

Interim Report Q1 2025

AS Inbank

AS Inbank General Information

Business name	AS Inbank
Address	Niine 11, 10414 Tallinn, Estonia
Registration date	05.10.2010
Registration code	12001988 (Commercial Register of the Republic of Estonia)
Legal entity identifier	2138005M92IEIQVEL297 (LEI-code)
Phone	+372 640 8080
Email	info@inbank.ee
Website	www.inbank.eu
Reporting period	01.01.2025 - 31.03.2025

Members of the Supervisory Board	Members of the Management Board
Jan Andresoo, Chairman (until 31.03.2025)	Priit Põldoja, Chairman
Erkki Raasuke, Chairman (as of 01.04.2025)	Marko Varik
Roberto De Silvestri	Margus Kastein
Triinu Bucheton	Maciej Pieczkowski
Raino Paron	Piret Paulus
Isabel Faragalli (as of 01.04.2025)	Erik Kaju
Sergei Anikin (as of 01.04.2025)	Evelin Lindvers
	Ivar Kurvits

AS Inbank interim report for Q1 2025 is unaudited.
Inbank does not hold any public ratings assigned by international rating agencies.

Management Board declaration

The Management Board of AS Inbank is of the opinion that:

- The data and information presented in this interim report for the Q1 of 2025 consisting of the management report and financial statements as at 31 March 2025 are correct and complete;
- This interim report gives a true and fair view of the financial position of the AS Inbank consolidation group as at 31 March 2025, its financial performance and cash flows for the 3 month period ended 31 March 2025;
- the accounting policies and procedures used in preparing the interim report comply with IAS 34;
- The interim report has been prepared using the policies and procedures of the financial statements for the year concluded on 31 December 2024.

AS Inbank is a going concern.

Tallinn, 6 May 2025

Priit Põldoja

Chairman of the Management Board

Inbank in numbers

941,000+

Active customer contracts

5,600+

Active retail partners

€ 1.18 bn

Loan and rental portfolio

53.5%

Cost / Income

1.5%

Impairments

12.3%

Return on equity

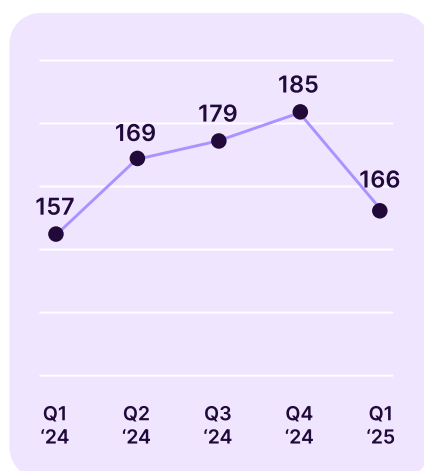
Key financials

(in millions of euros)

ORIGINATED VOLUME*

€ 166m

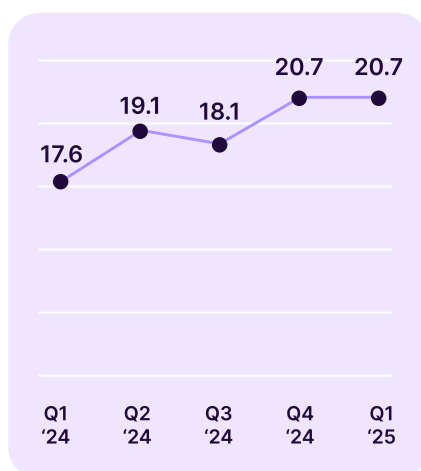
+6% year-on-year



TOTAL NET INCOME

€ 20.7m

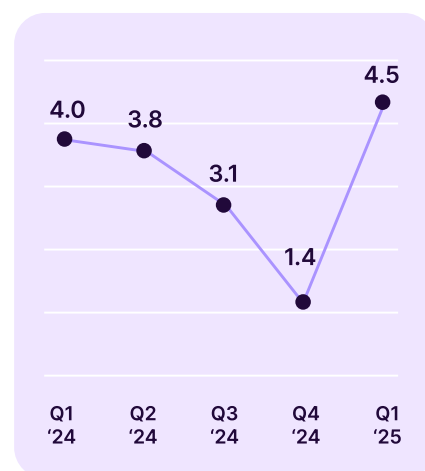
+18% year-on-year



NET PROFIT

€ 4.5m

+14% year-on-year



*Refer to the page "Key financial indicators and ratios"

Key financial indicators and ratios

Key financial indicators

In millions of euros	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	% change YoY
Total net income	17.6	19.1	18.1	20.7	20.7	18%
Net profit	4.0	3.8	3.1	1.4	4.5	14%
Originated volume	157	169	179	185	166	6%
Total assets	1,345	1,425	1,428	1,436	1,523	13%
Loan and rental portfolio	1,055	1,085	1,121	1,155	1,176	11%
Customer deposits	1,106	1,176	1,164	1,171	1,267	15%
Equity	128	133	146	148	152	19%

Ratios

In millions of euros	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Portfolio yield	11.0%	11.2%	11.3%	11.4%	11.3%
Funding cost	4.5%	4.4%	4.4%	4.3%	4.1%
Total income margin	5.0%	5.4%	5.4%	5.6%	5.5%
Impairments / portfolio	1.2%	1.5%	1.4%	1.8%	1.5%
Cost / Income	56.9%	56.6%	61.1%	68.7%	53.5%
Return on equity	12.6%	11.6%	8.8%	3.7%	12.3%

There have been updates to the terminology and calculation principles of the key financial indicators and ratios used in the reporting. To reflect more accurately the scale of Inbank business activity the "Gross Merchandise Value" has been replaced with "Originated Volume" where the total value of merchandise financed has been replaced with total volume of credit and rental products originated. Ratio "Portfolio yield" replaces previously used "Retail portfolio effective interest rate (EIR)" ratio. Portfolio yield includes incomes from loan and rental portfolio. Net gain/losses from financial items are excluded from ratio "Total income margin". These updates aim to provide a clearer picture of Inbank underlying business results. Please refer to the revised definitions below for further details.

Originated volume	Total volume of credit and rental products originated, purchased, or acquired through Inbank's embedded finance and direct-to-consumer platform
Loan and rental portfolio	Total of loans and receivables to private persons and rental portfolio
Return on equity (ROE)	Profit for the period / total equity (average over the period)
Portfolio yield	Interest income based on EIR from loan portfolio and net rental income / loan and rental portfolio (average over the period)
Funding cost	Interest expense / interest-bearing liabilities (average over the period)
Total income margin	Total net income excl. net gain / losses from financial items / total assets (average over the period)
Total net income	Net interest, fee and commission, rental income and gain and losses from financial items
Cost / income	Total operating expenses / total net income
Impairments / portfolio	Impairment on loans and receivables / loan and rental portfolio), average over the period
Net profit	Profit for the period

Management Report



“With a few challenging years behind us, Inbank is seeing steady improvement across its financial indicators. Key metrics such as return on equity, total income margin and cost-income ratio have shown consistent progress compared to the last three years and this positive trend is expected to continue.

Inbank started 2025 with a solid quarter. Our quarterly net income increased by 18% year-on-year, while our expenses grew by 11% during the same period. This resulted in a Q1 profit of 4.5 million euros, which is 14% higher than in the previous year. The return on equity for the quarter reached 12.3%.

Inbank's originated volume (OV) for the first quarter reached 166 million euros, marking a 6% increase compared to the same period last year. While Q1 is typically the weakest quarter seasonally, all markets demonstrated steady growth in sales compared to a year ago. The Central and Eastern Europe (CEE) region grew 11% in originated volume, while the Baltics recorded a 2% increase. The main driver of growth was the strong performance of green financing in Poland, which surged compared to a year ago by 67% and reached 33 million euros during the quarter. Merchant solutions remained the largest segment with 59.3 million euros in originated volume, but declined 7% compared to a year ago due to the strategic exit from lower-margin merchants in Poland. After several quarters of very strong growth, car financing declined slightly by 4% year-on-year to 40.2 million euros. This was largely impacted by the introduction of a car tax in Estonia, which also affected rental volumes, resulting in a 2% decrease compared to a year ago to 11.6 million euros. Meanwhile, direct lending continued on a growth path and grew by 9% to 21.8 million euros.

At the end of Q1, Inbank's loan and rental portfolio reached 1.18 billion euros increasing by 11% compared to a year ago. At the same time, our customer deposits increased by 15% to 1.27 billion euros. While our portfolio yield has remained relatively stable over the past nine months, it is up by 26 basis points compared to a year ago, reaching 11.30%. Meanwhile, our funding cost has steadily declined, dropping 40 basis points to 4.15% by quarter-end. As a result, our total income margin improved significantly – rising by 50 basis points to 5.51% by the end of the first quarter.

Inbank's total net income for the quarter reached 20.7 million euros, reflecting an 18% increase compared to the same period last year. Over the past 12 months, our CEE markets have shown steady net income growth of 35%, compared to 12% revenue growth in the Baltics. This rise has been driven by consistently improving margins. At the same time, we are seeing a slowdown in the pace of cost growth. Total operating expenses reached 11.1 million euros, reflecting an 11% increase compared to the same period last year. This reflects investments made in the previous years into the Product & Technology organization, alongside our continued focus on maintaining oversight of our cost base. As a result, Inbank's cost-income ratio improved to 53.5% for the quarter, marking our best performance since 2021.

Our impairments on loans and receivables remained within our target, accounting for 1.54% of the average loan and rental portfolio. Although impairments increased by 40% compared to the same quarter last year, this rise is compared to a historically low baseline from that period. Given declining inflation and interest rates, along with stable employment levels in our core markets, we do not anticipate a significant rise in credit risk in our portfolio.

With a few challenging years behind us, Inbank is seeing steady improvement across its financial indicators. Key metrics such as return on equity, total income margin and cost-income ratio have shown consistent progress compared to the last three years and this positive trend is expected to continue. To improve profitability, we have found a better balance between the pace of growth and margin expansion. As of the end of Q1, Inbank's total assets have surpassed 1.5 billion euros, and equity has exceeded 150 million euros. Remarkably, it was just nine quarters ago that we crossed the 1 billion euros and 100 million euro thresholds, respectively.

Our improving financial performance and stronger capital base enable us to focus more intently on delivering value to our partners and end-customers. Inbank's key competitive advantage lies in our broad partner network accompanied by the fastest, most convenient and automated loan origination and credit underwriting capabilities. Our technology positions us as a leader across all markets and segments, both online and offline. However, our funding cost does not always offer the same edge over all the competitors. Therefore, we must continue to invest into providing Inbank's technology and underwriting capabilities also to other financial institutions and investors. By combining best-in-class technology with our portfolio and a profitable business model, we are well-positioned to advance our mission of becoming a leading European embedded finance platform.

Priit Põldoja

Chief Executive Officer

Condensed consolidated interim financial statements

Condensed consolidated statement of financial position

In thousands of euros	Note	31.03.2025	31.12.2024	31.03.2024
Assets				
Cash and cash equivalents	8; 18	218,356	153,191	179,842
Mandatory reserves at central banks	18	26,042	25,156	22,857
Investments in debt securities	9; 18	47,063	46,724	31,507
Financial assets measured at fair value through profit or loss		103	27	920
Loans and receivables	7; 18	1,059,208	1,041,542	957,695
Investments in associates	10	0	0	204
Other financial assets	11; 18	5,309	4,569	3,802
Tangible fixed assets		100,263	98,069	76,916
Right of use assets		19,775	20,551	25,677
Intangible assets		32,022	31,560	31,659
Other assets	11	9,532	9,718	8,886
Deferred tax assets		4,973	4,707	4,569
Total assets		1,522,646	1,435,814	1,344,534
Liabilities				
Customer deposits	12; 18	1,267,247	1,171,359	1,106,167
Financial liabilities measured at fair value through profit or loss		120	503	0
Other financial liabilities	14; 18	56,531	59,135	55,774
Current tax liability		320	62	457
Deferred tax liability		660	533	283
Other liabilities	14	4,798	4,620	3,991
Subordinated debt securities	13; 18	40,896	52,046	49,654
Total liabilities		1,370,572	1,288,258	1,216,326
Equity				
Share capital	16	1,152	1,152	1,086
Share premium	16	54,849	54,849	43,563
Statutory reserve	17	109	109	103
Other reserves	17	1,316	1,329	1,697
Retained earnings		94,648	90,117	81,759
Total equity		152,074	147,556	128,208
Total liabilities and equity		1,522,646	1,435,814	1,344,534

Condensed consolidated statement of profit and loss and other comprehensive income

In thousands of euros	Note	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Interest income calculated using effective interest method	3; 4	31,273	31,273	28,768	28,768
Interest expense	3; 4	-13,313	-13,313	-13,612	-13,612
Net interest income	4	17,960	17,960	15,156	15,156
Fee and commission income	3; 5	7	7	111	111
Fee and commission expenses	3; 5	-1,232	-1,232	-1,186	-1,186
Net fee and commission income/expenses		-1,225	-1,225	-1,075	-1,075
Rental income	3	9,149	9,149	7,149	7,149
Sale of assets previously rented to customers	3	3,961	3,961	4,583	4,583
Other operating income	3	11	11	339	339
Depreciation of rental assets	3	-4,262	-4,262	-3,331	-3,331
Other operating expenses	3	-1,683	-1,683	-1,458	-1,458
Cost of assets sold previously rented to customers	3	-3,643	-3,643	-4,350	-4,350
Net rental income/expenses		3,533	3,533	2,932	2,932
Net gains/losses from financial assets measured at fair value	3	444	444	890	890
Foreign exchange rate gain/losses	3	19	19	-339	-339
Net gain/losses from financial items		463	463	551	551
Total net income		20,731	20,731	17,564	17,564
Personnel expenses	6	-5,610	-5,610	-4,771	-4,771
Marketing expenses	6	-853	-853	-633	-633
Administrative expenses	6	-2,962	-2,962	-2,838	-2,838
Depreciation, amortization	3	-1,663	-1,663	-1,756	-1,756
Total operating expenses	3	-11,088	-11,088	-9,998	-9,998
Impairment losses on loans and receivables	7	-4,470	-4,470	-3,199	-3,199
Profit before income tax		5,173	5,173	4,367	4,367
Income tax expense		-642	-642	-403	-403
Profit for the period		4,531	4,531	3,964	3,964
Other comprehensive income that may be reclassified subsequently to profit or loss					
Currency translation differences		-107	-107	20	20
Total comprehensive income for the period		4,424	4,424	3,984	3,984

Condensed consolidated statement of cash flows

In thousands of euros	Note	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Cash flows from operating activities					
Interest received	4	30,952	30,952	28,281	28,281
Interest paid	4	-10,636	-10,636	-11,750	-11,750
Fees received	5	-155	-155	111	111
Fees paid	5	-1,156	-1,156	-1,186	-1,186
Rental proceeds		9,150	9,150	7,149	7,149
Sale of assets previously rented to customers		3,961	3,961	4,583	4,583
Other operating income received	7	6	6	339	339
Other operating expenses paid		-1,578	-1,578	-1,351	-1,351
Net gains/losses from financial assets measured at fair value		137	137	0	0
Personnel expenses paid	6	-6,032	-6,032	-6,280	-6,280
Administrative and marketing expenses paid	6	-3,667	-3,667	-2,602	-2,602
Income tax paid		-417	-417	-292	-292
Cash flows from operating activities before changes in the operating assets and liabilities		20,565	20,565	17,002	17,002
Changes in operating assets					
Loans and receivables	7	-21,871	-21,871	-18,694	-18,694
Acquisition of tangible assets for rental business		-9,407	-9,407	-6,883	-6,883
Mandatory reserves at central banks		-886	-886	-1,837	-1,837
Other financial assets	11;18	-740	-740	1,466	1,466
Other assets	11;18	-363	-363	-2,481	-2,481
Changes of operating liabilities					
Customer deposits	12	93,210	93,210	22,648	22,648
Other financial liabilities	14;18	-653	-653	-3,194	-3,194
Other liabilities	14;18	733	733	540	540
Net cash flows from operating activities		80,588	80,588	8,567	8,567
Cash flows from investing activities					
Investments in debt securities	9	381	381	0	0
Repayments of debt securities	9	-339	-339	2,417	2,417
Acquisition of tangible fixed assets		-57	-57	-329	-329
Acquisition of intangible assets		-1,769	-1,769	-701	-701
Acquisition of associates	10	0	0	-63	-63
Net cash used in/from investing activities		-1,784	-1,784	1,324	1,324

(continued from previous page)

In thousands of euros	Note	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Cash flows from financing activities					
Repayments of debt securities	13	-11,149	-11,149	0	0
Principal payments of lease liability		-2,402	-2,402	-3,009	-3,009
Net cash used in/from financing activities		-13,551	-13,551	-3,009	-3,009
Effect of exchange rate changes on cash and cash equivalents		-88	-88	39	39
Cash and cash equivalents at the beginning of the reporting period	8	153,191	153,191	172,921	172,921
Net increase/decrease in cash and cash equivalents		65,165	65,165	6,921	6,921
Cash and cash equivalents at the end of the reporting period	8	218,356	218,356	179,842	179,842

Condensed consolidated statement of changes in equity

In thousands of euros	Share capital	Share premium	Statutory reserve capital	Other reserves			Retained earnings	Total equity
				Share based payment reserve	Voluntary reserve	Currency translation reserve		
Balance, 01.01.2024	1,086	43,563	103	925	1,330	-712	77,795	124,090
Profit for the period	0	0	0	0	0	0	3,964	3,964
Other comprehensive income	0	0	0	0	0	20	0	20
Total comprehensive income	0	0	0	0	0	20	3,964	3,984
Paid in share capital	0	0	0	0	0	0	0	0
Share-based payment reserve	0	0	0	134	0	0	0	134
Transfer to statutory reserve capital	0	0	0	0	0	0	0	0
Balance, 31.03.2024	1,086	43,563	103	1,059	1,330	-692	81,759	128,208
Balance, 01.01.2025	1,152	54,849	109	1,002	1,330	-1,003	90,117	147,556
Profit for the period	0	0	0	0	0	0	4,531	4,531
Other comprehensive income	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	0	0	0	4,531	4,531
Paid in share capital	0	0	0	0	0	0	0	0
Share-based payment reserve	0	0	0	94	0	0	0	94
Transfer to statutory reserve capital	0	0	0	0	0	-107	0	-107
Balance, 31.03.2025	1,152	54,849	109	1,096	1,330	-1,110	94,648	152,074

All issued shares have been paid. For more details see also Notes 16 and 17.

Note 1 Accounting policies

The interim financial report has been prepared in accordance with the International Accounting Standard IAS 34 "Interim Financial Reporting", as adopted by the EU, and consists of condensed financial statements and selected explanatory notes. The accounting policies used in the preparation of the interim report are the same as the accounting policies used in the annual report for the year ended 31 December 2024, which comply with the International Financial Reporting Standards, as adopted by the European Commission (IFRS EU).

The interim financial report is not audited and does not contain the entire range of information required for the preparation of complete financial statements. The interim financial report should be read in conjunction with the Annual Report prepared for the year ended 31 December 2024, which has been prepared in accordance with the International Financial Reporting Standards (IFRS).

AS Inbank with its branches and subsidiaries, together acting as a group (hereinafter: Inbank) is a EU-licensed credit institution registered in Estonia, which is operating in addition to Estonia also in Latvia, Lithuania, Poland, and Czechia. Inbank AS branches are registered in Czechia, Lithuania and Poland.

The companies listed below belong to the consolidation group of AS Inbank as at 31 March 2025:

Company name	Year of purchase/founded	Parent/branch/subsidiary	Location	Activity
AS Inbank	2010	Parent	Estonia	Financing and funding
AS Inbank Odštepny Závod	2021	Branch	Czechia	Financing
AS Inbank Spółka Ascyjna-Oddzal W Polsce	2016	Branch	Poland	Financing
AS Inbank Filialas	2019	Branch	Lithuania	Financing
SIA Inbank Latvia	2014	Subsidiary	Latvia	Financing
Inbank Ventures OÜ	2016	Subsidiary	Estonia	Holding activity and rental services
Inbank Payments OÜ	2019	Subsidiary	Estonia	Holding company
Inbank Finance AS	2021	Subsidiary	Estonia	Financing
IBF InRent Sp. z.o.o	2022	Subsidiary	Poland	Rental services
AS Inbank Rent	2023	Subsidiary	Estonia	Rental services
Inbank Rent SIA	2023	Subsidiary	Latvia	Rental services
Inbank Rent s.r.o	2024	Subsidiary	Czechia	Rental services
Inbank Rent UAB	2024	Subsidiary	Lithuania	Rental services
Mobire Group OÜ	2021	Subsidiary	Estonia	Holding company
Mobire Eesti AS	2021	Subsidiary	Estonia	Rental services
Mobire Latvija SIA	2021	Subsidiary	Latvia	Rental services
Mobire Lietuva UAB	2021	Subsidiary	Lithuania	Rental services

For more details refer to Note 10.

Note 2 Significant accounting estimates and judgements

According to the IFRS, many of the financial indicators given in the report are based on strictly accounting-related management estimates and opinions, which have an impact on the value of the assets and liabilities presented in the financial statements as of the balance sheet date and on the income and expenses of the subsequent financial years. Although these estimates are based on the best knowledge of the management and conclusions from ongoing events, the actual result may not coincide with them in the end and may differ significantly from these estimates.

The management consistently reviews such decisions and estimates, including the ones that have an influence on the fair value of financial instruments, impairment of financial assets, non-controlling interests redemption liability and others.

The management relies on experience and the other factors it considers reasonable in the given situation when making these decisions and estimates.

Note 3 Operating segments

Operating segments are components that engage in business activities that earn income and incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM). The CODM allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the Management Board of Inbank.

Inbank divides its operating segments according to business lines and the geographical location of activities in Estonia, Latvia, Lithuania, Poland and Czechia.

The following business lines are separated: financing, rental, investments.

The operating segments are Inbank group companies with separate financial data, which is also the basis for the regular monitoring of business results by the management at Inbank. Inbank monitors total net income, profitability, cost/income ratio, growth, and loan and receivable impairment losses for each operating segment.

The financing business line is divided between geographical segments by countries where Inbank operates. Financing business line forms of AS Inbank with its branches in Lithuania, Poland and Czechia and its subsidiaries AS Inbank Finance in Estonia and SIA Inbank Latvia in Latvia. AS Inbank branches in Lithuania, Poland and Czechia present separate units acting in those countries. Deposits collected through partner platforms in Germany, Austria and Netherlands are presented under the Estonian financing operating segment. The financing business offers financing solutions with the largest product segment being car finance and merchant solutions.

The rent segment consists of Mobire Group OÜ group car rent business line in Estonia, Latvia and Lithuania and AS Inbank Rent group business in Estonian, Latvian, Lithuanian, Poland and Czechia markets. Rent segment is presented in segment reporting as one segment and is not divided by geographical location as this business line is the newest in Inbank and in rapid growth stage. Mobire Group OÜ group offers car rental services, AS Inbank Rent group offers electronics rent services.

Investments operating segment include the following activities: managing investments in subsidiaries and associates, providing Inbank group companies hardware rent services.

The revenues of the reported segments contain revenues from transactions between the segments. Such transactions include loans given by Inbank AS and its subsidiary AS Inbank Finance, as well as services provided to the companies of the consolidation group by Inbank Ventures OÜ. The above transactions are accounted for at market prices.

Inbank does not have any customers whose income accounts for more than 10% of the respective type of Inbank consolidated income.

Chief operating decision maker (hereinafter CODM) is responsible for the allocation of funds and the assessment of the profitability of business activities. Total income and net profit/loss are the measures primarily used by CODM. The development of segment total income and net profit/loss is presented below, in which significant segments are presented separately.

Income of reported segments and net profit structure

In thousands of euros	Financing					Rental	Invest- ments	Elimina- tions	Total
3 months 2025	Estonia	Latvia	Lithuania	Poland	Czechia				
Interest income based on EIR	15,235	3,040	6,033	12,979	517	6	50	-6,587	31,273
<i>incl. income from external customers</i>	9,075	3,040	6,033	12,636	483	6	0	0	31,273
<i>incl. income from internal customers</i>	6,160	0	0	343	34	0	50	-6,587	0
Fee and commission income	2	1	0	4	0	0	0	0	7
<i>incl. loan administration fees</i>	1	0	0	0	0	0	0	0	1
<i>incl. other fees</i>	1	1	0	4	0	0	0	0	6
Rental income	0	0	0	0	0	9,149	0	0	9,149
Sale of assets previously rented to customers	0	0	0	0	0	3,961	0	0	3,961
Other operating income	4,892	12	0	9	0	0	322	-5,224	11
<i>incl. income from external customers</i>	0	3	0	8	0	0	0	0	11
<i>incl. income from internal customers</i>	4,892	9	0	1	0	0	322	-5,224	0
Total income	20,129	3,053	6,033	12,992	517	13,116	372	-11,811	44,401
Net gains from financial assets measured at fair value	444	0	0	0	0	0	0	0	444
Foreign exchange rate gains/losses	27	0	0	-9	0	0	1	0	19
Interest expense	-8,832	-807	-1,681	-6,894	-262	-1,360	-33	6,556	-13,313
Fee and commission expenses	-681	-84	-169	-232	-66	0	0	0	-1,232
<i>incl. loan initiation fees</i>	-485	-40	-70	-169	0	0	0	0	-764
<i>incl. loan administration fees</i>	-100	-30	-75	-53	0	0	0	0	-258
<i>incl. other fees</i>	-96	-14	-24	-10	-66	0	0	0	-210
Depreciation of rental assets	0	0	0	0	0	-4,262	0	0	-4,262
Other operating expenses	0	0	0	0	0	-1,683	0	0	-1,683
Cost of assets sold previously rented to customers	0	0	0	0	0	-3,643	0	0	-3,643
Total expenses	-9,042	-891	-1,850	-7,135	-328	-10,948	-32	6,556	-23,670
Operating expenses	-7,703	-1,138	-2,126	-2,811	-597	-1,639	-425	5,351	-11,088
<i>incl. depreciations, amortization</i>	-1,248	-58	-151	-44	-18	-93	-77	26	-1,663
Impairment losses on loans and receivables	-1,489	-428	-969	-1,300	-119	-165	0	0	-4,470
Profit before income tax	1,895	596	1,088	1,746	-527	364	-85	96	5,173
Income tax	0	-119	-168	-355	0	0	0	0	-642
Net profit/loss	1,895	477	920	1,391	-527	364	-85	96	4,531

In thousands of euros	Financing					Rental	Invest- ments	Elimina- tions	Total
3 months 2024	Estonia	Latvia	Lithuania	Poland	Czechia				
Interest income based on EIR	14,256	2,751	5,449	12,156	257	8	49	-6,158	28,768
<i>incl. income from external customers</i>	8,405	2,751	5,449	11,909	246	8	0	0	28,768
<i>incl. income from internal customers</i>	5,851	0	0	247	11	0	49	-6,158	0
Fee and commission income	110	0	0	1	0	0	0	0	111
<i>incl. loan administration fees</i>	67	0	0	0	0	0	0	0	67
<i>incl. other fees</i>	43	0	0	1	0	0	0	0	44
Rental income	0	0	0	0	0	7,149	0	0	7,149
Sale of assets previously rented to customers	0	0	0	0	0	4,583	0	0	4,583
Other operating income	2,878	37	51	83	8	0	236	-2,954	339
<i>incl. income from external customers</i>	170	27	51	83	8	0	0	0	339
<i>incl. income from internal customers</i>	2,708	10	0	0	0	0	236	-2,954	0
Total income	17,244	2,788	5,500	12,240	265	11,740	285	-9,112	40,950
Net gains from financial assets measured at fair value	768	0	0	122	0	0	0	0	890
Foreign exchange rate gains/losses	-315	0	0	-24	0	0	0	0	-339
Interest expense	-7,844	-788	-1,622	-7,635	-187	-1,450	0	5,914	-13,612
Fee and commission expenses	-610	-63	-234	-257	-22	0	0	0	-1,186
<i>incl. loan initiation fees</i>	-125	-34	-65	-172	-22	0	0	0	-418
<i>incl. loan administration fees</i>	-366	-25	-149	-85	0	0	0	0	-625
<i>incl. other fees</i>	-119	-4	-20	0	0	0	0	0	-143
Depreciation of rental assets	0	0	0	0	0	-4,129	0	0	-4,129
Other operating expenses	0	0	0	0	0	-660	0	0	-660
Cost of assets sold previously rented to customers	0	0	0	0	0	-4,350	0	0	-4,350
Total expenses	-8,001	-851	-1,856	-7,794	-209	-10,589	0	5,914	-23,386
Operating expenses	-6,126	-1,033	-2,188	-1,987	-442	-951	-468	3,197	-9,998
<i>incl. depreciations, amortization</i>	-1,371	-64	-181	-47	-20	-12	-82	21	-1,756
Impairment losses on loans and receivables	-872	-344	-629	-1,302	-52	0	0	0	-3,199
Profit before income tax	2,245	560	827	1,157	-438	200	-183	-1	4,367
Income tax	0	-99	-128	-254	78	0	0	0	-403
Net profit/loss	2,245	461	699	903	-360	200	-183	-1	3,964

Note 4 Net interest income

Net interest income

In thousands of euros	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Interest income based on EIR				
Loans and receivables				
<i>inc loans to private persons</i>	29,017	29,017	25,741	25,741
<i>inc loans to corporates</i>	159	159	182	182
Investments to debt securities	381	381	397	397
Central banks, financial and credit institutions	1,716	1,716	2,448	2,448
Total interest income	31,273	31,273	28,768	28,768
Interest expense				
Deposits received	-12,141	-12,141	-12,186	-12,186
Debt securities issued	-923	-923	-1,027	-1,027
Lease liability	-249	-249	-399	-399
Total interest expense	-13,313	-13,313	-13,612	-13,612
Net interest income	17,960	17,960	15,156	15,156

More details about interest income and expense based on operating segments disclosed in Note 3.

Note 5 Net fee and commission income

Net fee and commission income

In thousands of euros	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Fee and commission income				
Private persons	7	7	111	111
<i>out of which recognised over time</i>	2	2	108	108
<i>out of which recognised point in time</i>	5	5	3	3
Corporates	0	0	0	0
<i>out of which recognised over time</i>	0	0	0	0
<i>out of which recognised point in time</i>	0	0	0	0
Total fee and commission income	7	7	111	111
Fee and commission expenses				
Loan initiation fees	-488	-488	-418	-418
Loan administration expenses	-259	-259	-625	-625
Other fee expenses	-485	-485	-143	-143
Total fee and commission expenses	-1,232	-1,232	-1,186	-1,186

More details about fee and commission income and expense based on operating segments disclosed in Note 3.

Note 6 Operating expenses

Operating expenses

In thousands of euros	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Personnel expenses				
Personnel expense	4,339	4,339	3,626	3,626
Social and other taxes	1,271	1,271	1,145	1,145
Total personnel expenses	5,610	5,610	4,771	4,771
Marketing expenses				
Advertising and marketing	777	777	459	459
Sales costs	76	76	174	174
Total marketing expenses	853	853	633	633
Administrative expenses				
IT expenses	898	898	847	847
Legal and recovery proceeding expenses	281	281	291	291
Contributions to guarantee fund	560	560	434	434
Office maintenance and workplace expenses	481	481	489	489
Employee related expenses	207	207	135	135
Training and business trip expenses	217	217	135	135
Supervision expenses	88	88	58	58
Transportation expenses	82	82	98	98
Tax expenses	-29	-29	44	44
Outsourced services	54	54	56	56
Other	123	123	251	251
Total administrative expenses	2,962	2,962	2,838	2,838

More details about operating expenses based on operating segments disclosed in Note 3.

Note 7 Loans and receivables

Distribution of receivables by customer sector

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Distribution of receivables by customer sector			
Private persons	1,078,644	1,059,422	972,600
Corporates	8,927	9,093	7,912
Loans and receivables before impairment allowance	1,087,571	1,068,515	980,512
Impairment allowance	-28,363	-26,973	-22,817
Total loans and receivables	1,059,208	1,041,542	957,695

More details about loans and receivables disclosed in Note 18.

Changes in impairments

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Impairment allowance balance at the beginning of the period	26,973	-21,962	-21,962
Impairment provisions set up during the reporting period - loans	-6,922	-26,397	-6,451
Impairment provisions set up during the reporting period - rental receivables	-196	-685	0
Written off and sold out from financial position during the period	9,002	22,071	5,596
Total impairment	28,857	-26,973	-22,817

Impairment losses on loans and receivables

In thousands of euros	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Impairment losses during the reporting period	-7,118	-7,118	-6,451	-6,451
Recoveries from loans written off and sold out from financial position	2,618	2,618	3,252	3,252
Recoveries from rental receivables written off and sold out from financial position	30	30	0	0
Total impairment losses on loans and receivables	-4,470	-4,470	-3,199	-3,199

Inbank regularly sells receivables that are more than 90 days overdue, with no obligation to repurchase. The difference between the sale price and the carrying amount of debt is recognised in the profit and loss and other comprehensive income under line impairment losses on loans and receivables. The total amount of debt is written off in the statement of financial position.

More details about impairment losses on loans and receivables based on operating segments disclosed in Note 3.

Distribution of receivables from private persons

In thousands of euros

31.03.2025	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
Distribution of receivables		Stage 1	Stage 2	Stage 3		
0-3 days	1,019,729	-5,167	-840	-2,208	1,011,514	0.8%
4-30 days	25,653	-406	-1,948	-934	22,365	12.8%
31-89 days	9,840	0	-1,748	-775	7,317	25.6%
90-179 days	5,569	0	0	-2,451	3,118	44.0%
180+ days	17,853	0	0	-11,867	5,986	66.5%
Total receivables	1,078,644	-5,573	-4,536	-18,235	1,050,300	2.6%

31.12.2024	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
Distribution of receivables		Stage 1	Stage 2	Stage 3		
0-3 days	1,001,456	-5,174	-941	-1,868	993,473	0.80%
4-30 days	25,879	-405	-1,990	-854	22,630	12.60%
31-89 days	9,922	0	-1,687	-728	7,507	24.3%
90-179 days	4,934	0	0	-2,119	2,815	42.9%
180+ days	17,231	0	0	-11,187	6,044	64.9%
Total receivables	1,059,422	-5,579	-4,618	-16,756	1,032,469	2.5%

31.03.2024	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
Distribution of receivables		Stage 1	Stage 2	Stage 3		
0-3 days	914,212	-5,109	-73	-1,378	907,652	0.7%
4-30 days	27,847	-1,609	-85	-424	25,729	7.6%
31-89 days	14,530	0	-2,378	-756	11,396	21.6%
90-179 days	3,973	0	0	-2,283	1,690	57.5%
180+ days	12,038	0	0	-8,676	3,362	72.1%
Total receivables	972,600	-6,718	-2,536	-13,517	949,829	2.3%

Distribution of receivables from corporates

In thousands of euros

31.03.2025	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
Distribution of receivables		Stage 1	Stage 2	Stage 3		
0-3 days	8,926	-19	0	0	8,907	0.2%
4-30 days	0	0	0	0	0	0.0%
31-89 days	0	0	0	0	0	0.0%
90-179 days	0	0	0	0	0	0.0%
180+ days	1	0	0	0	1	0.0%
Total receivables	8,927	-19	0	0	8,908	0.2%

31.12.2024	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
Distribution of receivables		Stage 1	Stage 2	Stage 3		
0-3 days	9,093	-20	0	0	9,073	0.2%
4-30 days	0	0	0	0	0	0.0%
31-89 days	0	0	0	0	0	0.0%
90-179 days	0	0	0	0	0	0.0%
180+ days	0	0	0	0	0	0.0%
Total receivables	9,093	-20	0	0	9,073	0.2%

31.03.2024	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
Distribution of receivables		Stage 1	Stage 2	Stage 3		
0-3 days	7,902	-26	0	-19	7,857	0.6%
4-30 days	0	0	-1	0	-1	0.0%
31-89 days	10	0	0	0	10	0.0%
90-179 days	0	0	0	0	0	0.0%
180+ days	0	0	0	0	0	0.0%
Total receivables	7,912	-26	-1	-19	7,866	0.6%

Note 8 Cash and cash equivalents

Cash and cash equivalents

In thousand euros	31.03.2025	31.12.2024	31.03.2024
Due from central banks	188,909	134,073	171,500
Due from credit institutions	29,447	19,118	8,342
Total cash and cash equivalents	218,356	153,191	179,842

All balances in table above are with original maturity of less than three months and insignificant credit risk. The above table excludes mandatory reserves at central banks, which represent mandatory reserve deposits which are not available to finance day to day operations.

Cash and cash equivalents in the statement of cash flows include receivables from central banks (excluding the mandatory reserve) and short-term (up to three months) receivables from other credit institutions.

Due to the short duration of the cash and cash equivalents (less than three months), the fair value approximates the carrying value.

Note 9 Investments in debt securities

Investments in debt securities

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Investments in debt securities	46,456	46,330	31,254
<i>incl. investments in central government debt securities</i>	<i>45,426</i>	<i>45,311</i>	<i>30,265</i>
<i>incl. investments in corporate debt securities</i>	<i>1,030</i>	<i>1,019</i>	<i>989</i>
Interest accruals	607	394	253
Total investments in debt securities	47,063	46,724	31,507

As of 31 March 2025 and 31 December 2024, Inbank's debt securities portfolio consists of debt securities of central governments and corporates with different maturities between 4 August 2025 to 10 March 2027 and coupon rates from 1.30% to 8.50%.

More details about investments in debt securities disclosed in Notes 3 and 18.

Note 10 Business combinations and investments in associates and subsidiaries

Further information on Inbank consolidation group has been disclosed in Note 1.

Investments in subsidiaries

Equity of major subsidiaries

In thousands euros	31.03.2025	31.12.2024	31.03.2024
SIA Inbank Latvia	9,007	8,532	7,919
Mobire Group OÜ	18,218	17,251	15,430
AS Inbank Finance	31,331	29,240	25,101
Inbank Ventures OÜ	10,468	10,520	10,686
AS Inbank Rent	-1,060	-575	458

On 21 March 2023 Inbank established its subsidiary in Estonia under the name of AS Inbank Rent. Key activity of the subsidiary is the rental business. AS Inbank Rent has established subsidiaries in Latvia, Lithuania, Chechia and Poland to scale rental business outside Estonia. Inbank Rent SIA was established on 8 November 2023, Inbank Rent s.r.o on 31 January 2024 and Inbank Rent UAB on 30 April 2024.

On 20 June 2023 Inbank acquired additional 12.67% and on 9 January 2025 0.9% of Mobire Group OÜ shares. Total Inbank share into Mobire Group OÜ after acquisition was 67%. Acquisition of shares was made out of non-controlling interest redemption liability disclosed in Note 14.

Investments in associates

As of 31.03.2025 and 31.12.2024 AS Inbank does not have any investments in associated companies. As of 31.03.2024 AS Inbank had the investment in associated company Paywerk AS (share 20.58%), located in Estonia.

Inbank sold its investments in associate companies Paywerk AS in 2024. Paywerk AS offers a cross-border "pay later" service. On 31 August 2023 Inbank Ventures OÜ acquired an additional part of Paywerk AS share capital for 76 thousand euros and on 27 March 2024 for 63 thousand euros. After these transactions the total Inbank share in Paywerk AS was 20.58%. Investment was accounted for using the equity method. 23 July 2024, Swedbank AB completed the 100% acquisition of Paywerk AS. As part of the transaction, Inbank AS subsidiary, Inbank Ventures OÜ, sold its 20.58% ownership interest in Paywerk AS to Swedbank AB. Sale income is disclosed under profit and loss Statement row "Share of profit from associates". Inbank has not received dividends from associates.

Note 11 Other financial assets and other assets

Other financial assets and other assets

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Other financial assets			
Prepaid guarantee amounts	423	356	406
Accrued receivables	4,076	3,403	2,343
Other financial assets	810	810	1,053
Total other financial assets	5,309	4,569	3,802
Other assets			
Prepaid expenses	3,497	2,813	4,175
Inventory	5,111	4,845	3,863
Prepaid taxes	323	1,432	351
Other assets	601	628	497
Total other assets	9,532	9,718	8,886

Prepaid taxes include prepaid VAT. Accrued receivables are of short-term nature (1 - 30 days).

Inventory comprises of assets (cars and electronics) used in rental business that are intended for sale. These assets are transferred from tangible assets to inventory.

Other financial assets contain 810 thousand euros (31 December 2024: 810 thousand euros; 31 March 2024: 1,053 thousand euros) receivables from commercial banks which are pledged and are therefore not available for general use by Inbank. The restricted cash relates to the pledge required under derivatives trading agreements.

More details about other financial assets and other assets disclosed in Note 18.

Note 12 Customer deposits

Deposits

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Customer deposits			
Deposits from private persons	1,255,947	1,159,253	1,094,469
Deposits from non-financial corporates	2,182	10,238	9,616
Deposits from financial corporates	9,118	1,868	2,082
Total customer deposits	1,267,247	1,171,359	1,106,167

Deposits by clients' residency

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Deposits by clients' residency			
Estonia	60,803	52,518	50,807
Germany	299,895	261,652	220,654
Poland	549,326	525,877	491,872
Austria	23,980	17,839	17,960
Netherlands	295,000	276,456	310,872
Lithuania	9,793	8,364	13,915
Czechia	28,312	28,616	0
Other residence	138	37	87
Total deposits by clients' residency	1,267,247	1,171,359	1,106,167

Deposits also include an accrued interest liability in the amount of 21,590 thousand euros (31 December 2024: 18,913 thousand euros; 31 March 2024: 21,494 thousand euros).

More details about customer deposits disclosed in Note 18.

Note 13 Subordinated debt securities

Movements in subordinated debt securities

In thousands euros	31.03.2025	31.12.2024	31.03.2024
Subordinated debt securities			
Opening balance	30,920	31,003	31,003
Repurchased	-8,000	0	0
Interest accruals	414	2,064	545
Interests paid	-417	-2,094	-575
Amortisation of transaction costs	7	-53	-80
Subordinated debt securities, total	22,924	30,920	30,893
Subordinated debt securities (AT1)			
Opening balance	21,126	18,742	18,742
Subordinated debt securities issued	0	2,340	0
Repurchased	-3,150	0	0
Interest accruals	503	2,428	528
Interests paid	-509	-2,400	-523
Amortisation of transaction costs	2	16	14
Subordinated debt securities (AT1), total	17,972	21,126	18,761
Total subordinated debt securities	40,896	52,046	49,654

Inbank's subordinated bonds include Additional Tier 1 bonds included in Tier 1 capital. AT1 capital instrument is a perpetual subordinated financial instrument, which bears interest on its Outstanding Nominal Value from and including their Issue Date to, but excluding, the date of any final redemption at the interest rate per annum specified in table above. The coupon payments may be deferred or canceled at the discretion of Inbank.

Subordinated debt securities detailed information at 31 March 2025

Subordinated debt securities	Nominal price	Amount	Interest rate	Issue date	Maturity date
EE3300001544	1,000 EUR	8,000	6.0%	19.12.2019	19.12.2029
EE3300002302	1,000 EUR	15,000	5.5%	16.12.2021	15.12.2031
Subordinated debt securities (AT1)					
EE3300002286	10,000 EUR	450	7.5%	01.11.2021	perpetual
EE3300003516	10,000 EUR	1,110	12.0%	06.06.2023	perpetual
EE3300004381	10,000 EUR	234	10.0%	07.05.2024	perpetual

Subordinated debt securities detailed information at 31 December 2024

Subordinated debt securities	Nominal price	Amount	Interest rate	Issue date	Maturity date
EE3300001544	1,000 EUR	8,000	6.0%	19.12.2019	19.12.2029
EE3300002302	1,000 EUR	15,000	5.5%	16.12.2021	15.12.2031
EE3300003714	1,000 EUR	8,000	9.0%	13.12.2023	13.12.2033

Subordinated debt securities (AT1)	Nominal price	Amount	Interest rate	Issue date	Maturity date
EE3300111590	10,000 EUR	315	12.0%	19.12.2018	perpetual
EE3300002286	10,000 EUR	450	7.5%	01.11.2021	perpetual
EE3300003516	10,000 EUR	1,110	12.0%	06.06.2023	perpetual
EE3300004381	10,000 EUR	234	10.0%	07.05.2024	perpetual

Note 14 Other financial liabilities and other liabilities

Other financial liabilities and other liabilities

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Financial liabilities			
Accounts payable	26,767	28,571	20,935
Lease liability	19,487	20,389	24,979
Non-controlling interest redemption liability	8,081	7,978	7,287
Client prepayments	1,180	1,199	1,982
Provision for contract fees, early termination	1,016	998	591
Total financial liabilities	56,531	59,135	55,774
Other liabilities			
Payables to employees	1,452	2,038	1,763
Payroll taxes	1,383	1,319	1,377
Other liabilities	1,963	1,263	851
Total other liabilities	4,798	4,620	3,991

The accounts payable includes liabilities to customers and partners - related to loan granting activities and payments for operating expenses.

Interest expense from lease liability was 249 thousand euros (2024: 1,366 thousand euros; Q1 2024: 399 thousand euros) and lease payments paid 2.402 million euros (2024: 9.4 million euros and Q1 2024: 3.009 thousand euros). Rental expenses related to short-term leases are recognised under operating expenses and were 17 thousand euros (2024: 130 thousand euros; Q1 2023: 26 thousand euros).

On 21 June 2023 Inbank Ventures OÜ acquired an additional 12% of Mobire Group OÜ shares. In January, 2025 Inbank acquired an additional 0.9% of Mobire Group OÜ shares. Total Inbank share into Mobire Group OÜ after acquisition was 67%. Amount paid was released from redemption liability and decreased price payable in final redemption after the end of 2025. In addition to the purchase and sale agreement, Inbank signed an option agreement to acquire 100% of the shares of Mobire Group OÜ, therefore the non-controlling interest is recognized as a buyout obligation.

Non-controlling interest redemption liability was estimated at 8,081 thousand euros as at 31 March 2025 (31 December 2024: 7,978 thousand euros and 31 March 2024: 7,284 thousand euros). It has been determined based on future profit assumptions discounted post-tax discount rate of 19.4%. The discount rate is determined by considering interest rate, country and equity premiums. More details about other financial liabilities and other liabilities disclosed in Note 18.

Note 15 Contingent liabilities

Contingent liabilities

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Liability in contractual amount	0	4,116	4,453
<i>incl. unused credit card limits</i>	0	4,116	4,453
Expected credit loss (ECL)	0	18	21

In 2024 Inbank decided to exit the credit card business, which was difficult to scale and did not perfectly fit with partner-based distribution strategy. The cards were closed in the beginning of 2025.

In different countries where Inbank operates, the Tax authority has the right to inspect the company's tax records within 3 to 10 years after submitting the tax return and upon finding errors, impose additional taxes, interest and fines. The tax authorities have not performed any tax audits at Inbank during 2024 and Q1 2025.

Inbank's management estimates that in first quarter 2025 there are no such circumstances that may lead the tax authorities to impose significant additional taxes on Inbank.

Note 16 Share capital

Share capital

	No of shares	Share capital (thou. EUR)	Share premium (thou. EUR)	Total
Balance, 01.01.2024	10,864,154	1,086	43,563	44,649
Balance, 31.03.2024	10,864,154	1,086	43,563	44,649
Balance, 01.01.2025	11,519,663	1,152	54,849	56,001
Balance, 31.03.2025	11,519,663	1,152	54,849	56,001

Shareholders who hold more than 5% of company shares

Shareholder name	Holding amount 31.03.2025	Holding amount 31.12.2024	Holding amount 31.03.2024
Cofi Investeeringud OÜ	23.76%	23.66%	25.08%
Luciano Orsero	9.56%	9.34%	9.30%
Elio Tomaso Giovanni Cravero	7.15%	7.12%	7.55%
Andrea Agostinone	6.69%	7.04%	7.70%
Roberto De Silvestri	6.28%	6.28%	8.39%

Inbank's share capital consists of 11,520 thousand shares (31.12.2024: 11,520 thousand euros; 31.03.2024: 10,864 thousand shares) with a nominal value of 0.10 euro. All issued shares have been paid. The share premium reflects the difference between the nominal value of the shares and the contributions received.

Note 17 Reserves

Reserves

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Statutory reserve	109	109	103
Voluntary reserve	1,330	1,330	1,330
Share based payments reserve	1,096	1,002	1,060
Other accumulated comprehensive income	-1,110	-1,003	-693
Total reserves	1,425	1,438	1,800

The statutory reserve is a mandatory capital reserve which is formed using annual net profit transfers to comply with the requirements of the Estonian Commercial Code. Each financial year, at least one-twentieth of net profit has to be transferred to the legal reserve, until the reserve reaches one-tenth of share capital. The legal reserve may be used to cover losses or to increase share capital. It may not be used to make distributions to shareholders.

The general meeting of AS Inbank has previously decided to increase the reserves through voluntary increase of reserves to support Inbank capital adequacy and growth possibilities. The voluntary reserve may also be used for increasing the share capital, but not for making payouts to shareholders.

Share based payments reserve is created based on motivation plans issued for employees. The fair value of share options issued to employees is recognised as a payroll expense over the term of the option programme, and in equity as share-based payments reserve. In 2025 first quarter, personnel costs and the reserve for share-based payment were calculated in the amount of 100 thousand euros (2024: 429 thousand euros; Q1 2024: 146 thousand euros). No options realized in first quarter 2025, and the share-based payment reserve and retained earnings were adjusted in the comparative periods (2024: 304 thousand euros; Q1 2024: 0 euros).

Other accumulated comprehensive income is formed from unrealized exchange rate differences arising from the translation of financial indicators of foreign business units. This reserve is created by consolidating Inbank entities whose functional currency is different from Inbank's functional currency.

Note 18 Fair value of financial assets and liabilities

As of 31 March 2023, 31 December 2024 and 31 March 2024 all of the Inbank's financial assets and liabilities fell in the financial assets and liabilities carried at amortized cost measurement category except for financial derivatives. Derivatives belonged to the FVTPL measurement category.

The financial instruments not measured at fair value through profit and loss at each statement of financial position date are summarized in the table below.

Fair value of financial assets and liabilities

In thousand euros		31.03.2025			31.12.2024			31.03.2024		
	Note	Fair value	Carrying amount	Level	Fair value	Carrying amount	Level	Fair value	Carrying amount	Level
Assets										
Cash and cash equivalents	11	218,356	218,356	2	153,191	153,191	2	179,842	179,842	2
Mandatory reserves at central banks		26,042	26,042	2	25,156	25,156	2	22,857	22,857	2
Investments in central government debt securities	12	45,764	46,038	2	45,517	45,679	2	30,063	30,485	2
Investments in corporate debt securities	12	1,052	1,025	3	1,073	1,045	3	1,025	1,022	3
Loans and receivables - private persons	9	1,078,148	1,050,300	3	1,020,332	1,032,449	3	925,588	949,829	3
Loans and receivables - corporates	9	8,908	8,908	3	9,093	9,093	3	7,866	7,866	3
Other financial assets	17	5,309	5,309	2	4,569	4,569	2	3,789	3,789	2
Total assets		1,383,579	1,355,978		1,258,931	1,271,182		1,171,030	1,195,690	
Liabilities										
Customer deposits	18	1,252,477	1,267,247	2	1,156,192	1,171,359	2	1,095,457	1,106,167	3
Subordinated debt securities	19	23,138	22,924	2	30,884	30,920	2	30,552	30,891	2
Subordinated debt securities (AT1)	19	17,670	17,971	3	20,803	21,126	3	18,106	18,763	3
Redemption liability	20	8,081	8,081	3	7,978	7,978	3	7,285	7,285	3
Other financial liabilities	20	48,450	48,450	2	51,157	51,157	2	48,489	48,489	2
Total liabilities		1,349,816	1,364,673		1,267,014	1,282,540		1,199,889	1,211,595	

Inbank does not own financial assets or liabilities which valuation is done based on Level 1 inputs.

All significant inputs to the valuation models of Level 2 financial assets and liabilities are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same. Examples of observable inputs are foreign currency exchange rates (Polish zloty and Czech koruna), binding securities price quotations (Government bonds), market interest rates (Euribor, Pribor, Vilibor),

volatilities implied from observable index prices for the same term and actual transactions with one or more external counterparts. An input can transfer from being observable to being unobservable during the holding period due to for example illiquidity of the instrument.

The fair value of cash and cash equivalents closely approximates their carrying value due to their short-term nature and high liquidity. These assets are readily convertible to known amounts of cash with minimal risk of value changes.

The fair value of mandatory reserves held at the central banks is close to their carrying amount and therefore are classified as Level 2 instruments. The reserves are subject to regulatory requirements and earn interest at rates determined by the central banks, with minimal risk of fluctuations.

The fair value of investments in central government debt securities is based on the latest available trading prices from Nasdaq. Due to low trading volumes, prices reflect sporadic transactions rather than active market data, which may not fully capture current market conditions. As the valuation relies on observable data with adjustments, these securities are classified as Level 2 financial instruments under the fair value hierarchy.

Subordinated debt securities are classified as Level 2 financial instruments under fair value hierarchy based on trading data from Nasdaq. Given potential fluctuations, the valuation is based on the average price of the security over a one-year period.

Customer deposits that are classified as Level 2 instruments are valued using the Discounted Cash Flow (DCF) model. In determining the fair value of these deposits, the discount rate applied is based on Inbank's internal funding costs, which ensures that the valuation reflects the bank's actual cost of obtaining funds by aligning the discount rate with Inbank's specific funding dynamics and market conditions.

Other financial assets and liabilities' fair value is based on observable inputs like interest rates and credit spreads, with minimal adjustments. These inputs reflect current market conditions, so the fair value closely matches the carrying value. As the valuation relies on observable data with minor adjustments, these assets are classified as Level 2.

When internal assumptions materially influence the determination of fair value, the financial instrument is categorized under Level 3. Inbank applies appropriate valuation techniques to determine the fair value of its Level 3 financial instruments, considering the specific characteristics of each instrument. To estimate the unobservable price for Level 3 instruments different methods are applied depending on the type of available data. Input to these methods are primarily prices, proxy prices, market indicators and company information. When valuation models are used to determine the fair value of financial instruments in Level 3, the transaction price paid or received is assessed as the best evidence of fair value at initial recognition. If the fair value of financial instruments includes more than one unobservable input, the unobservable inputs are aggregated in order to determine the classification of the entire instrument. The level in the fair value hierarchy within which a financial instrument is

classified is determined on the basis of the lowest level of input that is significant to the fair value in its entirety.

Investments in corporate debt securities are valued based on the last available trading price from the Nasdaq exchange, reflecting the limited trading activity and turnover of these instruments.

For household loans and advances, fair value is determined using the Discounted Cash Flow (DCF) method, applying a discount rate that reflects the new average Effective Interest Rate (EIR) of new sales, ensuring alignment with prevailing market interest rates for similar loans.

Corporate loans and advances, which have floating interest rates tied to Euribor, are also valued using the DCF method. Since all corporate loans are classified as Stage 1, their fair value is primarily influenced by fluctuations in Euribor, ensuring consistency with market-based interest rates.

Subordinated debt securities, specifically perpetual AT1 instruments, are valued using the DCF method with a discount rate which is based on the latest repricing of Inbank's AT1 issuances. This discount rate is uniformly applied across all AT1 securities.

Methods and valuation techniques for non-controlling interest redemption liability are disclosed in Note 14. For short term assets and liabilities fair value is set based on carrying value.

Note 19 Related parties

Members of the Management Board are entitled for a fee of three calendar months remuneration in case of contract termination initiation by Inbank or when the board member's contract expires.

Remuneration of the Management Board and Supervisory Board

In thousands of euros	Q1 2025	3 months 2025	Q1 2024	3 months 2024
Remuneration of the Management Board and Supervisory Board	579	579	451	451

The following are considered to be Inbank's related parties:

- Shareholders with significant influence or control over Inbank,
- Members of the Management Board and Supervisory Board and legal entities controlled by them (hereinafter: the management),
- Associates,
- Close relatives of the persons mentioned above and the legal entities related to them.

Balances as of end of reporting period

In thousands of euros	31.03.2025	31.12.2024	31.03.2024
Balances as of end of reporting period	Management	Management	Management
Loans and receivables	263	260	307
Impairment allowance	-3	-3	-4
Deposits and subordinated debt securities	1,764	2,971	2,795

Transactions

In thousands of euros	3 months 2025	12 months 2024	3 months 2024
Transactions	Management	Management	Management
Interest income	1	18	7
Interest expenses	60	324	87
Services purchased	129	490	137
Impairment expenses	0	1	1

Services purchased from management contain consultations and rent. Rent contract end date is August 2026 and consultation contracts can be canceled within 1 week notice. All conditions meet market prices and practices. The table provides an overview of the significant transactions and balances with related parties, all transactions are done under market conditions. Loans given to Management Board members are issued on market terms, with an interest rate 2.1%-11% (2024: 5.9%-11%). The interest rate of deposits received from related parties matches with the interest rate offered to customers, interest rates are between 2.1% and 3.35% (2024: 2.1% and 3.35%).

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