



financing and
circular retail

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

Translation from Latvian

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Information on the Company and Subsidiaries

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

Names and positions of Supervisory Board members

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

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

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

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

Reporting period

1 January 2025 – 30 June 2025

Information on the Subsidiaries

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

Statement of management`s responsibility

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

The interim report set out on pages 12 to 25 are prepared in accordance with the source documents and present the financial position of the Group as of 30 June 2025 and the results of its operations, changes in shareholders' equity and cash flows for the six-month period ended 30 June 2025. The management report set out on pages 7 to 11 presents fairly the financial results of the reporting period and future prospects of the Group.

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

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

Didzis Ādmīdiņš
Chairman of the Board

Andrejs Aleksandrovičs
Board Member

Laima Eižvertiņa
Board Member

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Management report

In the first half of 2025, the Latvian financial services group AS DelfinGroup generated revenue of EUR 37 million, an increase of 27% compared with the corresponding period of 2024. The improvement in revenue likewise supported profitability: profit before tax for the first six months of 2025 amounted to EUR 4.9 million, up 11%, while net profit increased by 8% to EUR 3.7 million.

Comparable positive trends were recorded in Q2 2025. Revenue increased by 31% year-on-year to EUR 19.5 million. Profit before tax rose by 11% to EUR 2.6 million. Net profit for the period amounted to EUR 2 million, representing growth of 7%.

Strong demand for DelfinGroup products persisted throughout the first half of 2025. The Group disbursed loans totalling EUR 63 million during the period, an increase of 23%, while Q2 originations were up 27% year-on-year. New consumer-loan originations rose by 20% in Q2 to EUR 23.5 million and by 18%, reaching EUR 49.7 million over the six-month period. Pawn-loan issuance remained stable at EUR 6.7 million in the second quarter, a 2% increase, and grew by 4%, reaching EUR 13.3 million on a six-month basis. On the back of higher lending volumes, the net loan portfolio expanded further, reaching EUR 129 million – already surpassing the strategic target of EUR 125 million by the end of 2025. Since the beginning of the year the Group's loan portfolio has grown by 14%.

The Group also launched full-scale consumer-loan issuance in Lithuania at the beginning of 2025. As a result, a total of EUR 4.4 million in new consumer loans was issued in the six-month period and EUR 2.8 million in Q2. The net consumer-loan portfolio in Lithuania amounted to EUR 3.4 million as at 30 June 2025. The strong performance of the consumer lending segment in Lithuania is mainly attributable to the offering of competitive products in the digital environment, which is a strategic focus of DelfinGroup, allowing it to apply the principles of scalability when operating in consumer lending in both Latvia and Lithuania.

In the segment of pre-owned goods, including the sales of pawn pledges, the Group generated sales of EUR 9.6 million during the six-month period, an increase of 25% versus 2024, while Q2 sales totalled EUR 4.8 million. The increase in sales in the retail segment has been mainly driven by the fact that the pre-owned, slightly pre-owned and new goods are available in its online store in both Latvia and Lithuania. It is also possible to purchase goods from the online store via the Banknote mobile app.

In Q2 the Group signed a new credit line agreement with Multitude Bank p.l.c. for EUR 12.5 million with a tenor of 3.5 years. Cooperation with Multitude Bank began earlier – the first credit line of EUR 11 million was concluded in 2023. By increasing the total committed funding to EUR 23.5 million, the parties have taken the next step in a long-term partnership based on proven cooperation and common growth objectives. The additional funding represents another targeted step in DelfinGroup development strategy, which foresees the gradual expansion of the Company both in Latvia and internationally. The credit line will be used to grow the loan portfolio, aligning the level of funding with business needs and demand for affordable financing.

With the current Supervisory Board's term nearing its end, the shareholders' meeting of 3 July 2025 elected a new Supervisory Board for AS DelfinGroup. From the previous composition, Agris Evertovskis and Jānis Pizičs will continue to hold office, while Mārtiņš Ozoliņš and Solvita Kurtiņa have joined the Supervisory Board. Mārtiņš Ozoliņš is an industry professional who previously served as Group CEO at Eleving Consumer Finance, operating in eight markets across Europe and Africa with more than 1,000 employees, and has held senior positions at Finko and Marginalen Group. Solvita Kurtiņa is a finance professional who currently serves as Chief Financial Officer of AS ALPPES Capital. Previously Solvita Kurtiņa held Management and Supervisory Board positions at Madara Cosmetics. The new Supervisory board members do not own DelfinGroup shares.

At the annual shareholders' meeting held on 11 June 2025, the 2024 annual report and dividend payments were approved. DelfinGroup shareholders approved two dividend distributions: an annual dividend from 2024 profit of EUR 418 thousand, or EUR 0.0092 per share, with a payment date of 11 July 2025; and a quarterly dividend from Q1 2025 profit of EUR 881 thousand, or EUR 0.0194 per share, payable on 30 June 2025. As a result, shareholders received dividends totalling EUR 1.3 million, or EUR 0.0286 per share.

In the second quarter, DelfinGroup began a targeted cost base optimisation in order to strengthen operational efficiency and improve profitability. The planned measures are aimed at simplifying processes, reduction of labor costs and using resources more efficiently. These initiatives are expected to gradually bring measurable benefits starting from the Q2 2025.

The shareholders' meeting also approved a new issue of unsecured bonds of up to EUR 25 million, the proceeds of which will be used to refinance the existing EUR 15 million notes (ISIN LV0000802718) maturing on 25 February 2026, with the remaining EUR 10 million from the total proceeds of the bond issue earmarked for further business expansion. In addition, a new subordinated bond issue of up to EUR 5 million was approved to strengthen the Company's capitalisation and ensure liquidity.

DelfinGroup continued its cooperation with the Children's Hospital Foundation and Association of Latvian Senior Communities. This year the Group made another significant contribution, helping to fund the professional development and international exchange of experience for medical and care staff at the Children's Hospital – both to strengthen day-to-day competencies and to support the treatment of complex cases.

Management report (CONTINUED)

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

Position	EUR, million	Change, %
Net loan portfolio	129.04	13.7
Assets	147.51	16.1
Revenue	37.04	27.3
EBITDA	11.75	11.9
Profit before taxes	4.86	10.5
Net profit	3.74	6.9

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

Position	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2
Revenue, EUR million	14.8	16.5	17.4	17.5	19.5
EBITDA, EUR million	5.4	5.7	5.8	5.6	6.1
EBITDA margin, %	36%	36%	35%	34%	33%
EBIT, EUR million	5.0	5.2	5.3	5.1	5.7
EBIT margin, %	34%	33%	32%	31%	30%
Profit before taxes, EUR million	2.3	2.4	2.4	2.3	2.6
Net profit, EUR million	1.8	1.9	1.9	1.8	2.0
Net profit margin, %	12%	11%	12%	11%	11%
ROE (last 12 months), %	31%	30%	31%	30%	30%
ROA (last 12 months), %	6%	6%	6%	6%	6%
ROCE (last 12 months), %	26%	24%	23%	22%	22%
Current ratio	1.0	1.3	0.9	0.7	0.7

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

EBITDA calculation, EUR million:

	2025 Q2	2024 Q2
Item		
Profit before tax	2.6	2.3
Interest expenses and similar expenses	3.1	2.7
Depreciation of fixed assets and amortisation	0.5	0.4
EBITDA, EUR million	6.2	5.4

Management report (CONTINUED)

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

Covenant	Value as of 30.06.2025	Compliance
to maintain a Capitalization Ratio at least 25%	27%	Yes
to maintain consolidated Interest Coverage Ratio of at least 1.5 times, calculated on the trailing 12 month basis	2.0	Yes
(Net loan portfolio + inventory+ other debtors + cash and cash equivalents – (Mintos debt * 1.2) – (bank debt * 1.4)) / unsecured liabilities, excluding subordinated debt >= 1.2	1.4	Yes

Principles of alternative performance measures

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

Revenue = net sales + interest income and similar income.

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

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

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

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

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

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

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

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

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

Management report (CONTINUED)

Investor information

DelfinGroup shares are listed on the *Baltic Main List* in *Nasdaq Riga* with ISIN code LV0000101806. Shareholders receive 1 vote per share. On 30 June, 2025, a total of 45 406 435 share were issued, the price of which was 1.178 euros, making the total market capitalization of 53.5 million euros.

Share trading information	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2
Opening price, EUR	1.23	1.086	1.032	1.076	1.178
High price, EUR	1.266	1.098	1.118	1.188	1.188
Low price, EUR	1.00	1.00	1.02	1.076	1.100
Last price, EUR	1.086	1.032	1.076	1.176	1.178
Turnover, mEUR	1.87	1.24	1.59	1.29	1.09
Capitalization, mEUR	49.28	46.83	48.86	53.40	53.49

Share price changes and turnover



Branches

As at 30 June 2025, the Group had 95 branches, 88 in Latvia and 7 in Lithuania (31.12.2024 - 95 branches, 88 in Latvia and 7 in Lithuania).

Risk management

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

Distribution of the profit proposed by the Company

The Company's board recommends the distribution of Q2 2025 profit as dividends in accordance with the Company's dividend policy, which sets the target of up to 50% quarterly dividend pay out.

Didzis Ādmīdiņš
Chairman of the Board

**Andrejs
Aleksandrovičs**
Board Member

Laima Eižvertiņa
Board Member

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Interim consolidated Statement of profit or loss January – June 2025

	Notes	For 6 months ended 30 June		For 3 months ended 30 June	
		2025	2024	2025	2024
		EUR	EUR	EUR	EUR
Net sales	(2)	6 693 453	4 287 230	3 765 990	1 959 078
Cost of sales		(4 672 395)	(2 670 468)	(2 716 688)	(1 165 548)
Interest income and similar income	(3)	30 344 107	24 810 540	15 745 333	12 878 786
Interest expenses and similar expenses	(4)	(5 932 779)	(5 222 432)	(3 067 391)	(2 661 772)
Credit loss expenses		(9 981 539)	(6 971 408)	(5 323 940)	(3 549 987)
Gross profit		16 450 847	14 233 462	8 403 304	7 460 557
Selling expenses	(5)	(6 310 806)	(5 163 325)	(3 193 037)	(2 575 167)
Administrative expenses	(6)	(5 200 346)	(4 550 238)	(2 628 863)	(2 482 441)
Other operating income		99 657	62 394	62 692	37 524
Other operating expenses		(184 359)	(219 198)	(52 757)	(116 680)
Profit before corporate income tax		4 854 992	4 363 095	2 591 339	2 323 793
Income tax expenses		(1 113 964)	(902 021)	(619 384)	(481 581)
Net profit		3 741 029	3 461 074	1 971 955	1 842 212
Basic earnings per share	(7)	0.082	0.076	0.043	0.041
Diluted earnings per share	(7)	0.082	0.076	0.043	0.041

Notes on pages from 17 to 25 are an integral part of these interim reports.

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Interim consolidated Balance sheet as at 30 June 2025

Assets		Group 30 June 2025	Group 31 December 2024
Non-current assets:	Notes	EUR	EUR
Intangible assets:			
Patents, licences, trademarks and similar rights		6 980	9 302
Internally developed software		977 461	903 339
Other intangible assets		1 119 152	1 138 552
Goodwill		127 616	127 616
Work in progress internally developed software		83 927	83 935
Advances for intangible assets		35 523	35 523
Total intangible assets:		2 350 658	2 298 267
Property, plant and equipment:			
Land, buildings and structures		169 838	173 539
Leasehold improvements		322 965	314 740
Right-of-use assets		2 923 093	2 652 848
Other fixtures and fittings, tools and equipment		410 090	441 804
Total property, plant and equipment		3 825 987	3 582 931
Non-current financial assets:			
Loans and receivables	(8)	104 953 726	91 455 715
Deferred income tax asset		264 384	154 640
Total non-current financial assets:		105 218 110	91 610 355
Total non-current assets:		111 394 755	97 491 553
Current assets:			
Inventories:			
Finished goods and goods for sale		3 639 407	3 989 843
Total inventories:		3 639 407	3 989 843
Receivables:			
Loans and receivables	(8)	24 087 584	22 018 048
Term deposits with banks		2 874 900	999 900
Other debtors		1 819 211	615 737
Total receivables:		28 781 695	23 633 685
Deferred expenses		342 035	243 398
Cash and cash equivalents		3 356 024	1 644 490
Total current assets:		36 119 161	29 511 416
Total assets		147 513 916	127 002 969

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Interim consolidated Balance sheet as at 30 June 2025

		Group 30 June 2025	Group 31 December 2024
Liabilities and equity			
Equity:	Notes	EUR	EUR
Share capital		4 540 644	4 540 644
Share premium		6 890 958	6 890 958
Other capital reserves		238 054	223 404
Retained earnings	(9)	14 703 540	13 273 699
Total equity:		26 373 196	24 928 705
Liabilities:			
Long-term liabilities:			
Bonds issued	(10)	35 161 874	47 513 867
Loans from credit institutions	(11)	16 410 234	5 673 103
Other borrowings	(12)	16 080 176	13 901 453
Lease liabilities for right-of-use assets		2 630 383	2 219 336
Total long-term liabilities:		70 282 667	69 307 759
Short-term liabilities:			
Bonds issued	(10)	18 703 609	5 459 248
Loans from credit institutions	(11)	13 688 462	11 715 582
Other borrowings	(12)	11 938 564	10 399 105
Lease liabilities for right-of-use assets		610 203	734 251
Trade payables		976 115	934 352
Taxes and social insurance		363 553	505 972
Income tax liabilities		2 448 649	1 418 070
Unpaid dividends		417 739	-
Accrued liabilities		1 711 159	1 599 925
Total short-term liabilities:		50 858 054	32 766 505
Total liabilities		121 140 721	102 074 264
Total liabilities and equity		147 513 916	127 002 969

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Interim consolidated Statement of changes in equity January - June 2025

	Share capital EUR	Share premium EUR	Other capital reserves EUR	Retained earnings EUR	Total EUR
As at 01 January 2024	4 537 751	6 890 958	169 812	9 723 592	21 322 113
Profit for the reporting period	-	-	-	3 461 074	3 461 074
Dividends paid	-	-	-	(1 855 939)	(1 855 939)
Share-based payments	-	-	45 000	-	45 000
As at 30 June 2024	4 537 751	6 890 958	214 812	11 328 727	22 972 248

As at 01 January 2025	4 540 644	6 890 958	223 404	13 273 699	24 928 705
Profit for the reporting period	-	-	-	3 741 029	3 741 029
Dividends paid	-	-	-	(2 311 188)	(2 311 188)
Share-based payments	-	-	14 650	-	14 650
As at 30 June 2025	4 540 644	6 890 958	238 054	14 703 540	26 373 196

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Interim consolidated statement of cash flows January - June 2025

	Notes	For 6 months ended 30 June 2025 EUR	For 6 months ended 30 June 2024 EUR
<u>Cash flow from operating activities</u>			
Profit before corporate income tax		4 854 992	4 363 095
<u>Adjustments for non-cash items:</u>			
a) depreciation and amortisation		517 263	427 796
b) depreciation of right-of-use assets		447 858	436 640
c) credit loss expenses		9 981 539	6 971 408
d) share-based payment expense		14 650	45 000
e) interest income and similar income	(3)	(30 344 107)	(24 810 540)
f) interest expenses and similar expenses	(4)	5 932 779	5 222 432
Profit before adjustments of working capital and short-term liabilities		(8 595 026)	(7 344 169)
<u>Change in operating assets/liabilities:</u>			
a) (Increase) on loans and receivables and other debtors		(28 314 262)	(20 600 007)
b) (Increase)/ decrease on inventories		350 437	(390 964)
c) (Decrease)/ increase on trade payable and accrued liabilities		2 000 599	788 150
Gross cash flow from operating activities		(34 558 252)	(27 546 990)
Interest received		29 932 173	25 205 091
Interest paid		(6 685 474)	(5 971 294)
Corporate income tax payments		(192 397)	(611 818)
Net cash flow from operating activities		(11 503 950)	(8 925 011)
<u>Cash flow from investing activities</u>			
Acquisition of property, plant and equipment		(125 290)	(203 281)
Acquisition of intangible assets		(417 209)	(577 070)
Term deposits placed		(1 875 000)	-
Net cash flow from investing activities		(2 417 499)	(780 351)
<u>Cash flow from financing activities</u>			
Loans received		20 442 573	16 234 780
Loans repaid		(2 980 317)	(11 149 833)
Bonds issued		1 731 000	5 991 000
Redemption of bonds		(1 120 000)	(1 000 000)
Repayment of lease liabilities		(546 825)	(488 419)
Dividends paid		(1 893 448)	(1 456 617)
Net cash flow from financing activities		15 632 983	8 130 911
Net cash flow of the reporting period		1 711 534	(1 574 451)
Cash and cash equivalents at the beginning of the reporting period		1 644 490	5 928 570
Cash and cash equivalents at the end of the reporting period		3 356 024	4 354 119

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Notes

(1) Accounting policies

Basis of preparation

These financial statements have been prepared based on the accounting policies and measurement principles as set out below. The interim reports for the six-months ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim reports do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024. These interim reports are prepared and disclosed on a consolidated basis. The following subsidiaries are included in the consolidation: SIA *ViziaFinance* (100%) and UAB *DelfinGroup LT* (100%) for the period ended 30 June 2025.

(2) Net sales

Net revenue by type of revenue

	For 6 months ended 30 June		For 3 months ended 30 June	
	2025	2024	2025	2024
	EUR	EUR	EUR	EUR
Income from sales of goods	4 194 518	2 878 440	2 123 798	1 208 509
Income from sales of precious metals	2 037 500	839 690	1 412 071	461 224
Other income (loan and storage commission) for financial instruments measured as FVTPL	461 435	569 100	230 121	289 345
	6 693 453	4 287 230	3 765 990	1 959 078

(3) Interest income and similar income

	For 6 months ended 30 June		For 3 months ended 30 June	
	2025	2024	2025	2024
	EUR	EUR	EUR	EUR
Interest income on unsecured loans according to effective interest rate method	26 043 417	20 836 272	13 568 570	10 797 110
Interest income on pawn loans	4 300 690	3 974 268	2 176 763	2 081 676
	30 344 107	24 810 540	15 745 333	12 878 786

(4) Interest expenses and similar expenses

	For 6 months ended 30 June		For 3 months ended 30 June	
	2025	2024	2025	2024
	EUR	EUR	EUR	EUR
Bonds' interest expense	3 416 197	3 179 304	1 695 859	1 621 269
Interest expense on other borrowings	1 337 135	1 278 416	722 868	613 436
Interest expense on loans from credit institutions	1 070 378	652 606	598 800	366 597
Interest expense on lease liabilities	109 069	112 106	49 864	60 470
	5 932 779	5 222 432	3 067 391	2 661 772

Notes (continued)

(5) Selling expenses

	For 6 months ended 30 June		For 3 months ended 30 June	
	2025	2024	2025	2024
	EUR	EUR	EUR	EUR
Salary expenses	2 044 665	1 873 700	1 044 638	928 875
Advertising expenses	1 488 185	834 161	733 108	418 216
Depreciation of property, plant and equipment and amortisation of intangible assets	517 264	427 796	263 073	215 599
Social insurance expenses	447 271	416 846	227 680	209 629
Depreciation of right-of-use assets	381 884	384 948	187 701	196 262
Non-deductible VAT	374 590	334 994	197 086	183 977
Maintenance expenses	313 408	290 090	160 937	152 546
Utilities expenses	178 728	184 088	81 546	74 404
Provisions for unused annual leave	59 837	56 495	23 498	24 772
Transportation expenses	52 332	45 092	23 382	22 702
Other expenses	452 642	315 115	250 388	148 185
	6 310 806	5 163 325	3 193 037	2 575 167

(6) Administrative expenses

	For 6 months ended 30 June		For 3 months ended 30 June	
	2025	2024	2025	2024
	EUR	EUR	EUR	EUR
Salary expenses	3 104 317	2 553 297	1 538 817	1 399 000
Social insurance expenses	654 630	602 444	368 804	323 868
Bank commission	579 979	544 936	318 350	298 480
Communication expenses	346 954	290 557	184 100	148 881
Legal and professional services	75 266	96 242	53 961	65 281
State fees and duties, licence expenses	71 920	68 313	34 912	34 007
Depreciation of right-of-use assets	65 973	51 692	38 099	24 488
Audit expenses	50 333	13 200	26 293	13 200
Public relations expenses	17 546	46 089	10 619	30 979
Provisions for unused annual leave	(21 481)	60 104	(24 560)	16 687
Other administrative expenses	254 909	223 364	79 468	127 570
	5 200 346	4 550 238	2 628 863	2 482 441

(7) Basic earnings and Diluted earnings per share

Earnings per share are calculated by dividing the net result for the year after taxation attributable to shareholders by the weighted average number of shares in issue during the year. The dilution effect when calculating the Diluted earnings per share comes from share options granted to employees of the Group on 30th of June 2024, 31st of December 2024 and 30th of June 2025. The table below presents the income and share data used in the computations of basic earnings and Diluted earnings per share for the Group:

	For 6 months ended 30 June		For 3 months ended 30 June	
	2025	2024	2025	2024
	EUR	EUR	EUR	EUR
Net profit attributed to shareholders	3 741 028	3 461 074	1 971 955	1 842 212
Weighted average number of shares	45 406 435	45 377 505	45 406 435	45 377 505
Earnings per share	0.082	0.076	0.043	0.041
Weighted average number of shares used for calculating the diluted earnings per shares	45 477 415	45 419 370	45 477 415	45 419 370
Diluted earnings per share	0.082	0.076	0.043	0.041

Notes (continued)

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

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

	Change EUR	Actual number of shares after transaction EUR
For 6 months ended 30 June 2024		
Number of shares at the beginning of the period		45 377 505
Number of shares at the end of the period		45 377 505
Weighted average number of shares:		45 377 505
Weighted average number of share options for DelfinGroup AS employees granted in January – June 2024*		41 865
Weighted average potential number of shares		45 419 370
For 6 months ended 30 June 2025		
Number of shares at the beginning of the period		45 406 435
Number of shares at the end of the period		45 406 435
Weighted average number of shares:		45 406 435
Weighted average number of share options for DelfinGroup AS employees granted in January – June 2025**		70 980
Weighted average potential number of shares		45 477 415

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

** Number of shares granted on 30 June 2024 35 338 with FV at grant date 0,908 EUR and option exercise price 0.10 EUR. Number of shares granted on 31 December 2024 38 500 with FV at grant date 0,901 EUR and option exercise price 0.10 EUR. Number of shares granted on 30 June 2025 37 500 with FV at grant date 1.005 EUR and option exercise price 0.10 EUR.

(8) Loans and receivables

a) Loans and receivables by loan type

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
Pawn loans measured at fair value		
Long-term pawn loans	165 690	176 753
Short-term pawn loans	8 833 311	8 824 726
Interest accrued for pawn loans	460 283	431 728
Pawn loans measured at fair value, total	9 459 284	9 433 207
Debtors for loans issued without pledge		
Long-term debtors for loans issued without pledge	104 788 036	91 278 962
Short-term debtors for loans issued without pledge	26 724 797	20 710 566
Interest accrued for loans issued without pledge	4 500 439	4 117 065
Debtors for loans issued without pledge, total	136 013 272	116 106 593
Loans and receivables before allowance, total	145 472 556	125 539 800
ECL allowance on loans issued without pledge	(16 431 247)	(12 066 037)
Loans and receivables	129 041 310	113 473 763

All loans are issued in euros. Weighted average term for consumer loans is 3,2 years and for pawn loans are two months.

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

Pawn loans in the amount of EUR 9 459 284 (31.12.2024: EUR 9 433 207) are secured by the value of the collateral and measured at fair value.

Notes (continued)

(8) Loans and receivables (continued)

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

An analysis of changes in the gross carrying value for loans issued and corresponding ECL during the six-month period ended 30 June 2025 is as follows:

Group	Stage 1	Stage 2	Stage 3	Total
Gross carrying value as at 1 January 2025	108 840 471	3 673 929	3 592 193	116 106 593
New assets originated or purchased	49 879 037	-	-	49 879 037
Assets settled or partly settled	(22 997 175)	(2 409 989)	(318 789)	(25 725 953)
Assets derecognised due to debt sales	-	(3 560 063)	(530 091)	(4 090 154)
Assets written off	-	-	(486 623)	(486 623)
Effect of interest accruals	(32 609)	79 016	283 965	330 372
Transfers to Stage 1	916 495	(770 169)	(146 326)	-
Transfers to Stage 2	(8 570 763)	8 605 177	(34 414)	-
Transfers to Stage 3	(2 925 134)	(959 006)	3 884 140	-
At 30 June 2025	125 110 322	4 658 895	6 244 055	136 013 272

Group	Stage 1	Stage 2	Stage 3	Total
ECL as at 1 January 2025	7 106 311	1 772 970	3 186 756	12 066 037
New assets originated or purchased	5 522 016	-	-	5 522 016
Assets settled or partly settled	(2 460 477)	(1 326 668)	(212 508)	(3 999 653)
Assets derecognised due to debt sales	-	(1 603 684)	(2 083 197)	(3 686 881)
Assets written off	-	-	(486 141)	(486 141)
Effect of interest accruals	18 137	64 909	282 129	365 175
Transfers to Stage 1	103 106	(424 625)	(97 641)	(419 160)
Transfers to Stage 2	(951 409)	4 734 149	(22 872)	3 759 868
Transfers to Stage 3	(325 430)	(526 545)	2 582 725	1 730 750
Impact on period end ECL changes in credit risk and inputs used for ECL calculation	(269 441)	(182 383)	2 031 060	1 579 236
At 30 June 2025	8 742 813	2 508 123	5 180 311	16 431 247

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

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
Receivables not yet due	114 715 822	100 545 395
Outstanding 1-30 days	10 172 444	8 293 453
Outstanding 31-90 days	4 787 156	3 675 551
Outstanding 91-180 days	2 846 626	721 639
Outstanding for 181-360 days	1 866 605	1 335 113
Outstanding for more than 360 days	1 624 619	1 535 442
Total claims against debtors for loans issued	136 013 272	116 106 593

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

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
For trade debtors not yet due	6 313 808	5 338 747
Outstanding 1-30 days	2 512 155	1 908 613
Outstanding 31-90 days	2 604 595	1 856 268
Outstanding 91-180 days	2 074 077	537 472
Outstanding for 181-360 days	1 490 715	1 094 088
Outstanding for more than 360 days	1 435 897	1 330 849
Total provisions for bad and doubtful trade debtors	16 431 247	12 066 037

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

Notes (continued)

(9) Retained earnings

	For 6 months ended 30 June	
	2025	2024
	EUR	EUR
Balance as at 1 January	13 273 699	9 723 592
Net profit for the period	3 741 029	3 461 074
Dividends declared and paid:		
Interim dividends of 0.0194 EUR (2024: 0.0223 EUR) per share	(1 893 240)	(1 456 617)
Dividends declared:		
Annual dividend of 0.0092 EUR	(417 948)	(399 322)
Balance as at 30 June	14 703 540	11 328 727

(10) Bonds issued

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
Total long-term part of bonds issued	35 161 874	47 513 867
Bonds issued	18 620 642	5 368 103
Interest accrued	82 967	91 145
Total short-term part of bonds issued	18 703 609	5 459 248
Bonds issued, total	53 782 516	52 881 970
Interest accrued, total	82 967	91 145
Bonds issued net	53 865 483	52 973 115

As of 30 June 2025, the Company of the Group has outstanding bonds (ISIN LV0000802718) in the amount of EUR 15 000 000, registered with the Latvia Central Depository and issued in a closed offer on 1 August 2023 on the following terms – number of financial instruments is 15 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 9.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 February 2026. The bond issue in full amount is traded on NASDAQ Baltic First North Alternative market as of 03.10.2023. The bonds are not secured.

As of 30 June 2025, the Company of the Group has outstanding subordinated bonds (ISIN LV0000802700) in the amount of EUR 5 000 000, registered with the Latvia Central Depository and issued in a closed offer on 24 July 2023 on the following terms – number of financial instruments is 5 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 11.50%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 July 2028. The bond issue in full amount is traded on NASDAQ Baltic First North Alternative market as of 07.11.2024. The bonds are not secured.

As of 30 June 2025, the Company of the Group has outstanding bonds (ISIN LV0000860146) in the amount of EUR 15 000 000, registered with the Latvia Central Depository and issued in a closed offer on 03 October 2023 on the following terms – number of financial instruments is 15 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 9.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 July 2028. The bond issue in full amount is traded on NASDAQ Baltic First North Alternative market as of 07.11.2024. The bonds are not secured.

As of 30 June 2025, the Company of the Group has outstanding subordinated bonds (ISIN LV0000870145) in the amount of EUR 5 000 000, registered with the Latvia Central Depository and issued in a closed offer on 29 May 2024 on the following terms – number of financial instruments is 5 000, with a nominal value 1 000 euro per each bond, coupon rate –3M EURIBOR + 11.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 1 000 per each bond) is to be repaid by 25 May 2029. The bonds are not secured.

As of 30 June 2025, the Company of the Group has outstanding bonds (ISIN LV0000803914) in the amount of EUR 15 000 000, registered with the Latvia Central Depository and issued in a public offer on 25 September 2024 on the following terms – number of financial instruments is 150 000, with a nominal value 100 EUR per each bond, coupon rate – 10.00%, coupon is paid once a month on the 25th date. The principal amount (EUR 100 per each bond) is to be repaid by the 25 September 2028. The bond issue in full amount is traded on NASDAQ Baltic Regulated market as of 25 September 2024. The bonds are not secured.

As at 30 June 2025 the Group is in compliance with covenants stated in all Terms of the Notes Issue. Please see covenants disclosed in Management report.

Notes (continued)

(11) Loans from credit institutions

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
Long-term loans from credit institutions	16 410 234	5 673 103
Total long-term loans from credit institutions	16 410 234	5 673 103
Short-term loans from credit institutions	13 688 462	11 715 582
Total short-term loans from credit institutions	13 688 462	11 715 582
Loans from credit institutions, total	30 098 696	17 388 685

At 30 June 2025 the Company of the Group have loans from credit institutions with floating interest rates (the base interest rate of 3M and 6M EURIBOR plus fixed rate) and maturities in 2025, 2026 and 2028.

To ensure fulfilment of liabilities the Group has registered commercial pledges, see note 15. As at 30 June 2025 the Group is in compliance with covenants.

(12) Other borrowings

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
Other long-term loans	16 080 176	13 901 453
Total other long-term loans	16 080 176	13 901 453
Other short-term loans	11 938 564	10 399 105
Total other short-term loans	11 938 564	10 399 105
Other loans, total	28 018 740	24 300 558

Amount of other borrowings is represented by loans received from crowdfunding platform Mintos, a platform registered in the European Union. The weighted average annual interest rate as of 30 June 2025 is 9.71%. According to the loan agreement with SIA Mintos Finance the loans matures according to the particular loan agreement terms concluded by the Group with its customers.

To ensure fulfilment of liabilities the Group has registered commercial pledge, see note 15. As at 30 June 2025 the Group is in compliance with covenants.

(13) Related party transactions

Group's transactions

	Transactions for 6 months 2025 EUR	Transactions in 2024 EUR
Shareholders		
Interest paid	26 081	128 137
Key management personnel		
Interest paid	-	4 310
Other related companies		
Services received	2 000	2 000

Bonds issued to the related companies

	Group 30 June 2025 EUR	Group 31 December 2024 EUR
Key management personnel	-	53 000
Shareholders	300 000	3 163 600
Long-term part of bonds issued to the related companies, total	300 000	3 216 600
Shareholders	-	-
Short-term part of bonds issued to the related companies, total	-	-
Bonds issued to the related companies, total	300 000	3 216 600

Notes (continued)

(14) Segment information

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

Pawn loan segment	Handling pawn loan issuance, sale of pawn shop items in the branches and online.
Retail of pre-owned goods	Sale of pre-owned goods in the branches and online purchased from customers.
Consumer loan segment	Handling consumer loans to customers, debt collection activities and debt sales to external debt collection companies.

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

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

	CONSUMER LOANS		PAWN LOANS		RETAIL OF PRE-OWNED GOODS		TOTAL	
	For 6 months period ended 30 June		For 6 months period ended 30 June		For 6 months period ended 30 June		For 6 months period ended 30 June	
	2025	2024	2025	2024	2025	2024	2025	2024
ASSETS	131 041 144	110 968 048	11 364 458	10 965 353	5 108 315	5 069 568	147 513 916	127 002 969
LIABILITIES OF THE SEGMENT	107 446 267	88 792 414	9 934 225	9 485 373	3 760 228	3 796 477	121 140 721	102 074 264
NET SALES	-	-	-	-	6 693 453	4 287 230	6 693 453	4 287 230
INTEREST INCOME AND SIMILAR INCOME	26 043 416	20 836 374	4 300 690	3 974 166	-	-	30 344 107	24 810 540
NET PERFORMANCE OF THE SEGMENT	8 973 507	7 852 607	1 518 244	1 358 719	296 021	374 201	10 787 772	9 585 527
FINANCIAL (EXPENSES)	(5 346 425)	(4 594 073)	(420 093)	(437 785)	(166 260)	(190 574)	(5 932 779)	(5 222 432)
PROFIT/(LOSS) BEFORE TAXES	3 627 081	3 258 534	1 098 150	920 934	129 761	183 627	4 854 992	4 363 095
CORPORATE INCOME TAX	(832 223)	(673 665)	(251 967)	(190 393)	(29 773)	(37 963)	(1 113 964)	(902 021)

(15) Guarantees issued, pledges

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

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

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

On 29 November 2023, the Company registered a commercial pledge by pledging its assets for a maximum amount of EUR 15 million as collateral registered to Multitude Bank p.l.c. On 13 November 2023, SIA ViziaFinance signed a guarantee agreement committing Multitude Bank p.l.c. to be liable for the Company's obligations.

On 14 December 2023, on 20 February, 14 May, 26 June and 17 July 2024, the Company signed an agreement for the pledge of bank accounts and

balances in the amount of EUR 999 900 as part of the collateral with Multitude Bank p.l.c.

On 24 October 2024, the Company registered a commercial pledge by pledging its assets for a maximum amount of EUR 6.37 million as collateral registered to Citadele banka AS. On October 16, 2024, the Company's subsidiary SIA ViziaFinance signed a guarantee agreement, assuming the obligation to be liable to Citadele banka AS for the Company's obligations.

On 16 April 2025, the Company and ViziaFinance Ltd registered a commercial pledge by pledging their assets as collateral to Multitude Bank p.l.c. for a maximum amount of EUR 17 million. On 7 April 2025, ViziaFinance Ltd. signed a guarantee agreement assuming liability to Multitude Bank p.l.c. for the Company's obligations.

On 9 May and 5 June 2025, the Company signed an agreement with Multitude Bank p.l.c. to pledge bank accounts and balances of EUR 1 875 000 as part of the security.

As of 30 June 2025, the amount of secured liabilities constitutes EUR 58 117 436 as of 31 December 2024 EUR 41 689 242).

Notes (continued)

(16) Subsequent events

At an extraordinary shareholders' meeting on July 3, 2025, AS DelfinGroup adopted resolutions on the election (re-election) of the Supervisory board and the Supervisory board's Risk and Audit committee. The AS DelfinGroup Supervisory board was re-elected with the following members: Agris Evertovskis, Jānis Pizičs, Solvita Kurtiša and Mārtiņš Ozoliņš. The Risk and Audit committee of AS DelfinGroup was re-elected for a term of three years with the following members: Agris Evertovskis, Jānis Pizičs, Solvita Kurtiša. See also the Management Report.

DelfinGroup published its 2024 Sustainability Report, which is intended for the company's investors, customers, employees and other interested parties to introduce DelfinGroup strategy and activities that promote sustainable business development, fair management and thoughtful social responsibility.

On 17 July 2025, AS DelfinGroup and SIA ViziaFinance registered a new subsidiary, DELFINGROUP RO IFN S.A., in Romania, with the unified registration number 52165516.

Didzis Ādmīdiņš
Chairman of the Board

**Andrejs
Aleksandrovičs**
Board Member

Laima Eižvertiņa
Board Member

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