

Interim Report Q4 2024

AS Inbank

AS Inbank General Information

Business name	AS Inbank
Address	Niine 11, 10414 Tallinn, Estonia
Registration date	05.10.2010
Registration code	12001988 (Commercial Register of the Republic of Estonia)
Legal entity identifier	2138005M92IEIQVEL297 (LEI-code)
Phone	+372 640 8080
Email	info@inbank.ee
Website	www.inbank.eu
Reporting period	01.01.2024 - 31.12.2024

Supervisory Board

Jan Andresoo, Chairman
Roberto de Silvestri
Triinu Bucheton
Raino Paron
Erkki Raasuke

Management Board

Priit Põldoja, Chairman
Marko Varik
Margus Kastein
Maciej Pieczkowski
Ivar Kurvits
Piret Paulus
Erik Kaju
Evelin Lindvers

AS Inbank interim report for Q4 2024 is unaudited.
The bank does not hold any public ratings assigned by international rating agencies.

Management Board Declaration

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

- The data and information presented in this interim report for the Q4 of 2024 consisting of the management report and financial statements as at 31 December 2024 are correct and complete;
- This interim report gives a true and fair view of the financial position of the AS Inbank consolidation group as at 31 December 2024, its financial performance and cash flows for the 12 month period ended 31 December 2024;
- the accounting policies and procedures used in preparing the interim report comply with IAS 34;
- The interim report has been prepared using the policies and procedures of the financial statements for the year concluded on 31 December 2023.

AS Inbank is a going concern.

Tallinn, 25 February 2025

Priit Põldoja

Chairman of the Management Board

Management Report



Inbank closed 2024 with a record revenue and sales result. In Q4, our gross merchandise value (GMV) reached 191 million euros, marking a 14% increase year-on-year. We also achieved a record quarterly total income of 20.7 million euros, up 28% from the same period last year. However, due to extraordinary expenses and the closure of our credit card business, Inbank's Q4 profit declined to 1.4 million euros, 50% lower compared to the previous year.

Our quarterly GMV growth was strongly driven by car finance, which reached 58.1 million euros – an increase of 46% compared to the previous year. Rental services, led by full-service car rental, also showed strong growth, rising 36% to a quarterly GMV of 21.1 million euros. Merchant solutions remained Inbank's largest sales segment, with a GMV of 64.2 million euros – 10% lower than last year. However, this result is particularly strong given our strategic decision to streamline our hire purchase sales in lower-margin partnerships in Poland and Lithuania during the year. The solid performance was driven by high demand for buy-now-pay-later products during the holiday season.

By the end of the year, Inbank's loan and rental portfolio grew to 1.15 billion euros, marking an 11% increase from the previous year. Driven by strong growth over the past two years, car finance emerged as our largest segment, with a portfolio reaching 350 million euros. Meanwhile, thanks to consistent repricing efforts, the Effective Interest Rate (EIR) on our loan portfolio rose to 11.63%, compared to 10.83% a year ago.

Inbank's deposits grew by 8% over the year, reaching 1.17 billion euros. As interest rates declined throughout the year, our Q4 funding cost decreased to 4.28% from 4.58% a year ago.

Driven by sales growth and margin expansion, Inbank's total income grew by 28% in Q4 2024. Over the year, our margins improved by 70 basis points, with net income margin rising to 5.77% and the total income margin, which includes our rental business, reached 5.63%.

While Inbank's business fundamentals continue to strengthen, operating expenses reached a record 14.2 million euros in Q4 2024. However, this included 3 million in extraordinary expenses related to the closure of our credit card business and the write-off of previous growth and capital-raising advisory fees. Excluding these one-off expenses, Inbank's quarterly profit would have been 4.4 million euros – 59% higher than a year ago.

Our credit impairment losses increased to 2.01% in Q4 2024, up from an average of 1.5% in the first three quarters. This increase primarily reflects our ongoing enhancements to provisioning models, allowing us to detect significant credit risk and potential defaults earlier – before overdue payments materialize. As a result, Inbank's total loan portfolio impairment loss ratio increased slightly from 1.55% in 2023 to 1.65% in 2024.

In November, Inbank signed a synthetic securitization transaction with the European Investment Bank Group (EIB). The 635 million zloty (147 million euro) deal was backed by Inbank's solar panel loans to private individuals in Poland, marking the first transaction of its kind in the Polish market. This initiative provided Inbank with 11 million euros in CET1 capital relief at the time of execution. Combined with the equity raise in August, Inbank has significantly strengthened its capital base to support future growth. By year-end, our CET1 and total capital adequacy ratios stood at 13.4% and 18.9%, respectively.

While our overall financial results in Q4 2024 fell short of our targets, our core business demonstrated significant improvement. We achieved record sales and revenue, and notable margin improvements during the quarter. Additionally, we continued investing in product development and technology, with the migration of our acquired Lithuanian IT system to Inbank's unified platform. With a strengthened capital base, a more favorable interest rate environment, and growing consumer confidence in our key markets, we remain committed to driving growth and anticipate improved financial performance in 2025.

Priit Põldoja

Chairman of the Management Board

Inbank in numbers

872,000+

Active customer contracts

6,000+

Active retail partners

131,918

New contracts quarterly

€1.15bn

Loan and rental portfolio

2.0%

Credit losses

3.7%

Return on equity

Key financials

(In millions of euros €)

GROSS MERCHANDISE VALUE

€190.8m

+14% year-on-year

TOTAL NET INCOME

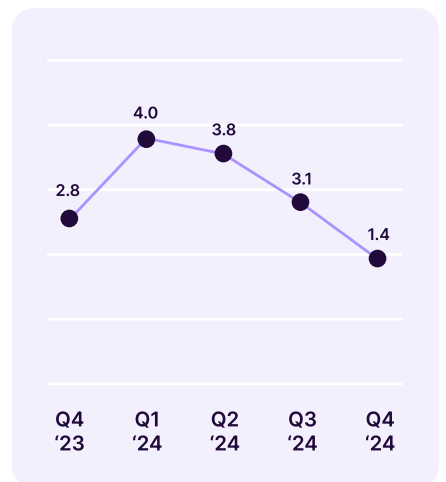
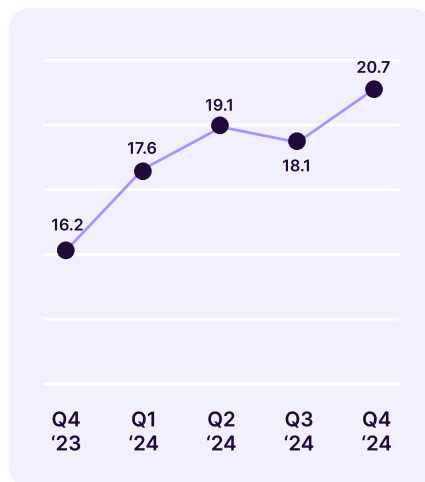
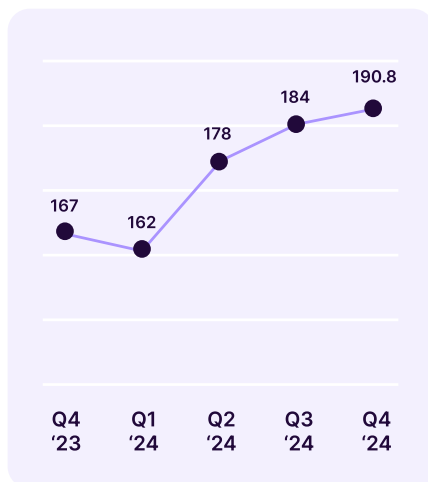
€20.7m

+28% year-on-year

NET PROFIT

€1.4m*

-50% year-on-year



* Includes one-off expenses in relation to closure of credit card business and write-off of growth advisory and capital raising fees. Net profit for the quarter, excluding one-offs, amounted to 4.4 million euros.

Key financial indicators and ratios

Key financial indicators

In millions of euros	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	% change YoY
Total net income	16.2	17.6	19.1	18.1	20.7	26%
Net profit	2.8	4.0	3.8	3.1	1.4	20%
Total assets	1,321	1,345	1,425	1,428	1,436	9%
Loan and rental portfolio	1,030	1,050	1,080	1,114	1,147	11%
Deposit portfolio	1,082	1,106	1,176	1,164	1,171	8%
Equity	124	128	133	146	148	19%

Ratios

	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Retail portfolio effective interest rate (EIR)	10.8%	11.0%	11.2%	11.2%	11.6%
Funding cost	4.6%	4.5%	4.4%	4.4%	4.3%
Net interest margin	5.1%	5.0%	5.4%	5.4%	5.8%
Total income margin	4.9%	5.2%	5.5%	5.1%	5.6%
Impairment losses to loan portfolio	1.4%	1.4%	1.7%	1.5%	2.0%
Cost/Income ratio	59.9%	56.9%	56.6%	61.1%	68.7%
Return on equity (ROE)	9.1%	12.6%	11.6%	8.8%	3.7%

Gross merchandise value (GMV) Total value of merchandise financed via Inbank embedded finance and direct-to-customer platforms

Loan and rental portfolio Total of loans and receivables to private persons and rental portfolio before impairments

Return on equity (ROE) Profit for the period / total equity (average over the period)

Retail portfolio effective interest rate (EIR) Interest income based on EIR from retail portfolio / retail loans and receivables (average over the period)

Funding cost Interest expense / interest-bearing liabilities (average over the period)

Net interest margin Net interest income / interest-bearing assets (average over the period)

Total income margin Total net income and currency translation differences / total assets (average over the period)

Total net income Net interest income, fee, rental and other income and expenses

Cost/income ratio Total operating expenses / total net income

Impairment losses to loan portfolio Impairment losses on loans and receivables / loans and receivables (average over the period)

Net profit Profit for the period

Rental Rental refers to Inbank's business line wherein clients rent different types of assets

Condensed consolidated interim financial statements

Condensed consolidated statement of financial position

In thousands of euros	Note	31.12.2024	31.12.2023
Assets			
Cash and cash equivalents	8; 18	153,191	172,921
Mandatory reserves at central banks	18	25,156	21,020
Investments in debt securities	9; 18	46,724	33,581
Financial assets measured at fair value through profit or loss		27	79
Loans and receivables	7; 18	1,041,542	942,056
Investments in associates	10	0	141
Other financial assets	11; 18	4,569	5,268
Tangible fixed assets		98,069	75,206
Right of use assets		20,551	26,716
Intangible assets		31,560	30,906
Other assets	11	9,718	8,185
Deferred tax assets		4,707	4,505
Total assets		1,435,814	1,320,584
Liabilities			
Customer deposits	12; 18	1,171,359	1,081,566
Financial liabilities measured at fair value through profit or loss		503	50
Other financial liabilities	14; 18	59,135	60,927
Current tax liability		62	311
Deferred tax liability		533	204
Other liabilities	14	4,620	3,691
Subordinated debt securities	13; 18	52,046	49,745
Total liabilities		1,288,258	1,196,494
Equity			
Share capital	16	1,152	1,086
Share premium	16	54,849	43,563
Statutory reserve	17	109	103
Other reserves	17	1,329	1,543
Retained earnings		90,117	77,795
Total equity		147,556	124,090
Total liabilities and equity		1,435,814	1,320,584

Condensed consolidated statement of profit and loss and other comprehensive income

In thousands of euros	Note	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Interest income calculated using effective interest method	3; 4	32,495	121,441	27,249	98,723
Interest expense	3; 4	-13,662	-53,949	-12,841	-45,331
Net interest income	3; 4	18,833	67,492	14,408	53,392
Fee and commission income	3; 5	51	366	114	473
Fee and commission expenses	3; 5	-1,053	-4,690	-1,137	-4,199
Net fee and commission income/expenses	3	-1,002	-4,324	-1,023	-3,726
Rental income	3	9,004	32,435	6,869	23,905
Sale of assets previously rented to customers	3	3,735	15,849	3,571	14,155
Other operating income	3	-762	42	220	769
Cost of rental services	3	-5,729	-21,107	-4,808	-15,896
Cost of assets sold previously rented to customers	3	-3,558	-15,243	-3,303	-12,556
Net rental income/expenses		2,690	11,976	2,549	10,377
Net gains/losses from financial assets measured at fair value	3	186	9	-90	-14
Foreign exchange rate gain/losses	3	-17	365	341	128
Net gain/losses from financial items		169	374	251	114
Total net interest, fee and other income and expenses		20,690	75,518	16,185	60,157
Personnel expenses	3; 6	-5,260	-19,986	-4,476	-16,628
Marketing expenses	3; 6	-885	-3,071	-848	-3,266
Administrative expenses	3; 6	-5,263	-14,547	-2,960	-11,033
Depreciations, amortization		-2,807	-8,513	-1,406	-6,007
Total operating expenses		-14,215	-46,117	-9,690	-36,934
Share of profit from associates	10	0	663	-72	250
Impairment losses on loans and receivables	7	-5,197	-16,355	-3,235	-13,203
Profit before income tax		1,278	13,709	3,188	10,270
Income tax		100	-1,497	-412	-68
Profit for the period		1,378	12,212	2,776	10,202
Other comprehensive income that may be reclassified subsequently to profit or loss					
Currency translation differences		-16	-288	-403	-415
Total comprehensive income for the period		1,362	11,924	2,373	9,787

Condensed consolidated statement of cash flows

In thousands of euros	Note	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Cash flows from operating activities					
Interest received	4	32,897	120,218	30,590	97,106
Interest paid	4	-22,248	-54,616	-11,362	-37,694
Fees received	5	-266	294	-1,098	473
Fees paid	5	-1,918	-5,555	-1,062	-4,199
Rental proceeds		9,004	32,435	6,869	23,905
Payments for rental services		1,426	-5,759	-1,384	-4,768
Sale of assets previously rented to customers		3,735	15,849	3,571	14,155
Other operating income received		-762	42	220	769
Personnel expenses paid	6	-4,203	-19,220	-5,558	-21,338
Administrative and marketing expenses paid	6	-7,646	-15,354	-2,323	-13,227
Income tax paid		-859	-1,739	-180	-818
Cash flows from operating activities before changes in the operating assets and liabilities		9,160	66,595	18,283	54,364
Changes in operating assets					
Loans and receivables	7	-25,234	-114,170	-51,976	-199,046
Acquisition of tangible assets for rental business		-25,308	-45,058	-9,970	-36,423
Mandatory reserves at central banks		-1,246	-4,136	-2,428	-6,574
Other financial assets	11;18	-1,057	699	-2,310	-1,881
Other assets	11;18	3,218	-304	-762	-13,092
Changes of operating liabilities					
Customer deposits	12	15,781	90,421	58,985	245,077
Other financial liabilities	14;18	-3,260	1,729	-7,192	8,527
Other liabilities	14;18	3,364	917	-1,605	474
Net cash flows from operating activities		-24,582	-3,307	1,025	51,426
Cash flows from investing activities					
Investments in debt securities	9	-11,154	-26,654	-7,944	-37,682
Repayments of debt securities	9	0	14,000	5,618	13,020
Acquisition of tangible fixed assets		-506	-953	-563	-1,009
Acquisition of intangible assets		-2,003	-7,702	-1,533	-4,698
Acquisition of associates	10	63	0	-76	-76
Sale of associates	10	-63	804	76	1,250
Net cash used in/from investing activities		-13,663	-20,505	-4,422	-29,195

(continued from previous page)

In thousands of euros	Note	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Cash flows from financing activities					
Share capital contribution (including share premium)	16	-5	11,388	12,039	12,039
Subordinated debt securities issued	13	0	2,340	8,033	19,133
Acquisitions of non-controlling interests by redeeming put option		0	0	0	-1,930
Principal payments of lease liability		-1,250	-9,477	-2,366	-9,423
Net cash used in/from financing activities		-1,255	4,251	17,706	19,819
Effect of exchange rate changes on cash and cash equivalents		-307	-169	-6	-18
Cash and cash equivalents at the beginning of the reporting period	8	192,998	172,921	158,618	130,889
Net increase/decrease in cash and cash equivalents		-39,807	-19,730	14,303	42,032
Cash and cash equivalents at the end of the reporting period	8	153,191	153,191	172,921	172,921

In thousands of euros	Note	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Non-restricted current account with central banks		134,073	134,073	106,925	162,253
Due from other credit institutions with original maturity of less than three months		19,118	19,118	10,668	10,668
Total cash and cash equivalents	8	153,191	153,191	117,593	172,921

Condensed consolidated statement of changes in equity

In thousands of euros	Share capital	Share premium	Statutory reserve capital	Other reserves			Retained earnings	Total equity
				Share based payment reserve	Voluntary reserve	Currency translation reserve		
Balance, 01.01.2023	1,026	31,855	100	389	1,330	-298	67,522	101,924
Profit for the period	0	0	0	0	0	0	10,202	10,202
Other comprehensive income	0	0	0	0	0	-415	0	-415
Total comprehensive income	0	0	0	0	0	-415	10,202	9,787
Paid in share capital	60	11,708	0	0	0	0	0	11,768
Share-based payment reserve	0	0	0	537	0	0	0	537
Transfer to statutory reserve capital	0	0	3	0	0	0	-3	0
Other movements	0	0	0	0	0	0	74	74
Balance, 31.12.2023	1,086	43,563	103	926	1,330	-713	77,795	124,090
Balance, 01.01.2024	1,086	43,563	103	926	1,330	-713	77,795	124,090
Profit for the period	0	0	0	0	0	0	12,212	12,212
Other comprehensive income	0	0	0	0	0	-288	0	-288
Total comprehensive income	0	0	0	0	0	-288	12,212	11,924
Paid in share capital	66	11,096	0	0	0	0	0	11,162
Share-based payment reserve	0	0	0	76	0	0	305	381
Transfer to statutory reserve capital	0	0	6	0	0	0	-6	0
Other movements	0	190	0	0	0	-2	-190	-2
Balance, 31.12.2024	1,152	54,849	109	1,002	1,330	-1,003	90,116	147,555

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

Note 1 Accounting policies

The interim financial report has been prepared in accordance with the International Accounting Standard IAS 34 "Interim Financial Reporting", as adopted by the EU, and consists of condensed financial statements and selected explanatory notes. The accounting policies used in the preparation of the interim report are the same as the accounting policies used in the annual report for the year ended 31 December 2023, which comply with the International Financial Reporting Standards, as adopted by the European Commission (IFRS EU).

The interim financial report is not audited and does not contain the entire range of information required for the preparation of complete financial statements. The interim financial report should be read in conjunction with the Annual Report prepared for the year ended 31 December 2023, which has been prepared in accordance with the International Financial Reporting Standards (IFRS).

AS Inbank is registered and operating in Estonia with branches in Czechia, Lithuania and Poland.

The companies listed below belong to the consolidation group of AS Inbank as at 31 December 2024:

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

For more details refer to Note 10.

Note 2 Significant accounting estimates and judgements

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

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

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

Note 3 Operating segments

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

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

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

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

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

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

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

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

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

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

Income of reported segments and net profit structure

In thousands of euros	Financing					Rental	Investments	Eliminations	Total
12 months 2024	Estonia	Latvia	Lithuania	Poland	Czechia				
Interest income based on EIR	60,270	11,626	23,366	51,017	1,641	22	207	-26,708	121,441
<i>incl. income from external customers</i>	35,236	11,626	23,366	49,671	1,520	22	0	0	121,441
<i>incl. income from internal customers</i>	25,034	0	0	1,346	121	0	207	-26,708	0
Fee and commission income	353	1	0	12	0	0	0	0	366
<i>incl. loan administration fees</i>	351	0	0	0	0	0	0	0	351
<i>incl. other fees</i>	2	1	0	12	0	0	0	0	15
Rental income	0	0	0	0	0	32,435	0	0	32,435
Sale of assets previously rented to customers	0	0	0	0	0	15,849	0	0	15,849
Other operating income	20,883	44	34	0	0	0	1,047	-21,966	42
<i>incl. income from external customers</i>	0	9	34	0	0	0	0	0	43
<i>incl. income from internal customers</i>	20,883	35	0	0	0	0	1,047	-21,966	-1
Total income	81,506	11,671	23,400	51,029	1,641	48,306	1,254	-48,674	170,133
Net gains from financial assets measured at fair value	1	0	0	8	0	0	0	0	9
Foreign exchange rate gains/losses	-25	0	0	148	0	0	-1	243	365
Interest expense	-34,619	-3,320	-6,955	-28,834	-1,070	-5,878	0	26,727	-53,949
Fee and commission expenses	-2,609	-309	-1,020	-595	-145	-12	0	0	-4,690
<i>incl. loan initiation fees</i>	-500	-159	-381	-314	-143	-9	0	0	-1,506
<i>incl. loan administration fees</i>	-1,694	-112	-536	-257	0	-3	0	0	-2,602
<i>incl. other fees</i>	-415	-38	-103	-24	-2	0	0	0	-582
Cost of rental services	0	0	0	0	0	-21,107	0	0	-21,107
Cost of assets sold previously rented to customers	0	0	0	0	0	-15,243	0	0	-15,243
Total expenses	-37,252	-3,629	-7,975	-29,273	-1,215	-42,240	-1	26,970	-94,615
Operating expenses	-32,927	-4,913	-9,580	-12,269	-2,229	-5,060	-2,029	22,890	-46,117
<i>incl. depreciations, amortization</i>	-6,805	-238	-674	-182	-88	-297	-321	92	-8,513
Share of profit from associates	0	0	0	0	0	0	663	0	663
Impairment losses on loans and receivables	-5,730	-1,794	-3,416	-4,533	-254	-628	0	0	-16,355
Profit before income tax	5,575	1,335	2,429	4,954	-2,057	378	-113	1,208	13,709
Income tax	0	-274	-370	-1,029	176	0	0	0	-1,497
Net profit/loss	5,575	1,061	2,059	3,925	-1,881	378	-113	1,208	12,212

In thousands of euros	Financing					Rental	Investments	Eliminations	Total
Q4 2024	Estonia	Latvia	Lithuania	Poland	Czechia				
Interest income based on EIR	16,031	3,097	6,214	13,385	521	1	57	-6,811	32,495
<i>incl. income from external customers</i>	9,658	3,097	6,214	13,039	486	1	0	0	32,495
<i>incl. income from internal customers</i>	6,373	0	0	346	35	0	57	-6,811	0
Fee and commission income	38	1	0	12	0	0	0	0	51
<i>incl. loan administration fees</i>	173	0	0	0	34	0	0	0	207
<i>incl. other fees</i>	-135	1	0	12	-34	0	0	0	-156
Rental income	0	0	0	0	0	9,004	0	0	9,004
Sale of assets previously rented to customers	0	0	0	0	0	3,735	0	0	3,735
Other operating income	10,446	-25	-128	-69	0	-168	297	-11,115	-762
<i>incl. income from external customers</i>	-362	-34	-128	-68	0	-168	-1	0	-761
<i>incl. income from internal customers</i>	10,808	9	0	-1	0	0	298	-11,115	-1
Total income	26,515	3,073	6,086	13,328	521	12,572	354	-17,926	44,523
Net gains from financial assets measured at fair value	186	0	0	0	0	0	0	0	186
Foreign exchange rate gains/losses	-261	0	0	1	0	0	0	243	-17
Interest expense	-9,017	-834	-1,750	-7,083	-276	-1,527	0	6,825	-13,662
Fee and commission expenses	-683	-89	-346	127	-56	-6	0	0	-1,053
<i>incl. loan initiation fees</i>	-127	-47	-184	192	-55	-5	0	0	-226
<i>incl. loan administration fees</i>	-460	-29	-121	-50	0	-1	0	0	-661
<i>incl. other fees</i>	-96	-13	-41	-15	-1	0	0	0	-166
Cost of rental services	0	0	0	0	0	-5,729	0	0	-5,729
Cost of assets sold previously rented to customers	0	0	0	0	0	-3,558	0	0	-3,558
Total expenses	-9,775	-923	-2,096	-6,955	-332	-10,820	0	7,068	-23,833
Operating expenses	-12,635	-1,819	-3,227	-5,200	-543	-1,565	-532	11,306	-14,215
<i>incl. depreciations, amortization</i>	-2,384	-58	-160	-44	-22	-86	-79	26	-2,807
Impairment losses on loans and receivables	-1,642	-614	-1,634	-983	-110	-214	0	0	-5,197
Profit before income tax	2,463	-283	-871	190	-464	-27	-178	448	1,278
Income tax	0	49	106	-56	1	0	0	0	100
Net profit/loss	2,463	-234	-765	134	-463	-27	-178	448	1,378

In thousands of euros	Financing					Invest-	Elimina-		
12 months 2023	Estonia	Latvia	Lithuania	Poland	Czechia	Rental	ments	tions	Total
Interest income based on EIR	47,567	9,386	19,504	41,048	460	4	159	-19,405	98,723
<i>incl. income from external customers</i>	29,110	9,386	19,504	40,259	460	4	0	0	98,723
<i>incl. income from internal customers</i>	18,457	0	0	789	0	0	159	-19,405	0
Fee and commission income	473	0	0	0	0	0	0	0	473
<i>incl. loan administration fees</i>	311	0	0	0	0	0	0	0	311
<i>incl. other fees</i>	162	0	0	0	0	0	0	0	162
Rental income	0	0	0	0	0	23,905	0	0	23,905
Sale of assets previously rented to customers	0	0	0	0	0	14,155	0	0	14,155
Other operating income	12,909	77	155	77	0	604	997	-14,050	769
<i>incl. income from external customers</i>	432	48	136	93	0	604	9	-553	769
<i>incl. income from internal customers</i>	12,477	29	19	-16	0	0	988	-13,497	0
Total income	60,949	9,463	19,659	41,125	460	38,668	1,156	-33,455	138,025
Net gains from financial assets measured at fair value	40	0	0	-54	0	0	0	0	-14
Foreign exchange rate gains/losses	-294	0	0	423	-2	0	1	0	128
Interest expense	-23,091	-2,335	-5,116	-29,247	-418	-4,528	0	19,404	-45,331
Fee and commission expenses	-1,954	-252	-947	-972	-74	0	0	0	-4,199
<i>incl. loan initiation fees</i>	-313	-154	-266	-660	-70	0	0	0	-1,463
<i>incl. loan administration fees</i>	-1,219	-80	-573	-309	0	0	0	0	-2,181
<i>incl. other fees</i>	-422	-18	-108	-3	-4	0	0	0	-555
Cost of rental services	0	0	0	0	0	-15,896	0	0	-15,896
Cost of assets sold previously rented to customers	0	0	0	-1	0	-12,597	0	42	-12,556
Total expenses	-25,299	-2,587	-6,063	-29,851	-494	-33,021	1	19,446	-77,868
Operating expenses	-23,263	-4,033	-8,368	-8,725	-1,782	-3,316	-1,492	14,045	-36,934
<i>incl. depreciations, amortization</i>	-4,578	-178	-752	-173	-64	-20	-309	67	-6,007
Share of profit from associates	501	0	0	0	0	0	1	-252	250
Impairment losses on loans and receivables	-4,228	-1,406	-2,347	-4,979	-243	0	0	0	-13,203
Profit before income tax	8,660	1,437	2,881	-2,430	-2,059	2,331	-334	-216	10,270
Income tax	0	-260	-468	332	328	0	0	0	-68
Net profit/loss	8,660	1,177	2,413	-2,098	-1,731	2,331	-334	-216	10,202

In thousands of euros	Financing					Rental	Investments	Eliminations	Total
	Q4 2023	Estonia	Latvia	Lithuania	Poland				
Interest income based on EIR	13,626	2,582	5,384	11,435	189	2	158	-6,127	27,249
<i>incl. income from external customers</i>	7,308	2,582	5,384	11,186	189	2	0	598	27,249
<i>incl. income from internal customers</i>	6,318	0	0	249	0	0	158	-6,725	0
Fee and commission income	114	0	0	0	0	0	0	0	114
<i>incl. loan administration fees</i>	75	0	0	0	0	0	0	0	75
<i>incl. other fees</i>	39	0	0	0	0	0	0	0	39
Rental income	0	0	0	0	0	6,869	0	0	6,869
Sale of assets previously rented to customers	0	0	0	0	0	3,571	0	0	3,571
Other operating income	3,922	20	44	7	0	135	224	-4,132	220
<i>incl. income from external customers</i>	110	14	48	23	0	159	6	-140	220
<i>incl. income from internal customers</i>	3,812	6	-4	-16	0	-24	218	-3,992	0
Total income	17,662	2,602	5,428	11,442	189	10,577	382	-10,259	38,023
Net gains from financial assets measured at fair value	-77	0	0	-13	0	0	0	0	-90
Foreign exchange rate gains/losses	-44	0	0	384	0	0	1	0	341
Interest expense	-7,445	-740	-1,575	-7,669	-201	-1,338	0	6,127	-12,841
Fee and commission expenses	-569	-68	-238	-243	-19	0	0	0	-1,137
<i>incl. loan initiation fees</i>	-67	-39	-67	-159	-18	0	0	0	-350
<i>incl. loan administration fees</i>	-387	-23	-150	-84	0	0	0	0	-644
<i>incl. other fees</i>	-115	-6	-21	0	-1	0	0	0	-143
Cost of rental services	0	0	0	0	0	-4,808	0	0	-4,808
Cost of assets sold previously rented to customers	0	0	0	-1	0	-3,235	0	-67	-3,303
Total expenses	-8,135	-808	-1,813	-7,542	-220	-9,381	1	6,060	-21,838
Operating expenses	-6,860	-1,064	-2,288	-2,143	-505	-628	-396	4,194	-9,690
<i>incl. depreciations, amortization</i>	-1,283	-46	-195	-45	-22	247	-80	18	-1,406
Share of profit from associates	0	0	0	0	0	0	1	-73	-72
Impairment losses on loans and receivables	-695	-424	-518	-1,482	-116	0	0	0	-3,235
Profit before income tax	1,972	306	809	275	-652	568	-12	-78	3,188
Income tax	0	-260	-149	-110	107	0	0	0	-412
Net profit/loss	1,972	46	660	165	-545	568	-12	-78	2,776

Note 4 Net interest income

Net interest income

In thousands of euros	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Interest income based on EIR				
Loans and receivables				
<i>inc loans to private persons</i>	29,882	110,627	25,020	91,131
<i>inc loans to corporates</i>	166	631	170	774
Investments to debt securities	339	1,255	344	1,204
Central banks, financial and credit institutions	2,108	8,928	1,715	5,614
Total interest income	32,495	121,441	27,249	98,723
Interest expense				
Deposits received	-12,295	-48,313	-11,604	-41,335
Debt securities issued	-1,087	-4,270	-853	-2,757
Lease liability	-280	-1,366	-384	-1,239
Total interest expense	-13,662	-53,949	-12,841	-45,331
Net interest income	18,833	67,492	14,408	53,392

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

Note 5 Net fee and commission income

Net fee and commission income

In thousands of euros	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Fee and commission income				
Private persons	51	366	114	471
<i>out of which recognised over time</i>	-304	0	278	278
<i>out of which recognised point in time</i>	355	366	193	193
Corporates	0	0	0	2
<i>out of which recognised over time</i>	0	0	2	2
Total fee and commission income	51	366	114	473
Fee and commission expenses				
Loan initiation fees	-226	-1,506	-350	-1,463
Loan administration expenses	404	-1,537	-644	-2,181
Other fee expenses	-1,231	-1,647	-143	-555
Total fee and commission expenses	-1,053	-4,690	-1,137	-4,199

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

Note 6 Operating expenses

Operating expenses

In thousands of euros	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Personnel expenses				
Personnel expense	4,032	15,313	3,448	12,900
Social and other taxes	1,228	4,673	1,028	3,728
Total personnel expenses	5,260	19,986	4,476	16,628
Marketing expenses				
Advertising and marketing	737	2,536	632	2,603
Sales costs	148	535	216	663
Total marketing expenses	885	3,071	848	3,266
Administrative expenses				
IT expenses	1,147	4,068	720	2,757
Legal and recovery proceeding expenses	1,780	2,690	261	953
Contributions to guarantee fund	758	2,383	542	2,157
Office maintenance and workplace expenses	482	2,042	442	1,753
Employee related expenses	218	652	233	775
Training and business trip expenses	178	572	153	642
Supervision expenses	69	261	217	419
Transportation expenses	80	355	88	321
Tax expenses	187	335	-34	210
Outsourced services	49	209	94	268
Other	315	980	244	778
Total administrative expenses	5,263	14,547	2,960	11,033

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

Note 7 Loans and receivables

Distribution of receivables by customer sector

In thousands of euros	31.12.2024	31.12.2023
Distribution of receivables by customer sector		
Private persons	1,059,422	953,088
Corporates	9,093	10,930
Loans and receivables before impairment allowance	1,068,515	964,018
Impairment allowance	-26,973	-21,962
Total loans and receivables	1,041,542	942,056

More details about loans and receivables disclosed in Note 18.

Changes in impairments

In thousands of euros	31.12.2024	31.12.2023
Impairment allowance balance at the beginning of the period	-21,962	-16,191
Impairment provisions set up during the reporting period - loans	-26,397	-25,310
Impairment provisions set up during the reporting period - rental receivables	-685	0
Written off and sold out from financial position during the period	22,071	19,539
Total impairment	-26,973	-21,962

Impairment losses on loans and receivables

In thousands of euros	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Impairment losses during the reporting period	-7,560	-27,082	-6,690	-25,310
Recoveries from loans written off and sold out from financial position	2,290	10,654	3,455	12,107
Recoveries from rental receivables written off and sold out from financial position	73	73	0	0
Total impairment losses on loans and receivables	-5,197	-16,355	-3,235	-13,203

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

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

Distribution of receivables from private persons

In thousands of euros

31.12.2024	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
		Stage 1	Stage 2	Stage 3		
Distribution of receivables						
0-3 days	1,001,456	-5,174	-941	-1,868	993,473	0.8%
4-30 days	25,879	-405	-1,990	-854	22,630	12.6%
31-89 days	9,922	0	-1,687	-728	7,507	24.3%
90-179 days	4,934	0	0	-2,119	2,815	42.9%
180+ days	17,231	0	0	-11,187	6,044	64.9%
Total receivables	1,059,422	-5,579	-4,618	-16,756	1,032,469	2.5%

31.12.2023	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
		Stage 1	Stage 2	Stage 3		
Distribution of receivables						
0-3 days	898,068	-5,195	-72	-1,252	891,549	0.7%
4-30 days	25,255	-1,544	-64	-355	23,292	7.8%
31-89 days	14,751	0	-2,526	-780	11,445	22.4%
90-179 days	4,042	0	0	-2,199	1,843	54.4%
180+ days	10,972	0	0	-7,946	3,026	72.4%
Total receivables	953,088	-6,739	-2,662	-12,532	931,155	2.3%

Distribution of receivables from corporates

In thousands of euros

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

31.12.2023	Gross receivables	Impairment allowance			Net receivables	Impairment coverage
		Stage 1	Stage 2	Stage 3		
Distribution of receivables						
0-3 days	10,689	-26	0	0	10,663	0.2%
4-30 days	232	-1	-1	0	230	0.9%
31-89 days	7	0	0	0	7	0.0%
90-179 days	1	0	0	-1	0	100.0%
180+ days	1	0	0	0	1	0.0%
Total receivables	10,930	-27	-1	-1	10,901	0.3%

Note 8 Cash and cash equivalents

Cash and cash equivalents

In thousands of euros	31.12.2024	31.12.2023
Due from central banks	134,073	162,253
Due from credit institutions	19,118	10,668
Total cash and cash equivalents	153,191	172,921

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

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

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

Note 9 Investments in debt securities

Investments in debt securities

In thousands of euros	31.12.2024	31.12.2023
Investments in debt securities	46,330	33,411
incl. investments in central government debt securities	45,311	32,018
incl. investments in corporate debt securities	1,019	1,393
Interest accruals	394	170
Total investments in debt securities	46,724	33,581

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

As of 31 December 2023, the bond portfolio included debt securities of central governments and corporates with maturity dates between 28 March 2024 to 10 March 2027 and coupon rates from 0% to 13.5%.

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

Note 10 Business combinations and investments in associates and subsidiaries

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

Investments in subsidiaries

Equity of major subsidiaries

In thousands of euros	31.12.2024	31.12.2023
SIA Inbank Latvia	8,532	7,471
Mobire Group OÜ	17,251	14,792
AS Inbank Finance	29,240	22,244
Inbank Ventures OÜ	10,520	10,869
AS Inbank Rent	-575	489

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

On 20 June 2023 Inbank acquired additional 12.67% of Mobire Group OÜ shares. Total Inbank share into Mobire Group OÜ after acquisition was 66%. Acquisition of shares was made out of non-controlling interest redemption liability disclosed in Note 14.

Investments in associates

As of 31.12.2024 AS Inbank does not have any investments in associated companies. As of 31.12.2023 AS Inbank had the following investments in associated companies (ownership interest %) Paywerk AS (20.58%), located in Estonia.

Inbank sold its investments in associate companies Paywerk AS in 2024 and in AS Aktiva Portfolio in 2023. The following table provides an overview of the sales of investments in associate companies.

In thousands of euros	2024	2023
Opening balance	141	1,065
Share of loss for the year	0	-136
Equity contribution, associates	0	0
Acquisition of associate	0	76
Sale of associate	-141	-864
Closing balance	0	141

AS Aktiva Portfolio was established for more efficient management of debt portfolio. On 29 of June 2023 Inbank successfully completed the sale of a 34% stake in AS Aktiva Portfolio. Before the sale transaction was completed investment was accounted for using the equity method.

Paywerk AS offers a cross-border "pay later" service. On 31 August 2023 Inbank Ventures OÜ acquired an additional part of Paywerk AS share capital for 76 thousand euros and on 27 March 2024 for 63 thousand euros. After these transactions the total Inbank share in Paywerk AS was 20.58%. Investment was accounted for using the equity method. 23 July 2024, Swedbank AB completed the 100% acquisition of Paywerk AS. As part of the transaction, Inbank AS subsidiary, Inbank Ventures OÜ, sold its 20.58% ownership interest in Paywerk AS to Swedbank AB. Sale income is disclosed under profit and loss Statement row "Share of profit from associates". The following table presents the financial position of Paywerk AS as of 31.12.2023.

Inbank has not received dividends from associates.

Note 11 Other financial assets and other assets

Other financial assets and other assets

In thousands of euros	31.12.2024	31.12.2023
Other financial assets		
Prepaid guarantee amounts	356	516
Accrued receivables	3,403	3,714
Other financial assets	810	1,038
Total other financial assets	4,569	5,268
Other assets		
Prepaid expenses	2,813	4,327
Inventory	4,845	2,494
Prepaid taxes	1,432	679
Other assets	628	685
Total other assets	9,718	8,185

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

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

Other financial assets contain 810 thousand euros (31 December 2023: 1,038 thousand euros) receivables from commercial banks which are pledged and are therefore not available for general use by Inbank. The restricted cash relates to the pledge required under derivatives trading agreements.

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

Note 12 Customer deposits

Deposits

In thousands of euros	31.12.2024	31.12.2023
Customer deposits		
Deposits from private persons	1,159,253	1,069,810
Deposits from non-financial corporates	10,238	11,566
Deposits from financial corporates	1,868	190
Total customer deposits	1,171,359	1,081,566

Deposits by clients' residency

In thousands of euros	31.12.2024	31.12.2023
Deposits by clients' residency		
Estonia	52,518	52,392
Germany	261,652	245,993
Poland	525,877	474,466
Austria	17,839	18,444
Netherlands	276,456	276,562
Lithuania	8,364	13,607
Czechia	28,616	0
Other residence	37	102
Total deposits by clients' residency	1,171,359	1,081,566

Deposits also include an accrued interest liability in the amount of 18,913 thousand euros (31 December 2023: 19,540 thousand euros).

More details about customer deposits disclosed in Note 18.

Note 13 Subordinated debt securities

Movements in subordinated debt securities

In thousands of euros	31.12.2024	31.12.2023
Subordinated debt securities		
Opening balance	31,003	22,952
Subordinated debt securities issued	0	8,000
Interest accruals	2,064	1,339
Interests paid	-2,094	-1,305
Amortisation of transaction costs	-53	17
Subordinated debt securities, total	30 920	31 003
Subordinated debt securities (AT1)		
Opening balance	18,742	7,618
Subordinated debt securities issued	2,340	11,100
Interest accruals	2,428	1,389
Interests paid	-2,400	-1,381
Amortisation of transaction costs	16	16
Subordinated debt securities (AT1), total	21,126	18,742
Total subordinated debt securities	52,046	49,745

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

Subordinated debt securities detailed information at 31 December 2024

Subordinated debt securities	Nominal price	Amount	Interest rate	Issue date	Maturity date
EE3300001544	1,000 EUR	8,000	6.0%	19.12.2019	19.12.2029
EE3300002302	1,000 EUR	15,000	5.5%	16.12.2021	15.12.2031
EE3300003714	1,000 EUR	8,000	9.0%	13.12.2023	13.12.2033
Subordinated debt securities (AT1)					
EE3300111590	10,000 EUR	315	12.0%	19.12.2018	perpetual
EE3300002286	10,000 EUR	450	7.5%	01.11.2021	perpetual
EE3300003516	10,000 EUR	1,110	12.0%	06.06.2023	perpetual
EE3300004381	10,000 EUR	234	10.0%	07.05.2024	perpetual

Subordinated debt securities detailed information at 31 December 2023

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

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

Note 14 Other financial liabilities and other liabilities

Other financial liabilities and other liabilities

In thousands of euros	31.12.2024	31.12.2023
Financial liabilities		
Accounts payable	28,571	25,452
Lease liability	20,389	26,159
Non-controlling interest redemption liability	7,978	7,054
Client prepayments	1,199	1,381
Provision for contract fees, early termination	998	881
Total financial liabilities	59,135	60,927
Other liabilities		
Payables to employees	2,038	1,924
Payroll taxes	1,319	1,095
Other liabilities	1,263	672
Total other liabilities	4,620	3,691

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

Interest expense from lease liability of the financial year was 1,366 thousand euros and in Q4 281 thousand euros (2023: 1,239 thousand euros; Q4 2023: 383 thousand euros) and lease payments paid 9.4 million euros (2023: 9.4 million euros). Rental expenses related to short-term leases are recognised under operating expenses and were 130 thousand euros in 2024 and during Q4 28 thousand euros (2023: 119 thousand euros; Q4 2023: 31 thousand euros).

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

Non-controlling interest redemption liability was estimated at 7,978 thousand euros as at 31 December 2024 (31 December 2023: 7,054 thousand euros). It has been determined based on future profit assumptions discounted post-tax discount rate of 19.4% (2023: 19.9%). The discount rate is determined by considering interest rate, country and equity premiums. In addition to that, the management includes volatility assumptions, possible war risk and discount for lack of marketability in the final discount rate calculation.

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

Note 15 Contingent liabilities

Contingent liabilities

In thousands of euros	31.12.2024	31.12.2023
Liability in contractual amount	4,116	4,649
incl. unused credit card limits	4,116	4,649
Expected credit loss (ECL)	18	23

In different countries where Inbank operates, the Tax authority has the right to inspect the company's tax records within 3 to 10 years after submitting the tax return and upon finding errors, impose additional taxes, interest and fines. The tax authorities have not performed any tax audits at Inbank during 2024 and 2023.

Inbank's management estimates that in 2024 there are no such circumstances that may lead the tax authorities to impose significant additional taxes on Inbank.

Note 16 Share capital

Share capital

	No of shares	Share price (EUR)	Share capital (thou. EUR)	Share premium (thou. EUR)	Total
Balance, 01.01.2023	10,262,197		1,026	31,855	32,881
Share based payment	0		0	0	0
Paid in share capital	601,957	20.00	60	11,708	11,768
<i>incl. transaction costs arising on share issues</i>				-270	-270
<i>incl. other movements</i>				0	0
Balance, 31.12.2023	10,864,154		1,086	43,563	44,649
Balance, 01.01.2024	10,864,154		1,086	43,563	44,649
Share based payment	100,125	12.50	10	1,241	1,251
Paid in share capital	555,384	18.25	56	10,045	10,101
<i>incl. transaction costs arising on share issues</i>				-225	-225
<i>incl. other movements</i>				190	190
Balance, 31.12.2024	11,519,663		1,152	54,849	56,001

In 2024 Inbank share capital was increased by 11,387 thousand euros through capital contribution (2023: 12,039 thousand euros). Transaction costs in the amount of 225 thousand euros were accounted for as a deduction from equity (2023: 270 thousand euros).

Other movements include correction of previous period transaction costs in the amount of 190 thousand euros (2023: 0 euros).

Shareholders who hold more than 5% of company shares

Shareholder name	Holding amount 31.12.2024	Holding amount 31.12.2023
Cofi Investeeringud OÜ	23.66%	25.08%
Luciano Orsero	9.34%	9.21%
Elio Tomaso Giovanni Cravero	7.12%	7.62%
Andrea Agostinone	7.04%	7.80%
Roberto De Silvestri	6.28%	8.39%
Patrizia Salice	4.77%	5.06%

Inbank's share capital consists of 11,520 thousand shares (2023: 10,864 thousand shares) with a nominal value of 0.10 euro. All issued shares have been paid. The share premium reflects the difference between the nominal value of the shares and the contributions received.

Note 17 Reserves

Reserves

In thousands of euros	31.12.2024	31.12.2023
Statutory reserve	109	103
Voluntary reserve	1,330	1,330
Share based payments reserve	1,002	926
Other accumulated comprehensive income	-1,003	-713
Total reserves	1,438	1,646

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

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

Share based payments reserve is created based on motivation plans issued for employees. The fair value of share options issued to employees is recognised as a payroll expense over the term of the option programme, and in equity as share-based payments reserve. In 2024, personnel costs and the reserve for share-based payment were calculated in the amount of 429 thousand euros and (Q4 2024: 14 thousand euros; 12 months 2023: 562 thousand euros; Q4 2023: 87 thousand euros). Regarding options realized in June 2024, the share-based payment reserve and retained earnings were adjusted in the amount of 304 thousand euros (12 months 2023:0 euros).

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

Note 18 Fair value of financial assets and liabilities

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

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

Fair value of financial assets and liabilities

In thousands of euros	Note	31.12.2024			31.12.2023		
		Fair value	Carrying amount	Level	Fair value	Carrying amount	Level
Assets							
Cash and cash equivalents	8	153,191	153,191	2	172,921	172,921	2
Mandatory reserves at central banks		25,156	25,156	2	21,020	21,020	2
Investments in central government debt securities	9	45,517	45,679	2	31,928	32,119	2
Investments in corporate debt securities	9	1,073	1,045	3	1,458	1,462	3
Loans and receivables - private persons	7	1,020,332	1,032,449	3	920,394	931,155	3
Loans and receivables - corporates	7	9,093	9,093	3	10,901	10,901	3
Other financial assets	17	4,569	4,569	2	5,268	5,268	2
Total assets		1,258,931	1,271,182		1,163,890	1,174,846	
Liabilities							
Customer deposits	12	1,156,192	1,171,359	2	1,069,720	1,081,566	2
Subordinated debt securities	13	30,884	30,920	2	30,424	31,003	2
Subordinated debt securities (AT1)	13	20,803	21,126	3	18,110	18,742	3
Redemption liability	14	7,978	7,978	3	7,054	7,054	3
Other financial liabilities	14	51,157	51,157	2	27,714	27,714	2
Total liabilities		1,267,014	1,282,540		1,153,022	1,166,079	

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

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

more external counterparts. An input can transfer from being observable to being unobservable during the holding period due to for example illiquidity of the instrument.

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

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

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

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

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

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

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

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

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

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

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

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

Note 19 Related parties

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

Remuneration of the Management Board and Supervisory Board

In thousands of euros	Q4 2024	12 months 2024	Q4 2023	12 months 2023
Remuneration of the Management Board and Supervisory Board	409	1,571	295	1,329

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

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

Balances as of end of reporting period

In thousands of euros	31.12.2024			31.12.2023		
Balances as of end of reporting period	Management	Associates	Total	Management	Associates	Total
Loans and receivables	260	0	260	282	0	282
Impairment allowance	-3	0	-3	-3	0	-3
Deposits and subordinated debt securities	2,971	0	2,971	3,052	0	3,052

Transactions

In thousands of euros	12 months 2024			12 months 2023		
Transactions	Management	Associates	Total	Management	Associates	Total
Interest income	18	0	18	19	199	218
Interest expenses	324	0	324	211	0	211
Services purchased	490	0	490	462	0	462
Impairment expenses	1	0	1	2	0	2

Services purchased from management contain consultations and rent. Rent contract end date is August 2026 and consultation contracts can be canceled within 1 week notice. All conditions meet market prices and practices. The table provides an overview of the significant transactions and balances with related parties, all transactions are done under market conditions. Loans given to Management Board members are issued on market terms, with an interest rate 5.9%-11% (2023: 5.9%-20%). No debt claims have been sold to the associated company in 2024 (2023: 8,361 thousand euros). The interest rate of deposits received from related parties matches with the interest rate offered to customers, interest rates are between 2.1% and 3.35% (2023: 1.32% and 8%).

AS Inbank
Niine 11, 10414 Tallinn
info@inbank.ee
+372 640 8080
www.inbank.eu