Interim condensed consolidated financial statements

for the period ended 31 March 2025

Bigbank AS

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Business name	Bigbank AS
Registry	Commercial Register of the Republic of Estonia
Registration number	10183757
Date of entry	30 January 1997
LEI code	5493007SWCCN9S3J2748
Address	Riia 2, 51004 Tartu, Estonia
Phone	+372 737 7570
E-mail	info@bigbank.ee
Corporate website	www.bigbank.ee
Financial year	1 January 2025 – 31 December 2025
Reporting period	1 January 2025 – 31 March 2025
Chairman of the management board	Martin Länts
Core business line	Provision of loans and acceptance of deposits
Auditor	Ernst & Young Baltic AS
Reporting currency	The euro

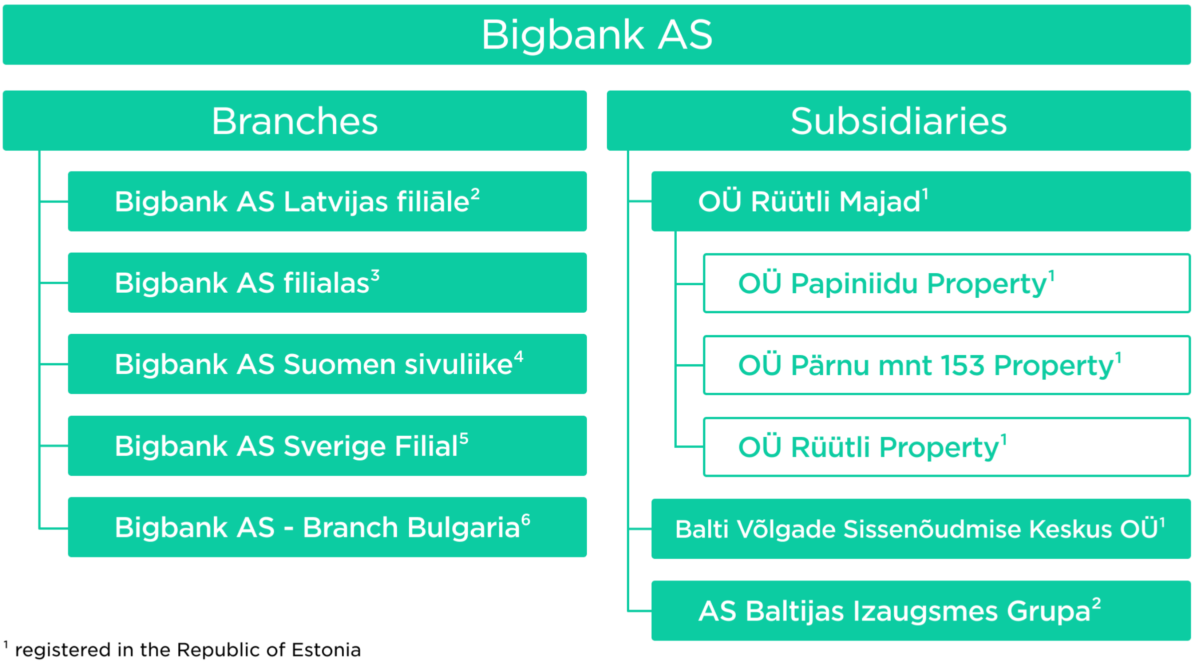
Interim report is available on the website of Bigbank AS at www.bigbank.ee. The version in English is located at www.bigbank.eu.

Contents

Bigbank Group structure

Bigbank AS (hereinafter also "Bigbank" and "Group") was founded on 22 September 1992. A licence for operating as a credit institution was issued to Bigbank AS on 27 September 2005. Bigbank is specialised on loans and deposits.

The Group's structure at the reporting date:



[1] registered in the Republic of Estonia
[2] registered in the Republic of Latvia
[3] registered in the Republic of Lithuania
[4] registered in the Republic of Finland
[5] registered in the Kingdom of Sweden
[6] registered in the Republic of Bulgaria

The branches in Latvia, Lithuania, Finland, Bulgaria and Sweden offer lending and deposit services similar to those of the parent, except the Swedish branch that has not been issuing new loans since 2022 but continues to serve the existing loan customers. In addition, Bigbank AS provides cross-border deposit services in Germany, the Netherlands and Austria.

The core business of OÜ Rüütli Majad and its subsidiaries OÜ Papiniidu Property and OÜ Pärnu mnt 153 Property is property management, and the subsidiaries OÜ Rüütli Property and Baltijas Izaugsmes Grupa AS are involved in agricultural land management. Balti Võlgade Sissenõudmise Keskus OÜ is not engaged in active operations.

Review of operations

Significant events

In the first quarter of 2025, Bigbank earned a net profit of 9.8 million euros. Compared to the first quarter of 2024, net profit increased by 3.4 million euros, driven by an improvement in the payment performance of the consumer loan portfolio through a decrease of 1.1 million euros in the net allowance for expected credit losses and a decrease of 2.4 million euros in provisions.

The most significant external factor was the continuing decline in interest rates. The six-month Euribor, which started the quarter at 2.6%, fell to 2.3% by the end of the quarter. This continues the trend of the previous year, where customers with floating rate loans are getting more and more relief, while depositors have to accept lower deposit rates. For Bigbank, this means pressure on interest income, which can be countered by increasing the loan portfolio and lowering deposit rates. In a falling interest rate environment, the fall in the Euribor is somewhat faster and has a stronger impact than the fall in deposit rates.

While the macroeconomic outlook for Estonia has been weaker than for Bigbank's other markets in previous quarters, the first quarter of 2025 also saw some positive developments in Estonia. Economic growth for the fourth quarter of 2024, published in March, was higher than expected and also the strongest quarterly growth figure since 2021. This has been accompanied by a gradual improvement in businesses' expectations for future growth. Export indicators have also strengthened and the labour market remains strong. However, all this does not give reason to expect a sharp improvement in Estonia's macroeconomic situation in the coming quarters, mainly due to the continued instability in the external environment, which has been exacerbated by unexpected developments related to the tariffs imposed by the United States. Their impact on Bigbank's core markets is expected to be indirect, but still noticeable. In addition, inflation in Estonia is expected to remain among the highest in the European Union.

Compared to previous quarters, the external environment in the first quarter of 2025 was more supportive of Bigbank's continued growth. The total gross loan portfolio grew to a record 2.3 billion euros by the end of the first quarter, up 102 million euros (+5%) quarter on quarter and 550 million euros (+32%) year on year. The business loan portfolio grew by 44 million euros (+6%) to 808 million euros, the home loan portfolio by 51 million euros (+8%) to 664 million euros and the consumer loan portfolio by 12 million euros (+1%) to 840 million euros compared to the previous quarter.

Bigbank's deposit portfolio grew in the first quarter mainly through savings deposits. In countries with smaller deposit portfolios, Bigbank offered attractive savings deposit rates in the first quarter – the highest rate was 3.25%, which was offered throughout the quarter in Estonia. While interest rates were lower in the Netherlands and Germany, which have the largest savings deposit portfolios, customers in those countries also showed strong interest in Bigbank's savings deposits, despite fierce competition and decreasing interest rates. Compared to the previous quarter, the Group's savings deposit portfolio grew by 124 million euros (+12%) to 1.14 billion euros and term deposit portfolio increased by 33 million euros (+2%) to 1.4 billion euros. Current accounts launched for existing customers in Estonia in December last year amounted to 3 million euros at the end of the first quarter. The Group's total deposit portfolio grew by 159 million euros (+7%) quarter on quarter and by 400 million euros (+19%) year on year to 2.55 billion euros.

The increase in the loan portfolio was sufficient to offset the decline in interest rates during the quarter. Compared to the first quarter of 2024, interest income grew by 3.3 million euros (+8%) to 46.2 million euros. Due to the growth in the deposit portfolio and the increase in the volume of bonds issued, interest expense grew also by 3.3 million euros (+19%) to 20.6 million euros. Compared to the same period last year, Bigbank's net interest income remained stable at 25.6 million euros.

A positive development in the first quarter was the improvement in the payment performance of the Baltic consumer loan portfolios. As a result, the Group's net allowance for expected credit losses decreased by 1.1 million euros year on year to 4.6 million euros. In addition, while provisions of 2.4 million euros had to be recognised in the first quarter of 2024, no such costs were incurred in the first quarter of 2025. The credit quality of home loans continued to be very good and the business loan portfolio was fairly stable. Compared to the end of 2024, the portfolio of loans more than 90 days past due grew by 4.7 million euros to 58.8 million euros and accounted for 2.5% of the total loan portfolio (+0.1 pp from the end of 2024). The share of stage

3 (non-performing) loans grew by 10.1 million euros in the first quarter and accounted for 5.1% of the total loan portfolio at the end of the quarter (+0.2 pp from the end of 2024).

A relatively high level of the stage 3 portfolio is mainly related to a few bigger loans which are well secured and therefore do not increase expected credit losses. As the share of stage 3 loans surpassed the 5% threshold, Bigbank activated an action plan to bring the level below 5%. This movement was not unexpected as the Group has significantly reduced the sale of non-performing loans in recent quarters. Slower growth in loans more than 90 days past due and their overall lower level reflect that, in addition to loans with long-term payment delays, a significant share of stage 3 loans is made up of loans without long-term payment delays.

The investment property portfolio increased to 72.6 million euros by the end of the first quarter (+9% compared to the end of 2024). The Group did not recognise any gains or losses from changes in the fair value of investment property during the period.

Bigbank issued Additional Tier 1 (AT1) bonds in the amount of 3 million euros in the first quarter, increasing its common equity Tier 1 capital by the same amount. A total of 300 bonds with a nominal value of 10,000 euros each were issued to 38 investors. The initial issue size of 3 million euros was fully subscribed. In addition, Bigbank increased the volume of AT1 bonds issued in November 2024 by 1 million euros in the first quarter.

The composition of the supervisory board and management board of Bigbank AS remained unchanged in the first quarter. On 11 February 2025, the general meeting of Bigbank AS adopted a resolution to extend the powers of Vahur Voll, Juhani Jaeger and Andres Koern as supervisory board members of Bigbank AS for the next two years, beginning on 26 February 2025 until 25 February 2027. The supervisory board has six members: Sven Raba (chairman), Vahur Voll, Juhani Jaeger, Andres Koern, Jaan Liitmäe and Alari Aho. On 28 February 2025, the supervisory board of Bigbank AS decided to extend the term of office of management board members Martin Länts, Ken Kanarik and Ingo Põder for a further three years from the expiry of the previous term of office until 15 March 2028. The management board has five members: Martin Länts (chairman), Mart Veskimägi, Argo Kiltsmann, Ingo Põder and Ken Kanarik.

At the end of the first quarter of 2025, Bigbank had 574 employees: 344 in Estonia, 103 in Lithuania, 88 in Latvia, 20 in Finland, 6 in Sweden and 13 in Bulgaria.

Key performance indicators and ratios

Financial position indicators *(in millions of euros)*	31 March 2025	31 Dec 2024	Change
Total assets	2,944.1	2,778.4	6.0%
Loans to customers	2,298.0	2,196.5	4.6%
of which loan portfolio	2,323.3	2,219.0	4.7%
of which interest receivable	30.5	29.4	3.7%
of which loss allowances	-55.8	-51.9	7.5%
Deposits from customers	2,552.2	2,393.3	6.6%
Equity	270.8	269.8	0.4%

Financial performance indicators *(in millions of euros)*	3M 2025	3M 2024	Change
Interest income	46.2	42.9*	7.6%
Interest expense	-20.6	-17.3	18.8%
Net interest income	25.6	25.6	0.1%
Total income (gross)	51.7	47.8	8.2%
Net operating income	29.1	27.9	4.3%
Operating expenses	-12.4	-12.1	1.9%
Of which salaries and associated charges	-7.5	-6.4	16.6%
Of which administrative expenses	-2.8	-3.6	-25.0%
Of which depreciation and amortisation	-2.1	-2.1	4.1%
Net allowance for expected credit losses	4.6	5.7*	-19.0%
Profit before impairment losses and income tax	16.7	13.4*	25.5%
Net profit	9.8	6.4	53.7%

Ratios	3M 2025	3M 2024
Return on equity (ROE)	14.6%	10.5%
Equity multiplier (EM)	10.6	9.8
Profit margin (PM)	19.1%	13.4%*
Asset utilization ratio (AU)	7.2%	8.1%
Return on assets (ROA)	1.4%	1.1%
Price difference (SPREAD)	3.4%	4.1%*
Cost to income ratio (CIR)	42.4%	43.4%*
Liquidity coverage ratio (LCR)	220.3%	450.7%
Net stable funding ratio (NSFR)	143.6%	162.5%

* Some comparative figures have been restated. For further information, please refer to note 4 to Annual report 2024 and note 22 to the current report.

Ratios are presented on an annual basis (i.e. annualised).

Explanations of ratios:

Return on equity (ROE, %) = net profit for the period / quarter / average equity*100

Equity multiplier (EM) = average assets / average equity

Profit margin (PM, %) = profit for the period / total income * 100

Asset utilisation (AU) = total income (incl. interest income, fee income, dividend income and other operating income) to total assets

Return on assets (ROA, %) = net profit for the period / average assets * 100

Price difference (SPREAD) = ratio of interest income to interest-bearing assets less ratio of interest expense to interest-bearing liabilities

Cost to income ratio (CIR) = total operating costs to net income

Liquidity coverage ratio (LCR) = high quality liquid asset amount (HQLA) / net liquidity outflow over a 30 days stress period * 100

Net stable funding ratio (NSFR, %) = available stable funding / required stable funding * 100

Financial review

Financial position

At 31 March 2025, the Group's total assets exceeded 2.9 billion euros, having increased by 165.7 million euros (+6.0%) during the quarter. Loans to customers accounted for 78.1% of total assets, reaching 2.3 billion euros. The proportion of liquid assets (amounts due from banks and debt instruments) was 18.2%, extending to 536.6 million euros. Part of the bank's liquidity buffer has been placed in a portfolio of debt securities which are highly liquid, have investment grade credit ratings, and can be sold at any time. Debt instruments totalled 49.4 million euros at 31 March 2025.

At the end of the first quarter, the Group had 137 thousand loan agreements: 44 thousand in Lithuania, 36 thousand in Latvia, 33 thousand in Estonia, 19 thousand in Finland, 4 thousand in Sweden and 1 thousand in Bulgaria.

Geographical distribution of loans to customers:

- 41.8% Estonia;
- 35.2% Lithuania;
- 16.0% Latvia:
- 5.9% Finland;
- 0.9% Sweden;
- 0.2% Bulgaria.

At 31 March 2025, loans to customers reached 2.3 billion euros, comprising of:

- the loan portfolio of 2.3 billion euros with loans to individuals accounting for 65.2% of the total;
- interest receivable on loans of 30.5 million euros;
- loss allowances for loans and interest receivables of 55.8 million euros.

Bigbank's loan portfolio is diversified – at the reporting date the average loan balance was around 17 thousand euros.

To mitigate the risks arising from customers' payment behaviour and to cover potential credit losses, the Group makes loss allowances. Impairment calculations are made conservatively. Where debt recovery proceedings do not yield expected results, the underlying receivable is written off the statement of financial position.

At the end of the first quarter of 2025, the Group's liabilities totalled 2.7 billion euros. Most of the debt raised by the Group, i.e. 2.6 billion euros (95.5%) consisted of deposits. Subordinated bonds totalled 95.9 million euros at 31 March 2025.

At the end of the first quarter of 2025, the Group's equity amounted to 270.8 million euros. The equity to assets ratio was 9.2%.

Financial performance

Interest income for the first quarter of 2025 was 46.2 million euros, 3.3 million euros (+7.6%) higher than in the same period in 2024. The first-quarter ratio of interest income (annualised) to average interest-earning assets was 6.6% and interest income on the loan portfolio (annualised) accounted for 7.5% of the average loan portfolio.

Interest expense for the first quarter of 2025 was 20.6 million euros, 3.3 million euros (+18.8%) up year-on-year. The increase in interest expense is attributable to a rise in deposit rates, growth in deposits raised and the issue of new subordinated bonds. The ratio of interest expense to interest income was 44.6% in the first quarter. The ratio of interest expense to average interest-bearing liabilities (annualised) was 3.2%.

Salaries and associated charges for the first quarter of 2025 were 7.5 million euros. At the end of the period, the Group had 574 employees. Administrative expenses for the first quarter amounted to 2.8 million euros. Impairment losses for the first quarter were 4.6 million euros.

The Group's net profit for the first quarter of 2025 was 9.8 million euros, 3.4 million euros higher than a year earlier.

Capital ratios

Own funds

The methods used by the Group for calculating own funds are stipulated in regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR) and Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD 4) as transposed into Estonian law.

Total own funds, capital ratios and total risk exposure are calculated at the supervisory reporting group level (i.e. not using the definition of a consolidated group as used for the purposes of preparing financial statements).

At *(in millions of euros)*	31 March 2025	31 Dec 2024
Paid-in share capital	8.0	8.0
Capital reserve	0.8	0.8
Prior years retained earnings	250.5	226.2
Other accumulated comprehensive income	1.7	2.5
Other intangible assets	-18.7	-19.5
Profit eligible	-	20.7
Adjustments to CET1	-1.2	-1.1
Common equity Tier 1 capital	**241.1**	**237.6**
Tier 1 capital	**269.7**	**262.3**
Tier 2 capital	**67.2**	**67.0**
Total own funds	336.9	329.3

Article 26(2) of Regulation (EU) No 575/2013 of the European Parliament and of the Council (2) has introduced a procedure whereby the permission of the competent authority is required for the inclusion of interim profits or year-end profits in Common Equity Tier 1 (CET1) capital before an institution has taken a formal decision confirming the final profit or loss of the institution for the year. Such permission is granted where the following two conditions are met: profits have been verified by persons independent of the institution that are responsible for the auditing of the accounts of that institution; and the institution has demonstrated that any foreseeable charge or dividend has been deducted from the amount of those profits.

Own funds as at the end of the first quarter of 2025 exclude net profit for the three months of this year.

Total risk exposure amount

At *(in millions of euros)*	31 March 2025	31 Dec 2024
Risk weighted exposure amounts for credit and counterparty credit (standardised approach)		
Receivables from central governments and central banks	6.2	3.4
Receivables from credit institutions and investment firms	6.9	5.7
Receivables from corporates	45.8	29.3
Retail	594.9	577.6
Secured by mortgages on immovable property and ADC* exposures	803.2	682.3
Exposures in default	103.8	93.7
Items associated with particular high risk	-	179.0
Claims on institutions and corporates with a short-term credit assessment	0.1	1.5
Equity	37.1	36.3
Other items	27.7	34.3
Total risk weighted exposure amounts for credit and counterparty credit (standardised approach)	**1,625.7**	**1,643.1**
Total risk exposure amount for foreign exchange risk (standardised approach)	**25.8**	**18.4**
Total risk exposure amount for operational risk (standardised approach)	**170.4**	**149.5**
Total risk exposure amount	1,821.9	1,811.0

* ADC – acquisition, development and construction

Capital ratios

At	31 March 2025	31 Dec 2024
CET1 Capital ratio	13.2%	13.1%
T1 Capital ratio	14.8%	14.5%
Total capital ratio	18.5%	18.2%
Leverage ratio	9.1%	9.5%
Own funds and eligible liabilities to total risk exposure amount (TREA)	18.5%	18.2%
Own funds and eligible liabilities to total leverage ratio exposure (LRE)	11.4%	11.9%

Condensed consolidated interim financial statements

Consolidated statement of financial position

At *(in millions of euros)*	Note	31 March 2025	31 Dec 2024
Assets			
Cash balances at central banks	3	474.3	423.2
Due from other banks	3	12.8	25.4
Debt instruments at FVOCI	4	49.4	22.3
Loans to customers	5-9	2,298.0	2,196.5
Property, plant and equipment	10	9.3	8.9
Investment properties	11	72.6	66.4
Intangible assets	12	24.2	25.2
Current tax assets		0.4	0.4
Other assets	13	3.0	9.9
Assets held for sale		0.1	0.2
Total assets	2	2,944.1	2,778.4
Liabilities			
Loans from banks	14	8.3	8.4
Deposits from customers	15	2,552.2	2,393.3
Subordinated bonds	16	95.9	91.7
Current tax liabilities		4.4	2.9
Other liabilities	17	12.5	12.3
Total liabilities	2	2,673.3	2,508.6
Equity			
Paid-in share capital		8.0	8.0
Capital reserve		0.8	0.8
Other reserves	18	1.7	2.5
Retained earnings		260.3	258.5
Total equity		270.8	269.8
Total liabilities and equity		2,944.1	2,778.4

Consolidated statement of comprehensive income

(in millions of euros)	Note	3M 2025	3M 2024
Continuing operations			
Interest income	22	46.2	42.9*
Interest expense	23	-20.6	-17.3
Net interest income		**25.6**	**25.6**
Fee and commission income		2.6	2.3
Fee and commission expense		-0.1	-0.2
Net fee and commission income		**2.5**	**2.1**
Net gain on financial assets at FVTPL	4	1.5	1.3
Net loss on foreign exchange differences		0.4	-0.3
Net income on financial assets		**1.9**	**1.0**
Other operating income	24	1.4	1.3
Other operating expenses	25	-2.3	-2.1
Total net operating income		29.1	27.9
Salaries and associated charges		-7.5	-6.4
Administrative expenses	26	-2.8	-3.6
Depreciation, amortisation and impairment	10, 12	-2.1	-2.1
Total expenses		**-12.4**	**-12.1**
Provision expenses		-	-2.4
Profit before loss allowances		16.7	13.4
Net expected credit loss allowances		-4.6	-5.7*
Profit before income tax		12.1	7.7
Income tax		-2.3	-1.3
Profit for the period		9.8	6.4
Other comprehensive income		-0.8	0.2
Other comprehensive income that may be reclassified subsequently to profit or loss:		-0.8	0.2
Exchange differences on translating foreign operations		*-0.5*	*0.2*
Changes in the fair value of debt instruments at FVOCI		*-0.3*	-
Total comprehensive income for the period		9.0	6.6
Basic earnings per share (EUR)	27	123	80
Diluted earnings per share (EUR)	27	123	80

* Some comparative figures have been restated. For further information, please refer to note 4 to Annual report 2024 and note 22 to the current report.

Consolidated statement of cash flows

(in millions of euros)	Note	3M 2025	3M 2024
Cash flows from operating activities			
Interest received		46.0	44.2
Interest paid		-14.1	-6.3
Salary, administrative, other expenses and fees paid		-15.5	-15.2
Other income and fees received		4.4	4.3
Recoveries of receivables previously written off and proceeds from the sale of portfolio items		7.5	0.3
Received for other assets		-	0.3
Loans provided		-265.9	-216.5
Repayment of loans provided		153.6	124.9
Change in mandatory reserves with central banks and related interest receivables	3	-3.0	-1.6
Proceeds from attracted deposits from customers		896.3	591.4
Paid on redemption of deposits from customers		-733.4	-384.2
Income tax paid		-0.8	-1.3
Effect of movements in exchange rates		0.3	-
Net cash flows from operating activities		75.4	140.3
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets	10, 12	-1.0	-0.9
Proceeds from sale of assets held for sale		-	0.1
Acquisition of investment properties	11	-6.1	-
Change in term deposits		0.1	-
Investment into financial instruments at FVOCI	4	-27.1	-
Proceeds from redemption of financial instruments at FVOCI	4	-	1.8
Net cash flows from investing activities		-34.1	1.0
Cash flows from financing activities			
Proceeds from issue of subordinated bonds	16	4.0	-
Interest paid on subordinated bonds	16	-1.7	-
Paid on redemption of subordinated bonds	16	-	-1.3
Repayments of loans from banks	14	-0.1	-0.1
Payments of principal portion of lease liabilities		-0.1	-0.2
Dividends paid		-8.0	-8.0
Net cash used in/from financing activities		-5.9	-9.6
Effect of movements in foreign exchange rates		0.2	-0.1
Increase in cash and cash equivalents		35.6	131.6
Cash and cash equivalents at beginning of period		427.1	503.3
Cash and cash equivalents at end of period	3	462.7	634.9

Consolidated statement of changes in equity

	Attributable to equity holders of the parent				
(in millions of euros)	Share capital	Statutory capital reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2024	**8.0**	**0.8**	**1.8**	**234.2**	**244.8**
Profit for the period	-	-	-	6.4	6.4
Other comprehensive income					
Exchange differences on translating foreign operations	-	-	0.3	-	0.3
Total other comprehensive income	**-**	**-**	**0.3**	**-**	**0.3**
Total comprehensive income for the period	**-**	**-**	**0.3**	**6.4**	**6.7**
Dividend distribution	-	-	-	-8.0	-8.0
Balance at 31 March 2024	8.0	0.8	2.1	232.6	243.5
Profit for the period 1 April - 31 December 2024	-	-	-	25.9	25.9
Other comprehensive income for the period 1 April - 31 December 2024	-	-	0.4	-	0.4
Balance at 31 December 2024	**8.0**	**0.8**	**2.5**	**258.5**	**269.8**
Balance at 1 January 2025	**8.0**	**0.8**	**2.5**	**258.5**	**269.8**
Profit for the period	-	-	-	9.8	9.8
Other comprehensive income					
Exchange differences on translating foreign operations	-	-	-0.5	-	-0.5
Changes in the fair value of debt instruments at FVOCI	-	-	-0.3	-	-0.3
Total other comprehensive income	**-**	**-**	**-0.8**	**-**	**-0.8**
Total comprehensive income for the period	**-**	**-**	**-0.8**	**9.8**	**9.0**
Dividend distribution	-	-	-	-8.0	-8.0
Balance at 31 March 2025	8.0	0.8	1.7	260.3	270.8

Notes to the condensed consolidated interim financial statements

Note 1. Basis of preparation, material accounting policies, estimates and assumptions and risk management

Basis of preparation

The condensed consolidated interim financial statements of Bigbank AS at and for the three months ended 31 March 2025 have been prepared in accordance with the international financial reporting standard IAS 34 *Interim Financial Reporting* as adopted by the European Union. The interim financial statements do not include all the information required for full annual financial statements and they should be read in conjunction with the Group's latest published annual financial statements as at and for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards (IFRS EU).

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards and interpretations effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

This interim report has not been audited or otherwise reviewed by auditors and only includes the condensed consolidated financial statements of the Group. The financial statements are presented in millions of euros, unless otherwise indicated.

New standards and amendments

Amendment to standard IAS 21 became applicable for the reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting the amendment.

Significant accounting estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making estimates about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The impact of management's estimates is most critical regarding loss allowances for loans and interest receivables. The measurement of expected credit loss (ECL) allowance for financial assets measured at amortised cost and FVOCI is a significant estimate that involves determination of methodology, models and data inputs. The loss allowances are disclosed in notes 5, 7 and 9. The following components have a major impact on credit loss allowance: definition of default, determining criteria for significant increase in credit risk, probability of default (PD), exposure at default (EAD), and loss given default (LGD), establishing groups of similar financial assets for the purpose of measuring ECL, as well as models of macro-economic scenarios. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience. The Group used supportable forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. There were no significant changes in either methodology or models during the current reporting period.

Risk management

The primary objectives of risk management are to protect the Group's financial strength and limit the impact of potential adverse events on the Group's capital, liquidity and financial results, and to ensure that the outcomes of risk-taking activities are consistent with the Group's strategies and risk appetite, and that there is an appropriate balance between risk and reward.

Effective risk and capital management is an essential component of the Group's management. It has a crucial impact on the long-term results and the sustainability of the business model.

Risk taking is an unavoidable part of the Group's business activities and risk management supports business activities and decision making, ensuring that there is as clear information as possible about the risk and reward of different choices. Risk management is an integral part of the strategic decision making and daily business decision making process.

The following principles are followed in risk and capital management:

- Well-balanced portfolio. The Group maintains a well-diversified credit portfolio and takes limited risk in financial markets. Since uncertain changes in any individual position may seriously affect Group's overall risk position, over-reliance on single counterparties and concentrations of risk are avoided.
- Risk profile by significant countries of operation and significant product groups. The credit portfolio is reasonably balanced between different countries of operation and products. The management board determines at least annually the maximum exposure limits for individual countries of operation and significant product groups. Any target risk profile change must take into account established limits and potential effects. The actual risk profile is regularly measured against such limits.
- Quality of assets. Any changes in the target risk profile that may significantly affect the quality of assets are properly analysed and assessed before the changes are made.
- Strong liquidity position. The Group maintains a conservative liquidity risk profile and a sufficient portfolio of liquid assets at all times. Concentrations of funding and liquid assets are avoided.
- Adequate capital. The Group maintains a strong and rather conservative capitalisation level (capital adequacy). The Group makes sure that it has adequate capital to cover its risks and comply with regulatory and internal capital requirements.
- Reasonable risk level. The Group does not accept unreasonably high risk even when there is potential for exceptionally high profit as a result of risk taking. Risks which the Group cannot assess or manage adequately or for which it does not have sufficient experience or knowledge are avoided.
- Low risk appetite to specified types of risks. The Group has low risk appetite to certain risk types as specified in the policies for individual risks.
- Reliable structure of the statement of financial position and leverage. The Group is required to maintain the structure of the statement of financial position and leverage that supports the strong liquidity position, adequate capitalisation and avoids excessive leverage. All changes in the risk appetite that might have significant effect to the structure of the statement of financial position and leverage shall be properly assessed.
- Safeguarding the financial strength and stability. The primary objective of risk management is protection of the Group's financial strength. The Group shall control risks in order to limit the impact of potential adverse events on the capital, liquidity and financial results.

The main risk the Group has identified in its operations is credit risk, which arises in lending to customers. Other material risks are market risk (including IRRBB, i.e. interest rate risk in the banking book), liquidity risk, operational risk, reputational risk, business and strategic risk. In order to cover these risks Group holds a capital buffer and liquidity reserves for unforeseen events. Risks are assessed and identified regularly, as a part of its internal capital adequacy assessment process (ICAAP) and internal liquidity assessment process (ILAAP).

The Group's risk and capital management principles are established in the risk and capital management policy and the appetite and limits for all material risks are established in the risk appetite statement. Both documents have been approved by the supervisory board of Bigbank AS.

The ratio of the stage 3 loan portfolio to the total loan portfolio exceeded 5% during the first quarter, rising to 5.1% by the end of the period. As a result, the bank activated an action plan to sustainably reduce the non-performing loan portfolio below 5%. A relatively high level of the stage 3 portfolio is mainly related to a few bigger loans which are well secured and therefore do not increase expected credit losses. Other significant risks corresponded to the target levels.

The central bank of Estonia fined Bigbank AS 1,429 euros for breaching the minimum reserve requirement in the first quarter. The reason for the violation was a human error in monitoring the volume of the reserve. Bigbank has since reviewed and improved the relevant controls.

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Note 2. Operating segments

Operating segments are components of the Group for which separate financial information is available, which enables the management board and the supervisory board to regularly review their operating results. The Group's banking operations are divided into two main segments: retail banking and corporate banking. In addition, there is the segment of other activities.

Segment reporting is based on internal reports to the Group's executive management. The Group's chief operating decision maker is the management board of Bigbank AS, which regularly reviews the Group's internally generated financial information to assess operating results, including the performance of operating segments, and to allocate resources efficiently. The Group's banking operations are divided into two operating segments based on the categories of customers served: retail banking and corporate banking. The retail banking segment covers all countries where Bigbank operates and the corporate banking segment covers the Baltic countries. Both segments offer loan products to customers and raise deposits. Group entities that are involved in investment property management and agriculture and units that support banking operations (including the treasury) form the segment of other activities. Intersegment loans and services as well as receivables and liabilities are presented as eliminations in the table below.

The result of an operating segment is the segment's net profit, which comprises financial items directly attributable to the segment. The retail and corporate banking segments also include financial items (other income and expenses, operating expenses and income tax expense), which are allocated to segments consistent with their nature based on the size of the loan portfolio, the number of loans or the number of staff associated with the segment. The allocation is based on internal transfer prices. The prices applied in intersegment transactions (including the provision of loans and services to Group companies) do not differ significantly from market prices. Segment assets and liabilities comprise assets and liabilities which are directly attributable to the segment as well as assets and liabilities allocated to the segment on the basis of the size of the loan portfolio.

Segment profit for 3 months 2025

	Retail banking	Corporate banking	Other activities	Elimination	Total
Interest income	31.1	15.3	0.3	-0.5	46.2
Interest expense	-13.9	-6.6	-0.6	0.5	-20.6
Net interest income/expense	**17.2**	**8.7**	**-0.3**	**-**	**25.6**
Net fee and commission income/expense	2.5	-	-	-	2.5
Net gain on financial assets and loss on derecognition of non-financial assets	-	1.3	0.6	-	1.9
Net other operating income and expenses	-1.5	0.1	0.7	-0.2	-0.9
Net operating income	18.2	10.1	1.0	-0.2	29.1
Expenses and expenses on provisions	-9.1	-3.4	-0.1	0.2	-12.4
Profit before loss allowances	9.1	6.7	0.9	-	16.7
Net expected credit loss allowances	-4.4	-0.2	-	-	-4.6
Profit before income tax	4.7	6.5	0.9	-	12.1
Income tax	-1.3	-1.0	-	-	-2.3
Profit for the period	3.4	5.5	0.9	-	9.8

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Segment profit for 3 months 2024

	Retail banking	Corporate banking	Other activities	Elimination	Total
Interest income*	30.2	13.2	0.1	-0.6	42.9
Interest expense	-12.4	-4.8	-0.8	0.7	-17.3
Net interest income/expense	**17.8**	**8.4**	**-0.7**	**0.1**	**25.6**
Net fee and commission income/expense	**2.1**	**-**	**-**	**-**	**2.1**
Net gain on financial assets and loss on derecognition of non-financial assets	-	1.1	-0.1	-	1.0
Net other operating income and expenses	-1.3	-	0.7	-0.2	-0.8
Net operating income	18.6	9.5	-0.1	-0.1	27.9
Expenses and expenses on provisions	-11.6	-3.0	-0.1	0.2	-14.5
Profit before loss allowances	7.0	6.5	-0.2	0.1	13.4
Net expected credit loss allowances*	-5.5	-0.2	-	-	-5.7
Profit before income tax	1.5	6.3	-0.2	0.1	7.7
Income tax	-0.8	-0.5	-	-	-1.3
Profit for the period	0.7	5.8	-0.2	0.1	6.4

* Some comparative figures have been restated. For further information, please refer to note 4 to Annual report 2024 and note 22 to the current report.

Assets and liabilities of segments at 31 March 2025

	Retail banking	Corporate banking	Other activities	Elimination	Total
Total assets	1,887.9	977.9	156.2	-77.9	2,944.1
Total liabilities	2,546.9	122.9	45.0	-41.5	2,673.3

Assets and liabilities of segments at 31 December 2024

	Retail banking	Corporate banking	Other activities	Elimination	Total
Total assets	1,799.1	928.3	122.0	-71.0	2,778.4
Total liabilities	2,407.3	97.7	39.6	-36.0	2,508.6

Note 3. Cash and bank balances

Cash equivalents

	31 March 2025	31 Dec 2024
Cash balances at central banks	**474.3**	**423.2**
Of which mandatory reserve deposits	24.2	21.2
Of which surplus on mandatory reserves*	2.9	3.5
Of which overnight deposits*	447.2	398.5
Cash balances at banks	**12.8**	**25.4**
Of which cash demand and overnight deposits*	12.6	25.1
Of which term deposits	0.2	0.3
Total	487.1	448.6
Of which cash and cash equivalents	**462.7**	**427.1**

* Cash equivalents

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Note 4. Debt instruments

At	31 March 2025	31 Dec 2024
Debt instruments	49.4	22.3
Debt instruments by issuer		
Government bonds	33.1	15.1
Credit institutions' bonds	9.4	4.7
Non-financial corporations' bonds	6.9	2.5
Debt instruments by currency		
EUR (euro)	31.5	20.8
SEK (Swedish krona)	17.9	1.5
Debt instruments by rating		
Aaa-Aa3	19.9	3.6
A1-A3	14.1	14.1
Baa1-Baa3	15.4	4.6

Note 5. Loans to customers

At	31 March 2025	31 Dec 2024
Measured at amortised cost	2,263.2	2,158.2
Measured mandatorily at FVTPL	34.8	38.3
Loans to customers	2,298.0	2,196.5

Loans to customers at 31 March 2025

	Estonia	Lithuania	Latvia	Finland	Sweden	Bulgaria	Total
Loans to customers at amortised cost							
Loan receivables from customers	937.4	803.8	378.9	140.2	23.0	5.2	2,288.5
Loss allowances for loan receivables	-17.9	-9.8	-13.8	-4.9	-3.1	-1.7	-51.2
Interest receivable from customers	8.0	17.5	3.3	1.0	0.3	0.4	30.5
Loss allowances for interest receivables	-2.2	-0.9	-1.0	-0.2	-0.1	-0.2	-4.6
Total	925.3	810.6	367.4	136.1	20.1	3.7	2,263.2
Loans to customers at FVTPL							
Loan receivables from customers	34.8						34.8
Total	34.8						34.8
Total loans to customers	960.1	810.6	367.4	136.1	20.1	3.7	2,298.0
Share of region	41.8%	35.2%	16.0%	5.9%	0.9%	0.2%	100.0%

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Loans to customers at 31 December 2024

	Estonia	Lithuania	Latvia	Finland	Sweden	Bulgaria	Total
Loans to customers at amortised cost							
Loan receivables from customers	899.4	773.8	344.8	134.2	23.2	5.3	2,180.7
Loss allowances for loan receivables	-16.5	-9.2	-13.0	-4.6	-2.8	-1.8	-47.9
Interest receivable from customers	7.5	17.2	3.2	0.9	0.2	0.4	29.4
Loss allowances for interest receivables	-1.8	-0.8	-1.0	-0.1	-0.1	-0.2	-4.0
Total	888.6	781.0	334.0	130.4	20.5	3.7	2,158.2
Loans to customers at FVTPL							
Loan receivables from customers	38.3						38.3
Total	38.3						38.3
Total loans to customers	926.9	781.0	334.0	130.4	20.5	3.7	2,196.5
Share of region	42.2%	35.6%	15.2%	5.9%	0.9%	0.2%	100.0%

Note 6. Loan receivables from customers by due dates

At	31 March 2025	31 Dec 2024
Past due loan payments	48.6	45.5
Contractual principal payments cash flows of loans		
Less than 1 month	35.0	38.0
1-12 months	56.4	42.6
1-2 years	205.8	215.6
2-5 years	1,170.7	1,110.9
More than 5 years	806.8	766.4
Total loan receivables	2,323.3	2,219.0

Note 7. Ageing analysis on loan receivables

Ageing analysis at 31 March 2025

	Not past due	30 days or less	31-60 days	61-90 days	Over 90 days	Total
Loans to customers at amortised cost						
Unsecured loans						
Gross carrying amount	637.0	27.5	6.7	3.8	52.6	727.6
Loss allowance	-15.6	-3.7	-2.3	-1.6	-29.2	-52.4
Loans secured with real estate						
Gross carrying amount	1,356.3	41.3	13.8	2.1	3.0	1,416.5
Loss allowance	-1.3	-0.1	-0.1	-	-0.1	-1.6
Loans against other collaterals						
Gross carrying amount	157.4	10.2	2.9	1.2	3.2	174.9
Loss allowance	-0.8	-0.4	-0.2	-0.1	-0.3	-1.8
Loans to customers at FVTPL						
Gross carrying amount	34.8	-	-	-	-	34.8
Total at gross carrying amount	2,185.5	79.0	23.4	7.1	58.8	2,353.8
Total loss allowance	-17.7	-4.2	-2.6	-1.7	-29.6	-55.8
Total loans to customers						2,298.0

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Ageing analysis at 31 December 2024

	Not past due	30 days or less	31-60 days	61-90 days	Over 90 days	Total
Loans to customers at amortised cost						
Unsecured loans						
Gross carrying amount	640.1	29.0	7.8	4.1	45.6	726.6
Loss allowance	-14.9	-3.9	-2.7	-1.7	-25.7	-48.9
Loans secured with real estate						
Gross carrying amount	1,283.8	21.8	6.0	1.2	5.5	1,318.3
Loss allowance	-1.1	-0.1	-	-	-0.1	-1.3
Loans against other collaterals						
Gross carrying amount	145.9	12.6	2.6	1.1	3.0	165.2
Loss allowance	-0.7	-0.4	-0.2	-0.1	-0.3	-1.7
Loans to customers at FVTPL						
Gross carrying amount	38.3					38.3
Total at gross carrying amount	2,108.1	63.4	16.4	6.4	54.1	2,248.4
Total loss allowance	-16.7	-4.4	-2.9	-1.8	-26.1	-51.9
Total loans to customers						2,196.5

Note 8. Loan receivables from customers by contractual currency

At	31 March 2025	31 Dec 2024
Loans to customers at amortised cost		
EUR (euro)	2,290.1	2,181.0
SEK (Swedish krona)	23.3	23.4
BGN (Bulgarian lev)	5.6	5.7
Loans to customers at FVTPL		
EUR (euro)	34.8	38.3
Total at gross carrying amount	2,353.8	2,248.4

Note 9. Loss allowances for loan receivables from customers

Loss allowances at 31 March 2025

	Loan receivables	Interest receivables	Total receivables subject to impairment	Total loss allowances
Stage 1	2,083.0	19.3	2,102.3	-13.0
Stage 2	96.1	1.2	97.3	-8.5
Stage 3	109.4	10.0	119.4	-34.3
Total	2,288.5	30.5	2,319.0	-55.8

Loss allowances at 31 December 2024

	Loan receivables	Interest receivables	Total receivables subject to impairment	Total loss allowances
Stage 1	1,989.8	19.6	2,009.4	-13.2
Stage 2	90.1	1.3	91.4	-8.0
Stage 3	100.8	8.5	109.3	-30.7
Total	2,180.7	29.4	2,210.1	-51.9

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Development of allowances for 3 months 2025

	Opening balance at 1 Jan 2024	Increases due to origination	Decrease due to derecognition repayments and disposals	Changes due to change in credit risk (net)	Decrease due to write-off	Closing balance
Stage 1	-13.2	-1.4	0.5	1.1	-	-13.0
Stage 2	-8.0	-	-	-0.5	-	-8.5
Stage 3	-30.7	-	0.1	-4.6	0.9	-34.3
Total	-51.9	-1.4	0.6	-4.0	0.9	-55.8

Development of allowances for 12 months 2024

	Opening balance at 1 Jan 2024	Increases due to origination	Decrease due to derecognition repayments and disposals	Changes due to change in credit risk (net)	Decrease due to write-off	Closing balance
Stage 1	-9.9	-5.8	1.1	1.3	0.1	-13.2
Stage 2	-6.1	-1.4	0.2	-1.7	1.0	-8.0
Stage 3	-21.5	-1.7	0.9	-15.1	6.7	-30.7
Total	-37.5	-8.9	2.2	-15.5	7.8	-51.9

Note 10. Property, plant and equipment

At	31 March 2025	31 Dec 2024
Buildings	6.1	6.2
Right-of-use assets: office premises	1.8	1.5
Other items	1.4	1.2
Total	9.3	8.9

Other items comprise computers, office equipment and furniture and other fixtures and fittings. Leased office premises are recognized as right-of-use assets.

Land and buildings and other items

	Buildings	Other items	Total
Cost			
Balance at 1 January 2024	6.3	5.2	11.5
Purchases	-	0.4	0.4
Sales	-	-0.2	-0.2
Derecognition	-	-0.3	-0.3
Revaluation recognised in other comprehensive income	-0.1	-	-0.1
Balance at 31 December 2024	6.2	5.1	11.3
Balance at 1 January 2025	6.2	5.1	11.3
Purchases	-	0.3	0.3
Sales	-	-0.1	-0.1
Balance at 31 March 2025	6.2	5.3	11.5

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	Buildings	Other items	Total
Depreciation			
Balance at 1 January 2024	-	-3.8	-3.8
Depreciation charge for the period	-0.2	-0.6	-0.8
Sales	-	0.2	0.2
Derecognition	-	0.3	0.3
Transfer*	0.2	-	0.2
Balance at 31 December 2024	-	-3.9	-3.9
Balance at 1 January 2025	-	-3.9	-3.9
Depreciation charge for the period	-0.1	-0.1	-0.2
Sales	-	0.1	0.1
Balance at 31 March 2025	-0.1	-3.9	-4.0
Carrying amount			
Balance at 1 January 2024	6.3	1.4	7.7
Balance at 31 December 2024	6.2	1.2	7.4
Balance at 31 March 2025	6.1	1.4	7.5

* Buildings are measured using the revaluation model. Accumulated depreciation at the revaluation date was eliminated against the gross carrying amount of the revalued assets, see note 20.

Right-of-use assets

	2025	2024
Carrying amount at 1 January	1.5	1.7
Additions	0.4	0.3
Depreciation charge	-0.1	-0.6
Price adjustment	-	0.1
Carrying amount at end of period	1.8	1.5

Note 11. Investment properties

At	2025	2024
Opening balance at 1 January	66.4	49.1
Additions	6.2	19.3
Sales	-	-0.4
Net gain on fair value adjustments (note 20)	-	-1.6
Closing balance at end of period	72.6	66.4

Investment properties include buildings in Tallinn, Tartu and Pärnu and agricultural land.

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Note 12. Intangible assets

	2025	2024
Cost at beginning of year	**44.3**	**41.7**
Purchased and developed software	0.8	3.1
Of which purchases	0.2	0.2
Of which capitalised payroll costs	0.6	2.9
Write-off	-	-0.5
Cost at end of period	45.1	44.3
Amortisation at beginning of year	**-19.1**	**-12.4**
Amortisation charge for the period	-1.8	-6.9
Write-off	-	0.2
Amortisation at end of period	-20.9	-19.1
Carrying amount at beginning of year	25.2	29.3
Carrying amount at end of period	24.2	25.2

The Group's intangible assets comprise various software. The purchases and developed software also include the capitalised payroll and payroll-related costs for employees who were directly associated with the Nest development.

Note 13. Other assets

At	31 March 2025	31 Dec 2024
Financial assets		
Customer receivables and other miscellaneous receivables	0.4	8.0
Collection, recovery and other charges receivable	1.3	1.1
Impairment allowance for other receivables	-0.6	-0.4
Total financial assets	1.1	8.7
Non-financial assets		
Other tax prepayments	0.1	0.1
Prepayments to suppliers and prepaid expenses	1.8	1.1
Total non-financial assets	1.9	1.2
Total other assets	3.0	9.9

Note 14. Loans from banks

	31 March 2025	31 Dec 2024
Loans from other credit institutions	8.3	8.4

The term of loans is five years with a final maturity in June 2027. Interest expense for 3 months was 0.1 million euros (3 months 2024: 0.2 million euros), see note 23.

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Note 15. Deposits from customers

At	31 March 2025	31 Dec 2024
Deposits from customers	**2,552.2**	**2,393.3**
Deposits by customer type		
Individuals	2,470.4	2,334.3
Legal persons	81.8	59.0
Deposits by currency		
EUR (euro)	2,477.8	2,325.5
SEK (Swedish krona)	40.7	40.4
BGN (Bulgarian lev)	33.7	27.4
Deposits by maturity		
On demand	1,154.8	1,029.0
Maturing within 1 month	212.9	252.7
Maturing between 1 and 3 months	629.0	527.5
Maturing between 3 and 12 months	629.0	527.5
Maturing between 1 and 5 years	341.4	346.1
Maturing in over 5 years	34.1	38.7

Note 16. Subordinated bonds

Changes in bonds

	2025	2024
Balance at beginning of period	91.7	76.1
Cash items:		
Receipts	4.0	20.4
Payments	-1.7	-11.8
Non-cash items:		
Accrued interest	1.9	7.0
Closing balance	95.9	91.7

Bonds at 31 March 2025

	Nominal price	Interest rate	Date of issue	Maturity date
Note EE3300002526	10.0	6.5%	30 December 2021	30 December 2031
Note EE3300002583	5.0	7.5%	16 May 2022	16 May 2032
Note EE3300002690	20.0	8.0%	21 September 2022	21 September 2032
Note EE3300003052	15.0	8.0%	16 February 2023	16 February 2033
Note EE3300003151	7.7	10.5%	15 March 2023	Perpetual
Note EE3300003284	3.4	12.0%	31 May 2023	Perpetual
Note EE3300003581	5.1	12.0%	31 August 2023	Perpetual
Note EE3300003706	5.0	8.0%	30 November 2023	30 November 2033
Note EE3300004340	7.0	7.0%	29 May 2024	29 May 2034
Note EE3300004696	5.0	10.5%	21 June 2024	Perpetual
Note EE3300004977	5.0	6.5%	23 October 2024	23 October 2034
Note EE3300005081	4.5	9.0%	29 November 2024	Perpetual
Note EE0000000560	3.0	9.0%	31 March 2025	Perpetual

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Subject to approval by the Estonian Financial Supervision and Resolution Authority, the bonds can be called early after five years have passed.

Note 17. Other liabilities

At	31 March 2025	31 Dec 2024
Financial liabilities		
Payments in transit	2.7	2.7
Supplier payables	0.4	0.8
Lease liabilities	1.8	1.6
Total financial liabilities	4.9	5.1
Non-financial liabilities		
Payables to employees	3.1	3.7
Other taxes payable	1.8	2.2
Provisions	0.2	0.2
Other payables and deferred income	2.5	1.1
Total non-financial liabilities	7.6	7.2
Total other liabilities	12.5	12.3

Note 18. Other reserves

At	31 March 2025	Change	31 Dec 2024
Exchange differences on translating foreign operations	0.7	-0.5	1.2
Asset revaluation reserve	1.7	-	1.7
Fair value changes of debt instruments measured at FVOCI	-0.7	-0.3	-0.4
Total other reserves	1.7	-0.8	2.5

Note 19. Net currency positions

	31 March 2025			31 Dec 2024		
	Assets bearing currency risk	Liabilities bearing currency risk	Net position	Assets bearing currency risk	Liabilities bearing currency risk	Net position
SEK (Swedish krona)	39.6	40.9	-1.3	40.0	40.6	-0.6
BGN (Bulgarian lev)	9.2	33.7	-24.5	9.6	27.4	-17.8

The loans provided by the Group are denominated in the currency of the corresponding region or in euros.

Note 20. Fair values of assets and liabilities

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

According to management's estimates the fair values of the assets and liabilities reported in the statement of financial position at 31 March 2025 do not differ significantly from their carrying amounts.

The different levels have been defined as follows:

- *Level 1:* Quoted prices (unadjusted) in active markets for identical instruments.
- *Level 2*: Inputs other than quoted prices included within level 1 that are observable for instruments, either directly (that is, as prices) or indirectly (that is, derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical

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or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

- *Level 3:* Inputs that are not based on observable market data (that is, unobservable inputs). This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value hierarchy at 31 March 2025

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Debt instruments at FVOCI (note 4)	49.4	-	-	49.4
Loans to customers at FVTPL (note 5–9)	-	-	34.8	34.8
Land and buildings (note 10)	-	-	6.1	6.1
Investment properties (note 11)	-	-	72.6	72.6
Assets for which fair values are disclosed				
Loans to customers at amortised cost (note 5-9)	-	-	2,263.2	2,263.2
Other financial receivables (note 13)	-	-	1.1	1.1
Assets held for sale	-	-	0.1	0.1
Total assets	49.4	-	2,377.9	2,427.3
Liabilities for which fair values are disclosed				
Loans from banks (note 14)	-	-	8.3	8.3
Deposits from customers (note 15)	-	-	2,552.2	2,552.2
Subordinated bonds (note 16)	-	51.9	44.0	95.9
Lease liabilities (note 17)	-	-	1.8	1.8
Other financial liabilities (note 17)	-	-	3.1	3.1
Total liabilities	-	51.9	2,609.4	2,661.3

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Fair value hierarchy at 31 December 2024

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Debt instruments at FVOCI (note 4)	22.3	-	-	22.3
Loans to customers at FVTPL (note 5–9)	-	-	38.3	38.3
Land and buildings (note 10)	-	-	6.2	6.2
Investment properties (note 11)	-	-	66.4	66.4
Assets for which fair values are disclosed				
Loans to customers at amortised cost (note 5–9)	-	-	2,158.2	2,158.2
Other financial receivables (note 13)	-	-	8.7	8.7
Assets held for sale	-	-	0.2	0.2
Total assets	22.3	-	2,278.0	2,300.3
Liabilities for which fair values are disclosed				
Loans from banks (note 14)	-	-	8.4	8.4
Deposits from customers (note 15)	-	-	2,393.3	2,393.3
Subordinated bonds (note 16)	-	51.9	39.8	91.7
Lease liabilities (note 17)	-	-	1.6	1.6
Other financial liabilities (note 17)	-	-	3.5	3.5
Total liabilities	-	51.9	2,446.6	2,498.5

There were no movements between levels 1, 2 and 3 in 2025 and 2024.

The level 1 debt instruments at FVOCI comprise bonds whose fair values have been measured by reference to quoted bid prices in active markets at the reporting date. Bloomberg has been used as the price source. All bonds are actively traded and have quoted prices in an active market. The fair value of bonds nominated in currencies other than the euro also reflects the current spot rate of the respective currencies at the reporting date.

Subordinated bonds publicly traded on the Nasdaq Tallinn stock exchange, which are accounted for as level 2 instruments, are measured at market value at the reporting date, i.e. at the value of the last transaction of the trading date.

Subordinated bonds which are not publicly traded are classified as level 3 instruments and measured in the statement of financial position at amortised cost using the effective interest method. Their fair value is determined using a valuation technique whereby the present value of an instrument is found by discounting all expected future cash flows by applying the current market interest rate, which at the reporting date was 4.46% (31 December 2024: 4.88%).

The level 3 loans to customers at FVTPL in the amount of 34.8 million euros are loans with the features of a hybrid instrument, which comprise the principal and interest receivables of the host contract and a growth component (increase in fair value) resulting from the revaluation of the underlying asset. The Group measures the fair value of loans to customers measured at FVTPL using a valuation technique, whereby the present value of an instrument is calculated by discounting all expected future cash flows at prevailing market interest rates. The interest rates are determined based on a model that uses as inputs both market data on instruments with similar currency, maturity, interest rate, credit risk and other characteristics and the Group's internal data.

In line with IFRS 13 and IFRS 9, the fair value of an instrument at initial recognition normally equals the transaction price. For new transactions, where the valuation technique used for fair value measurement requires significant inputs that are not based on observable market data, the financial instrument is initially recognised at the transaction price. If the transaction price differs from the fair value obtained using the valuation technique, the difference is recognised in the statement of financial position within *Loans to customers* as deferred day 1 gain or loss, which is subsequently amortised through profit or loss on a straightline basis over the term of the contract. Balance of deferred day 1 gain at end of year was 0.2 million euros (31 December 2024: 0.6 million euros).

At the reporting date, the market interest rate applied in the valuation technique was 4.46% (31 December 2024: 4.88%). Gains on the revaluation of the underlying assets are included in the future cash flows of the instrument. The market comparison method was used for the valuation of the underlying assets, similarly to the valuation of agricultural land.

The change in the revaluation of loans to customers (value adjustments due to changes in factors, including time, gains from the revaluation of loans with investment risk) is recognised as a gain or loss on financial assets at FVTPL. These are assets that are required to be categorised as measured at FVTPL.

The level 3 loans to customers at amortised cost that amount to 2,263.2 million euros are measured at amortised cost using the effective interest method less any loss allowances. For fair valuation, the estimated cash-flows have been discounted at the prevailing market interest rates, the result being not materially different from that recognised under the amortised cost method using the effective interest rate.

The level 3 land and buildings that amount to 6.1 million euros consists of real estate used by the Group as office premises in Tallinn and agricultural land.

The office premises in Tallinn were valued using the income approach and the following inputs: the estimated rental income per square metre per month for commercial space in Tallinn is 12 euros, the rental growth rate is 2.0%, the long-term vacancy rate is 5% and the discount rate is 9.5%. Part of the office premises have been rebuilt from residential space and they were valued using the market comparison approach, whereby the valuation was based on the prices per square metre of residential space in Tallinn city centre of 4,001-4,446 euros less the costs of transforming the office space back into apartments.

The level 3 investment properties that amount to 72.6 million euros consist of office buildings and retail space in Tartu, Tallinn and Pärnu, forest and agricultural land leased to farmers. Investment properties are measured at the fair value in the financial statements.

The office building in Tartu was valued using the residual method based on the highest and best use of the property. The residual method takes into account the profit that could be earned if the existing property were developed and sold as an apartment building. The following inputs were used in the valuation of the property: the sales price per square metre for flats in Tartu old town of 4,100 euros and development costs per square metre of 1,754 euros.

The fair values of other office buildings in Tallinn and Pärnu were estimated using the income approach based on rental prices of 9-14 euros per square metre in Tallinn and 4-12 euros per square metre in Pärnu.

Agricultural land was valued using mainly the market comparison approach. Based on the opinion of a valuation expert, the best use of the land is the existing use for agricultural purposes and the average price per hectare of agricultural land is 8,300 euros.

Valuations of investment property are performed at each reporting date to make sure that the assets are measured at fair value at the reporting date.

The office premises recognised in the line item ‘Land and buildings’ and the forest and agricultural land and office buildings and retail space recognised in the line item ‘Investment property’ were revalued in the fourth quarter of 2024. The assumptions used described above are based on experts estimates obtained in the fourth quarter of 2024.

Note 21. Contingent liabilities

At 31 December 2024, the unused portions of credit lines and loans totalled 223.6 million euros (31 December 2024: 173.8 million euros). The expected credit losses on liabilities not recognised in the statement of financial position (contingent liabilities) are immaterial.

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Note 22. Interest income

	3M 2025	3M 2024
Interest income calculated using the effective interest method		
Interest income on loans to customers at amortised cost	41.4	36.5*
Interest income on debt securities at FVOCI	0.3	0.1
Interest income on banks and central banks deposits	3.5	5.3
Other income		
Interest income on lease portfolio	1.0	1.0
Total interest income	46.2	42.9*

* Some comparative figures have been restated. For further information, please refer to note 4 to Annual report 2024.

In 2024, the Group identified that interest income on credit-impaired financial assets had been accrued on a gross rather than a net basis. The error was corrected by reducing the line item *Interest income* in the statement of comprehensive income by the excessively accrued interest income of 0.8 million euros and reclassifying it to *Net expected credit loss allowances.*

Note 23. Interest expense

	3M 2025	3M 2024
Interest expense calculated using the effective interest method		
Interest expense on deposits from customers	18.5	15.5
Interest expense on loans from banks	0.1	0.2
Interest expense on subordinated bonds	2.0	1.6
Total interest expense	20.6	17.3

Note 24. Other operating income

	3M 2025	3M 2024
Rental income	1.0	0.9
Income from debt recovery proceedings	0.3	0.3
Miscellaneous income	0.1	0.1
Total other income	1.4	1.3

Note 25. Other operating expenses

	3M 2025	3M 2024
Legal regulation charges	1.1	1.1
Expenses from investment properties	0.5	0.4
Expenses related to registry inquires	0.2	0.1
Expenses related to enforcement proceedings	0.2	0.2
Levies	-	0.1
Miscellaneous expenses	0.3	0.2
Total other expenses	2.3	2.1

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Note 26. Administrative expenses

	3M 2025	3M 2024
Marketing expenses	1.1	2.0
Office and other similar administrative expenses	0.1	0.1
Other personnel-related expenses	0.4	0.4
Software licensing and other information technology costs	0.5	0.4
Other services	0.3	0.4
Telephone and other communications expenses	0.3	0.2
Miscellaneous operating expenses	0.1	0.1
Total administrative expenses	2.8	3.6

Note 27. Earnings per share

	3M 2025	3M 2024
Net profit for the period (EUR million)	9.8	6.4
Number of shares at beginning of year	80,000	80,000
Number of shares at end of period	80,000	80,000
Weighted average number of ordinary shares outstanding	80,000	80,000
Earnings per share, in euros	123	80

At 31 December 2024 and at 31 March 2025 the Group did not have any potential dilutive ordinary shares. Therefore, diluted earnings per share equal basic earnings per share.

Note 28. Related parties

For the purposes of these financial statements, parties are related if one controls the other or exerts significant influence on the other's business decisions. Related parties include:

- shareholders of Bigbank AS;
- members of Group companies' management and supervisory boards;
- close family members of the above;
- companies connected with the above persons, except where the persons cannot exert significant influence on the company's business decisions.

At 31 March 2025, the Group had a claim to related parties of 9.0 million euros (Loans to customer) (31 December 2024: 10.6 million euros), the interest income on that claim amounted to 0.2 million euros for three months of 2025 (for three months of 2024: 0.2 million euros). Loans granted to related parties are issued at market conditions.

At the reporting date, management and supervisory board members, shareholders and parties related to them held 3,507 Bigbank bonds with a total nominal value of 3.5 million euros (31 December 2024: 3.4 million euros). Interest expense on deposits and subordinated bonds was 91 thousand euros for three months of 2025 (for three months of 2024: 21 thousand euros).

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Claim to related parties

At	31 March 2025	31 Dec 2024
Loans to customers	**9.0**	**10.6**
Of which to members of management and supervisory boards	0.1	0.1
Of which to shareholders	1.7	1.7
Of which to companies and persons connected related parties	7.2	8.8
Subordinated bonds	**3.5**	**3.4**
Of which to members of management and supervisory boards	1.1	1.1
Of which to shareholders	0.1	-
Of which to companies and persons connected related parties	2.3	2.3
Deposits from customers	**3.4**	**0.6**
Of which to members of management and supervisory boards	0.8	-
Of which to shareholders	2.5	0.1
Of which to companies and persons connected related parties	0.1	0.5

The Group finances subsidiaries and branches with long-term loans. Such loans are eliminated from the consolidated financial statements.

Statement by the Management Board

According to the knowledge and belief of the Management Board of Bigbank AS, at the date of publication:

- The figures and additional information presented in the condensed consolidated interim report for the period ended 31 March 2025 are true and complete.
- The condensed consolidated interim financial statements provide a true and fair view of the Group's financial position, financial performance and cash flows.
- The condensed consolidated interim report at 31 March 2025 has been prepared in accordance with the international financial reporting standard IAS 34 *Interim Financial Reporting* as adopted by the European Union and with the information disclosure requirements established by the Bank of Estonia.

The financial statements have been prepared on a going concern basis.

Martin Länts	Mart Veskimägi	Argo Kiltsmann	Ken Kanarik
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board

signed digitally on 23 April 2025