



**Interim condensed
consolidated financial
statements**

for the period ended 30 June 2025

Bigbank AS

Interim condensed consolidated financial statements for the period ended 30 June 2025

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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 |
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| Corporate website | www.bigbank.ee |
| Financial year | 1 January 2025 – 31 December 2025 |
| Reporting period | 1 January 2025 – 30 June 2025 |
| Chairman of the management board | Martin Lääts |
| 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.

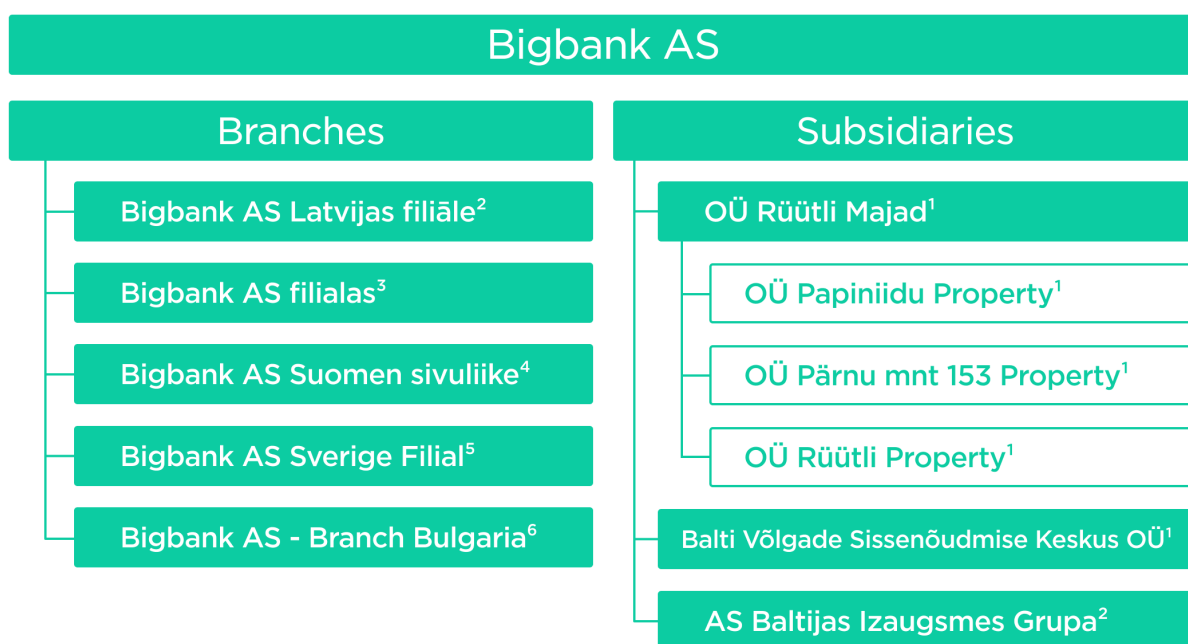
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Bigbank Group structure

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

Review of operations

Significant events

Bigbank's net profit for the first six months of 2025 was 18.7 million euros. Net profit for the same period in 2024 was 15.8 million euros. In the second quarter, Bigbank's net profit amounted to 8.9 million euros, down 0.5 million euros from the second quarter of 2024 (-5%).

In the second quarter, the interest rate environment stabilised: the six-month Euribor, which started the quarter at 2.3%, fell to 2.05% by the end of May and remained at this level throughout June. While the general stabilisation in interest rates has reduced pressure on the Group's interest income, it has also halted the decline in deposit rates.

Overall, the Baltic economies are showing positive signs thanks to a stabilising interest rate environment and recovering external demand. However, Estonia's economy is being significantly hindered by rapid inflation (around 5%) and the highest unemployment rate in recent years, both of which are negatively impacting consumers' purchasing power.

Despite some controversial indicators in the economic environment, Bigbank posted strong growth figures in the second quarter. The total gross loan portfolio reached a record high of 2.44 billion euros by the end of the quarter, up 141 million euros (+6%) quarter on quarter and 537 million euros (+28%) year on year, driven by the strategic product lines of business loans and home loans. Growth in the consumer loan portfolio was more modest. During the quarter, the business loan portfolio increased by 54 million euros (+7%) to 862 million euros, the home loan portfolio by 53 million euros (+8%) to 717 million euros and the consumer loan portfolio by 19 million euros (+2%) to 860 million euros. For the first time in Bigbank's history, business loans also became the largest credit product line in terms of portfolio size.

On the deposit side, the savings deposit portfolio recorded strong growth in the second quarter, increasing by 154 million euros to 1.3 billion euros (+13%). However, the term deposit portfolio decreased by 59 million euros to 1.34 billion euros during the quarter. The stabilising interest rate environment has made the interest rates on more flexible savings deposits competitive with those on term deposits. Therefore, many depositors have opted for savings deposits when their term deposits have matured. At the end of the second quarter, the current accounts opened for retail customers in Estonia totalled 3.4 million euros. All current account holders earn interest at the rate of 2%, the best available on the market. The Group's total deposit portfolio grew by 96 million euros (+4%) quarter on quarter and by 393 million euros (+17%) year on year, reaching 2.65 billion euros.

Interest income grew quarter on quarter, because the growth in the loan portfolio had a stronger impact than the decrease in interest rates during the year. Interest income for the second quarter amounted to 45.2 million euros, an increase of 1.8 million euros (+4%) year on year. Due to the growth of the deposit portfolio and an increase in the volume of bonds issued, interest expense grew by 0.6 million euros (+3%) to 19.5 million euros. As a result, Bigbank's net interest income grew by 1.2 million euros (+5%) year on year to 25.7 million euros.

The quality of the loan portfolio continued to improve in the second quarter: the net allowance for expected credit losses and provisions totalled 1.4 million euros, down 4.4 million euros year on year. This positive trend is mostly attributable to an improvement in the quality of the consumer loan portfolio in all three Baltic countries. The credit quality of home loans remained very good, while that of the business loan portfolio was stable. The share of stage 3 (non-performing) loans decreased by 3.8 million euros in the second quarter, accounting for 4.7% of the total loan portfolio at the end of the quarter (-0.4 pp from the end of the first quarter). The relatively high share of stage 3 loans is mainly due to a small number of larger loans which are well secured and therefore do not increase expected credit loss expenses.

Bigbank's strong team, which is the driving force behind growing business volumes, continued to expand. At the end of the second quarter of 2025, Bigbank had 613 employees: 378 in Estonia, 102 in Lithuania, 91 in Latvia, 22 in Finland, 15 in Bulgaria and 5 in Sweden. Salary expenses for the second quarter totalled 8.2 million euros, up 1.8 million euros year on year (+28%).

The second quarter saw significant progress in the development of everyday banking products. At the beginning of the quarter, Bigbank became a direct member of the SEPA Credit Transfer scheme. This enabled the Group to become fully independent of other financial intermediaries in the euro area. Bigbank has been a direct member of the SEPA Instant Credit Transfer scheme, enabling it to make instant payments independently, since 2024. Another significant milestone was reached at the end of June with the launch of the Bigbank mobile app. Initially made available to retail customers of the Estonian business unit, the modern and convenient app is expected to be launched in Lithuania and Latvia in the coming quarters.

The value of the Group's investment property portfolio was 72.3 million euros at the end of the second quarter. A significant change to the property portfolio was the decrease in the value of the agricultural land in Estonia, which fell by 1.7 million euros (around 5%) due to an overall decline in transaction prices in the market during the quarter.

Two bond issues also took place in the second quarter. In May, Bigbank issued Additional Tier 1 (AT1) bonds totalling 2.44 million euros, thereby increasing its Additional Tier 1 capital by the same amount. In June, Bigbank carried out the first in a series of public unsecured subordinated bond offerings (T2) under a new programme. Due to strong investor interest, Bigbank increased the volume of the T2 bond offering from 3 million euros to 6 million euros, thereby raising its Tier 2 capital by the same amount.

After the reporting date and before this report was authorised for issue, Bigbank received the decision of the Financial Supervision and Resolution Authority of 7 July 2025, which waived the previously applied minimum requirement for own funds and eligible liabilities. According to the requirement, the Group had to maintain a minimum ratio of own funds and eligible liabilities to total risk exposure amount (TREA) of 12.49%. Bigbank complied with this requirement throughout its effective term and would be able to continue to do so in the future. There is no new minimum ratio requirement set by Financial Supervision and Resolution Authority.

In the second quarter, Moody's Ratings affirmed all of the ratings and assessments that it had assigned to Bigbank AS last year.

- Long-term and short-term deposit ratings: Ba1/NP
- Baseline Credit Assessment (BCA) and Adjusted BCA: ba2
- Long-term and short-term Counterparty Risk Ratings: Baa2/P-2
- Long-term and short-term Counterparty Risk Assessments: Baa2(cr)/P-2(cr)

The outlook on the long-term deposit rating was revised from stable to negative.

The composition of the supervisory board and management board of Bigbank AS remained unchanged in the second quarter. The supervisory board has six members: Sven Raba (chairman), Vahur Voll, Juhani Jaeger, Andres Koern, Jaan Liitmäe and Alari Aho. On 18 June 2025, the supervisory board of Bigbank AS decided to extend the term of office of management board member Argo Kiltsmann for a further three years until 30 June 2028. The management board has five members: Martin Länts (chairman), Mart Veskimägi, Argo Kiltsmann, Ingo Pöder and Ken Kanarik.

Key performance indicators and ratios

| Financial position indicators (in millions of euros) | 30 June 2025 | 31 Dec 2024 | Change |
|---|--------------|-------------|--------|
| Total assets | 3,059.0 | 2,778.4 | 10.1% |
| Loans to customers | 2,438.6 | 2,196.5 | 11.0% |
| of which loan portfolio | 2,461.8 | 2,219.0 | 10.9% |
| of which interest receivable | 30.9 | 29.4 | 5.1% |
| of which loss allowances | -54.1 | -51.9 | 4.2% |
| Deposits from customers | 2,648.1 | 2,393.3 | 10.6% |
| Equity | 280.7 | 269.8 | 4.0% |

| Financial performance indicators (in millions of euros) | Q2 2025 | Q2 2024 | Change | 6M 2025 | 6M 2024 | Change |
|--|---------|---------|--------|---------|---------|--------|
| Interest income* | 45.2 | 43.4 | 4.4% | 91.4 | 86.3 | 6.0% |
| Interest expense | -19.5 | -18.9 | 3.1% | -40.1 | -36.2 | 10.6% |
| Net interest income | 25.7 | 24.5 | 5.4% | 51.3 | 50.1 | 2.6% |
| Total income (gross) | 50.3 | 49.0 | 2.8% | 102.0 | 96.8 | 5.5% |
| Net operating income | 27.8 | 27.9 | 0.6% | 56.9 | 55.8 | 2.4% |
| Operating expenses | -13.2 | -10.9 | 24.0% | -25.6 | -23.0 | 12.3% |
| Of which salaries and associated charges | -8.2 | -6.4 | 30.0% | -15.7 | -12.8 | 23.3% |
| Of which administrative expenses | -2.8 | -2.4 | 25.8% | -5.6 | -6.0 | -5.5% |
| Of which depreciation, amortisation and impairment | -2.2 | -2.1 | 3.6% | -4.3 | -4.2 | 3.9% |
| Net allowance for expected credit losses* | -1.3 | -6.9 | -81.1% | 5.9 | 12.6 | -52.7% |
| Profit before impairment losses and income tax* | 12.8 | 18.1 | -29.3% | 29.5 | 31.5 | -6.0% |
| Net profit | 8.9 | 9.4 | -5.8% | 18.7 | 15.8 | 18.2% |

| Ratios | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|---------------------------------|---------|---------|---------|---------|
| Return on equity (ROE) | 12.9% | 15.2% | 13.6% | 12.7% |
| Equity multiplier (EM) | 10.8 | 10.3 | 10.6 | 9.9 |
| Profit margin (PM) | 17.7% | 19.1% | 18.4% | 16.4% |
| Asset utilization ratio (AU) | 6.8% | 7.6% | 7.0% | 7.9% |
| Return on assets (ROA) | 1.2% | 1.5% | 1.3% | 1.3% |
| Price difference (SPREAD) | 3.3% | 3.6% | 3.4% | 3.9% |
| Cost to income ratio (CIR) | 47.7% | 38.7% | 45.0% | 41.1% |
| Liquidity coverage ratio (LCR) | 228.8% | 424.7% | 228.8% | 424.7% |
| Net stable funding ratio (NSFR) | 141.5% | 158.5% | 141.5% | 158.5% |

* 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 30 June 2025, the Group's total assets exceeded 3.0 billion euros, having increased by 114.7 million euros (+3.9%) during the quarter. Loans to customers accounted for 79.7% of total assets, reaching 2.4 billion euros. The amounts due from banks and debt instruments were 16.7%, extending to 511.3 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 42.5 million euros at 30 June 2025.

At the end of the second quarter, the Group had 138 thousand loan agreements: 44 thousand in Lithuania, 36 thousand in Latvia, 33 thousand in Estonia, 20 thousand in Finland, 4 thousand in Sweden and 1 thousand in Bulgaria.

Geographical distribution of loans to customers:

- 41.4% Estonia;
- 35.5% Lithuania;
- 16.0% Latvia;
- 6.1% Finland;
- 0.8% Sweden;
- 0.2% Bulgaria.

At 30 June 2025, loans to customers reached 2.4 billion euros, comprising of:

- the loan portfolio of nearly 2.5 billion euros with loans to individuals accounting for 64.8% of the total;
- interest receivable on loans of 30.9 million euros;
- loss allowances for loans and interest receivables of 54.1 million euros.

Bigbank's loan portfolio is diversified – at the reporting date the average loan balance was over 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 second quarter of 2025, the Group's liabilities totalled 2.8 billion euros. Most of the debt raised by the Group, i.e. 2.6 billion euros (95.3%) consisted of deposits. Subordinated bonds totalled 104.1 million euros at 30 June 2025.

At the end of the second quarter of 2025, the Group's equity amounted to 280.7 million euros. The equity to assets ratio was 9.2%.

Financial performance

Interest income for the second quarter of 2025 was 45.2 million euros, 1.8 million euros (+4.4%) higher than in the same period in 2024. The second-quarter ratio of interest income (annualised) to average interest-

earning assets was 6.3% and interest income on the loan portfolio (annualised) accounted for 7.1% of the average loan portfolio.

Interest expense for the second quarter of 2025 was 19.5 million euros, 0.6 million euros (+3.1%) 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 43.1% in the second quarter. The ratio of interest expense to average interest-bearing liabilities (annualised) was 2.9%.

Salaries and associated charges for the second quarter of 2025 were 8.3 million euros. At the end of the period, the Group had 613 employees. Administrative expenses for the second quarter amounted to 2.9 million euros. Expected credit loss allowances for the second quarter was 1.3 million euros.

The Group's net profit for the second quarter of 2025 was 8.9 million euros, down 0.5 million euros from the same period a year ago.

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) | 30 June 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 | 2.6 | 2.5 |
| Other intangible assets | -18.0 | -19.5 |
| Profit eligible | 7.4 | 20.7 |
| Adjustments to CET1 | -1.2 | -1.1 |
| Common equity Tier 1 capital | 250.1 | 237.6 |
| Tier 1 capital | 281.2 | 262.3 |
| Tier 2 capital | 73.0 | 67.0 |
| Total own funds | 354.2 | 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 second quarter of 2025 include net profit for the three months of this year.

Total risk exposure amount

| At (in millions of euros) | 30 June 2025 | 31 Dec 2024 |
|--|----------------|----------------|
| Risk weighted exposure amounts for credit and counterparty credit (standardised approach) | | |
| Receivables from central governments and central banks | 8.2 | 3.4 |
| Receivables from credit institutions and investment firms | 7.4 | 5.7 |
| Receivables from corporates | 45.7 | 29.3 |
| Retail | 606.4 | 577.6 |
| Secured by mortgages on immovable property and ADC* exposures | 819.8 | 682.3 |
| Exposures in default | 102.6 | 93.7 |
| Items associated with particular high risk | - | 179.0 |
| Claims on institutions and corporates with a short-term credit assessment | - | 1.5 |
| Equity | 35.8 | 36.3 |
| Other items | 28.0 | 34.3 |
| Total risk weighted exposure amounts for credit and counterparty credit (standardised approach) | 1,653.9 | 1,643.1 |
| Total risk exposure amount for foreign exchange risk (standardised approach) | 24.6 | 18.4 |
| Total risk exposure amount for operational risk (standardised approach) | 87.9 | 149.5 |
| Total risk exposure amount | 1,766.4 | 1,811.0 |

* ADC – acquisition, development and construction

Capital ratios

| At | 30 June 2025 | 31 Dec 2024 |
|---|--------------|-------------|
| CET1 Capital ratio | 14.2% | 13.1% |
| T1 Capital ratio | 15.9% | 14.5% |
| Total capital ratio | 20.1% | 18.2% |
| Leverage ratio | 9.2% | 9.5% |
| Own funds and eligible liabilities to total risk exposure amount (TREA) | 20.1% | 18.2% |
| Own funds and eligible liabilities to total leverage ratio exposure (LRE) | 11.5% | 11.9% |

Condensed consolidated interim financial statements

Consolidated statement of financial position

| At (in millions of euros) | Note | 30 June 2025 | 31 Dec 2024 |
|-------------------------------------|------|----------------|----------------|
| Assets | | | |
| Cash balances at central banks | 3 | 457.0 | 423.2 |
| Due from other banks | 3 | 11.8 | 25.4 |
| Debt instruments at FVOCI | 4 | 42.5 | 22.3 |
| Loans to customers | 5-9 | 2,438.6 | 2,196.5 |
| Property, plant and equipment | 10 | 9.6 | 8.9 |
| Investment properties | 11 | 72.3 | 66.4 |
| Intangible assets | 12 | 23.3 | 25.2 |
| Current tax assets | | 0.4 | 0.4 |
| Other assets | 13 | 3.4 | 9.9 |
| Assets held for sale | | 0.1 | 0.2 |
| Total assets | 2 | 3,059.0 | 2,778.4 |
| Liabilities | | | |
| Loans from banks | 14 | 8.2 | 8.4 |
| Deposits from customers | 15 | 2,648.1 | 2,393.3 |
| Subordinated bonds | 16 | 104.1 | 91.7 |
| Current tax liabilities | | 4.9 | 2.9 |
| Other liabilities | 17 | 13.0 | 12.3 |
| Total liabilities | 2 | 2,778.3 | 2,508.6 |
| Equity | | | |
| Paid-in share capital | | 8.0 | 8.0 |
| Capital reserve | | 0.8 | 0.8 |
| Other reserves | 18 | 2.7 | 2.5 |
| Retained earnings | | 269.2 | 258.5 |
| Total equity | | 280.7 | 269.8 |
| Total liabilities and equity | | 3,059.0 | 2,778.4 |

Consolidated statement of comprehensive income

| <i>(in millions of euros)</i> | Note | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|---|--------|--------------|--------------|--------------|--------------|
| Continuing operations | | | | | |
| Interest income | 22 | 45.2 | 43.4* | 91.4 | 86.3* |
| Interest expense | 23 | -19.5 | -18.9 | -40.1 | -36.2 |
| Net interest income | | 25.7 | 24.5 | 51.3 | 50.1 |
| Fee and commission income | | 2.7 | 2.4 | 5.3 | 4.7 |
| Fee and commission expense | | -0.2 | -0.1 | -0.3 | -0.3 |
| Net fee and commission income | | 2.5 | 2.3 | 5.0 | 4.4 |
| Loss on sale of debt instruments at FVOCI | | -0.1 | - | -0.1 | - |
| Net gain on financial assets at FVTPL | 4 | 1.0 | 2.0 | 2.5 | 3.3 |
| Net loss on foreign exchange differences | | -0.2 | 0.1 | 0.2 | -0.2 |
| Net income/loss on financial assets | | 0.7 | 2.1 | 2.6 | 3.1 |
| Other operating income | 24 | 1.4 | 1.2 | 2.8 | 2.5 |
| Other operating expenses | 25 | -2.5 | -2.2 | -4.8 | -4.3 |
| Total net operating income | | 27.8 | 27.9 | 56.9 | 55.8 |
| Salaries and associated charges | | -8.2 | -6.4 | -15.7 | -12.8 |
| Administrative expenses | 26 | -2.8 | -2.4 | -5.6 | -6.0 |
| Depreciation, amortisation and impairment | 10, 12 | -2.2 | -2.1 | -4.3 | -4.2 |
| Total expenses | | -13.2 | -10.9 | -25.6 | -23.0 |
| Reversal of provision / Provision expenses | | -0.1 | 1.1 | -0.1 | -1.3 |
| Gain on change in the fair value of investment properties | 11 | -1.7 | - | -1.7 | - |
| Profit before loss allowances | | 12.8 | 18.1 | 29.5 | 31.5 |
| Net expected credit loss allowances | | -1.3 | -6.9* | -5.9 | -12.6* |
| Profit before income tax | | 11.5 | 11.2 | 23.6 | 18.9 |
| Income tax | | -2.6 | -1.8 | -4.9 | -3.1 |
| Profit for the period | | 8.9 | 9.4 | 18.7 | 15.8 |
| Other comprehensive income | | | | | |
| Other comprehensive income that may be reclassified subsequently to profit or loss: | | 1.0 | - | 0.2 | 0.2 |
| <i>Exchange differences on translating foreign operations</i> | | 0.3 | -0.1 | -0.2 | 0.2 |
| <i>Changes in the fair value of debt instruments at FVOCI</i> | | 0.7 | 0.1 | 0.4 | - |
| Total comprehensive income for the period | | 9.9 | 9.4 | 18.9 | 16.0 |
| Basic earnings per share (EUR) | 27 | 111 | 118 | 234 | 198 |
| Diluted earnings per share (EUR) | 27 | 111 | 118 | 234 | 198 |

* 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

| <i>(in millions of euros)</i> | Note | 6M 2025 | 6M 2024 |
|--|--------|--------------|--------------|
| Cash flows from operating activities | | | |
| Interest received | | 91.8 | 89.1 |
| Interest paid | | -24.5 | -12.1 |
| Salary, administrative, other expenses and fees paid | | -34.2 | -31.5 |
| Other income and fees received | | 9.1 | 8.0 |
| Recoveries of receivables previously written off and proceeds from the sale of portfolio items | | 7.9 | 0.5 |
| Received for other assets | | - | 3.9 |
| Loans provided | | -578.5 | -490.8 |
| Repayment of loans provided | | 317.1 | 236.2 |
| Change in mandatory reserves with central banks and related interest receivables | 3 | -3.6 | -3.8 |
| Proceeds from attracted deposits from customers | | 1,630.7 | 1,134.1 |
| Paid on redemption of deposits from customers | | -1,368.8 | -831.6 |
| Income tax paid | | -2.9 | -2.1 |
| Effect of movements in exchange rates | | 0.4 | -0.2 |
| Net cash flows from operating activities | | 44.5 | 99.7 |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment and intangible assets | 10, 12 | -2.5 | -1.7 |
| Acquisition of investment properties | 11 | -6.1 | - |
| Proceeds from sale of investment properties | 11 | - | 0.1 |
| Change in term deposits | | 0.1 | - |
| Investment into financial instruments at FVOCI | 4 | -28.3 | - |
| Proceeds from redemption of financial instruments at FVOCI | 4 | 8.7 | 5.5 |
| Net cash flows used in/from investing activities | | -28.1 | 3.9 |
| Cash flows from financing activities | | | |
| Proceeds from issue of subordinated bonds | 16 | 12.5 | 12.0 |
| Interest paid on subordinated bonds | 16 | -4.0 | - |
| Paid on redemption of subordinated bonds | 16 | - | -3.2 |
| Repayments of loans from banks | 14 | -0.1 | -0.4 |
| Payments of principal portion of lease liabilities | | -0.3 | -0.4 |
| Dividends paid | | -8.0 | -8.0 |
| Net cash from financing activities | | 0.1 | - |
| Effect of movements in foreign exchange rates | | 0.2 | -0.1 |
| Increase in cash and cash equivalents | | 16.7 | 103.5 |
| Cash and cash equivalents at beginning of period | | 427.1 | 503.3 |
| Cash and cash equivalents at end of period | 3 | 443.8 | 606.8 |

Consolidated statement of changes in equity

| <i>(in millions of euros)</i> | Attributable to equity holders of the parent | | | | Total |
|---|--|---------------------------|----------------|-------------------|--------------|
| | Share capital | Statutory capital reserve | Other reserves | Retained earnings | |
| Balance at 1 January 2024 | 8.0 | 0.8 | 1.8 | 234.2 | 244.8 |
| Profit for the period | - | - | - | 15.8 | 15.8 |
| Other comprehensive income | | | | | |
| Exchange differences on translating foreign operations | - | - | 0.2 | - | 0.2 |
| Total other comprehensive income | - | - | 0.2 | - | 0.2 |
| Total comprehensive income for the period | - | - | 0.2 | 15.8 | 16.0 |
| Dividend distribution | - | - | - | -8.0 | -8.0 |
| Balance at 30 June 2024 | 8.0 | 0.8 | 2.0 | 242.0 | 252.8 |
| Profit for the period 1 July - 31 December 2024 | - | - | - | 16.5 | 16.5 |
| Other comprehensive income for the period 1 July - 31 December 2024 | - | - | 0.5 | - | 0.5 |
| 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 | - | - | - | 18.7 | 18.7 |
| Other comprehensive income | | | | | |
| Exchange differences on translating foreign operations | - | - | -0.2 | - | -0.2 |
| Changes in the fair value of debt instruments at FVOCI | - | - | 0.4 | - | 0.4 |
| Total other comprehensive income | - | - | 0.2 | - | 0.2 |
| Total comprehensive income for the period | - | - | 0.2 | 18.7 | 18.9 |
| Dividend distribution | - | - | - | -8.0 | -8.0 |
| Balance at 30 June 2024 | 8.0 | 0.8 | 2.7 | 269.2 | 280.7 |

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 30 June 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.

While the ratio of the stage 3 loan portfolio to the total loan portfolio exceeded 5% during the first quarter then by the end of the second quarter the stage 3 loans accounted for 4.7%. The volume of stage 3 loan claims decreased due to repayments of corporate loans on the watch list and a one-off sale of consumer loans in the amount of 3.3 million euros. The expected credit loss model was also updated, which resulted in a decrease in loss allowance by 0.8 million euros. Other significant risks corresponded to the target levels.

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.

Assets and liabilities of segments at 30 June 2025

| | Retail banking | Corporate banking | Other activities | Elimination | Total |
|-------------------|----------------|-------------------|------------------|-------------|---------|
| Total assets | 1,946.0 | 1,043.2 | 147.6 | -77.8 | 3,059.0 |
| Total liabilities | 2,652.2 | 122.5 | 44.9 | -41.3 | 2,778.3 |

Assets and liabilities of segments at 30 June 2024

| | Retail banking | Corporate banking | Other activities | Elimination | Total |
|-------------------|----------------|-------------------|------------------|-------------|---------|
| Total assets | 1,721.4 | 866.5 | 83.4 | -44.1 | 2,627.2 |
| Total liabilities | 2,307.1 | 63.8 | 44.6 | -41.1 | 2,374.4 |

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 |

Segment profit for Q2 2025

| | Retail banking | Corporate banking | Other activities | Elimination | Total |
|--|-------------------|----------------------|---------------------|-------------|-------------|
| Interest income | 29.1 | 16.3 | 0.3 | -0.5 | 45.2 |
| Interest expense | -12.8 | -6.6 | -0.6 | 0.5 | -19.5 |
| Net interest income/expense | 16.3 | 9.7 | -0.3 | - | 25.7 |
| Net fee and commission income/expense | 2.6 | -0.1 | - | - | 2.5 |
| Net gain on financial assets and loss on derecognition of non-financial assets | - | 0.9 | -0.2 | - | 0.7 |
| Net other operating income and expenses | -1.4 | - | 0.5 | -0.2 | -1.1 |
| Net operating income | 17.5 | 10.5 | - | -0.2 | 27.8 |
| Expenses and expenses on provisions | -10.1 | -3.3 | -0.1 | 0.2 | -13.3 |
| Loss on change in the fair value of investment property | - | - | -1.7 | - | -1.7 |
| Profit before loss allowances | 7.4 | 7.2 | -1.8 | - | 12.8 |
| Net expected credit loss allowances | -0.9 | -0.4 | - | - | -1.3 |
| Profit before income tax | 6.5 | 6.8 | -1.8 | - | 11.5 |
| Income tax | -1.4 | -1.2 | - | - | -2.6 |
| Profit for the period | 5.1 | 5.6 | -1.8 | - | 8.9 |

Segment profit for 6 months 2025

| | Retail banking | Corporate banking | Other activities | Elimination | Total |
|--|-------------------|----------------------|---------------------|-------------|-------------|
| Interest income | 60.2 | 31.6 | 0.6 | -1.0 | 91.4 |
| Interest expense | -26.7 | -13.2 | -1.2 | 1.0 | -40.1 |
| Net interest income/expense | 33.5 | 18.4 | -0.6 | - | 51.3 |
| Net fee and commission income/expense | 5.1 | -0.1 | - | - | 5.0 |
| Net gain on financial assets and loss on derecognition of non-financial assets | - | 2.2 | 0.4 | - | 2.6 |
| Net other operating income and expenses | -2.9 | 0.1 | 1.2 | -0.4 | -2.0 |
| Net operating income | 35.7 | 20.6 | 1.0 | -0.4 | 56.9 |
| Expenses and expenses on provisions | -19.2 | -6.7 | -0.2 | 0.4 | -25.7 |
| Loss on change in the fair value of investment property | - | - | -1.7 | - | -1.7 |
| Profit before loss allowances | 16.5 | 13.9 | -0.9 | - | 29.5 |
| Net expected credit loss allowances | -5.3 | -0.6 | - | - | -5.9 |
| Profit before income tax | 11.2 | 13.3 | -0.9 | - | 23.6 |
| Income tax | -2.7 | -2.2 | - | - | -4.9 |
| Profit for the period | 8.5 | 11.1 | -0.9 | - | 18.7 |

Segment profit for Q2 2024

| | Retail banking | Corporate banking | Other activities | Elimination | Total |
|--|----------------|-------------------|------------------|-------------|-------------|
| Interest income* | 30.7 | 13.4 | - | -0.7 | 43.4 |
| Interest expense | -13.6 | -5.1 | -0.8 | 0.6 | -18.9 |
| Net interest income/expense | 17.1 | 8.3 | -0.8 | -0.1 | 24.5 |
| Net fee and commission income/expense | 2.4 | -0.1 | - | - | 2.3 |
| Net gain on financial assets and loss on derecognition of non-financial assets | 0.0 | 1.8 | 0.3 | - | 2.1 |
| Net other operating income and expenses | -1.6 | - | 0.8 | -0.2 | -1.0 |
| Net operating income | 17.9 | 10.0 | 0.3 | -0.3 | 27.9 |
| Expenses and expenses on provisions | -6.9 | -3.0 | -0.1 | 0.2 | -9.8 |
| Profit before loss allowances | 11.0 | 7.0 | 0.2 | -0.1 | 18.1 |
| Net expected credit loss allowances* | -7.0 | 0.1 | - | - | -6.9 |
| Profit before income tax | 4.0 | 7.1 | 0.2 | -0.1 | 11.2 |
| Income tax | -1.2 | -0.6 | - | - | -1.8 |
| Profit for the period | 2.8 | 6.5 | 0.2 | -0.1 | 9.4 |

Segment profit for 6 months 2024

| | Retail banking | Corporate banking | Other activities | Elimination | Total |
|--|----------------|-------------------|------------------|-------------|-------------|
| Interest income* | 60.9 | 26.6 | 0.1 | -1.3 | 86.3 |
| Interest expense | -26.0 | -9.9 | -1.6 | 1.3 | -36.2 |
| Net interest income/expense | 34.9 | 16.7 | -1.5 | - | 50.1 |
| Net fee and commission income/expense | 4.5 | -0.1 | - | - | 4.4 |
| Net gain on financial assets and loss on derecognition of non-financial assets | - | 2.9 | 0.2 | - | 3.1 |
| Net other operating income and expenses | -2.9 | - | 1.5 | -0.4 | -1.8 |
| Net operating income | 36.5 | 19.5 | 0.2 | -0.4 | 55.8 |
| Expenses and expenses on provisions | -18.5 | -6.0 | -0.2 | 0.4 | -24.3 |
| Profit before loss allowances | 18.0 | 13.5 | - | - | 31.5 |
| Net expected credit loss allowances* | -12.5 | -0.1 | - | - | -12.6 |
| Profit before income tax | 5.5 | 13.4 | - | - | 18.9 |
| Income tax | -2.0 | -1.1 | - | - | -3.1 |
| Profit for the period | 3.5 | 12.3 | - | - | 15.8 |

* 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.

Note 3. Cash and bank balances

| | 30 June 2025 | 31 Dec 2024 |
|--|--------------|--------------|
| Cash balances at central banks | 457.0 | 423.2 |
| Of which mandatory reserve deposits | 24.8 | 21.2 |
| Of which surplus on mandatory reserves* | 14.8 | 3.5 |
| Of which overnight deposits* | 417.4 | 398.5 |
| Cash balances at banks | 11.8 | 25.4 |
| Of which cash demand and overnight deposits* | 11.6 | 25.1 |
| Of which term deposits | 0.2 | 0.3 |
| Total | 468.8 | 448.6 |
| Of which cash and cash equivalents | 443.8 | 427.1 |

* Cash equivalents

Note 4. Debt instruments

| At | 30 June 2025 | 31 Dec 2024 |
|-------------------------------------|--------------|-------------|
| Debt instruments | 42.5 | 22.3 |
| Debt instruments by issuer | | |
| Government bonds | 27.2 | 15.1 |
| Credit institutions' bonds | 10.7 | 4.7 |
| Non-financial corporations' bonds | 4.6 | 2.5 |
| Debt instruments by currency | | |
| EUR (euro) | 31.3 | 20.8 |
| SEK (Swedish krona) | 11.3 | 1.5 |
| Debt instruments by rating | | |
| Aaa-Aa3 | 13.3 | 3.6 |
| A1-A3 | 13.5 | 14.1 |
| Baa1-Baa3 | 15.7 | 4.6 |

Note 5. Loans to customers

| At | 30 June 2025 | 31 Dec 2024 |
|--------------------------------|----------------|----------------|
| Measured at amortised cost | 2,404.2 | 2,158.2 |
| Measured mandatorily at FVTPL* | 34.4 | 38.3 |
| Loans to customers | 2,438.6 | 2,196.5 |

In the second quarter of this year, some plots of agricultural land acquired with the seller's repurchase option were reclassified as investment property since the obligation to resell the land ceased to exist. Previously, these assets were classified as loans to customers and mandatorily measured at fair value through profit or loss (see note 11).

Loans to customers at 30 June 2025

| | Estonia | Lithuania | Latvia | Finland | Sweden | Bulgaria | Total |
|---|----------------|--------------|--------------|--------------|-------------|------------|----------------|
| Loans to customers at amortised cost | | | | | | | |
| Loan receivables from customers | 987.5 | 859.5 | 399.3 | 154.5 | 21.1 | 5.5 | 2,427.4 |
| Loss allowances for loan receivables | -18.9 | -8.7 | -11.5 | -5.5 | -2.7 | -1.7 | -49.0 |
| Interest receivable from customers | 8.6 | 17.4 | 3.1 | 1.1 | 0.4 | 0.3 | 30.9 |
| Loss allowances for interest receivables | -2.6 | -1.0 | -0.9 | -0.2 | -0.2 | -0.2 | -5.1 |
| Total | 974.6 | 867.2 | 390.0 | 149.9 | 18.6 | 3.9 | 2,404.2 |
| Loans to customers at FVTPL | | | | | | | |
| Loan receivables from customers | 34.4 | | | | | | 34.4 |
| Total | 34.4 | | | | | | 34.4 |
| Total loans to customers | 1,009.0 | 867.2 | 390.0 | 149.9 | 18.6 | 3.9 | 2,438.6 |
| Share of region | 41.4% | 35.5% | 16.0% | 6.1% | 0.8% | 0.2% | 100.0% |

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 | 30 June 2025 | 31 Dec 2024 |
|--|----------------|----------------|
| Past due loan payments | 52.4 | 45.5 |
| Contractual principal payments cash flows of loans | | |
| Less than 1 month | 40.8 | 38.0 |
| 1-12 months | 269.7 | 42.6 |
| 1-2 years | 371.1 | 215.6 |
| 2-5 years | 865.2 | 1,110.9 |
| More than 5 years | 862.6 | 766.4 |
| Total loan receivables | 2,461.8 | 2,219.0 |

Note 7. Ageing analysis on loan receivables**Ageing analysis at 30 June 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 | 653.4 | 29.7 | 6.7 | 3.5 | 53.2 | 746.5 |
| Loss allowance | -13.3 | -3.2 | -2.3 | -1.4 | -29.1 | -49.3 |
| Loans secured with real estate | | | | | | |
| Gross carrying amount | 1,455.6 | 27.0 | 3.6 | 3.9 | 25.9 | 1,516.0 |
| Loss allowance | -1.7 | -0.2 | -0.1 | - | -0.2 | -2.2 |
| Loans against other collaterals | | | | | | |
| Gross carrying amount | 176.9 | 11.0 | 3.2 | 1.2 | 3.5 | 195.8 |
| Loss allowance | -1.2 | -0.4 | -0.3 | -0.2 | -0.5 | -2.6 |
| Loans to customers at FVTPL | | | | | | |
| Gross carrying amount | 34.4 | - | - | - | - | 34.4 |
| Total at gross carrying amount | 2,320.3 | 67.7 | 13.5 | 8.6 | 82.6 | 2,492.7 |
| Total loss allowance | -16.2 | -3.8 | -2.7 | -1.6 | -29.8 | -54.1 |
| Total loans to customers | | | | | | 2,438.6 |

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 | 30 June 2025 | 31 Dec 2024 |
|---|----------------|----------------|
| Loans to customers at amortised cost | | |
| EUR (euro) | 2,431.0 | 2,181.0 |
| SEK (Swedish krona) | 21.5 | 23.4 |
| BGN (Bulgarian lev) | 5.8 | 5.7 |
| Loans to customers at FVTPL | | |
| EUR (euro) | 34.4 | 38.3 |
| Total at gross carrying amount | 2,492.7 | 2,248.4 |

Note 9. Loss allowances for loan receivables from customers**Loss allowances at 30 June 2025**

| | Loan receivables | Interest receivables | Total receivables subject to impairment | Total loss allowances |
|--------------|------------------|----------------------|---|-----------------------|
| Stage 1 | 2,241.7 | 19.4 | 2,261.1 | -12.3 |
| Stage 2 | 80.6 | 1.0 | 81.6 | -7.2 |
| Stage 3 | 105.1 | 10.5 | 115.6 | -34.6 |
| Total | 2,427.4 | 30.9 | 2,458.3 | -54.1 |

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 |

Development of allowances for 6 months 2025

| | Opening balance at 1 Jan 2025 | 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 | -2.8 | 1.0 | 2.7 | - | -12.3 |
| Stage 2 | -8.0 | - | 0.1 | 0.7 | - | -7.2 |
| Stage 3 | -30.7 | - | 0.4 | -7.7 | 3.4 | -34.6 |
| Total | -51.9 | -2.8 | 1.5 | -4.3 | 3.4 | -54.1 |

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 | - | 0.2 | -3.1 | 1.0 | -8.0 |
| Stage 3 | -21.5 | - | 0.9 | -16.8 | 6.7 | -30.7 |
| Total | -37.5 | -5.8 | 2.2 | -18.6 | 7.8 | -51.9 |

Note 10. Property, plant and equipment

| At | 30 June 2025 | 31 Dec 2024 |
|--------------------------------------|--------------|-------------|
| Buildings | 6.1 | 6.2 |
| Right-of-use assets: office premises | 1.6 | 1.5 |
| Other items | 1.9 | 1.2 |
| Total | 9.6 | 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 | - | 1.0 | 1.0 |
| Sales | - | -0.2 | -0.2 |
| Balance at 30 June 2025 | 6.2 | 5.9 | 12.1 |
| 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 | -0.2 | -0.3 |
| Sales | - | 0.1 | 0.1 |
| Balance at 30 June 2025 | -0.1 | -4.0 | -4.1 |

| | Buildings | Other items | Total |
|--------------------------------|------------|-------------|------------|
| 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 30 June 2025 | 6.1 | 1.9 | 8.0 |

* 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 | -0.3 | -0.6 |
| Price adjustment | - | 0.1 |
| Carrying amount at end of period | 1.6 | 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 |
| Transfer from loans to customers measured at FVTPL to investment property (note 5) | 1.4 | - |
| Net gain on fair value adjustments (note 20) | -1.7 | -1.6 |
| Closing balance at end of period | 72.3 | 66.4 |

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

In the second quarter of this year, some plots of agricultural land acquired with the seller's repurchase option were reclassified as investment property since the obligation to resell the land ceased to exist. Previously, these assets were classified as loans to customers and mandatorily measured at fair value through profit or loss (see note 5).

In the second quarter, the value of the agricultural land in Estonia was written down by 1.7 million euros due to a fall in the level of transaction prices in the market.

Note 12. Intangible assets

| | 2025 | 2024 |
|--|--------------|--------------|
| Cost at beginning of year | 44.3 | 41.7 |
| Purchased and developed software | 1.7 | 3.1 |
| Of which purchases | 0.7 | 0.2 |
| Of which capitalised payroll costs | 1.0 | 2.9 |
| Write-off | - | -0.5 |
| Cost at end of period | 46.0 | 44.3 |
| Amortisation at beginning of year | -19.1 | -12.4 |
| Amortisation charge for the period | -3.6 | -6.9 |
| Write-off | - | 0.2 |
| Amortisation at end of period | -22.7 | -19.1 |
| Carrying amount at beginning of year | 25.2 | 29.3 |
| Carrying amount at end of period | 23.3 | 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 | 30 June 2025 | 31 Dec 2024 |
|--|--------------|-------------|
| Financial assets | | |
| Customer receivables and other miscellaneous receivables | 0.5 | 8.0 |
| Collection, recovery and other charges receivable | 1.4 | 1.1 |
| Impairment allowance for other receivables | -0.6 | -0.4 |
| Total financial assets | 1.3 | 8.7 |
| Non-financial assets | | |
| Other tax prepayments | 0.4 | 0.1 |
| Prepayments to suppliers and prepaid expenses | 1.7 | 1.1 |
| Total non-financial assets | 2.1 | 1.2 |
| Total other assets | 3.4 | 9.9 |

Note 14. Loans from banks

| | 30 June 2025 | 31 Dec 2024 |
|--------------------------------------|--------------|-------------|
| Loans from other credit institutions | 8.2 | 8.4 |

The term of loans is five years with a final maturity in June 2027. Interest expense for six months was 0.2 million euros (six months 2024: 0.3 million euros), see note 23.

Note 15. Deposits from customers

| At | 30 June 2025 | 31 Dec 2024 |
|----------------------------------|----------------|----------------|
| Deposits from customers | 2,648.1 | 2,393.3 |
| Deposits by customer type | | |
| Individuals | 2,570.4 | 2,334.3 |
| Legal persons | 77.7 | 59.0 |
| Deposits by currency | | |
| EUR (euro) | 2,579.9 | 2,325.5 |
| SEK (Swedish krona) | 29.9 | 40.4 |
| BGN (Bulgarian lev) | 38.3 | 27.4 |
| Deposits by maturity | | |
| On demand | 1,309.3 | 1,029.0 |
| Maturing within 1 month | 166.9 | 252.7 |
| Maturing between 1 and 3 months | 670.4 | 527.5 |
| Maturing between 3 and 12 months | 670.4 | 527.5 |
| Maturing between 1 and 5 years | 322.9 | 346.1 |
| Maturing in over 5 years | 33.1 | 38.7 |

Note 16. Subordinated bonds**Changes in bonds**

| | 2025 | 2024 |
|--------------------------------|--------------|-------------|
| Balance at beginning of period | 91.7 | 76.1 |
| Cash items: | | |
| Receipts | 12.5 | 20.4 |
| Payments | -4.0 | -11.8 |
| Non-cash items: | | |
| Accrued interest | 3.9 | 7.0 |
| Closing balance | 104.1 | 91.7 |

Bonds at 30 June 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 |
| Note EE0000001329 | 2.4 | 9.0% | 29 May 2025 | Perpetual |
| Note EE0000001501 | 6.0 | 6.5% | 27 June 2025 | 27 June 2035 |

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 | 30 June 2025 | 31 Dec 2024 |
|--|--------------|-------------|
| Financial liabilities | | |
| Payments in transit | 2.6 | 2.7 |
| Supplier payables | 0.7 | 0.8 |
| Lease liabilities | 1.6 | 1.6 |
| Total financial liabilities | 4.9 | 5.1 |
| Non-financial liabilities | | |
| Payables to employees | 2.2 | 3.7 |
| Other taxes payable | 1.8 | 2.2 |
| Provisions | 0.3 | 0.2 |
| Other payables and deferred income | 3.8 | 1.1 |
| Total non-financial liabilities | 8.1 | 7.2 |
| Total other liabilities | 13.0 | 12.3 |

Note 18. Other reserves

| At | 30 June 2025 | Change | 31 Dec 2024 |
|--|--------------|------------|-------------|
| Exchange differences on translating foreign operations | 1.0 | -0.2 | 1.2 |
| Asset revaluation reserve | 1.7 | - | 1.7 |
| Fair value changes of debt instruments measured at FVOCI | - | 0.4 | -0.4 |
| Total other reserves | 2.7 | 0.2 | 2.5 |

Note 19. Net currency positions

| | 30 June 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) | 31.0 | 30.3 | 0.7 | 40.0 | 40.6 | -0.6 |
| BGN (Bulgarian lev) | 13.3 | 38.3 | -25.0 | 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 30 June 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 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 30 June 2025

| | Level 1 | Level 2 | Level 3 | Total |
|--|-------------|-------------|----------------|----------------|
| Assets measured at fair value | | | | |
| Debt instruments at FVOCI (note 4) | 42.5 | - | - | 42.5 |
| Loans to customers at FVTPL (note 5-9) | - | - | 34.4 | 34.4 |
| Land and buildings (note 10) | - | - | 6.1 | 6.1 |
| Investment properties (note 11) | - | - | 72.3 | 72.3 |
| Assets for which fair values are disclosed | | | | |
| Loans to customers at amortised cost (note 5-9) | - | - | 2,404.2 | 2,404.2 |
| Other financial receivables (note 13) | - | - | 1.3 | 1.3 |
| Assets held for sale | - | - | 0.1 | 0.1 |
| Total assets | 42.5 | - | 2,518.4 | 2,560.9 |
| Liabilities for which fair values are disclosed | | | | |
| Loans from banks (note 14) | - | - | 8.2 | 8.2 |
| Deposits from customers (note 15) | - | - | 2,648.1 | 2,648.1 |
| Subordinated bonds (note 16) | - | 57.9 | 46.2 | 104.1 |
| Lease liabilities (note 17) | - | - | 1.6 | 1.6 |
| Other financial liabilities (note 17) | - | - | 3.3 | 3.3 |
| Total liabilities | - | 57.9 | 2,707.4 | 2,765.3 |

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 3.83% (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 straight-line basis over the term of the contract. Balance of deferred day 1 gain at end of year was 0.1 million euros (31 December 2024: 0.6 million euros).

At the reporting date, the market interest rate applied in the valuation technique was 3.83% (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 2,404.2 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 72.3 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 8,100 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 office buildings and retail space recognised in the line item 'Investment property' were revalued in the fourth quarter of 2024. The forest and agricultural land recognised as investment property were revalued in the second quarter of this year (see note 11). The assumptions used described above are based on experts estimates obtained in the fourth quarter of 2024 and in the second quarter of this year.

Note 21. Contingent liabilities

At 31 December 2024, the unused portions of credit lines and loans totalled 275.4 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.

Note 22. Interest income

| | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|---|-------------|--------------|-------------|--------------|
| Interest income calculated using the effective interest method | | | | |
| Interest income on loans to customers at amortised cost | 41.7 | 36.5* | 83.1 | 73.0* |
| Interest income on debt securities at FVOCI | 0.3 | - | 0.6 | 0.1 |
| Interest income on banks and central banks deposits | 2.3 | 5.9 | 5.8 | 11.2 |
| Other income | | | | |
| Interest income on lease portfolio | 0.9 | 1.0 | 1.9 | 2.0 |
| Total interest income | 45.2 | 43.4* | 91.4 | 86.3* |

* 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 1.3 million euros for six months and 0.5 million euros for the second quarter and reclassifying it to *Net expected credit loss allowances*.

Note 23. Interest expense

| | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|--|-------------|-------------|-------------|-------------|
| Interest expense calculated using the effective interest method | | | | |
| Interest expense on deposits from customers | 17.3 | 17.1 | 35.8 | 32.6 |
| Interest expense on loans from banks | 0.1 | 0.1 | 0.2 | 0.3 |
| Interest expense on subordinated bonds | 2.1 | 1.7 | 4.1 | 3.3 |
| Total interest expense | 19.5 | 18.9 | 40.1 | 36.2 |

Note 24. Other operating income

| | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|---------------------------------------|------------|------------|------------|------------|
| Rental income | 1.0 | 0.9 | 2.0 | 1.8 |
| Income from debt recovery proceedings | 0.3 | 0.2 | 0.6 | 0.5 |
| Miscellaneous income | 0.1 | 0.1 | 0.2 | 0.2 |
| Total other income | 1.4 | 1.2 | 2.8 | 2.5 |

Note 25. Other operating expenses

| | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|---|------------|------------|------------|------------|
| Legal regulation charges | 1.3 | 1.1 | 2.4 | 2.2 |
| Expenses from investment properties | 0.6 | 0.4 | 1.1 | 0.8 |
| Expenses related to registry inquiries | 0.1 | 0.2 | 0.3 | 0.3 |
| Expenses related to enforcement proceedings | 0.2 | 0.2 | 0.4 | 0.4 |
| Levies | - | 0.1 | - | 0.2 |
| Miscellaneous expenses | 0.3 | 0.2 | 0.6 | 0.4 |
| Total other expenses | 2.5 | 2.2 | 4.8 | 4.3 |

Note 26. Administrative expenses

| | Q2 2025 | Q2 2024 | 6M 2025 | 6M 2024 |
|---|------------|------------|------------|------------|
| Marketing expenses | 1.2 | 0.7 | 2.3 | 2.7 |
| Short-term leases | 0.1 | 0.1 | 0.1 | 0.1 |
| Office and other similar administrative expenses | 0.2 | 0.1 | 0.3 | 0.2 |
| Other personnel-related expenses | 0.3 | 0.2 | 0.7 | 0.6 |
| Software licensing and other information technology costs | 0.6 | 0.6 | 1.1 | 1.0 |
| Other services | 0.3 | 0.2 | 0.6 | 0.6 |
| Postal supplies and charges | - | 0.1 | - | 0.1 |
| Telephone and other communications expenses | 0.1 | 0.3 | 0.4 | 0.5 |
| Miscellaneous operating expenses | - | 0.1 | - | 0.2 |
| Total administrative expenses | 2.8 | 2.4 | 5.5 | 6.0 |

Note 27. Earnings per share

| | 6M 2025 | 6M 2024 |
|--|------------|------------|
| Net profit for the period (EUR million) | 18.7 | 15.8 |
| 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 | 234 | 198 |

At 31 December 2024 and at 30 June 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 30 June 2025, the Group had a claim to related parties of 8.9 million euros (Loans to customer) (31 December 2024: 10.6 million euros), the interest income on that claim amounted to 0.3 million euros for six months of 2025 (for six months of 2024: 0.4 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 4,247 Bigbank bonds with a total nominal value of 4.3 million euros (31 December 2024: 3.4 million euros). Interest expense on deposits and subordinated bonds was 0.2 million euros for six months of 2025 (for six months of 2024: 50 thousand euros).

Claim to related parties

| At | 30 June 2025 | 31 Dec 2024 |
|---|--------------|-------------|
| Loans to customers | 8.9 | 10.6 |
| Of which to members of management and supervisory boards | 0.1 | 0.1 |
| Of which to shareholders | 1.6 | 1.7 |
| Of which to companies and persons connected related parties | 7.2 | 8.8 |
| Subordinated bonds | 4.3 | 3.4 |
| Of which to members of management and supervisory boards | 1.2 | 1.1 |
| Of which to shareholders | 0.3 | - |
| Of which to companies and persons connected related parties | 2.8 | 2.3 |
| Deposits from customers | 2.3 | 0.6 |
| Of which to members of management and supervisory boards | 0.6 | - |
| Of which to shareholders | 1.6 | 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 30 June 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 30 June 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 Lääts

Chairman of the
Management Board

Mart Veskimägi

Member of the
Management Board

Argo Kiltsmann

Member of the
Management Board

Ken Kanarik

Member of the
Management Board

signed digitally on 23 July 2025