fortress balance sheet and capital discipline.** The Group materially strengthened its equity position through strong organic profitability and external capital injection, building a fortress balance sheet designed for durability across market cycles. Funding risk was reduced through diversification and improved capital structure, resulting in stronger liquidity headroom and improved interest coverage. ESTO exited the year with the ability to fund growth primarily through internally generated capital, increasing strategic flexibility and reducing reliance on marginal funding sources.

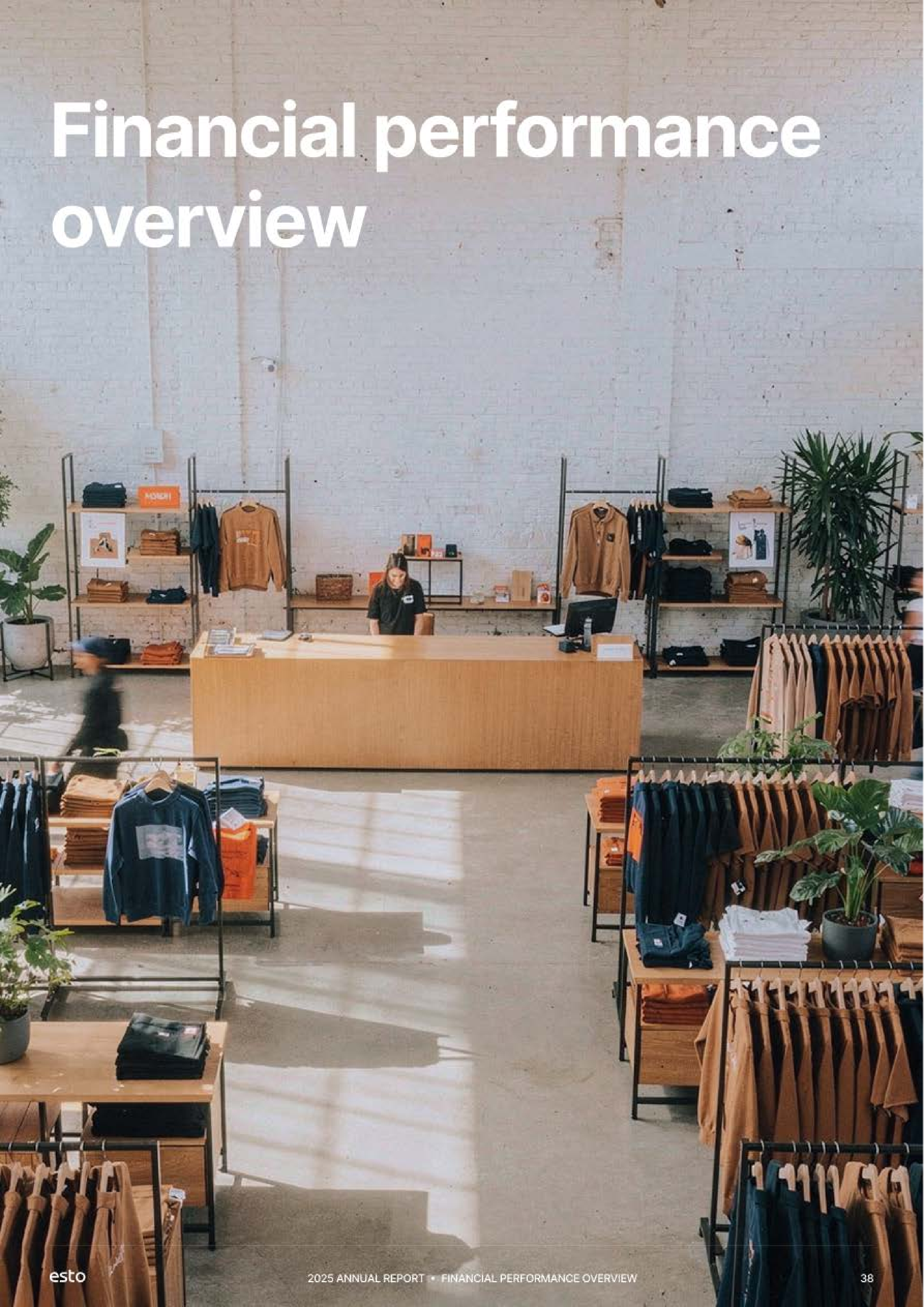
- **Ecosystem expansion and product depth.** The Personal, Business, and Commerce pillars were expanded and further integrated in 2025. Product capabilities were strengthened across checkout, consumer credit, credit lines, merchant tooling, and commerce-driven engagement. The Commerce pillar was materially advanced, reinforcing distribution, conversion, and engagement across the platform and laying the groundwork for marketplace-style initiatives planned for 2026. Across the ecosystem, ESTO continued to increase transaction frequency, utilisation, and lifetime value while lowering customer acquisition costs.

- **Data, AI, and automation at scale.** 2025 marked a step-change in how ESTO operates internally. Advanced data science, machine learning models, and AI-driven systems were deployed across credit decisioning, fraud prevention, growth optimisation, pricing, servicing, and internal workflows. Automation and AI materially reduced manual processes, improved decision quality, and supported operating leverage, allowing the Group to scale with minimal increase in headcount. AI moved from experimentation to infrastructure - embedded directly into how the organisation allocates capital and serves customers and partners.

- **Disciplined execution across markets.** ESTO demonstrated the ability to scale execution consistently across Estonia, Latvia, and Lithuania. Operational processes, risk frameworks, and governance structures functioned effectively at higher volumes, validating the Group's pan-Baltic operating model. Regulatory compliance, credit governance, and treasury management were further institutionalised, supporting sustainable growth and reinforcing trust with partners, investors, and regulators.

- **Positioned for execution in 2026.** By the end of 2025, ESTO entered the next phase of its development from a position of strength. The ecosystem was built, the balance sheet fortified, and execution capabilities proven. Budgets and roadmaps were finalised ahead of year-end, and the organisation moved directly into execution mode. The focus going forward is clear: monetise the ecosystem already built, compound profitability, and remain at the forefront of how payments, credit, and commerce converge.

Financial performance overview



Key financial metrics

(in thousands of euros)

Operational highlights	2025	2024	↑ in %
GMV	181,208	164,665	10%
Total volume of transactions[1]	1,823,736	954,523	91%
Loans issued	108,385	82,014	32%
	31.12.2025	31.12.2024	↑ in %
Net Loan portfolio[2]	93,996	72,813	29%
Gross Loan portfolio[2]	97,755	75,898	29%
Total unique point of sales (count)	8,553	5,782	48%
Total number of users (count)	789,691	657,025	20%

Financial highlights	2025	2024	↑ in %
Revenue	35,415	31,085	14%
EBITDA	18,007	14,153	27%
Net Profit	10,114	6,825	48%
	31.12.2025	31.12.2024	↑ in %
Total Assets	102,466	80,265	28%
Equity (incl. Tier-II capital)	30,843	18,421	67%

[1] The total value of financial activities conducted within the reporting period, primarily related to issued loans, credit transactions, and deposits.

[2] Including other loans.

Key financial ratios

Capitalization	31.12.2025	31.12.2024
Equity to assets ratio	31%	24%
Capitalization ratio	33%	25%

Profitability	2025	2024
Interest coverage ratio (TMT)	2.3	2.0
Net interest margin	22%	23%
Cost to income ratio	27%	23%
EBITDA margin	51%	46%
Return on assets	11%	9%
Return on equity	54%	74%

Asset quality	31.12.2025	31.12.2024
Provision cost to loan portfolio	4%	4%

Pledged loan receivables	31.12.2025	31.12.2024
ESTO Bond	120%	120%

Consolidated financial statements

Consolidated statement of financial position

(in thousands of euros)

	Note no.	31.12.2025	31.12.2024
ASSETS			
Current assets			
Cash and cash equivalents	5	1,737	2,535
Loans and advances to customers	6	80,087	62,801
Prepayments		1,491	915
Other assets	7	1,002	951
Total current assets		**84,316**	**67,202**
Non-current assets			
Loans and advances to customers	6	13,910	10,013
Property and equipment		98	83
Intangible assets	8	3,661	2,604
Other assets	7	480	364
Total non-current assets		**18,149**	**13,064**
TOTAL ASSETS		**102,466**	**80,265**
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Loans and borrowings	9	37,592	33,493
Interest payables	9	242	502
Trade payables and other payables	10	1,617	1,401
Tax liabilities	11	284	156
Total current liabilities		**39,735**	**35,551**
Non-current liabilities			
Loans and borrowings	9	37,439	32,845
Total non-current liabilities		**37,439**	**32,845**
TOTAL LIABILITIES		**77,174**	**68,396**
EQUITY			
Share capital	12	10	10
Share premium		435	435
Merger reserve	12	(23,952)	(23,952)
Voluntary capital	12	30,916	27,602
Retained earnings		7,768	893
Total comprehensive income		10,114	6,881
Total equity		**25,291**	**11,869**
TOTAL EQUITY AND LIABILITIES		**102,466**	**80,265**

Consolidated statement of profit or loss and other comprehensive income

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(in thousands of euros)

	Note no.	2025	2024
Interest and similar income from loans	14	27,524	22,996
Interest expense	14	(7,717)	(7,174)
Net interest and similar income from loans		**19,807**	**15,822**
Other interest income	15	300	277
Total other interest income		**300**	**277**
Fee and commission income	16	4,135	3,145
Fee and commission expense	16	(2,182)	(1,793)
Net fee and commission income		**1,953**	**1,352**
Gains from financial instruments		-	91
Other income		268	7
Net loss arising from derecognition of financial assets measured at amortised cost	3	(3,730)	(4,672)
Impairment losses on financial instruments	3	(674)	291
Other operating expenses	17	(3,609)	(3,151)
Personnel expenses	18	(3,585)	(2,614)
Depreciation and amortisation	8	(292)	(242)
Other expenses		(440)	(425)
Profit before income tax		**9,998**	**6,736**
Income tax	19	116	89
Profit for the reporting period		**10,114**	**6,825**
Other comprehensive income			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Unrealized gain from financial instruments		-	56
Total other comprehensive income		**-**	**56**
Total comprehensive income for the period		**10,114**	**6,881**
Profit for the reporting period attributable to:			
Owners of the parent company		*10,114*	*6,825*
Total comprehensive income attributable to:			
Owners of the parent company		*10,114*	*6,881*

Consolidated statement of cash flows

(in thousands of euros)	Note no.	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit		**10,114**	**6,825**
Adjustments or changes for:		**4,074**	**4,922**
Interest income		(289)	(25)
Net impairment loss on loans and advances	3	674	(291)
Net loss arising from derecognition of financial assets measured at amortised cost	3	3,730	4,672
Depreciation and amortisation	8	292	242
Other adjustments		(332)	325
Total adjustments or changes		**14,188**	**11,747**
Changes in:			
Other assets and prepayments		(744)	(514)
Trade and other payables		85	181
Loans and advances to customers		(24,439)	(13,797)
Total changes		**(25,097)**	**(14,130)**
NET CASH USED IN OPERATING ACTIVITIES		**(10,909)**	**(2,383)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		(49)	(54)
Acquisition of intangible assets	8	(1,332)	(869)
Other loans granted		(213)	(2,683)
Repayments of other loans		28	1,357
NET CASH USED IN INVESTING ACTIVITIES		**(1,565)**	**(2,249)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans and borrowings		30,768	43,843
Repayments of borrowings		(22,406)	(37,419)
Paid in share capital		-	5
Increase in voluntary capital		6,124	-
Decrease in voluntary capital		(2,809)	(1,661)
NET CASH FROM FINANCING ACTIVITIES		**11,676**	**4,769**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**(798)**	**137**
Cash and cash equivalents at the beginning of the period		**2,535**	**2,398**
Cash and cash equivalents at the end of the period		**1,737**	**2,535**

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Consolidated statement of changes in equity

(in thousands of euros)

	Share capital	Share premium	Merger reserve	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
Balance at 31.12.2023	**5**	**435**	**(23,952)**	**29,263**	**41**	**893**	**6,685**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**56**	**6,825**	**6,881**
Profit for the period	-	-	-	-	-	6,825	6,825
Other comprehensive income	-	-	-	-	56	-	56
Reclassification from OCI to profit and loss	**-**	**-**	**-**	**-**	**(41)**	**-**	**(41)**
Realized gain from financial instruments	-	-	-	-	(41)	-	(41)
Transactions with owners of the Company - Contributions and Distributions							
Paid in share capital	5	-	-	-	-	-	5
Decrease in voluntary capital	-	-	-	(1,661)	-	-	(1,661)
Total contributions and distributions	**5**	**-**	**-**	**(1,661)**	**-**	**-**	**(1,656)**
Balance at 31.12.2024	**10**	**435**	**(23,952)**	**27,602**	**56**	**7,718**	**11,869**

In the previous reporting period ended 31 December 2024, the following equity movements occurred:

A share capital increase of €5 thousand via shareholders payment.

A reclassification of €41 thousand was made from unrealized gain from financial instruments to profit and loss, reflecting a realized gain on financial instruments.

Voluntary capital was decreased by €1,661 thousand through distribution to shareholders.

Consolidated statement of changes in equity (continued)

(in thousands of euros)

	Share capital	Share premium	Merger reserve	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
Balance at 31.12.2024	**10**	**435**	**(23,952)**	**27,602**	**56**	**7,718**	**11,869**
Previous periods corrections	-	-	-	-	-	**(6)**	**(6)**
Balance at 01.01.2025	**10**	**435**	**(23,952)**	**27,602**	**56**	**7,712**	**11,863**
Total comprehensive income for the period	-	-	-	-	-	**10,114**	**10,114**
Transactions with owners of the Company - Contributions and Distributions							
Increase in voluntary capital	-	-	-	6,124	-	-	6,124
Decrease in voluntary capital	-	-	-	(2,809)	-	-	(2,809)
Total contributions and distributions	-	-	-	**3,315**	-	-	**3,315**
Balance at 31.12.2025	**10**	**435**	**(23,952)**	**30,916**	**56**	**17,826**	**25,291**

In the reporting period ended 31 December 2025, the following equity movements occurred:

Retained earnings as at 31 December 2024 were restated and decreased by €6 thousand.

Total comprehensive income for the period amounted to €10,114 thousand, increasing retained earnings accordingly.

Voluntary capital increased by €6,124 thousand due to shareholders' contributions.

Voluntary capital was decreased by €2,809 thousand through distribution to shareholders.

Additional information on equity is provided in Note 12.

The notes on pages 47 to 84 are an integral part of these financial statements.

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Notes to the financial statements

Note 1. General information

ESTO Holdings OÜ is a holding company that provides services to the customers via its fully owned (100%) operating subsidiaries (Subsidiaries) in the Baltic market. The main business lines of the subsidiaries are issuance of consumer credit loans granted via ESTO's merchant network or directly to consumers.

As of 31 December 2025, ESTO Holdings OÜ had three operating subsidiaries:

1. ESTO AS in Estonia,
2. ESTO UAB in Lithuania,
3. ESTO LV AS in Latvia.

The subsidiaries and ESTO Holdings OÜ jointly form the ESTO GROUP (the Group).

Note 2. Significant accounting policies

Note 2.1. Basis of accounting

The consolidated financial statements of the ESTO Holdings OÜ (ESTO Group) for the financial year 2025 have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS) as adopted in the European Union.

These consolidated financial statements have been authorised for issue by the ESTO Holdings OÜ management board on 24 April 2026.

Note 2.2. Adoption of new and revised accounting standards

The International Accounting Standards Board (IASB) has issued amendments to IFRS standards that are relevant to financial reporting. In the reporting period the Group has not adopted early any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS 21 – Lack of Exchangeability

In August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

The amendments did not have a material impact on the Group.

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Note 2.3. Standards issued but not yet effective and not early adopted

The following new standards, interpretations and amendments are not yet effective for the annual reporting period ended 31 December 2025 and have not been applied in preparing these consolidated financial statements. The Group plans to adopt these pronouncements when they become effective.

Amendments to the Classification and Measurement of Financial Instruments – IFRS 9 & IFRS 7

(Effective for annual periods beginning on or after 1 January 2026. Early application is permitted.)

On 30 May 2024, the IASB released targeted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures to address common challenges in financial instrument classification and measurement.

Key amendments include:

- ✔ Clarification on the recognition and derecognition of certain financial assets and liabilities, with specific guidance for transactions involving electronic cash transfer systems.
- ✔ Additional disclosure requirements for financial instruments with contractual terms linked to ESG performance targets.
- ✔ Expanded classification criteria to assess whether financial assets meet the Solely Payments of Principal and Interest (SPPI) condition.
- ✔ Updated disclosures for equity instruments measured at fair value through other comprehensive income (FVOCI).
- ✔ New disclosure requirements for loan agreements classified as non-current, clarifying how deferred settlement rights affect classification.

The Group does not expect the amendments to have a material impact on its financial statements when initially applied.

IFRS 18 – Presentation and Disclosure in Financial Statements

(Effective for annual periods beginning on or after 1 January 2027. Early application is permitted.)

IFRS 18 introduces significant changes to financial statement presentation by replacing IAS 1 – Presentation of Financial Statements, with a focus on the Statement of Profit or Loss:

- ✔ Defines a consistent structure for the statement of profit or loss, including mandatory subtotals.
- ✔ Requires entities to determine the most useful categorization for presenting operating expenses in the statement of profit or loss.
- ✔ Enhances transparency by requiring key disclosures for performance measures reported outside the financial statements (e.g., management-defined performance measures).
- ✔ Strengthens aggregation and disaggregation principles in financial statements and accompanying notes.

The Group is currently assessing the impact of IFRS 18 on its financial statements. Given the significant changes to the structure of the statement of profit or loss and new disclosure requirements, the full impact has not yet been determined.

IFRS 19 – Subsidiaries Without Public Accountability: Disclosures

This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- ✔ It does not have public accountability; and
- ✔ It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standard.

The Group does not expect the amendments to have a material impact on its financial statements when initially applied.

All other new standards and amendments do not have impact to the financial statements.

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Note 2.4. Functional and presentation currency

These consolidated financial statements are presented in (thousands of) euros, which is the Group's functional currency.

Note 2.5. Assumptions and judgements

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income, and expenses. These estimates are made based on available information and management's judgment of current events, but the actual outcome may differ from these estimates.

Estimates and judgements are continuously reviewed based on historical experience and other factors, including external market conditions and expectations of future events that management believes to be reasonable in the circumstances. Changes in management's estimates are reported prospectively.

Judgements

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

– **Note 3:** Establishing the criteria for determining whether credit risk on a financial asset has significantly increased since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL, and selecting and approving models used to measure ECL.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 is included in the following notes:

– **Note 2.6, section "Financial assets and financial liabilities" and Note 3: Impairment of financial instruments:** determination of inputs into the ECL measurement model, including key assumptions used in estimating recoverable cash flows and incorporating forward-looking information.

- ✔ The ECL model relies on key assumptions such as probability of default (PD), loss given default (LGD), and macroeconomic scenario weightings. These assumptions are reassessed periodically to reflect changes in economic conditions and credit risk trends.
- ✔ Management considers projected GDP growth, inflation and interest rates, and unemployment trends as key macroeconomic factors influencing credit risk models.

– **Note 4: fair value of financial instruments:** determining the fair value of assets and liabilities.

- ✔ The fair value of financial instruments involves estimation uncertainties, particularly for Level 3 instruments, which rely on unobservable inputs in valuation models. Changes in discount rates, market conditions, and risk assumptions can have a material impact on these fair value measurements.

The estimation of expected credit losses and fair value of financial instruments involves the use of models and assumptions that are based on the best available information at the reporting date.

Explanation of changes in past assumptions

Management continuously assesses the reasonableness of assumptions used in credit risk estimation.

Note 2.6. Accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. The accounting policies described have been applied consistently, unless otherwise stated in the following text.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise balances with less than three months maturity of the assets at acquisition dates including: cash, non-restricted cash equivalents.

Cash and cash equivalents are carried at amortised cost in the consolidated statement of financial position.

In the consolidated statement of cash flows the operating cash flows are presented using the indirect method. The financing cash flows and investing cash flows are presented using the direct method.

Interest

i. Effective interest rate

Interest income and expense are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

ii. Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for an expected credit loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

iii. Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired after initial recognition interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

iv. Presentation

Interest income calculated using the effective interest method presented in the consolidated statement of profit or loss and other comprehensive income includes interest on financial assets measured at amortised cost.

Interest expense presented in the consolidated statement of profit or loss and other comprehensive income includes interest on financial liabilities measured at amortised cost.

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Fees and commission

Fee and commission income and expense that are integral to the effective interestrate on a financial asset or financial liability are included in the effective interest rate.

Fee and commission income is recognised as the related services are performed.

Fee and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

Financial assets and financial liabilities

i. Recognition and initial measurement

The Group initially recognizes loans and advances on the date on which they are originated. All other financial instruments are recognized on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or a financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

ii. Classification

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

All other financial assets are classified as measured at FVTPL.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice, in particular management's strategy which focuses on earning contractual interest and other revenue and maintaining portfolio quality, including non-performing loan levels and minimisation of credit losses and write-offs;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model and its strategy for how those risks are managed;
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. Sales of financial assets occur only in cases where loans become delinquent and are sold as part of the collections process. This information is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved.

The Group's business consists of loans to customers that are held for collecting contractual cash flows, including hire purchase, consumer loans and credit agreements.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

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In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets; and
- features that modify consideration of the time value of money.

All financial assets of the Group meet the SPPI criterion.

Reclassifications

Financial assets are not reclassified after their initial recognition, except in the period after the Group changes its business model for managing financial assets.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

In transactions in which the Group transfers assets recognised in its financial statements but retains all or significant risks and rewards of the transferred assets, the Group does not derecognise the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

iv. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized, and a new financial asset is recognized at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximize recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. Any costs or fees incurred, and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower (see "impairment" section below), then the gain or loss is presented together with the impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The Group derecognises a financial liability when the contractual terms are modified and the new cash flows from the financial liability are substantially different. In that case the, the new financial liability based on the amended terms is recognised at fair value. The difference between the carrying amount of the financial liability terminated or the financial liability (or part of a financial liability) transferred to another party and the consideration paid, including any non-monetary assets transferred or liabilities assumed, is recognised in profit or loss.

If the modification of a financial liability is not accounted for as derecognition then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

v. Offsetting

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards.

vi. Fair value measurement

"Fair value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e., the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Group recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change occurred.

vii. Impairment

The Group recognises loss allowances for ECL on loans and advances to customers. Other financial assets measured at amortised cost, including debt securities, are considered to have low credit risk and no material ECL has been recognised on these instruments.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- ✔ financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL represent the portion of lifetime expected credit losses that result from default events that are possible within 12 months after the reporting date, regardless of when those losses are ultimately realized. Financial instruments for which 12-month ECL are recognized are referred to as "Stage 1 financial instruments". Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit impaired, forborne exposures or exposures with no-repayment periods are not included.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognized but that are not credit-impaired are referred to as "Stage 2 financial instruments". Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit impaired.

Financial instruments for which lifetime ECL are recognized and that are credit-impaired are referred to as "Stage 3 financial instruments".

Measurement of ECL

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

When discounting future cash flows, the following discount rates are used:

- financial assets: the original effective interest rate or an approximation thereof.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired referred to as "Stage 3 financial assets". A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower;
- a breach of contract such as default or past-due event of 90 days or more;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.

Write-off

Loans are written off when there is no reasonable expectation of recovering a financial asset. This is generally the case when the Group or its debt collectors determines that the borrower does not have assets or sources of income that could generate any cash flows to repay the amounts subject to the write-off.

Recoveries of amounts previously written off are recognized when cash is received and are included in "other income" in the consolidated statement of profit or loss and other comprehensive income.

Net loss arising from derecognition of financial assets measured at amortized cost

Loans that are sold to external parties after termination due to failure to comply with payment terms are written off from loans and advances to customers.

Proceeds from the sale of loans are recognised in the consolidated statement of profit or loss and other comprehensive income.

Property and equipment

i. Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain on disposal of an item of property and equipment is recognised within other income and any loss on disposal is recognised within other expenses in the consolidated statement of profit or loss and other comprehensive income.

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ii. Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values usingthe straight-line method over their estimated useful lives.

The estimated useful lives of property and equipment for the current and comparative periods are as follows:

- ✔ Computers and computer equipment: 3-5 years
- ✔ Other tangible fixed assets: 5-10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Intangible assets

i. Recognition and measurement

Intangible assets, including internally developed, are measured at cost less accumulated amortization and any accumulated impairment losses.

ii. Subsequent costs

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

iii. Amortisation

Intangible assets are amortised on a straight-line basis over their estimated useful life, from the date on which it is available for use. The estimated useful life for intangible assets is 5 to 10 years for the current and comparative periods.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in the consolidated statement of profit or loss and other comprehensive income.

Employee benefits

Short-term employee benefits include salary and social security contributions, benefits related to the regulatory rights of employment (holiday pay or other similar benefits) if it is expected to occur within 12 months after the end of the period in which the employee worked.

Provisions

Provision is recognised when the Group has a legal or constructive obligation at the reporting date because of a past event, it is probable that the Group will be required to transfer economic benefits in settlement, and the amount of the obligation can be estimated reliably.

Provisions are recognised at the present value of the expenditure required to settle the obligation using an interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the amount of the provision due to the time value of money is recognised as a financial expense. If the realisation of a contingent liability is less probable than non-realisation or related costs cannot be determined reliably, that in certain circumstances may become obligations, then this amount is disclosed in the notes to the financial statements as contingent liability. As of 31 December 2025, the Group has not recognised any provisions, as there were no legal or constructive obligations that met the recognition criteria of IAS 37.

Income tax

Under the Estonian Income Tax Act, corporate income tax is not levied on the profits earned by a company but instead on certain distributions and non-business-related expenses. Income tax is payable on dividends declared, as well as on fringe benefits, gifts, donations, entertainment expenses, non-business expenditures, and transfer pricing adjustments.

Dividends distributed from retained earnings are taxed at a rate of 22/78 of the net amount distributed, equivalent to 22% of the grossed-up amount.

The table below outlines the applicable corporate income tax rates in the other countries where the Group operates:

Corporate income tax rate		2025		2024
Subject to taxation	Annual profits earned	Distribution of retained earnings	Annual profits earned	Distribution of retained earnings
Lithuania	16%	16%	15%	15%
Latvia	0%	20%	0%	20%

Deferred income tax

Deferred tax is calculated using the balance sheet liability method. It reflects the differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled, based on the tax laws that are enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized in the statement of financial position only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. If it is not probable that part or all of a deferred tax asset will be realized, that portion is not recognized in the financial statements.

Deferred income tax is provided on post-acquisition retained earnings and other post-acquisition movements in reserves of subsidiaries, except where the Group controls the subsidiary's dividend policy and it is probable that the difference will not reverse through dividends or otherwise in the foreseeable future. The Group controls the reversal of temporary differences relating to taxes chargeable on dividends from subsidiaries or on gains upon their disposal. The Group does not recognise deferred tax liabilities on such temporary differences except to the extent that management expects the temporary differences to reverse in the foreseeable future.

Related parties

The Group considers parties to be related if one controls the other or exerts significant influence on the other's operating decisions. Related parties include:

- ✔ Owners.
- ✔ Members of the Group's management and supervisory boards.
- ✔ Close family members of and companies related to the above persons.

Investments in subsidiaries

Investments in subsidiaries in the parent's separate financial statements are accounted for at acquisition cost.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the ESTO Holdings OÜ and its subsidiaries (ESTO AS, ESTO UAB, ESTO LV AS). The subsidiaries are consolidated from the date when control commences until the date when control ceases. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee. In parent's separate financial statements, subsidiaries (ESTO AS, ESTO UAB, ESTO LV AS) are recorded at acquisition cost.

Events after the reporting period

The annual financial statements reflect all significant events affecting the valuation of assets and liabilities that became evident between the reporting date and the date on which the financial statements were authorised for issue but are related to the reporting or prior periods.

Subsequent events that are indicative of conditions that arose after the reporting date, but which will have a significant effect on the result of the next financial year are disclosed in the notes to the annual financial statements.

Note 3. Financial risk management and review

Introduction and overview

The Group has exposure to the following risks from financial instruments:

- credit risk;
- liquidity risk;
- market risks; and
- operational risk.

Credit risk

Credit risk reflects the potential loss arising from the counterparty's inability or unwillingness to meet its contractual obligations towards the Group. Credit risk arises primarily from loans and receivables issued to customers across Estonia, Lithuania and Latvia. The Group also considers concentration risk and country credit risk as part of its overall credit risk framework.

Credit risk management is governed by applicable legal acts and guidelines established in accordance with the EU Consumer Credit Directive, as well as the Group's internal regulations, the core principle of which is responsible lending.

The Group manages credit risk through the following key controls and practices:

- Credit risk is managed through a Group-level governance framework with defined oversight responsibilities, committee structures and escalation practices. Credit risk appetite and key portfolio management principles are set and reviewed within this framework, with cross-functional involvement from credit, legal, finance, operations, product and data teams to ensure consistent application across all markets.
- The Group's underwriting standards are built around responsible lending principles. Creditworthiness and eligibility are assessed using relevant data and scoring models, with controls in place to prevent excessive risk concentration. Portfolio diversification is used to manage exposure at both product and market level.
- Credit risk performance is monitored regularly to detect adverse trends and support timely corrective action. Key monitoring areas include:
    - application and approval patterns;
    - early delinquency indicators for recent cohorts;
    - default rates by market and product.
- In addition to regular reporting, the Group conducts periodic portfolio reviews and ad-hoc analyses to assess performance drivers and the impact of underwriting or product changes. Stress testing and scenario analysis are used to support risk appetite decisions and forward planning.
- Changes to underwriting, onboarding and decisioning processes are subject to controlled review. Legal and risk functions assess proposed changes for regulatory alignment before implementation.
- Credit management processes support timely handling of arrears, informed by ongoing monitoring across markets and products.

The risk management function provides the management board with at least monthly reviews of compliance with credit risk limits. Any limit breaches are escalated immediately.

- The credit risk committee is appointed once for each financial year.
- The management board appoints the members of the credit risk committee.

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i. Credit quality analysis

The following tables set out information about the credit quality of financial assets measured at amortised cost without considering collateral or other credit enhancement (if any). Unless specifically indicated, for financial assets the amounts in the table represent gross carrying amounts.

Explanation of the terms "Stage 1", "Stage 2" and "Stage 3" is included in Note 2.6 "Financial assets and financial liabilities" subsection "Impairment".

(in thousands of euros) **31.12.2025**

Loans and advances to customers at amortised cost	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	90,515	2,544	1,762	94,821
Loss allowance	(1,563)	(562)	(1,634)	(3,759)
Carrying amount	**88,952**	**1,982**	**128**	**91,062**

(in thousands of euros) **31.12.2024**

Loans and advances to customers at amortised cost	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	69,121	2,714	1,313	73,148
Loss allowance	(1,420)	(520)	(1,146)	(3,085)
Carrying amount	**67,701**	**2,194**	**168**	**70,063**

The table below sets out information about the loan portfolio write-off due to sale.

(in thousands of euros)

	2025	2024
Loans issued to customers	100,761	80,454
Loans written off	(7,186)	(9,241)
Write-off to issuance ratio (%)	**7.13%**	**11.49%**

Gross carrying amount of loan portfolio as of 31 December 2025 grew by 30% in comparison to gross loan portfolio as of 31 December 2024. The portfolio issuance increased by 25% in the reporting period and the write-off to issuance ratio significantly decreased to 7.13% in 2025 from 11.49% in 2024.

The write-off to issuance ratio decreased from 11.49% in 2024 to 7.13% in 2025, reflecting improved portfolio quality.

The table below shows amounts related to the derecognition of financial assets measured at amortised cost, including loans written off and proceeds from sold portfolios. Impairment losses are presented separately in the consolidated statement of profit or loss and other comprehensive income.

(in thousands of euros)

	2025	2024
Loans written off	(7,186)	(9,241)
Income from sold written off loans	3,457	4,568
Net loss arising from derecognition of financial assets measured at amortised cost	**(3,730)**	**(4,672)**

Cash and cash equivalents

The Group held cash and cash equivalents of €1,737 thousand at 31 December 2025 (2024: €2,535 thousand). The cash and cash equivalents are held with regulated financial institution counterparties operating within the EU regulatory framework. The cash and cash equivalents of the Group are considered as Stage 1 assets as of 31 December 2025 and 31 December 2024.

ii. Amounts arising from ECL

Inputs, assumptions, and techniques used for estimating impairment

The accounting policy for impairment, including inputs, assumptions and techniques used for estimating ECL, is described in Note 2.6. "Financial assets and financial liabilities" subsection, "Impairment".

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure.

The Group uses the following criteria for determining whether there has been a significant increase in credit risk:

- qualitative and quantitative indicators; and
- a backstop of 30 days past due.

Determining whether credit risk has increased significantly

The Group assesses whether credit risk has increased significantly since initial recognition at each reporting date.

A significant increase in credit risk is generally not evident on an individual instrument basis before the financial instrument becomes past due. This is because there is little or no updated information that is routinely obtained and monitored on an individual instrument until a customer breaches the contractual terms. This is applicable for loans to customers offered by the Group. For these loans, an assessment of whether there has been a significant increase in credit risk on an individual basis would not faithfully represent changes in credit risk since initial recognition. Therefore, Group does significant increase assessment on a collective basis.

In order to assess significant increases in credit risk on a collective basis, financial instruments are grouped based on shared credit risk characteristics:

- instrument type;
- geographic location of the borrower;
- origination period;
- credit score segment.

The aggregation of financial instruments may change over time as new information becomes available.

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Where a payment leave has been granted, the repayment schedule is adjusted accordingly.

Definition of default

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held).
- The borrower has been more than 90 days past due on any material credit obligation to the Group.
- It becomes probable that the borrower will restructure the asset because of bankruptcy due to the borrower's inability to pay its credit obligations.
- The contract has been sold, with outstanding and unmet legal obligations (or conditions) from the borrower.

In assessing whether a borrower is in default, the Group considers indicators that are:

- Qualitative (for example, breaches of contractual terms); and
- Based on internally developed data.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

The Group incorporates forward-looking information into the measurement of expected credit losses for financial assets measured at amortised cost. The ECL model applied by the Group includes both historical data and forecasted macroeconomic information to estimate future credit risk conditions and default behaviour.

Key macroeconomic variables currently incorporated into the Group's forward-looking assessment include:

- GDP growth
- Unemployment rate
- Interest rate
- Inflation rate

These variables are used to adjust risk parameters through a scenario-based framework. Each macroeconomic variable is assigned a weighting and sensitivity based on its relevance to credit risk, with scenario adjustments reflecting moderate, significant, or severe changes in conditions. Adjustments are made based on an established methodology supported by external forecasts (IMF, World Bank, ECB, and national sources), which are reviewed regularly.

The Group uses three probability-weighted scenarios (base, upside, and downside) to model a range of potential macroeconomic outcomes. The resulting adjustments are applied to Probability of Default (PD) and Loss Given Default (LGD) estimates across Stages 1 and 2.

The Group monitors the correlation between macroeconomic variables and observed credit performance to support the relevance and predictability of forward-looking inputs.

The management board assesses material macroeconomic developments and applies expert judgment, where appropriate, to ensure that forward-looking adjustments remain aligned with the current and expected credit environment.

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Modified assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out in Note 2.6 'Financial assets and financial liabilities', subsection 'Modifications of financial assets and financial liabilities'.

When a modification is not related to current or potential credit deterioration of the customer and results in derecognition, a new loan is recognised and allocated to Stage 1, assuming it is not credit-impaired at that time.

The Group also renegotiates loans to customers in financial difficulties (forbearance) to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms include temporary payment leave, during which the repayment schedule is suspended and interest continues to accrue.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and may constitute evidence that an exposure is credit-impaired. A customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered credit-impaired or in default, or before the PD is considered to have decreased sufficiently for the asset to be allocated to Stage 1.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure and the following variables:

- ✔ probability of default (PD);
- ✔ loss given default (LGD); and
- ✔ exposure at default (EAD).

ECL for exposures in Stage 1 are calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL are calculated by multiplying the lifetime PD by LGD and EAD.

PD is an estimate of the likelihood of default over a given time horizon. The PD is grouped by product type, days past due and by length of exposure. PD is estimated based on the Markov chain model, where the transition matricesof the previous 6-month period are used to predict the probabilities of future cumulative transitions.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted customers. LGD estimates are recalibrated for different economic scenarios. LGD are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortization. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk. The maximum contractual period extends to the date of which the Group has the right to require repayment of an advance or terminate a loan commitment.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics, which may include:

- ✔ instrument type;
- ✔ credit score segment;
- ✔ date of initial recognition;
- ✔ remaining term to maturity;
- ✔ geographic location of the borrower.

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The following tables show reconciliations from the opening to the closing balance of the loss allowance by credit risk stage. The basis for determining transfers due to changes in credit risk is set out Note 2.6 'Financial assets and financial liabilities', subsection 'Impairment'.

(in thousands of euros)

2025

Loss allowance movements by credit risk stage	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January	1,420	520	1,146	3,085
Net remeasurement of loss allowance	(650)	(133)	155	(628)
New financial assets originated	2,393	788	2,188	5,369
Repayments of financial assets	(1,448)	(568)	(1,746)	(3,762)
Write-offs	(151)	(44)	(108)	(304)
Balance at 31 December	**1,564**	**562**	**1,634**	**3,759**

(in thousands of euros)

2024

Loss allowance movements by credit risk stage	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January	1,789	517	1,070	3,376
Net remeasurement of loss allowance	(610)	(63)	(52)	(725)
New financial assets originated	2,226	767	1,673	4,667
Repayments of financial assets	(1,766)	(631)	(1,395)	(3,792)
Write-offs	(220)	(70)	(150)	(440)
Balance at 31 December	**1,420**	**520**	**1,146**	**3,085**

The Group does not pursue further enforcement activity on financial assets once they are written off, as these assets are sold at the time of write-off. Accordingly, no contractual amounts written off during the reporting period remain subject to enforcement actions.

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its contractual obligations within the required timeframe without incurring significant costs, i.e. the Group cannot finance its activities sustainably and in a timely manner or cannot liquidate its positions to fulfil its contractual obligations.

The key measure used to manage the Group's liquidity position is the analysis of maturity mismatch of assets and liabilities. In addition, liquidity risk is mitigated by maintaining liquidity reserves to manage imbalances in the duration of assets and liabilities. Key liquidity ratios and the maturity profile of assets and liabilities are regularly monitored within the liquidity risk management framework. The Group conducts stress tests on a regular basis and has established a contingency plan for addressing liquidity shortfalls in crisis situations.

Liquidity risk management is based on the Group's liquidity risk policy and other internal regulations. The Group maintains internal limits for all key liquidity indicators.

The risk management function provides the management board with at least monthly reviews of compliance with liquidity risk limits. Any limit breaches are escalated immediately.

- The liquidity risk committee is appointed once for each financial year.
- The management board appoints the members of the liquidity risk committee.

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i. Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Group's financial liabilities and financialassets for liquidity concentration disclosure.

(in thousands of euros)

31.12.2025

Financial liability by type	Up to 3 months	3-12 months	1-5 years	Carrying amount
Loans and borrowings (Note 9)	-	37,592	37,439	75,031
Interest payables (Note 9)	242	1,655	10,251	242
Trade payables (Note 10)	1,117	-	-	1,117
Other payables (Note 10)	472	28	-	500
Total	**1,831**	**39,275**	**47,690**	**76,891**
Financial asset by type	**Up to 3 months**	**3-12 months**	**1-5 years**	**Carrying amount**
Cash and cash equivalents (Note 5)	1,737	-	-	1,737
Loans and advances to customers (Note 6)	4,896	81,312	14,550	93,996
Other assets (Note 7)	1,002	-	480	1,482
Total	**7,635**	**81,312**	**15,030**	**97,216**
Net position	**5,803**	**42,037**	**(32,660)**	**20,325**

(in thousands of euros)

31.12.2024

Financial liability by type	Up to 3 months	3-12 months	1-5 years	Carrying amount
Loans and borrowings (Note 9)	-	33,493	32,845	66,338
Interest payables (Note 9)	502	3,209	6,238	502
Trade payables (Note 10)	1,058	-	-	1,058
Other payables (Note 10)	343	-	-	343
Total	**1,903**	**36,703**	**39,082**	**68,241**
Financial asset by type	**Up to 3 months**	**3-12 months**	**1-5 years**	**Carrying amount**
Cash and cash equivalents (Note 5)	2,535	-	-	2,535
Loans and advances to customers (Note 6)	7,378	61,482	10,911	72,813
Other assets (Note 7)	951	-	364	1,315
Total	**10,864**	**61,482**	**11,274**	**76,663**
Net position	**8,961**	**24,779**	**(27,808)**	**8,423**

Comparative figures for the year ended 31 December 2024 have been restated to reflect a change in the presentation of the liquidity analysis. Financial assets with fixed repayment schedules are now presented including expected interest income, consistent with the presentation of financial liabilities. This reclassification had no impact on net profit or equity.

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The amounts in the tables above have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Financial liabilities	Undiscounted cash flows, including estimated interest payments.
Financial assets	Undiscounted cash flows, including estimated interest receivable for financial assets with fixed repayment schedules. For other financial assets, amounts represent carrying values.

ii. Liquidity reserves

As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising cash and cash equivalents. The Group mitigates liquidity risk via liquidity risk committee, which holds regular meetings once a month.

The Group maintains internal limits for all key liquidity indicators (liquidity ratios):

- ✔ Equity ratio: no less than 20% of the loan book.
- ✔ Interest coverage ratio: no less than 2.0.
- ✔ Cash buffer to loan book: no less than 2%.

Market risks

Market risk arises from the Group's core business activities. The nature of the Group's business implies no exposure to commodity risk, equity risk or currency risk. Although the Group has limited exposure to foreign currency transactions with certain suppliers, these amounts are not considered material.

The Group is therefore exposed to interest rate risk as a result of its current business activities. Market risk is the risk that changes in market prices, such as interest rates, will affect the Group's income or the value of its financial instruments. The objective of the Group's market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

i. Interest rate risk

Interest rate risk is the risk that unfavourable changes in interest rates on the Group's assets and liabilities may negatively affect its profit and equity. The Group is exposed to interest rate risk where the repricing timings or maturities of its assets and liabilities differ or where interest rates can be adjusted at different intervals.

The Group manages interest rate risk by limiting and matching the structure and maturities of interest-sensitive assets and liabilities. Interest income from loans issued to customers significantly exceeds interest expense on borrowings, which provides a natural offset against the potential adverse effects of interest rate risk.

Interest rate risk is monitored and managed in accordance with internal limits set by the liquidity risk committee. To comply with these limits, the Group may adjust the rates on its loans or, if necessary, enter into hedging instruments. The Group has not used hedging instruments in 2025 or 2024 to hedge interest rate risk.

The principal risk to which the Group's portfolios are exposed is the risk of loss from fluctuations in future cash flows or fair values of financial instruments due to changes in market interest rates.

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The tables below summarise the Group's exposure to interest rate risk. Financial assets and liabilities are presented at carrying amounts, categorised by maturity.

(in thousands of euros)

31.12.2025			
Assets bearing fixed interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and advances to customers	91,106	80,087	11,020
Assets bearing fixed interest rate risk total	**91,106**	**80,087**	**11,020**
Liabilities bearing fixed interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and bonds from investors	49,800	18,330	31,470
Liabilities bearing fixed interest rate risk total	**49,800**	**18,330**	**31,470**
Interest gap	**41,307**	**61,757**	**(20,450)**
Assets bearing floating interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and advances to customers	2,890	-	2,890
Assets bearing floating interest rate risk total	**2,890**	**-**	**2,890**
Liabilities bearing floating interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and bonds from investors	25,231	19,262	5,969
Liabilities bearing floating interest rate risk total	**25,231**	**19,262**	**5,969**
Interest gap	**(22,341)**	**(19,262)**	**(3,079)**

(in thousands of euros)

31.12.2024			
Assets bearing fixed interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and advances to customers	70,136	62,801	7,336
Assets bearing fixed interest rate risk total	**70,136**	**62,801**	**7,336**
Liabilities bearing fixed interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and bonds from investors	27,003	14,158	12,845
Liabilities bearing fixed interest rate risk total	**27,003**	**14,158**	**12,845**
Interest gap	**43,133**	**48,643**	**(5,509)**
Assets bearing floating interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and advances to customers	2,677	-	2,677
Assets bearing floating interest rate risk total	**2,677**	**-**	**2,677**
Liabilities bearing floating interest rate risk	**Total**	**Maturity within 1 year**	**Maturity 1-5 years**
Loans and bonds from investors	39,335	19,335	20,000
Liabilities bearing floating interest rate risk total	**39,335**	**19,335**	**20,000**
Interest gap	**(36,658)**	**(19,335)**	**(17,323)**

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Operational risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, people or systems, or from external events. Operational risk includes legal risk, compliance risk and personnel risk.

The main operational risks faced by the Group are associated with its significant growth. An increasing number of employees, growing transaction volumes and the introduction of new products require continuous development of structures, processes and systems. Operational risk management includes the identification of key business processes and associated risks, the implementation of adequate controls and their ongoing monitoring. The Group has implemented incident management processes, a new product approval framework and a business continuity plan for crisis situations.

The risk management function provides the management board with at least monthly reviews of compliance with operational risk limits. Any limit breaches are escalated immediately.

- The operational and compliance risk committee is appointed once for each financial year.
- The management board appoints the members of the operational and compliance risk committee.

The Group is also exposed to operational risk arising from financial covenants set in connection with bonds issued. The financial covenants applicable to the Group and all its subsidiaries are as follows:

- Interest Coverage Ratio (ICR): no less than 1.5.
- Equity Ratio: no less than 20%.
- Capitalisation Ratio: no less than 20%.

The management board reviews the Group's financials on a monthly basis to monitor compliance with financial covenants. All covenants were successfully met as at 31 December 2025 and 31 December 2024.

Capital management

The Group's own funds provide the capacity to absorb unexpected losses and ensure that sufficient financial resources exist at all times to meet obligations to stakeholders.

The Group's capital management is built on three pillars:

1. Strong liquidity - maintaining adequate cash reserves to meet operational needs.
2. Strong equity - equity position of at least 20% of the loan book.
3. Diverse and long-term capital sources.

The Group is not obliged to maintain regulatory capital reserves under Estonian, Lithuanian or Latvian regulations.

The supervisory board is responsible for the overall planning of the capital structure. Capital planning ensures the Group is well-positioned to meet situations requiring additional capital and to maintain an adequate buffer to support growth in existing markets and potential entry into new markets.

The Group's capital planning takes into consideration the following factors:

- The minimum capital required by applicable laws and regulations, including any buffers.
- The level of capital needed to withstand contingencies and stress situations.
- The shareholders' required rate of return and effective capital management.
- The level of capital required to maintain the Group's standing as a reliable partner and to ensure efficient access to funding markets.

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Note 4. Fair value of financial instruments

Measurement of fair values

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: quoted prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the instruments, either directly or indirectly. This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques for the Group include the assessment of expected future cash flows, including principal and estimated interest receivable or payable over the remaining term of the instrument. Assumptions and inputs used include benchmark interest rates and credit spreads.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Classification of financial instruments and their fair values

All the Group's financial assets and liabilities are recognised in the consolidated statement of financial position. Items included in the statement of financial position include loans and advances to customers, other assets, cash and cash equivalents, intangible assets, loans and borrowings, trade payables and other payables.

Fair value of loans and advances to customers is calculated for hire purchase, consumer loan and other loans as these have fixed repayment schedules. For credit agreements, carrying amount is considered to approximate fair value as these facilities have no fixed maturity and balances are continuously repaid and redrawn.

The fair value of loans and borrowings is estimated based on expected future cash flows, including principal and estimated interest payable over the remaining term.

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The following tables analyse carrying amounts and fair values of financial assets and liabilities, including their fair value levels.

(in thousands of euros) **31.12.2025**

	Carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value
Financial assets measured at amortised cost					
Loans and advances to customers (Note 6)	93,996	-	-	100,757	100,757
Other assets (Note 7)	1,482	-	-	1,482	1,482
Cash and cash equivalents (Note 5)	1,737	1,737	-	-	1,737
Intangible assets (Note 8)	3,661	-	-	3,661	3,661
Total financial assets at amortised cost	**100,877**	**1,737**	**-**	**105,901**	**107,638**
Financial liabilities at amortised cost					
Loans and borrowings (Note 9)	75,031	-	86,937	-	86,937
Trade payables (Note 10)	1,117	-	-	1,117	1,117
Other payables (Note 10)	500	-	-	500	500
Total financial liabilities at amortised cost	**76,648**	**-**	**86,937**	**1,617**	**88,554**

(in thousands of euros) **31.12.2024**

	Carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value
Financial assets measured at amortised cost					
Loans and advances to customers (Note 6)	72,813	-	-	79,771	79,771
Other assets (Note 7)	1,315	-	-	1,315	1,315
Cash and cash equivalents (Note 5)	2,535	2,535	-	-	2,535
Intangible assets (Note 8)	2,604	-	-	2,604	2,604
Total financial assets at amortised cost	**79,267**	**2,535**	**-**	**83,690**	**86,224**
Financial liabilities at amortised cost					
Loans and borrowings (Note 9)	66,338	-	75,785	-	75,785
Trade payables (Note 10)	1,058	-	-	1,058	1,058
Other payables (Note 10)	343	-	-	343	343
Total financial liabilities at amortised cost	**67,739**	**-**	**75,785**	**1,401**	**77,186**

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Note 5. Cash and cash equivalents

(in thousands of euros)

	31.12.2025	31.12.2024
Unrestricted bank accounts	1,737	2,535
Total	**1,737**	**2,535**

Note 6. Loans and advances to customers

(in thousands of euros)

	31.12.2025	31.12.2024
Loans and advances to customers	97,755	75,898
Less impairment loss allowance	(3,759)	(3,085)
Total	**93,996**	**72,813**

Loans and advances to customers at amortised cost

(in thousands of euros)			31.12.2025			31.12.2024
	Gross carrying amount	ECL allowance	Carrying amount	Gross carrying amount	ECL allowance	Carrying amount
Hire purchase loans	14,881	(298)	14,583	13,421	(254)	13,166
Credit agreements	66,506	(2,625)	63,881	53,177	(2,287)	50,891
Consumer loans	13,434	(836)	12,598	6,550	(544)	6,006
Other loans	2,934	-	2,934	2,751	-	2,751
Total	**97,755**	**(3,759)**	**93,996**	**75,898**	**(3,085)**	**72,813**

More information is disclosed in Note 3.

Note 7. Other assets

(in thousands of euros)

	31.12.2025	31.12.2024
Trade receivables	1,002	951
Deferred tax asset	480	364
Total	**1,482**	**1,315**

More information is disclosed in Note 3.

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Note 8. Intangible assets

(in thousands of euros)

	Proprietary systems	Intangible assets in progress	Total
Carrying amounts at 01.01.2024	983	987	1,971
Additions from development	410	862	1,271
Additions	7	-	7
Amortisation	(199)	-	(199)
Other changes	-	(447)	(447)
Costs in 2024	7	862	869
Accumulated amortisation at 31.12.2024	(607)	-	(607)
Carrying amounts at 31.12.2024	1,202	1,402	2,604
Additions from development	1,345	1,330	2,675
Additions	1	-	1
Amortisation	(261)	-	(261)
Other changes	-	(1,358)	(1,358)
Costs in 2025	1	1,330	1,332
Accumulated amortisation at 31.12.2025	(801)	-	(801)
Carrying amounts at 31.12.2025	2,287	1,375	3,661

Total intangible assets at the end of the reporting period amounted to €3,661 thousand. Proprietary systems consist of internally developed technical platforms directly related to the Group's core business processes. Intangible assets in progress comprise development-stage software and system upgrades that are expected to be capitalised upon completion.

The Group capitalises development costs that meet the recognition criteria under IAS 38. Such assets are measured at cost and amortised over their estimated useful lives on a straight-line basis. Intangible assets in progress are not amortised until the asset is available for use.

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Note 9. Loans and borrowings

The terms and conditions of outstanding loans are as follows:

(in thousands of euros) **31.12.2025**

	Total	Current loans (Within 12 months)	Non-current loans (Within 1-5 years)	Interest rate	Currency	Due date
Loan agreements	50,217	18,325	31,892	8.57-15%	EUR	2026-2028
Marketplace loans	19,262	19,262	-	7-11%	EUR	2026
Subordinated loan agreements	5,552	4	5,547	12-16%	EUR	2026-2027
Total	**75,031**	**37,592**	**37,439**	-	-	-

(in thousands of euros) **31.12.2024**

	Total	Current loans (Within 12 months)	Non-current loans (Within 1-5 years)	Interest rate	Currency	Due date
Loan agreements	40,451	13,154	27,297	8.57-15%	EUR	2025-2027
Marketplace loans	19,335	19,335	-	7-12%	EUR	2025
Subordinated loan agreementss	6,552	1,004	5,547	12-16%	EUR	2025-2027
Total	**66,338**	**33,493**	**32,845**	-	-	-

More information is disclosed in Note 3, Note 4 and Note 20.

As at 31 December 2025, the carrying amount of loans and borrowings was €75,031 thousand (31 December 2024: €66,338 thousand). Of this amount, €5,552 thousand (2024: €6,552 thousand) relates to subordinated loan agreements, and €19,262 thousand (2024: €19,335 thousand) to marketplace loans.

Part of the consumer credit portfolio has been pledged as collateral to secure the Group's loan obligations. Pledge terms and coverage depend on the specific agreements with each creditor.

In accordance with financing agreements, the Group is subject to quarterly financial covenant requirements, including:

- ✔ *Interest coverage ratio must not be less than 1.5,*
- ✔ *Equity ratio must not be less than 20%, and*
- ✔ *Capitalisation ratio must not fall below 20%.*

As at 31 December 2025 and 31 December 2024, the Group was in compliance with all financial covenants.

As at 31 December 2025, interest payables amounted to €242 thousand (31 December 2024:€502 thousand) and represent accrued but unpaid interest on financial liabilities related to the borrowings disclosed above.

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Note 10. Trade payables and other payables

(in thousands of euros)

	31.12.2025	31.12.2024
Trade payables	1,117	1,058
Total trade payables	**1,117**	**1,058**
Payables to employees	472	292
Other accrued expenses	28	51
Total other payables	**500**	**343**
Total trade payables and other payables	**1,617**	**1,401**
Short-term	1,617	1,401
Long-term	-	-
Total	**1,617**	**1,401**

Trade payables primarily relate to obligations for goods and services acquired in the ordinary course of business. Other payables include accrued but unpaid employee salaries, bonuses, and operational costs. All amounts are non-interest-bearing and are settled within normal operating cycles.

More information is disclosed in Note 3.

Note 11. Tax liabilities

(in thousands of euros)

	31.12.2025	31.12.2024
Value added tax	48	29
Personal income tax	67	48
Corporate income tax	1	-
Social tax	157	73
Funded pension payment	5	2
Unemployment insurance premium	6	3
Total	**284**	**156**

More information is disclosed in Note 3.

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Note 12. Share capital and reserves

Share capital

Share capital in amount of 10 thousand (31 December 2024: €10 thousand) is divided into 10000 ordinary shares (31 December 2024: 10000 ordinary shares) with a nominal value of 1 euro (31 December 2024: 1 euro) per share.

Number of shares	31.12.2025	31.12.2024
In the beginning of period	**10,000**	**5,000**
Changes during the year	-	5,000
At the end of the period	**10,000**	**10,000**

Retained earnings

Information on the Group's retained earnings and contingent income tax liability is provided in Note 13.

Reserves

Reserves included in the equity are as follows:

(in thousands of euros)

	31.12.2025	31.12.2024
Merger reserve	(23,952)	(23,952)
Voluntary equity capital	30,916	27,602
Total	**6,965**	**3,650**

Merger reserve: On 20 May 2022 the completed transaction of the acquisition of ESTO AS additionally created a merger reserve of €(23,952) thousand.

Voluntary equity capital: On 20 May 2022, the acquisition of ESTO AS was completed, resulting in a total value of €29,698 thousand allocated as follows: €29,263 thousand to voluntary equity capital and €435 thousand to share premium.

As of 31 December 2025, voluntary equity capital amounted to €30,916 thousand. During the reporting period, voluntary equity capital increased by 6,124 thousand through contributions from shareholders and decreased by €2,809 thousand via distribution to shareholders.

Statutory legal reserve

Statutory legal reserve is formed from annual net profit allocations and other transfers entered in the legal reserve pursuant to law or the articles of association. The size of the statutory legal reserve is prescribed by the articles of association and may not be less than 1/10 of the share capital. Statutory legal reserve complied with the requirements arising from the Estonian Commercial Code. At least 1/20 of the net profit must be transferred to the statutory legal reserve in each financial year. If the statutory legal reserve reaches the amount prescribed in the articles of association, the increase of the legal reserve shall be ceased.

By the decision of the general meeting of shareholders, statutory legal reserve may be used to cover a loss, or to increase share capital, if it is not possible to cover it from the Group's unrestricted equity. Payments to shareholders from statutory reserve are not allowed.

In the consolidated Group financial statements, the statutory legal reserve of ESTO AS is eliminated as part of the consolidation process.

Share premium

Share premium of the Group as at 31 December 2025 consisted of €435 thousand (31 December 2024: €435 thousand).

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Note 13. Contingent liabilities

The Group's retained earnings at the end of the reporting period amounted to €17,826 thousand (31 December 2024: €7,718 thousand euros). The maximum possible amount of income tax liability that may result from the payment of all retained earnings as dividends is €3,922 thousand (31 December 2024: €1,544 thousand), so it would be possible to pay out €13,904 thousand as a net dividend (31 December 2024: €6,175 thousand euros).

The calculation of the maximum possible income tax liability assumes that the amount of distributable net dividends and income tax on dividends recognised in profit and loss for 2025 may not exceed the distributable profit at the end of the reporting period.

Note 14. Net interest and similar income from loans

(in thousands of euros)

	2025	2024
Interest and similar income from loans		
Interest income from loans	25,847	22,209
Interest income from corporate loans	7	12
Contract fee income	98	61
Loan management fee income	1,572	714
Total interest and similar income from loans	**27,524**	**22,996**
Interest expense		
Interest expense on borrowings	(7,717)	(7,174)
Total interest expense	**(7,717)**	**(7,174)**
Net interest and similar income from loans	**19,807**	**15,822**

Note 15. Other interest income

(in thousands of euros)

	2025	2024
Other interest income		
Interest income from financial instruments	264	234
Other financial interest income	36	43
Total other interest income	**300**	**277**

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Note 16. Net fee and commission income

Disaggregation of fee and commission income

In the following table, fee and commission income from contracts with customers in the scope of IFRS 15 are disaggregated by service lines.

(in thousands of euros)

	2025	2024
Service lines		
Financial service fees	852	614
Platform and subscription fees	154	184
Payment processing and transaction fees	2,650	1,927
Income insurance fees	7	-
Other fee and commission income	472	421
Total fee and commission income	**4,135**	**3,145**
Fee and commission expense	(2,182)	(1,793)
Net fee and commission income	**1,953**	**1,352**

Performance obligations and revenue recognition policies

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Service lines	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Financial service fees	Charged at point of time once service occurs.	Revenue is recognised at a point in time, when the transaction is processed.
Platform and subscription fees	Billed monthly, for access to digital platforms or premium service.	Revenue is recognised over time throughout the subscription period.
Payment processing and transaction fees	Fee charged per transaction upon execution. Payment is immediate or due shortly after.	Revenue is recognised at a point in time, when the transaction is processed.
Income insurance fees	Billed monthly, with two payments collected upfront at activation. Coverage is continuous from the contract date, subject to applicable waiting periods.	Revenue is recognised on a straight-line basis over the coverage period as the service is delivered over time.
Other fee and commission income	Fee charged per transaction upon execution. Payment is immediate or due shortly after.	Revenue is recognised at a point in time, when the transaction is processed.

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Note 17. Other operating expenses

(in thousands of euros)

	2025	2024
Rent expenses	(319)	(276)
Advertising and marketing expenses	(800)	(451)
Technology and data costs	(522)	(452)
Product development costs (expensed as incurred)	(42)	(28)
Customer support expenses	(222)	(173)
Collection management expenses	(37)	(53)
Training, consultancy and auditing costs	(977)	(708)
Communication and postage	(326)	(187)
Travel and transportation costs	(84)	(50)
Other personnel expenses	(67)	(57)
Other expenses	(131)	(106)
Non-deductible value added tax	(81)	(612)
Total	**(3,609)**	**(3,151)**

Note 18. Personnel expenses

(in thousands of euros)

	2025	2024
Wages, salaries and bonuses	(3,437)	(2,432)
Social security contributions and other taxes	(878)	(596)
Total personnel expenses before capitalization	(4,315)	(3,027)
Capitalized personnel expenses	730	414
Total personnel expenses	**(3,585)**	**(2,614)**
Average number of employees reduced to full-time equivalents	**77**	**61**

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Note 19. Income tax

(in thousands of euros)

	2025	2024
Income tax	116	89
Total	**116**	**89**

In 2025, the Group recognised a deferred income tax asset of €116 thousand in relation to its subsidiary ESTO UAB, which is expected to be utilized once the subsidiary becomes profitable (2024: €89 thousand). As at 31 December 2025, the total deferred tax asset recognised by the Group amounted to €480 thousand (31 December 2024: €364 thousand). More information is provided in Note 7.

(in thousands of euros)

ESTO UAB	2025	2024
Financial profit (loss) before taxes	**(979)**	**(1,164)**
Non - deductible expenses	**436**	**509**
Taxable profit (loss)	**(543)**	**(655)**
Income Tax (17%) / (15%)	**(92)**	**(98)**
Income Tax	**92**	**98**
Temporary differences	-	(9)
Change in the tax rate	23	-
Income Tax total	**116**	**89**

The Group recognises a deferred tax asset on accumulated tax losses carried forward. The asset is measured using the tax rate expected to apply when the losses are utilised - 17%, following the increase in the Lithuanian corporate income tax rate effective 1 January 2026. This rate change resulted in a €23 thousand remeasurement recognised in 2025.

Note 20. Related party disclosures

Balances with related parties

(in thousands of euros)	31.12.2025		31.12.2024	
	Receivables	Liabilities	Receivables	Liabilities
Owners (legal entities) with a qualifying interest and entities under their control or significant influence	-	7,843	3	6,616
Close family members of members of the executive and higher management and owners (private individuals) with a qualifying interest, and entities under their control or significant influence	-	313	-	414
Total	**-**	**8,156**	**3**	**7,030**

Transactions with related parties are conducted in the normal course of business, further details are provided in Note 2.6 Related parties. Transactions occurred inside the Group are eliminated from the consolidated financial statements.

No additional commitments apart from Loan liabilities as of 31 December 2025 and 31 December 2024 exists.

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(in thousands of euros)

Loans in 2025

	Loans received	Repayment of loans received	Interest accrued	Interest paid	Interest rate	Currency
Owners (legal entities) with a qualifying interest and entities under their control or significant influence	1,215	-	876	865	12%	EUR
Loans received and repayments	**1,215**	**-**	**876**	**865**	**12%**	**EUR**
Close family members of members of the executive and higher management and owners (private individuals) with a qualifying interest, and entities under their control or significant influence	-	100	40	40	12%	EUR
Loans received and repayments	**-**	**100**	**40**	**40**	**12%**	**EUR**

(in thousands of euros)

Loans in 2024

	Loans received	Repayment of loans received	Interest accrued	Interest paid	Interest rate	Currency
Owners (legal entities) with a qualifying interest and entities under their control or significant influence	804	-	787	779	12%	EUR
Loans received and repayments	**804**	**-**	**787**	**779**	**12%**	**EUR**
Close family members of members of the executive and higher management and owners (private individuals) with a qualifying interest, and entities under their control or significant influence	310	100	26	25	12%	EUR
Loans received and repayments	**310**	**100**	**26**	**25**	**12%**	**EUR**

More information is provided in the Note 9.

The Group considers parties to be related if one controls the other or exerts significant influence on the other's operating decisions. Transactions with related parties include transactions with shareholders, members of the Group's management and supervisory boards, and close family members of and companies related to the above persons.

Remuneration and other significant benefits provided to the executive and higher management

(in thousands of euros)

	2025	2024
Remuneration	370	200

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Note 21. Investments in subsidiaries

Company	Country	2025	2024
ESTO AS	Estonia	100%	100%
ESTO UAB	Lithuania	100%	100%
ESTO LV AS	Latvia	100%	100%

Investments to subsidiaries in parent company's separate financial statements recorded at acquisition cost.

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Note 22. Separate financial statements of parent company

Note 22.1. Statement of financial position

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(in thousands of euros)

	31.12.2025	31.12.2024
ASSETS		
Current assets		
Cash and cash equivalents	254	1,193
Loans and advances to customers	2,394	1,436
Prepayments	293	200
Other assets	98	66
Total current assets	**3,039**	**2,895**
Non-current assets		
Loans and advances to customers	33,288	30,586
Investments in subsidiaries	35,100	29,700
Property and equipment	82	64
Intangible assets	3,612	2,535
Total non-current assets	**72,082**	**62,885**
TOTAL ASSETS	**75,121**	**65,780**
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Loans and borrowings	17,436	13,324
Interest payables	92	302
Trade payables and other payables	368	252
Tax liabilities	159	61
Total current liabilities	**18,055**	**13,939**
Non-current liabilities		
Loans and borrowings	32,389	27,845
Total non-current liabilities	**32,389**	**27,845**
TOTAL LIABILITIES	**50,444**	**41,784**
EQUITY		
Share capital	10	10
Share premium	435	435
Voluntary capital	30,916	27,602
Retained earnings	(4,051)	(1,738)
Total comprehensive income	(2,634)	(2,313)
Total equity	**24,677**	**23,996**
TOTAL EQUITY AND LIABILITIES	**75,121**	**65,780**

Note 22.2. Statement of profit or loss and other comprehensive income

(in thousands of euros)

	2025	2024
Interest and similar income from loans	4,761	3,577
Interest expense	(5,439)	(4,603)
Net interest and similar income from loans	**(678)**	**(1,026)**
Other interest income	276	246
Total other interest income	**276**	**246**
Fee and commission income	832	627
Fee and commission expense	(86)	(91)
Net fee and commission income	**747**	**536**
Gains from financial instruments	-	91
Other income	-	7
Other operating expenses	(1,347)	(1,193)
Personnel expenses	(1,257)	(715)
Depreciation and amortisation	(258)	(188)
Other expenses	(116)	(127)
Profit (loss) before income tax	**(2,634)**	**(2,369)**
Income tax	-	-
Profit (loss) for the reporting period	**(2,634)**	**(2,369)**
Other comprehensive income		
Other comprehensive income to be classified to profit or loss in subsequent periods:		
Unrealized gain from financial instruments	-	56
Total other comprehensive income	**-**	**56**
Total comprehensive income for the period	**(2,634)**	**(2,313)**

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Note 22.3. Statement of cash flows

(in thousands of euros)	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit	**(2,634)**	**(2,369)**
Adjustments or changes for:	**(5,781)**	**4,170**
Interest income	(987)	4,139
Depreciation and amortisation	258	188
Other adjustments	(5,052)	(158)
Total adjustments or changes	**(8,415)**	**1,801**
Changes in:		
Other assets and prepayments	(125)	(115)
Trade and other payables	4	155
Total changes	**(121)**	**40**
NET CASH USED IN OPERATING ACTIVITIES	**(8,535)**	**1,840**
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(40)	(43)
Acquisition of intangible assets	(1,330)	(856)
Other loans granted	(14,046)	(10,306)
Repayments of other loans	11,373	9,295
NET CASH USED IN INVESTING ACTIVITIES	**(4,044)**	**(1,909)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans and borrowings	15,395	22,291
Repayments of borrowings	(7,069)	(20,110)
Paid in share capital	-	5
Increase in voluntary capital	6,124	-
Decrease in voluntary capital	(2,809)	(1,661)
NET CASH FROM FINANCING ACTIVITIES	**11,640**	**526**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(939)**	**457**
Cash and cash equivalents at the beginning of the period	**1,193**	**736**
Cash and cash equivalents at the end of the period	**254**	**1,193**

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Note 22.4 Statement of changes in equity

(in thousands of euros)

	Share capital	Share premium	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
Balance at 31.12.2023	**5**	**435**	**29,263**	**41**	**(1,738)**	**28,006**
Total comprehensive income for the period	**-**	**-**	**-**	**56**	**(2,369)**	**(2,313)**
Profit for the period	-	-	-	-	(2,369)	(2,369)
Other comprehensive income	-	-	-	56	-	56
Reclassification from OCI to profit and loss	**-**	**-**	**-**	**(41)**	**-**	**(41)**
Realized gain from financial instruments	-	-	-	(41)	-	(41)
Transactions with owners of the Company - Contributions and Distributions						
Paid in share capital	5	-	-	-	-	5
Decrease in voluntary capital	-	-	(1,661)	-	-	(1,661)
Total contributions and distributions	**5**	**-**	**(1,661)**	**-**	**-**	**(1,656)**
Balance at 31.12.2024	**10**	**435**	**27,602**	**56**	**(4,107)**	**23,996**

In the previous reporting period ended 31 December 2024, the following equity movements occurred:

A share capital increase of €5 thousand via shareholders payment.

A reclassification of €41 thousand was made from unrealized gain from financial instruments to profit and loss, reflecting a realized gain on financial instruments.

Voluntary capital was decreased by €1,661 thousand through distribution to shareholders.

Note 22.4 Statement of changes in equity (continued)

(in thousands of euros)

	Share capital	Share premium	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
Balance at 31.12.2024	**10**	**435**	**27,602**	**56**	**(4,107)**	**23,996**
Profit for the period	-	-	-	-	(2,634)	(2,634)
Transactions with owners of the Company - Contributions and Distributions						
Increase in voluntary capital	-	-	6,124	-	-	6,124
Decrease in voluntary capital	-	-	(2,809)	-	-	(2,809)
Total contributions and distributions	-	-	**3,315**	-	-	**3,315**
Balance at 31.12.2025	**10**	**435**	**30,916**	**56**	**(6,740)**	**24,677**

In the reporting period ended 31 December 2025, the following equity movements occurred:

Voluntary capital increased by €6,124 thousand due to shareholders' contributions.

Voluntary capital was decreased by €2,809 thousand through distribution to shareholders.

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Signatures of the management board to the annual report

The management board has prepared the management report and the financial statements of ESTO Holdings OÜ for the financial year ended 31 December 2025.

The management board confirms that the management report provides a true and fair view of the business operations, financial results and financial condition of the company.

The management board confirms that according to their bestknowledge the financial report presents a fair view of the assets, liabilities, financial position and profit or loss of the company according to the International Financial Reporting Standards as adopted by the European Union.

24 April 2026

Mikk Metsa
Founder/CEO

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Independent Auditors' Report

(Translation of the Estonian original)

To the Shareholders of ESTO Holdings OÜ

Opinion

We have audited the consolidated financial statements of ESTO Holdings OÜ (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the consolidated financial statements mentioned above present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the management report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, our responsibility is to state whether the information presented in the management report has been prepared in accordance with the applicable legal and regulatory requirements.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard and we state that the information presented in the management report is materially consistent with the consolidated financial statements and in accordance with the applicable legal and regulatory requirements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (Estonia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (Estonia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Baltics OÜ
Licence No 17

Eero Kaup

Certified Public Accountant, Licence No 459

Tallinn, 24 April 2026