

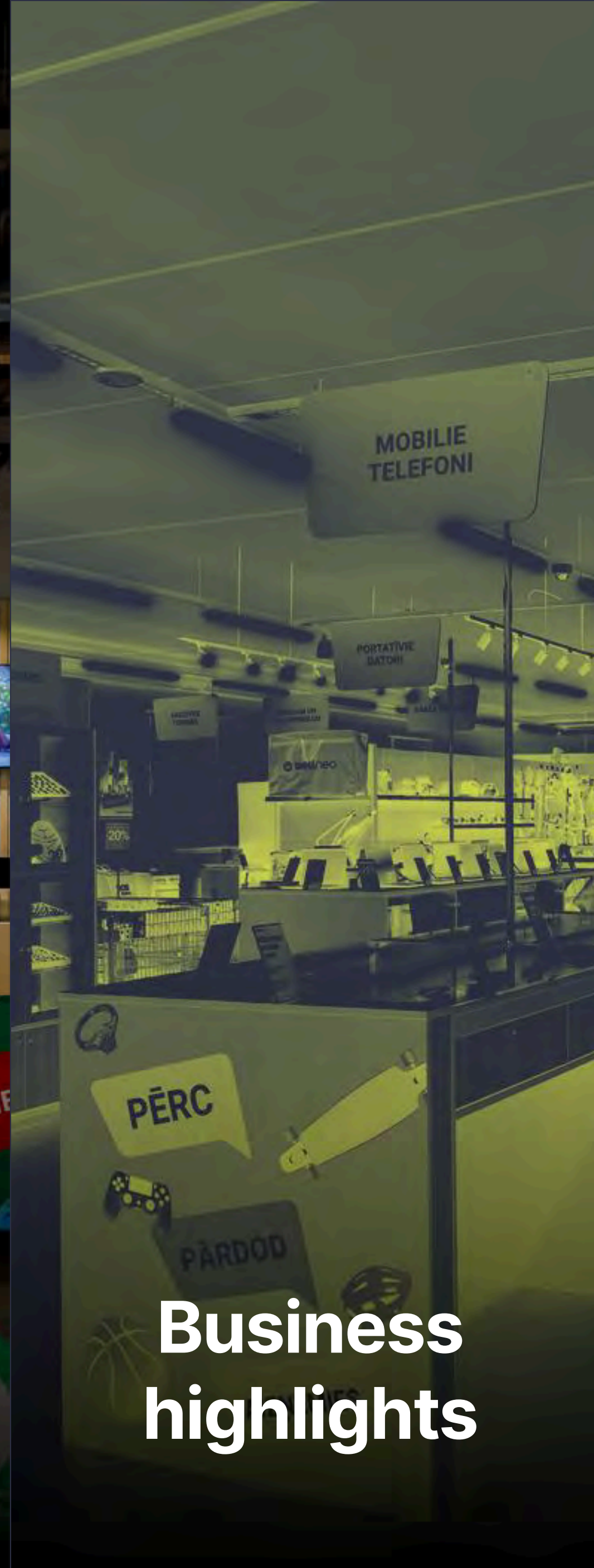
Financial report

Unaudited results for 12 months

Ending 31 December 2024



**Key
results**



**Business
highlights**



**Business
performance**



Q&A session

Key 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

+25%

12M revenue
growth y-o-y

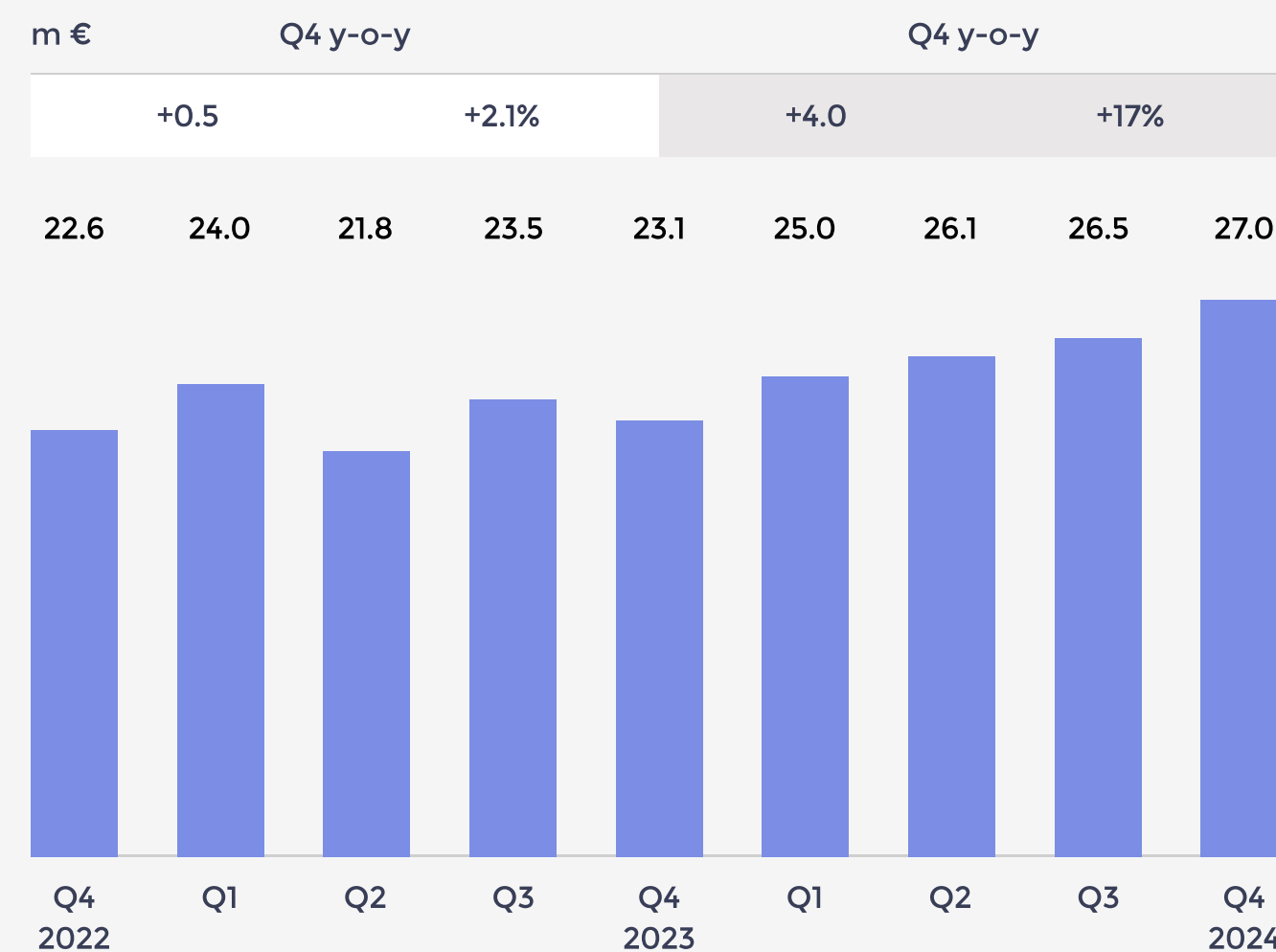
+22%

12M EBITDA
growth y-o-y

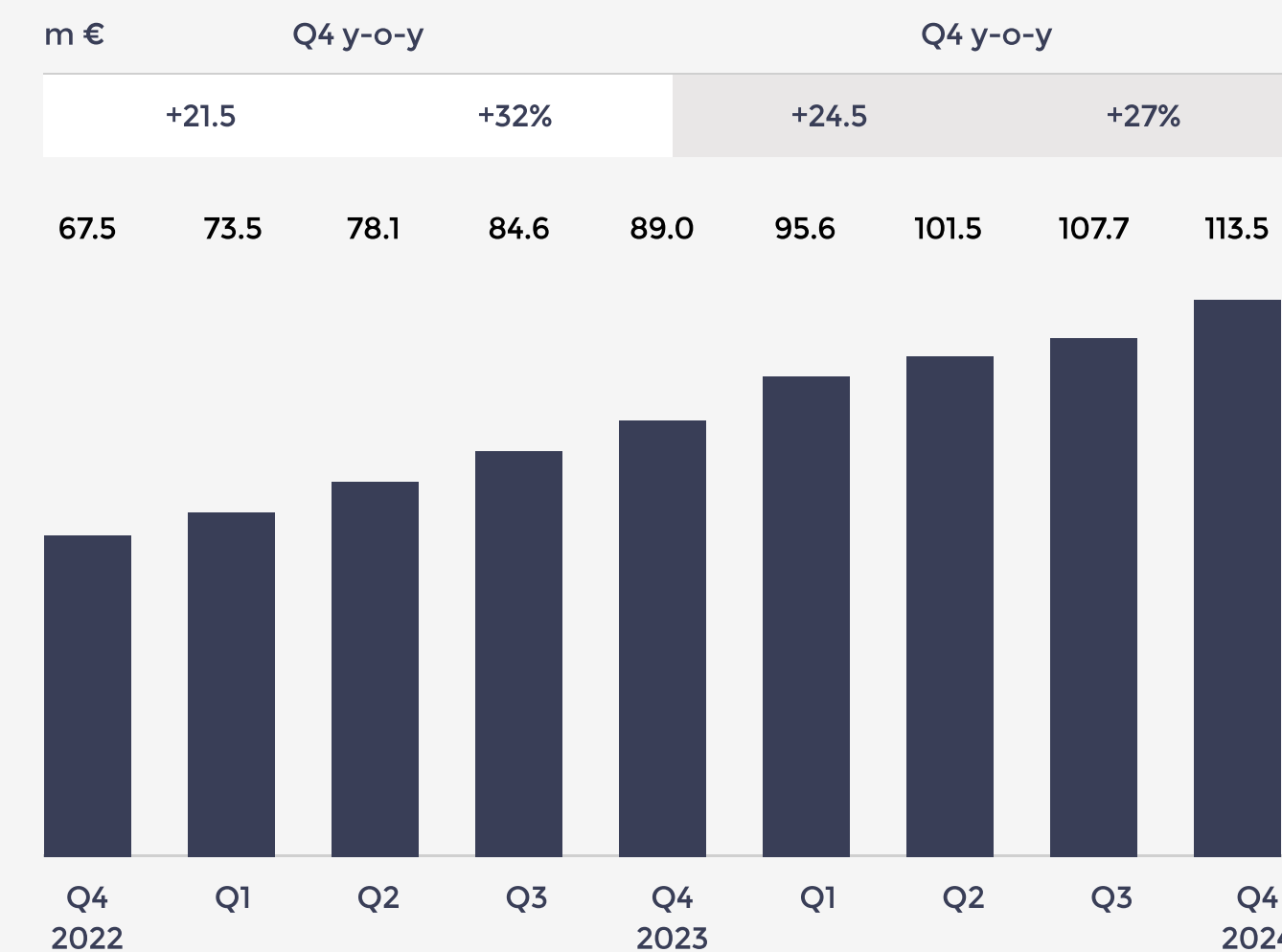
+13%

12M profit before tax
growth y-o-y

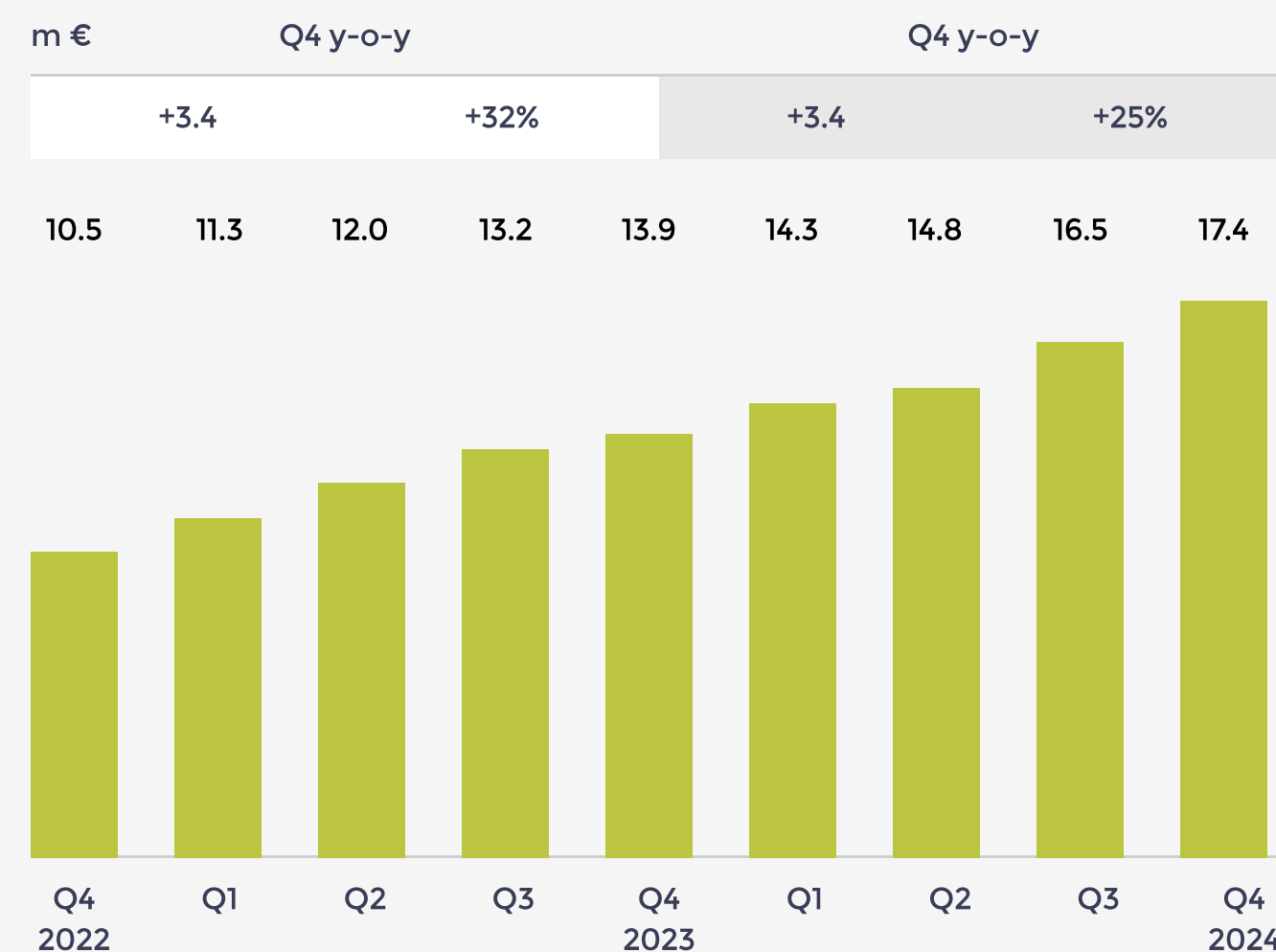
Total loans Issued



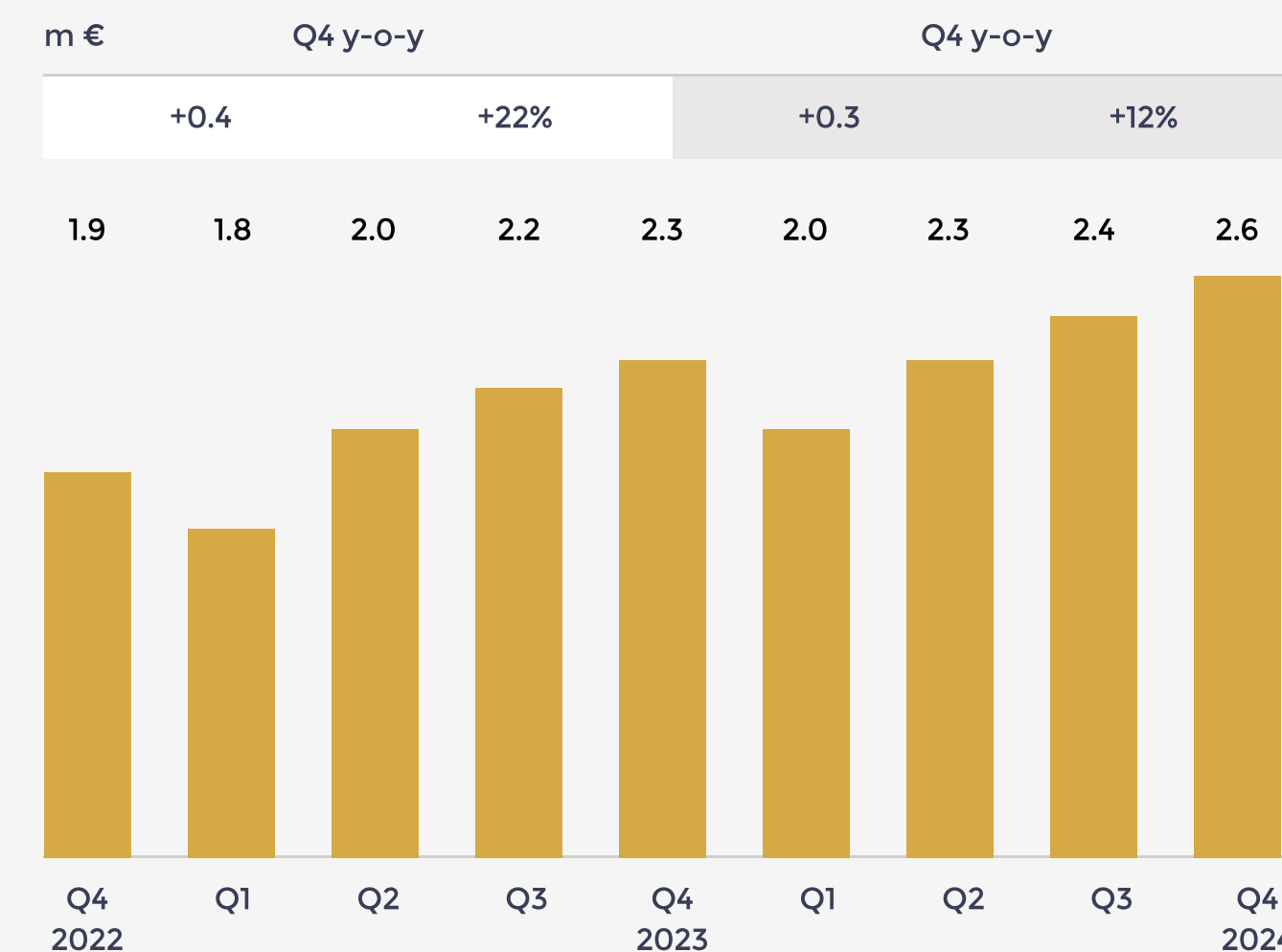
Net loan portfolio



Total revenue



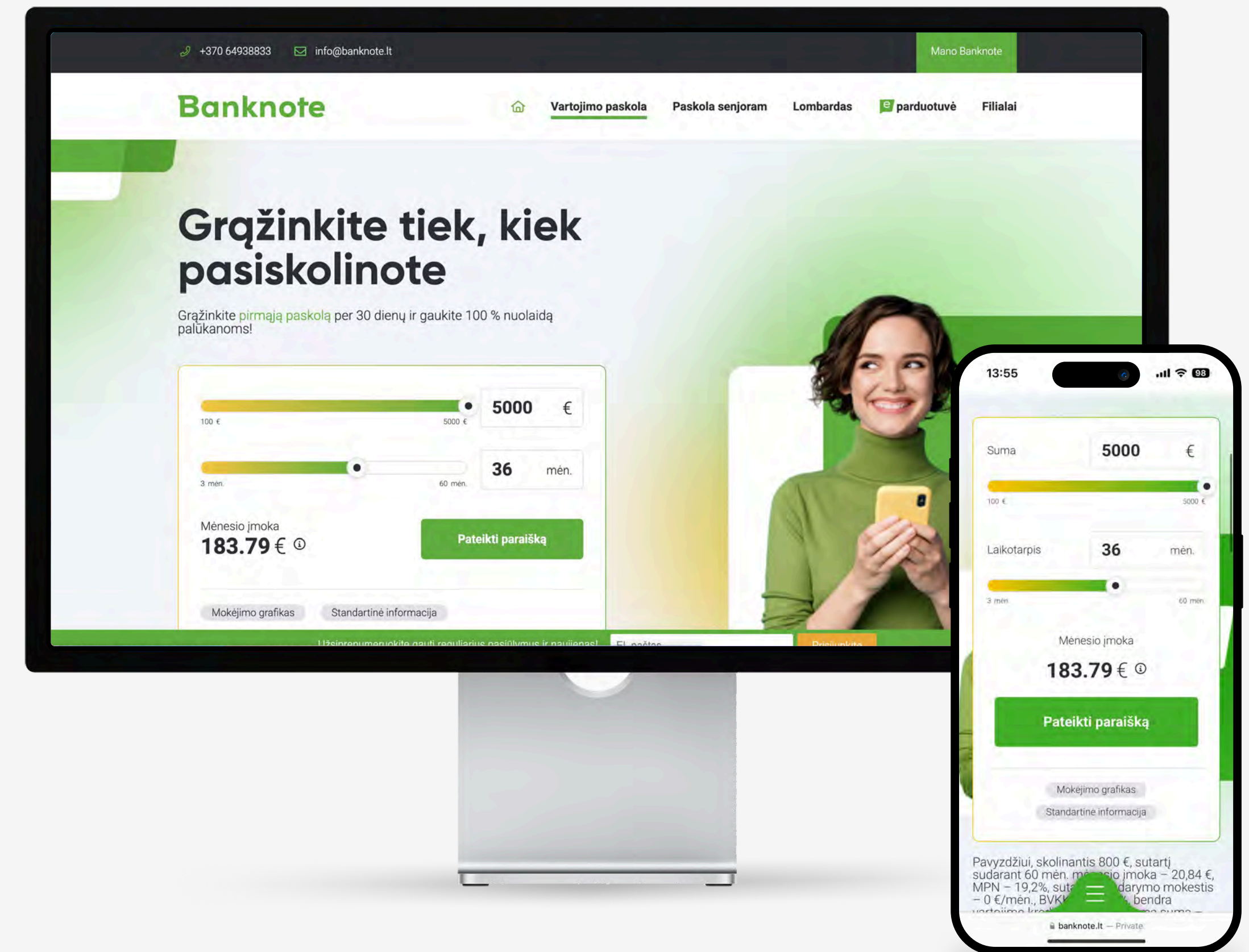
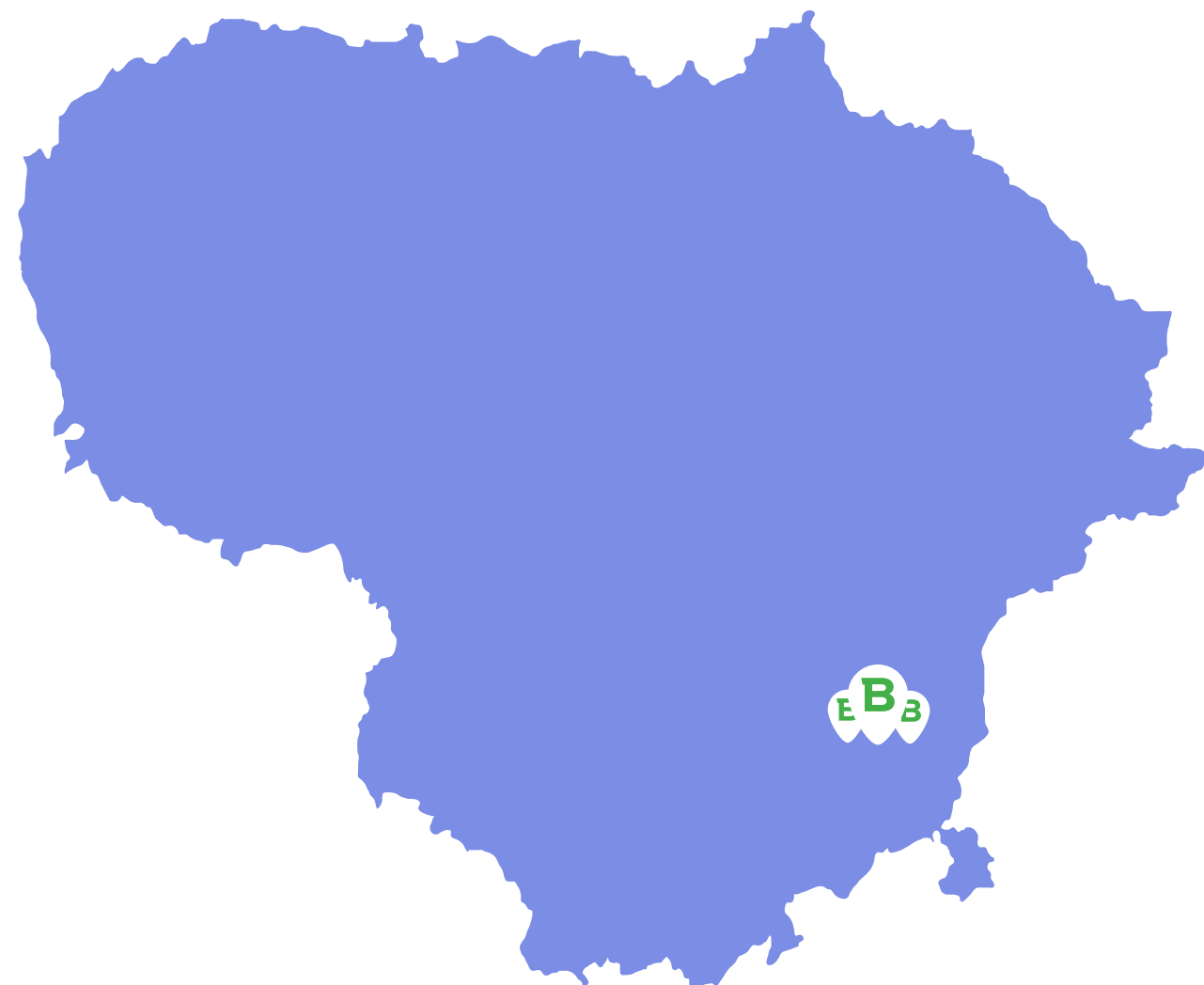
Profit before tax



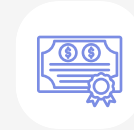


Consumer lending launched in Lithuania 🇱🇹

- 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.

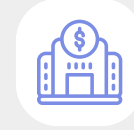


Capital markets & funding highlights



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.

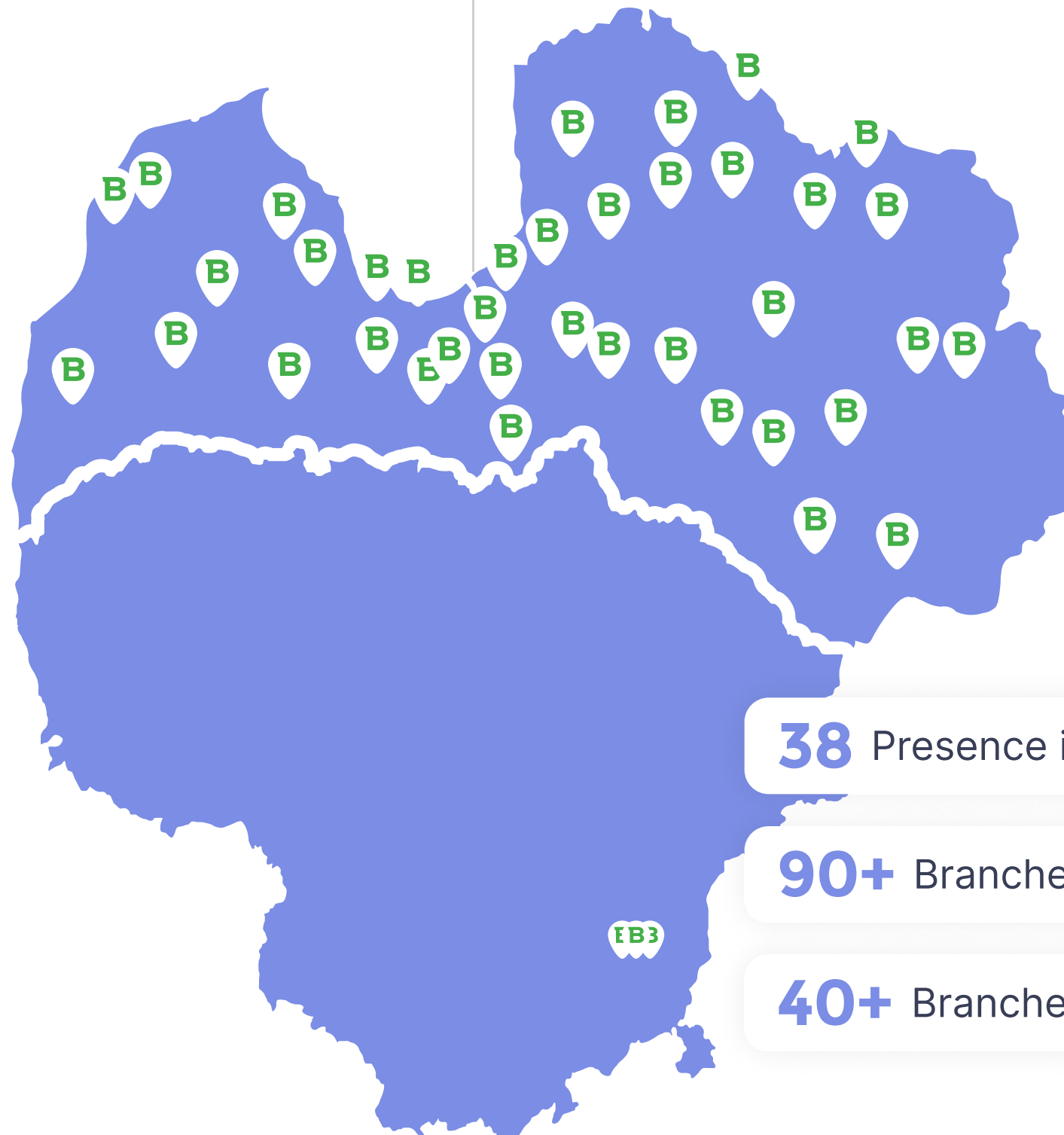
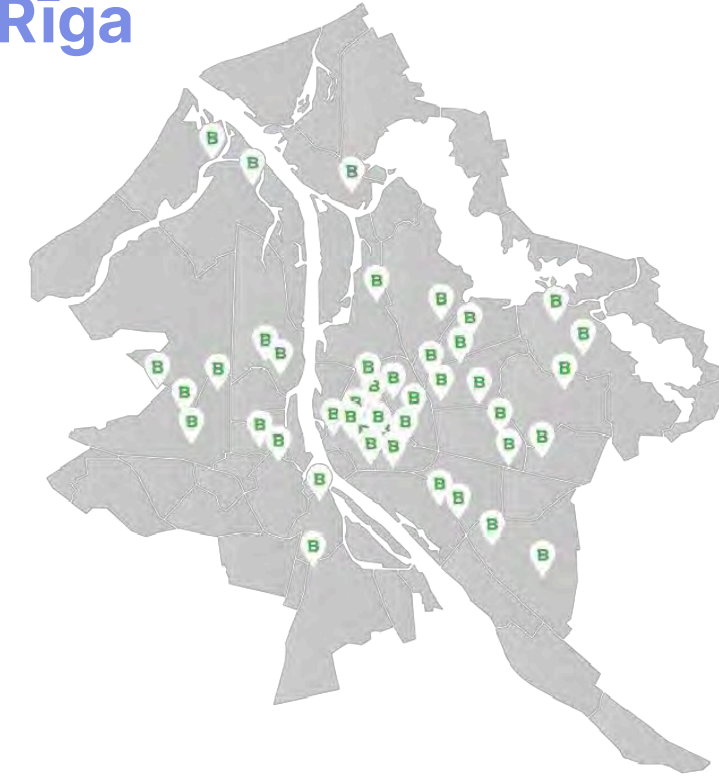
Opening of new branches and expansion of Banknote XL network:

- 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.

Rīga



38 Presence in cities

90+ Branches in Latvia & Lithuania

40+ Branches in Riga

Valmiera branch

Old **VS** New



New



Mārupes street, Rīga

New



Skolas street, Ogre

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



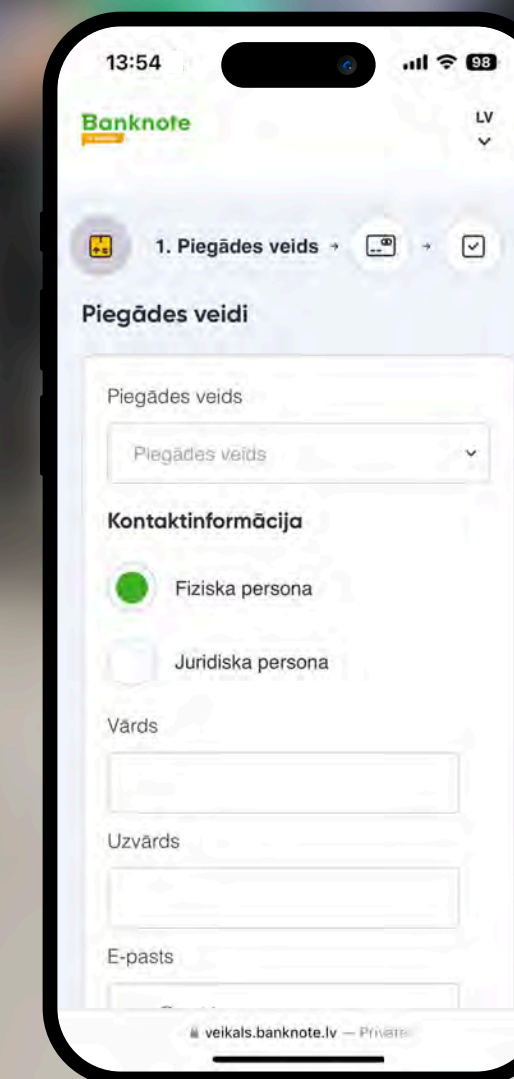
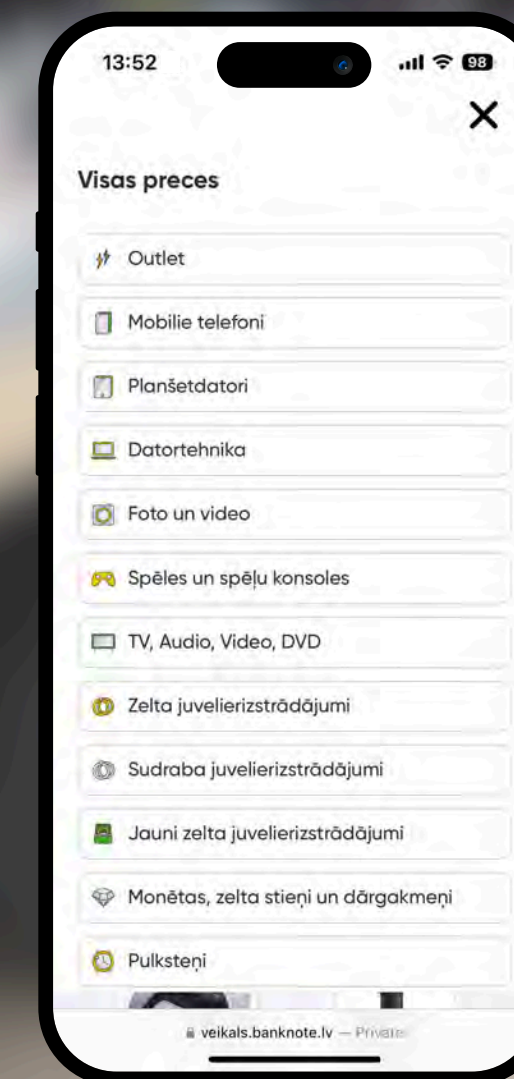
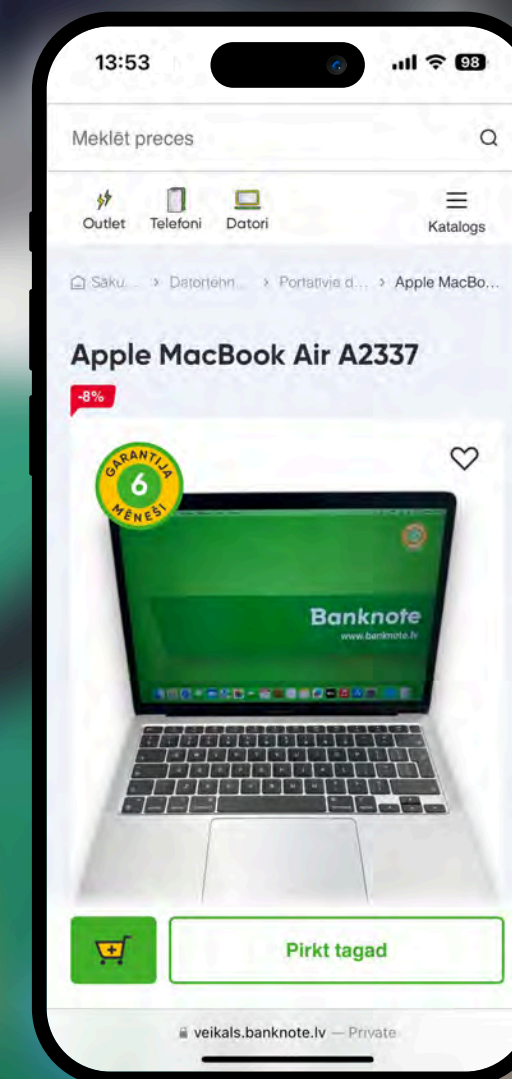
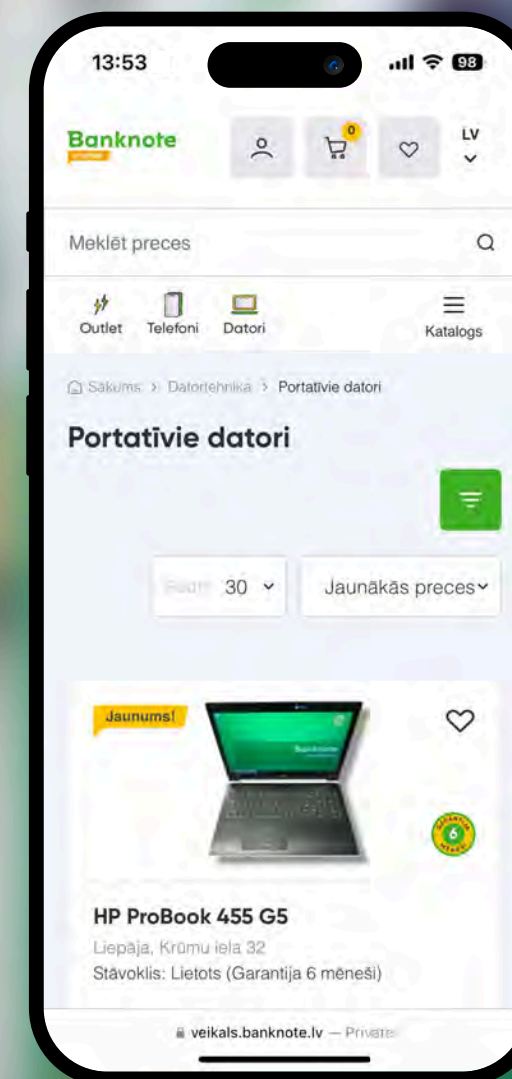
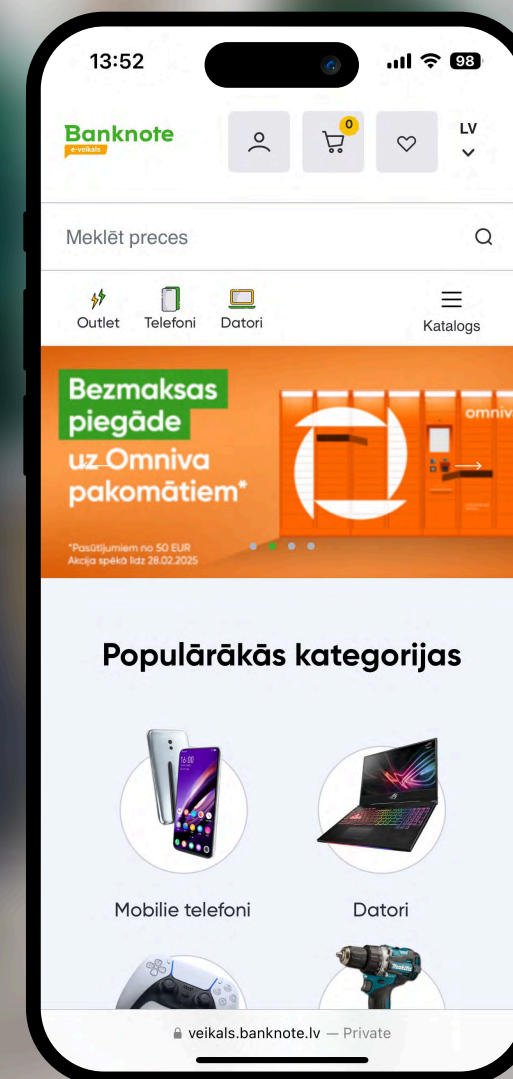
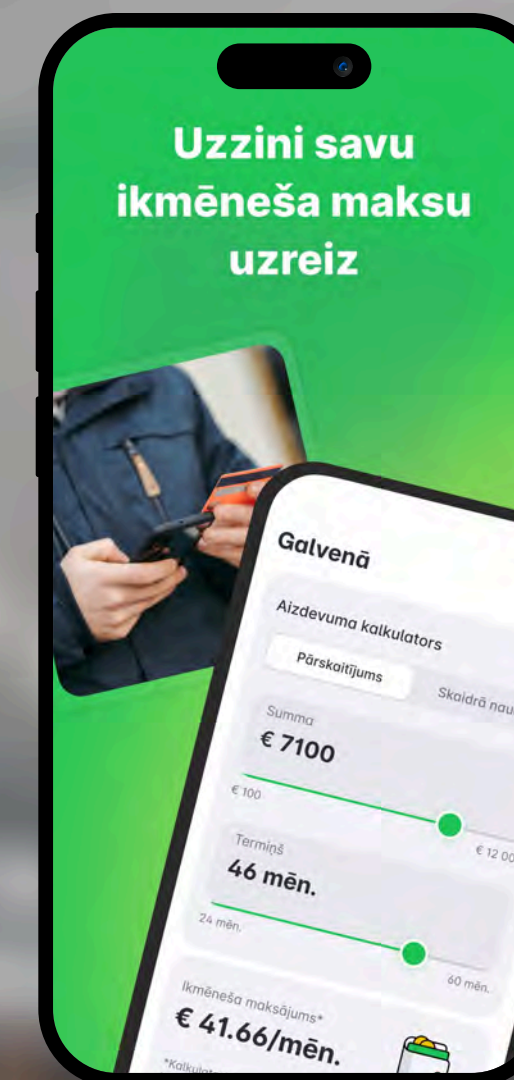
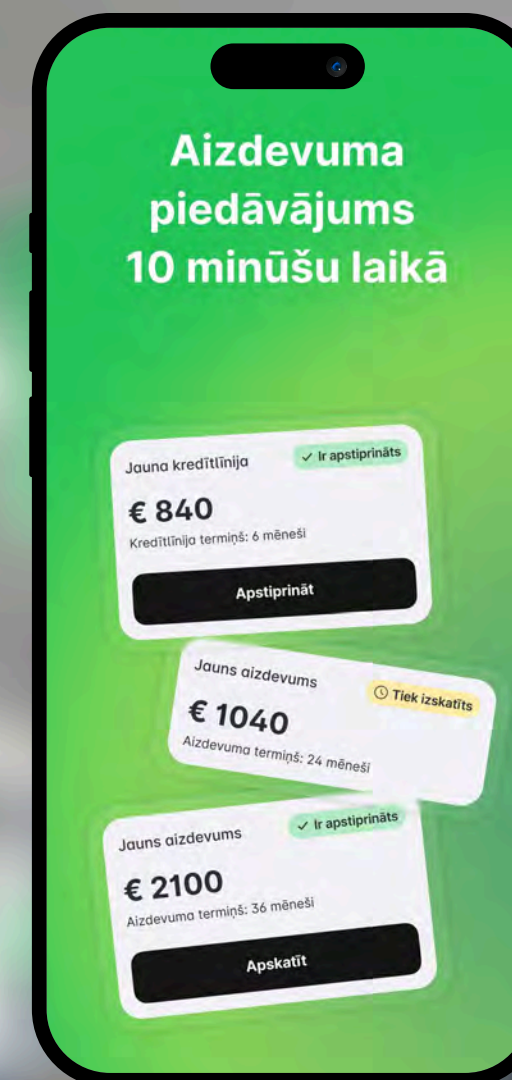
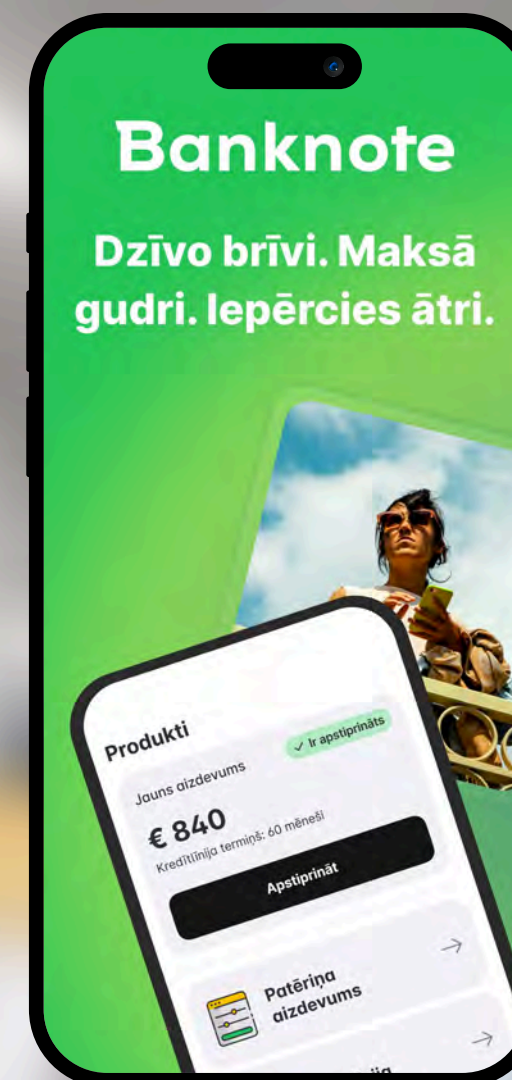
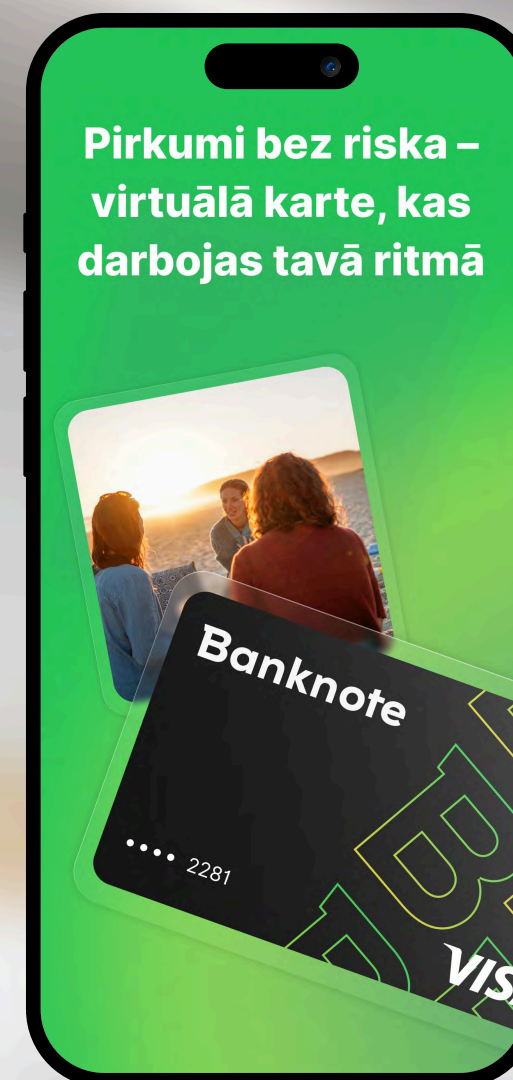
Artificial intelligence (AI) integrations to automate manual
work for product administration

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.

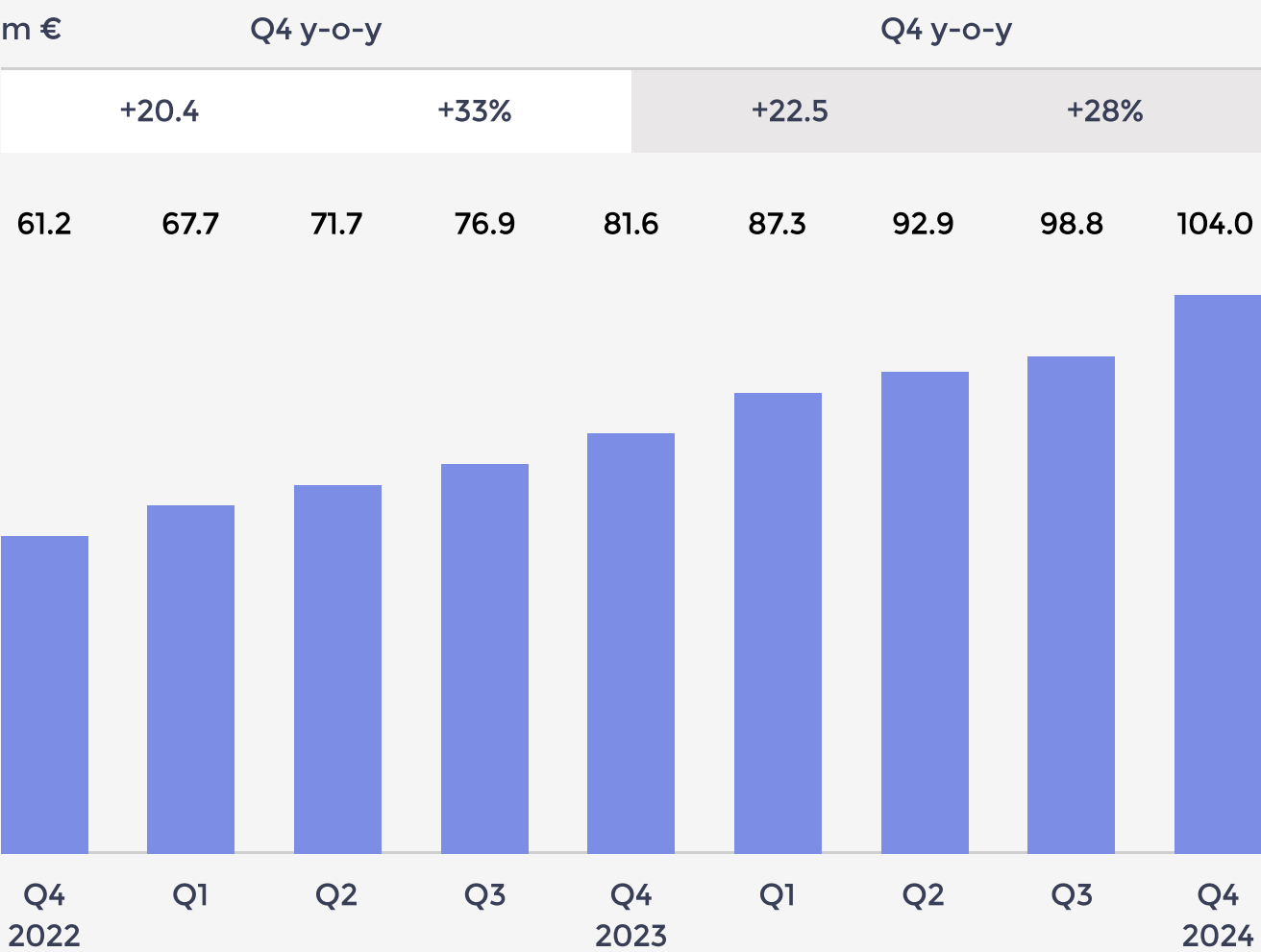




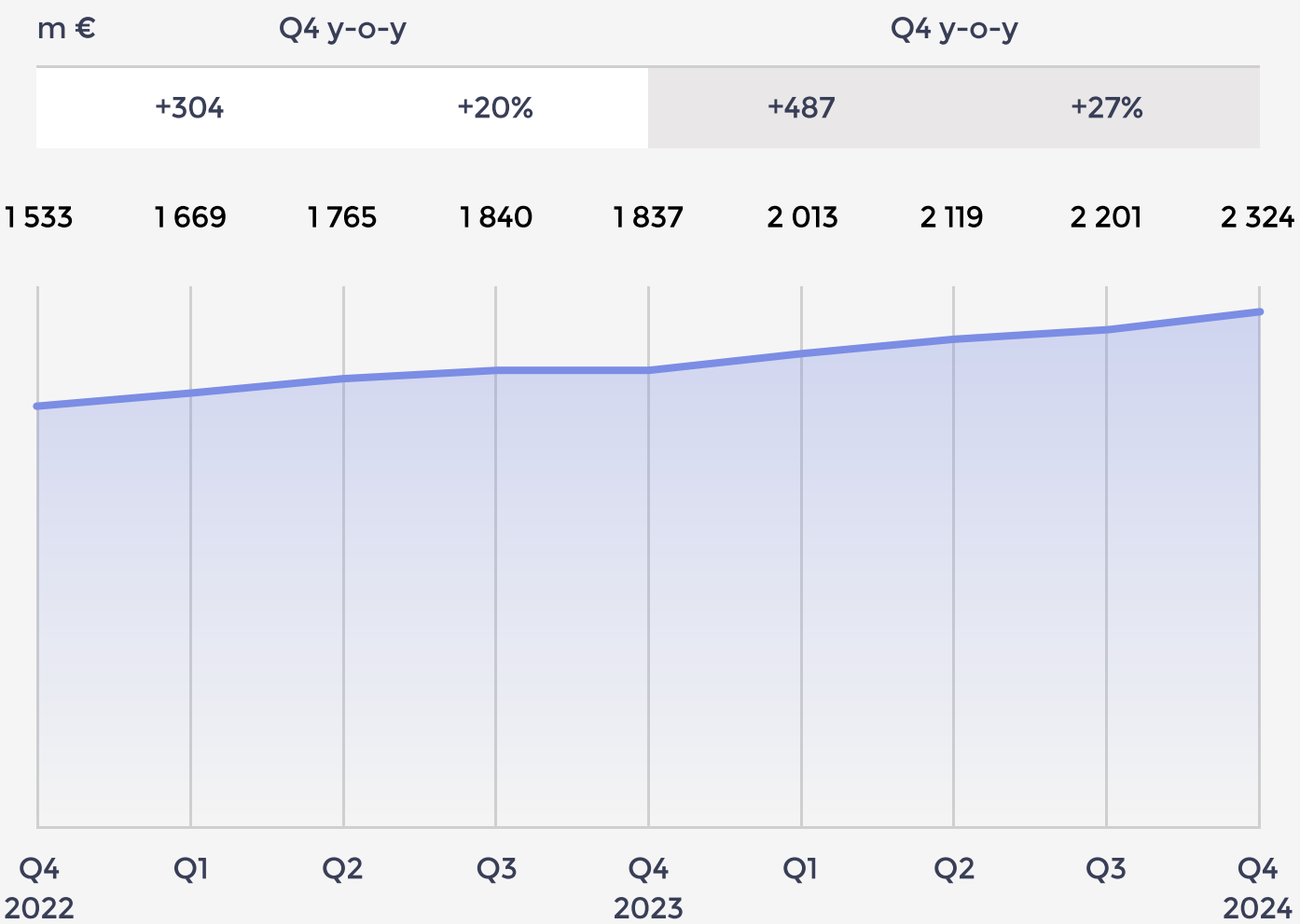
Consumer loans

- 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%.

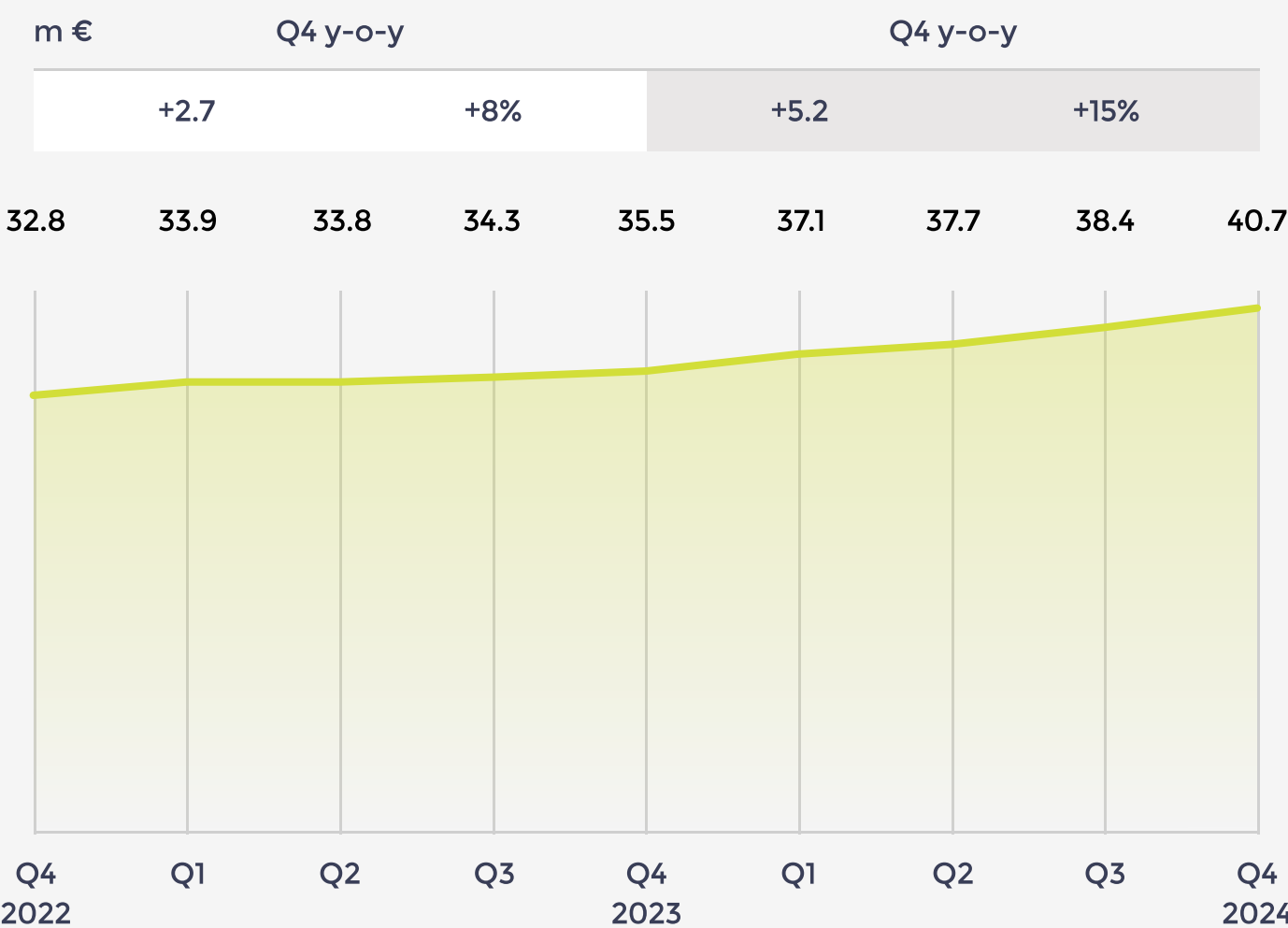
Consumer net loan portfolio



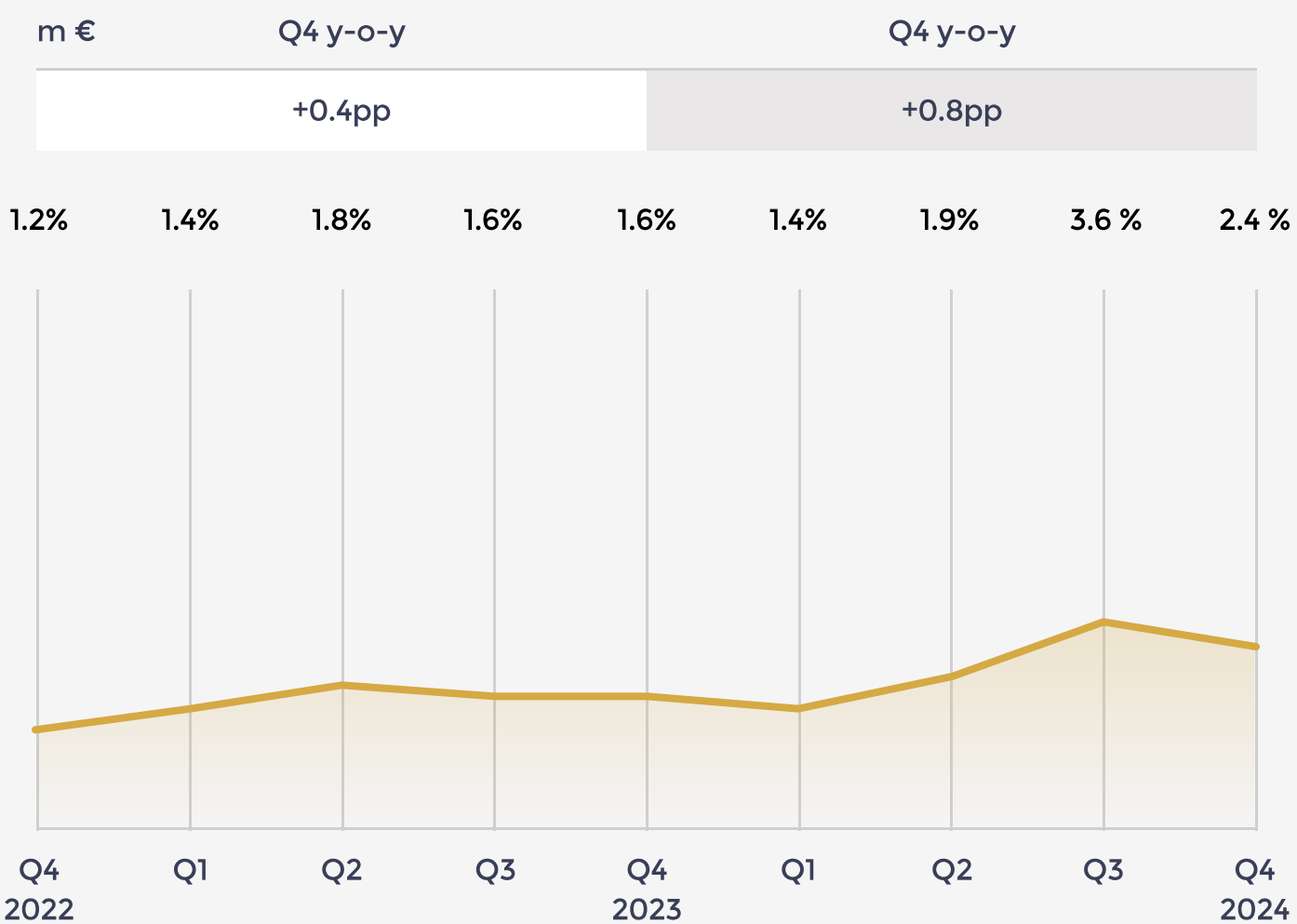
Average loan*



Weighted average term of loans issued



Non-performing loan ratio



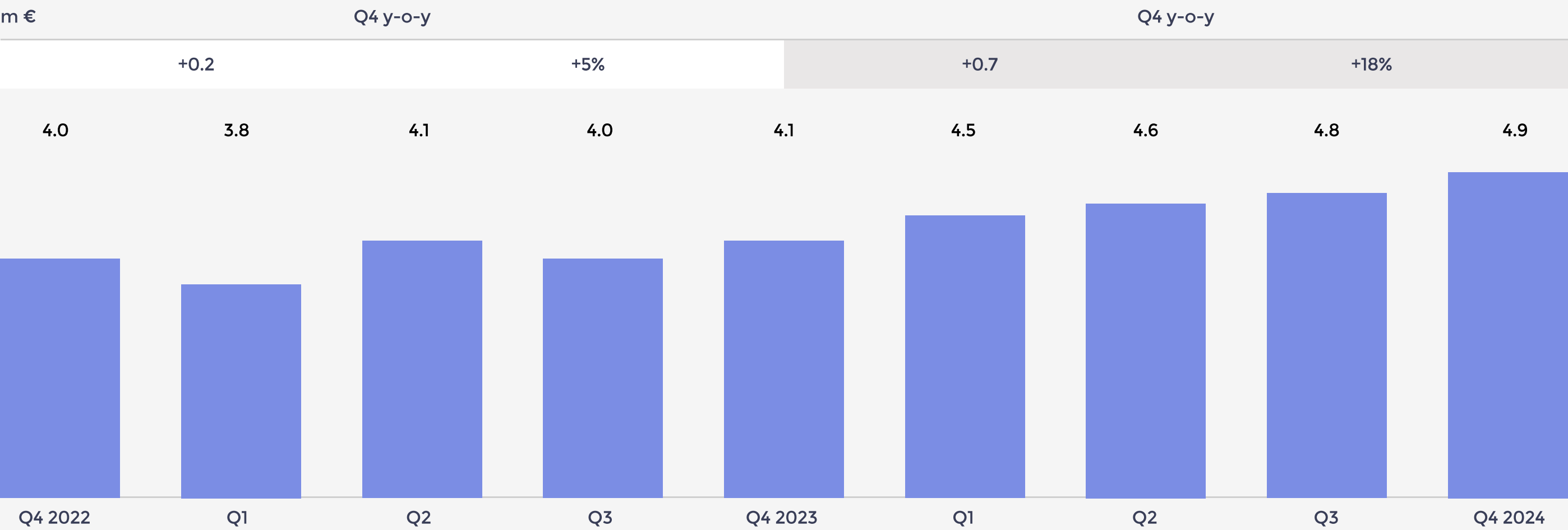
*Average consumer loan balance for one client at the end of period.

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

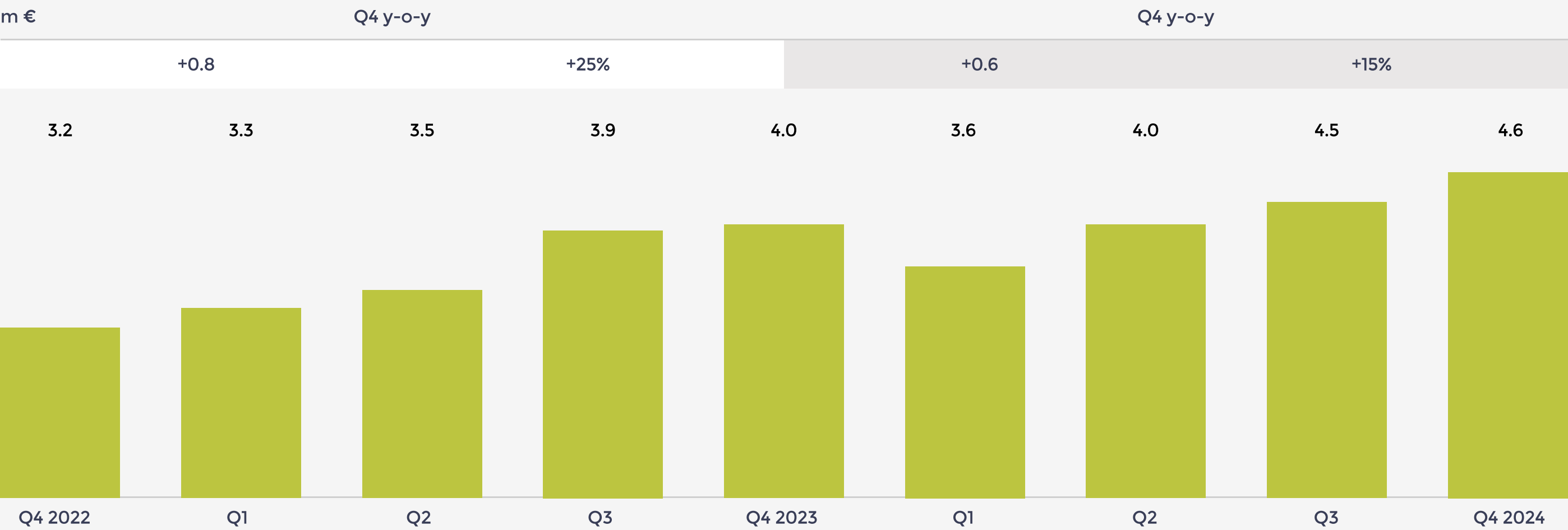


* Active portfolio excluding portfolio part where collateral is available for sale.

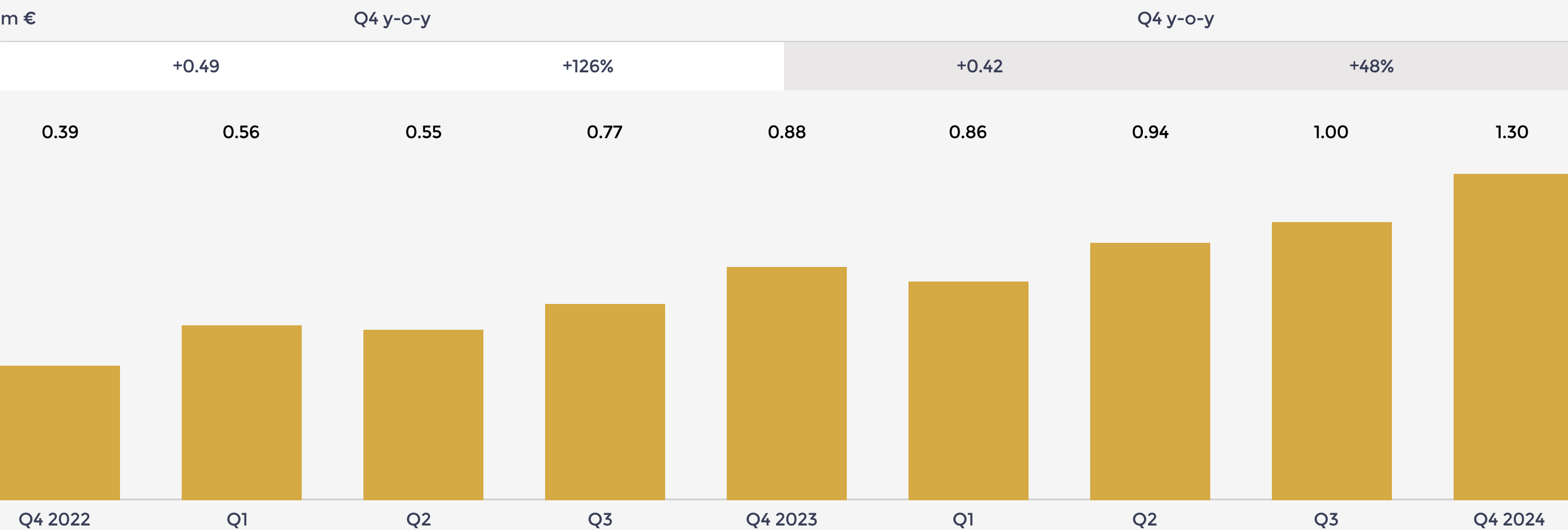
Retail of pre-owned goods*

- 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)

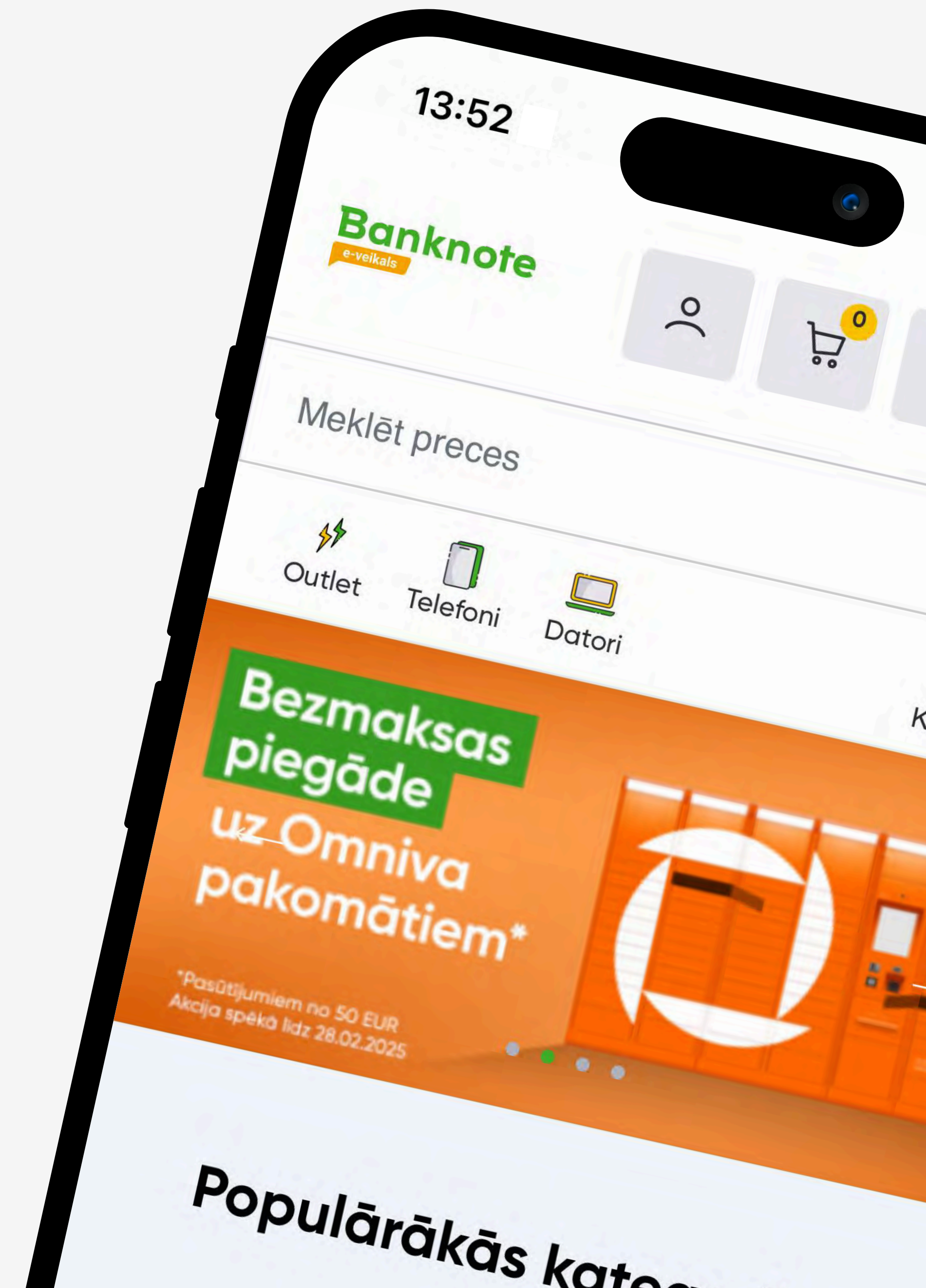


 Jewelry
  Smartphones
  Other
  Computer Equipment

 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.

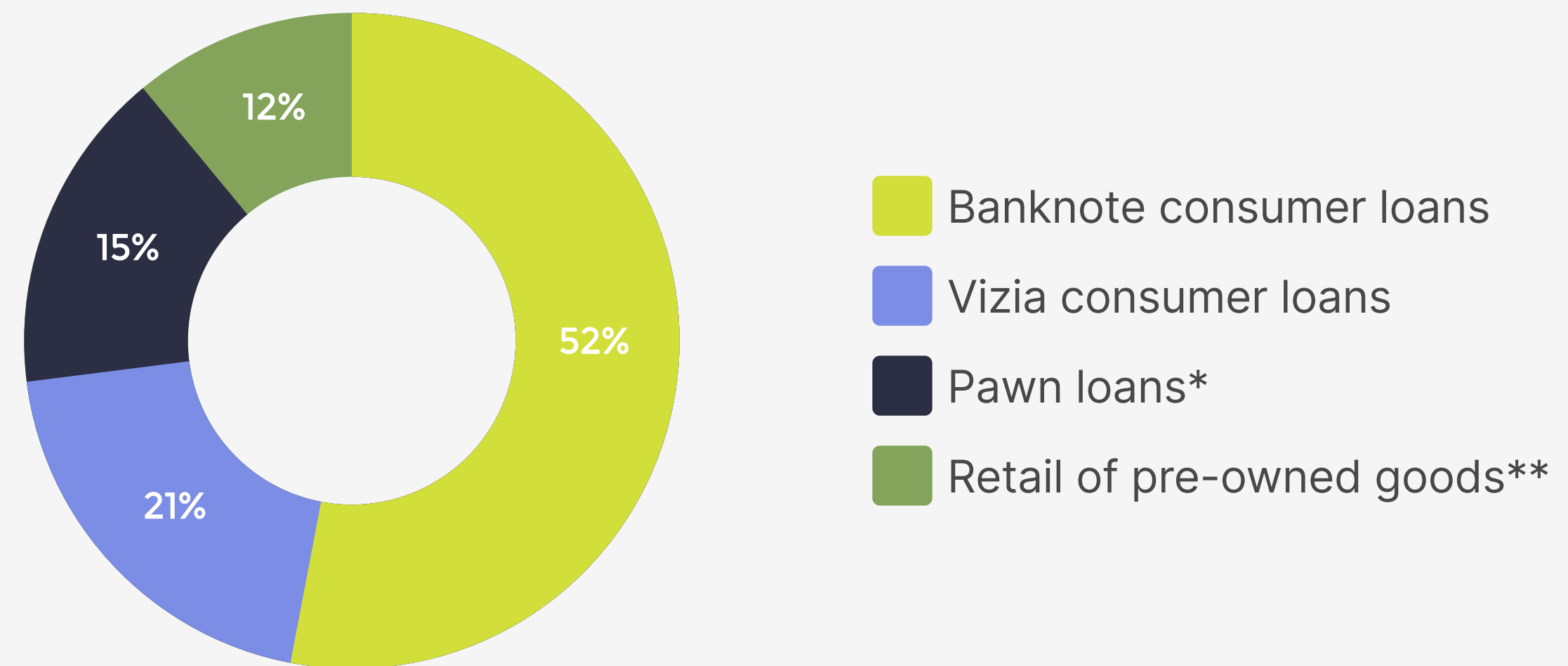
Jewelry is professionally renewed and sold with its original appearance but for a more affordable price.



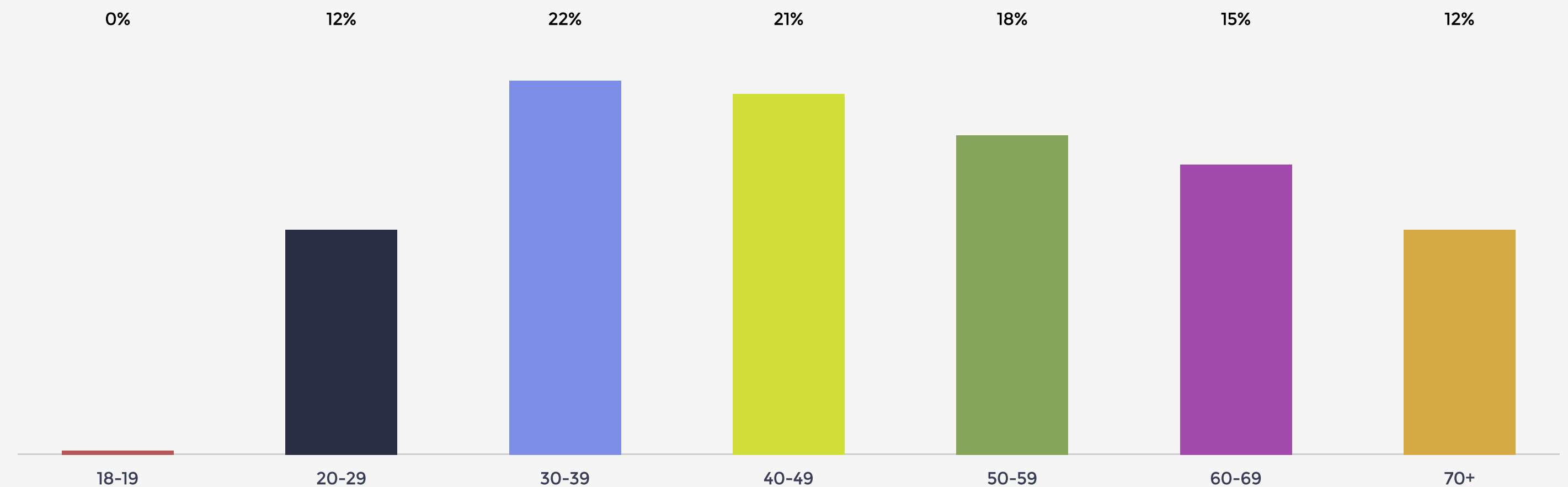
Diversification

- 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

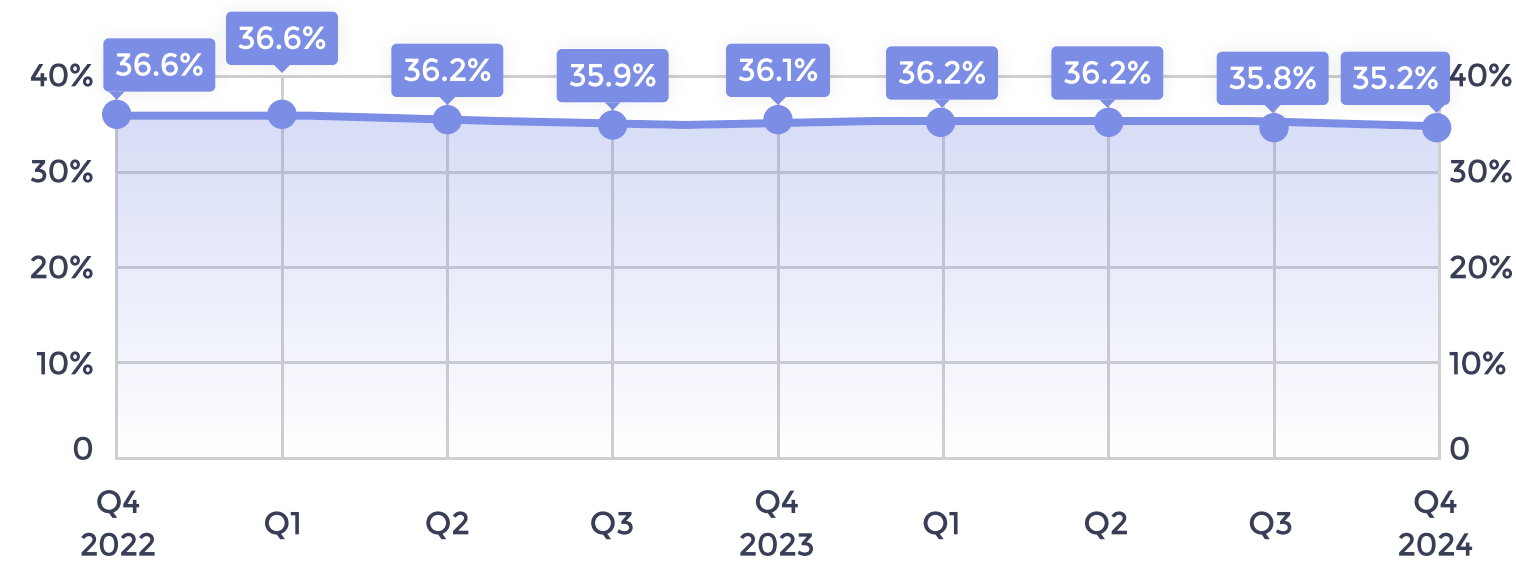
** Decreased Corporate income tax (CIT) in Q4 2024 compared to Q4 2023 due to changes in CIT regulation at the end of 2023 when all the tax for 2023 was applied in Q4 2023. In 2024 company paid CIT in full amount from pre-tax profit throughout the year and not from the dividends as it was in 2023.

Consolidated balance sheet

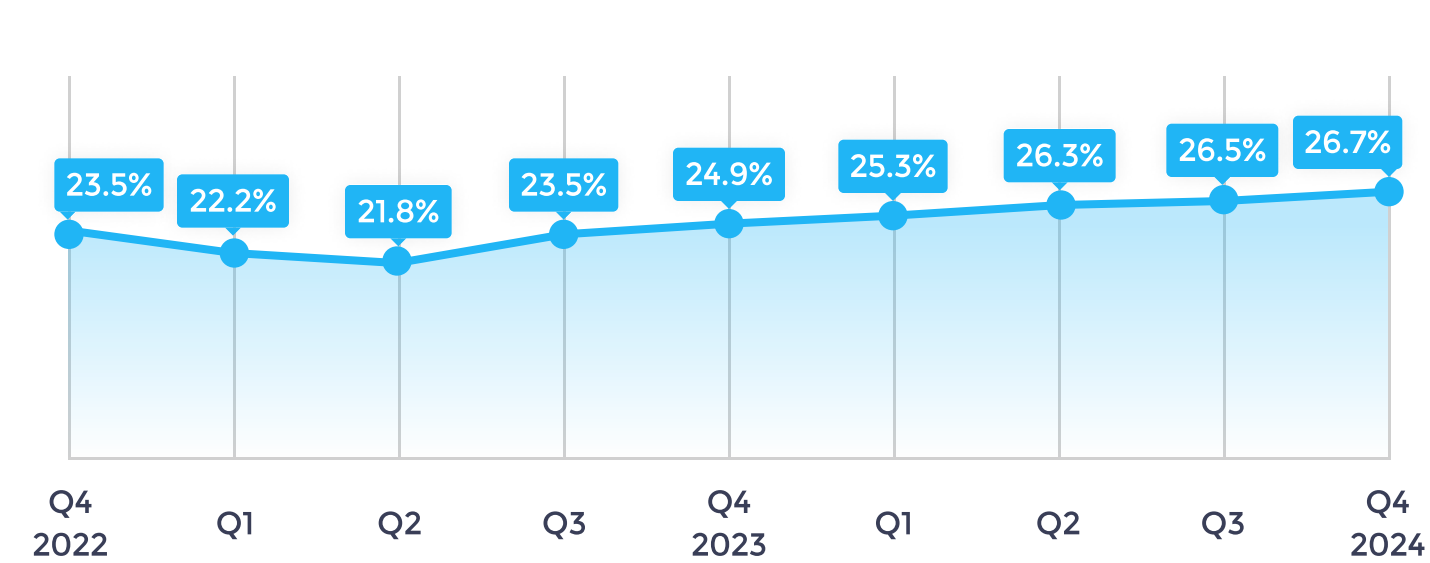
Balance sheet, EUR'000	31.12.2024	31.12.2023	Change %
Fixed and intangible assets	3,228	2,680	+20%
Right-of-use assets	2,653	2,887	-8%
Net loan portfolio	113,477	89,026	+27%
Inventory and scrap	3,991	3,391	+18%
Other assets	1,454	1,149	+52%
Cash	2,628	5,929	-56%
Total assets	127,431	105,061	+21%
Equity	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 liabilities	127,431	105,061	+21%

Financial ratios

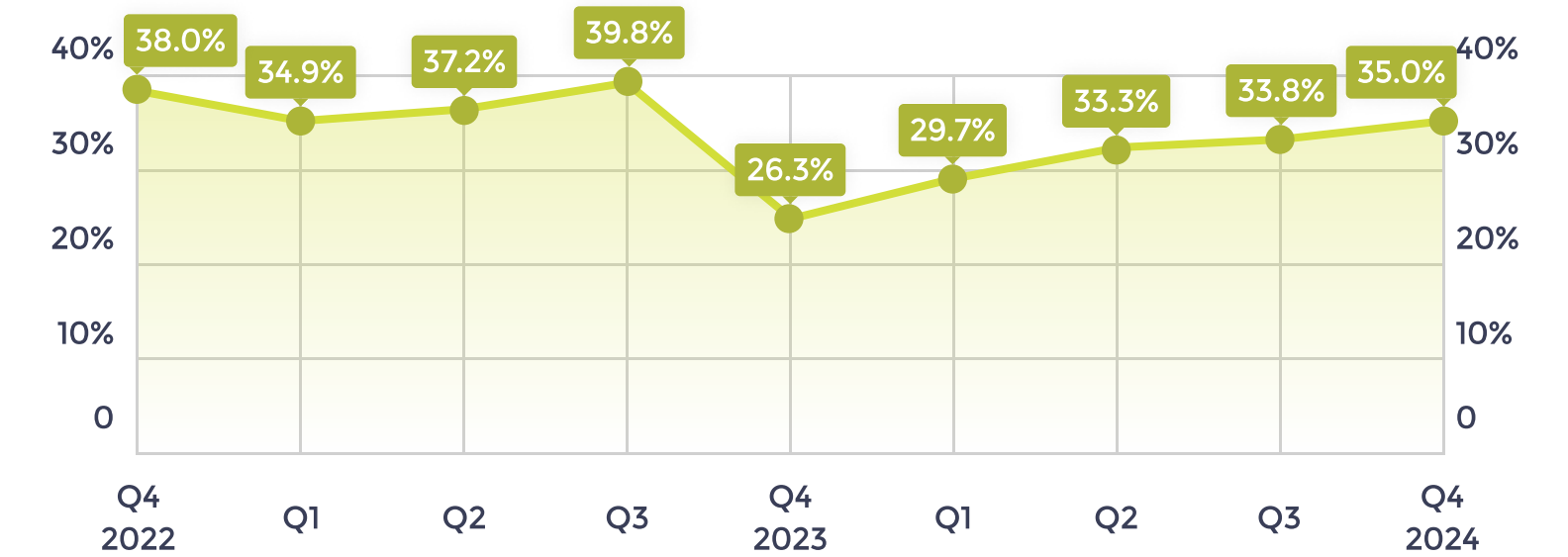
EBITDA margin*



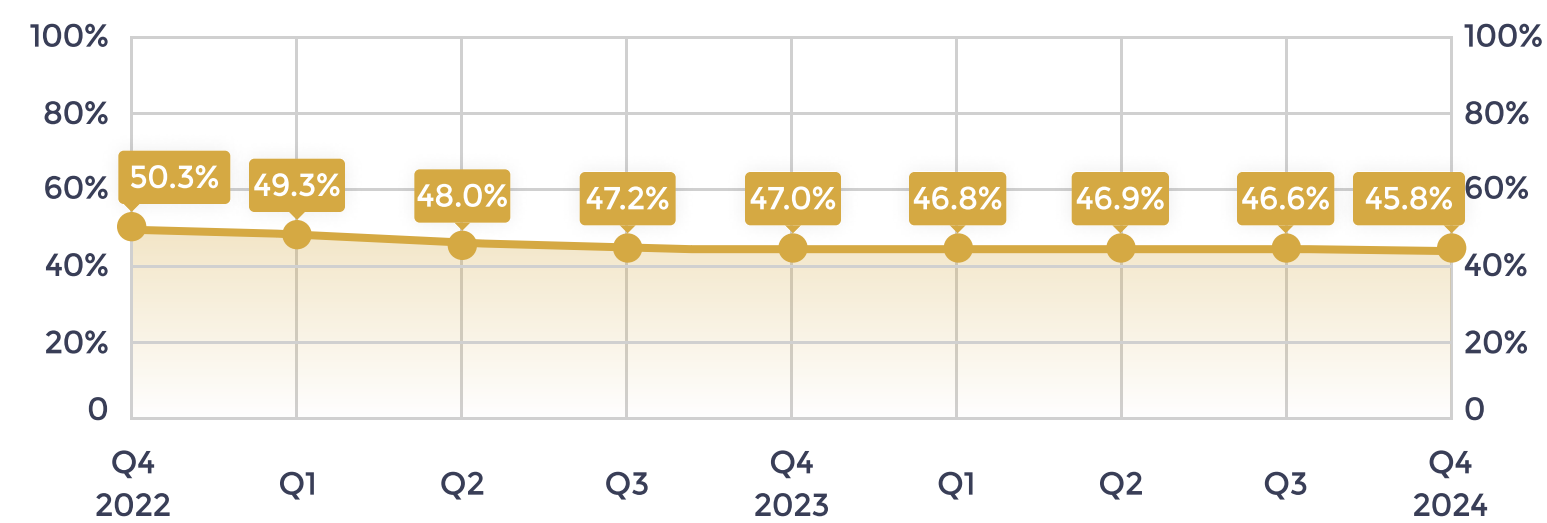
Adjusted equity ratio**



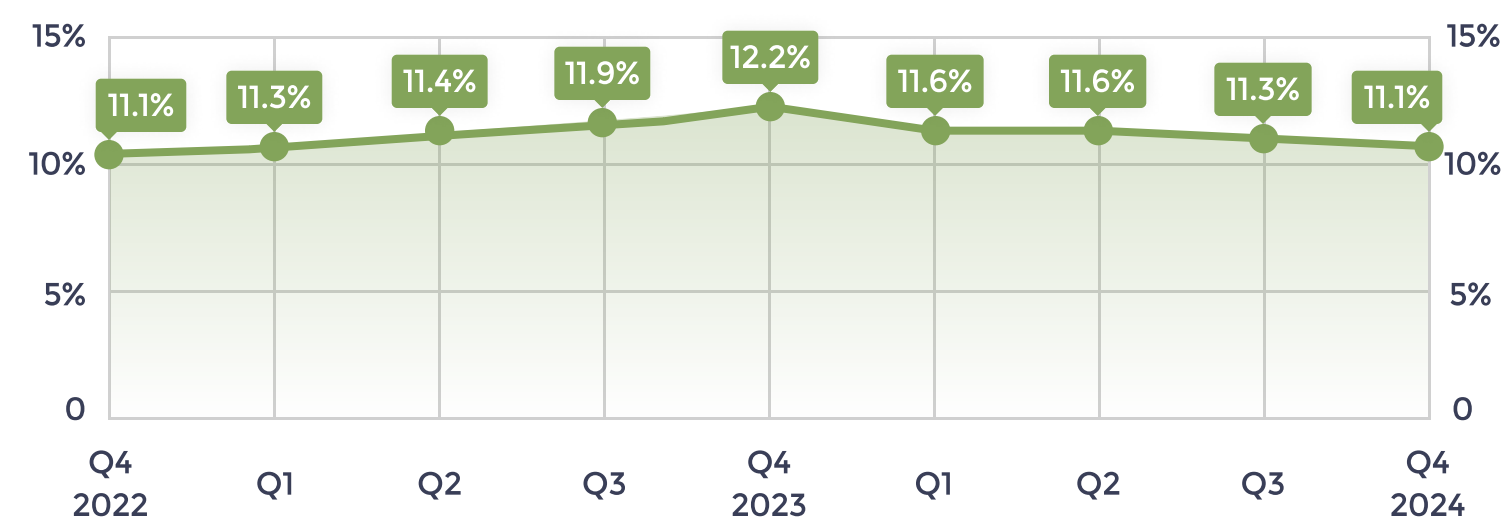
ROE***



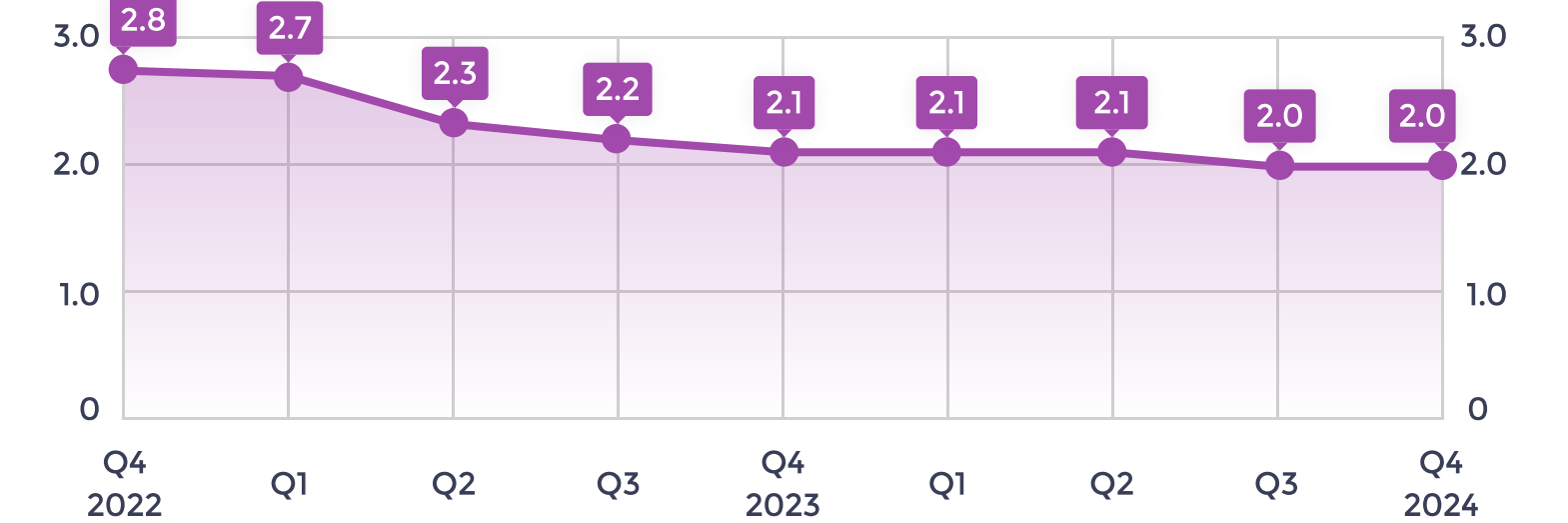
Cost-to-income ratio*



Cost of interest-bearing liabilities



Interest coverage ratio*



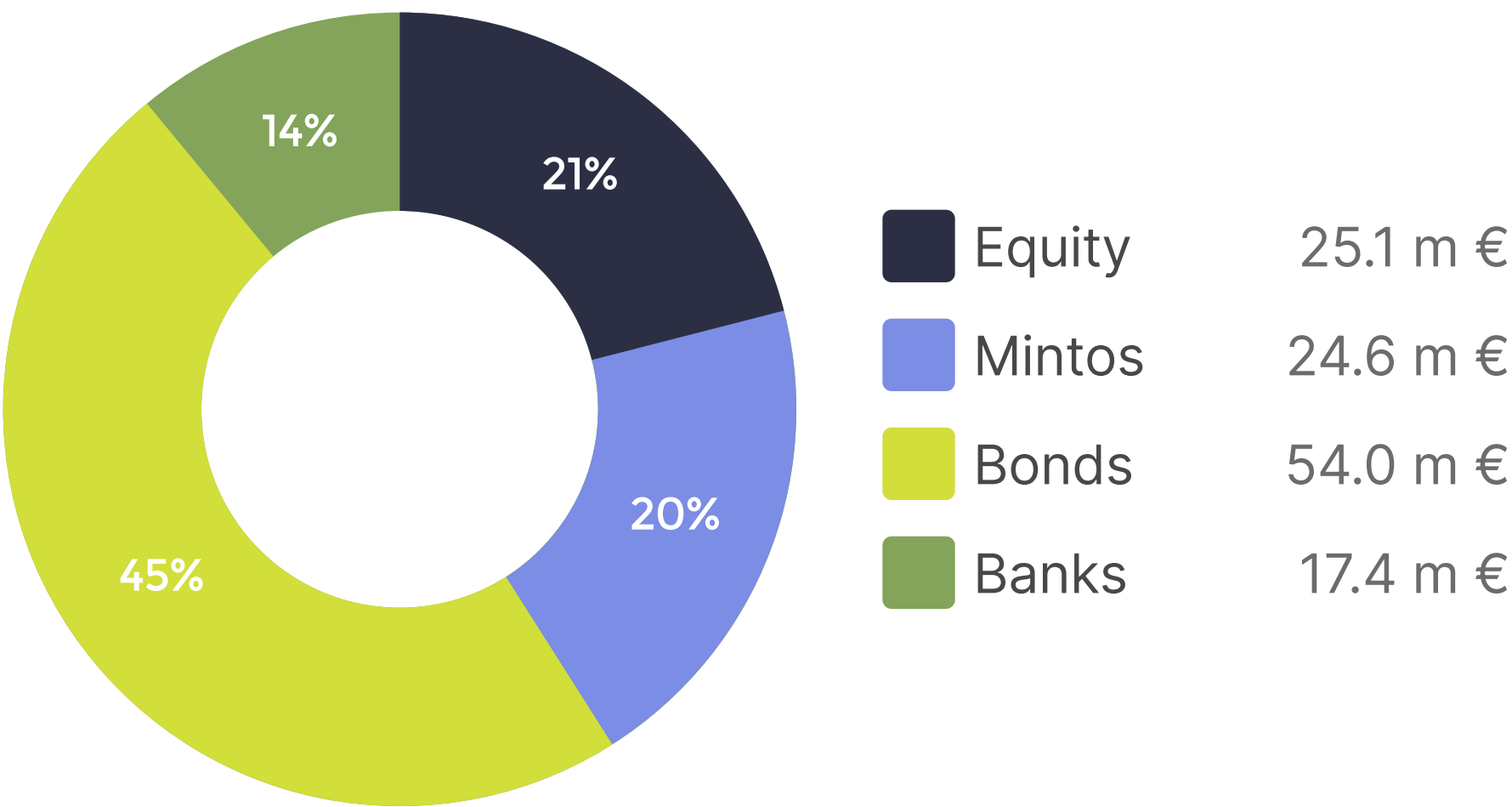
EUR 56 million of funding currently has a floating EURIBOR rate. A potential decrease in interest rates will positively impact the company's funding costs.

*Last 12 months figures.

**Including subordinated debt

***Annualized.

Capital structure



DelfinGroup on Mintos

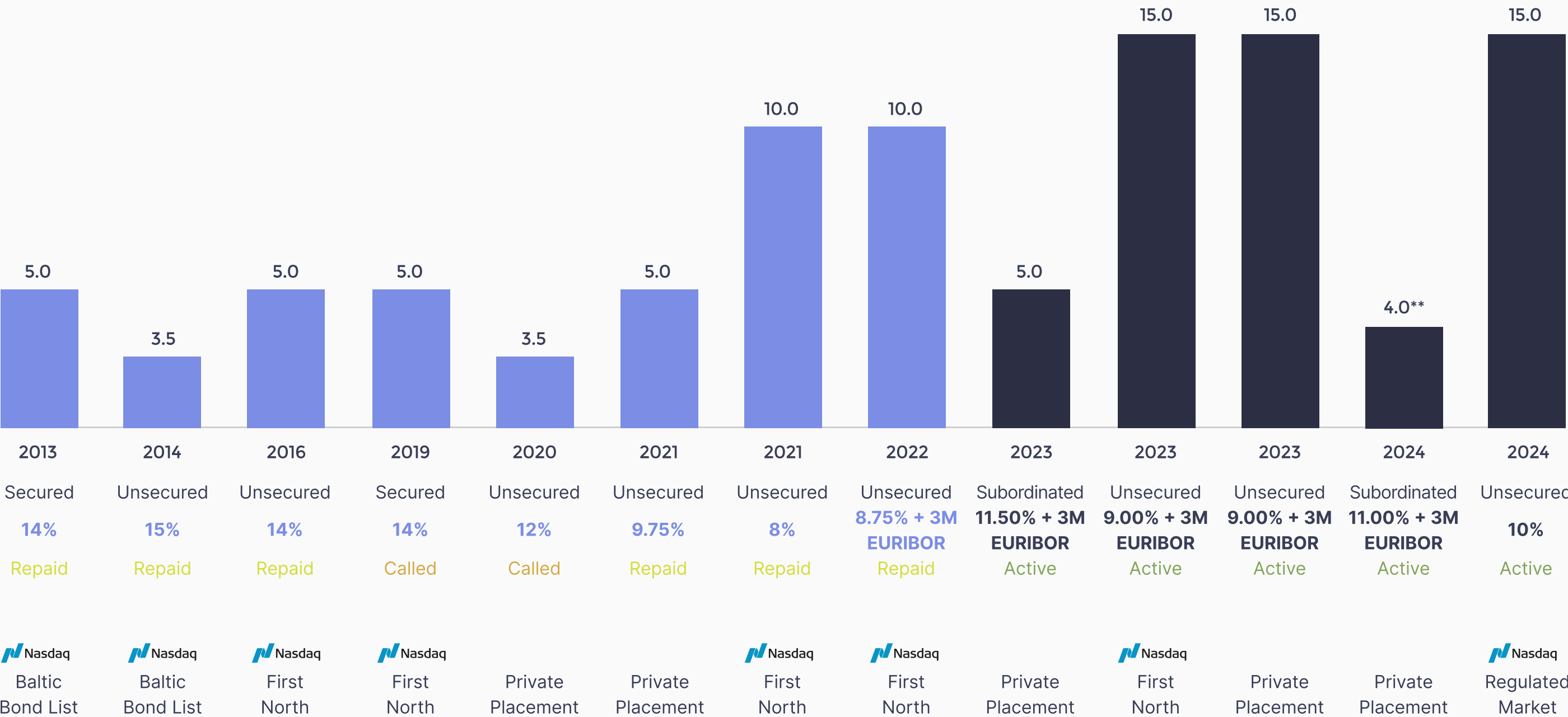
Since **2016**

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.*

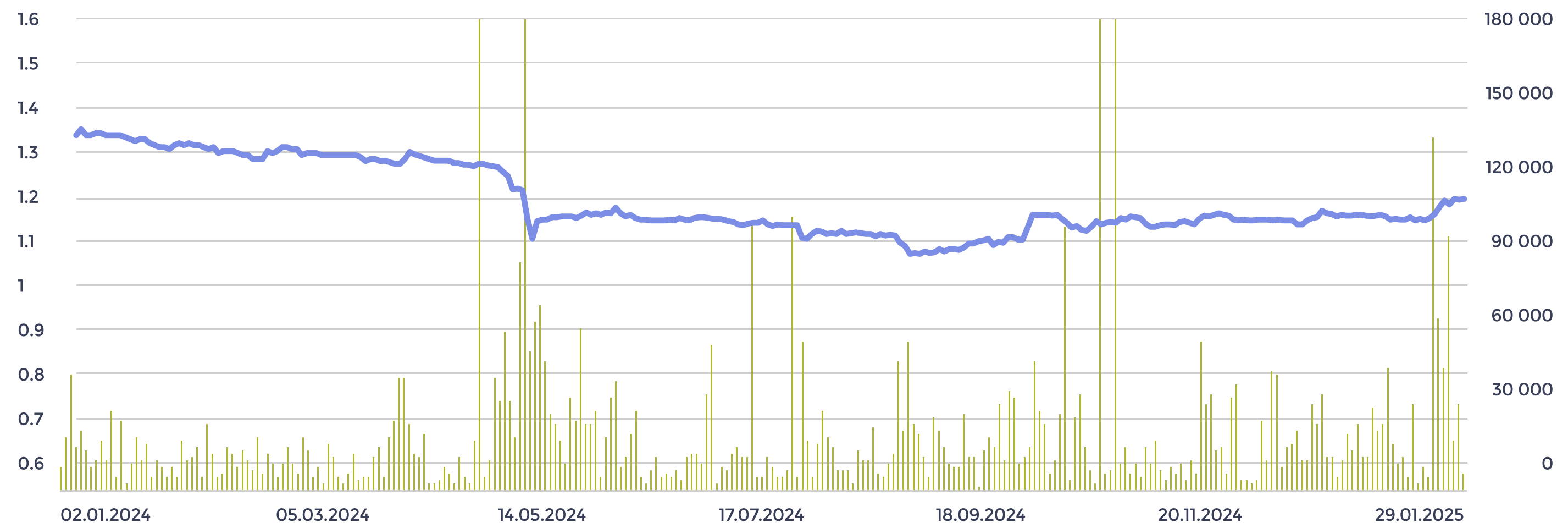
****Dividend amount paid from the net profit of the respective quarter.*

Share performance

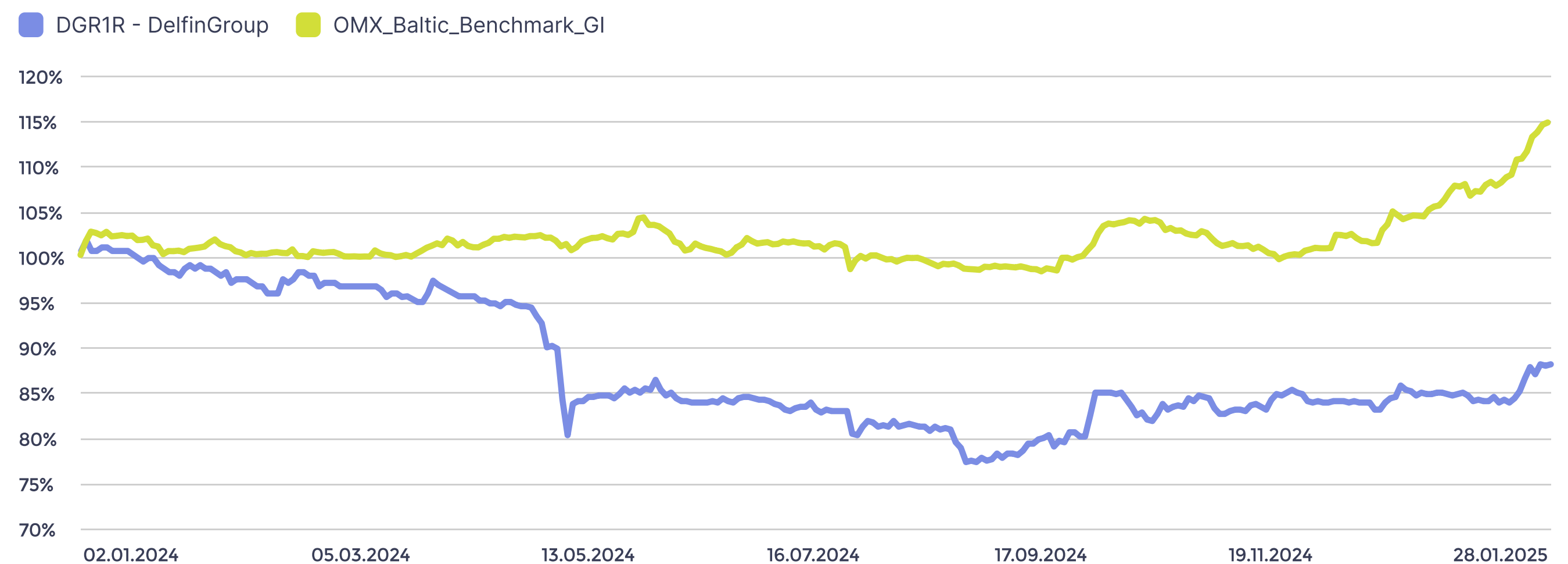
- Share price changes since Q2 2024 due to the largest shareholder's public share offerings in which the shares were offered at a discount for a price of EUR 1.09 per share. Since then the share price has recovered to EUR 1.15 level.
- DelfinGroup investors have received additionally EUR 0.2902 per share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

Q&A session

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