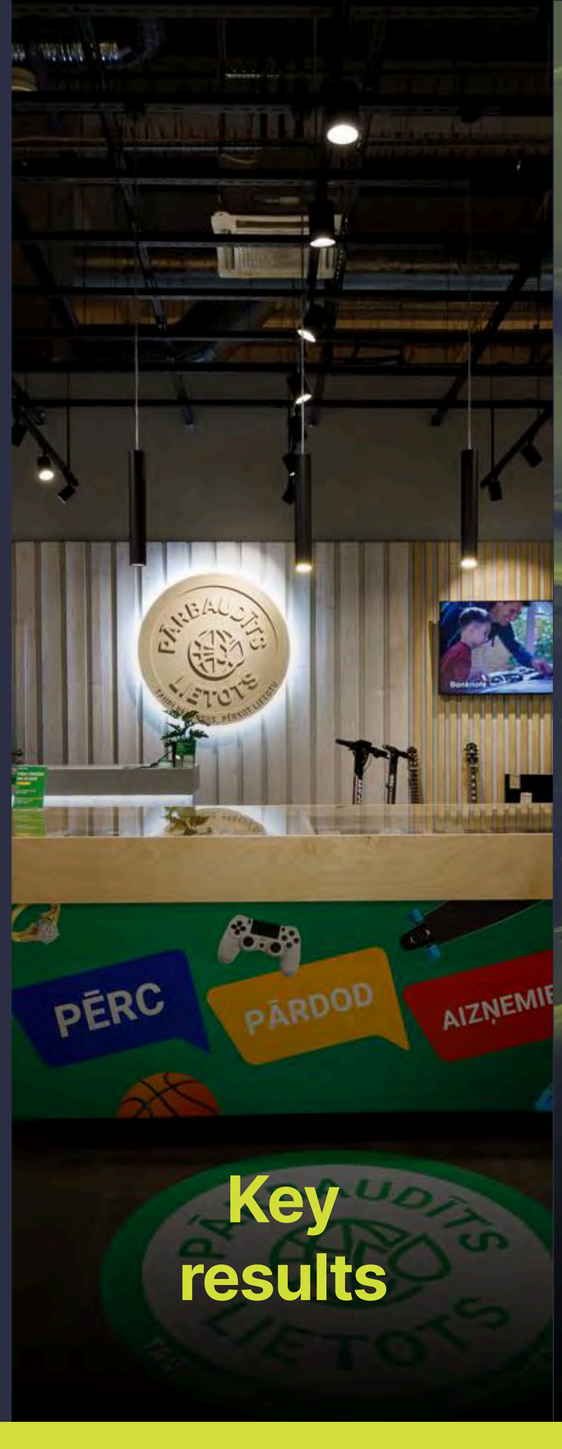
Financial report

Unaudited results for 12 months

Ending 31 December 2024

delfingroup



Key results



Business highlights



Business performance



Appendix

Key characteristics of 2024



Business results

+15%
12M consumer loan issuance growth y-o-y

+9%
12M pawn loan issuance growth y-o-y

+27%
12M net loan portfolio growth y-o-y

+15%
12M retail of pre-owned goods growth y-o-y

Financial results

+25%
12M revenue growth y-o-y

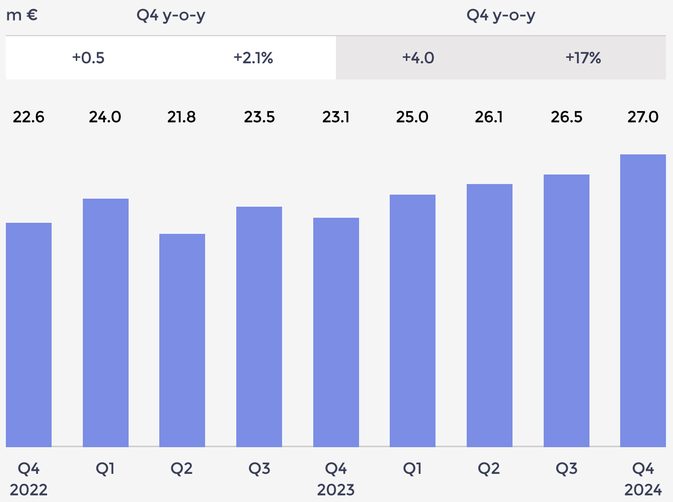
+22%
12M EBITDA growth y-o-y

+13%
12M profit before tax growth y-o-y

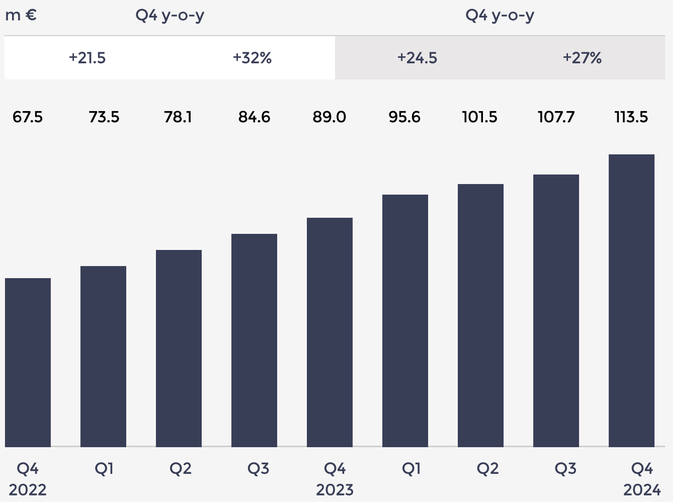
Key results

- Loan issuance in Q4 2024 continued to increase, reaching the record-high level of EUR 27 million, facilitated by a strong online and offline market presence in Latvia.
- Alongside loan issuance, the net loan portfolio has increased by 27% in 2024, reaching EUR 113.5 million.
- Quarterly revenues reached all-time high, reaching EUR 17.4 million, a 25% growth compared to Q4 2023.
- Profit before tax in Q4 reached EUR 2.6 million, a 12% increase.

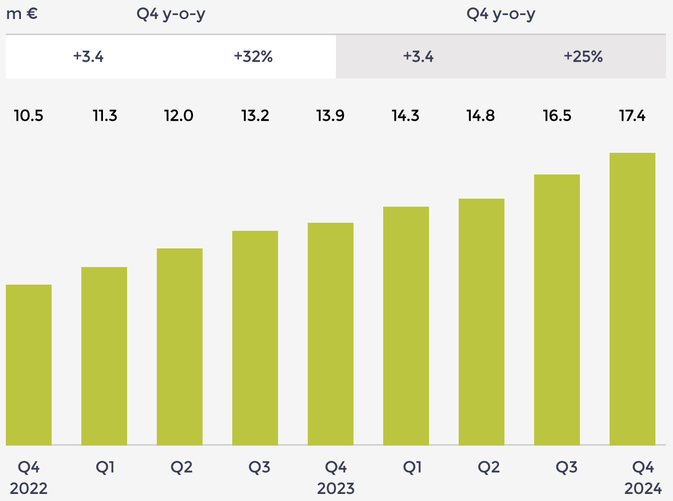
Total loans Issued



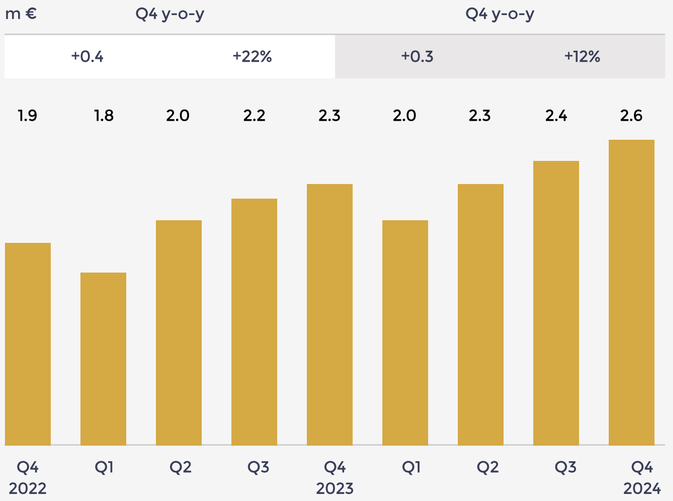
Net loan portfolio



Total revenue

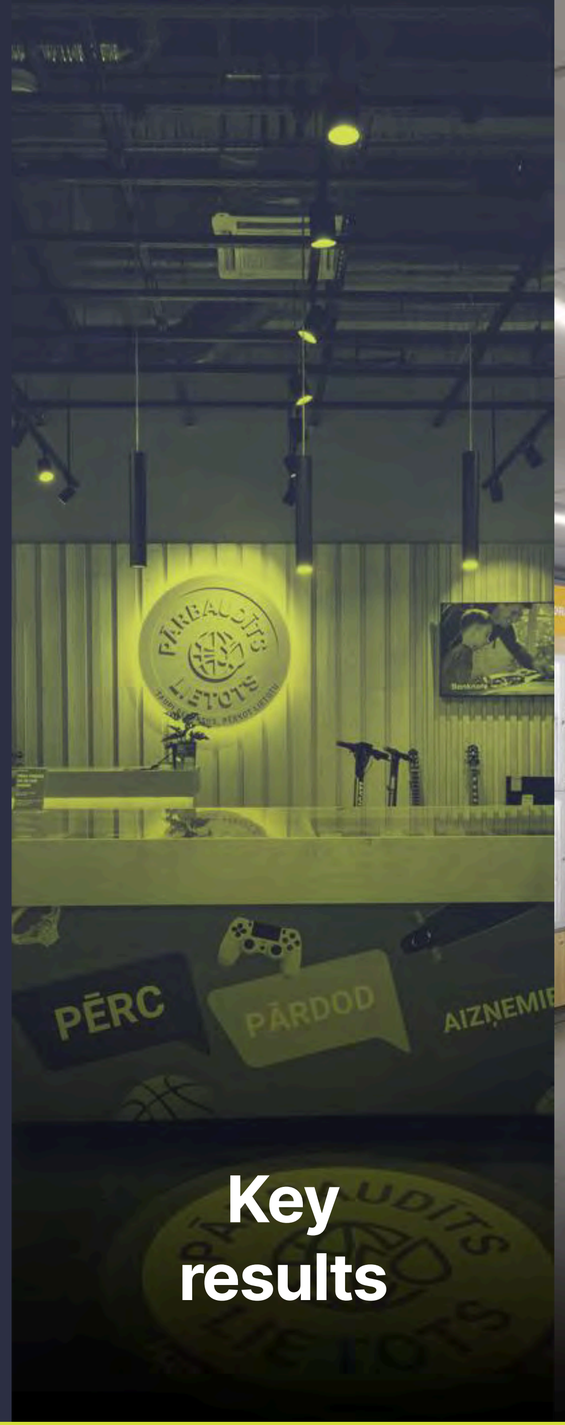


Profit before tax

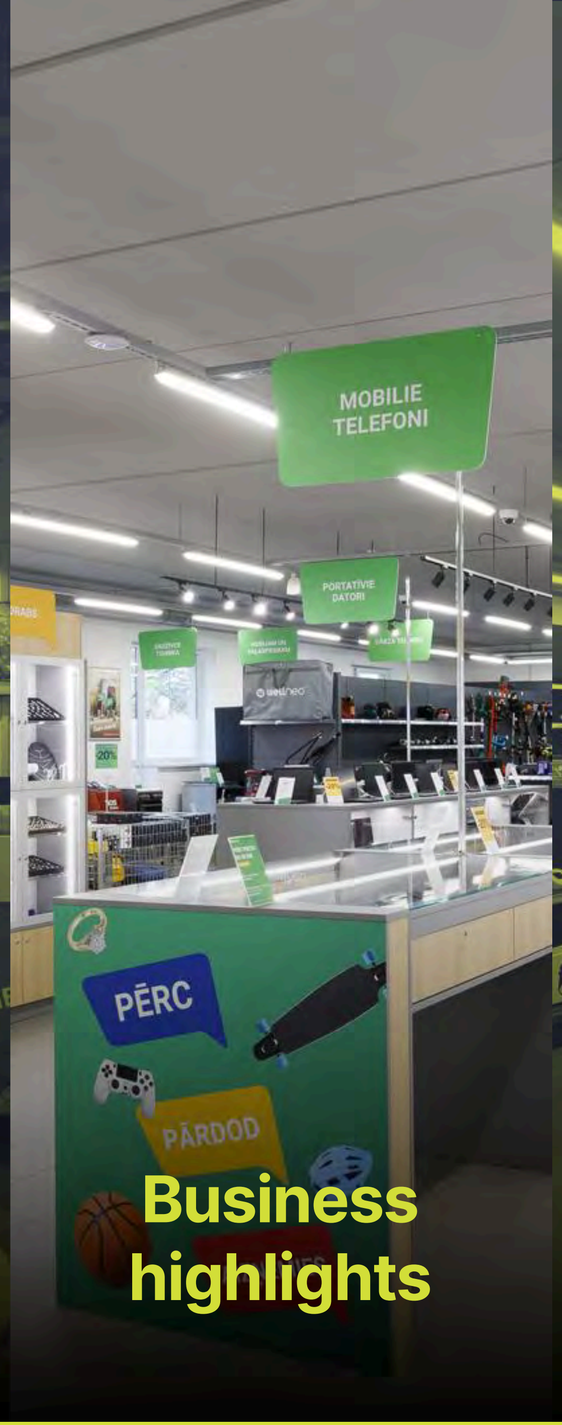


Data for previous periods of 2023 restated as per corrections made in the audited annual statements for 2023

delfingroup



Key results



Business highlights



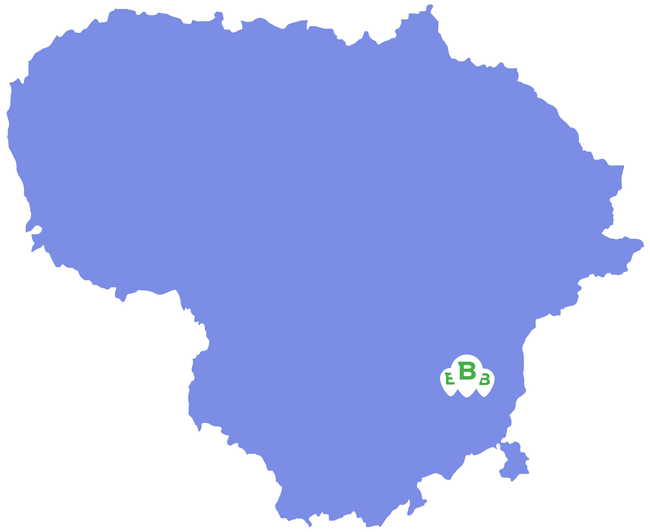
Business performance

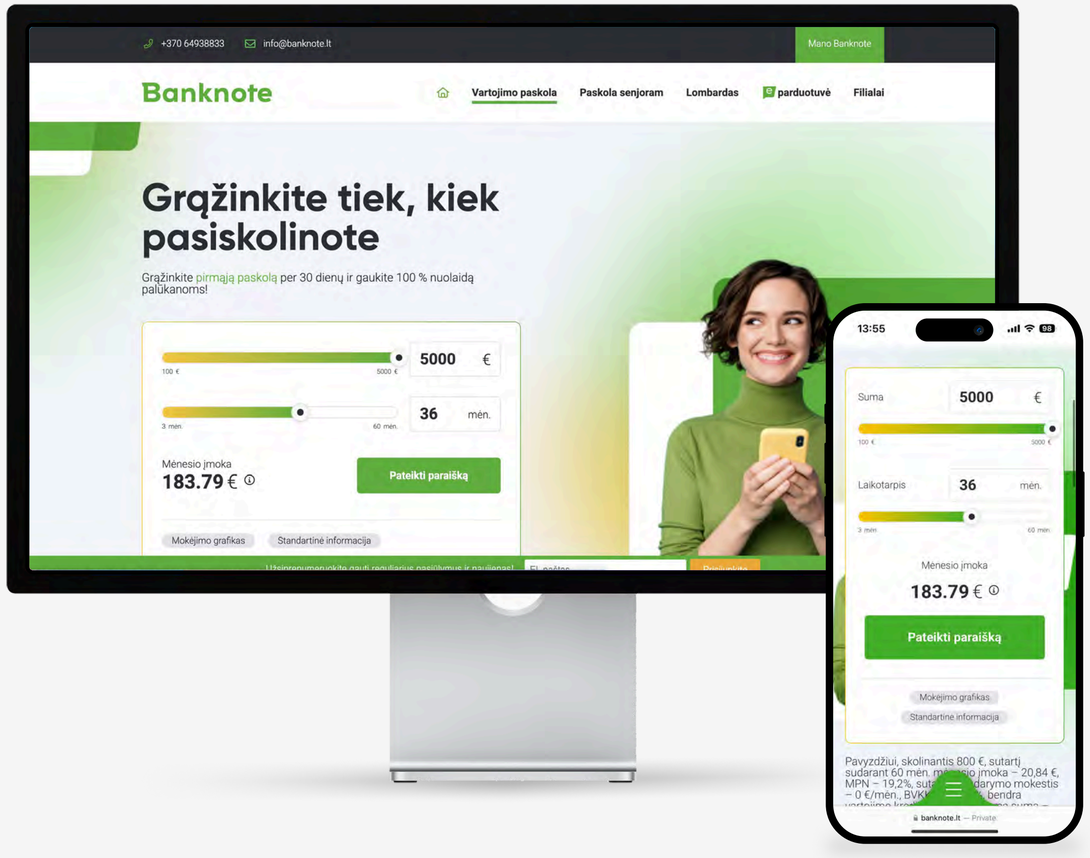


Appendix

Consumer lending launched in Lithuania

- In November 2024 company started consumer lending issuance in Lithuania.
- Loans are issued both online and offline at branch network.
- Now operations in Lithuania are carried out in all the business segments as in Latvia.





Capital markets & funding highlights



Bonds

- **Bonds** ISIN LV0000860146 and LV0000802700 listed on **Nasdaq First North in November 2024**.
- In total 4 DelfinGroup bond issues are listed on the Nasdaq Baltic stock exchange.
- In September 2024 DelfinGroup organized a successful public bond issue with oversubscription of 148% with total demand reaching EUR 22.3 million.

Banks

- **DelfinGroup raised 4.9 million euros from Citadele bank.**
- Citadele funding is an overdraft facility to ensure effective cash management and further growth.
- **Diversified bank financing** of EUR 18.2 million **split between 3 banks.**

P2P

- Gradual decrease of P2P exposure **from EUR 30.2 million** at the beginning of the year **to EUR 25 million** at the end of 2024.
- Risk scores on Mintos remain at one of the best scores on the platform. **Banknote 8.7 and VIZIA 8.8** (10 being the best score).

Banknote branch network

Efficiency of the branch network has been set as a focus in Latvia to secure sustainable business operations.

Opening of new branches and expansion of Banknote XL network:

- Valmiera branch relocation, opening a new concept store
- Ogre, Skolas street branch redesigned to a more spacious store
- Riga, Marupe street branch redesigning to a more spacious store
- Work on the 4th XL concept branch opening in Liepaja. Opening is planned in late March

Operations in Lithuania started at the end of 2023. At the end of 2024, DelfinGroup has 7 branches in Vilnius.





Valmiera branch

Old VS New







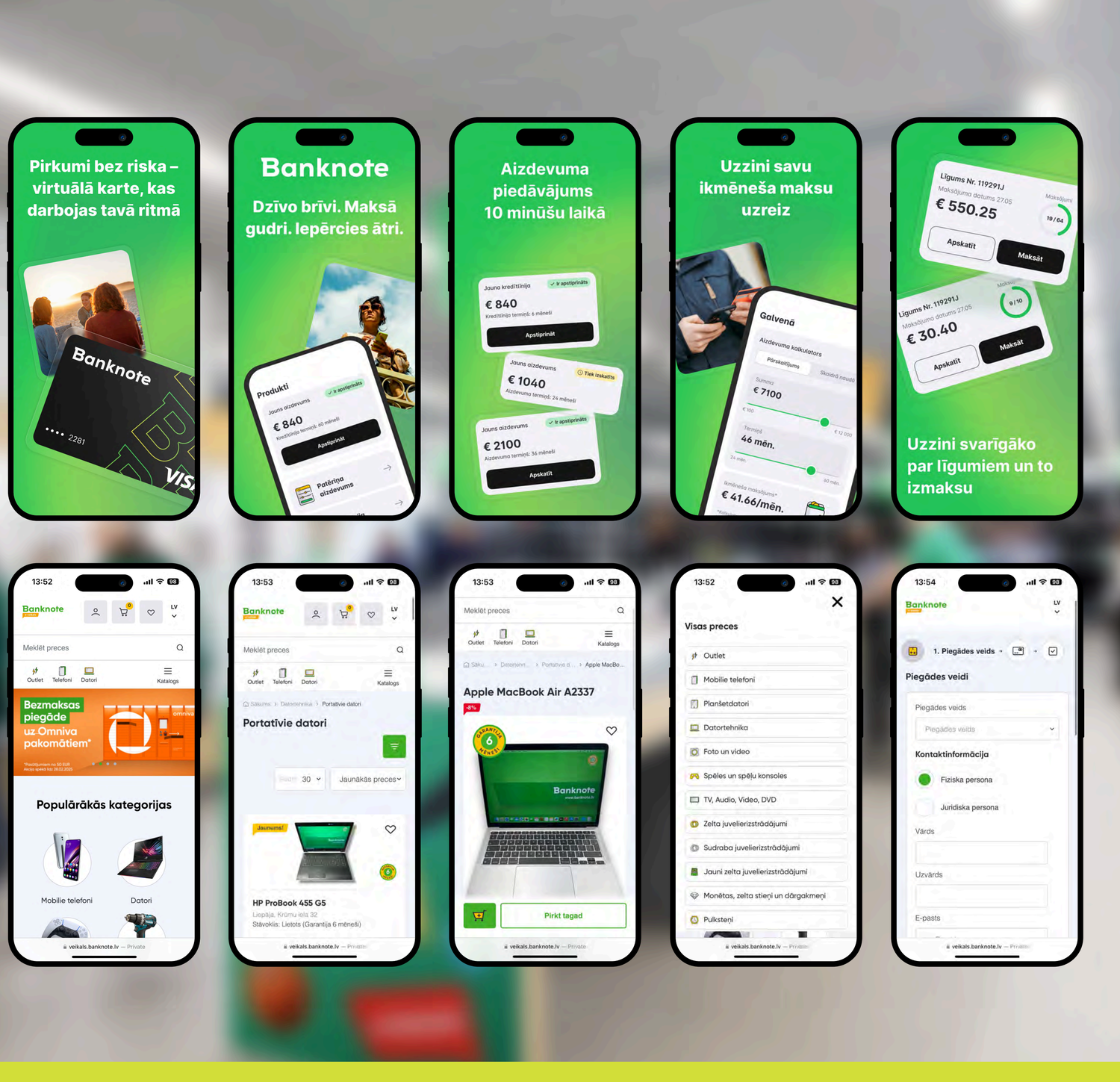
Improved
online store

Online store is now available in Banknote mobile app. New, improved UX/UI design. AI integrations for cross-sales / up-sales development and product description creation.

- Renewed online store design according to latest standards
- Improved UX for seamless shopping
- Artificial intelligence (AI) integrations to automate manual work for product administration

65 000+
Goods available for sale

30 000+
Units sold via online store



Management improvements

CFO

Andrejs Aleksandrovičs

Has become a member of the Management Board.

Andrejs is an experienced finance professional with more than 20 years of experience.

He has extensive experience as a finance expert in global companies such as Worldline, Brink's, First Data, and PricewaterhouseCoopers.



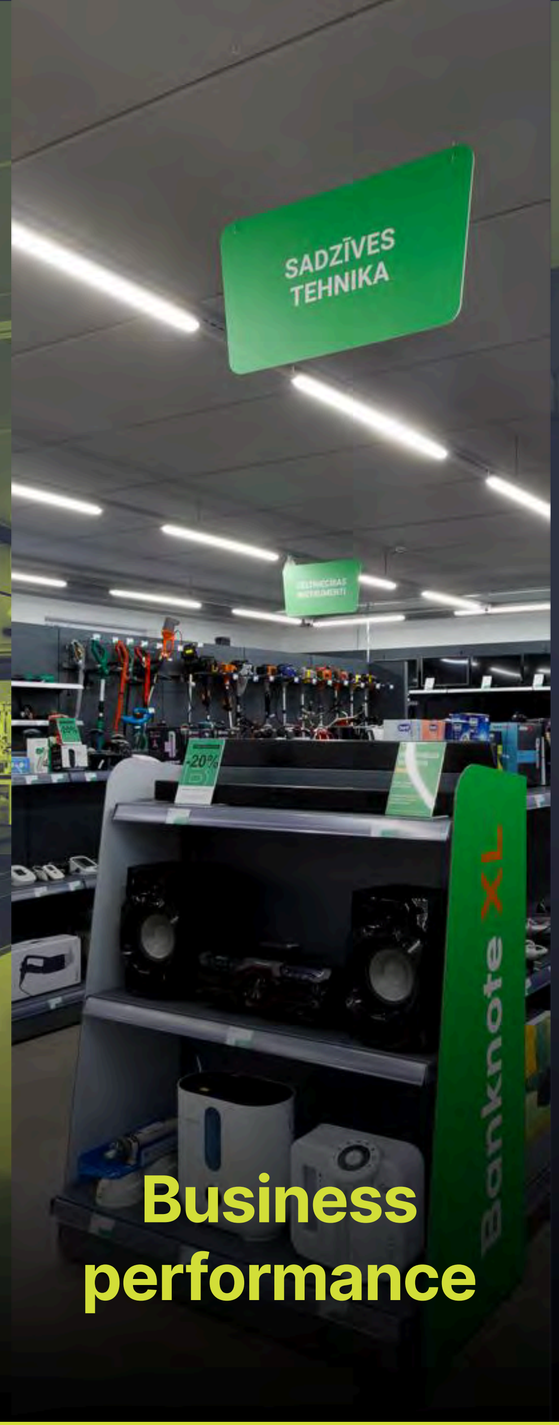
delfingroup



Key results



Business highlights



Business performance

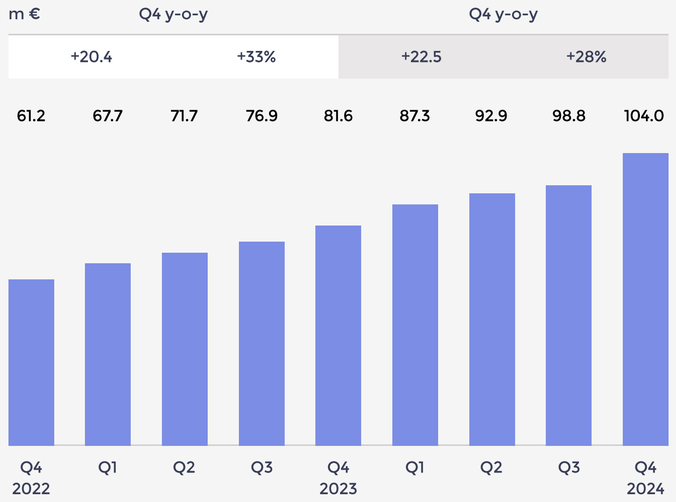


Appendix

Consumer loans

- The consumer lending portfolio continued increasing, as did the average loan amount and term. At the end of Q4 2024, the net loan portfolio reached 104.0 million euros.
- Due to stable demand and increasing ticket and term size, the consumer loan portfolio grew by 28% 2024.
- Non-performing loan (NPL) ratio (loans late 90+ days) remains at a solid level of 2.4% which is significantly below company's internally set target of 7%.

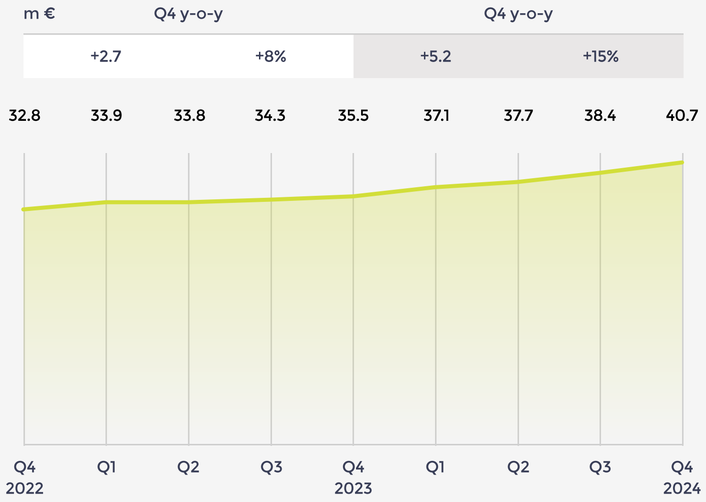
Consumer net loan portfolio



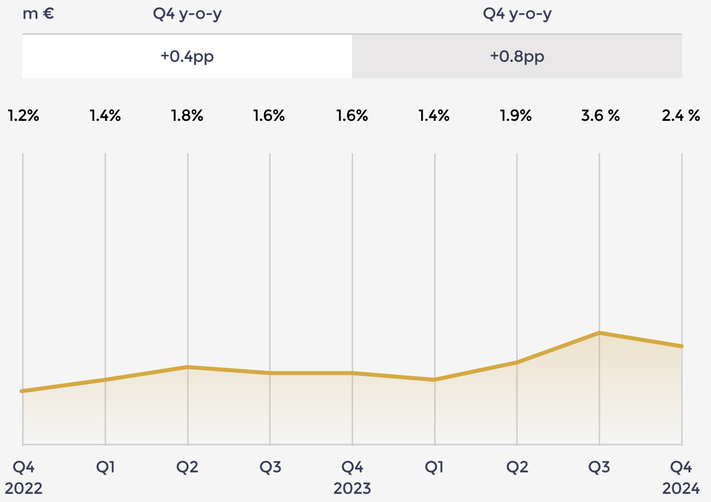
Average loan*



Weighted average term of loans issued



Non-performing loan ratio



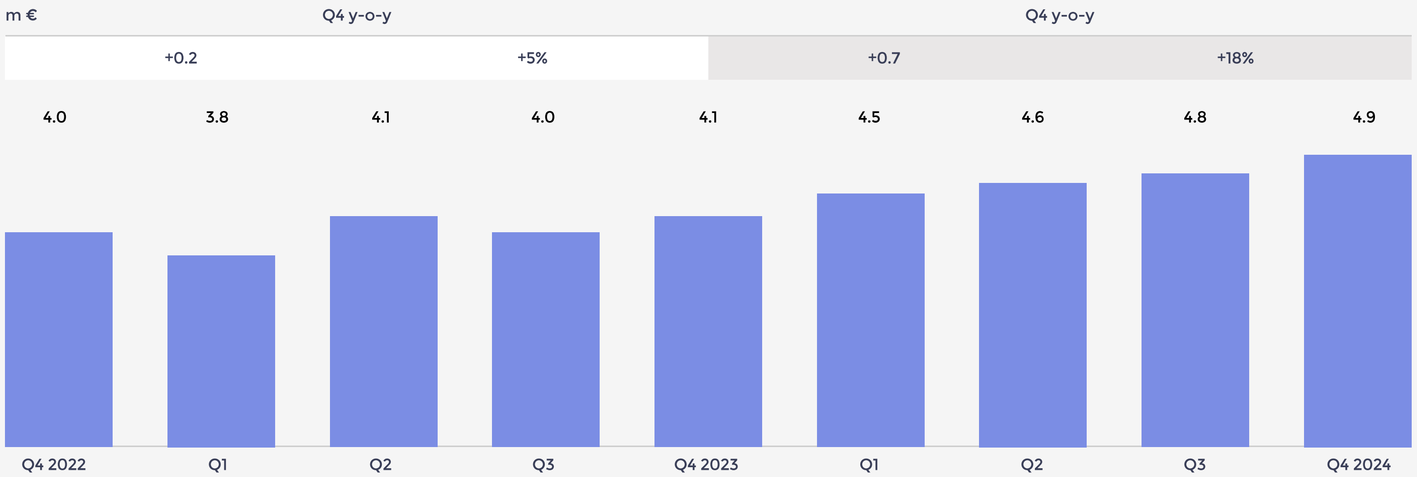
**Average consumer loan balance for one client at the end of period.*

Pawn loans

- Pawn loan portfolio has increased 18% in 2024.
- Pawn loan issuance increased 9% in 12M period, and 12% in Q4 compared to corresponding periods last year.
- The average pawn loan amount has grown over the last year as inflation has pushed prices for items and jewelry.



Pawn net loan portfolio*



Average pawn loan amount

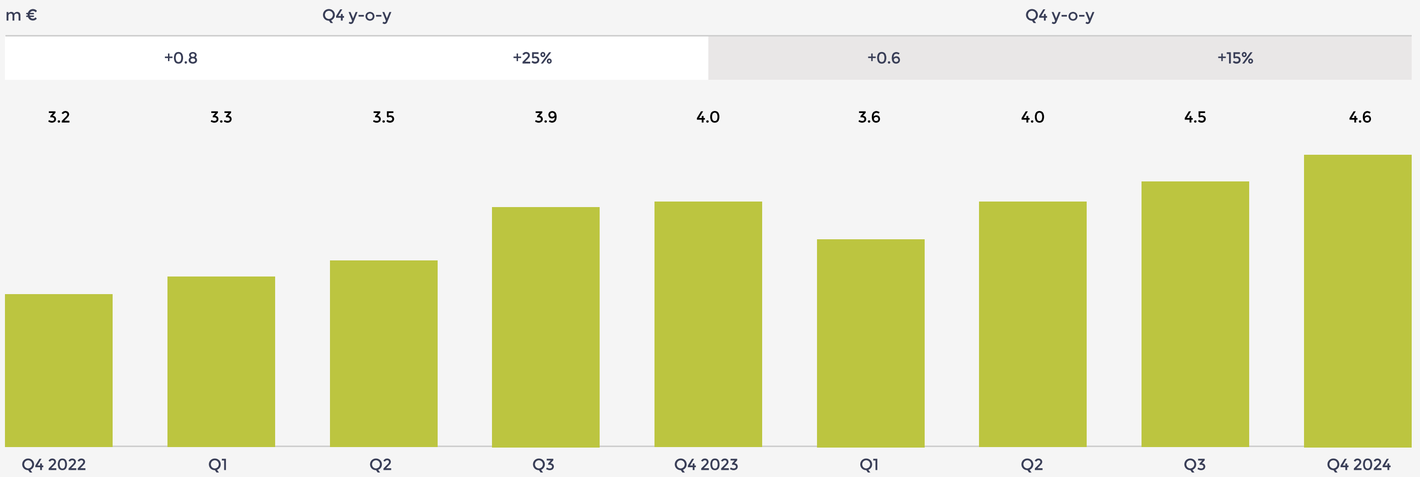


** Active portfolio excluding portfolio part where collateral is available for sale.*

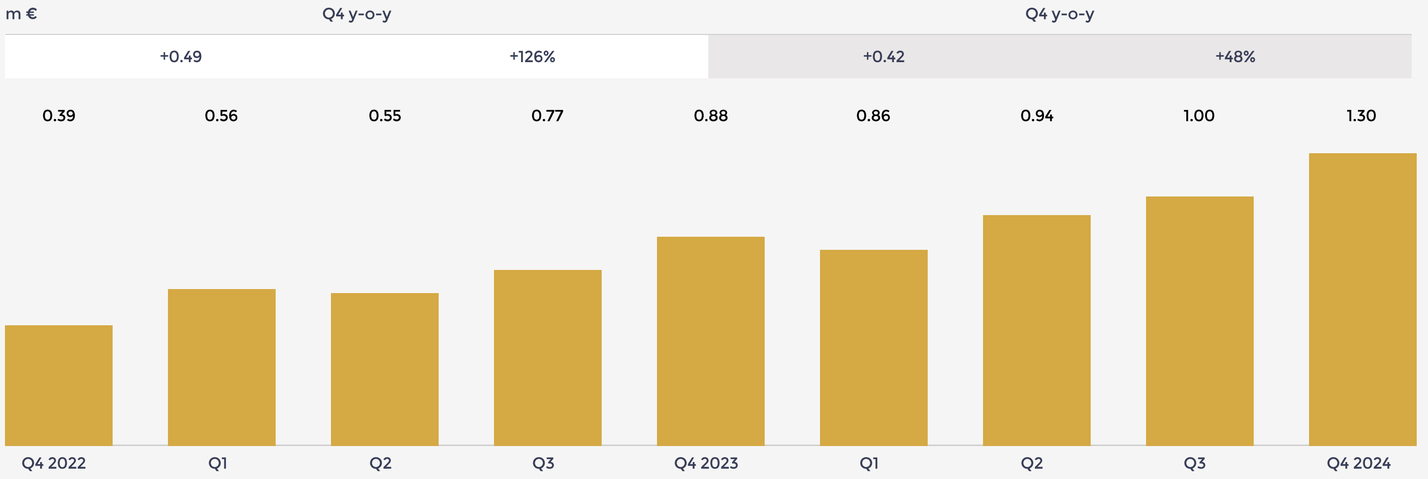
Retail of pre-owned goods*

- Stable and consistent growth has been achieved in the retail segment by promoting the circular economy principles in Latvia and Lithuania.
- Retail sales of pre-owned goods in Q4 2024 reached historically highest quarterly amount, reaching EUR 4.6 million, a 15% increase to last year's respective period.
- Online store sales gradually increasing after design and UX updates and a launch of operations in Lithuania.
- Gross margin in Q4 at 39% which is in line with historic levels in the retail of pre-owned goods segment.

Sales of pre-owned goods



Online store sales



** Including directly purchased goods from clients and unredeemed items from pawnshop. Excluding wholesale of precious metals (scrap).*

Sales split by product category

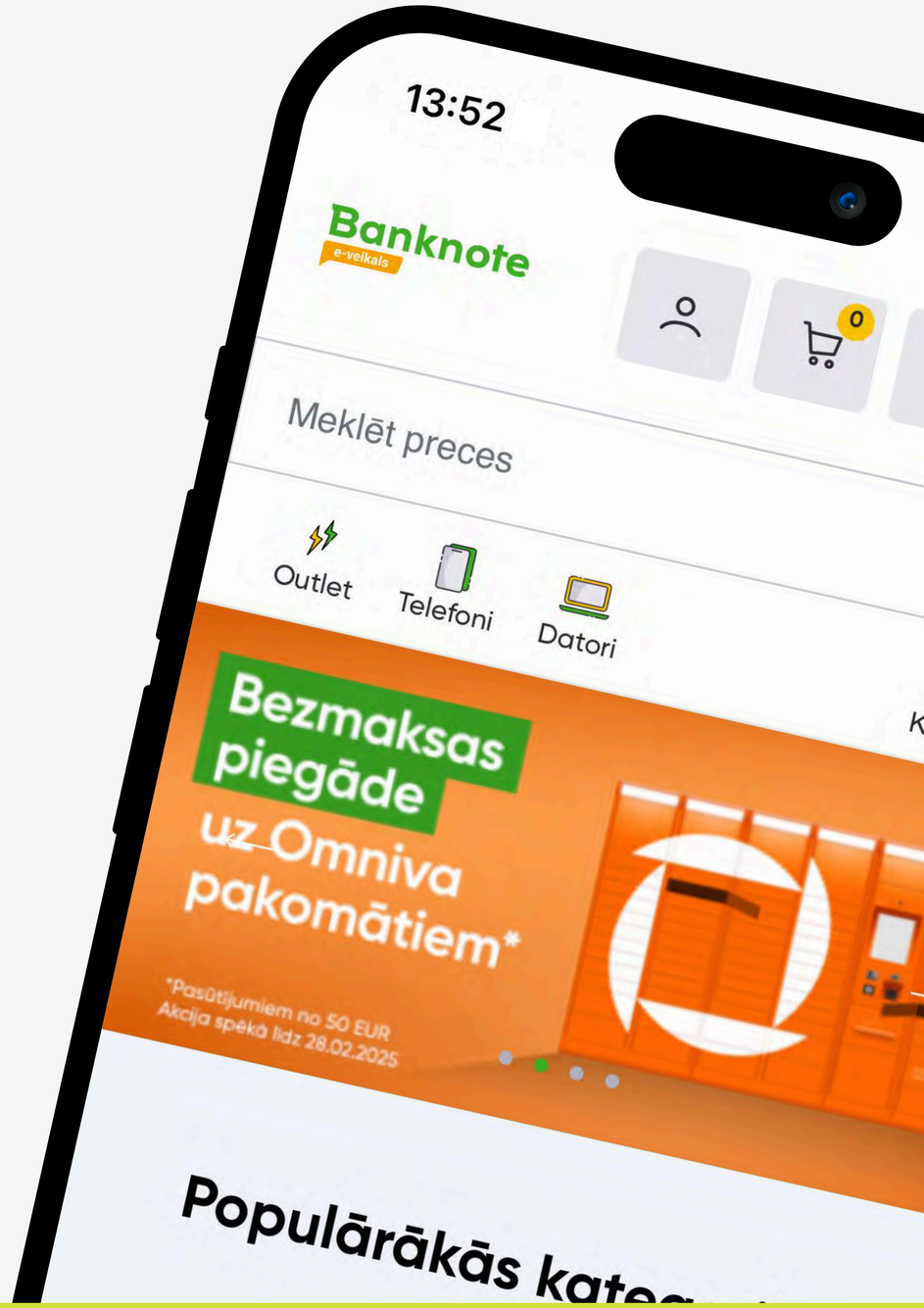
Sales split by product category (Q4M 2024)



Jewelry | Smartphones | Other | Computer Equipment | TV, Audio, Video, Photo | Power Tools

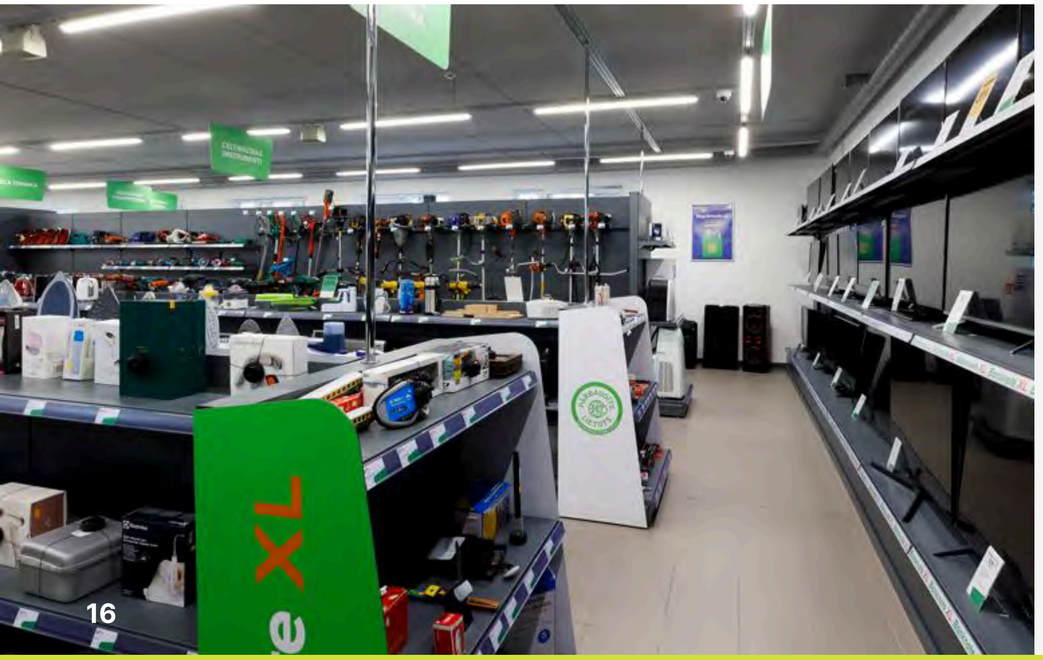
Clients have access to a wide range of pre-owned goods at Banknote online store and branch network. The most demanded product categories are electronics, such as smartphones, computers, TVs and jewelry.

Jewelry is professionally renewed and sold with its original appearance but for a more affordable price.

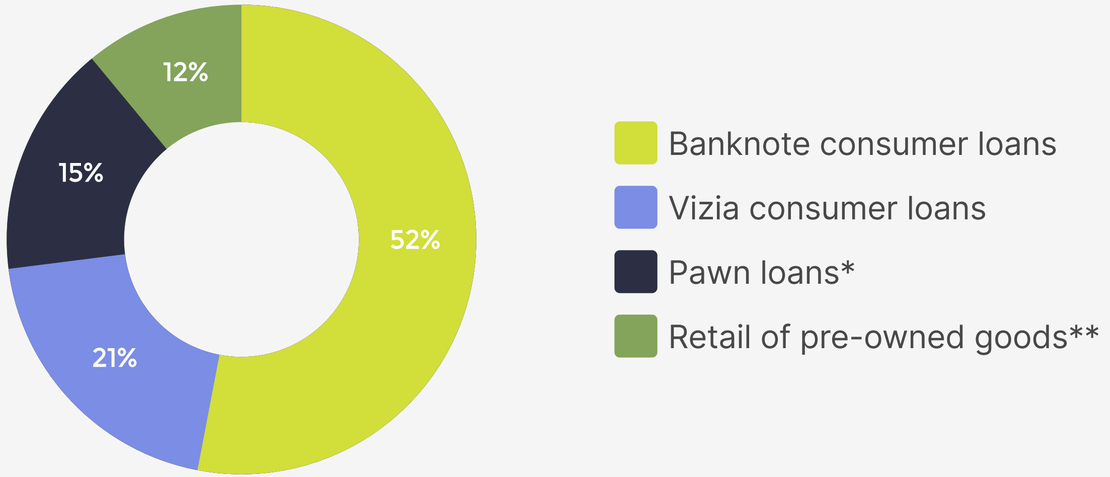


Diversification

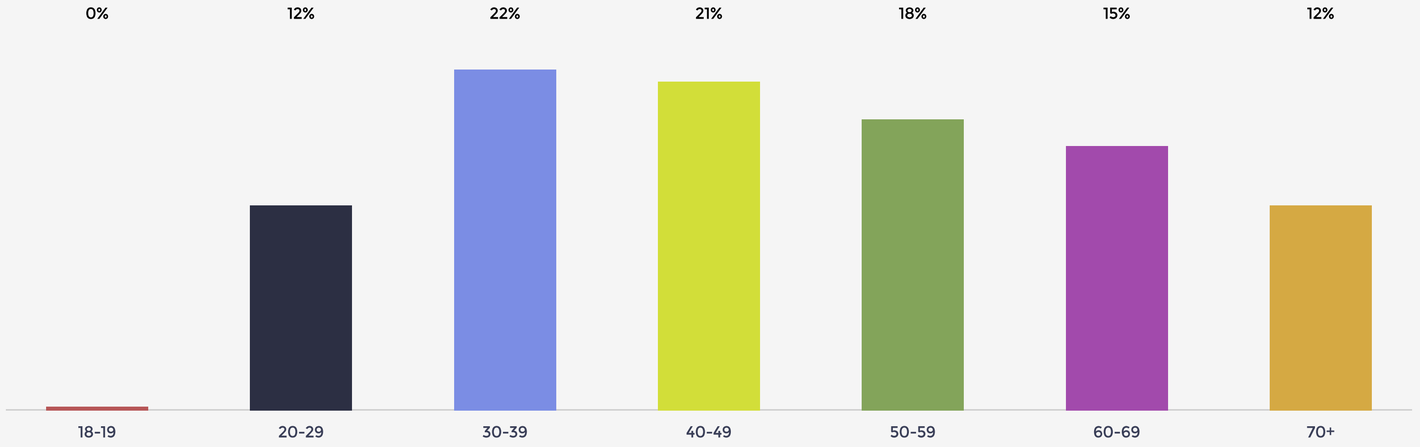
- Although the most significant part of the revenue stream comes from the consumer loan segment, we see great potential in gradually growing other DelfinGroup segments.
- DelfinGroup products cover all age groups thanks to customised financial solutions.



Revenue by business segments 12M 2024



Distribution of active clients by age on 31 December 2024***



**including sold pawn pledges and pledge storage commissions*
***excluding wholesale of precious metals (scrap) and pawn pledges*
****Active consumer lending segment clients in Latvia*

Consolidated income statement

- In 2024 company continued investing in Lithuanian business to set up IT systems, open branches and raise brand awareness.
- Meanwhile Latvian business generated revenue growth of 24% in 2024.
- Profit before tax for Latvian business increased 23% y-o-y and 25% q-o-q.
- EBITDA for Latvian business increased 26% y-o-y and 22% q-o-q.

Income statement, EUR'000	2024 Q4	2023 Q4	Change %	2024 12M	2023 12M	Change %
Total revenue	17,356	13,912	+25%	62,957	50,423	+25%
Cost of sales	-2,373	-1,977	+20%	-7,027	-6,086	+15%
Credit loss expenses	-4,060	-2,608	+56%*	-15,104	-10,687	+41%*
Interest expenses and similar expenses	-2,891	-2,450	+18%	-10,911	-8,579	+27%
Gross profit	**8,031**	**6,878**	**+17%**	**29,916**	**25,071**	**+19%**
Selling expenses	-2,985	-2,388	+25%	-11,002	-8,747	+26%
Administrative expenses	-2,421	-2,063	+17%	-9,340	-7,727	+21%
Other operating income	46	37	+23%	181	75	+140%
Other operating expenses	-75	-145	-48%	-375	-383	-2%
Profit before tax	**2,596**	**2,319**	**+12%**	**9,378**	**8,290**	**+13%**
Income tax expense	-568	-1,021	-44%**	-1,974	-1,662	+19%**
Net profit	**2,028**	**1,298**	**+56%**	**7,404**	**6,628**	**+12%**
EBITDA	**5,983**	**5,137**	**+16%**	**22,135**	**18,191**	**+22%**

** Credit loss expenses have increased mainly due to the significant loan portfolio growth over the last year, resulting in increased provisions. Costs also partly driven by increase in LGD*

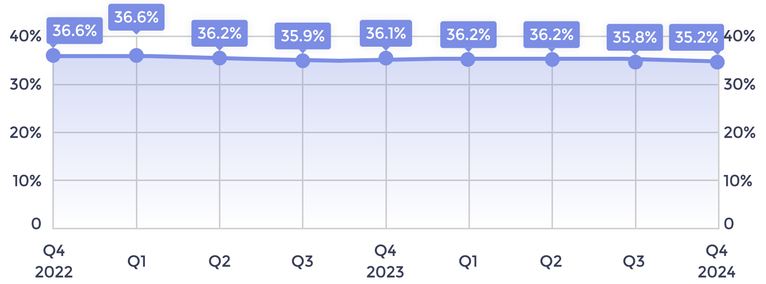
*** Decreased Corporate income tax (CIT) in Q4 2024 compared to Q4 2023 due to changes in CIT regulation at the end of 2023 when all the tax for 2023 was applied in Q4 2023. In 2024 company paid CIT in full amount from pre-tax profit throughout the year and not from the dividends as it was in 2023.*

Consolidated balance sheet

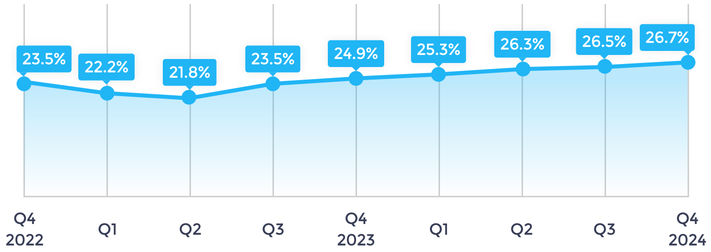
Balance sheet, EUR'000	31.12.2024	31.12.2023	Change %
Fixed and intangible assets	3,228	2,680	+20%
Right-of-use assets	2,653	2,887	-8%
Net loan portfolio	113,477	89,026	+27%
Inventory and scrap	3,991	3,391	+18%
Other assets	1,454	1,149	+52%
Cash	2,628	5,929	-56%
Total assets	**127,431**	**105,061**	**+21%**
Equity	**25,057**	**21,322**	**+18%**
Share capital and reserves	4,541	4,538	+0%
Share premium	6,891	6,891	+0%
Other capital reserves	223	170	+32%
Retained earnings	13,402	9,724	+38%
Liabilities	**102,372**	**83,739**	**+22%**
Interest-bearing debt	95,084	76,971	+24%
Trade payables and other liabilities	4,337	3,600	+20%
Lease liabilities for right-of-use assets	2,954	3,168	-7%
Total equity and liablities	**127,431**	**105,061**	**+21%**

Financial ratios

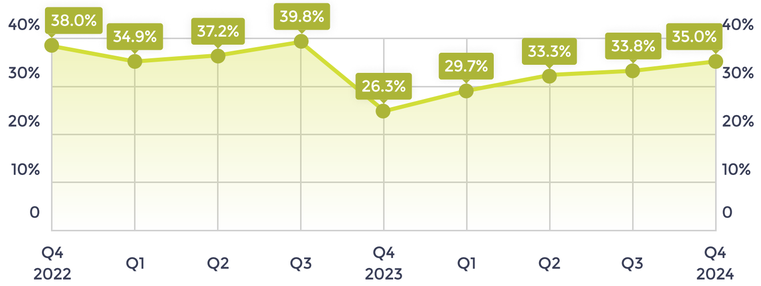
EBITDA margin*



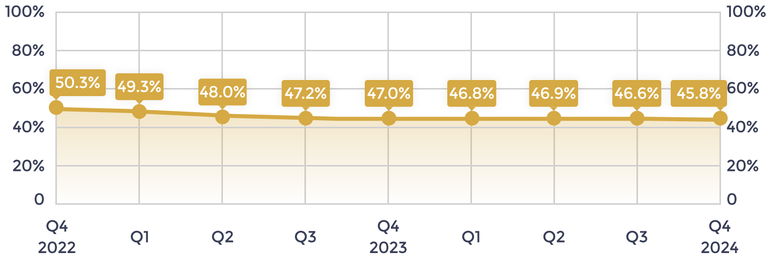
Adjusted equity ratio**



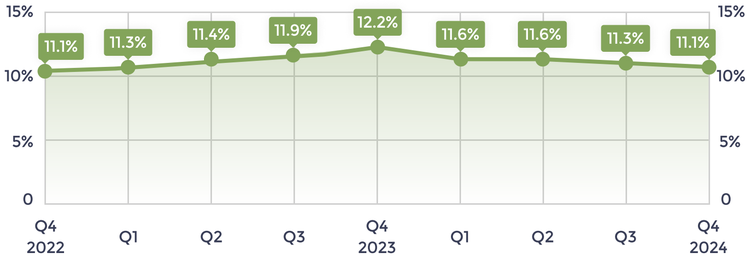
ROE***



Cost-to-income ratio*

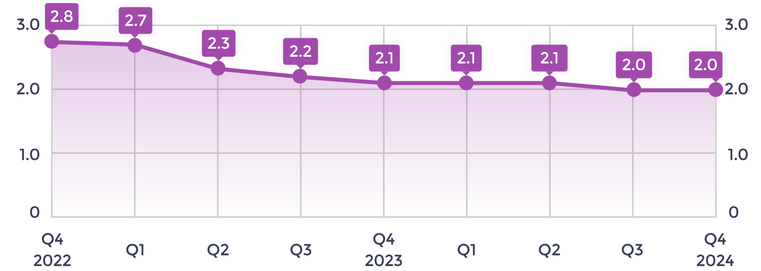


Cost of interest-bearing liabilities



EUR 56 million of funding currently has a floating EURIBOR rate. A potential decrease in interest rates will positively impact the company's funding costs.

Interest coverage ratio*



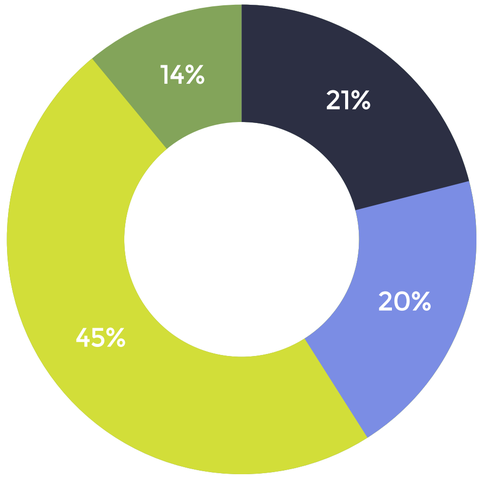
**Last 12 months figures.*

***Including subordinated debt*

****Annualized.*

EBITDA margin data for previous periods of 2023 restated as per corrections made in the audited annual statements for 2023.

Capital structure



Equity	25.1 m €
Mintos	24.6 m €
Bonds	54.0 m €
Banks	17.4 m €

DelfinGroup on MIntos

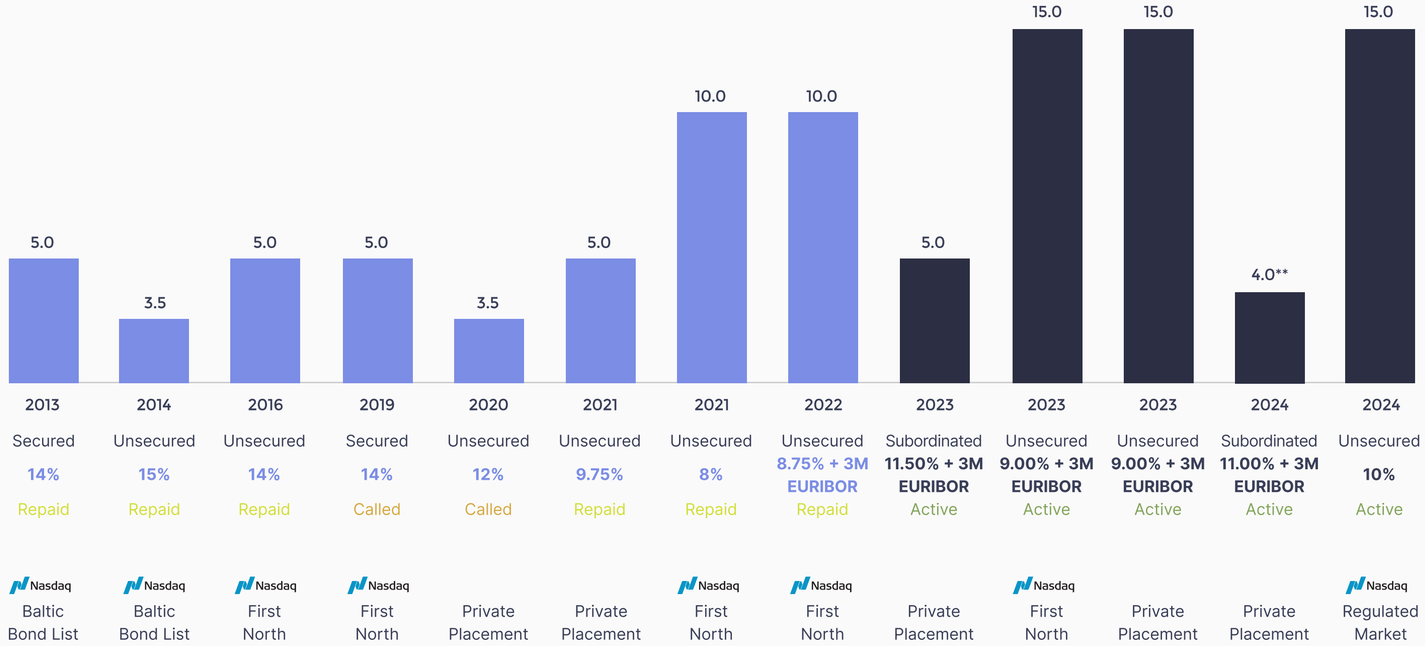
Since
2016

Active investors
80+ thousand

Investors from
100+ countries

Bond financing track record*

m €



In September 2024 DelfinGroup organized a successful public bond issue with oversubscription of 148% with total demand reaching EUR 22.3 million.

In Q4 2024 bonds ISIN LV0000860146 and LV0000802700 were listed on Nasdaq First North.

In Q4 DelfinGroup received overdraft from Citadele banka for 4.9 million euros for 2 years. The overdraft facility is used to increase the efficiency of the company's cash management.

**In nominal value*
***Amount which has been subscribed from the initial placement on 31.12.2024.*

Dividends

Unique dividend distribution proposal in Baltics

Quarterly dividends

- At least **4 dividend payments** per year
- Up to 50% from previous Q profit

Dividend yield

7.8%*

**Based on share price of EUR 1.15 on 24 February 2025 and including management's proposed dividends from Q4 2024 net profit.*

Dividend period	Dividend payment date	EUR/ Share	EUR Total	Payout ratio***
Q4 2024	Upon shareholders approval**	0.0223**	1 012 564**	49.93%**
Q3 2024	30.12.2024	0.0210	953 535	49.79%
Q2 2024	01.10.2024	0.0202	916 626	49.76%
Q1 2024	14.06.2024	0.0178	807 720	49.89%
Q4 2023	16.04.2024	0.0143	648 898	49.99%
Q3 2023	28.12.2023	0.0214	969 839	49.80%
Q2 2023	29.09.2023	0.0195	883 732	49.95%
Q1 2023	30.06.2023	0.0177	802 157	49.73%

Dividend period	Dividend payment date	EUR/ Share	EUR Total
Annual	12.07.2024	0.0088	399 322
Annual	17.05.2022, 15.07.2022	0.0552	2 501 642

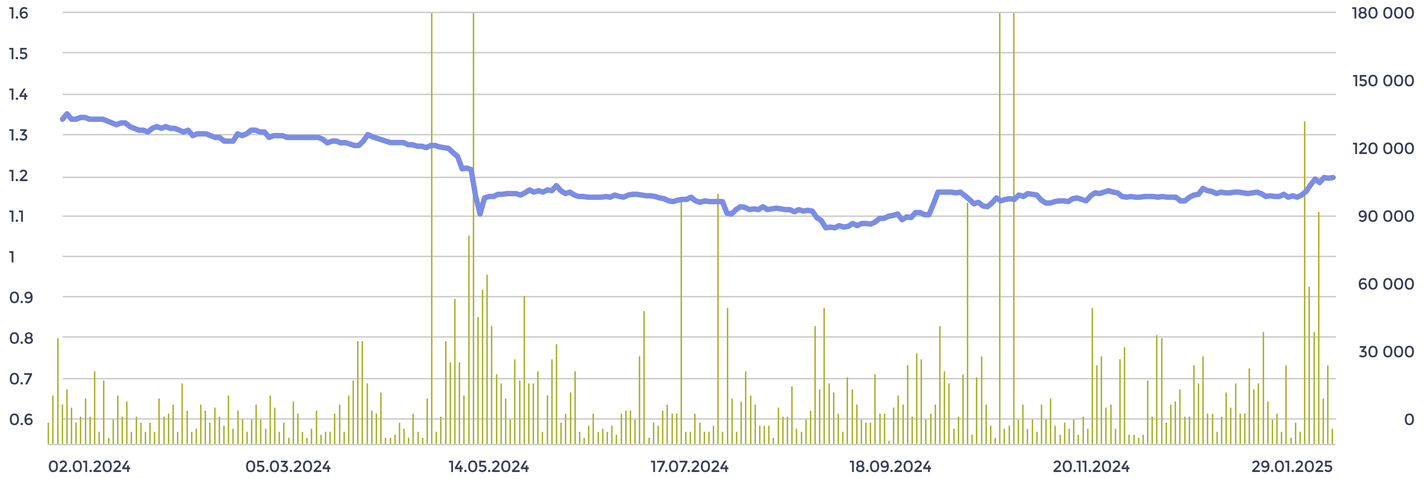
***Proposed dividends, distribution is subject to Shareholders meeting decision.*
****Dividend amount paid from the net profit of the respective quarter.*

Share performance

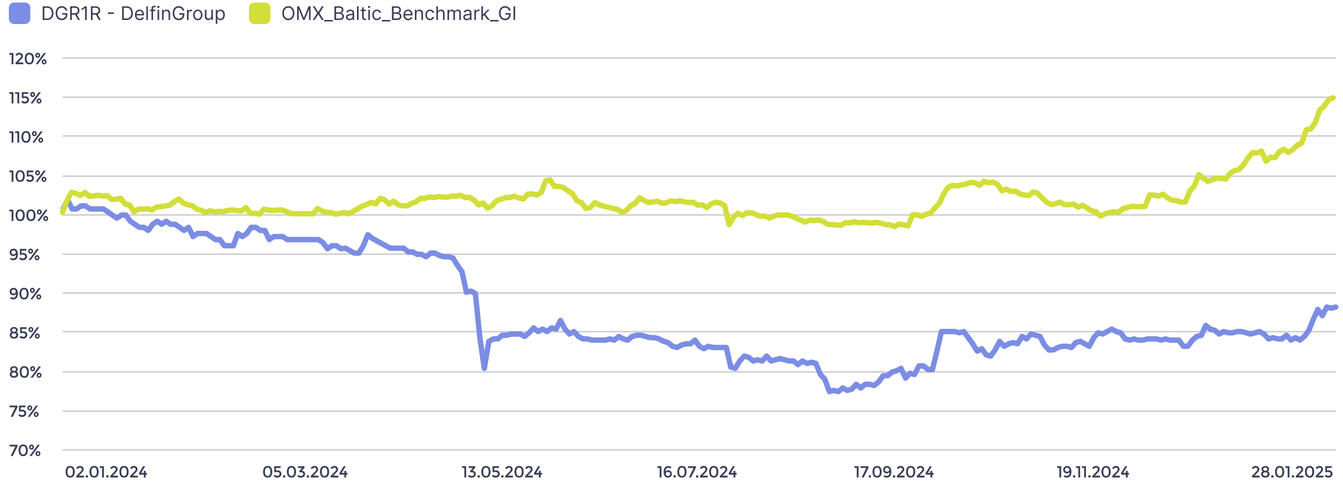
- Share price changes since Q2 2024 due to the largest shareholder's public share offerings in which the shares were offered at a discount for a price of EUR 1.09 per share. Since then the share price has recovered to EUR 1.15 level.
- DelfinGroup investors have received additionally EUR 0.2902 per share in dividends since IPO.

31.12.2024	DelfinGroup	Financial industry*
Capitalization m €	48.9	-
EPS TTM €	0.163	-
P/E	6.55	7.46
ROE	35.0%	20.2%

Share price and turnover, €



Share dynamics compared to indexes



**Average ratio for financial services companies listed on Nasdaq Baltic Main list on 31.12.2024. as per last published financial data.*

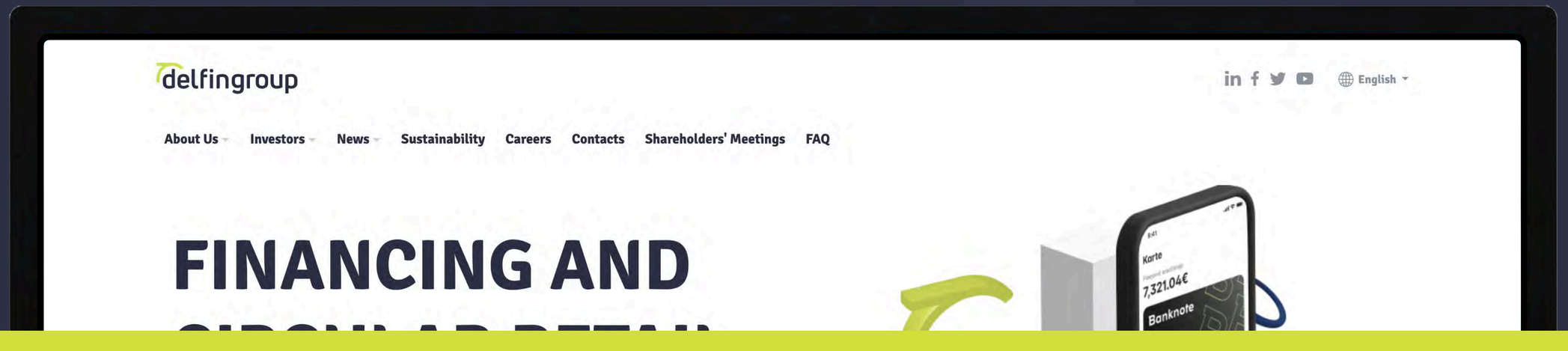
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Key Results



Business Highlights



Business Performance



Appendix

Consolidated income statement

Balance sheet, EUR'000	2021				2022				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1*	Q2*	Q3*	Q4	Q1	Q2	Q3	Q4
Total revenue	5,890	5,765	6,335	7,199	7,586	8,095	9,587	10,507	11,333	11,970	13,208	13,912	14,260	14,838	16,503	17,356
Cost of sales	-620	-862	-721	-955	-780	-1,080	-1,179	-1,164	-1,372	-1,096	-1,641	-1,977	-1,505	-1,166	-1,983	-2,373
Credit loss expenses	-735	-595	-827	-658	-1,410	-1,082	-1,628	-2,041	-2,466	-2,769	-2,843	-2,608	-3,421	-3,550	-4,072	-4,060
Interest expenses and similar expenses	-1,011	-852	-918	-1,046	-689	-958	-1,390	-1,632	-1,792	-2,052	-2,285	-2,450	-2,561	-2,662	-2,797	-2,891
Gross profit	**3,524**	**3,457**	**3,868**	**4,541**	**4,707**	**4,975**	**5,390**	**5,670**	**5,702**	**6,052**	**6,439**	**6,878**	**6,773**	**7,461**	**7,651**	**8,031**
Selling expenses	-1,326	-1,442	-1,524	-1,832	-1,757	-1,686	-1,939	-2,118	-2,062	-2,054	-2,244	-2,388	-2,588	-2,575	-2,854	-2,985
Administrative expenses	-945	-1,054	-1,019	-1,200	-1,280	-1,346	-1,477	-1,671	-1,766	-1,957	-1,942	-2,063	-2,068	-2,482	-2,369	-2,421
Other operating income	16	11	29	29	24	22	21	37	15	12	11	37	25	38	72	46
Other operating expenses	-142	154	-127	-20	-115	-123	-60	-16	-64	82	-92	-145	-103	-117	-81	-75
Profit before tax	**1,128**	**1,125**	**1,227**	**1,517**	**1,579**	**1,842**	**1,935**	**1,901**	**1,825**	**1,971**	**2,174**	**2,319**	**2,039**	**2,324**	**2,419**	**2,596**
Income tax expense	-324	-299	-201	-155	-188	-742	-154	-212	-212	-202	-226	-1,021	-420	-482	-504	-568
Net profit	**804**	**826**	**1,026**	**1,362**	**1,391**	**1,099**	**1,782**	**1,689**	**1,613**	**1,769**	**1,948**	**1,298**	**1,619**	**1,842**	**1,915**	**2,028**
EBITDA	**2,399**	**2,241**	**2,400**	**2,922**	**2,559**	**3,091**	**3,628**	**3,833**	**3,923**	**4,345**	**4,786**	**5,137**	**5,028**	**5,422**	**5,702**	**5,983**

**Data for previous periods of 2023 restated as per corrections made in the audited annual statements for 2023*

Consolidated balance sheet

Balance sheet, EUR'000	2021*				2022*				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fixed and intangible assets	864	818	789	1,201	1,031	1,351	1,387	1,470	1,595	1,823	2,150	2,680	2,814	3,032	3,192	3,228
Right-of-use assets	3,281	3,145	3,013	2,973	2,915	2,733	2,783	2,636	2,698	2,712	2,655	2,887	2,701	2,804	2,736	2,653
Loans to related parties	445	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loan portfolio	32,937	33,859	38,812	43,755	47,967	54,397	60,501	67,518	73,453	78,099	84,552	89,026	95,554	101,549	107,734	113,477
Inventory and scrap	976	938	1,167	1,255	1,240	1,566	1,844	2,290	3,909	4,662	3,571	3,391	3,558	3,782	3,905	3,991
Other assets	495	331	746	520	541	364	1,333	875	1,042	1,105	1,081	1,149	893	1,860	1,370	1,454
Cash	1,907	594	2,541	2,360	1,704	2,314	4,010	2,369	2,398	3,013	3,222	5,929	2,995	4,354	5,546	2,628
Total assets	**40,905**	**39,688**	**47,069**	**52,163**	**55,667**	**62,765**	**71,858**	**77,158**	**85,095**	**91,415**	**97,232**	**105,061**	**108,515**	**117,381**	**124,483**	**127,431**
Equity	**8,639**	**8,108**	**8,696**	**17,476**	**17,989**	**15,885**	**17,059**	**18,106**	**18,915**	**19,917**	**21,016**	**21,322**	**22,332**	**22,381**	**23,996**	**25,057**
Share capital and reserves	4,000	4,000	4,000	4,532	4,532	4,352	4,532	4,532	4,532	4,532	4,532	4,538	4,538	4,538	4,538	4,541
Share premium	-	-	-	6,891	6,891	6,891	6,891	6,981	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891
Other capital reserves	-	-	-	-	-	-	-	93	128	163	198	170	210	215	240	223
Retained earnings	4,639	4,108	4,696	6,053	6,566	4,462	5,636	6,590	7,364	8,331	9,395	9,724	10,694	11,329	12,327	13,402
Liabilities	**32,266**	**31,580**	**38,373**	**34,687**	**37,678**	**46,881**	**54,799**	**59,052**	**66,180**	**71,497**	**76,216**	**82,613**	**86,183**	**94,409**	**100,487**	**102,374**
Interest-bearing debt	26,894	26,360	33,290	28,412	31,644	40,477	49,704	53,974	59,840	65,872	71,336	76,971	78,152	86,298	92,190	95,084
Trade payables and other liabilities	1,798	1,768	1,751	1,970	2,788	3,307	1,999	2,159	3,365	2,629	1,934	2,474	5,045	5,015	5,263	4,337
Lease liabilities for right-of-use assets	3,574	3,452	3,332	3,305	3,246	3,096	3,097	2,918	2,974	2,997	2,946	3,168	2,986	3,096	3,034	2,954
Total equity and liablities	**40,905**	**39,688**	**47,069**	**52,163**	**55,667**	**62,765**	**71,858**	**77,158**	**85,095**	**91,415**	**97,232**	**105,061**	**108,515**	**117,381**	**124,483**	**127,431**

** Data reflected according to restated comparatives in the latest financial statements.*

Sustainability



Promotion of circular economy

Prolonged life-cycle of consumer goods.

More than 160k pre-owned items sold yearly.



Inclusive society

The most geographically available financial institution in Latvia. 90+ branches across Latvia.

Serving the underserved customer segments.

Charitable activities for children, seniors and people living in regions.



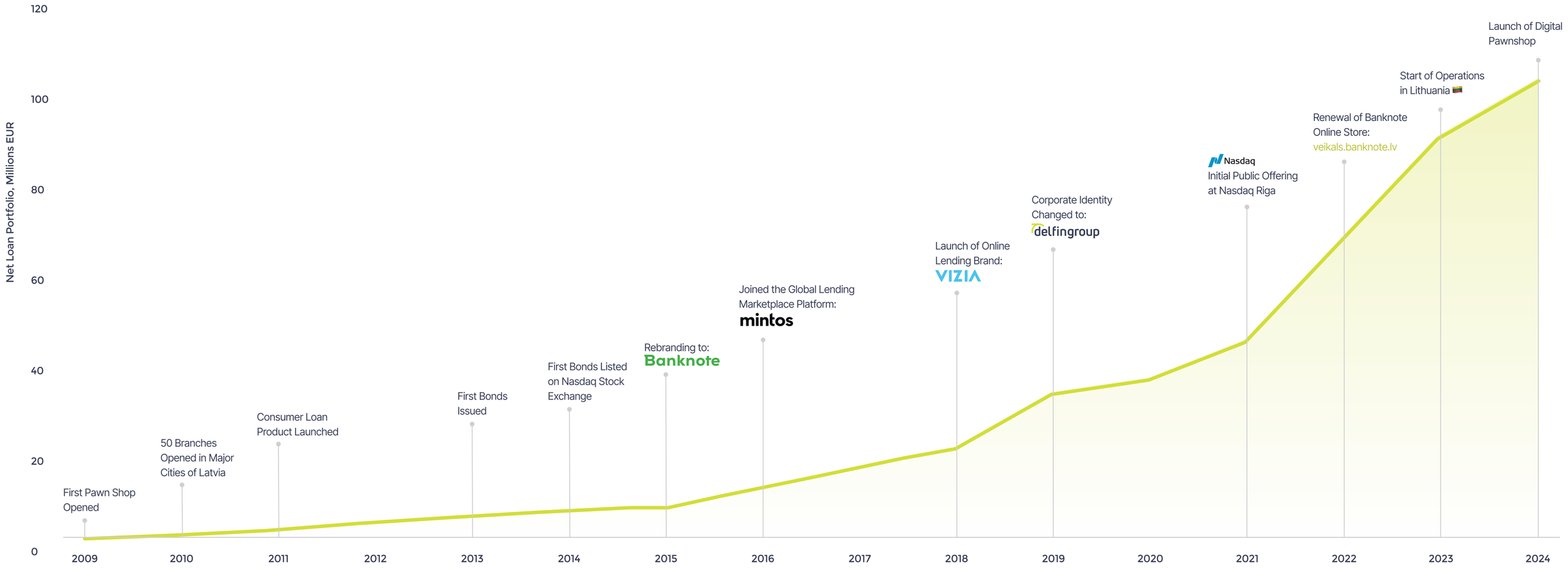
Sustainable corporate governance

3 independent members of the Supervisory Board.

Independent internal audit unit.

Relevant united nations sustainable development goals:

Historic timeline



Highly appreciated company

Top Employer
CV-Online Latvia

Best Trader of Latvia
Latvian Traders Association

Gold Category in Sustainability Index 2023
Institute of Corporate Sustainability and Responsibility

Latvian Corporate Governance Award 2021
Latvian Corporate Governance Advisory Board

Family-Friendly Workplace
THe Society Integration Foundations

ISO 9001, ISO 5001 Certification
Bureau Veritas

Definitions for alternative performance measures

EBITDA

Earnings before interest, taxes, depreciation and amortization = (Profit before tax) + (Interest expenses and similar expenses) + (Rights of used assets depreciation) + (Depreciation of fixed assets) + (Amortization). Used as a measure of corporate performance as it shows earnings before the influence of accounting and financial deductions.

EBITDA Margin

Operating profitability as a percentage of its total revenue, calculated as EBITDA / (Interest income + Gross profit from sale of foreclosed items). Used as a profitability measure that is factoring out the effects of decisions related to financing and accounting.

Interest Coverage Ratio

Profitability and debt ratio, calculated as EBITDA / Interest expenses and similar expenses. Used to determine how easily a company can pay interest on its outstanding debt.

Cost-to-Income Ratio

((Sales expenses) + (Administrative expenses) + (Other expenses (excluding Loss from cession (debt sales) of non-performing loans))) / ((Net sales) – (Cost of sales) + (Interest income and similar income) + (Other operating income) – (Interest expenses and similar expenses))

Return on Equity (ROE)

Net profit for the period/months in the period*12 / (((Equity as at start of the period) + (Equity as at period end)) / 2)

Total Revenue

Net sales + Interest income and similar income. Represents income generated by ompany’s business segments.

Interest-Bearing Debt

Liabilities that require the payment of interest, including bonds, other loans, leasing liabilities etc. Interest-Bearing Debt has a priority over other debts.

Cost of Interest-Bearing Liabilities

Weighted average nominal interest rate calculated by amount of interest bearing liabilities as at period end

Equity Ratio

Equity/Total assets

Non-Performing Loan Ratio

90+ days overdue portfolio share in consumer loan portfolio

Dividend Yield

Dividends per share paid over the last 12 months / price per share. If additional dividend payment is proposed by the company’s Management Board but not yet paid, it is included in the calculation, and the last 12 months are calculated from the proposed dividend payment date.

The goal of alternative performance measures is to provide investors with performance measures that are widely used when making investment decisions and comparing the performance of different companies.

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This presentation is of selective nature and is made to provide an overview of the company's (AS DelfinGroup and its subsidiaries) business.

Unless stated otherwise, this presentation shows information from consolidated perspective.

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