



# Webinar on 2024 consolidated financial results



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AS INDEXO Banka  
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Chairman of the Board

# Another strong year for INDEXO Group with 42% y-o-y revenue growth in pension business and over 21 000 customers joining INDEXO Bank in the first months

Pension business delivering **solid financial results** and generates cash flow to support INDEXO Group further development

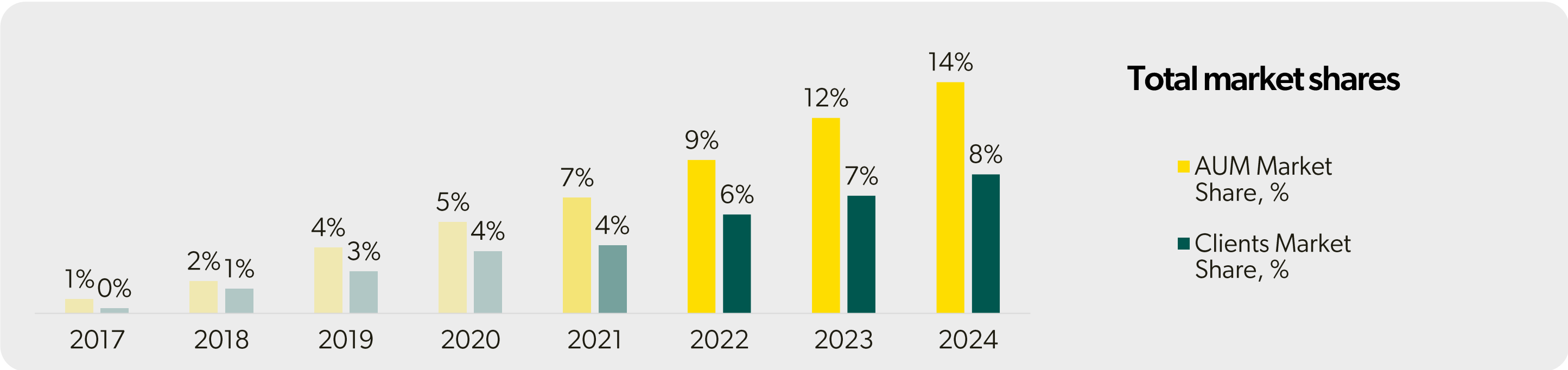
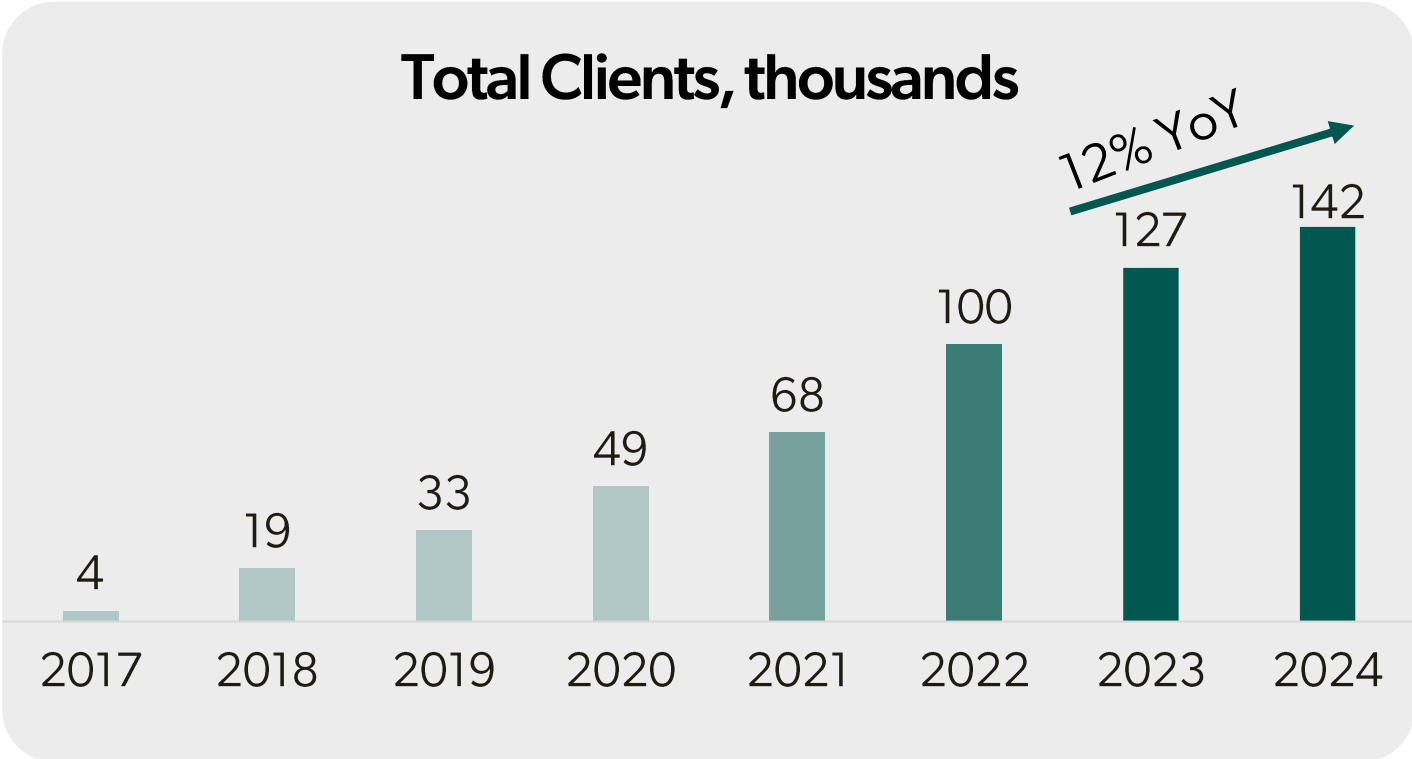
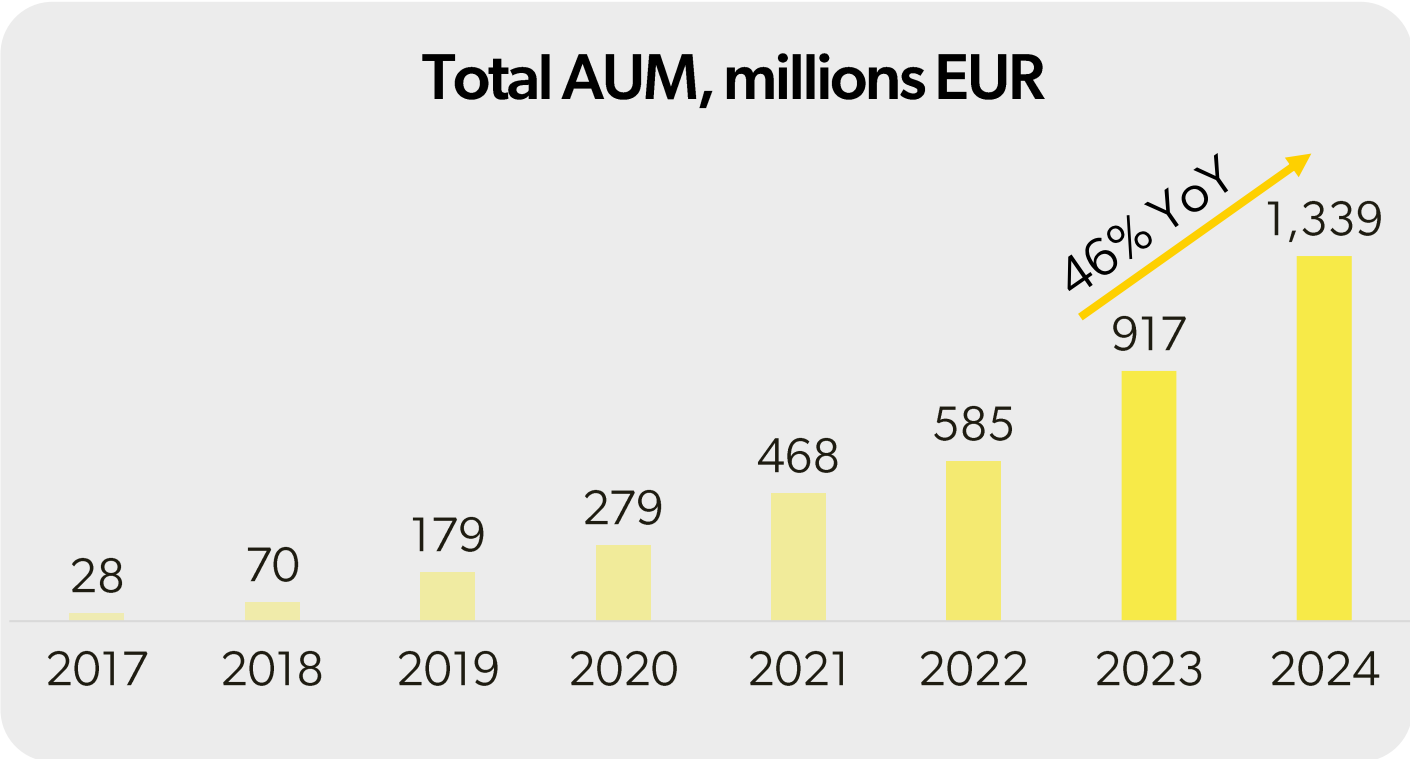
INDEXO 2<sup>nd</sup> and 3<sup>rd</sup> pension pillar equity plans are **among the best-performing** in the Latvian market

INDEXO pension business will be **shifting its focus** on the **voluntary 3rd pension pillar plans**

INDEXO Bank is finally in the market, and has **attracted 33MEUR deposits during first months**

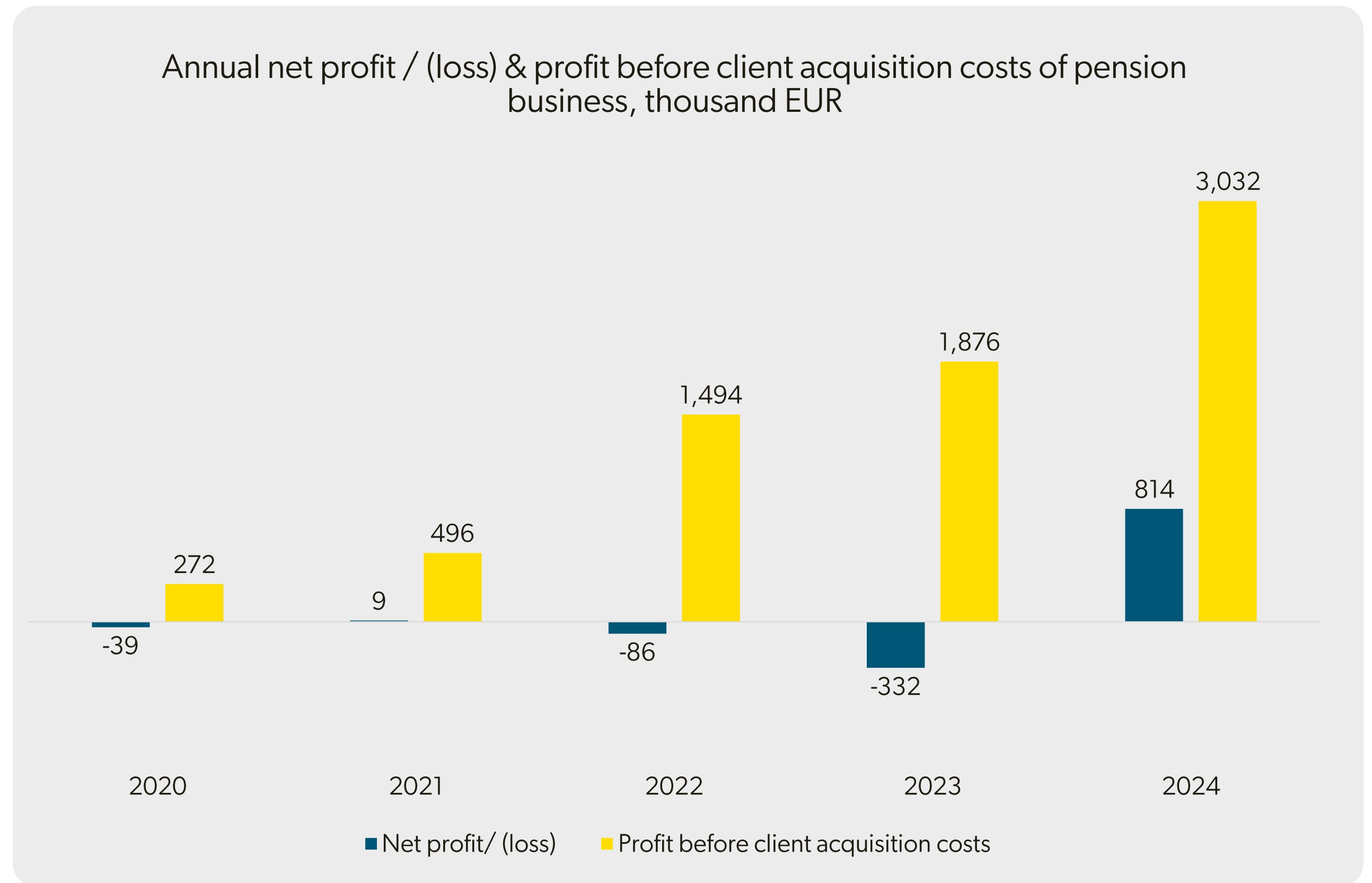
INDEXO well positioned **to continue banking market disruption** in 2025

# Impressive growth of AUM and Clients



Pension business  
delivering **strong**  
and **stable**  
profitability

Expecting annual **net**  
**profit** of **EUR 2 million**



Our business growth in 2<sup>nd</sup> pillar can be attributed to **growing monthly contributions** and new customers joining INDEXO

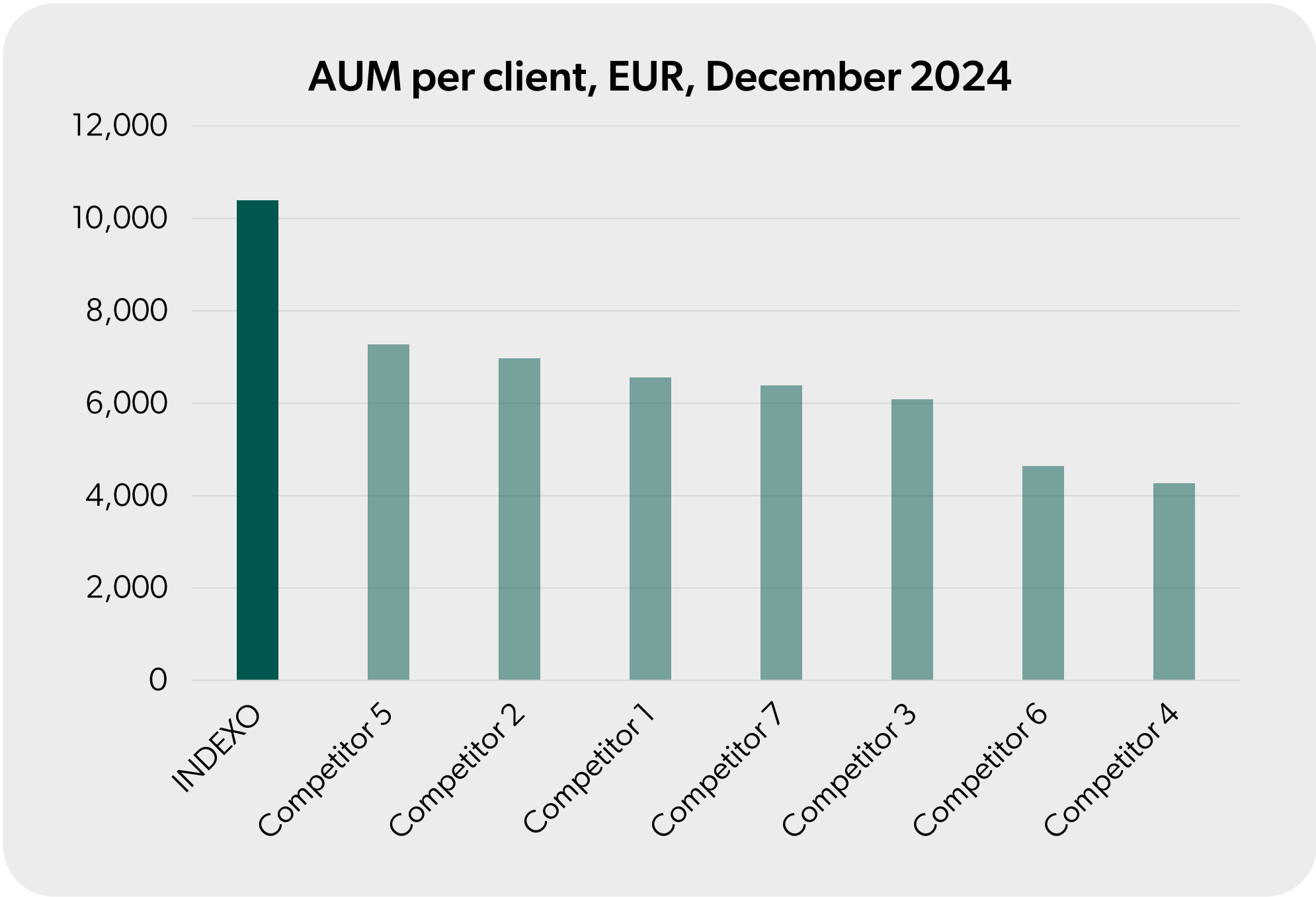
2<sup>nd</sup> Pillar pension AUM growth drivers Q4 2023 – Q4 2024  
Millions EUR, based on management estimates



From: 8.8 million euro in December 2023  
To: 10.4 million euro in December 2024  
**17% increase**

# INDEXO has the highest AUM per client and the gap between us and competitors is increasing

Manager	Yearly Change of AUM per client, EUR	% change
INDEXO	2 485	31.5%
Competitor 5	1 507	26.2%
Competitor 2	705	11.2%
Competitor 1	-5 213	-44.3%
Competitor 7	1 207	23.3%
Competitor 3	1 239	25.6%
Competitor 6	666	16.8%
Competitor 4	197	4.8%



# INDEXO pension business generates profits to support bank development

- Increase in the client base and AUM have contributed to 42% y-o-y growth in commission income
- Normalized net profit in 2024 for the pension business was EUR 1.34 million

INDEXO Pension business results, EUR	Jan-Dec 2024 Audited, EUR	Jan-Dec 2023 Audited, EUR
Commission income	4 439 981	3 123 426
Interest income/(expense)	(230 343)*	25 012
Administrative and other expenses for pension management	(1 177 371)	(1 272 371)
<b>Operating income before client acquisition and other business project expenses</b>	<b>3 032 267</b>	<b>1 876 067</b>
Client acquisition costs	(1 971 956)	(1 791 549)
<b>Pension management operating result</b>	<b>1 060 311</b>	<b>94 518</b>
Non-cash personnel option expenses	(238 949)	(420 819)
Corporate income tax	(7 388)	(5 226)
<b>Comprehensive profit/(losses) for the reporting period</b>	<b>813 974</b>	<b>(331 527)</b>

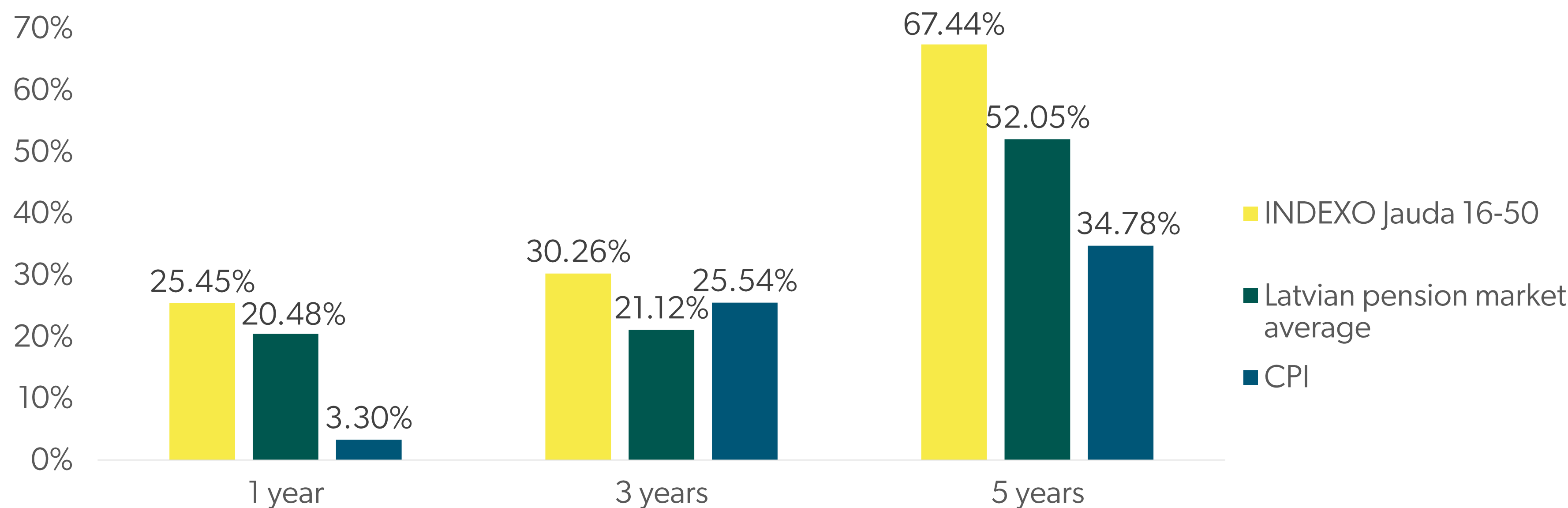


# Our promise that long term market returns give great results has worked

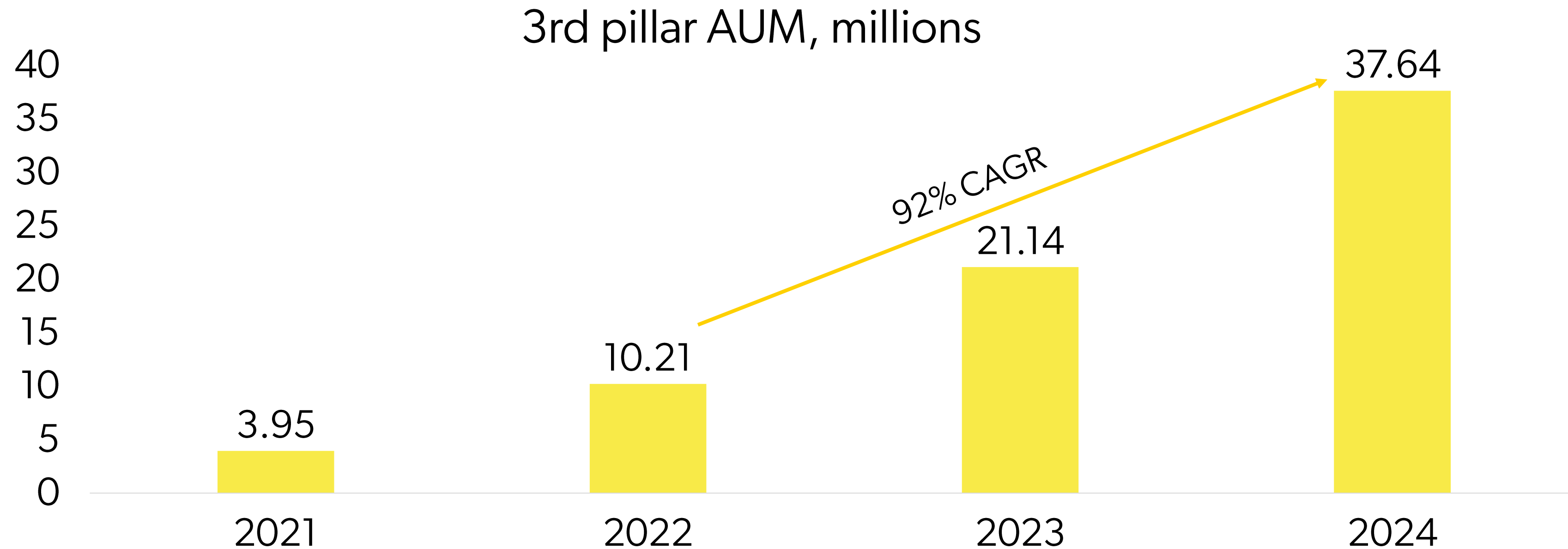
2 <sup>nd</sup> Pillar Pension plan	Risk Profile	1-year return (per annum)	3-year return (per annum)	5-year return (per annum)	Return since inception (per annum)
INDEXO Izaugsme 55-62	50% Equities	12.94%	3.04%	5.12%	5.48%
INDEXO Jauda 16-55	100% Equities	25.45%	9.21%	10.75%	10.40%
INDEXO Konservatīvais 62+	100% Bonds	2.60%	-2.21%	-1.35%	-0.41%



# Our flagship plan “Jauda” keeps outperforming competitors & CPI



# 3rd pillar is **growing fast** – the only automated life cycle plan in the market



# 3PL contributions **growing steadily**, ARC\* already close to 15 million

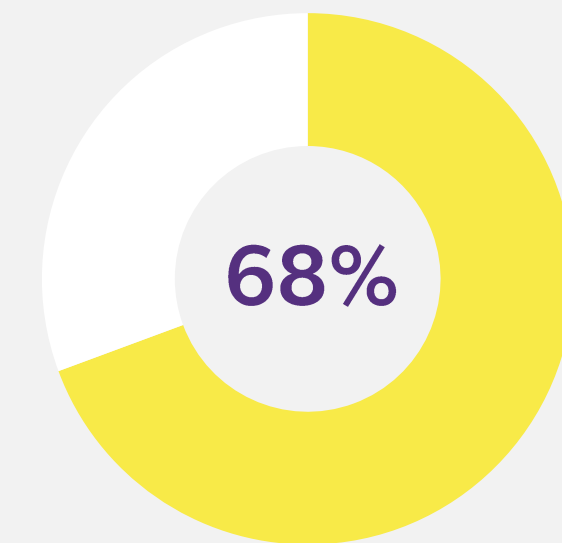
Total direct contributions, millions



Average monthly contribution in 2024

**48.25 EUR**

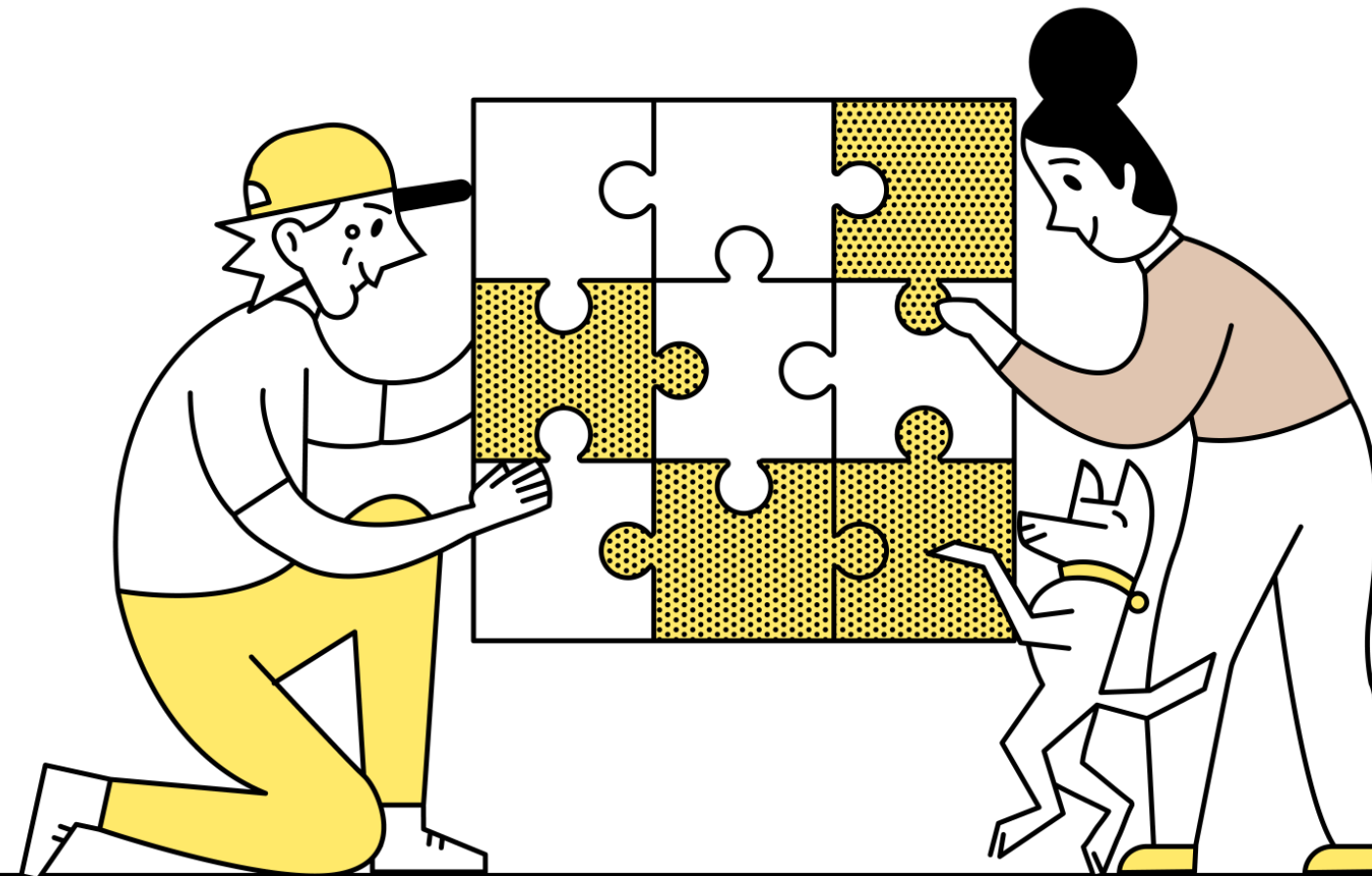
Clients who made a contribution in 2024



Compared to 64% in 2023

# Pension business challenges and opportunities

- New fee scheme will be implemented, but date still open
- Churn management
- Contributions dropped from 6% to 5%
- 2<sup>nd</sup> Pillar API launched
- 3<sup>rd</sup> Pillar promotion through bank app
- Focus shift from 2<sup>nd</sup> Pillar to 3<sup>rd</sup> Pillar



# INDEXO Bank is live with daily banking offer for Private customers



On average around **4 600** customers added each month. As of February 25, the Bank has more than **28 100 customers**



It takes on average **5 min\* to open account** and less than 10 seconds to check your 2PL balance via mobile app



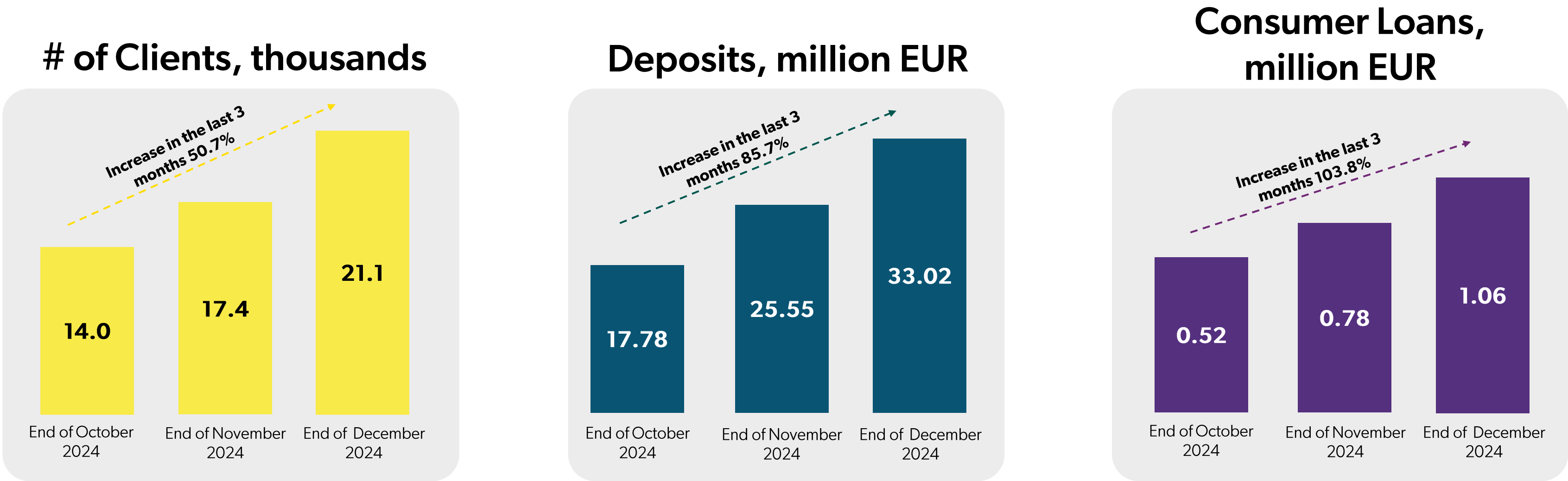
On average 7M EUR attracted in Retail customer deposits each month – appreciation of advantages of our savings products. As of February 25, the Bank has **42.1M EUR** in customer deposits



Fast, user friendly and transparent consumer lending process. It takes on average **5 min to receive consumer loan** via mobile app



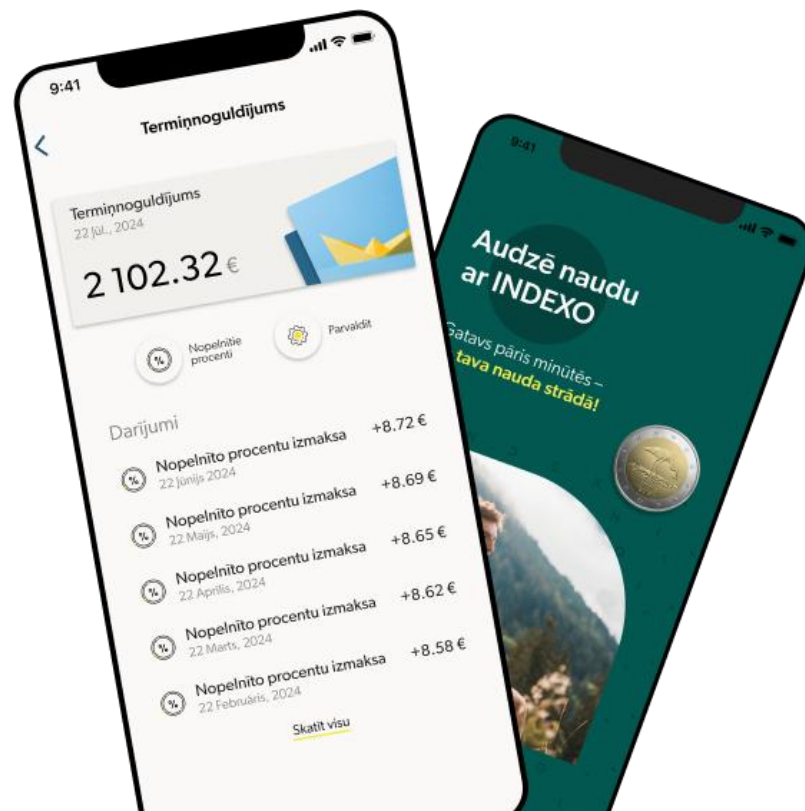
# INDEXO Bank Customers, Loan and Deposit portfolio in the last 3 months of 2024



**Consumer loans on February 25th : EUR 3.6 million**



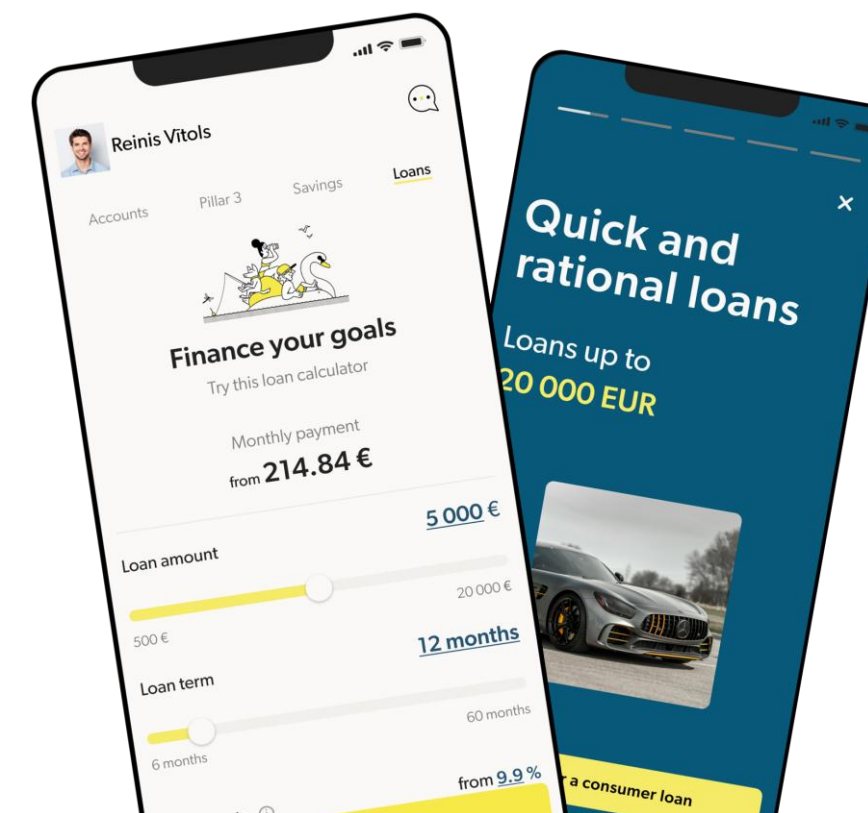
The Bank stands out with the **ease of use** of its services and **innovative products**, offering **new opportunities** and more **favourable conditions** for clients



Easy-to-use and high-yielding deposit products



First API for seeing your 2nd pension pillar savings in an app



Transparent and fair pricing on consumer loans



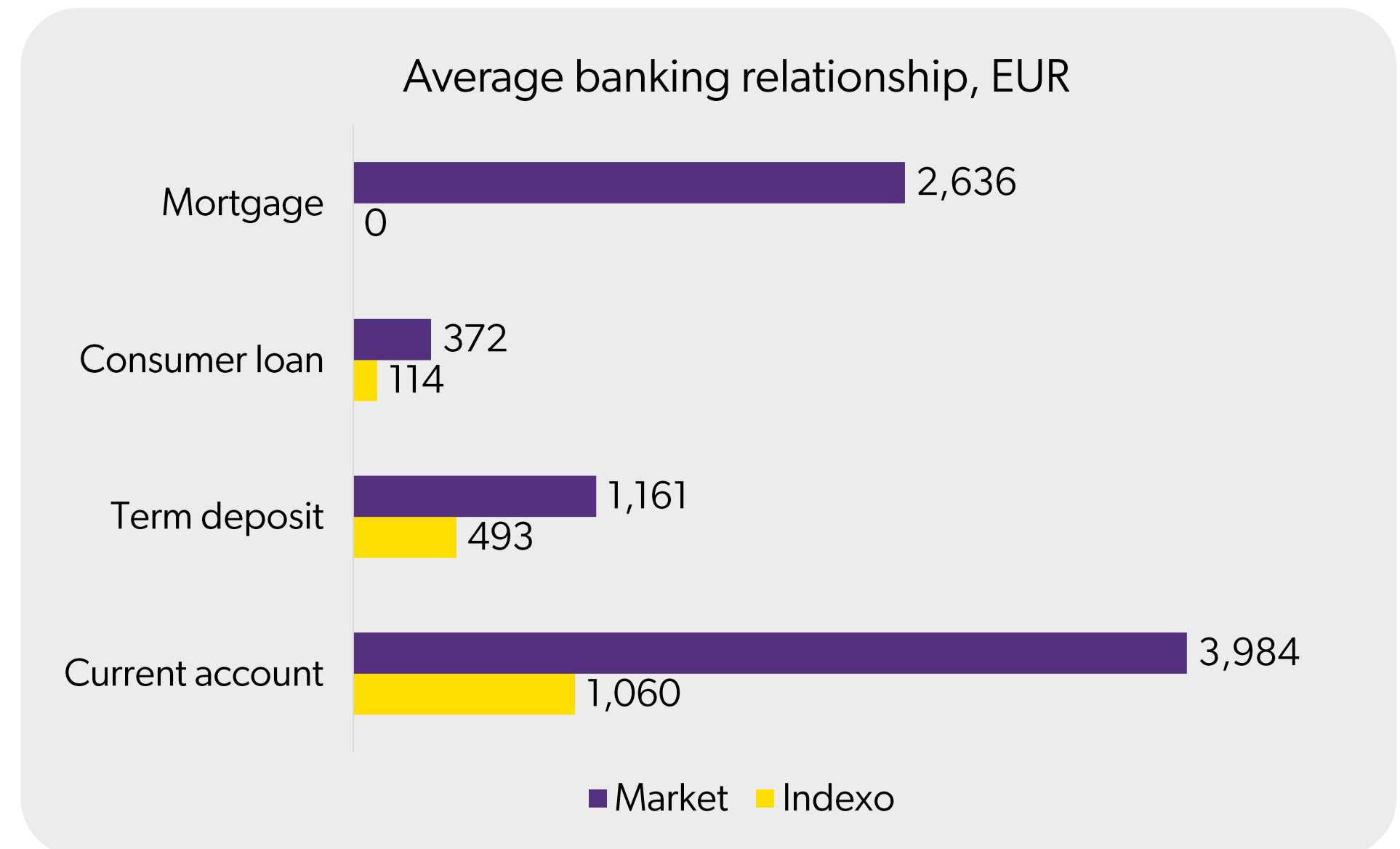
Neat design & soon available in digital wallets



# The Bank has had a good start, but we are not stopping here

During 2025 **the offering** for Retail customers **will be considerably extended** in the pursuit to close the gap with the market average customer volumes

- Daily Banking
- Lending products
- Mobile app improvements



# Daily Banking – **modern and convenient**, everything can be done on your mobile device



Apple Pay / Google Pay to be launched in April

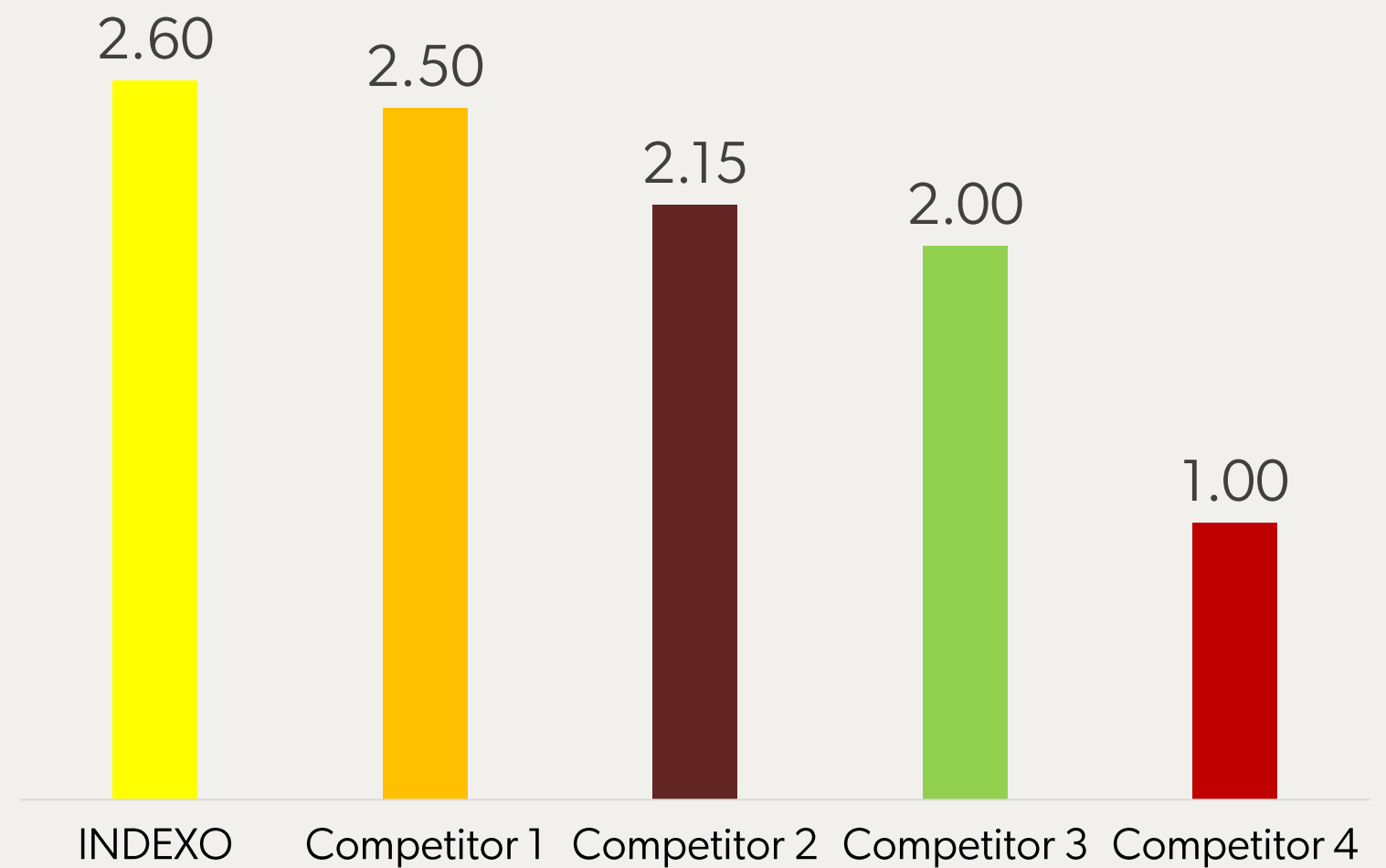


Competitive interest rates for our savings products will stay



Family accounts

Savings account deposit interest rates, %



# Improvements & bug fixes

Since launch we have already had **7 new versions** of the application

**Improvements** such as:

- daily visualization of earned interest and taxes withheld for deposits and vault;
- 2nd pillar pension savings viewable in the app;
- ability to generate formal PDF account statement;
- consumer lending through third party platforms;
- regular payments;
- already fixed **200+** bug fixes and made small improvements



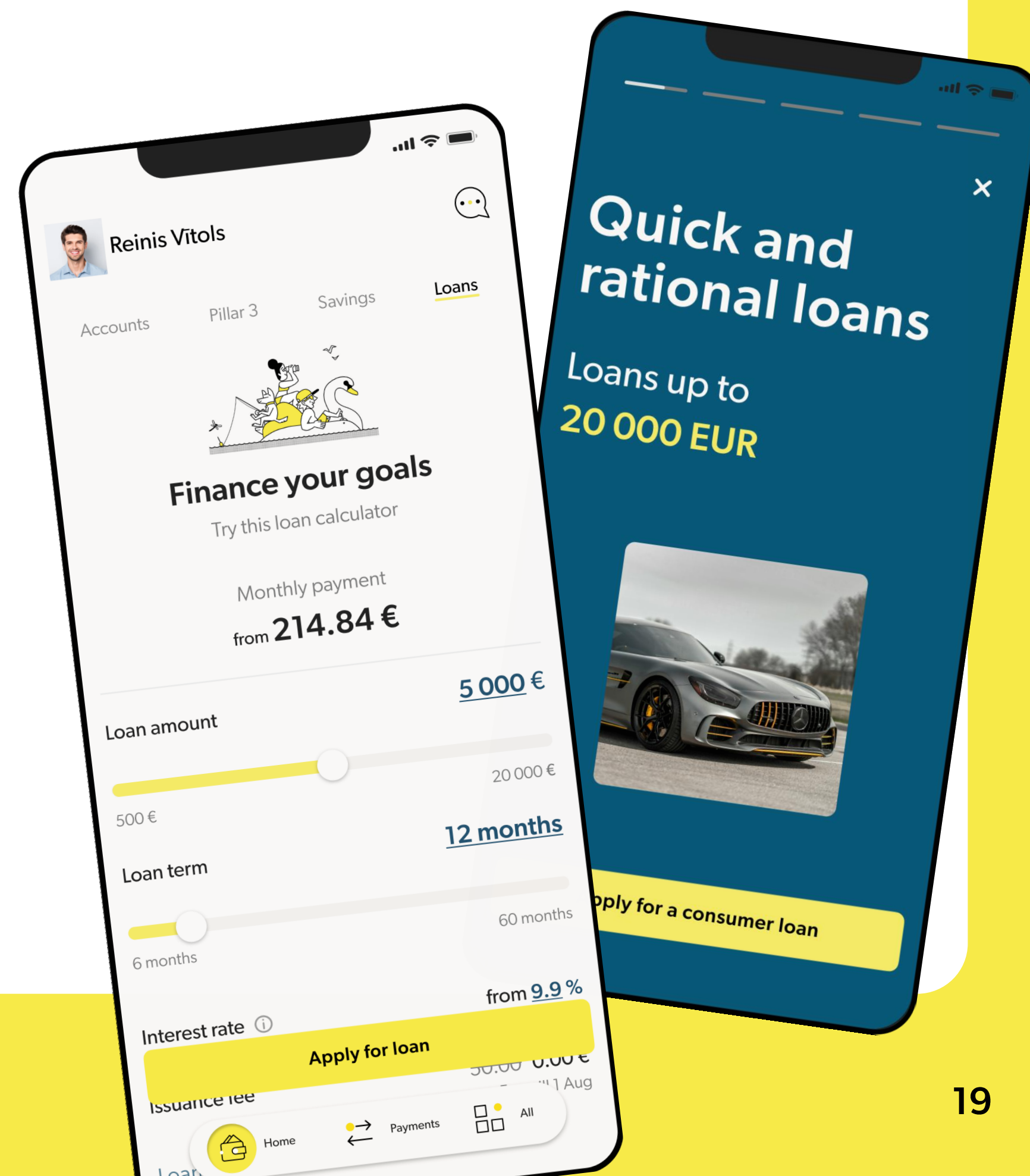
# Lending – delivering on our promise to challenge the market

## Consumer loans

- Check out our offer through our app
- Launching loan refinancing product in the coming months

## Mortgage loans

- Live tests have started
- Mortgage loan refinancing product to be launched in April
- New mortgage loan offer in Q3 2025



# Custody

Designated to provide **secure** and **efficient asset safeguarding**, ensuring the highest standards of compliance and operational excellence



IPAS Indexo will be the first client, expected annual runrate revenue of EUR 1 million and growing



Potential for other asset managers



Future holds benefits and opportunities for private individuals





**INDEXO Bank is operational with a focus on building strong base for future expansion**

## INDEXO Bank Profit and Loss Statement, EUR

Jan – Dec 2024  
Audited, EUR

Interest income	429 976
Interest expense	(479 810)
Commission and fee income	29 766
Commission and fee expense	(122 768)
Net foreign exchange losses	(1 206)
Other operating income	184 630
Other operating expenses	(379 763)
Administrative expenses	(5 139 688)
of which IT expenses	(2 079 213)
Depreciation	(593 945)
Credit losses	(87 733)
<b>Loss before corporate income tax</b>	<b>(6 160 542)</b>
Corporate income tax	(2 073)
<b>Loss for the period</b>	<b>(6 162 615)</b>

**INDEXO Bank  
continues to make  
significant IT  
investments and  
to secure  
customer funding  
for future loan  
portfolio growth**

## INDEXO Bank Balance sheet, EUR

Dec 2024  
Audited, EUR

### ASSETS

Cash and cash equivalents	35 385 576
Financial assets measured at amortized cost (loans)	987 306
Prepayments	713 343
Property, plant and equipment and right-of-use of assets	2 490 298
Intangible assets	4 445 577
Other assets	533 623
<b>Total assets</b>	<b>44 552 723</b>

### EQUITY AND LIABILITIES

Financial liabilities measured at amortized cost (deposits)	33 097 748
Trade payables	471 383
Accruals	163 329
Tax liabilities	161 377
Lease liabilities	1 964 367
Other liabilities	217 729
<b>Total liabilities</b>	<b>36 075 933</b>

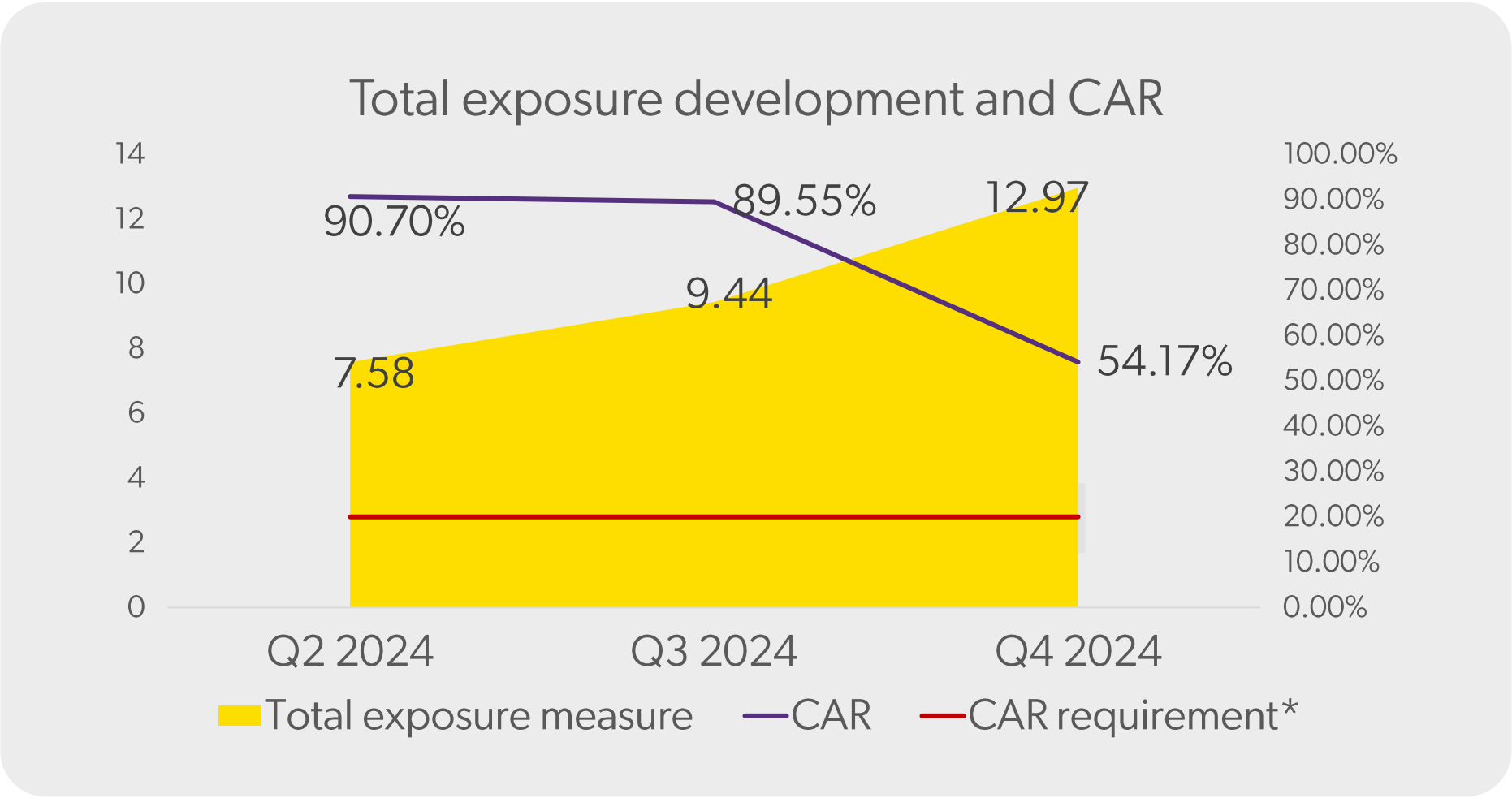
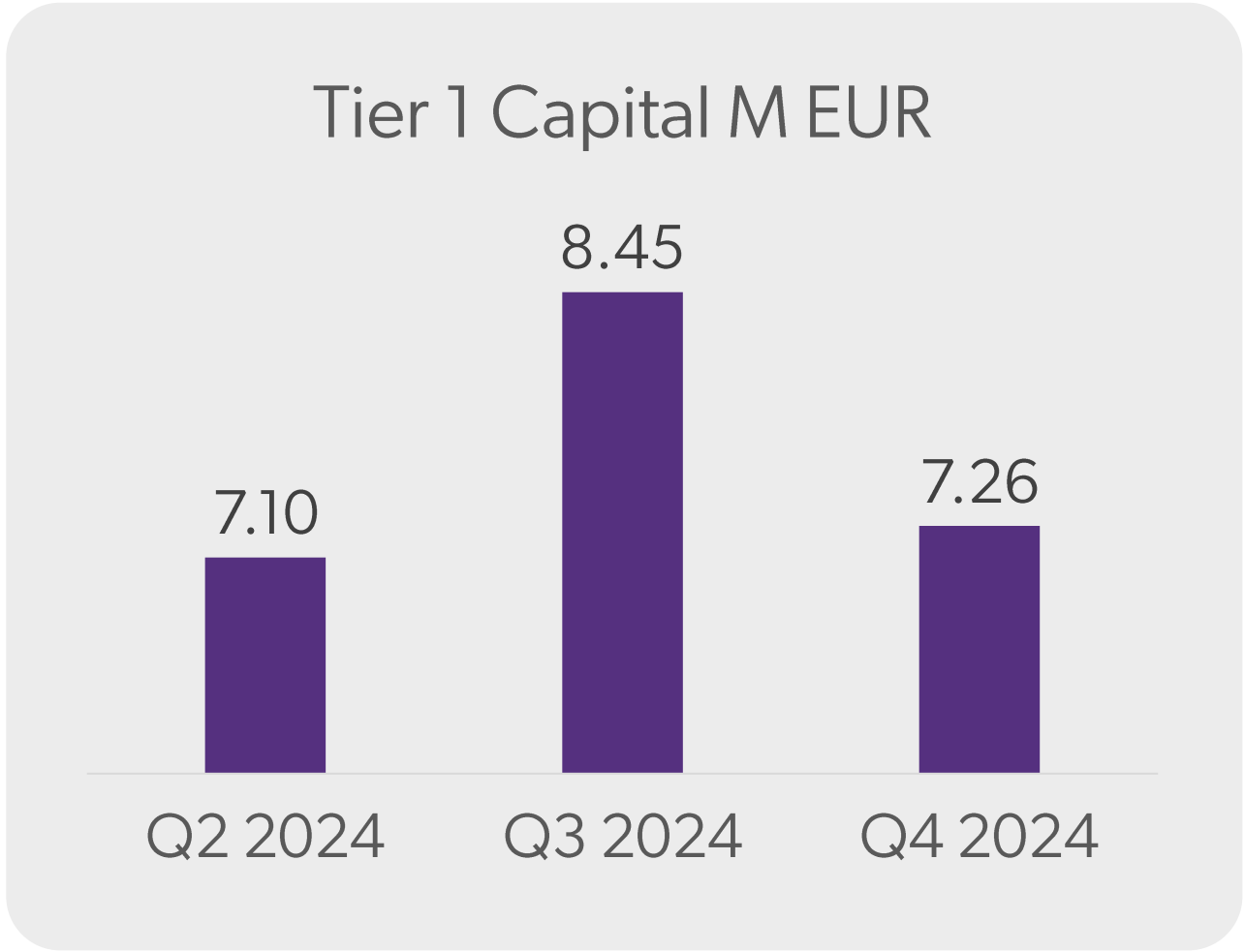
### EQUITY

Share capital and options	8 476 790
<b>Total equity</b>	<b>8 476 790</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>44 552 723</b>



Due to the INDEXO Bank continued investments Tier1 capital decreased to 7.26M with CAR at 56% comfortably exceeding regulatory requirement

\*



# INDEXO Group aims to reach monthly break-even (before loan losses) in Q4 2025



Net pension business monthly result 160 tht EUR

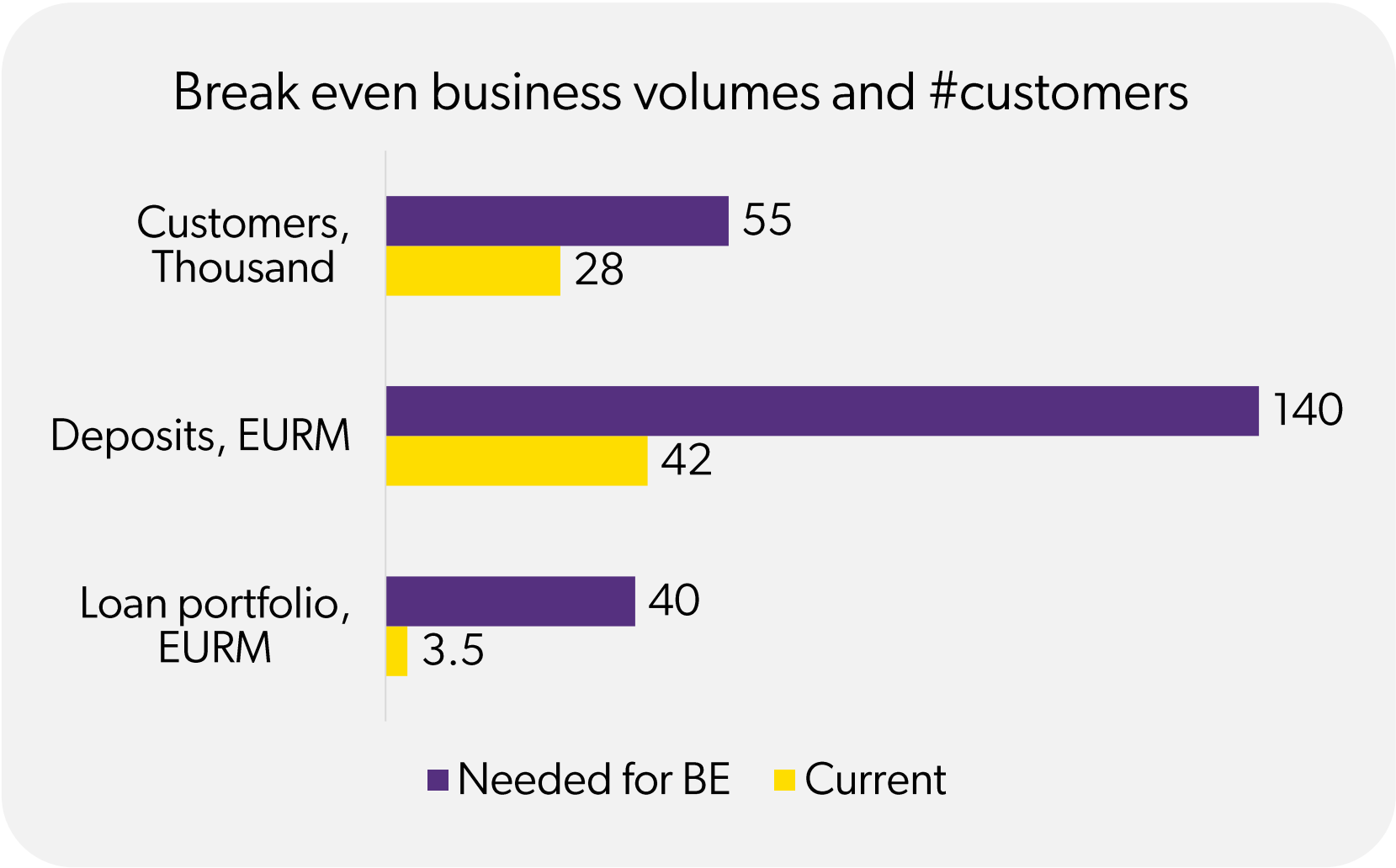
Custody business launch\*\*

New customers per month 3 tht

New monthly deposit volume 10M EUR

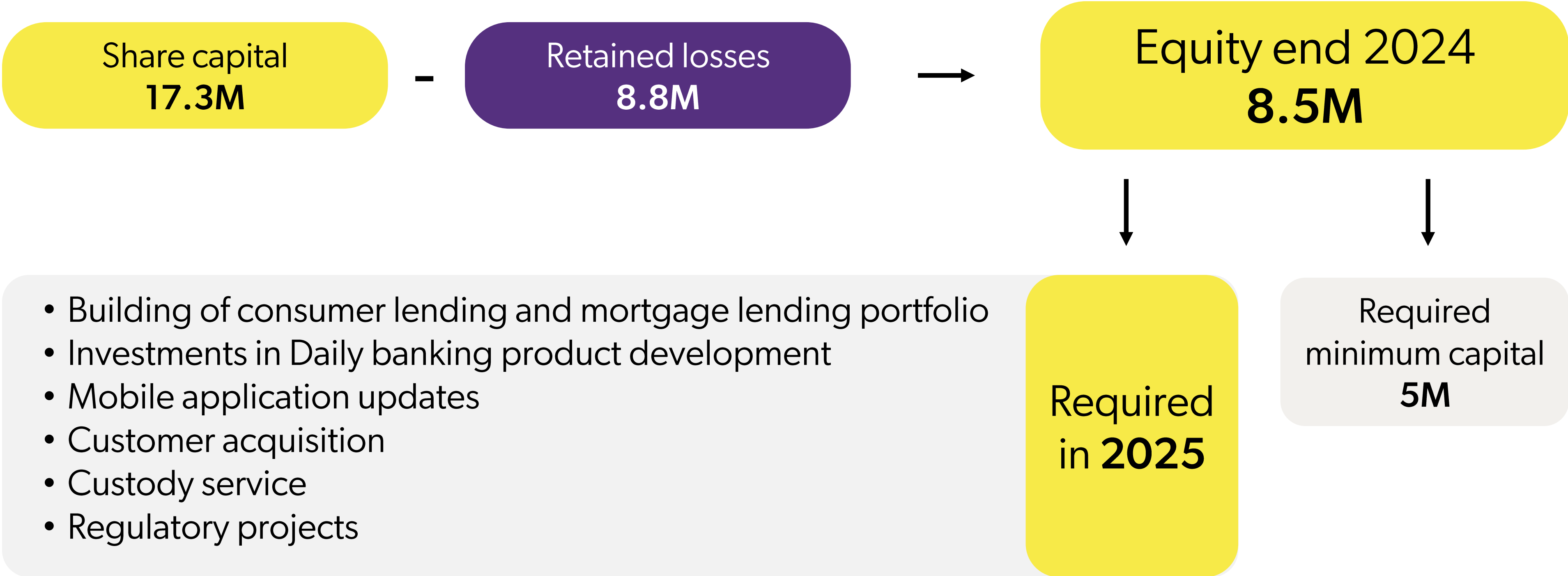
New monthly mortgage lending volume 1.5M EUR\*

New monthly consumer lending volume 3M EUR



\* From Q2 2025  
\*\* From Q3 2025

# INDEXO Bank will raise the additional capital to deliver on ambitious long-term targets



# Latvian banking market is a huge opportunity for INDEXO



Addressable oligopolistic market of **EUR 622 million** banking profits in 2023, and **EUR 438 million** in 9M 2024 is **ripe for disruption**



Huge underserved lending market opportunity, estimated to be around **EUR 5 bn**



More than **EUR 8 billion** is sitting in current accounts and not earning interest, we believe that needs to change

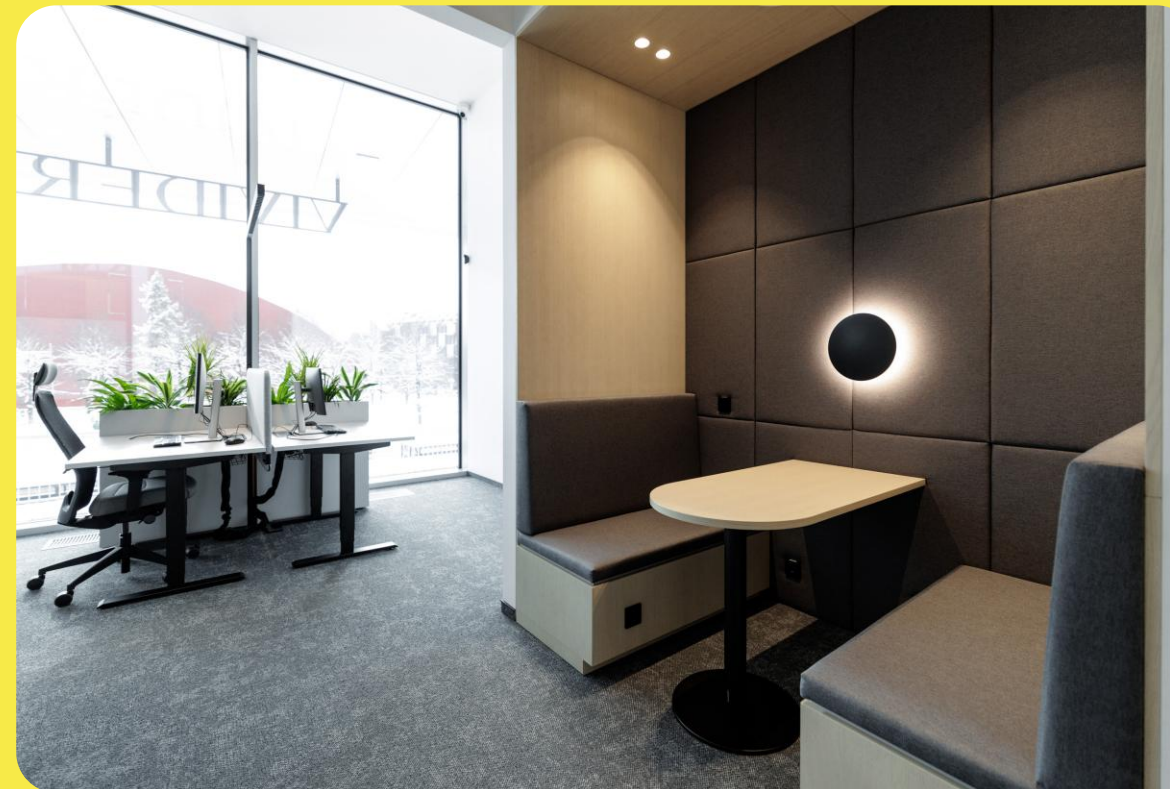


**INDEXO** is positioned to shake up the market by leveraging its large, fast-growing customer base, a well-recognized **brand**, and a cutting-edge **IT infrastructure**



# INDEXO opens Customer support center

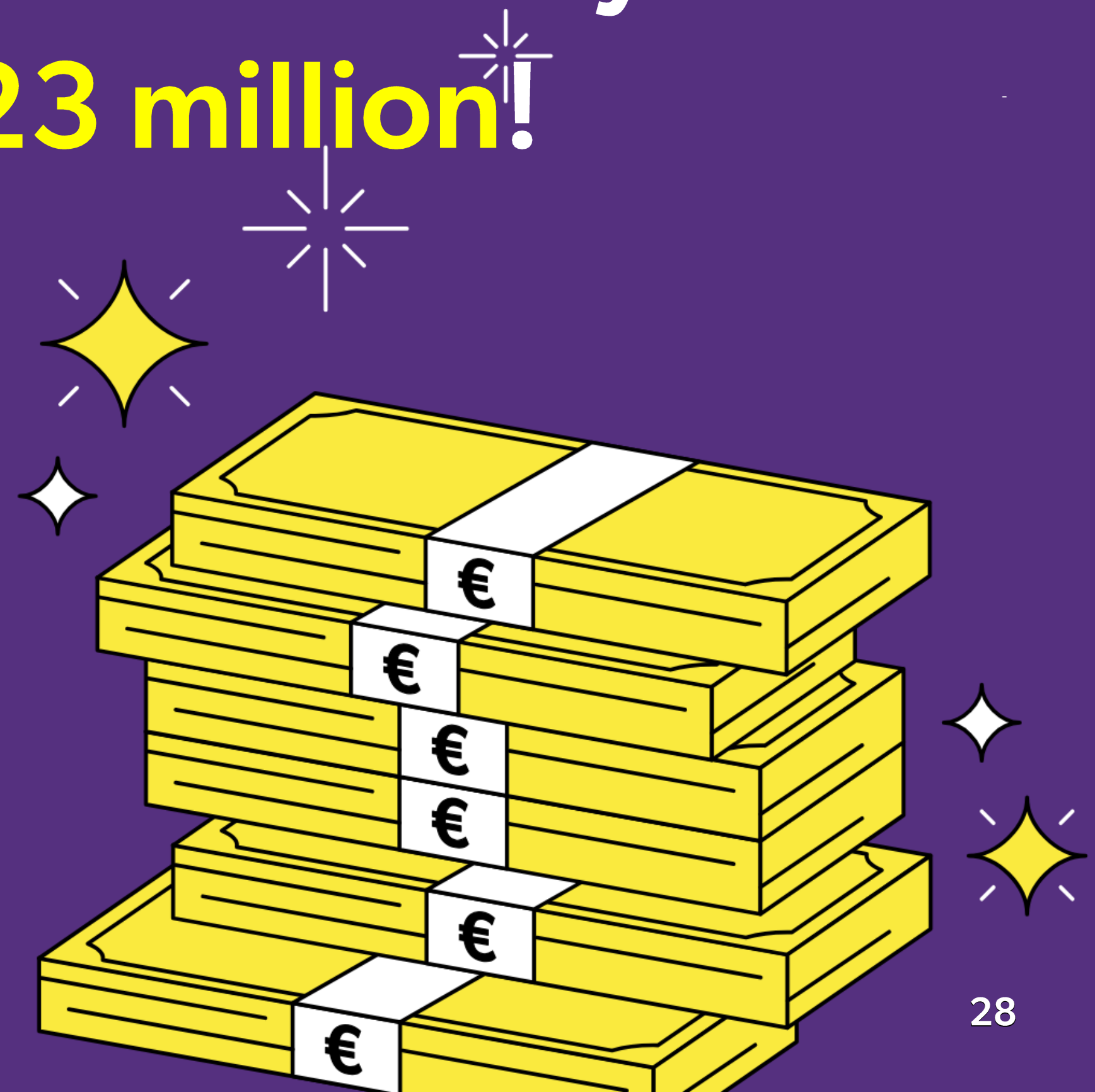
In-person Customer support center is located in the Verde office complex at **1 Roberta Hirša street, Riga.**





# Over 28 000 people have already received their share of 123 million!

More than EUR 8 billion of Latvian populations' money is sitting in current accounts, and the big banks are not paying a dime for that.

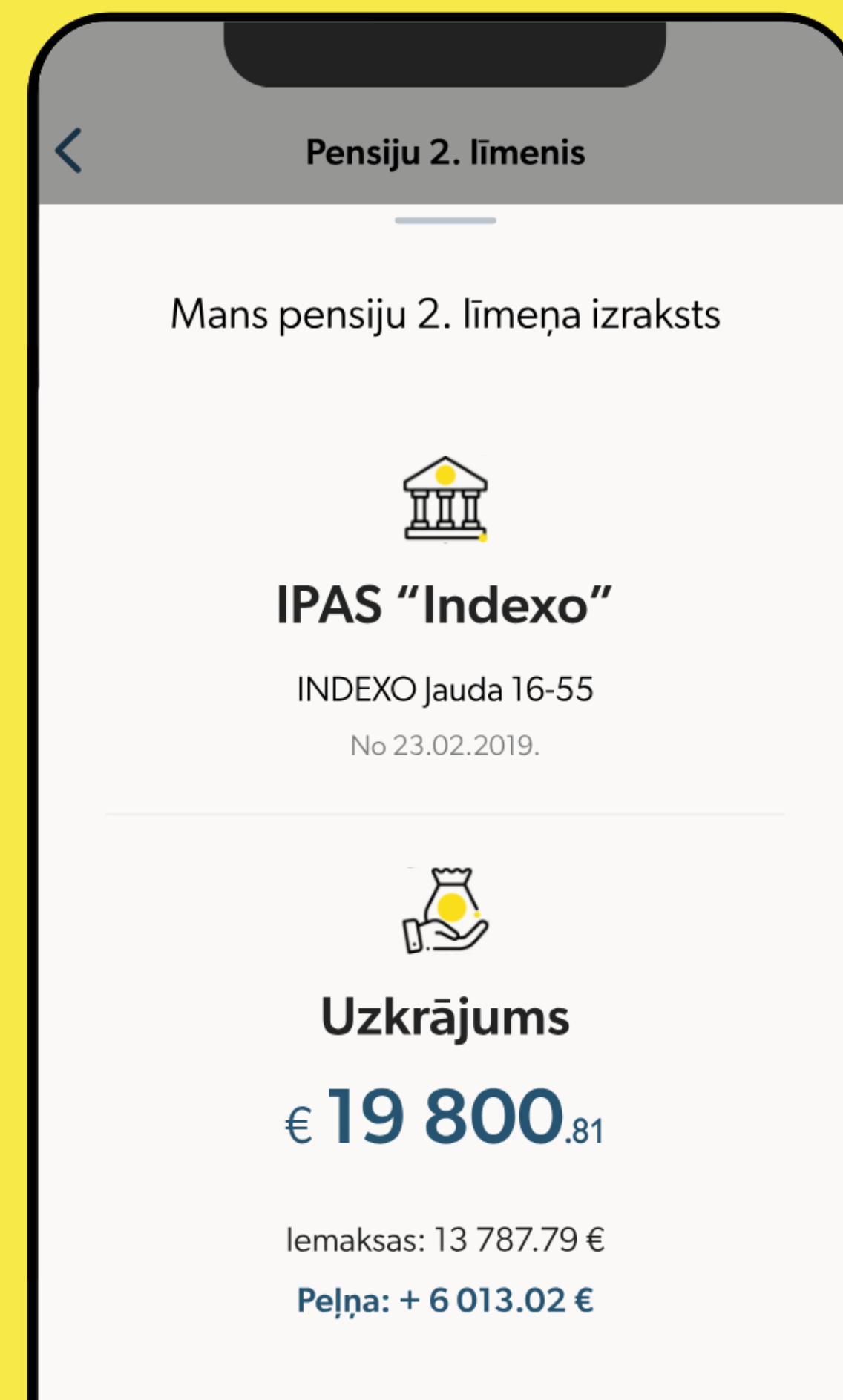


# INDEXO – the first bank providing quick access to your potentially largest savings ever!

Check your 2<sup>nd</sup> pillar pension in  
the INDEXO Bank app!



# INDEXO<sup>1</sup>





# APPENDICES

# Consolidated Statement of Comprehensive Income

	Jan – Dec 2024	Jan – Dec 2023
	Audited, EUR	Audited, EUR
Commission and fee income	4 474 815	3 123 426
Commission expense	(129 042)	(4 713)
Interest income calculated using the effective interest rate	470 854	51 466
Administrative expenses	(9 374 475)	(5 994 955)
Interest expense	(773 344)	-
Other operating income	150 000	-
Other operating expenses	(102 716)	(63 632)
Impairment losses from financial instruments	(88 961)	(3 497)
<b>Loss before corporate income tax</b>	<b>(5 372 869)</b>	<b>(2 891 905)</b>
Corporate income tax	(9 461)	(6 296)
<b>Loss for the period</b>	<b>(5 382 330)</b>	<b>(2 898 201)</b>
<b>Total comprehensive loss for the period, attributable to shareholders for the period</b>	<b>(5 382 330)</b>	<b>(2 898 201)</b>
<b>Basic earnings per share</b>	<b>(1.18)</b>	<b>(0.79)</b>
<b>Diluted earnings per share</b>	<b>(1.18)</b>	<b>(0.79)</b>

# Consolidated Statements of Financial Position

	Dec 2024 Audited, EUR	Dec 2023 Audited, EUR
<b>ASSETS</b>		
Cash and cash equivalents	36 647 025	2 707 396
Financial assets measured at amortized cost (incl. loans)	1 061 149	53 944
Receivables	460 869	321 489
Prepayments	751 524	548 006
Contract acquisition costs	1 566 969	1 389 048
Other assets	534 963	81 990
Tax assets	4 433	-
Intangible assets, property, plant and equipment and right-of-use of assets	7 153 067	2 024 667
Participation in the share capital of associated companies	198 450	127 400
Other securities and investments	61 583	61 583
<b>Total assets</b>	<b>48 440 032</b>	<b>7 315 523</b>
<b>EQUITY AND LIABILITIES</b>		
Financial liabilities measured at amortized cost (deposits)	32 423 162	-
Accrued liabilities	581 148	246 200
Trade payables	514 932	608 361
Taxes and national social insurance mandatory contributions	197 003	207 962
Lease liabilities	2 041 690	46 665
Other liabilities	557 402	334 154
<b>Total liabilities</b>	<b>36 315 337</b>	<b>1 443 342</b>
<b>EQUITY</b>		
Share capital	4 760 549	3 795 407
Share options	618 004	379 055
Share premium	17 525 087	7 094 334
Accumulated deficit	(5 396 615)	(2 498 414)
Profit/(loss) for the period	(5 382 330)	(2 898 201)
<b>Total equity</b>	<b>12 124 695</b>	<b>5 872 181</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>48 440 032</b>	<b>7 315 523</b>