

esto

Annual Report 2024

and group consolidated
financial statements

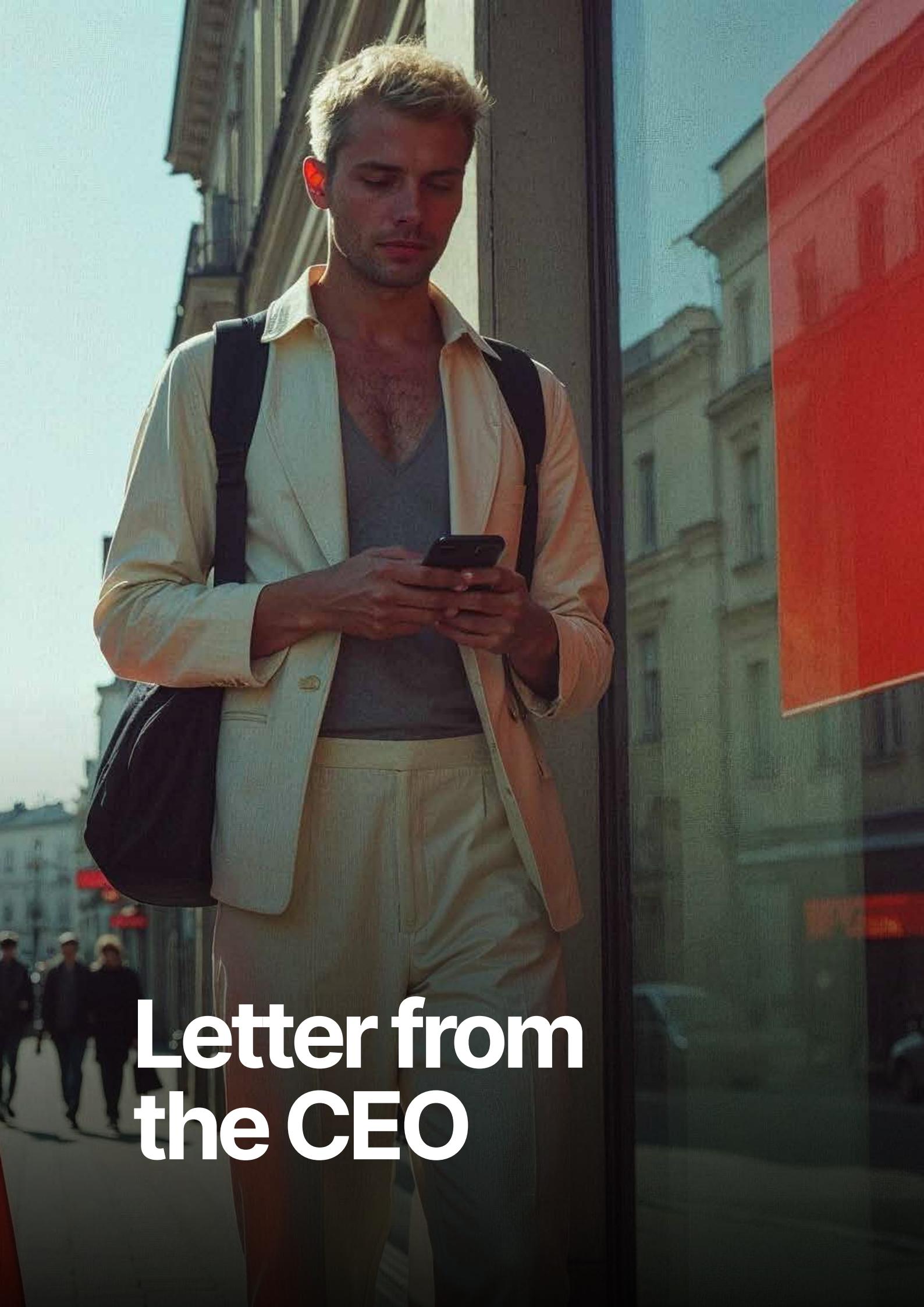
ESTO GROUP | ESTO HOLDINGS OÜ

The future of commerce.
Reimagined.

Contents

3	LETTER FROM THE CEO
6	LETTER FROM THE CFO
10	ABOUT ESTO
11	OUR BUSINESS
14	OUR STRATEGY
15	OUR VALUES
16	2024 AT A GLANCE
18	BUSINESS HIGHLIGHTS
19	STRATEGIC GROWTH
21	OPERATIONAL ACHIEVEMENTS
23	TECHNOLOGY AND INNOVATION
24	CORPORATE GOVERNANCE
25	CORPORATE GOVERNANCE
26	FINANCIAL PERFORMANCE OVERVIEW
27	KEY FINANCIAL METRICS
30	CONSOLIDATED FINANCIAL STATEMENTS
31	CONSOLIDATED STATEMENT OF FINANCIAL POSITION
33	CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
35	CONSOLIDATED STATEMENT OF CASH FLOWS
37	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
38	DEFINITIONS
39	DISCLAIMER





Letter from the CEO

The Road So Far

At ESTO, our mission is simple: help businesses sell and people buy. In a world where merchants and consumers want quick, easy solutions, we go beyond typical payments and credit services. Our platform ties together shopping offers, supports extra financial products, and integrates loyalty programs that bring customers and merchants closer.

But we're not just about payments or loans. We're building a true shopping ecosystem in the Baltics, woven into everyday life. With almost 6,000 partner stores and nearly 700,000 users, we're on track to hit the 1-million-user mark in the near future. And while we're a modern, online-first fintech, we also make sure people can access deals and financing options offline across Estonia, Latvia, and Lithuania.

Scaling New Heights

2024 turned out to be our best year since we launched in 2017, blowing past every target we set. We focused on boosting efficiency and profitability—and we outperformed even our own expectations, ending the year with a net profit of ca. 7 million EUR.

We also hit record user and partner growth—657,099 users, 5,782 partners, plus thousands of offline cashiers who offer our products daily. We were successful in the capital markets, faced with upcoming maturities, we refinanced existing obligations using our own equity—strengthened by growing organic profits—and successfully tapped the debt markets, demonstrating the confidence Baltic and global investors have in our brand.

We introduced our new Deals vertical, which is already shaking up the market by letting businesses drive more sales and helping consumers snag the best offers in the region. On top of that, we rolled out tons of new features in our Personal and Business lines—both users and partners are thrilled.

Building With Purpose

In 2024, we set out to run more efficiently without slowing down our growth or new product launches—and we delivered. We heavily invested in our product and tech teams, tapping into AI tools to work smarter and scale faster.

Our presence in the Baltics is solid, and we're confident in our roadmap for deeper expansion in Estonia, Latvia, and Lithuania. With a lean team of about 70 people—3 to 5 times fewer than many competitors—we've proven our technical skill and efficiency. We also believe in giving people real ownership and autonomy, making ESTO a place where motivated, talented individuals can truly thrive.

Our Financial Snapshot

Financially, 2024 was a standout year. We handled 164.4 million EUR in GMV, generated 30.9 million EUR in revenue, posted 14.2 million EUR in EBITDA, and ended with 6.9 million EUR in net profit. Our total assets hit 80.1 million EUR, an all-time high.

These numbers highlight both our growth and our disciplined financial approach. ESTO is among the most profitable companies in our sector, especially when you consider that many competitors are still trying to break even.

Staying Secure in an Evolving World

Throughout 2024, our legal and risk teams—backed by dedicated committees—kept internal and external risks in check with no major hiccups. Since we operate in euro-denominated Baltic markets, currency risk isn't a concern. While interest rates can matter, our relatively low borrowing costs compared to non-banks show that investors trust our stability.

Our business isn't locked to any one season, and we see strong growth all year. We're also using advanced tech, including AI, to keep refining our risk management so we can deliver even better outcomes across the board.

Where We're Headed

Looking ahead, we want to become the biggest driver of the Baltic shopping economy by building the region's top shopping ecosystem. Even though Estonia, Latvia, and Lithuania are separate countries, their markets overlap in big ways, and we aim to serve them seamlessly. We're already leading in Estonia and plan to become the go-to choice across all three nations.

Our approach is rooted in frugality, profitability, and efficiency, paired with modern tech and quick go-to-market moves.

We'll keep evolving our Personal, Business, and Deals lines to give Baltic consumers and businesses exactly what they need. That way, we'll keep adding real value for our users, partners, employees, creditors, and shareholders—setting ESTO up for steady growth in the years to come.

Mikk Metsa
Founder/CEO

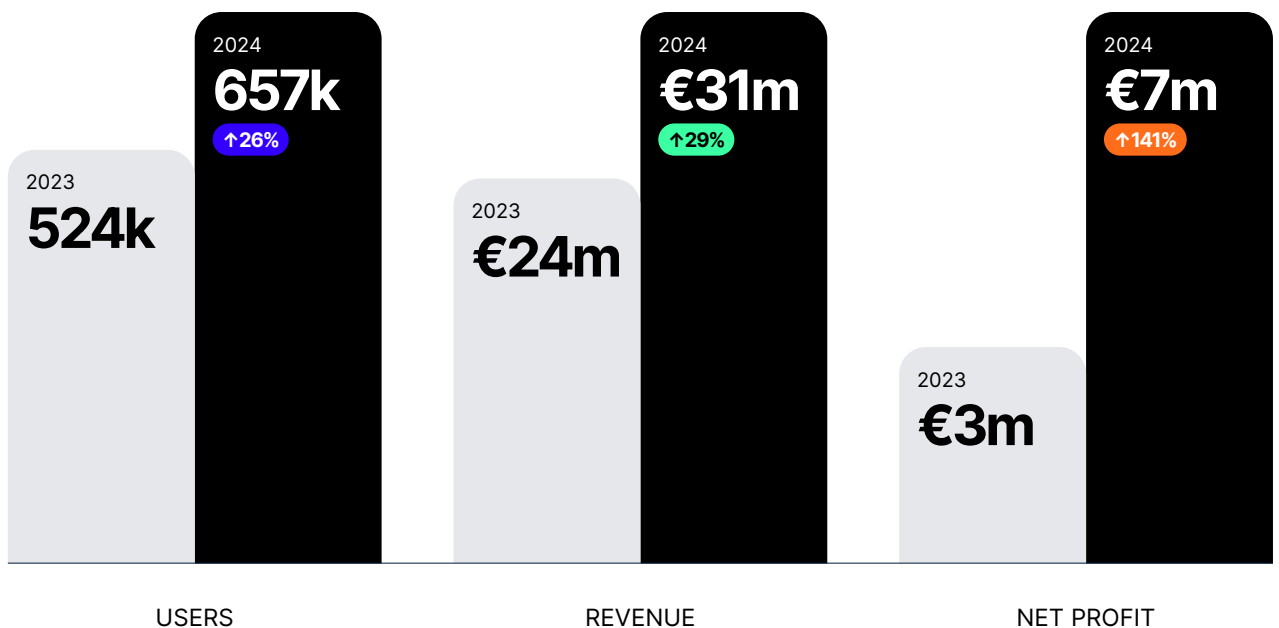


Letter from the CFO

2024 was a strong year for ESTO, reinforcing the agility and financial resilience of our business model. We successfully executed our strategy, demonstrated operational strength, and sustained profitable growth. In a rapidly evolving and competitive consumer finance landscape, we remained focused on agile, data-driven decision-making, strengthening partnerships with both merchants and service providers. As a result, we grew our credit portfolio by 14% and net income by 141%, further solidifying our position in the Baltic market.

As our portfolio expanded, so did our collaboration with existing financing partners. During the year we upsized our funding line with Multitude Bank, continued the co-operation with P2P platform Mintos and refinanced our inaugural €16m bond by new bond issuance in November 2024. I am thankful for the investors confidence and trust as we continue to increase our presence in the Baltics.

Building on the principles that guided us in 2024, ESTO remains committed to serving our partner merchants and customers through flexible financing solutions, including fixed-term interest-free (BNPL) products and traditional interest-bearing credit options. We enter 2025 with a strong balance sheet, prudent credit risk management, and a clear ambition to expand our e-commerce ecosystem.



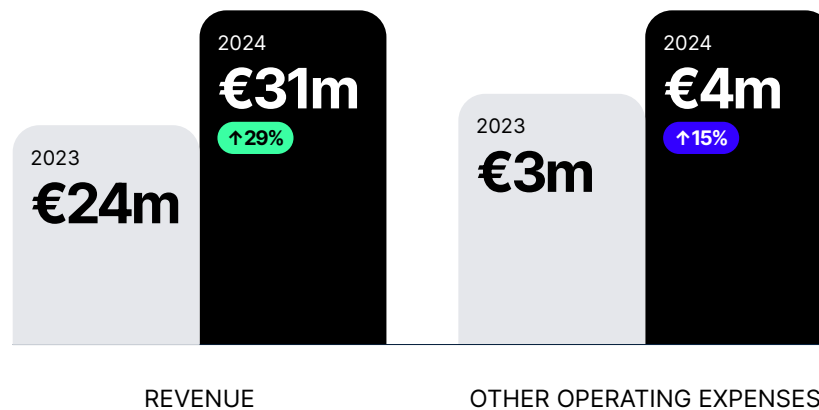
Financial performance

In 2024, our revenues grew by 29% to €30.99m. This was supported by strong performance across all key product lines and overall growth of the customer credit portfolio.

As ESTO continues to strengthen its foothold in the Baltics consumer credit market we have always kept in mind the relevance of doing so in a profitable manner. Throughout 2024, we practiced disciplined financial management predicated on the optimization of operational expenditure and controlling the loan losses incurred by introducing new fraud prevention measures and improving the portfolio quality by further developments to customer scoring engine. Whilst the revenues grew by 29% YoY, we managed to keep the operating expenditure on a quite stable level, showing 6% growth. Profitability increase was achieved by extreme frugality in expenditure as well as by capitalizing our own e-commerce ecosystem, where we provide financing through our partnered merchants, thus lowering the customer acquisition costs.

In 2024 we maintained full control of GMV and decided to limit the issuance and growth of GMV generating, but loss-making products. Even though we experienced a 3% decline in the total GMV, our credit product related GMV increased by 11% despite cuts to decrease the credit risk.

In 2024 further tailwinds were provided by long-awaited decrease in Euribor. As some of our borrowed capital is tied to Euribor this decreased the funding cost and at the same time had a positive impact on the disposable income of many of our customers.

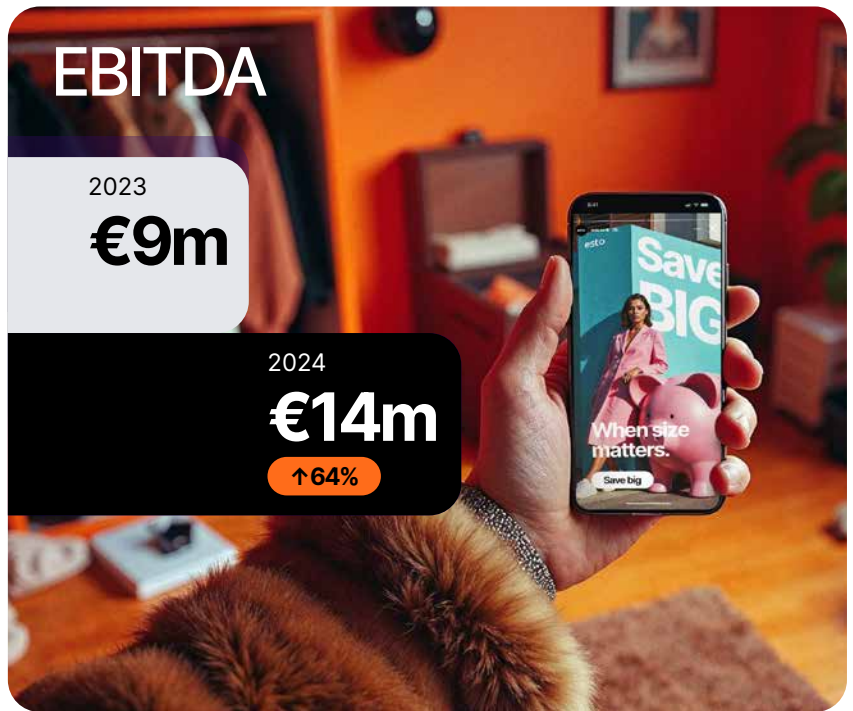


Strategic financial outlook

Looking ahead to the next year and beyond, we will continue doing what we do best – help business to sell and people to buy. Continuing to do so as a non-bank consumer financing company, we acknowledge to ourselves the importance of excellence in managing liquidity and the treasury function. Already in 2024, we introduced and implemented systematic and regular treasury and liquidity management frameworks, and we will continue to build on that for the upcoming year.

As we keep forging strategic alliances to grow our business, we feel that ESTO is well positioned to manage the risks and volatility of the consumer financing sector. We've kept the net loss arising from the derecognition of financial assets rates under control during 2024 and the level remained stable, 18% from revenue, as last year. We plan to continue to keep emphasis on this key piece of our business as this has a direct impact to our bottom line. Balancing growth and profitability is in the DNA of ESTO and we will keep the this philosophy in mind when expanding our business in upcoming years.

Gustav Juurikas
CFO



A woman with dark hair and blue eyes, wearing a bright orange top and red sunglasses perched on her head, stands on a city street. She is holding a light blue smartphone in her left hand and has her right hand near her chin in a thoughtful pose. The background shows a blurred city street with a white car and buildings under bright, high-contrast lighting.

**About
ESTO**



Our business

ESTO is a profitable financial technology company that has been driving commerce in the Baltics since 2017. From its very first year of operations, ESTO has maintained profitability by connecting businesses and consumers within a unified ecosystem. Our vision is to build the largest shopping network in Estonia, Latvia, and Lithuania—one that delivers significant value to both merchants and shoppers through seamless shopping offers, payment solutions and flexible credit options. By operating across all three Baltic nations, ESTO benefits from the cross-border reach of major retailers and the scalability of a shared marketplace.

Today, we focus on three main product verticals—Personal, Business, and Deals—each designed to enhance the shopping journey in its own way. We've built an integrated platform that supports everything from straightforward card payments to innovative buy-now-pay-later options, ensuring that transactions remain frictionless for everyone involved. Our revenue model is equally diverse: while credit monetization forms the backbone, we also earn from network fees tied to transactions within our ecosystem, creating a balanced risk profile and a healthy path for growth.

A Growing Baltic Ecosystem

Personal

- ✓ Shopping offers and loyalty
- ✓ Payment tech
- ✓ Financing

Deals

- ✓ Business promotion
- ✓ Targeted marketing campaigns
- ✓ Increased sales and brand visibility
- ✓ Exclusive savings and unique purchases

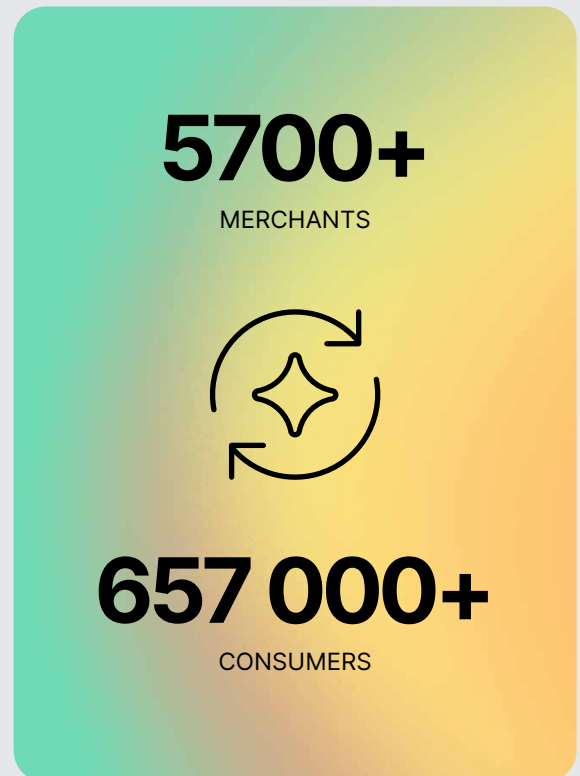
Business

- ✓ Checkout
 - Payment tech
 - BNPL
 - Marketing

A Growing Baltic Ecosystem

Operating in Estonia, Latvia, and Lithuania, ESTO's pan-Baltic strategy capitalizes on the interconnected nature of local economies. Our network already includes thousands of merchants and hundreds of thousands of consumers, and we continue to expand. Because our platform facilitates both transactions and financing, we see consistent growth in Gross Merchandise Volume (GMV) and overall network activity. This multi-sided approach—backed by innovative credit solutions and diverse revenue streams—has positioned ESTO as a leading shopping ecosystem in the region.

Whether you're a shopper seeking easy financing or a merchant aiming to reach new customers, ESTO's comprehensive suite of products is designed to empower everyone in the transaction. As we scale our operations further, our commitment remains the same: to drive regional commerce through accessible payment solutions, cutting-edge technology, and a shared ecosystem that benefits businesses and consumers alike.



ESTO Personal

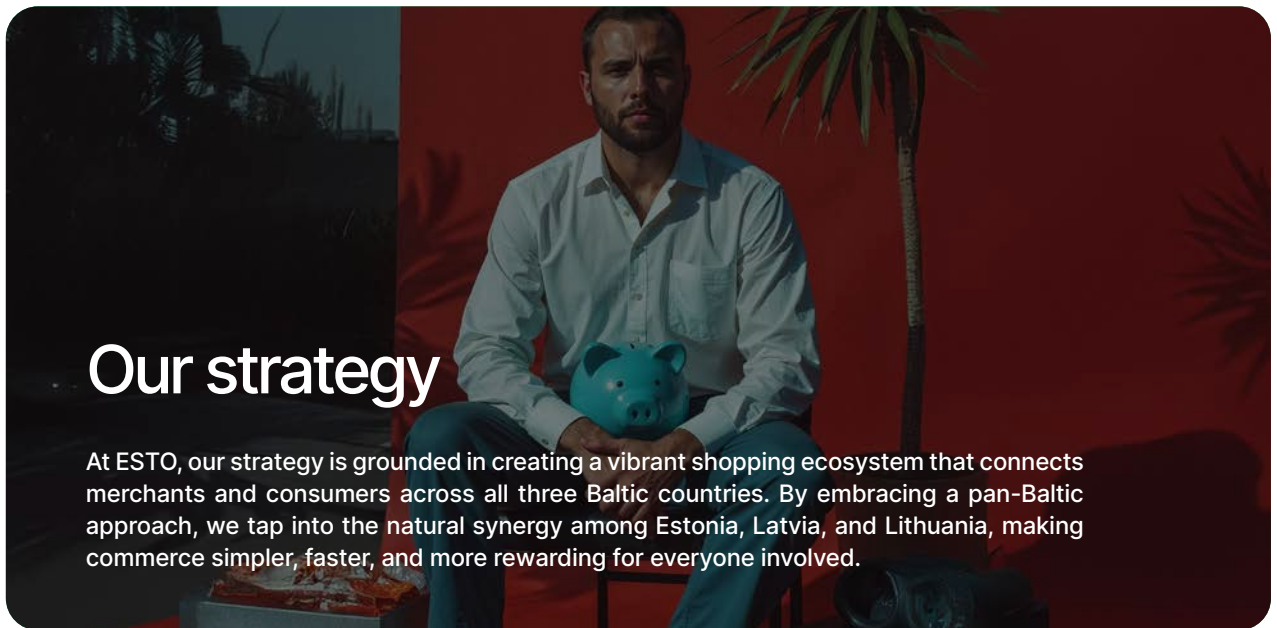
ESTO Personal is all about improving the everyday shopping experience for consumers. We offer a range of convenient services, from shopping credit and consumer loans to loyalty programs and special shopping offers. Whether it's a quick online purchase or a larger financed transaction, ESTO Personal helps shoppers find the best deals and manage their spending responsibly.

ESTO Business

ESTO Business caters to the needs of merchants looking to streamline payments and boost sales. Our Checkout solution supports everything from bank transfers and card payments to BNPL and instalment loans, making it easier for businesses to serve their customers—online or offline. We also provide marketing tools and working capital solutions that help merchants grow faster and stand out in a competitive market.

ESTO Deals

The newest addition to our product lineup, ESTO Deals is a dedicated platform that helps businesses promote discounted offers and run targeted marketing campaigns. By showcasing deals to a broad audience across the Baltics, we help businesses increase sales and brand visibility, while consumers enjoy exclusive savings and unique purchasing opportunities.



Our strategy

At ESTO, our strategy is grounded in creating a vibrant shopping ecosystem that connects merchants and consumers across all three Baltic countries. By embracing a pan-Baltic approach, we tap into the natural synergy among Estonia, Latvia, and Lithuania, making commerce simpler, faster, and more rewarding for everyone involved.

Ecosystem at the Core

Our core mission is to unite shoppers and businesses within one seamless platform. We're not just a payment or credit service—we're a partner that helps merchants unlock new sales channels and helps consumers discover the best deals. With ESTO Personal and ESTO Business forming the foundation of our ecosystem, each interaction generates value for both sides. ESTO Deals adds an extra layer of engagement, showcasing discounted offers that drive foot traffic, boost online conversions, and give consumers real savings.

Pan-Baltic Reach, Local Focus

While we operate across Estonia, Latvia, and Lithuania, we understand that each country has its own character. That's why our approach combines local market expertise with the efficiency of a unified platform. Whether it's tailoring payment options to a specific region or providing marketing support for a merchant's product launch, our pan-Baltic strategy is designed to scale effortlessly while still feeling local.

Deep Merchant-Consumer Connection

We view every transaction as a chance to build stronger relationships. Merchants gain access to easy-to-integrate payment solutions, financing options for customers, and direct marketing tools through ESTO Deals. Meanwhile, consumers enjoy quick checkouts, loyalty benefits, and flexible credit options that let them shop on their terms. This constant feedback loop—merchants improving their offerings based on consumer insights, and consumers enjoying better deals—propels the entire ESTO network forward.

Accelerating Commerce, One Transaction at a Time

Looking ahead, we will continue to refine our ecosystem, expanding our merchant network and user base while adding new features that make shopping in the Baltics more convenient and rewarding. By remaining laser-focused on customer experience and operational efficiency, we aim to grow sustainably, deliver consistent value to our stakeholders, and cement our position as the go-to shopping partner in the region.

Our values

At ESTO, our success isn't a coincidence; it's the direct result of our core values, which power everything we do. These values define how we work and how we make a lasting impact in our industry. They guide our decisions, ensure we remain focused on our goals, and directly reflect the culture we've built – one where ownership, speed, communication, and a competitive spirit are lived out every day.

We are all in

Ownership

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

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

Overthinking → Doing

Speed

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

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

Be open and direct

Communication

We keep it real—transparency and accountability are a must. Communication drives everything, good or bad. Speak your truth, keep things moving, and never hold back.

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

We play to win

Competitors by heart

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

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

Our values are the foundation of who we are at ESTO. We take full ownership of our responsibilities, move fast to get things done, communicate openly and transparently, and always play to win. These values guide us every step of the way, ensuring we stay focused on what matters most.

Living by these values means creating an environment where every team member is empowered to act, where speed and innovation lead the way, and where every victory is earned. At ESTO, our values define the path to success, and they're what set us apart as a team.



Key achievements

2024 was our best year to date, driven by significant achievements in marketing, product development, and other strategic areas. Our everyday efforts are enabling us to deliver innovative solutions and create exceptional value for our customers, partners and shareholders.

Increased Market Presence & User Growth

We have expanded our market reach with steady monthly growth in new user acquisitions. Lithuania and Latvia recorded its highest monthly number of newly created user profiles in history.

Across all three markets, user acquisition remained stable and growing, demonstrating targeted marketing strategies' success.

Social Media & Branding Growth

ESTO's organic social media engagement increased notably due to onboarding dedicated professionals into ESTO team who took over the management of our social media platforms. Our goal is to portray the life within the company together with our value proposition to our customers and partnered merchants in a modern and engaging manner.

ESTO's commitment to remain strong in its digital presence was reflected by four new hired team members that will support social media branding in the long term.

Strengthening Merchant Checkouts

We continue to enhance our financing solutions to help merchants increase conversions. Our updated checkout process now offers alternative financing options for customers who may not qualify for our interest-free BNPL solutions. By presenting a range of financing choices, including standard interest-bearing consumer loans, we enable more customers to access credit, ultimately driving higher sales for our merchant partners.



ESTO Deals: Adding Value for Business and Consumers

ESTO Deals launch: In 2024, we launched ESTO Deals on our homepage and customer profiles, creating a valuable new connection between businesses and consumers. This dedicated platform empowers our B2B network to promote exclusive discounts and run targeted marketing campaigns, driving increased sales and brand awareness across the Baltics. At the same time, ESTO Deals provides our customers with access to special offers and unique purchasing opportunities, enhancing their overall ESTO experience.

Strengthening Fraud Prevention and Risk Management

AI-Powered Fraud Mitigation: We've implemented the tools for fraud mitigation in all regions, strengthening our defenses against fraudulent activity and minimizing risk to our business.

Modernizing Platforms for Enhanced User Experience

New Purchase Flow Platform: We've moved to a new Purchase Flow platform, making it easier and more intuitive for customers to apply for financing.

Growing Our Merchant Base

Expanded Merchant Network: In 2024, we significantly expanded our merchant network, welcoming more than 700 new partners in the Baltics. As of the end of 2024 ESTO had 5,782 unique point of sales.

We will continue to offer value for our merchants: increasing their average shopping cart value by 30%, boosting their sales and client base.



Business highlights



New initiatives and product launches

Our three core product verticals are more than just categories—they're dynamic engines fueling our mission to transform shopping in the Baltics. From innovative credit solutions to seamless commerce and beyond, each vertical is positioned to unlock a suite of new activities that will drive our growth forward.

Looking ahead, we're excited about a wave of fresh product ideas set to roll out over the next year. Expect major enhancements across our credit, brokerage, platform, and commerce solutions—all designed to boost profitability and deliver outstanding value to businesses and consumers alike. With these innovations, our growth trajectory becomes even more unstoppable, ensuring that ESTO continues to lead the way in providing super products for the Baltic market.

To continue creating high value for our customers and partners, we will launch the following initiatives in the near future:

Enhancing the Consumer Experience

- ✓ **Income Insurance:** Providing clients with a safety net against job loss for a monthly fee, offering greater financial security.
- ✓ **Referrals:** Rewarding clients for referring their friends, fostering community and loyalty.
- ✓ **Loyalty Program:** Creating a system that encourages engagement with ESTO's platforms and products, reworking ESTO Premium to provide even more benefits.
- ✓ **Credit Line in Checkout:** Offering B2C clients with existing ESTO credit lines a fast checkout option directly within their POS systems.

Empowering Our Business Partners

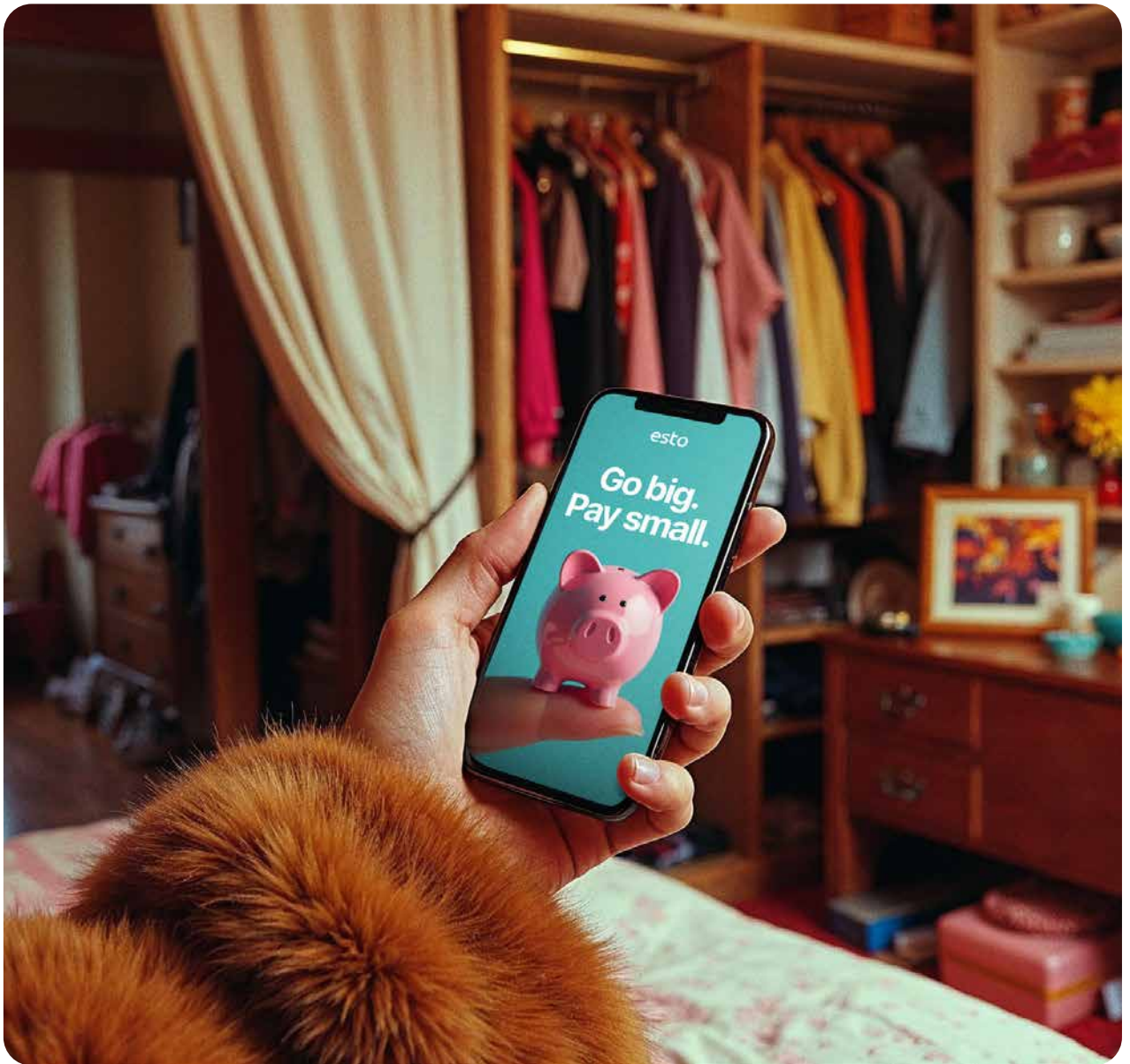
- ✓ **ESTO Capital:** Providing a credit line to our B2B partners, enabling them to grow and scale their businesses.

Expanding the Reach of ESTO Deals

- ✓ **New Distribution Channels:** Adding ESTO Deals to other platforms, such as Purchase Flow, automatic communications, and our Affiliate CRM, maximizing visibility and driving sales.
- ✓ **ESTO Market:** Creating a marketplace that connects with our existing B2B network, offering items and services with price comparison tools and seamless integration with our loyalty program and checkout methods.

New access and new look

- ✓ **Rebranding:** Completing a redesign of key platforms like Purchase Flow to streamline client onboarding and enhance the overall user experience.
- ✓ **Mobile App:** Launching a mobile app for self-service account management and easier browsing of ESTO Deals, providing customers with convenient access to our services on the go.



Market penetration

Our sights are set on the Baltics, and we're doubling down on making Latvia and Lithuania mirror the success we've already seen in Estonia. Rather than racing into new territories, we're taking the proven ESTO playbook—one that helped us dominate in Estonia—and applying it directly to these two markets. We've already laid the groundwork with key merchant partnerships, strong local teams, and cutting-edge technology tailored to each country's needs.

Today, we stand on the edge of what we believe will be breakout, profitable growth in both Latvia and Lithuania. Our central ESTO Group organization is primed to provide the strategic support and tech innovation necessary to help each market flourish. By focusing our energy on this pan-Baltic approach, we're confident we'll continue to accelerate commerce across the region—bringing the same seamless, profitable momentum to Latvia and Lithuania that's fueled our success in Estonia.

Operational achievements

2017

ESTO is founded and becomes profitable in the first 12 months.

2018

First debt funding to scale the business model + adding monetisation to ESTO business model. BNPL turned in to integrated finance model.

Launched partnership with Estonia's biggest online retailer Kaup24 (Pigu Group).

2019

Launched credit line product + our configurable BNPL product.

esto | **PAY
LATER**

2020

ESTO joins Mintos, one of the leading P2P marketplaces to attract growth capital.

2021

Expansion to Latvia and Lithuania.

Launch of ESTO Pay.

estoPay

2022

Reached €100M annual GMV, €50M credit portfolio and generated €17M revenue and €2.5M profit.

ESTO Holdings OÜ announces issuance and settlement of EUR 16 million first-time corporate bond.

2023

ESTO Group reached €60M portfolio size, doubling in size within 2 years.

2024

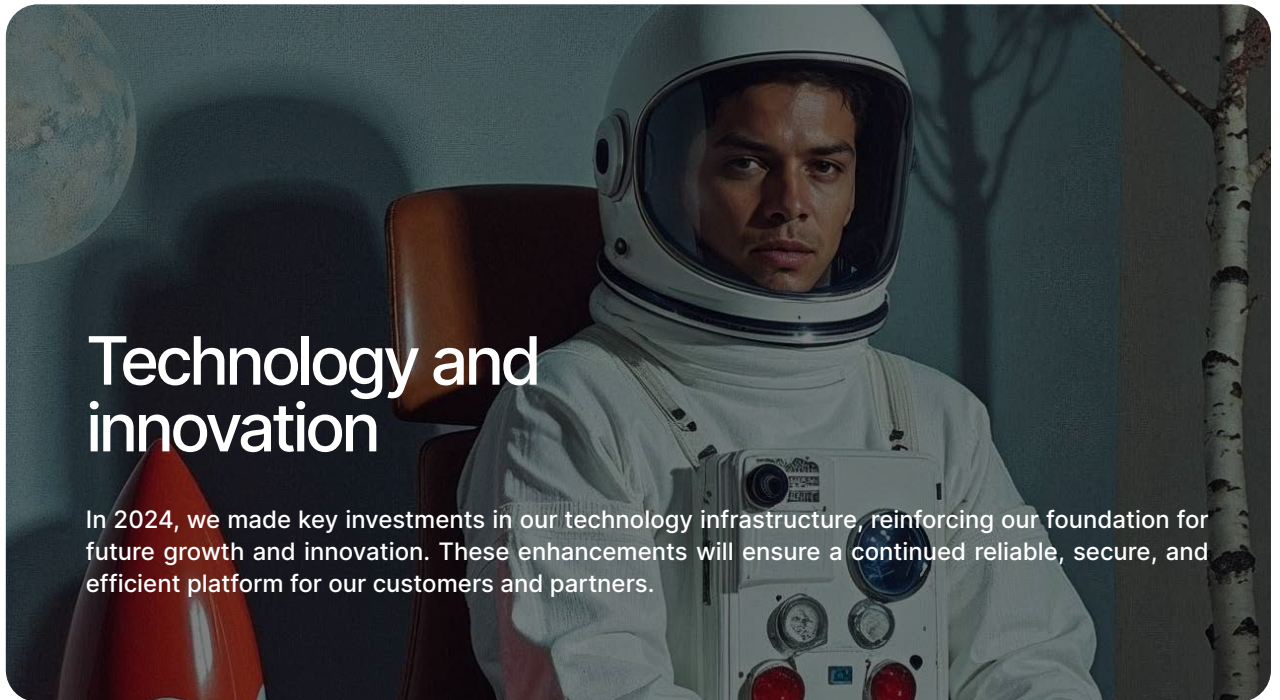
Record year for ESTO in terms of revenues and profitability. Continue to expand product offering.

Launch of ESTO Deals.

Reaching EBITDA positive in Latvia and Lithuania.

€70M Group net loan portfolio.





Technology and innovation

In 2024, we made key investments in our technology infrastructure, reinforcing our foundation for future growth and innovation. These enhancements will ensure a continued reliable, secure, and efficient platform for our customers and partners.



Enhanced System Monitoring and Reliability

We implemented a new alerts and monitoring system for our ESTO infrastructure, providing real-time visibility into system performance and enabling us to proactively identify and address potential issues. This, alongside our migration to a new server setup for better redundancy, ensures the stability and uptime of our services, minimizing disruptions and maximizing the availability of our platform for customers and partners.



Modernized User Experience Platform

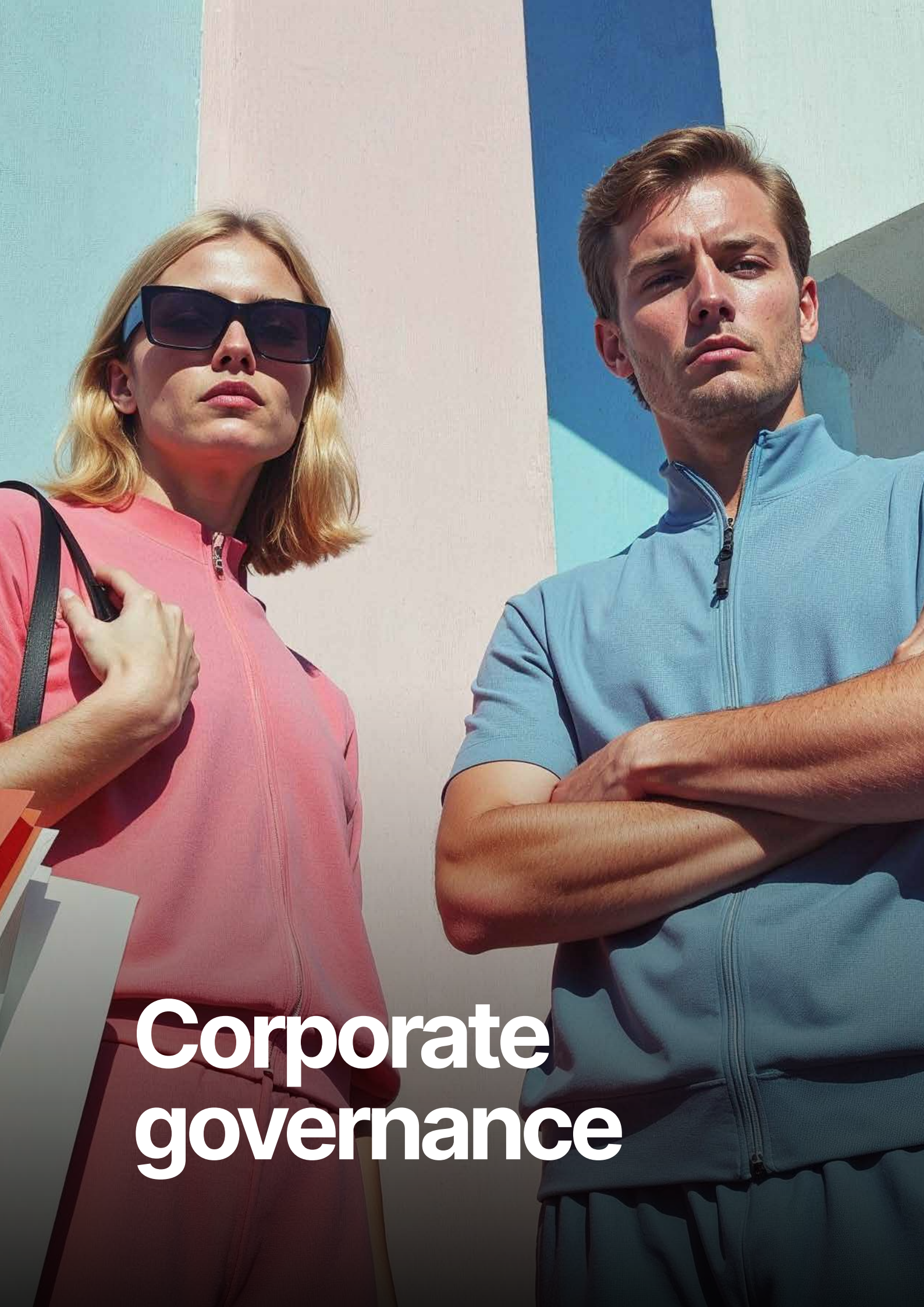
We transitioned to a new Customer Profile, laying the groundwork for future enhancements. This new platform is designed to be more intuitive, user-friendly, and personalized, allowing us to deliver a better self-service experience and empower customers to manage their accounts with ease. This upgrade will allow us to launch more tools into our client platform.



AI-Powered Security and Efficiency

We are leveraging the power of artificial intelligence to enhance fraud prevention and optimize internal processes. In 2024, we implemented the Sift AI tool for fraud mitigation across all regions, strengthening our defenses against fraudulent activity and protecting our business and honest customers.

Looking ahead, our Digital Workforce initiative will utilize AI agents to streamline internal workflows, automate repetitive tasks, and provide improved assistance to clients.



Corporate governance

Corporate governance

ESTO is committed to maintaining the highest standards of corporate governance, ensuring transparency, accountability, and compliance with all applicable financial and consumer protection regulations. As a leading consumer financing and Buy Now, Pay Later (BNPL) provider in the region, we operate with integrity and responsibility to protect the interests of our customers, partnered merchants, investors, and stakeholders.

Regulatory Compliance and Licensing

We are fully licensed and regulated in all the markets in which we operate, adhering to the relevant consumer financing and credit regulations in Estonia, Latvia, and Lithuania. Our operations comply with all necessary financial regulations, ensuring responsible lending practices and consumer protection practices. We continuously monitor regulatory developments and adapt our policies and processes to maintain full compliance.

Governance Framework

Our governance framework is built on clear policies, robust internal controls, and a commitment to ethical business conduct. ESTO is overseen by Supervisory Board and different committees (Credit risk committee, Liquidity committee, Operational risk committee, Credit management committee, Strategic funding committee) at a group level, which provides strategic direction and ensures the implementation of sound risk management practices. Our executive leadership team upholds strong financial stewardship and operational excellence, fostering sustainable growth and value creation.

Risk Management and Consumer Protection

We maintain a disciplined approach to risk management, with stringent credit assessment and monitoring processes to ensure responsible lending. The risk management is provided through systematic controls, benchmarks and targets that are monitored regularly through different mediums and that provide management a clear overview. Protection is embedded in our operations, with transparent terms, fair pricing, and clear communication to help customers make informed financial decisions.

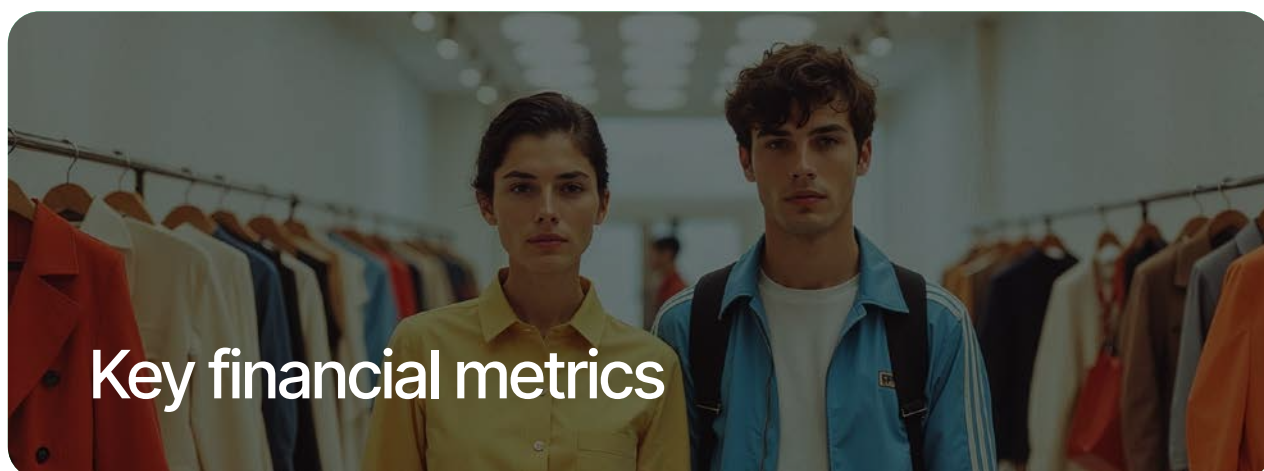
Commitment to Transparency and Accountability

We prioritize transparency in our financial reporting, decision-making, and stakeholder communications. Our corporate governance practices are designed to align with international best practices, reinforcing trust and confidence among investors, regulators, and customers.

By upholding strong governance principles, ESTO continues to build a sustainable and responsible financial services business, delivering value to both consumers and the broader market.



Financial performance overview



Key financial metrics

(in thousands of euros)

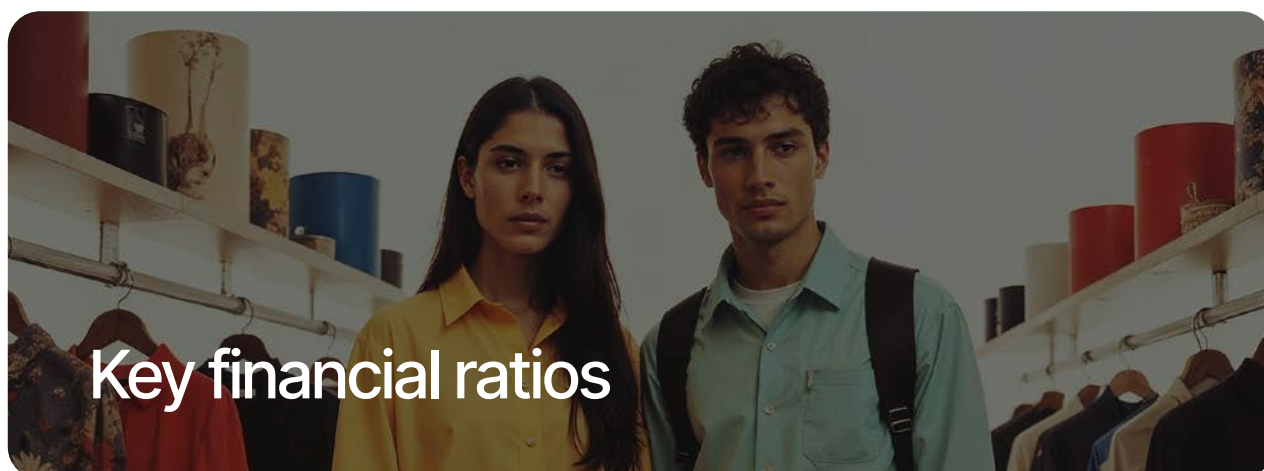
Operational highlights	2024/12M	2023/12M	Δ in %
GMV	164,414	169,777	-3%
Total volume of transactions*	954,523	604,259	58%
Loans issued	82,014	74,071	11%
Credit applications approved (count)	745,210	846,112	-12%

	2024.12.31	2023.12.31	
Net Loan portfolio	69,912	62,931	11%
Gross Loan portfolio	73,158	64,286	14%
Total Unique point of sales (count)	5,782	4,714	23%
Total number of users (count)	657,099	523,536	26%

Financial highlights	2024/12M	2023/12M	Δ in %
Revenue	30,987	24,078	29%
EBITDA	14,202	8,680	64%
Net Profit	6,874	2,854	141%

	2024.12.31	2023.12.31	
Total Assets	80,102	70,515	14%
Equity (incl. Tier-II capital)	18,263	14,303	28%

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



Capitalization	2024.12.31	2023.12.31
Equity to assets ratio	23%	21%
Capitalization ratio	25%	22%

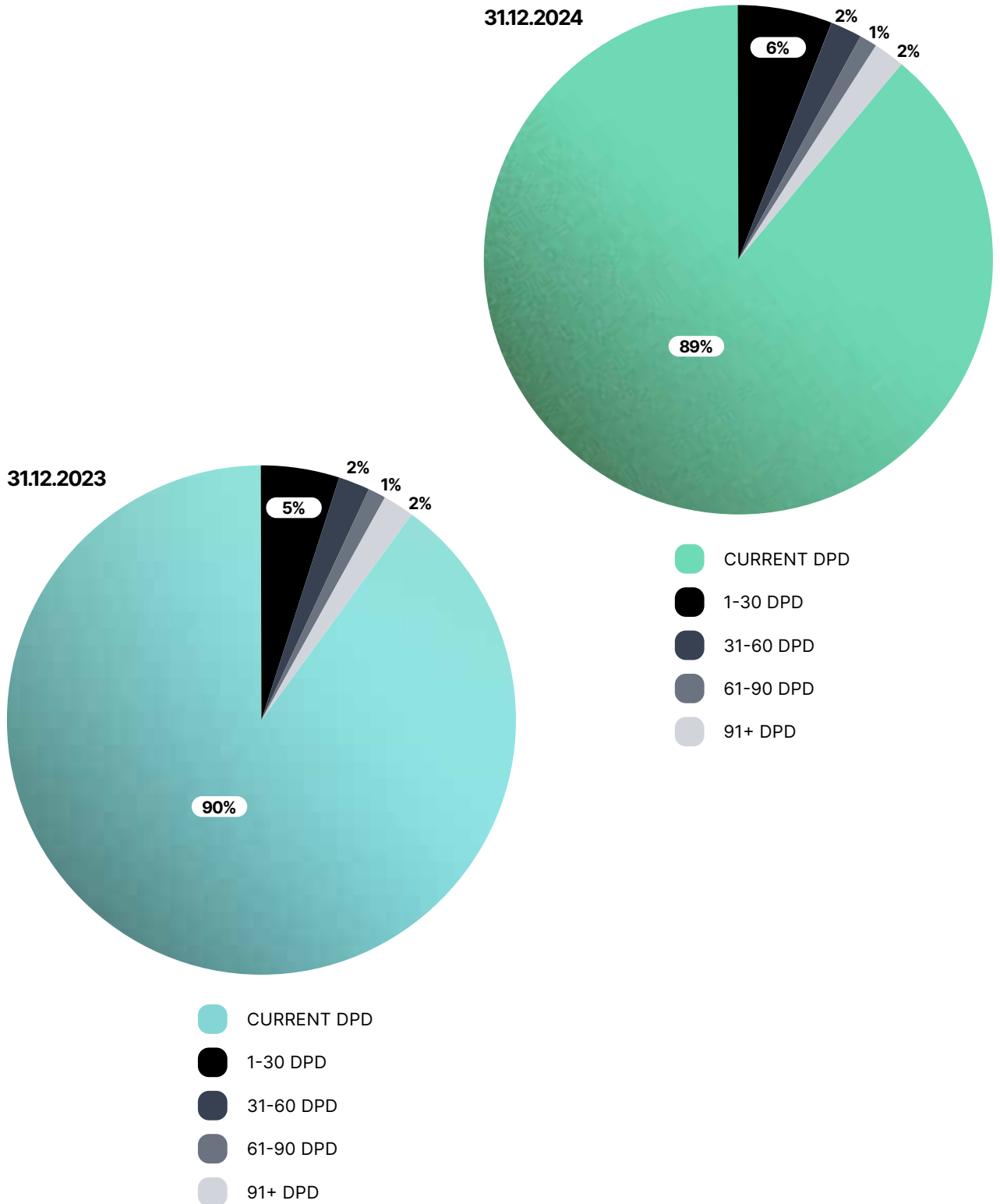
Profitability	2024/12M	2023/12M
Annualized net interest margin	23%	21%
Interest coverage ratio (TMT)	2.0	1.5
Cost to income ratio	23%	25%
EBITDA margin	46%	36%
Annualized return on assets	9%	5%
Annualized return on equity	67%	39%

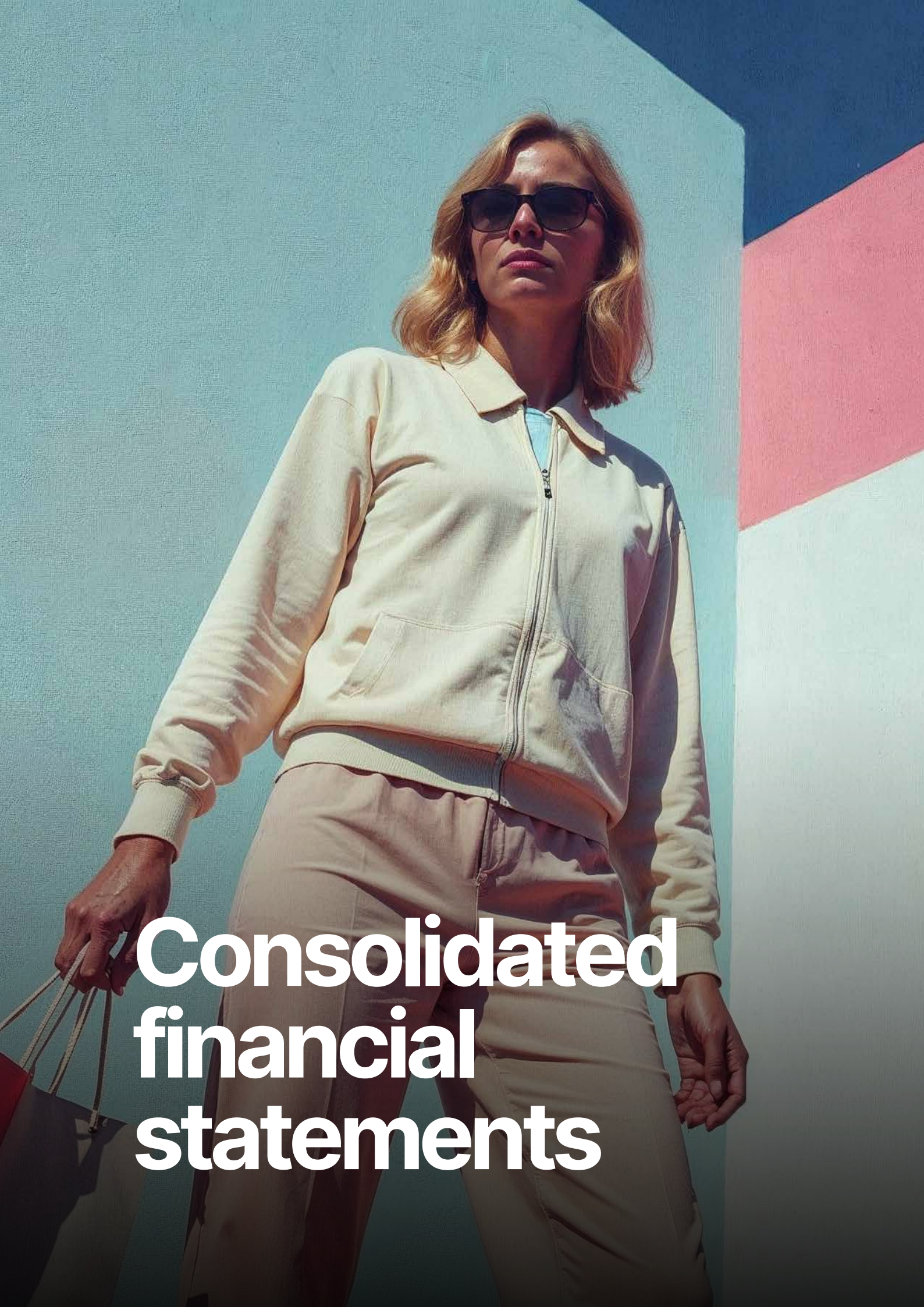
Asset quality	2024.12.31	2023.12.31
Provision cost to loan portfolio	4%	2%

Pledged loan receivables	2024.12.31	2023.12.31
ESTO Bond	120%	120%

Loan performance

The performance of Group's portfolio as of 31 December 2024, shows that the majority of the loan portfolio (89%) remains with no past due payments. This contributes to the overall high quality of the Group's portfolio, which has only 5% of delinquent payments. 6% of 1-30 DPD considered to be not in serious risk of delinquency due to constant recovery.





Consolidated financial statements

Consolidated Statement of Financial Position

(in thousands of euros)

ASSETS	31.12.2024	31.12.2023	Δ in %
Current assets			
Cash and cash equivalents	2,357	2,398	-2%
Loans and advances to customers	62,546	58,470	7%
Prepayments	715	828	-14%
Other assets	1,308	613	113%
Total current assets	66,926	62,309	7%
Non-current assets			
Loans and advances to customers	10,114	5,888	72%
Property and equipment	83	73	14%
Intangible assets	2,614	1,971	33%
Other assets	363	274	32%
Total non-current assets	13,175	8,206	61%
TOTAL ASSETS	80,102	70,515	14%
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Loans and borrowings	33,316	39,482	-16%
Trade payables and other payables	2,044	1,756	16%
Tax liabilities	186	120	54%
Total current liabilities	35,546	41,359	-14%
Non-current liabilities			
Loans and borrowings	32,845	20,450	61%
Total non-current liabilities	32,845	20,450	61%
TOTAL LIABILITIES	68,391	61,809	11%

(in thousands of euros)

Equity	31.12.2024	31.12.2023	Δ in %
Share capital	10	5	100%
Share premium	435	435	-
Voluntary capital	27,602	29,263	-6%
Merger reserve	(23,952)	(23,952)	-
Retained earnings	686	100	583%
Total comprehensive income	6,930	2,854	143%
Total equity	11,711	8,705	35%
TOTAL EQUITY AND LIABILITIES	80,102	70,515	14%

Assets

The Group's total assets grew significantly, reaching € 80.1 million on 31 December 2024, up from € 70.5 million on 31 December 2023. The main change during the period is due to an increase in the loan portfolio, a trend supported by consistently high performing group companies.

Loan portfolio

As of 31 December 2024, our loans and advances to customers net of impairment loss allowance reached € 72.7 million. This represents a 13% increase from the € 64.4 million as of 31 December 2023.

Liabilities

As of 31 December 2024, the Group's total liabilities were € 68.4 million, an increase of € 6.6 million from € 61.8 million as of 31 December 2023. This increase in liabilities supported the loan portfolio growth.

Loans and borrowings

The Group's loans and borrowings increased to € 66.2 million as of 31 December 2024, from € 59.9 million as of 31 December 2023.

Equity

As of 31 December 2024, the Group's total equity increased to € 11.7 million from € 8.7 million as of 31 December 2023.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

(in thousands of euros)

	2024/12M	2023/12M	Δ in %
Interest revenue	22,499	17,210	31%
Interest expense	(7,174)	(5,715)	26%
Net interest income	15,324	11,495	33%
Fee and commission income	3,920	2,749	43%
Fee and commission expense	(1,529)	(1,323)	16%
Net fee and commission income	2,391	1,426	68%
Other income	94	-	-
Net loss arising from derecognition of financial assets measured at amortised cost	(4,674)	(3,510)	33%
Impairment losses and on financial instruments	338	(446)	-176%
Other operating expenses	(3,552)	(3,101)	15%
Personnel expenses	(2,614)	(2,553)	2%
Depreciation and amortisation	(242)	(216)	12%
Other expenses	(281)	(347)	-19%
Profit before income tax	6,785	2,748	147%
Income tax	89	106	-16%
Profit for the period	6,874	2,854	141%
Other comprehensive income			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Unrealized gain from financial instruments	56	-	-
Total other comprehensive income	56	-	-
Total comprehensive income for the period	6,930	2,854	143%

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 € 4.7 million, reflecting a 33% increase compared to € 3.5 million for the same period last year.

The net loss from derecognition of financial assets measured at amortised cost increased proportionately due to significantly higher loan portfolio (the gross loan portfolio increased by 14% year-on-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.

Overall, the net loss arising from derecognition of financial assets represented 18% of operating revenue for the reporting period, same as in the previous year.

Impairment losses and write-off on financial instruments

Impairment losses on financial instruments for the reporting period were positive, totalling € 0.3 million, compared to a negative € 0.4 million for the same period last year.

Consolidated Statement of Cash Flows

(in thousands of euros)

	2024/12M	2023/12M
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit	6,874	2,854
Adjustments or changes for:	2,543	3,422
Interest income	(25)	(595)
Net impairment loss on loans and advances	(338)	446
Net loss arising from derecognition of financial assets measured at amortised cost	4,674	3,510
Depreciation and amortisation	242	214
Other adjustments	(2,009)	(152)
Total adjustments or changes	9,418	6,277
Changes in:		
Other assets and prepayments	(671)	(21)
Trade and other payables	353	677
Loans and advances to customers	(11,625)	(18,447)
Total changes	(11,943)	(17,791)
NET CASH USED IN OPERATING ACTIVITIES	(2,525)	(11,514)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(54)	(29)
Acquisition of intangible assets	(904)	(665)
Other loans granted	(2,683)	(15)
Other loans repaid	1,357	149
NET CASH USED IN INVESTING ACTIVITIES	(2,284)	(559)

(in thousands of euros)

	2024/12M	2023/12M
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans and borrowings	43,843	27,770
Repayments of borrowings	(37,419)	(14,199)
Paid in share capital	5	-
Voluntary capital reduction	(1,661)	-
NET CASH FROM FINANCING ACTIVITIES	4,769	13,571
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(40)	1,497
Cash and cash equivalents at beginning of period	2,398	900
Cash and cash equivalents at end of period	2,357	2,398

Net cash flows used in operating activities during the twelve months of 2024 were € 2.5 million. For the same period, net cash flows used in investing activities were € 2.3 million. The Group's cash flows from financing activities amounted to € 4.8 million.

Consolidated Statement of Changes in Equity

(in thousands of euros)

	Share capital	Share premium	Merger reserve	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
Balance at 31.12.2023	5	435	(23,952)	29,263	41	2,914	8,705
Total profit and other comprehensive income for the period	-	-	-	-	56	6,874	6,930
Profit for the period	-	-	-	-	-	6,874	6,874
Other comprehensive income	-	-	-	-	56	-	56
Reclassification from OCI to profit and loss	-	-	-	-	(41)	-	(41)
Realized gain from financial instruments	-	-	-	-	(41)	-	(41)
Transactions with owners of the Company Contributions and Distributions	5	-	-	(1,661)	-	-	(1,656)
Paid in share capital	5	-	-	-	-	-	5
Voluntary capital decrease	-	-	-	(1,661)	-	-	(1,661)
Previous periods corrections	-	-	-	-	-	(2,228)	(2,228)
Balance at 31.12.2024	10	435	(23,952)	27,602	56	7,560	11,711

As of 31 December 2024, the total equity of the Group was € 11.7 million. Total equity including Tier-II capital for the reporting period amounted to €18.3 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 costs / total loan portfolio.

Annualized return on 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 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.

This communication is not intended to be a recommendation to buy, sell or hold securities and does not constitute an offer for the sale of, or the solicitation of an offer to buy, securities in any jurisdiction, including the Republic of Estonia. Any such offer will only be made by means of a prospectus or offering memorandum, and in compliance with applicable laws.