

A man with long blonde hair, wearing a grey beanie, sunglasses, a grey turtleneck, and a bright yellow puffer jacket, is walking on a city sidewalk at night. He is carrying two shopping bags, one orange and one light pink. The background shows a street with a black lamppost, bare trees, and a building with a large window displaying a statue and plants. The scene is lit with warm streetlights and shop window lights.

esto

UNAUDITED

Financial Results 2025 9M



Momentum that matters: record results, deeper relationships, and a model built to last.

27%

GROWTH OF LOANS
ISSUED

1,120M

VOLUME OF
TRANSACTIONS¹

758K

USERS

€26M

REVENUE

€12.7M

EBITDA

€6.8M

NET PROFIT

0.1%

NET NPL TO NET
PORTFOLIO

28th

CONSECUTIVE
PROFITABLE QUARTER


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

Key highlights

November 2025, ESTO GROUP (ESTO Holdings OÜ) presents unaudited consolidated financial results for the nine months ending 30 September 2025.

Financial Performance

- ✓ **Revenue:** Totaled €9.23 million for the quarter, representing a QoQ increase of 8.5%, with YTD revenue reaching €26.0 million, up 13.1% YoY. The growth is mainly driven by increase of portfolio growth.
- ✓ **EBITDA:** Achieved highest quarterly EBITDA of €4.31 million, reflecting a QoQ growth of 4.0% whereas YTD EBITDA is reported at €12.7 million, a 27% YoY increase, in line with overall portfolio growth.
- ✓ **Net Profit:** Q3 reported net profit stood at €2.25 million showcasing impressive 24% net margin, with a YoY rise of 15.8% - it is important to note that these figures are inclusive of one-off €0.32 million advisory and transaction-related cost from the successful completion of Project Emerald. YTD net profit figure stands at €6.8 million, marking a 48% YoY improvement, largely due to lower level of loan losses and increased portfolio quality.
- ✓ **Gross Loan Portfolio:** Closed at €88.4 million, up 10% QoQ and 28% YoY, with €7.8 million in net growth during the period. We achieved the growth while maintaining strong portfolio quality and reducing the loan losses on a significant level.
- ✓ **Gross Merchandise Value (GMV):** Amounted to €49.4 million, showing an YoY increase of 20.3%. 9M YTD GMV grew by 6% in 2025 YoY to €132.1 million.
- ✓ **Credit Issuance:** Reached €30.4 million, showcasing a significant YoY increase of 47.5% and quarterly increase of 21.3%. YTD group issuance has hit €78.7 million, reflecting 27% YoY growth.
- ✓ **Regional Distribution:** Latvia and Lithuania contributed ~40% of total issuance, underscoring continued strength in Estonia alongside expansion in these markets.

A background image of a man with a long beard and sunglasses walking in a park, with trees and a path visible.

Ecosystem and Growth

- ✓ At ESTO, the core belief remains simple - add supply, supply, supply. Every strategic initiative ultimately serves that objective. Growth in merchants and users defines success; everything else is secondary. The Group added 463 new merchant partners in Q3, bringing the total partner network to 7,116, an increase of 7 percent from the previous quarter. The customer base expanded by 30,996 new users, reaching 758,440 total registered users at the end of September, up 22 percent year on year.
- ✓ ESTO launched a new machine learning framework under the Growth Score initiative to manage GMV subsidies and ecosystem expansion. The MLOps infrastructure has been fully deployed, and Growth Score models are now trained and retrained using advanced gradient boosting techniques. The Group is expanding raw data inputs and feature engineering across all operating markets, continuously strengthening model precision and predictive power. This setup enables real-time optimization of merchant incentives, user acquisition efficiency, and overall ecosystem growth dynamics.
- ✓ A key strategic focus in 2025 has been expanding ecosystem growth through broker integrations. While broker channels will never replace ESTO's proprietary merchant network - the largest in the Baltics across both online and offline segments - they serve as an effective amplifier of market reach. During the year, the Group successfully onboarded multiple active B2C brokers across all operating markets. In Q3, ESTO launched its first B2B broker integration in Latvia and Lithuania, now active across 40 locations, with technology enablement in place to expand to up to 800 additional locations in Q4. The strategy continues with plans to integrate additional B2B brokers and payment gateways to further broaden network access and transaction origination.
- ✓ In Q3, ESTO completed a full revamp of its B2C homepages across all markets (esto.ee, esto.lv, esto.lt). The new design delivers a cleaner, commerce-focused visual identity that better reflects ESTO's role as a regional shopping and payments platform. The Group also transitioned from Estonia's national blue-black-white palette to a broader Baltic color scheme, symbolizing the platform's pan-Baltic footprint - fitting as Latvia and Lithuania now account for nearly 50 percent of total Group lending issuance heading into Q4. Alongside the redesign, ESTO overhauled its purchase flows for Credit Line and Consumer Loan products, while the new POS purchase flow is set to go live in Q4 to further streamline the customer experience and conversion journey.

- ✓ ESTO continued to advance its Distribution Platform capabilities during the quarter. The Group enhanced automation triggers and expanded communication flows across all existing autocomms, strengthening engagement and conversion processes. In Q3, AI-driven robocalls were launched across all markets, enabling real-time outreach at scale. The rollout will continue through Q4 across fraud, sales, success, and collections operations, further improving efficiency, recovery performance, and customer lifecycle management.

Organizational Development

- ✓ **Capital Markets:** Successfully completed Project Emerald equity raise in August, elevating equity to €29.5 million (including quasi-equity instruments); maintained capitalization at 34% and equity ratio at 31%; expanded the Citadele facility from €4.9 million to €10 million; introduced daily capital sweep procedures to optimize liquidity and reduce interest expenses.
- ✓ **Finance and Treasury:** Commenced the FY2025 audit with Big4 KPMG, targeted for completion in April 2026; implemented 90-day forward-looking liquidity projections, automated asset management overviews, and enhanced investor data packages for greater transparency.
- ✓ **Legal and Compliance:** Appointed Chief Legal Officer and centralized the Group legal function; advanced GDPR and AML initiatives; joined a prominent industry association in Lithuania.
- ✓ **Data and Analytics:** Improved machine learning operations (MLOps) for predictive modeling in areas such as default risk, fraud detection, and conversion optimization.
- ✓ **Credit:** Established a dedicated and fully structured Credit Department with a comprehensive framework covering user segmentation, data ingestion, raw data management, scorecard design, fraud and default modeling, growth and risk scoring proprietary models, limit utilization, pricing construction, conversion optimization, underwriting, compliance oversight, and analytical reporting. These developments mark a major institutional step in ESTO's credit risk management and data-driven decision infrastructure.

The background of the slide is a photograph of a city street lined with trees that have yellow autumn leaves. In the foreground, several brown paper shopping bags are scattered on the pavement. The image is dimmed to allow text to be read.

Mikk Metsa Founder and CEO of ESTO

commented

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“Q3 2025 demonstrated the structural profitability and balance-sheet strength of the Group. We delivered record quarterly earnings with EBITDA up 28% year-to-date and net profit up 48% year-to-date, while maintaining a disciplined cost base and stable credit performance across all markets. The completion of Project Emerald equity raise materially reshaped our capital position, lifting total equity including Tier-II capital to €29.5 million and lowering funding costs across the structure.

The Baltic markets now operate as an integrated, self-reinforcing system, Estonia as the core cash generator, Latvia and Lithuania as high-velocity growth engines. Portfolio quality remains robust, and liquidity coverage is at a historical peak.

As we enter Q4, the balance sheet is fortified, the model is proven, and credit execution remains our central focus.”

Business performance

(in thousands of euros)

Operational highlights

	2025/9M	2024/9M	↑ in %
GMV	132,140	124,541	6%
Total volume of transactions ¹	1,120,316	729,509	54%
Loans issued	78,681	62,162	27%
	2025.09.30	2024.09.30	
Net Loan portfolio ²	87,729	68,564	28%
Gross Loan portfolio ²	91,323	71,838	27%
Total unique point of sales (count)	7,116	5,482	30%
Total number of users (count)	758,440	619,298	22%

Financial highlights

	2025/9M	2024/9M	↑ in %
Revenue	25,951	23,046	13%
EBITDA	12,736	9,991	27%
Net Profit	6,808	4,598	48%
	2025.09.30	2024.09.30	
Total Assets	94,798	76,653	24%
Equity (incl. Tier-II capital)	29,495	16,952	74%

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

² Including other loans.



Financial review

Key financial ratios

Capitalization	2025.09.30	2024.09.30
Equity to assets ratio	31%	23%
Capitalization ratio	34%	25%

Profitability	2025/9M	2024/9M
Interest coverage ratio (TMT)	2.2	1.8
Annualized net interest margin	22%	23%
Cost to income ratio	26%	22%
EBITDA margin	49%	43%
Annualized return on assets	10%	8%
Annualized return on equity	52%	65%

Asset quality	2025.09.30	2024.09.30
Provision cost to loan portfolio	4%	5%

Pledged loan receivables %	2025.09.30	2024.09.30
ESTO Bond	120%	120%

Consolidated Statement of Financial Position

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

(in thousands of euros)

	30.09.2025	31.12.2024	↑ in %
ASSETS			
Current assets			
Cash and cash equivalents	1,071	2,535	-58%
Loans and advances to customers	74,569	62,801	19%
Prepayments	1,131	915	24%
Other assets	934	951	-2%
Total current assets	77,705	67,202	16%
Non-current assets			
Loans and advances to customers	13,160	10,013	31%
Property and equipment	104	83	24%
Intangible assets	3,388	2,604	30%
Other assets	441	364	21%
Total non-current assets	17,093	13,064	31%
TOTAL ASSETS	94,798	80,265	18%
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Loans and borrowings	36,140	33,493	8%
Interest payables	453	502	-10%
Trade payables and other payables	1,683	1,401	20%
Tax liabilities	241	156	55%
Total current liabilities	38,517	35,551	8%
Non-current liabilities			
Loans and borrowings	33,338	32,845	2%
Total non-current liabilities	33,338	32,845	2%
TOTAL LIABILITIES	71,854	68,396	5%

	30.09.2025	31.12.2024	↑ in %
Equity			
Share capital	10	10	-
Share premium	435	435	-
Merger reserve	(23,952)	(23,952)	-
Voluntary capital	31,868	27,602	15%
Retained earnings	7,774	893	770%
Total comprehensive income	6,808	6,881	-1%
Total equity	22,943	11,869	93%
TOTAL EQUITY AND LIABILITIES	94,798	80,265	18%

Assets

The Group's total assets grew by 18% reaching € 94.8 million on 30 September 2025, compared with € 80.3 million as of 31 December 2024.

Loan portfolio

As of 30 September 2025, our loans and advances to customers net of impairment loss allowance reached € 87.7 million. This represents a 20% increase from the € 72.8 million as of 31 December 2024.

Liabilities

As of 30 September 2025, the Group's total liabilities were € 71.8 million, a 5% increase compared to 31 December 2024.

Loans and borrowings

The Group's loans and borrowings increased to € 69.5 million as of 30 September 2025, from € 66.4 million as of 31 December 2024.

Equity

As of 30 September 2025, the Group's total equity increased to € 22.9 million from € 11.9 million as of 31 December 2024.

Consolidated Statement of Profit and Loss and Other Comprehensive income

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

(in thousands of euros)

	2025/9M	2024/9M	↑ in %
Interest and similar income from loans	20,065	16,794	19%
Interest expense	(5,792)	(5,256)	10%
Net interest and similar income from loans	14,273	11,538	24%
Other interest income	232	191	22%
Total other interest income	232	191	22%
Fee and commission income	3,033	2,286	33%
Fee and commission expense	(1,634)	(1,595)	2%
Net fee and commission income	1,399	691	102%
Other income	3	93	-97%
Net loss arising from derecognition of financial assets measured at amortised cost	(2,686)	(3,656)	-27%
Impairment losses on financial instruments	(509)	102	-601%
Other operating expenses	(3,027)	(2,113)	43%
Personnel expenses	(2,567)	(1,899)	35%
Depreciation and amortisation	(213)	(180)	18%
Other expenses	(174)	(211)	-18%
Profit before income tax	6,732	4,556	48%
Income tax	77	43	80%
Profit for the period	6,808	4,598	48%
Other comprehensive income			
Other comprehensive income to be classified to profit or loss in subsequent periods:			
Unrealized gain from financial instruments	-	56	-100%
Total other comprehensive income	-	56	-100%
Total comprehensive income for the period	6,808	4,654	46%

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 € 2.7 million, reflecting a 27% decrease compared to € 3.6 million for the same period last year.

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

For the reporting period the net loss arising from derecognition of financial assets represented 12% of operating revenue for the reporting period, and 19% in the previous period.

Impairment losses and write off on financial instruments

Impairment losses on financial instruments for the reporting period were € 0.5 million, compared to a positive € 0.1 million for the same period last year.

Consolidated Statement of Cash Flows

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

(in thousands of euros)

	2025/9M	2024/9M
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit	6,808	4,598
<u>Adjustments or changes for:</u>	2,732	4,703
Interest income	(117)	38
Net impairment loss on loans and advances	509	(102)
Net loss arising from derecognition of financial assets measured at amortised cost	2,686	3,656
Depreciation and amortisation	213	180
Other adjustments	(559)	931
Total adjustments or changes	9,540	9,302
<u>Changes in:</u>		
Other assets and prepayments	(276)	(553)
Trade and other payables	319	393
Loans and advances to customers	(17,328)	(10,380)
Total changes	(17,285)	(10,540)
NET CASH USED IN OPERATING ACTIVITIES	(7,745)	(1,238)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(41)	(45)
Acquisition of intangible assets	(926)	(791)
NET CASH USED IN INVESTING ACTIVITIES	(967)	(836)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans and borrowings	21,508	21,836
Repayments of borrowings	(18,525)	(17,679)
Increase in voluntary capital	6,124	-
Decrease in voluntary capital	(1,858)	(1,000)
NET CASH FROM FINANCING ACTIVITIES	7,248	3,157

	2025/9M	2024/9M
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,464)	1,083
Cash and cash equivalents at beginning of period	2,535	2,398
Cash and cash equivalents at end of period	1,071	3,480

Net cash flows used in operating activities during the nine months of 2025 were € 7.7 million. For the same period, net cash flows used in investing activities were € 1.0 million. The Group's cash flows from financing activities amounted to € 7.2 million.

Consolidated Statement of Changes in Equity

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

(in thousands of euros)

	Share capital	Share premium	Merger reserve	Voluntary capital	Unrealized (realized) gain from financial instruments	Retained earnings	Total equity
Balance at 31.12.2024	10	435	(23,952)	27,602	56	7,718	11,869
Total profit and other comprehensive income for the period	-	-	-	-	-	6,808	6,808
Profit for the period	-	-	-	-	-	6,808	6,808
Transactions with owners of the Company Contributions and Distributions	-	-	-	4,266	-	-	4,266
Increase in voluntary capital	-	-	-	6,124	-	-	6,124
Decrease in voluntary capital	-	-	-	(1,858)	-	-	(1,858)
Balance at 30.09.2025	10	435	(23,952)	31,868	56	14,527	22,943

As of 30 September 2025, the total equity of the Group was € 22.9 million. Total equity including Tier-II capital for the reporting period amounted to €29.5 million.

Definitions

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

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

Cost to income ratio – Operating costs / income.

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

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

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

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

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

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

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

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

EBITDA margin – EBITDA divided by revenue.

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

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

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

Disclaimer

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

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