Results Review: 9M 2025

Strong loan portfolio growth, but dividend payout softens

Eleving Group S.A. ("Eleving" or the "Group") recorded a decent quarter, supported by robust loan portfolio growth across key markets. Expansion was primarily driven by the Kenya motorcycle product, vehicle finance in Latvia, Estonia, Romania, and Sub-Saharan Africa, as well as the newly launched smartphone financing product in Kenya and Uganda, which has seen rapid traction. The Kenyan motorcycle product surged 113.1% y-o-y, supported by branch network expansion, favorable competitive dynamics, and a rising share of repeat customers upgrading to newer models. Vehicle finance applications grew 65.0% y-o-y, driven by continued scaling of the installment product. The smartphone financing product, launched five months ago in Uganda and three months ago in Kenya, generated over 149k applications in Q3/25, underlining strong demand potential.

Overall, the Group demonstrated solid cost control amid new market launch, with net profit before FX reaching EUR 32m (+27% y-o-y). Continued FX losses weighed on the bottom line, bringing net profit to EUR 23.6m (+12% y-o-y), though ROE remains very solid at 32.5% (+1pp y-o-y).

Eleving announced an H1 dividend (subject to approval) of EUR 4.9m, corresponding to a 32% payout ratio and a 2.4% dividend yield. While in line with its formal dividend policy but below its soft 50% target, the lower payout is understandable and somewhat expected, given the ongoing portfolio expansion and the recent EUR 275m bond issue, which added EUR 125m to the previously outstanding EUR 150m and is temporarily weighing on the equity ratio.

Operationally, Eleving has so far remained fully compliant with its strategic commitments, delivering profitable growth across core geographies and sustaining an attractive income stream for shareholders (total yield of 10% in 2025). Despite this, the share price has traded largely sideways - close to its IPO level. We see this as partly driven by investor caution following the softer H1 payout, which we view as temporary.

Fundamentals remain intact: asset quality remains solid, growth momentum persists, and the business model continues to demonstrate strong profitability. Accordingly, our positive stance on the stock remains unchanged.

Company profile	
Listing market	Nasdaq Riga/FRA
Ticker	ELEVR/OT8
Industry	Financial services
Website	https://www.eleving.com/

Share Data (Nov 13, 2025)	
Current price, EUR	1.70
Target price, EUR	1.88
Potential Upside/Downside, %	10.79
52 week Low/High, EUR	1.60/1.75
3 month av. daily volume	16329
Market cap, EURm	199.1
Ordinary shares	117.1

Analyst

Valters Smiltans

Valters.Smiltans@Signetbank.com

+371 66956529

Key Numbers (EURm)	2021	2022	2023	2024	2025E	2026E	2027E	2028E
Revenue	153.7	175.9	191.3	223.6	238.4	271.0	316.0	351.5
EBITDA attr. to equity holders of parent company	57.5	65.6	77.5	89.8	90.9	105.3	129.2	150.2
Net profit attr. to equity holders of parent company	2.1	15.3	20.1	23.7	29.7	36.0	45.5	55.0
Net loan portfolio	245.6	293.0	320.3	371.6	403.3	482.3	580.2	636.2
Net Debt	257.9	277.5	311.1	293.8	322.5	381.2	452.6	477.4
Total Equity (att. to equity holders)	24.3	45.2	53.6	92.9	109.0	127.0	149.7	177.2
Dividends	0.4	0.6	10.0	14.8	14.8	18.0	22.8	27.5
Dividend Yield (%)	-	-	-	7.6	7.5	9.0	11.4	13.8
ROE (%)	9.2	44.0	40.7	32.4	29.2	30.5	32.9	33.6
EV/EBITDA (x)	-	-	-	5.5	5.4	4.6	3.8	3.2
P/E (x)	-	-	-	8.3	6.7	5.5	4.4	3.6
P/Book (x)	-	-	-	2.1	1.8	1.6	1.3	1.1

Source: Eleving, Signet Bank for estimates. Valuation multiples 2025-2028E are calculated based on the share price EUR 1.70 at Nov 13, 2025.

The net loan portfolio expanded to EUR 409.6m (+18% y-o-y). Consumer loans rose 23% y-o-y, led by strong growth in Botswana, Zambia, and Lesotho, while the vehicle rent/lease portfolio grew 16% y-o-y, supported by solid performance in Sub-Saharan markets, Latvia, Estonia and Romania.

Net revenues reached EUR 146.6m (+15% y-o-y), slightly below portfolio growth. Although IPO-related capital injections have meaningfully optimized funding costs, average loan yields retreated to 61.1% (-2.1pp y-o-y).

Impairments increased 29% y-o-y to EUR 37.4m, materially outpacing portfolio growth. Vehicle finance impairments rose 16.6% y-o-y (NPL 4.7% vs. 6.1% end-2024), while consumer loan impairments jumped 41.3% y-o-y, with NPL stable at 4.3%. The rise reflects portfolio expansion and elevated impairment levels in Sub-Saharan Africa, partly linked to more bad loans compared to 2024.

Operating expenses remained well contained at EUR 69.3m (+5% y-o-y), supported by a EUR 3m tax reversal in Romania. Excluding the reversal, OpEx would rise 9% y-o-y, indicating satisfying cost discipline. The C/I ratio improved 2pp y-o-y to 37.1%, though some uptick is expected as new markets scale and additional costs related to the Eurobond refinancing are recognized.

In summary, Eleving continues to execute well on its portfolio expansion and operational efficiency targets. While higher impairments and FX volatility remain headwinds for the bottom line, the Group is on track to meet its 2025 goals. We maintain our estimates and view the results as positive.

Results Review, EURm	9M/25A	9M/24A	% y-o-y	FY/25E	% y-o-y Exp	FY/24A	FY/23A	% y-o-y
Net loan portfolio	410	346	18	403	9	371	320	16
Revenues	178.8	157.9	13	238.4	**10**	217	189	15
Net revenues	146.6	127.3	15	204.3	**16**	175	152	16
Impairment costs	(37.4)	(29.1)	29	(46.8)	**13**	(42)	(39)	6
Operating expenses, net	(69.3)	(66.2)	5	(103.2)	**12**	(93)	(78)	13
Adj. EBITDA	**73.1**	**65.0**	**12**	**90.9**	**1**	**90**	**77**	**16**
Net profit before FX	32.0	25.1	27			33	31	16
Net profit from contin. Operations	23.6	21.1	12	36.1	**25**	29	22	23
Net profit attr. to equity holders	**18.9**	**17.1**	**11**	**29.7**	**26**	**24**	**20**	**17**

Source: Eleving, Signet Bank

Investment Case

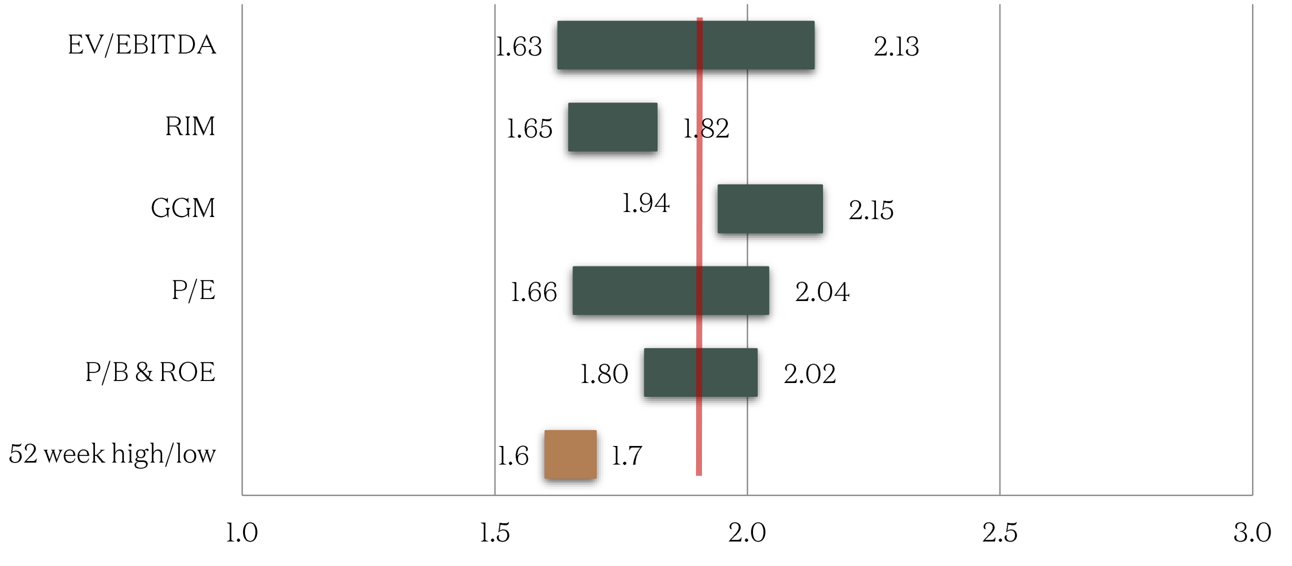
We view profitable growth and appealing dividend yields as the cornerstone of the investment case for Eleving. We look positively on the Group' s effectively automated underwriting processes accompanied by agile corporate governance model and know-how, exhibiting ability of entering new markets and scaling the loan portfolio.

Key Risks:

- The relative instability of developing countries where the Group has exposure
- Economic recession resulting in slower than projected loan portfolio growth
    - deterioration of the credit quality and downtrend in non-euro currencies
- Regulatory tightening towards loan rate caps and licensing

Key Drivers:

- Strong presence in developing markets where economic growth potential is higher
- Diversified sales channels
- Advanced IT solutions enable Group to effectively scale operations globally
- Strong track record of profitable growth and dividend payments



Source: Signet Bank

Weighted Value Per Share, EUR	Period weights			Period weighted value	Weights	Contribution to value
	2024E	2025E	2026E			
Method	33%	33%	33%			
RIM				1.73	35%	0.6
GGM				2.05	35%	0.7
EV/EBITDA	2.1	1.8	1.6	1.84	10%	0.2
P/B & ROE	1.8	1.9	2.0	1.89	10%	0.2
P/E	1.7	1.9	2.0	1.87	10%	0.2
Total weighted value per share						**1.88**

Source: Signet Bank

Disclaimer

Sign-off time: 13.11.2025 18:00

The report has been prepared by Signet Bank AS, hereinafter referred to as 'Signet Bank'. The copyright in this report belongs to Signet Bank. The responsible analyst for this report is Valters Smiltans. This research report has been provided to you by Signet Bank on a confidential basis for informational purposes only. It is intended solely for the addressee and relates to an upcoming IPO. The content of this document should not be considered an offer to buy or sell any securities and does not constitute investment advice as defined under MiFID II. You are advised to consult your own financial advisor before making any investment decisions. By accepting this report, you acknowledge that investments in IPOs carry significant risks. This document must not be reproduced or shared with any third parties without the prior written consent of Signet Bank. Signet Bank and Eleving Group SA accept no liability for any loss arising from the use of this report.

This document has been prepared by its authors independently of Eleving Group S.A (the "**Company**" or "**Eleving**") and the current shareholders of the Company (the "**Shareholders**"). Signet Bank has no authority whatsoever to give any information or make any representation or warranty on behalf of the Company, any Shareholder, Bookrunners, or any other person in connection therewith. In particular, the opinions, estimates and projections expressed in this document are entirely those of the authors hereof and are not given as an agent of the Company, any Shareholder, Bookrunners and their respective advisers or any other person, or in its capacity as a financial advisor, manager or underwriter of any offering.

Neither Signet Bank nor its board members nor its representatives nor its employees will accept liability for any injuries, losses or damages, direct or consequential, caused to the reader that may result from the reader's acting upon or using the content contained in the publication.

Signet Bank and/or one or more of its affiliates is or may be acting as a financial advisor in an offering of securities of the Company. This document does not constitute or form part of, and should not be construed as, any offer, solicitation or invitation to subscribe for or purchase any securities nor shall it or any part of it form the basis of or be relied upon in connection with any contract or commitment whatsoever. Any decision to purchase or subscribe for securities in any offering must be made solely on the basis of the information contained in the prospectus (and any supplements thereto) or other offering circular issued by the Company in connection with such offering.

Readers of this report should be aware that Signet Bank might have other business relationships with Eleving. Signet Bank's policy for prevention of Conflicts of Interest is available on the bank's website: https://www.signetbank.com/mifid/.

Signet Bank has a joint venture with Eleving AS Primero Holding where Signet Bank holds a 51% stake and Eleving holds 49%. Additionally, Signet Bank is constantly seeking to offer investment banking services to entities mentioned in research reports and may have other financial interests in those entities. Historically, Signet Bank has been involved in various capacities in arranging of several bond issues by Eleving and has acted as the Joint Bookrunner for Eleving's IPO. The Group was provided with a copy of this report, excluding the valuation section, prior to publication in order to verify its factual accuracy and the report was subsequently changed, based on the Group's feedback.

All reports are produced by Signet Bank's Customer Relationship and Service department. In order to proactively prevent conflicts of interest, Signet Bank has established several procedural and physical measures. Such measures include, among other things, confidentiality measures through separation, or so-called "Chinese walls", virtual and physical barriers to limit the exchange of information between different departments, groups or individuals within Signet Bank. These measures are monitored by the Compliance department of Signet Bank. Signet Bank does everything possible to avoid the conflict of interests but it cannot guarantee that conflict of interests situations do not arise at all.

This document is based upon information that we consider reliable, but Signet Bank has not independently verified the contents hereof. The information may be incomplete or condensed and the document may not contain all material information concerning the Company. Information in this document must not be relied upon as having been authorized or approved by the Company. There can be no assurance that future results or events will be consistent with any such opinions, estimates and projections contained herein. The opinions, estimates, and projections expressed in this document are as of the date hereof and are subject to change without notice and its accuracy is not guaranteed. It may be incomplete or condensed and it may not contain all material information concerning the Company. No representation or warranty, express or implied, is made as to and no reliance should be placed on the fairness, accuracy, completeness or reasonableness of the information, opinions and projections contained in this document, and none of Signet Bank, the Company, any Shareholder, Bookrunners and their respective advisors nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith. Any decision to purchase securities in any proposed offering should be made solely on the basis of the information to be contained in the final prospectus to be published by the Company in due course in relation to the proposed offering.

The responsible analyst(s) for the content of the report certifies that, notwithstanding any potential conflicts of interest mentioned here, the opinions expressed in this report accurately reflect the personal views of the respective analyst(s) concerning the companies and securities covered in the reports. The analyst(s) also certify that they have not received, are not receiving, and will not receive any direct or indirect compensation for expressing their views or making specific recommendations in this report.

The analysis contained in this research report is based on numerous assumptions; different assumptions could result in materially different results. Any valuations, projections and forecasts contained in this report are based on a number of assumptions and estimates and are subject to contingencies and uncertainties. The inclusion of any such valuations, projections and forecasts in this report should not be regarded as a representation or warranty by or on behalf of Signet Bank or any person within Signet Bank that such valuations, projections and forecasts or their underlying assumptions and estimates will be met or realized.

Where an investment is described as being likely to yield income, please note that the amount of income that the investor will receive from such an investment may fluctuate due to currency exchange rate moves and taxation considerations specific to that investor.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision.

Signet Bank reviews its estimates at least once during financial reporting year and upon most major financial events.

The target price has been issued for a 12-18 month period and has been derived from a weighted approach combining both DCF valuation and relative multiple comparisons. The relative multiple comparisons further incorporate additional weighting considerations relating to the underlying metrics and time forecast periods. Company specific inputs have been forecast and a list of peer companies has been compiled by the Signet Bank analyst(s) writing this research commentary, whereas the consensus peer data has been obtained from Bloomberg. For more detailed information about the valuation methods please contact the analyst(s) using the contact details provided above. Although we do not issue explicit recommendations, for regulation compliance purposes we adhere to the following synthetic structure:

- Buy- Expected return of more than 10% within 12-18 months (including dividends)
- Neutral- Expected return from -10% to 10% within 12-18 months (including dividends)
- Sell- Expected loss more than 10% within 12-18 months (including dividends)

In the 12-month period preceding 13.05.2025 Signet Bank has issued 5 recommendations, of which 80% have been ‘Buy recommendations’, 0% as ‘Neutral’, 20% as ‘Sell’ and 0% as ‘under review’. Of all the ‘Buy recommendations’ issued, 40% have been for companies for which Signet Bank has provided investment banking services in the preceding 12-month period. Of all the ‘Neutral recommendations’ issued, 0% have been issued to companies for which Signet Bank has provided investment banking services in the preceding 12-month period. The classification is based on the above structure

For a list of recommendations that were disseminated during the preceding 12-month period, including the date of dissemination, the identity of the person(s) who produced the recommendation, the price target and the relevant market price at the time of dissemination, the direction of the recommendation and the validity time period of the price target, please contact the analyst(s) using the contact details provided above.

Signet Bank believes this report is considered to be a minor non-monetary benefit as the product is free to everyone who wishes to receive it and is therefore not an inducement according to Ch.7 in ESMA’s ‘’Questions and Answers on MIFIDII and MiFIR investor protection topics.

Signet Bank AS
Antonijas street 3
Riga, LV 1010, Latvia

Phone: +371 67080 000
Email: info@signetbank.com

www.signetbank.com