



financing and
circular retail

AS “DelfinGroup”
Unaudited
consolidated interim
report
January – March
2025

Translation from Latvian

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Information on the Company and Subsidiaries

Name of the Company	DelfinGroup
Legal status of the Company	Joint stock company (till 19.01.2021, Limited liability company)
Number, place and date of registration	40103252854 Commercial Registry Riga, 12 October 2009
Operations as classified by NACE classification code system	NACE2 64.92 Other credit granting NACE2 47.91 Retail sale via mail order houses or via Internet NACE2 47.79 Retail sale of second-hand goods in stores NACE 47.77 Retail sale of watches and jewellery in specialised stores
Address	50A Skanstes Street, Riga, LV-1013 Latvia
Names and addresses of shareholders	AS ALPPES Capital (18.24%), 12 Juras Street, Liepaja, Latvia SIA EC finance (14.92%), 50A Skanstes Street, Riga, Latvia SIA AE Consulting (8.20%), 50A Skanstes Street, Riga, Latvia Other (58.64%)
Names and positions of Board members	Didzis Ādmīdiņš – Chairman of the Board (from 19.01.2021) Laima Eižvertiņa – Member of the Board (from 01.04.2025) Andrejs Aleksandrovičs – Member of the Board (from 18.12.2024) Aldis Umblejs – Member of the Board (from 15.12.2021 to 18.12.2024) Sanita Pudnika – Member of the Board (from 01.03.2022 to 28.06.2024) Nauris Bloks – Member of the Board (from 08.06.2023 to 01.04.2025)

Names and positions of Supervisory Board members

Agris Evertovskis – Chairperson of the Supervisory Board (from 13.04.2021)

Gatis Kokins – Deputy Chairman of the Supervisory Board (from 13.04.2021)

Mārtiņš Bičevskis – Member of the Supervisory Board (from 13.04.2021)

Jānis Pizičs – Member of the Supervisory Board (from 13.04.2021)

Edgars Voļskis – Member of the Supervisory Board (from 13.04.2021 to 22.05.2024)

Reporting period

1 January 2025 – 31 March 2025

Information on the Subsidiaries

Subsidiary	SIA ViziaFinance (parent company interest in subsidiary – 100%)
Date of acquisition of the subsidiary	23.02.2015
Number, place and date of registration of the subsidiary	40003040217; Riga, 06 December 1991
Address of the subsidiary	50A Skanstes Street, Riga, LV-1013, Latvia
Operations as classified by NACE classification code system of the subsidiary	64.92 Other financing services
Subsidiary	UAB DelfinGroup LT (parent company interest in subsidiary – 100%)
Date of establishment of the subsidiary	28.09.2023
Number, place and date of registration of the subsidiary	306462155; Vilnius, 28 September 2023
Address of the subsidiary	25-701 Lvivo Street, Vilnius, Lithuania
Subsidiary	SIA DealShoq (parent company interest in subsidiary – 100%)
Date of acquisition of the subsidiary	04.11.2024
Number, place and date of registration of the subsidiary	40203600852; Rīga, 2024. gada 4. novembris
Address of the subsidiary	50A Skanstes Street, Riga, LV-1013, Latvia
Operations as classified by NACE classification code system of the subsidiary	47.79 Retail sale of second-hand goods

Statement of management`s responsibility

The management of AS *DelfinGroup* (hereinafter – the Company) is responsible for the preparation of the Consolidated interim report January –March 2025 (hereinafter – interim report) of the Company and its subsidiaries (hereinafter – the Group or DelfinGroup).

The interim report set out on pages 11 to 23 are prepared in accordance with the source documents and present the financial position of the Group as of 31 March 2025 and the results of its operations, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2025. The management report set out on pages 7 to 10 presents fairly the financial results of the reporting period and future prospects of the Group.

The interim report are prepared on a going concern basis in accordance with International Financial Reporting Standards as adopted by the European Union. Appropriate accounting policies have been applied on a consistent basis. Prudent and reasonable judgments and estimates have been made by the Management in the preparation of the financial statements.

The Management of AS *DelfinGroup* is responsible for the maintenance of proper accounting records, the safeguarding of the Group's assets and the prevention and detection of fraud and other irregularities in the Group. The Management is also responsible for compliance with requirements of legal acts of the countries where Group companies and the Parent company operate.

Didzis Ādmīdiņš
Chairman of the Board

**Andrejs
Aleksandrovičs**
Board Member

Laima Eižvertiņa
Board Member

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Management report

In the first three months of 2025, Latvian financial services group AS DelfinGroup generated revenue of EUR 17.5 million, which is 23% more than in the corresponding period of 2024. The Group also recorded solid EBITDA growth, up by 11% to EUR 5.6 million. DelfinGroup continued to deliver strong profitability in the first quarter of 2025, with profit before taxes reaching EUR 2.3 million, an increase of 11% compared with the first quarter of the previous year, while net profit reached EUR 1.8 million, 9% increase compared to previous year.

Demand for DelfinGroup consumer and pawn lending products remained stable in Q1 2025, resulting in total loan disbursements of EUR 30 million – 20% more than a year earlier. Of this amount, EUR 23.3 million were consumer loans, up 25% year-on-year, and EUR 6.7 million were pawn loans, an increase of 6% compared with Q1 2024. As disbursements grew, the loan portfolio also expanded and, at the end of the quarter, reached an all-time high of EUR 121 million – a 7% increase during the three-month period.

In line with the Group's strategy, the promotion of the circular economy is one of DelfinGroup key objectives. This is supported by the sale of pre-owned and slightly pre-owned goods, which extends product life cycles and reduces CO2 emissions associated with the production of new goods. The segment continued to grow steadily in Q1 2025, reaching sales of EUR 4.7 million – an increase of 31% compared with the same period last year.

Following the launch of the consumer-loan product in Lithuania in December 2024, the Group completed its first full quarter offering consumer loans in Lithuania. As a result, the segment produced encouraging results in Q1 2025, with consumer loans issued in Lithuania amounting to EUR 1.6 million and the loan portfolio reaching EUR 1.4 million. To date, the consumer-loan segment has been the Group's largest business line in Latvia in terms of both revenue and profit, and the Group therefore sees considerable opportunities to scale up operations in Lithuania. At present, the Group offers consumer loans, pawn loans and the sale of pre-owned and slightly pre-owned goods in Lithuania.

In line with the commitment set out in DelfinGroup dividend policy to distribute up to 50% of quarterly profit in dividends, the shareholders approved the payment of dividends from Q4 2024 profit at an extraordinary shareholders' meeting on 21 March 2025. Consequently, on 7 April 2025 shareholders received quarterly dividends totalling EUR 1,012,564, or EUR 0.0223 per share.

In March 2025 the Company's Supervisory Board approved changes to the Management Board, as a result of which, from 1 April 2025, Laima Eižvertiņa joined the DelfinGroup Management Board in addition to her role as Chief Administrative Officer, replacing outgoing Board member Nauris Bloks. Laima plays a significant role in the implementation of DelfinGroup strategic objectives as the Company expands internationally. She is actively involved in strategy and development project management as well as in organising the work of the Management and Supervisory Boards. Laima is responsible for human resources, the legal function, corporate governance, security and facilities management, and office administration. She has extensive experience in corporate management, project implementation and the operation of regulated financial institutions – both at supervisory authorities and in senior positions in the financial sector in Latvia and abroad.

Continuing a cooperation that has lasted for more than five years, DelfinGroup has continued to support the Latvian Senior Communities Association (LSKA) by making a further donation. This long-term partnership helps to improve the quality of life of seniors by providing opportunities to develop skills, participate in social-integration activities and receive the medical and day-to-day assistance they need. This year's donation will be used for activities aimed at educating and socially integrating seniors, encouraging their participation in public life and giving them the opportunity to improve their financial literacy, IT knowledge and other important skills. It will also fund the purchase of medical equipment for care centres and other institutions where seniors reside, as well as support a variety of events that foster the exchange of experience and strengthen communities throughout Latvia.

Management report (CONTINUED)

By implementing the business strategy and all planned activities, the following financial results of the Group were achieved in the first three months of 2025 (profit statement items are compared to the same period of the previous year, balance sheet items are compared to the data as at 31.12.2024):

Position	EUR, million	Change, %
Net loan portfolio	120.99	+6.6
Assets	134.64	+6.0
Revenue	17.53	+22.9
EBITDA	5.61	+11.5
Profit before taxes	2.26	+10.8
Net profit	1.77	+9.3

And following the Group's key financial figures for the last 5 financial quarters:

Position	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
Revenue, EUR million	14.3	14.8	16.5	17.4	17.5
EBITDA, EUR million	5.0	5.4	5.7	5.8	5.6
EBITDA margin, %	36%	36%	36%	35%	34%
EBIT, EUR million	4.6	5.0	5.2	5.3	5.1
EBIT margin, %	34%	34%	33%	32%	31%
Profit before taxes, EUR million	2.0	2.3	2.4	2.4	2.3
Net profit, EUR million	1.6	1.8	1.9	1.9	1.8
Net profit margin, %	12%	12%	11%	12%	11%
ROE (annualised), %	30%	33%	34%	33%	28%
ROA (annualised), %	6%	7%	7%	7%	5%
ROCE (annualised), %	25%	26%	24%	25%	22%
Current ratio	0.9	1.0	1.3	0.9	0.7

In some cases, quantitative values have been rounded up to the nearest decimal place or whole number to avoid an excessive level of detail. As a result, certain values may not necessarily add up to the respective totals due to the effects of the approximation.

EBITDA calculation, EUR million:

Item	2025 Q1	2024 Q1
Profit before tax	2.3	2.0
Interest expenses and similar expenses	2.9	2.6
Depreciation of fixed assets and amortisation	0.5	0.4
EBITDA, EUR million	5.6	5.0

Management report (CONTINUED)

As for compliance with the Issue Terms of notes ISIN LV0000802718, ISIN LV0000802700, ISIN LV0000860146, ISIN LV0000870145 and ISIN LV0000803914 the financial covenant computation is as follows:

Covenant	Value as of 31.03.2025	Compliance
to maintain a Capitalization Ratio at least 20%	28%	yes
to maintain consolidated Interest Coverage Ratio of at least 1.5 times, calculated on the trailing 12 month basis	2.0	yes
to maintain the Net Loan portfolio, plus Cash and Cash Equivalents, net value of outstanding Mintos Debt Security and Bank Debt Security I, at least 1.2 times the outstanding principal amount of all unsecured interest-bearing debt excluding Subordinated debt on a consolidated basis.	1.5	yes

Principles of alternative performance measures

Dividend yield = dividends paid per share / share price at the end of the period * 100.

Net loan portfolio = non-current loans and receivables + current loans and receivables.

Revenue = net sales + interest income and similar income.

EBITDA margin = (profit before tax + interest expenses and similar expenses + depreciation of property, plant and equipment and amortization of intangible assets + depreciation of right-of-use assets) / (net sales + interest income and similar income) * 100.

EBIT margin = (profit before tax + interest expenses and similar expenses) / (net sales + interest income and similar income) * 100.

Net profit margin = net profit / (net sales + interest income and similar income) * 100.

Return on equity (ROE) = net profit / ((total equity as at start of the period + total equity as at period end) / 2) * 100.

Return on assets (ROA) = net profit / ((total assets as at start of the period + total assets as at period end) / 2) * 100.

Return on capital employed (ROCE) = EBIT / (((total assets as at start of the period + total assets as at period end) / 2) – ((short-term liabilities as at start of the period + short-term liabilities as at period end) / 2)) * 100.

Current ratio = total current assets / total short-term liabilities * 100.

Capitalization ratio = (total equity + subordinated debt) / (non-current loans and receivables + current loans and receivables + inventories + other debtors) * 100.

Interest coverage ratio = EBITDA / interest expenses and similar expenses.

Equity ratio = total equity / total assets * 100.

Cost to income ratio = (selling expenses + administrative expenses + other operating expenses – debt sale results) / (net sales – cost of sales + interest income and similar income – interest expenses and similar expenses + other operating income) * 100.

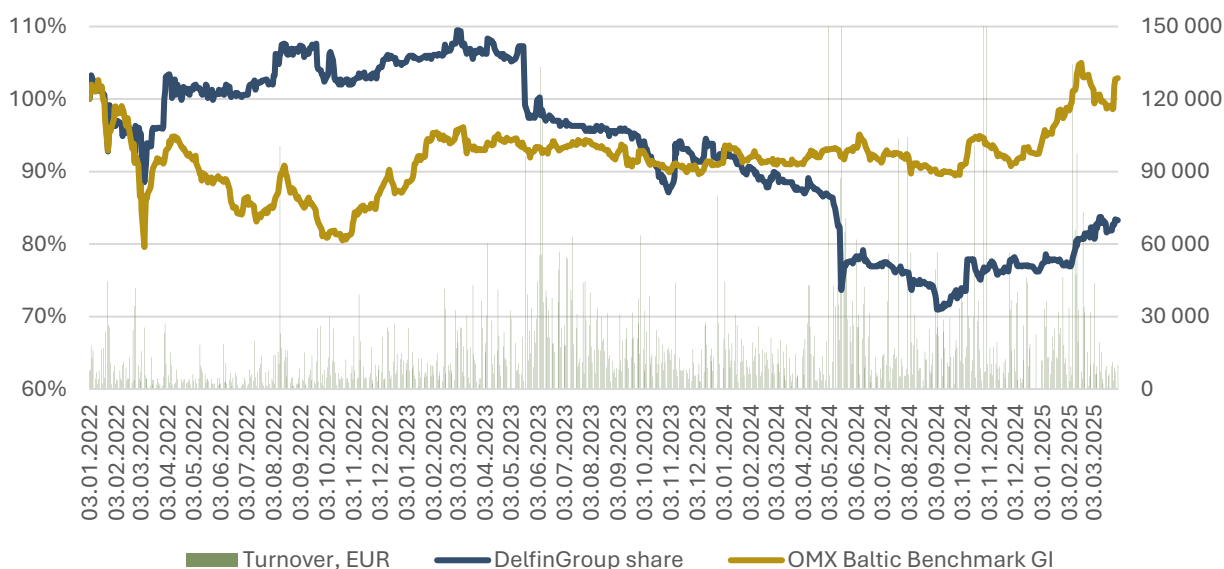
Management report (CONTINUED)

Investor information

DelfinGroup shares are listed on the *Baltic Main List* in *Nasdaq Riga* with ISIN code LV0000101806. Shareholders receive 1 vote per share. On 31 March 2025, a total of 45,406,435 shares were issued, the price of which was 1.176 euros, making the total market capitalization of 53.40 million euros.

Share trading information	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
Opening price, EUR	1.305	1.23	1.086	1.032	1.076
High price, EUR	1.32	1.266	1.098	1.118	1.188
Low price, EUR	1.22	1.00	1.00	1.02	1.076
Last price, EUR	1.235	1.086	1.032	1.076	1.176
Turnover, mEUR	0.79	1.87	1.24	1.59	1.29
Capitalization, mEUR	56.04	49.28	46.83	48.86	53.40

Share price changes and turnover



Branches

As at 31 March 2025, the Group had 95 branches, 88 in Latvia and 7 in Lithuania (31.12.2024 - 95 branches, 88 in Latvia and 7 in Lithuania).

Risk management

The Group is not exposed to foreign exchange rate risk because the basic transaction currency is the Euro. The funding of the Group consists of both fixed rate and floating rate borrowings, so the Group is exposed to variable interest rate risk. Accurate application of the prudent strategies chosen has allowed the Group to successfully manage its financial risks, particularly the liquidity and credit risk. All Group transactions are performed in Latvia and Lithuania, the Group has no counterparties in Russia and Belarus thus the impact of the war in Ukraine and the associated sanctions has insignificant effect on the company's operations.

Distribution of the profit proposed by the Company

The Company's board recommends the distribution of Q1 2025 profit as dividends in accordance with the Company's dividend policy, which sets the target of up to 50% quarterly dividend pay out.

Didzis Ādmīdiņš
Chairman of the Board

**Andrejs
Aleksandrovičs**
Board Member

Laima Eižvertiņa
Board Member

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Interim consolidated Statement of profit or loss January – March 2025

		For 3 months ended 31	
		2025	March 2024
	Notes	EUR	EUR
Net sales	(2)	2 928 494	2 328 152
Cost of sales		(1 956 738)	(1 504 920)
Interest income and similar income	(3)	14 598 774	11 931 754
Interest expenses and similar expenses	(4)	(2 865 387)	(2 560 660)
Credit loss expenses		(4 657 599)	(3 421 421)
Gross profit		8 047 544	6 772 905
Selling expenses	(5)	(3 117 770)	(2 588 158)
Administrative expenses	(6)	(2 571 482)	(2 067 797)
Other operating income		36 964	24 870
Other operating expenses		(131 602)	(102 518)
Profit before corporate income tax		2 263 654	2 039 302
Income tax expenses		(494 580)	(420 440)
Net profit		1 769 074	1 618 862
Basic earnings per share	(7)	0.039	0.036
Diluted earnings per share	(7)	0.039	0.036

Notes on pages from 16 to 23 are an integral part of these interim reports.

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Interim consolidated Balance sheet as at 31 March 2025

Assets		Group 31 March 2025	Group 31 December 2024
Non-current assets:	Notes	EUR	EUR
Intangible assets:			
Patents, licences, trademarks and similar rights		10 647	9 302
Internally developed software		937 358	903 339
Other intangible assets		1 108 965	1 138 552
Goodwill		127 616	127 616
Work in progress internally developed software		83 936	83 935
Advances for intangible assets		35 523	35 523
Total intangible assets:		2 304 045	2 298 267
Property, plant and equipment:			
Land, buildings and structures		171 689	173 539
Leasehold improvements		333 452	314 740
Right-of-use assets		2 617 886	2 652 848
Other fixtures and fittings, tools and equipment		431 519	441 804
Total property, plant and equipment		3 554 546	3 582 931
Non-current financial assets:			
Loans and receivables	(8)	97 723 577	91 455 715
Deferred income tax assets		221 573	154 640
Total non-current financial assets:		97 945 150	91 610 355
Total non-current assets:		103 803 741	97 491 553
Current assets:			
Inventories:			
Finished goods and goods for sale		4 013 514	3 989 843
Total inventories:		4 013 514	3 989 843
Receivables:			
Loans and receivables	(8)	23 268 289	22 018 048
Term deposits with banks		999 900	999 900
Other debtors		508 970	615 737
Total receivables:		24 777 159	23 633 685
Deferred expenses		525 100	243 398
Cash and cash equivalents		1 518 135	1 644 490
Total current assets:		30 833 908	29 511 416
Total assets		134 637 649	127 002 969

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Interim consolidated Balance sheet as at 31 March 2025

Liabilities and equity		Group 31 March 2025	Group 31 December 2024
		EUR	EUR
Equity:	Notes		
Share capital		4 540 644	4 540 644
Share premium		6 890 958	6 890 958
Other capital reserves		247 676	223 404
Retained earnings	(9)	14 030 209	13 273 699
Total equity:		25 709 487	24 928 705
Liabilities:			
Long-term liabilities:			
Bonds issued	(10)	40 887 617	47 513 867
Loans from credit institutions	(11)	3 511 834	5 673 103
Other borrowings	(12)	18 449 082	13 901 453
Lease liabilities for right-of-use assets		2 202 018	2 219 336
Total long-term liabilities:		65 050 551	69 307 759
Short-term liabilities:			
Bonds issued	(10)	12 785 652	5 459 248
Loans from credit institutions	(11)	12 420 045	11 715 582
Other borrowings	(12)	11 542 903	10 399 105
Lease liabilities for right-of-use assets		720 349	734 251
Trade payables		943 966	934 352
Taxes and social insurance		343 413	505 972
Income tax liabilities		1 912 650	1 418 070
Unpaid dividends		1 012 564	-
Accrued liabilities		2 196 069	1 599 925
Total short-term liabilities:		43 877 611	32 766 505
Total liabilities		108 928 162	102 074 264
Total liabilities and equity		134 637 649	127 002 969

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Board Member

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Interim consolidated Statement of changes in equity January - March 2025

	Share capital EUR	Share premium EUR	Other capital reserves EUR	Retained earnings EUR	Total EUR
As at 01 January 2024	4 537 751	6 890 958	169 812	9 723 592	21 322 113
Profit for the reporting period	-	-	-	1 618 862	1 618 862
Dividends paid	-	-	-	(648 898)	(648 898)
Share-based payments	-	-	39 999	-	39 999
Exercise of share options	-	-	-	-	-
As at 31 March 2024	4 537 751	6 890 958	209 811	10 693 556	22 332 076
As at 01 January 2025	4 540 644	6 890 958	223 404	13 273 699	24 928 705
Profit for the reporting period	-	-	-	1 769 074	1 769 074
Dividends paid	-	-	-	(1 012 564)	(1 012 564)
Share-based payments	-	-	24 272	-	24 272
Exercise of share options	-	-	-	-	-
As at 31 March 2025	4 540 644	6 890 958	247 676	14 030 209	25 709 487

Notes on pages from 16 to 23 are an integral part of these interim reports.

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Interim consolidated statement of cash flows January - March 2025

	Notes	For 3 months ended 31 March 2025 EUR	For 3 months ended 31 March 2023 EUR
<u>Cash flow from operating activities</u>			
Profit before corporate income tax		2 263 654	2 039 302
<u>Adjustments for non-cash items:</u>			
a) depreciation and amortisation		254 191	212 197
b) depreciation of right-of-use assets		222 059	215 890
c) credit loss expenses		4 657 599	3 421 421
d) share-based payment expense		24 271	39 999
e) interest income and similar income	(3)	(14 598 774)	(11 931 754)
f) interest expenses and similar expenses	(4)	2 865 387	2 560 660
Profit before adjustments of working capital and short-term liabilities		(4 311 613)	(3 442 285)
<u>Change in operating assets/liabilities:</u>			
a) (Increase) on loans and receivables and other debtors		(12 222 546)	(9 275 869)
b) (Increase) on inventories		(23 671)	(166 986)
c) Increase on trade payable and accrued liabilities		717 696	595 314
Gross cash flow from operating activities		(15 840 134)	(12 289 826)
Interest received		14 494 330	11 514 415
Interest paid		(3 477 360)	(3 435 398)
Corporate income tax payments		(246 619)	(191 471)
Net cash flow from operating activities		(5 069 783)	(4 402 280)
<u>Cash flow from investing activities</u>			
Acquisition of property, plant and equipment		(44 686)	(49 572)
Acquisition of intangible assets		(312 440)	(297 560)
Net cash flow from investing activities		(357 126)	(347 132)
<u>Cash flow from financing activities</u>			
Loans received		6 211 632	5 332 434
Loans repaid		(1 225 884)	(5 561 727)
Bonds issued		1 681 000	2 785 000
Redemption of bonds		(1 120 000)	(500 000)
Repayment of lease liabilities		(246 194)	(239 861)
Net cash flow from financing activities		5 300 554	1 815 846
Net cash flow of the reporting period		(126 355)	(2 933 566)
Cash and cash equivalents at the beginning of the reporting period		1 644 490	5 928 570
Cash and cash equivalents at the end of the reporting period		1 518 135	2 995 004

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Notes

(1) Accounting policies

Basis of preparation

These financial statements have been prepared based on the accounting policies and measurement principles as set out below.

The interim reports for the three-months ended 31 March 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Management considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim reports do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

These interim reports are prepared and disclosed on a consolidated basis. The following subsidiaries are included in the consolidation: SIA *ViziaFinance* (100%), UAB *DelfinGroup LT* (100%) and SIA *Dealshoq* (100%) for the period ended 31 March 2025.

(2) Net sales

Net revenue by type of revenue

	For 3 months ended 31 March	
	2025	2024
	EUR	EUR
Income from sales of goods	2 071 751	1 669 931
Income from sales of precious metals	625 429	378 466
Other income (loan and storage commission) for financial instruments measured as FVTPL	231 314	279 755
	2 928 494	2 328 152

(3) Interest income and similar income

	For 3 months ended 31 March	
	2024	2025
	EUR	EUR
Interest income on unsecured loans according to effective interest rate method	12 474 846	10 039 263
Interest income on pawn loans	2 123 928	1 892 592
Other interest income adjustment according to effective interest rate method	-	(101)
	14 598 774	11 931 754

(4) Interest expenses and similar expenses

	For 3 months ended 31 March	
	2024	2025
	EUR	EUR
Bonds' interest expense	1 720 338	1 558 035
Interest expense on other borrowings	614 267	664 980
Interest expense on loans from credit institutions	471 577	286 009
Interest expense on lease liabilities for leased premises	58 907	51 028
Interest expense lease liabilities for leased vehicles	298	608
	2 865 387	2 560 660

Notes (continued)

(5) Selling expenses

	For 3 months ended 31 March	
	2025	2024
	EUR	EUR
Salary expenses	1 000 026	944 825
Advertising expenses	755 076	415 945
Depreciation of property, plant and equipment and amortisation of intangible assets	254 191	212 197
Social insurance expenses	219 591	207 217
Depreciation of right-of-use assets – premises	191 396	185 899
Non-deductible VAT	177 504	151 017
Maintenance expenses	152 471	137 544
Utilities expenses	97 183	109 684
Provisions for unused annual leave	36 340	31 723
Transportation expenses	28 950	22 390
Depreciation of right-of-use assets - motor vehicles	2 787	2 787
Other expenses	202 255	166 930
	3 117 770	2 588 158

(6) Administrative expenses

	For 3 months ended 31 March	
	2025	2024
	EUR	EUR
Salary expenses	1 565 500	1 154 297
Social insurance expenses	285 826	278 576
Bank commission	261 629	246 456
Communication expenses	162 854	141 676
Legal and professional services	21 305	30 961
State fees and duties, licence expenses	37 008	34 306
Audit expenses	36 462	16 875
Depreciation of right-of-use assets - premises	26 721	26 031
Public relations expenses	6 927	15 110
Provisions for unused annual leave	3 079	43 417
Depreciation of right-of-use assets - motor vehicles	1 155	1 173
Other administrative expenses	163 016	78 919
	2 571 482	2 067 797

(7) Basic earnings and Diluted earnings per share

Earnings per share are calculated by dividing the net result for the year after taxation attributable to shareholders by the weighted average number of shares in issue during the year. The dilution effect when calculation the Diluted earnings per share comes from share options granted on 30 June 2024 and 31 December 2024 to employees of the Group. The table below presents the income and share data used in the computations of basic earnings and Diluted earnings per share for the Group:

	For 3 months ended 31 March	
	2025	2024
	EUR	EUR
Net profit attributed to shareholders	1 769 074	1 618 862
Weighted average number of shares	45 406 435	45 377 505
Earnings per share	0.039	0.036
Weighted average number of shares used for calculating the diluted earnings per shares	45 444 565	45 419 370
Diluted earnings per share	0.039	0.036

Notes (continued)

(7) Basic earnings and Diluted earnings per share (continued)

The table below presents the income and share data used in the computations of earnings per share for the Group:

	Change EUR	Actual number of shares after transaction EUR
For 3 months ended 31 March 2024		
Number of shares at the beginning of the period		45 377 505
Number of shares at the end of the period		45 377 505
Weighted average number of shares:		45 377 505
Weighted average number of share options for <i>DelfinGroup</i> AS employees granted in January – March 2024*		41 865
Weighted average potential number of shares		45 419 370
For 3 months ended 31 March 2025		
Number of shares at the beginning of the period		45 406 435
Number of shares at the end of the period		45 406 435
Weighted average number of shares:		45 406 435
Weighted average number of share options for <i>DelfinGroup</i> AS employees granted in 2025**		38 130
Weighted average potential number of shares		45 444 565

*Number of shares granted on 30 June 2023 40 196 with FV at grant date 1.168 EUR and option exercise price 0.10 EUR. Number of shares granted on 31 December 2023 44 806 with FV at grant date 1.116 EUR and option exercise price 0.10 EUR.

**Number of shares granted on 30 June 2024 35 338 with FV at grant date 0.908 EUR and option exercise price 0.10 EUR. Number of shares granted on 31 December 2024 38 500 with FV at grant date 0.901 EUR and option exercise price 0.10 EUR.

(8) Loans and receivables

a) Loans and receivables by loan type

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
Pawn loans measured at fair value		
Long-term pawn loans	164 886	176 753
Short-term pawn loans	9 111 763	8 824 726
Interest accrued for pawn loans	441 869	431 728
Pawn loans measured at fair value, total	9 718 518	9 433 207
Debtors for loans issued without pledge		
Long-term debtors for loans issued without pledge	97 558 692	91 278 962
Short-term debtors for loans issued without pledge	23 498 736	20 710 566
Interest accrued for loans issued without pledge	4 211 041	4 117 065
Debtors for loans issued without pledge, total	125 268 469	116 106 593
Loans and receivables before allowance, total	134 986 987	125 539 800
ECL allowance on loans issued without pledge	(13 995 121)	(12 066 037)
Loans and receivables	120 991 866	113 473 763

All loans are issued in euros. Weighted average term for consumer loans is 3.2 years and for pawn loans is two months.

The Group signed a contract with a third party for the receivable amounts regular debt sale to assign debtors for loans issued which are outstanding for more than 60 days. Losses from these transactions were recognised in the current period.

Pawn loans in the amount of EUR 9 718 518 (31.12.2024: EUR 9 433 207) are secured by the value of the collateral and measured at fair value.

Notes (continued)

(8) Loans and receivables (continued)

b) Allowance for impairment of loans issued without pledge at amortised cost

An analysis of changes in the gross carrying value for loans issued and corresponding ECL during the 12-month period ended 31 December 2024 is as follows:

Group	Stage 1	Stage 2	Stage 3	Total
Gross carrying value as at 1 January 2025	108 840 471	3 673 929	3 592 193	116 106 593
New assets originated or purchased	23 408 076	-	-	23 408 076
Assets settled or partly settled	(10 172 292)	(625 531)	(1 212 082)	(12 009 905)
Assets derecognised due to debt sales	-	327	(1 965 661)	(1 965 334)
Assets written off	-	-	(266 058)	(266 058)
Effect of interest accruals	(130 070)	30 643	94 524	(4 903)
Transfers to Stage 1	101 056	(73 297)	(27 759)	-
Transfers to Stage 2	(3 682 086)	3 682 827	(741)	-
Transfers to Stage 3	(1 923 187)	(2 657 769)	4 580 956	-
At 31 March 2025	116 441 968	4 031 129	4 795 372	125 268 469

Group	Stage 1	Stage 2	Stage 3	Total
ECL as at 1 January 2025	7 106 311	1 772 970	3 186 756	12 066 037
New assets originated or purchased	2 265 256	-	-	2 265 256
Assets settled or partly settled	(960 386)	(324 788)	(777 418)	(2 062 592)
Assets derecognised due to debt sales	-	-	(1 567 437)	(1 567 437)
Assets written off	-	-	(265 750)	(265 750)
Effect of interest accruals	(3 001)	30 775	93 991	121 765
Transfers to Stage 1	8 846	(38 592)	(17 667)	(47 414)
Transfers to Stage 2	(339 958)	1 944 261	(475)	1 603 828
Transfers to Stage 3	(200 681)	(1 407 343)	2 938 514	1 330 490
Impact on period end ECL changes in credit risk and inputs used for ECL calculation	(36 216)	128 861	458 293	550 938
At 31 March 2025	7 840 171	2 106 144	4 048 806	13 995 121

c) Age analysis of loans issued without pledge at amortised cost:

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
Receivables not yet due	109 235 161	100 545 395
Outstanding 1-30 days	7 138 161	8 293 453
Outstanding 31-90 days	4 078 016	3 675 551
Outstanding 91-180 days	1 739 263	721 639
Outstanding for 181-360 days	1 506 913	1 335 113
Outstanding for more than 360 days	1 570 955	1 535 442
Total claims against debtors for loans issued	125 268 469	116 106 593

d) Age analysis of provision for bad and doubtful trade debtors:

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
For trade debtors not yet due	6 202 826	5 338 747
Outstanding 1-30 days	1 712 270	1 908 613
Outstanding 31-90 days	2 187 841	1 856 268
Outstanding 91-180 days	1 296 444	537 472
Outstanding for 181-360 days	1 216 372	1 094 088
Outstanding for more than 360 days	1 379 369	1 330 849
Total provisions for bad and doubtful trade debtors	13 995 121	12 066 037

Loan loss allowance has been defined based on collectively assessed impairment. For ECL calculation purposes debtors for loans issued without pledge were grouped by brands – Banknote and VIZIA.

Notes (continued)

(9) Retained earnings

	For 3 months ended 31 March	
	2025	2024
	EUR	EUR
Balance as at 1 January	13 273 699	9 723 592
Net profit for the period	1 769 074	1 618 862
Dividends declared:		
Interim dividends of 0.0223 EUR (2024: 0.0143 EUR) per share	(1 012 564)	(648 898)
Balance as at 31 March	14 030 209	10 693 556

(10) Bonds issued

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
Total long-term part of bonds issued	40 887 617	47 513 867
Bonds issued	12 701 089	5 368 103
Interest accrued	84 563	91 145
Total short-term part of bonds issued	12 785 652	5 459 248
Bonds issued, total	53 588 706	52 881 970
Interest accrued, total	84 563	91 145
Bonds issued net	53 673 269	52 973 115

As of 31 March 2025, the Company of the Group has outstanding bonds (ISIN LV0000802718) in the amount of EUR 15 000 000, registered with the Latvia Central Depository and issued in a closed offer on 1 August 2023 on the following terms – number of financial instruments is 15 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 9.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 February 2026. The bond issue in full amount is traded on NASDAQ Baltic First North Alternative market as of 03.10.2023. The bonds are not secured.

As of 31 March 2025, the Company of the Group has outstanding subordinated bonds (ISIN LV0000802700) in the amount of EUR 5 000 000, registered with the Latvia Central Depository and issued in a closed offer on 24 July 2023 on the following terms – number of financial instruments is 5 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 11.50%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 July 2028. The bonds are not secured.

As of 31 March 2025, the Company of the Group has outstanding bonds (ISIN LV0000860146) in the amount of EUR 15 000 000, registered with the Latvia Central Depository and issued in a closed offer on 03 October 2023 on the following terms – number of financial instruments is 15 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 9.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 July 2028. The bonds are not secured.

As of 31 March 2025, the Company of the Group has outstanding subordinated bonds (ISIN LV0000870145) in the amount of EUR 5 000 000, registered with the Latvia Central Depository and issued in a closed offer on 29 May 2024 on the following terms – number of financial instruments is 5 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 11.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 May 2029. The bonds are not secured.

As of 31 March 2025, the Company of the Group has outstanding bonds (ISIN LV0000803914) in the amount of EUR 15 000 000, registered with the Latvia Central Depository and issued in a public offer on 25 September 2024 on the following terms – number of financial instruments is 150 000, with a nominal value 100 EUR per each bond, coupon rate – 10.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 100 per each bond) is to be repaid by the 25 September 2028. The bond issue in full amount is traded on NASDAQ Baltic Regulated market as of 25 September 2024. The bonds are not secured.

As of 31 March 2025 the Group is in compliance with covenants stated in all Terms of the Notes Issue. Please see covenants disclosed in Management report.

Notes (continued)

(11) Loans from credit institutions

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
Long-term loans from credit institutions	3 511 834	5 673 103
Total long-term loans from credit institutions	3 511 834	5 673 103
Short-term loans from credit institutions	12 420 045	11 715 582
Total short-term loans from credit institutions	12 420 045	11 715 582
Loans from credit institutions, total	15 931 879	17 388 685

At 31 March 2025 the Company of the Group have loans from credit institutions with floating interest rates (the base interest rate of 3M EURIBOR plus fixed rate and the base interest rate of 6M EURIBOR plus fixed rate) and maturities in 2025 and 2026.

To ensure fulfilment of liabilities the Group has registered commercial pledge, see note 15. As at 31 March 2025 the Group is in compliance with covenants.

(12) Other borrowings

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
Other long-term loans	18 449 082	13 901 453
Total other long-term loans	18 449 082	13 901 453
Other short-term loans	11 542 903	10 399 105
Total other short-term loans	11 542 903	10 399 105
Other loans, total	29 991 985	24 300 558

Amount of other borrowings is represented by loans received from crowdfunding platform Mintos, a platform registered in the European Union. The weighted average annual interest rate as of 31 March 2025 is 10.06%. The loans matures according to the particular loan agreement terms concluded by the Group with its customers. To ensure fulfilment of liabilities the Group has registered commercial pledge, see note 15. As at 31 March 2025 the Group is in compliance with covenants.

(13) Related party transactions

Group's transactions

	Transactions for 3 months 2025 EUR	Transactions in 2024 EUR
Shareholders		
Interest paid	15 637	128 137
Key management personnel		
Interest paid	-	4 310
Other related companies		
Services received	-	2 000

Bonds issued to the related companies

	Group 31 March 2025 EUR	Group 31 December 2024 EUR
Key management personnel	-	53 000
Shareholders	300 000	3 163 600
Long-term part of bonds issued to the related companies, total	300 000	3 216 600
Shareholders	-	-
Short-term part of bonds issued to the related companies, total	-	-
Bonds issued to the related companies, total	300 000	3 216 600

Notes (continued)

(14) Segment information

For management purposes, the Group is organised into four operating segments based on products and services as follows:

Pawn loan segment	Handling pawn loan issuance, sale of pawn shop items in the branches and online.
Retail of pre-owned goods	Sale of pre-owned goods in the branches and online purchased from customers.
Consumer loan segment	Handling consumer loans to customers, debt collection activities and debt sales to external debt collection companies.
Other operations segment	Providing loans for real estate development, general administrative services to the companies of the Group, transactions with related parties, dividends payable. Loans for real estate development are no longer issued and are fully recovered.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance, as explained in the table below, is measured on consolidation basis. Management mainly focuses on net sales, interest income and similar income and profit before taxes of the segment. For the costs, for which direct allocation to a particular segment is not attributable, the judgement of the management is used to allocate general costs by segments, based on the following cost allocation drivers – loan issuance, segment income, segment employee count, segment employee costs, the amount of segment assets.

Based on the nature of the services, the Group's operations can be divided as follows (statement of profit or loss is compared for the same period of the previous year, balance sheet positions are compared to the data as at 31.12.2024):

EUR	Consumer loans For 3 months period ended 31 March		Pawn loans For 3 months period ended 31 March		Retail of pre-owned goods For 3 months period ended 31 March		Other For 3 months period ended 31 March		Total For 3 months period ended 31 March	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Assets	118 202 203	110 962 201	11 178 256	10 963 999	5 251 952	5 069 036	5 238	7 733	134 637 649	127 002 969
Liabilities of the segment	94 269 525	88 789 149	9 769 246	9 484 322	3 872 842	3 796 070	1 016 549	4 723	108 928 162	102 074 264
Net sales	-	-	-	-	2 928 494	2 328 152	-	-	2 928 494	2 328 152
Interest income and similar income	12 474 846	10 039 263	2 123 928	1 892 491	-	-	-	-	14 598 774	11 931 754
Net performance of the segment	4 292 406	3 751 386	713 383	650 142	102 482	183 058	20 770	15 376	5 129 041	4 599 962
Financial (expenses)	(2 547 874)	(2 230 227)	(223 736)	(230 646)	(93 777)	(99 787)	-	-	(2 865 387)	(2 560 660)
Profit/(loss) before taxes	1 744 532	1 521 159	489 647	419 496	8 705	83 271	20 770	15 376	2 263 654	2 039 302
Corporate income tax	(381 158)	(313 610)	(106 982)	(86 491)	(1 902)	(17 169)	(4 538)	(3 170)	(494 580)	(420 440)

(15) Guarantees issued, pledges

The Group has registered commercial pledges by pledging its assets and claim rights for a maximum amount of EUR 34.8 million as collateral registered to *SIA Mintos Finance* No.20 and *AS Mintos Marketplace* to provide collateral for loans placed on the Mintos P2P platform.

On 25 May 2023, the Company registered a 2nd rank commercial pledge by pledging its assets for a maximum amount of EUR 1.4 million as collateral registered to *AS Signet Bank*.

On 25 September 2023, the Company registered a 2nd rank commercial pledge by pledging its assets for a maximum amount of EUR 1.883 million as collateral registered to *AS Signet Bank*.

On 25 September 2023, the Company registered a commercial pledge by pledging its assets for a maximum amount of EUR 15 million as collateral registered to *MULTITUDE BANK P.L.C.*

On 14 December 2023, on 20 February, 14 May, 26 June and 17 July 2024, the Company signed an agreement for the pledge of bank accounts and balances in the amount of EUR 999 900 as part of the collateral with *MULTITUDE BANK P.L.C.*

On 16 October 2024, the Company registered a commercial pledge by pledging its assets for a maximum amount of EUR 6.37 million as collateral registered to *Citadele banka AS*. On October 16, 2024, the Company's subsidiary signed a guarantee agreement, assuming the obligation to be liable to *Citadele banka AS* for the Company's obligations.

As of 31 March 2025, the amount of secured liabilities constitutes EUR 45 923 864 (As of 31 December 2024 EUR 41 689 242).

Notes (continued)

(16) Subsequent events

On April 2025 the Company has signed a new credit line agreement with *MULTITUDE BANK P.L.C.* for EUR 12.5 million with a term of 3.5 years. The credit line will be used to expand the company's lending portfolio

Didzis Ādmīdiņš
Chairman of the Board

**Andrejs
Aleksandrovičs**
Board Member

Laima Eižvertiņa
Board Member

This document is electronically signed with safe electronical signature and contains time stamp.