



Consumer lending market review 6M 2026


**SIGNET
BANK**

6M 2026 Consumer lending market review



Sector highlights

- The non-bank lenders covered in the review delivered a solid first half of 2026. The combined net loan portfolio of the eight issuers reached EUR 1,518m, up 6% YTD, despite Sun Finance's sale of its Swedish operations, and seven of the eight issuers grew net profit, with Iute the only exception (-38% y/y). Total equity fell 6%, driven entirely by Mellenu's distributions after the TBI Bank sale, while leverage across the rest of the sector edged higher.
- Combined revenue totalled EUR 496m (+11% y/y), EBITDA EUR 191m (+9% y/y) and net profit EUR 64.9m (+7% y/y, supported by FX). Earnings trailed loan book growth, reflecting two concurrent pressures: lower APRs on new lending, as issuers shift towards longer-dated, lower-risk products, and a rising cost of funding.
- The macroeconomic backdrop turned less supportive. After holding the deposit facility rate at 2.00% for a year, the ECB raised it by 25bp in June and again in September to 2.50%, as the conflict in the Middle East pushed energy prices higher. Euro area inflation reached 3.2% in August, and the ECB does not expect it to return close to its 2% target before 2028. The 3-year EUR mid-swap rate, the benchmark against which the covered issuers bonds are priced, rose from around 2.4% at year-start to about 3.6%, raising sector refinancing costs.
- Regulatory developments in Latvia, where most of the covered issuers operate, turned more supportive after the reporting period. In July 2026, the Saeima adopted amendments to the Consumer Rights Protection Law, lifting the ban on consumer-credit advertising in place since 2018. It also approved, in first reading, a reform package transferring supervision of non-bank lenders from the Consumer Rights Protection Centre to Latvijas Banka.
- Hipocredit has been added to the set of companies covered in the report. After the reporting period, in August 2026, Hipocredit placed EUR 8m of senior secured bonds (LV0000112845), 1.1x oversubscribed, alongside registering a EUR 10m subordinated bond programme.
- As at 30 June 2026, the eight issuers had 19 bond issues outstanding, with six issues totalling EUR 192.7m placed during 6M 2026. Five of the eight issuers have stated their intention to issue new bonds in H2 2026, underscoring the sector's continued commitment to loan book expansion.

6M 2026 Financial highlights, EURm

EURm	Eleving Group	Sun Finance	Delfin Group	Iute Group	Mellenu	ESTO	MyCredit	Hipo credit
Revenue	165.0	124.8	39.8	66.1	77.6	19.7	1.6	1.1
EBITDA	65.5	43.9	15.1	30.6 ²	24.5 ²	9.8	1.2	0.9
Net profit	16.5	26.0	5.7	4.1	6.2	5.7	0.4	0.3
Net loan portfolio	522.2	186.5	152.7	374.8	138.9	106.2	20.4	15.9
Total equity	115.4	103.5	32.7	84.8	249.3	36.5 ¹	3.3	6.7 ¹

¹Including subordinated debt

²Adjusted EBITDA

Important notice

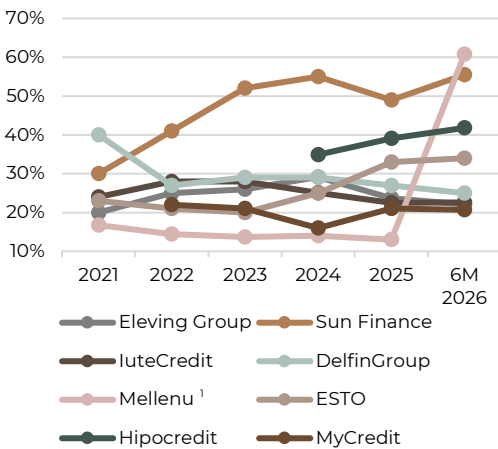
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Selected companies

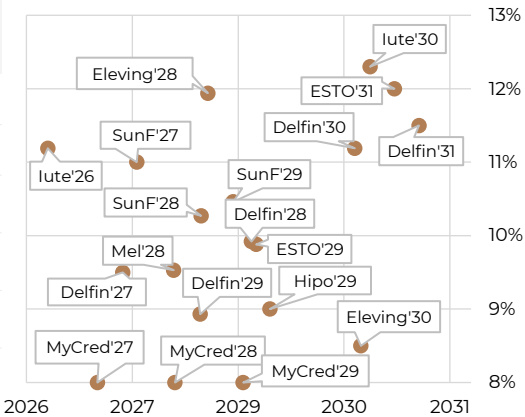


Capitalization ratio



¹Equity ratio

Yield to Maturity (YTM)



6M 2026 Eleving Group

Key parameters

Founded: 2012	Products: Car financing; Consumer loans; Device financing
Headquarters: Latvia	
Net portfolio: EUR 522m	Key markets
Bonds outstanding: EUR 347m	Latvia Romania
Auditor: BDO Audit (IFRS)	Kenya Uganda
Rating: B from Fitch	Moldova Armenia
	Lithuania Botswana

Financial highlights

- Net loan portfolio passed the half billion mark reaching EUR 522.2m by the end of 6M 2026 (+39% y/y; +17% vs FY 2025), already exceeding the full-year target of EUR 520m. Loan issuance hit a record EUR 308.7m (+46% y/y), driven by the scaling of smartphone financing in Africa and the rollout of instalment loans across the European markets.
- Revenue amounted to EUR 165.0m in 6M 2026 (+40% y/y), with Q2 at EUR 87.2m (+48% y/y; +12% q-o-q), on track with managements EUR 315m target. EBITDA came in at EUR 65.5m with an EBITDA margin of 40% (44% in 6M 2025), while the cost-to-income ratio improved to 34.2% (FY 2025: 38.0%) as the cost optimisation programme began to deliver.
- Impairment expense rose 83% y/y to EUR 49.0m, reflecting higher issuance volumes and the growing share of higher-turnover device and instalment products. Stage 3 loans increased to 4.2% in consumer finance (Q1: 3.5%) and 5.2% in vehicle and device finance (Q1: 4.8%), while impairment coverage remained high at 135% and 101% respectively.
- Net profit from continuing operations came in at EUR 16.5m (+9% y/y), with Q2 contributing EUR 10.6m (+20% y/y). Net profit before FX reached EUR 23.5m (+12% y/y), with the FX loss widening to EUR 7.0m (6M 2025: EUR 5.7m). FX exposure is likely to remain a drag as the African portfolio is core to expansion, although the growing share of local-currency funding should partly offset this.
- Total equity stood at EUR 115.4m and total borrowings at EUR 501.5m. The capitalization ratio was 22.1% (23.7% at the end of FY 2025), EBITDA / interest expense was 2.3x and net leverage was 3.9x, all comfortably within covenant levels, although the capitalization ratio and net leverage continue to trend weaker as portfolio growth outpaces equity build-up.

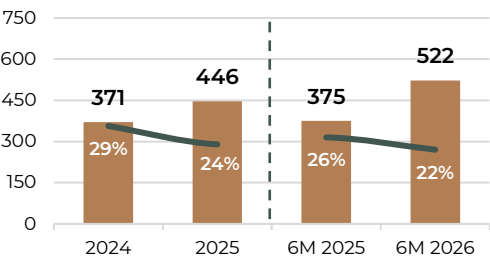
Other developments

- Eleving is evaluating a refinancing of its EUR 90m 13% Eurobond due 2028 (DE000A3LL7M4). Subject to market conditions, it is considering a new Eurobond in H2 2026 with an exchange option for existing bondholders.
- Local-currency funding continued to scale: over EUR 18m was raised in Kenya during H1, bringing outstanding Kenyan local bonds and bank facilities to EUR 56.7m. Mintos funding climbed to EUR 50.9m at a weighted average cost of 8.7%.
- In July 2026, the Group entered South Africa, its 18th market, opening its first branch in Cape Town and starting consumer loan issuance. It also piloted a payroll-deducted civil servant loan in Kenya and appointed a Head of AI to accelerate automation.
- A dividend of EUR 4.3m (EUR 0.037 per share) was paid on 10 June 2026, with the next semi-annual distribution expected in Q4 2026.

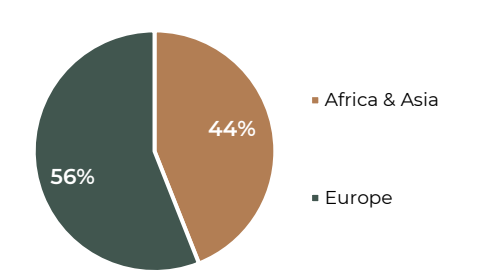
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	117.5	165.0	+40%	216.9	250.1	+15%
EBITDA	51.3	65.5	+28%	92.8	110.0	+19%
EBITDA margin	44%	40%	-4pp	43%	44%	+1pp
Net profit (cont. operations)	15.2	16.5	+9%	28.8	29.2	+1%
Net loan portfolio	375.3	522.2	+39%	371.2	446.3	+20%
Cash	25.8	39.5	+53%	34.5	39.4	+14%
Total equity	96.7	115.4	+19%	108.2	105.7	-2%
Total borrowings	353.1	501.5	+42%	327.6	430.4	+31%
EBITDA / Interest expense (>1.25x)	2.3x	2.3x	-	2.4x	2.3x	-0.1x
Capitalization ratio (>15%)	26%	22%	-4pp	29%	24%	-5pp
Net Leverage (<6.0x)	3.6x	3.9x	+0.3x	3.3x	3.8x	+0.5x

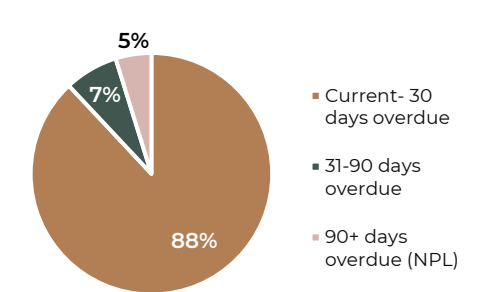
Net loan portfolio and Capitalization ratio, EURm



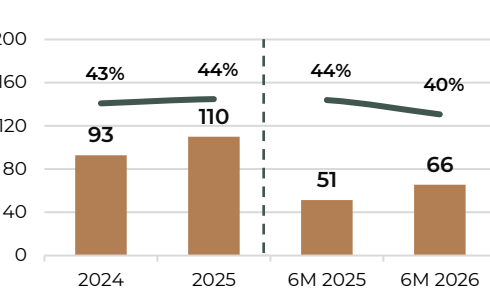
Net loan portfolio split by markets



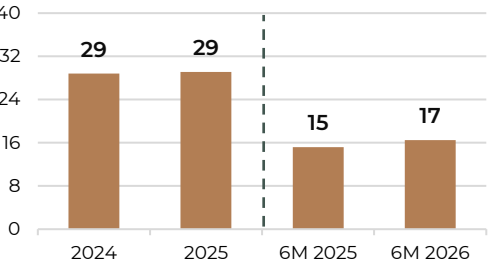
Net car loan portfolio by delay buckets



EBITDA and EBITDA margin, EURm



Net profit, EURm



6M 2026 Sun Finance

Key parameters

Founded: 2017	Products: Short term loans; Line of credit; Installment loans
Headquarters: Latvia	
Net portfolio: EUR 187m	Key markets
Bonds outstanding: EUR 95m	Latvia Poland Spain
Auditor: BDO Audit (IFRS)	Mexico Philippines Kenya

Financial highlights

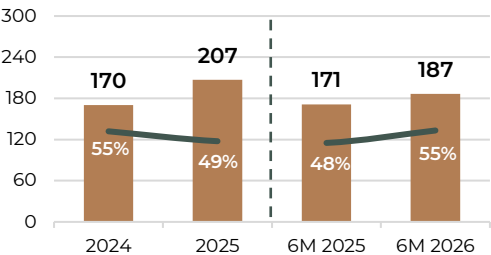
- Net loan portfolio stood at EUR 186.5m at the end of 6M 2026, up 9% y/y but down 10% versus YE 2025. The decline reflects the sale of the Group's Swedish operations (Luma Finans AB) at the end of June. The European portfolio decreased by EUR 27.4m to EUR 147.7m, as deconsolidating the Swedish book more than offset 9.8% underlying growth in the remaining European markets since YE 2025.
- Revenue remained broadly stable at EUR 124.8m (+1% y/y), while profitability declined. EBITDA fell to EUR 43.9m from EUR 53.9m a year earlier, with the margin contracting by 9pp y/y to 35%. Operating expenses rose by EUR 10.8m y/y to EUR 45.3m, which the company attributes to new market research and development initiatives, lifting the cost-to-income ratio by 7.6pp y/y to 32.1% (24.5% in 6M 2025).
- Despite the materially lower EBITDA, net profit increased by 8% y/y to EUR 26.0m. The improvement was largely driven by foreign exchange, which contributed a positive EUR 1.7m in 6M 2026 against a negative EUR 5.8m in 6M 2025, an EUR 7.5m swing y/y. Adjusting for this effect, the slowdown in the Group's underlying bottom-line performance is more clearly reflected.
- Total equity stood at EUR 103.5m and total borrowings at EUR 164.3m; the capitalization ratio improved to 55% (49% at the end of FY 2025), remaining well above the 20% covenant requirement. The EBITDA / interest expense ratio declined to 4.8x from 6.5x in 6M 2025, still comfortably above the 1.75x covenant threshold.
- Bonds outstanding amounted to EUR 94.5m across three issues, with the nearest maturity in November 2027 (LV0000803187).

Other developments

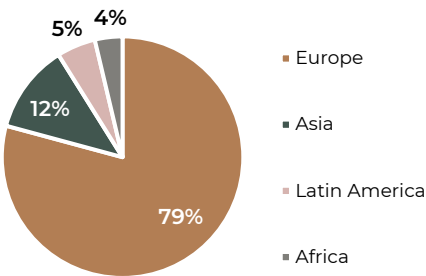
- At the end of June 2026, the Group sold its subsidiary Luma Finans AB, comprising the Group's Swedish operations. Consequently, as of 30 June 2026 the Swedish entity is no longer included in the Group's consolidated statement of financial position.
- Dividends of EUR 23.3m were paid in 6M 2026 (c. EUR 12.5m in Q2), equivalent to around 90% of the period's net profit and down from EUR 35.4m in 6M 2025, when distributions exceeded net profit.
- In late April 2026, the Group surpassed EUR 5b in total loans issued since inception in 2017, with over 29.7m registered customers.
- Following the refinancing completed in late 2025, including the early redemption of its EUR 27m, 11% + 3M EURIBOR, 3.5Y notes due November 2026, the Group's senior unsecured notes now mature in November 2027, September 2028 and February 2029.

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	123.5	124.8	+1%	271.3	286.9	+6%
EBITDA	53.9	43.9	-19%	116.6	107.9	-7%
EBITDA margin	44%	35%	-9pp	43%	38%	-5pp
Net profit	24.0	26.0	+8%	71.6	58.3	-19%
Net loan portfolio	171.2	186.5	+9%	170.3	207.2	+22%
Cash	26.4	32.8	+24%	34.9	31.5	-10%
Total equity	82.1	103.5	+26%	94.9	100.4	+6%
Total borrowings	153.7	164.3	+7%	131.3	175.3	+34%
EBITDA / Interest expense (>1.75x)	6.5x	4.8x	-1.7x	6.3x	5.1x	-1.2x
Capitalization ratio (>20%)	48%	55%	+8pp	55%	49%	-6pp
Unencumbered receivables ratio (>1.4x)	2.0x	1.7x	-0.3x	2.2x	2.0x	-0.2x

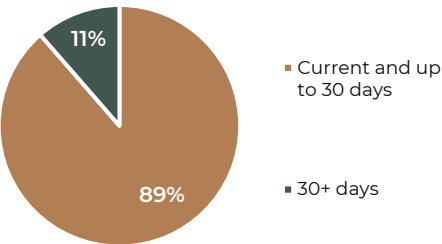
Net loan portfolio and Capitalization ratio, EURm



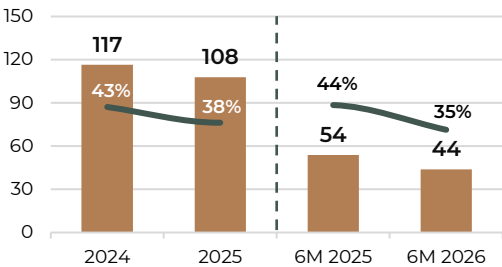
Net loan portfolio split by markets



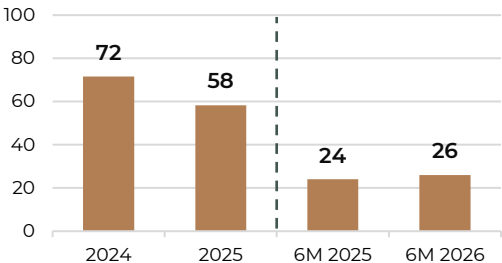
Gross portfolio by delay buckets, (31.12.2025)



EBITDA and EBITDA margin, EURm



Net profit, EURm



6M 2026 DelfinGroup



Key parameters

Founded: 2009	Products: Pawn broking loans; Consumer loans; Sale of pre-owned goods
Headquarters: Latvia	
Net portfolio: EUR 153m	Key markets
Bonds outstanding: EUR 73m	- Latvia - Lithuania
Auditor: KPMG Baltics (IFRS)	

Financial highlights

- Net loan portfolio reached EUR 152.7m at the end of 6M 2026 (+18% y/y; +6% vs FY 2025). Loan issuance totalled EUR 67.3m (+7% y/y), driven by consumer loans, with the Lithuanian portfolio growing 40% YTD to EUR 10.9m.
- Revenue amounted to EUR 39.8m in 6M 2026 (+7% y/y); EBITDA came in at EUR 15.1m with an EBITDA margin of 38% (32% in 6M 2025). Topline growth continues to trail portfolio growth as larger, longer-dated consumer loans carry lower APRs, while operating expenses declined 9% y/y.
- Net profit came in at EUR 5.7m (+52% y/y), with Q2 net profit at EUR 2.9m (+46% y/y; +3% q-o-q) and a net margin of 14%.
- Q2 credit loss expense declined to EUR 5.2m (-13% q-o-q), reversing Q1's increase. The improvement should be read with caution: the 90+ days overdue share rose to 6.3% (+0.2pp q-o-q) as the Group relies more on external collections, given the larger discounts now required on bad debt sales.
- Total equity stood at EUR 32.7m and total borrowings at EUR 131.8m; the capitalization ratio was 25% (27% at the end of FY 2025); EBITDA / interest expense was 2.3x.

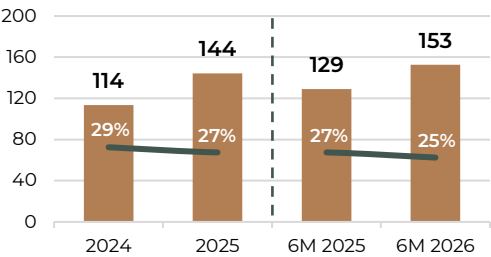
Other developments

- In May, the Group placed a new EUR 16.0m 9.5% senior unsecured bond due 2029 (LV0000111441), partly via an exchange that reduced the 3M EURIBOR + 9% bonds (LV00000860146) to EUR 7.1m. It also fully redeemed the legacy subordinated bonds (LV00000802700) in June following an earlier exchange offer.
- After the period end, in July, the Group issued new 11.5% subordinated bonds due 2031 (LV0000112134), into which EUR 3.9m of the floating-rate subordinated bonds (LV00000870145) were exchanged. This further reduces its floating-rate exposure.
- In Q2, the Group began raising unsecured funding through the Japanese lending platform Bankers, with access to up to EUR 5m in tranches of one-year maturity, further diversifying its funding base.
- Two dividend distributions were paid within the quarter: EUR 1.8m relating to Q4/25 profit (paid 17 April) and EUR 1.4m relating to Q1/26 profit (paid 29 June). Both equate to a roughly 50% payout, in line with the Group's dividend policy.

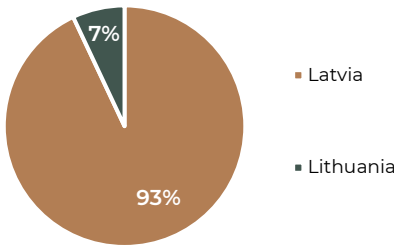
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	37.0	39.8	+7%	63.0	78.2	+24%
EBITDA	11.8	15.1	+28%	21.9	27.4	+25%
EBITDA margin	32%	38%	+6pp	35%	35%	0pp
Net profit	3.7	5.7	+52%	7.3	9.6	+32%
Net loan portfolio	129.0	152.7	+18%	113.5	144.4	+27%
Cash	3.4	2.1	-39%	1.6	3.5	+119%
Total equity	26.4	32.7	+24%	24.9	30.1	+21%
Total borrowings	115.2	131.8	+14%	97.6	126.4	+30%
EBITDA / Interest expense (>1.5x)	2.0x	2.3x	+0.3x	2.0x	2.1x	+0.1x
Capitalization ratio (>20%)	27%	25%	-2pp	29%	27%	-2pp
Unencumbered receivables ratio (>1.2x)	1.4x	1.3x	-0.1x	1.5x	1.4x	-0.1x

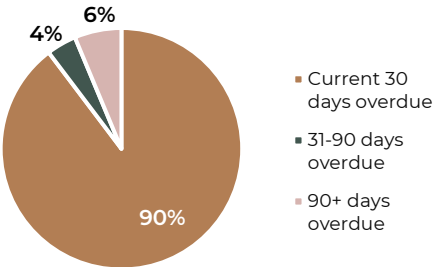
Net loan portfolio and Capitalization ratio, EURm



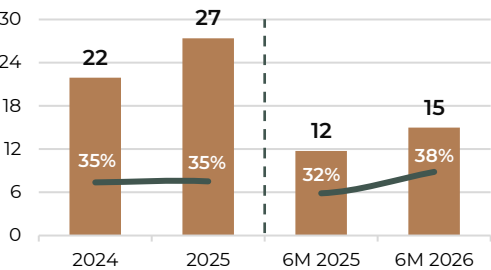
Net loan portfolio split by markets



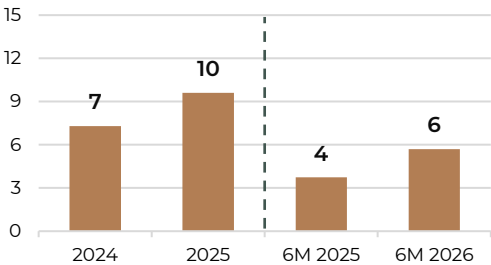
Gross consumer loan portfolio by delay buckets



EBITDA and EBITDA margin, EURm



Net profit, EURm



6M 2026 Iute Group



Key parameters

Founded: 2008	Products: Dealer loans; Cash loans; Car loans; Bank
Headquarters: Estonia	
Net portfolio: EUR 375m	Key markets
Bonds outstanding: EUR 288m	▪ Moldova
Auditor: KPMG Baltics (IFRS)	▪ North Macedonia
Rating: B- from Fitch	▪ Bulgaria
	▪ Albania
	▪ Ukraine

Financial highlights

- Net loan portfolio reached EUR 374.8m at the end of 6M 2026, up 18% y/y and 5% versus YE 2025.
- Revenue amounted to EUR 66.1m in 6M 2026 (+11% y/y), with North Macedonia leading geographic income growth at EUR 12.7m, up 35.6% compared to 6M 2025. Adjusted EBITDA came in at EUR 30.6m (+26.3% y/y), with the adjusted EBITDA margin improving by 5pp y/y to 46% (41% in 6M 2025).
- Despite the growth in adjusted EBITDA, net profit came in at EUR 4.1m (-38% y/y). This was in large part due to the additional interest expense carried since the most recent tap issue, which lifted interest expense for the period to EUR 21.7m (+32% y/y).
- Total equity stood at EUR 84.8m and total borrowings at EUR 490.8m; the capitalization ratio was 23% (23% at the end of FY 2025), comfortably above the 15% covenant minimum. The interest coverage ratio stood at 1.5x, exactly at the Eurobond covenant level of 1.5x, again reflecting the step-up in interest expense following the tap. With capitalization headroom still intact, the pace at which the newly raised funds are deployed into interest-earning assets will be the key determinant of how quickly coverage recovers.

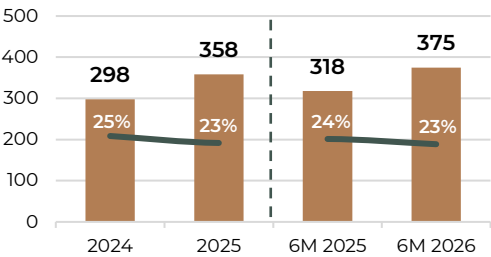
Other developments

- During Q2 2026, Iute Bank Ukraine commenced operations for existing customers, launching the Mylute super app and enabling core products, with the aim of launching a fully digital bank for private customers in Q1 2027.
- The Mylute super app surpassed 1.82m cumulative downloads, up 9.8% y/y, supporting the shift toward fully digital customer journeys.
- Energbank paid out approximately EUR 3.0m in dividends to Iute Group AS (2025: EUR 2.5m), bringing total dividend distributions to approximately EUR 13.1m since its acquisition in 2022.
- In May 2026, Iute Group placed a EUR 140m tap of its 2030 senior secured bonds (XS3047514446) at 99.50%, increasing the outstanding bond volume to EUR 300m and supporting the refinancing of existing liabilities, including the remaining EUR 47m 2026 bonds.
- The physical footprint continued to shift digital-first, with the branch network reduced to 25 (6M 2025: 35) while the ATM network grew 18.4% y/y to 103 (6M 2025: 87).

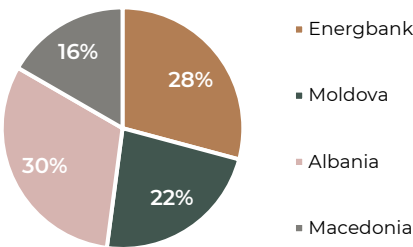
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	59.5	66.1	+11%	112.7	124.6	+11%
Adjusted EBITDA	24.2	30.6	+26%	47.7	54.2	+14%
Adj. EBITDA margin	41%	46%	+5pp	42%	43%	+1pp
Net profit	6.7	4.1	-38%	9.0	9.9	+10%
Net loan portfolio	318.3	374.8	+18%	297.6	358.3	+20%
Cash	76.7	112.1	+46%	53.7	66.6	+24%
Total equity	76.9	84.8	+10%	74.5	80.6	+8%
Total borrowings	371.8	490.8	+32%	325.4	413.2	+27%
EBITDA / Interest expense (≥1.5x)	1.6x	1.5x	-0.1x	1.7x	1.5x	-0.2x
Capitalization ratio (>15%)	24%	23%	-1pp	25%	23%	-2pp
Leverage ratio	5.9x	6.2x	+0.3x	5.7x	6.3x	+0.6x

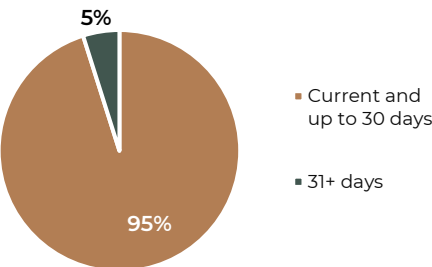
Net loan portfolio and Capitalization ratio, EURm



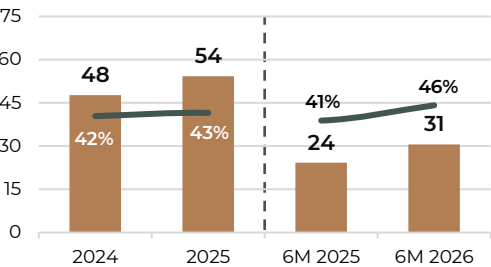
Net loan portfolio split by markets



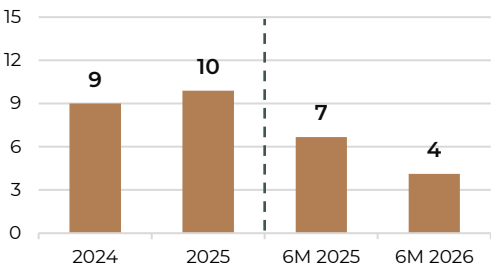
Net loan portfolio by delay buckets



Adj. EBITDA and Adj. EBITDA margin, EURm



Net profit, EURm



6M 2026 Mellenu

Key parameters

Founded: 2008	Products: Short-term loans, Credit lines, Consumer loans
Headquarters: Latvia	
Net portfolio: EUR 139m	Key markets
Bonds outstanding: EUR 135m	▪ Spain ▪ Latvia ▪ Lithuania ▪ Czech Republic ▪ United Kingdom
Auditor: PKF Audit & Conseil (IFRS)	
Rating: B2 Moody's, B Fitch	

Financial highlights

- Net loan portfolio declined to EUR 138.9m at the end of 6M 2026, down 12% y/y and 8% versus EUR 150.6m at YE 2025, reflecting the gradual downsizing of the online loan book retained following the sale of TBI Bank. Most of the decline had already materialised in Q1, when the net loan portfolio stood at EUR 141.0m. Total value of online loans issued during the period reached c. EUR 230m.
- Revenue amounted to EUR 77.6m in 6M 2026 (-16% y/y), a materialisation of the smaller loan book and lower interest income from continuing operations. Adjusted EBITDA came in at EUR 24.5m, with an adjusted EBITDA margin of 27% (23% in 6M 2025).
- Net profit from continuing operations for the first half of the year came in at EUR 6.2m (+8% y/y), showcasing stabilising bottom-line results through the period, with net profit of EUR 2.9m in Q1 2026 and EUR 3.3m in Q2. The result also benefited from foreign exchange, which had a positive effect of EUR 1.4m compared to a negative effect of EUR 1.5m in 6M 2025; excluding FX, profit declined by around a third, reflecting the smaller loan book and lower revenue.
- Asset quality remained broadly stable, with the gross NPL ratio at 10.8% (11.0% at the end of FY 2025) and NPL coverage at 152.8%.
- Total equity stood at EUR 249.3m and total borrowings at EUR 129.5m; the equity ratio was 61% (13% at the end of FY 2025), which represents the transitional period the company is in, having heavily deleveraged while stabilising the scale of its loan portfolio.
- The interest coverage ratio improved to 3.5x (6M 2025: 2.1x) following the sale of TBI Bank and the EUR 2026 bond redemption, well clear of the 2.0x covenant requirement. Bond debt has been reduced to EUR 135m, with a single remaining bond maturity in May 2028.

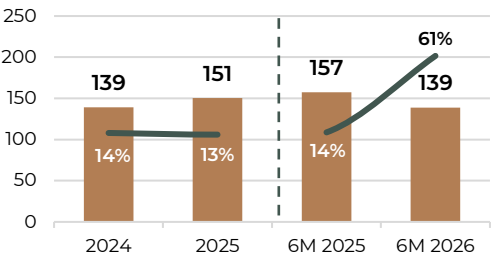
Other developments

- Growth initiatives continued selectively: Georgia continues to scale, the UK joint venture, which accounted for 14% of proforma online gross income in the period, supports future growth, and the Group maintains a disciplined approach to expansion into selected opportunities.
- The company launched operations in Uzbekistan and South Africa, further expanding its geographic footprint.
- A new holding company, Mellenu Holding S.A., was established in May 2026, under which the company's online lending business has been positioned. All operating subsidiaries and assets, including the proceeds from the sale of TBI Bank, are now held under Mellenu, which has also become a guarantor of the bonds maturing in 2028, while the issuer and existing guarantee structure remain unchanged.
- Dividends of EUR 18.1m were paid in H1 2026, following declarations of EUR 26.0m relating to FY 2024 (March) and EUR 11.0m relating to FY 2025 (May).
- The management-led buyout and shareholder restructuring, which the Group had expected to complete over the summer, has not yet closed; according to the H1 report, it continues to progress. Under the structure announced with the Q1 results, management would hold 25%, the existing shareholder fund 35% and a new shareholder fund 40%. The Group states that no single shareholder will have control, that the transaction does not constitute a change of control and that no negative impact on bondholders is expected.

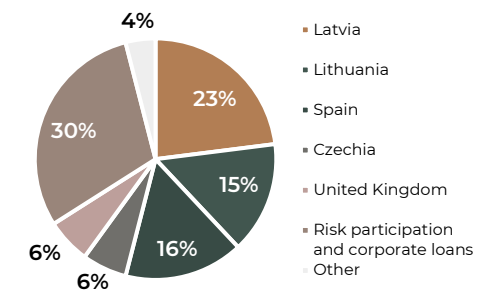
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	92.1	77.6	-16%	197.4	177.2	-10%
Adjusted EBITDA	23.9	24.5	+3%	39.5	48.1	+22%
Adj. EBITDA margin	23%	27%	+4pp	18%	24%	+6pp
Net profit	5.8	6.2	+8%	7.8	10.2	+31%
Net loan portfolio	157.3	138.9	-12%	139.1	150.6	+8%
Cash	366.0	81.6	-78%	294.7	38.0	-87%
Total equity	319.4	249.3	-22%	294.7	315.7	+7%
Total borrowings	370.0	129.5	-65%	332.1	257.5	-22%
Adjusted EBITDA / Interest expense (>2.0x)	2.1x	3.5x	+1.4x	2.0x	2.2x	+0.2x
Equity ratio	14%	61%	+47pp	14%	13%	-1pp

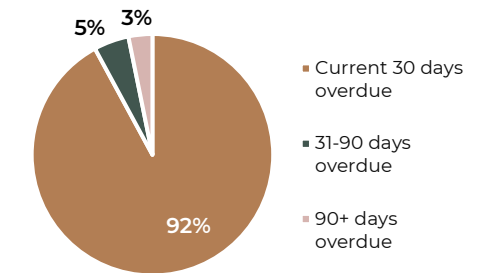
Net loan portfolio and Equity ratio, EURm



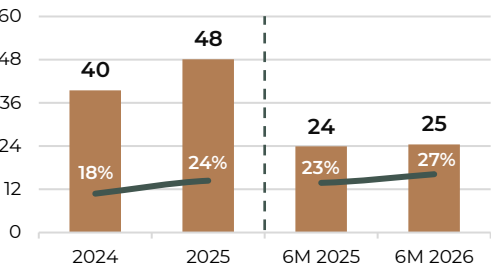
Net loan portfolio split by markets



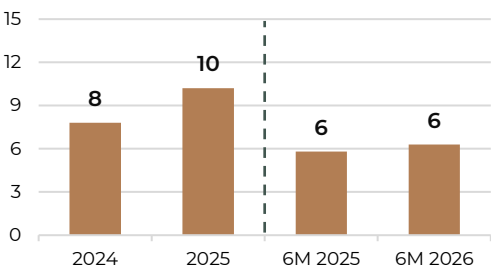
Gross loan portfolio by delay buckets



Adj. EBITDA and adj. EBITDA margin, EURm



Net profit, EURm



6M 2026 ESTO Holdings



Key parameters

Founded: 2017	Products: Buy now pay later (BNPL); Installment loans
Headquarters: Estonia	
Net portfolio: EUR 106m	Key markets
Bonds outstanding: EUR 27m	■ Estonia ■ Lithuania
Auditor: KPMG Baltics (IFRS)	■ Latvia

Financial highlights

- Net loan portfolio reached EUR 106.2m at the end of 6M 2026, up 32% y/y and 13% versus YE 2025, on record credit issuance across all Baltic markets. H1 issuance totalled EUR 64.7m (+36% y/y), with June setting an all-time monthly high of EUR 12.9m, while Estonia, Latvia and Lithuania set simultaneous monthly issuance records for the first time in the Group's history.
- The Group delivered record top- and bottom-line results, though earnings grew more slowly than the book. Revenue reached EUR 19.7m (+18% y/y), EBITDA EUR 9.8m (+16% y/y) with a 50% margin (no change y/y), and net profit EUR 5.7m (+24% y/y) at a 29% net margin. Each of these trailed the 32% y/y growth in the loan portfolio, pointing to margin compression as the Group prices for volume.
- Net loss from derecognition of financial assets (sale and write-off of delinquent loans) rose 19% y/y to EUR 2.1m, holding steady at 11% of operating revenue in both periods and reflecting continued portfolio clean-up to contain provisioning costs. Impairment losses on financial instruments increased to EUR 0.3m from EUR 0.2m y/y.
- The balance sheet and capital structure strengthened materially. Total assets grew to EUR 116m (+33% y/y) and equity including Tier 2 capital reached EUR 36.5m (+65% y/y), taking equity-to-assets to 32% and the capitalization ratio to 34%, both marginally below the record levels recorded in Q1 2026 but well above the 20% covenant minimum. Trailing twelve-month interest coverage improved to 2.45x from 2.3x at the end of FY 2025.
- That buffer will be tested: record H1 issuance of EUR 64.7m was concentrated in the closing months of the period, so the credit quality of these vintages will only become visible over the next 6-12 months.

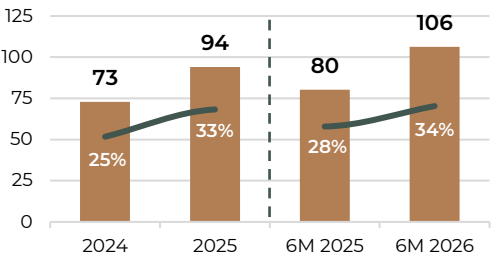
Other developments

- In March 2026, ESTO issued a EUR 7.2m subordinated bond under its EUR 20m programme, materially strengthening Tier 2 capital and lifting capital ratios to record levels.
- In June 2026, ESTO issued EUR 20m of senior unsecured bonds, the proceeds of which were used to fully redeem the EUR 15m secured bonds (EE3300005065) due in November 2026. The refinancing was completed 250bps below the coupon on the outgoing 2026 bonds, while moving the Group from secured to unsecured funding, showcasing improved company creditworthiness and investor sentiment towards ESTO.
- The merchant partner network surpassed 11 000 unique points of sale across the Baltics, with 750+ new integrations since the start of 2026, while platform users reached over 850 000. Cumulative GMV since inception crossed the landmark EUR 1b level in August 2026.
- ESTO deployed its proprietary gradient-boosting machine-learning default scorecard in Latvia and Estonia, removing its dependency on external scoring models. The Group also launched an SME business lending product in Estonia, its first entry into B2B credit.
- ESTO is aggressively stepping up its brand presence, with influencer-led marketing campaigns and a radio-sponsored utility bill contest in Estonia. In Lithuania, Meta advertising conversions for the credit line product surged 227% m-o-m, showcasing solid engagement from the Group's marketing efforts.

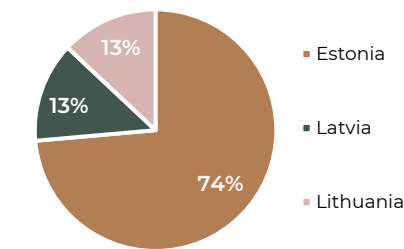
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	16.7	19.7	+18%	31.1	35.4	+14%
EBITDA	8.4	9.8	+16%	14.2	18.0	+27%
EBITDA margin	50%	50%	0pp	46%	51%	+5pp
Net profit	4.6	5.7	+24%	6.8	10.1	+49%
Net loan portfolio	80.2	106.2	+32%	72.8	94.0	+29%
Cash	1.2	1.8	+51%	2.5	1.4	-44%
Total equity	15.5	29.1	+87%	11.9	25.3	+113%
Total borrowings	68.9	84.4	+22%	66.3	74.7	+13%
EBITDA / Interest expense (>1.25x)	2.2x	2.5x	+0.3x	2.0x	2.3x	+0.3x
Capitalization ratio (>20%)	28%	34%	+6pp	25%	33%	+8pp

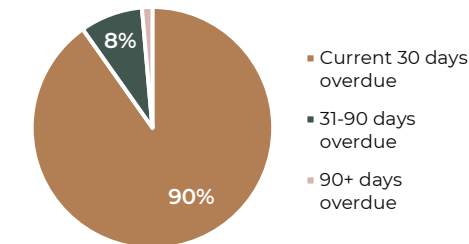
Net loan portfolio and Capitalization ratio, EURm



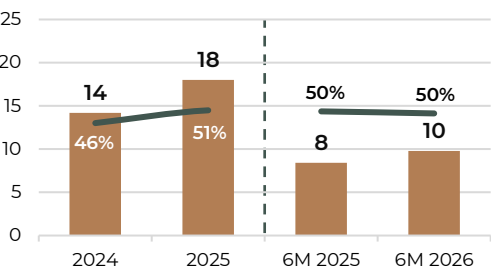
Net loan portfolio split by markets



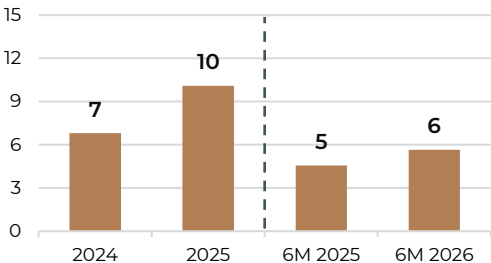
Net loan portfolio by delay buckets



EBITDA and EBITDA margin, EURm



Net profit, EURm



6M 2026 MyCredit



Key parameters

Founded: 2005	Products: Real estate-secured business and consumer loans; lines of credit
Headquarters: Latvia	
Net portfolio: EUR 20m	Key markets
Bonds outstanding: EUR 16m	■ Latvia
Auditor: Taxlink Latvia	

Financial highlights

- Established in 2005, MyCredit (formerly SIA “FZ Capital”) is one of Latvia’s most seasoned real estate-secured lenders. The company is backed by a strong shareholder base: SIA Hipocredit Group (85%), led by the prominent and diversified investment company ALPPES Capital and also the owner of Hipocredit, another issuer covered in this report, and CEO Marks Peisahovičs (15%), who has led the company for over two decades.
- Net loan portfolio reached EUR 20.4m at the end of 6M 2026 (+66% y/y; +35% vs FY 2025), with most of the portfolio expansion arising during Q2, as the loan portfolio stood at EUR 16.8m after the first three months of 2026.
- Revenue amounted to EUR 1.6m in 6M 2026 (+44% y/y); EBITDA came in at EUR 1.2m with an EBITDA margin of 71% (74% in 6M 2025). Net profit came in at EUR 0.4m (+40% y/y).
- Total equity stood at EUR 3.3m and total borrowings at EUR 17.0m; the capitalization ratio was 20.7% (21% at the end of FY 2025).
- On its covenant metrics, the Company is operating close to the limits on two of three tests: the portfolio coverage ratio stood at 1.25x (covenant level of >1.20x) and the capitalization ratio at 20.7% (covenant level of >20%), while the interest coverage ratio of 1.92x on a trailing twelve-month basis retains a clear buffer above the 1.25x covenant level. This means that portfolio expansion will continue to be closely aligned with further debt issuance, as the Company looks to deploy fresh capital as effectively as possible.

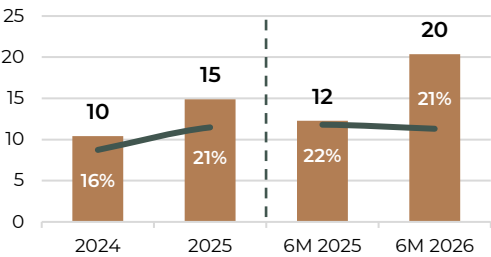
Other developments

- In Q2 2026 the Company officially changed its name from SIA “FZ Capital” to SIA MyCredit, having launched the MyCredit brand in 2025. Management intends to keep expanding the loan portfolio through 2026, focused on business and consumer loans secured by high-quality real estate, while maintaining strict underwriting and collateral-valuation discipline.
- MyCredit continued to draw on its secured note programme, adding a third tranche (8%, due 2029) and a first tranche of subordinated notes (8%, due 2031). Outstanding secured bonds principal is EUR 16.4m, with the nearest maturity being in May 2027 (LV0000104461).

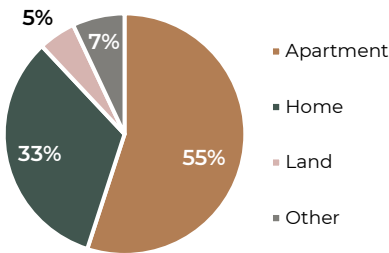
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	1.1	1.6	+44%	1.9	2.4	+28%
EBITDA	0.9	1.2	+37%	1.3	1.9	+46%
EBITDA margin	74%	71%	-3pp	71%	79%	+8pp
Net profit	0.3	0.4	+40%	0.5	0.8	+49%
Net loan portfolio	12.3	20.4	+66%	10.4	15.1	+47%
Cash	0.1	0.1	+6%	0.1	0.3	+74%
Total equity	2.7	3.3	+25%	1.6	3.0	+88%
Total borrowings	10.0	17.0	+71%	8.9	12.4	+39%
EBITDA / Interest expense (>1.25x)	2.3x	1.9x	-0.4x	2.1x	2.3x	+0.2x
Capitalization ratio (>20%)	22%	21%	-1pp	16%	21%	+5pp
Portfolio coverage ratio (>1.20x)	1.2x	1.3x	+0.1x	-	1.3x	n/a

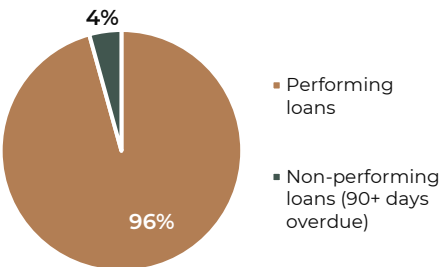
Net loan portfolio and Capitalization ratio, EURm



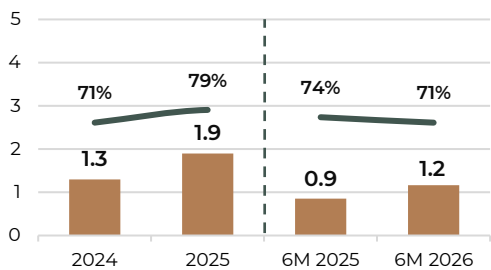
Portfolio collateral split by property types (31.12.2025)



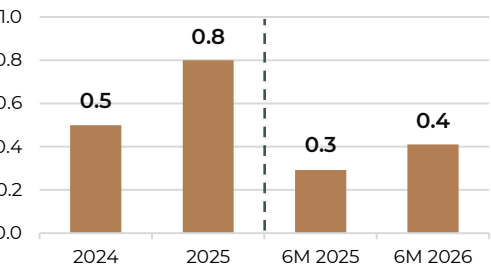
Net loan portfolio by delay buckets (31.12.2024)



EBITDA and EBITDA margin, EURm



Net profit, EURm



6M 2026 Hipocredit



Key parameters

Founded: 2014	Products: Real estate-secured business and consumer loans
Headquarters: Latvia	
Net portfolio: EUR 16m	Key markets
Bonds outstanding: EUR 8m	Latvia
Auditor: RSM Latvia	

Financial highlights

- Established in 2014, Hipocredit is one of Latvia's largest non-bank lenders offering real estate-secured loans to businesses and individuals. In July 2026, SIA Hipocredit Group acquired the company. The group also owns 85% of MyCredit, which is covered in this report, and is ultimately owned by ALPPES Capital. The new owners bring capital and experience from building some of Europe's largest non-bank lenders.
- Net loan portfolio stood at EUR 15.9m at the end of 6M 2026 (-3% y/y; +0.5% vs FY 2025). The book has stabilised after shrinking 8% in FY 2025, when the drawn-out sale process and repeated management changes slowed new lending.
- Revenue amounted to EUR 1.1m in 6M 2026 (+11% y/y). EBITDA came in at EUR 0.9m with an EBITDA margin of 77% (76% in 6M 2025), up from 66% in FY 2025. The FY 2025 margin was held down by a one-off EUR 290k provision, most of which the company expects to recover in 2026.
- Net profit came in at EUR 0.25m (+148% y/y), already above the full-year FY 2025 result of EUR 0.20m.
- Adjusted equity stood at EUR 6.7m and interest-bearing liabilities at EUR 13.8m, of which EUR 3.9m are loans from the previous owners, that contribute both to interest-bearing debt and to adjusted equity.
- Interest coverage stood at 1.37x, comfortably above the ≥1.25x covenant and up from 1.26x in FY 2025. As of 30 June 2026, the capitalization was 42%. That figure treats the previous owners' loans as quasi-equity, and those loans are now being refinanced with the senior bond proceeds. To keep the ratio above the ≥20% covenant threshold after the refinancing and ahead of the first covenant test in Q3 2026, the new owners have committed a EUR 0.4m equity injection and registered a subordinated bond issue. With a conservative portfolio LTV of 50% and NPLs at 6.2%, the credit profile is supported by strong collateral coverage, and further upside depends on how effectively the new capital is deployed into portfolio growth.

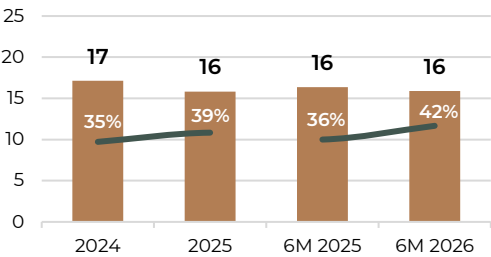
Other developments

- In August 2026, Hipocredit placed EUR 8m of 8% senior secured bonds (LV0000112845) due 2029. The proceeds mainly refinance EUR 5.1m of loans from the previous owners and EUR 0.7m of bank debt, and the rest funds portfolio growth. The bonds are secured by a first-ranking pledge over the loan portfolio and assets and will be listed on Nasdaq Riga First North.
- In August 2026, Hipocredit registered a EUR 10m issue of subordinated bonds (LV0000112928) to manage the ≥20% capitalization ratio required under the new senior bond covenants. The amount actually placed will be disclosed in the company's first quarterly report, for Q3 2026.
- In July 2026, SIA Hipocredit Group completed its acquisition of Hipocredit before receiving merger clearance. The Latvian Competition Council opened an in-depth review on 29 June, focused on mortgage lending to legal entities in Latvia, where the acquirer's group already operates through MyCredit.

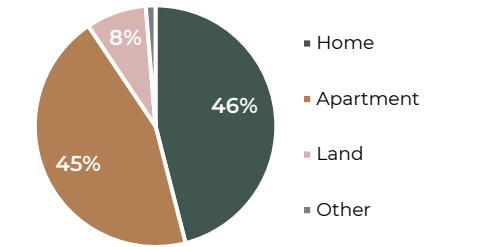
Financial highlights, EURm

	6M 2025	6M 2026		FY 2024	FY 2025	
Revenue	1.0	1.1	+11%	2.4	2.3	-5%
EBITDA	0.8	0.9	+12%	1.9	1.5	-19%
EBITDA margin	76%	77%	+1pp	77%	66%	-11pp
Net profit	0.1	0.3	+148%	0.5	0.2	-63%
Net loan portfolio	16.4	15.9	-3%	17.2	15.8	-8%
Cash	0.2	0.2	-29%	0.6	0.6	-1%
Adjusted equity	5.9	6.7	+13%	6.0	6.2	+3%
Interest bearing liabilities	14.1	13.8	-2%	15.0	14.6	-3%
EBITDA / Interest expense (>1.25x)	1.4x	1.4x	0.0x	1.6x	1.3x	-0.3x
Capitalization ratio (>20%)	36%	42%	+6pp	35%	39%	+4pp
Portfolio coverage ratio (>1.20x)	n/a	n/a	n/a	n/a	n/a	n/a

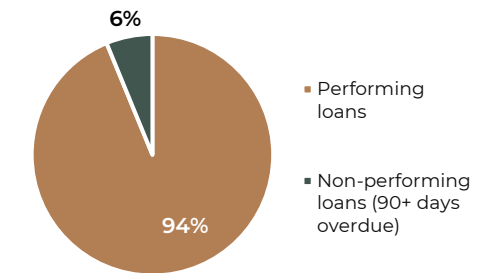
Net loan portfolio and Capitalization ratio, EURm



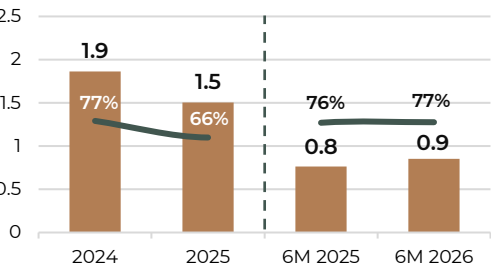
Portfolio collateral split by property types



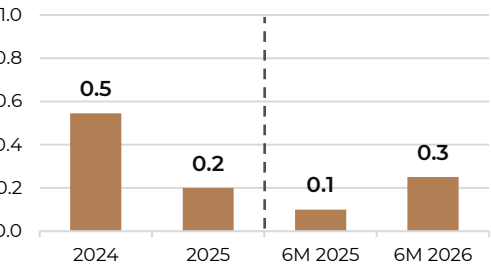
Net loan portfolio by delay buckets



EBITDA and EBITDA margin, EURm



Net profit, EURm

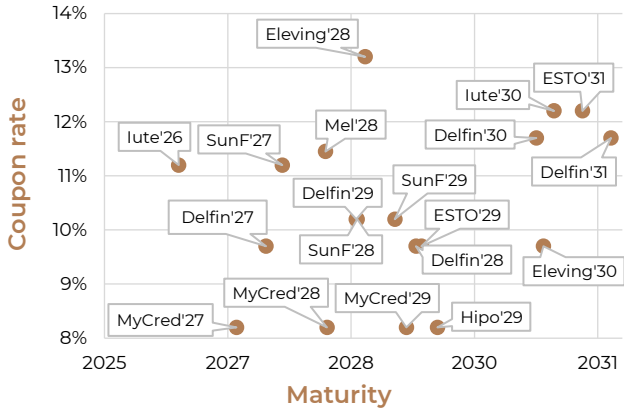
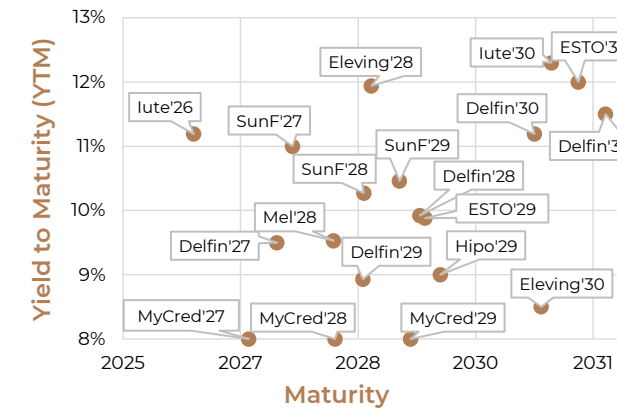


Current bond issues



Company	Issuer	ISIN	Maturity	Coupon	Issue size, EUR	YTM ¹	BID Price	Call option	Collateral	Listing
Eleving ^{GROUP}	Eleving Group S.A. (Luxembourg)	DE000A3LL7M4	31.10.2028	13.00%	90m	11.94%	102.0	Call @103% (31.10.2025); @102% (31.10.2026); @101% (31.10.2027); @100 after	Secured	Frankfurt Stock Exchange and Nasdaq Riga
		XS3167361651	24.10.2030	9.50%	275m	8.50%	103.5	Call @ make whole amount until 24.10.2027; @104.75% (24.10.2028); @102.375% (01.10.2029); @100 after	Senior Secured	Frankfurt Stock Exchange and Nasdaq Riga
Sun Finance	Sun Finance Treasury Ltd. (Malta)	LV0000803187	30.11.2027	11.00%	26m	10.10%	101.0	Call @102% (31.05.2027) @100% (30.06.2027)	Senior Unsecured	Nasdaq First North
		LV0000103307	29.09.2028	10.00%	50m	10.27%	99.5	Call @102% (31.03.2027) @101% (31.03.2028) @100.5% (28.04.2028)	Senior Unsecured	Nasdaq First North
		LV0000106581	28.02.2029	10.00%	30m	10.46%	99.0	Call @101% (28.02.2027) @101% (31.08.2028) @100%	Senior Unsecured	Nasdaq First North
		LV0000106649	25.09.2027	9.50%	25m	8.46%	101.0	Call @101 (25.11.2026); @100% (25.05.2027)	Senior Unsecured	Nasdaq First North
delfin group custom finance solutions	AS DelfinGroup (Latvia)	LV0000803914	25.09.2028	10.00%	15m	8.93%	102.0	Call @102% (20.09.2025)	Senior Unsecured	Nasdaq Riga
		LV0000111441	25.05.2029	9.50%	35m	9.50%	100.0	Call @101% (25.11.2026); @100 (25.05.2027)	Senior Unsecured	-
		LV0000106631	25.09.2030	11.50%	5m	11.19%	101.0	Call @101% (on every coupon payment day); @100% (25.03.2030)	Subordinated	Nasdaq First North
		LV0000112134	25.07.2031	11.50%	5m	11.23%	101.0	Call @101% (on every coupon payment day); @100 (25.01.2031)	Subordinated	-
iute	IuteCredit Finance S.à r.l. (Luxembourg)	XS2378483494	06.10.2026	11.00%	47m	11.00%	100.0	Call @105.5% (06.10.2025); @102.75% after	Secured	Frankfurt Stock Exchange and Nasdaq Tallinn
		XS3047514446	06.12.2030	12.00%	300m	12.12%	99.6	Call @106% (06.06.2028); @103% (06.06.2029); @100 after	Secured	Frankfurt Stock Exchange and Nasdaq Tallinn
mellenu	Mellenu Finance S.A. (Luxembourg)	XS1417876163	23.05.2028	11.25%	135m	9.53%	102.7	Call @104% (23.12.2018); @103% (23.11.2024); @102% (23.05.2025); @100% (23.05.2026)	Senior Unsecured	Frankfurt Stock Exchange and Nasdaq First North
esto	ESTO Holdings OÜ (Estonia)	EE0000004448	16.06.2029	9.50%	20m	9.88%	99.0	Call @102% (16.06.2027); @101% (16.06.2028); @100% (16.12.2028)	Senior Unsecured	-
		EE0000003887	31.03.2031	12.00%	7m	12.00%	100.0	Call @101% (on every coupon payment day); @100% (30.09.2030)	Subordinated	-
		LV0000104461	28.05.2027	8.00%	4m	8.00%	100.0	Call @101% (28.05.2026); @100% (28.11.2026)	Secured	-
MyCredit	SIA MyCredit (Latvia)	LV0000104479	29.05.2028	8.00%	10m	8.00%	100.0	Call @101% (29.05.2026); @100% (29.11.2027)	Secured	-
		LV0000111086	16.04.2029	8.00%	5m	8.00%	100.0	Call @101% (16.04.2027); @100% (16.10.2028)	Secured	-
		LV0000112845	20.08.2029	8.00%	8m	9.00%	97.4	Call @101% (20.08.2027); @100% (20.02.2029)	Secured	-

¹Source: Nasdaq Riga, Bloomberg. Data as of 29 September 2026





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