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UNAUDITED

# Financial Results 2025 6M

# ESTO GROUP Financial results for 2025/6M

**15%**

GROWTH OF LOANS  
ISSUED

**590M**

VOLUME OF  
TRANSACTIONS<sup>1</sup>

**728K**

USERS

**€16.7M**

REVENUE

**€8.4M**

EBITDA

**€4.6M**

NET PROFIT

**0.1%**

NET NPL TO NET  
PORTFOLIO

**27<sup>th</sup>**

CONSECUTIVE PROFITABLE  
QUARTER

**Reaching new heights in earnings while expanding our customer base and innovation.**

<sup>1</sup> The total value of financial activities conducted within the reporting period, primarily related to issued loans, credit transactions, and deposits.



August 2025, ESTO GROUP (ESTO Holdings OÜ) presents unaudited consolidated financial results for the six months ending 30 June 2025.

## Key Highlights

### ✓ **Record-Breaking Financial Performance in H1 2025**

- Delivered exceptional top- and bottom-line results: Revenue hit €16.7 million (+12% YoY), EBITDA reached €8.4 million (+37% YoY) with a robust 50% margin, and net profit surged to €4.6 million (+72% YoY), achieving a 27% net margin and staying well on track to our initial full-year budget.
- Demonstrated resilience through seasonal and macroeconomic challenges: Maintained consistent profitability with tight cost controls and efficiencies, posting €3.0 million YTD net profit after four months and accelerating to €1.5 million in May-June, even amid post-holiday softness and a moderating Baltic economic environment.

### ✓ **Accelerated Growth and Portfolio Strength**

- Achieved record credit issuance and portfolio expansion: H1 issuance totalled €47.7 million (+15% YoY), culminating in a June high of €9.5 million (+4% MoM); gross loan portfolio grew to €80.6 million (+19% YoY), driven by disciplined origination and stable loss rates below plan.
- Enhanced portfolio quality and risk management: Implemented advanced AI tools for fraud detection and collections, with improving payment metrics; stable provisioning supported earnings outperformance, reflecting proactive ECL adjustments and refined scoring models.

### ✓ **Strategic and Operational Advancements**

- Diversified channels and ecosystem innovations: Launched broker distribution in Latvia and Lithuania; onboarded ~650 new merchants, including key players like OnOff and Denim Dream and LPP brands.
- Market-specific progress and efficiency gains: Estonia drove strong cash flows; Latvia and Lithuania showing significant YoY turnover and profitability improvements.
- Liquidity and governance milestones: Negotiated credit facility upsizes that will cover for the growth plans for FY2025; maintained liquidity with undrawn lines; completed clean KPMG FY2024 audit and met all covenants comfortably, reinforcing transparency and funding headroom.

## Mikk Metsa, Founder and CEO of ESTO, commented,

"H1 2025 set a new tempo for ESTO. Every month delivered record lending issuance, with June hitting €9.5M and total H1 issuance at €47.7M, up 15% year on year. Latvia and Lithuania are now true breakout markets, in some months pushing close to 50% growth and already accounting for more than one third of Group issuance.

We always trusted the game plan that built Estonia into a highly profitable cashflow engine. The same playbook in Latvia and Lithuania is now in full force. Infrastructure and merchant footprint take time to build, but once momentum hits, there is no stopping. We see both markets following Estonia's trajectory toward scale and profitability.

The organisation is stronger than ever, with top-tier talent joining across product, credit, tech, and growth. Profitability has stepped up materially even against 2024's breakout year, with H1 net profit up 72% to €4.6M and margins holding strong.

ESTO is the Baltics' dominant shopping ecosystem, combining consumer financing, payment tech, merchant solutions, loyalty, and targeted shopping offers into one integrated platform. In H1 we added insurance to the product mix and in Q4 will launch our full-scale marketplace, with prep work largely complete. With multiple high-potential product tracks in motion, the machine is running fast, the model is proven, and the next growth leg is already lined up."

# Business performance

(in thousands of euros)

## Operational highlights

	6M 2025	6M 2024	Δ in %
GMV	82,263	83,328	-1%
Total volume of transactions <sup>1</sup>	589,957	479,795	23%
Loans issued	47,705	41,537	15%
	<b>30.06.2025</b>	<b>30.06.2024</b>	
Net Loan portfolio <sup>2</sup>	80,205	66,821	20%
Gross Loan portfolio <sup>2</sup>	83,505	70,122	19%
Total unique point of sales (count)	6,653	5,279	26%
Total number of users (count)	727,589	582,361	25%

## Financial highlights

	6M 2025	6M 2024	Δ in %
Revenue	16,719	14,940	12%
EBITDA	8,430	6,162	37%
Net Profit	4,556	2,653	72%
	<b>30.06.2025</b>	<b>30.06.2024</b>	
Total Assets	87,107	73,119	19%
Equity (incl. Tier-II capital)	22,085	15,007	47%

<sup>1</sup> The total value of financial activities conducted within the reporting period, primarily related to issued loans, credit transactions, and deposits.

<sup>2</sup> Including other loans.



# Financial review

# Key financial ratios

<b>Capitalization</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
Equity to assets ratio	26%	21%
Capitalization ratio	28%	22%

  

<b>Profitability</b>	<b>6M 2025</b>	<b>6M 2024</b>
Interest coverage ratio (TMT)	2.2	1.6
Annualized net interest margin	23%	22%
Cost to income ratio	25%	23%
EBITDA margin	50%	41%
Annualized return on assets	11%	8%
Annualized return on equity	67%	71%

  

<b>Asset quality</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
Provision cost to loan portfolio	4%	5%

  

<b>Pledged loan receivables %</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
ESTO Bond	120%	120%

# Consolidated Statement of Financial Position

The table below sets out the consolidated statement of financial position for the six months ending 30 June 2025 and 31 December 2024, in thousands of euros.

(in thousands of euros)

	30.06.2025	31.12.2024	Δ in %
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,214	2,535	-52%
Loans and advances to customers	68,732	62,801	9%
Prepayments	1,111	915	21%
Other assets	1,011	951	6%
<b>Total current assets</b>	<b>72,068</b>	<b>67,202</b>	<b>7%</b>
<b>Non-current assets</b>			
Loans and advances to customers	11,472	10,013	15%
Property and equipment	94	83	13%
Intangible assets	3,056	2,604	17%
Other assets	416	364	14%
<b>Total non-current assets</b>	<b>15,039</b>	<b>13,064</b>	<b>15%</b>
<b>TOTAL ASSETS</b>	<b>87,107</b>	<b>80,265</b>	<b>9%</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings	33,384	33,493	0%
Interest payables	448	502	-11%
Trade payables and other payables	2,024	1,401	44%
Tax liabilities	229	156	47%
<b>Total current liabilities</b>	<b>36,084</b>	<b>35,551</b>	<b>1%</b>
<b>Non-current liabilities</b>			
Loans and borrowings	35,490	32,845	8%
<b>Total non-current liabilities</b>	<b>35,490</b>	<b>32,845</b>	<b>8%</b>
<b>TOTAL LIABILITIES</b>	<b>71,574</b>	<b>68,396</b>	<b>5%</b>

	30.06.2025	31.12.2024	Δ in %
<b>Equity</b>			
Share capital	10	10	-
Share premium	435	435	-
Merger reserve	(23,952)	(23,952)	-
Voluntary capital	26,710	27,602	-3%
Retained earnings	7,774	893	770%
Total comprehensive income	4,556	6,881	-34%
<b>Total equity</b>	<b>15,533</b>	<b>11,869</b>	<b>31%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>87,107</b>	<b>80,265</b>	<b>9%</b>

## Assets

The Group's total assets grew by 9% reaching € 87.1 million on 30 June 2025, compared with € 80.3 million as of 31 December 2024.

## Loan portfolio

As of 30 June 2025, our loans and advances to customers net of impairment loss allowance reached € 80.2 million. This represents a 10% increase from the € 72.8 million as of 31 December 2024.

## Liabilities

As of 30 June 2025, the Group's total liabilities were € 71.6 million, a 5% increase compared to 31 December 2024.

## Loans and borrowings

The Group's loans and borrowings increased to € 68.9 million as of 30 June 2025, from € 66.4 million as of 31 December 2024.

## Equity

As of 30 June 2025, the Group's total equity increased to € 15.5 million from € 11.9 million as of 31 December 2024.

# Consolidated Statement of Profit and Loss and Other Comprehensive income

The table below sets out the consolidated statement of profit and loss and other comprehensive income for the six months ending 30 June 2025 and 30 June 2024, in thousands of euros.

(in thousands of euros)

	6M 2025	6M 2024	Δ in %
Interest and similar income from loans	12,883	10,776	20%
Interest expense	(3,791)	(3,436)	10%
<b>Net interest and similar income from loans</b>	<b>9,091</b>	<b>7,339</b>	<b>24%</b>
Other interest income	161	108	50%
<b>Total other interest income</b>	<b>161</b>	<b>108</b>	<b>50%</b>
Fee and commission income	1,881	1,427	32%
Fee and commission expense	(890)	(1,054)	-16%
<b>Net fee and commission income</b>	<b>991</b>	<b>373</b>	<b>166%</b>
Other income	-	93	100%
Net loss arising from derecognition of financial assets measured at amortised cost	(1,775)	(2,479)	-28%
Impairment losses on financial instruments	(216)	94	-329%
Other operating expenses	(1,871)	(1,382)	35%
Personnel expenses	(1,638)	(1,289)	27%
Depreciation and amortisation	(134)	(116)	16%
Other expenses	(106)	(130)	-18%
<b>Profit before income tax</b>	<b>4,504</b>	<b>2,610</b>	<b>73%</b>
Income tax	51	43	19%
<b>Profit for the period</b>	<b>4,556</b>	<b>2,653</b>	<b>72%</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income to be classified to profit or loss in subsequent periods:</b>			
Unrealized gain from financial instruments	-	56	-100%
<b>Total other comprehensive income</b>	<b>-</b>	<b>56</b>	<b>-100%</b>
<b>Total comprehensive income for the period</b>	<b>4,556</b>	<b>2,709</b>	<b>68%</b>

## Net loss arising from derecognition of financial assets measured at amortised cost

Net loss arising from derecognition of financial assets measured at amortised cost in the Group consists of funds received and write-off from the sale of delinquent debt in the loan portfolio. For the reporting period, these amounts totalled € 1.8 million, reflecting a 28% decrease compared to € 2.5 million for the same period last year.

The sale and write-off of delinquent loans help the Group to control provisioning expenses that would arise if non-performing loans were not sold.

For the reporting period the net loss arising from derecognition of financial assets represented 12% of operating revenue for the reporting period, and 20% in the previous period.

## Impairment losses and write off on financial instruments

Impairment losses on financial instruments for the reporting period were € 0.2 million, compared to a positive € 0.09 million for the same period last year.

# Consolidated Statement of Cash Flows

The table below sets out the condensed consolidated statement of cash flows for the six months ending 30 June 2025 and 30 June 2024, in thousands of euros.

(in thousands of euros)

	6M 2025	6M 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit</b>	<b>4,556</b>	<b>2,653</b>
<b><u>Adjustments or changes for:</u></b>	<b>1,988</b>	<b>3,124</b>
Interest income	(30)	50
Net impairment loss on loans and advances	216	(94)
Net loss arising from derecognition of financial assets measured at amortised cost	1,775	2,479
Depreciation and amortisation	134	116
Other adjustments	(107)	573
<b>Total adjustments or changes</b>	<b>6,544</b>	<b>5,777</b>
<b><u>Changes in:</u></b>		
Other assets and prepayments	(309)	(482)
Trade and other payables	642	147
Loans and advances to customers	(9,136)	(7,199)
<b>Total changes</b>	<b>(8,803)</b>	<b>(7,533)</b>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(2,259)</b>	<b>(1,756)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(26)	(41)
Acquisition of intangible assets	(582)	(581)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(609)</b>	<b>(622)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loans and borrowings	11,681	13,738
Repayments of borrowings	(9,242)	(10,849)
Voluntary capital reduction	(892)	(1,000)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1,547</b>	<b>1,888</b>

	6M 2025	6M 2024
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,321)</b>	<b>(490)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,535</b>	<b>2,398</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,214</b>	<b>1,908</b>

Net cash flows used in operating activities during the six months of 2025 were € 2.3 million. For the same period, net cash flows used in investing activities were € 0.6 million. The Group's cash flows from financing activities amounted to € 1.5 million.

# Consolidated Statement of Changes in Equity

The table below presents the condensed consolidated statement of changes in equity for the six months ending 30 June 2025 and 31 December 2024, in thousands of euros.

(in thousands of euros)

	Share capital	Share premium	Merger reserve	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
<b>Balance at 31.12.2024</b>	<b>10</b>	<b>435</b>	<b>(23,952)</b>	<b>27,602</b>	<b>56</b>	<b>7,718</b>	<b>11,869</b>
<b>Total profit and other comprehensive income for the period</b>	-	-	-	-	-	<b>4,556</b>	<b>4,556</b>
Profit for the period	-	-	-	-	-	4,556	4,556
<b>Transactions with owners of the Company Contributions and Distributions</b>	-	-	-	<b>(892)</b>	-	-	<b>(892)</b>
Voluntary capital decrease	-	-	-	(892)	-	-	(892)
<b>Balance at 30.06.2025</b>	<b>10</b>	<b>435</b>	<b>(23,952)</b>	<b>26,710</b>	<b>56</b>	<b>12,274</b>	<b>15,533</b>

As of 30 June 2025, the total equity of the Group was € 15.5 million. Total equity including Tier-II capital for the reporting period amounted to €22.1 million.

## Definitions

**Total volume of transactions** – The aggregate value of financial activities conducted within the reporting period, including credit line limit issued, credit line withdrawals, client deposits, direct payments, limit increase trials, loan applications.

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

**Cost to income ratio** – Operating costs / income.

**Equity to assets ratio** – Total equity incl. Tier II capital / total assets deducting cash.

**Capitalization ratio** – Total equity incl. Tier II capital / loans and advances to customers.

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

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

**Interest and similar income** – Income received from customer loan portfolio.

**Interest coverage ratio** – The ratio of EBITDA to Net Finance Charges.

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

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

**EBITDA margin** – EBITDA divided by revenue.

**Provision cost to loan portfolio** – provision reserve / gross loan portfolio.

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

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

## Disclaimer

Please note that certain information and illustrations set forth herein are forward-looking. These statements, including internal expectations, estimates, projections, assumptions and beliefs, and which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as “anticipate”, “believe”, “plan”, “estimate”, “expect”, “predict”, “intend”, “will”, “may”, “could”, “would”, “should” and similar expressions intended to identify forward-looking statements. These statements should not be considered as guarantees of future performance. The forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Group’s actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the Group’s lack of revenues and unpredictability of future revenues; results of operations; solvency ratios, financial conditions; the Group’s future capital requirements; capital or liquidity positions or prospects; the Company’s reliance on third parties; the risks associated with rapidly changing legal requirements and technology, risks associated with international operations and changes in general economic, market and business conditions. These changing factors are not exhaustive. The Group operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Esto Group undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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