

# Keynote from the CEO

## Strong results and a solid foundation for further growth

Eleving Group is a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg. The company operates in compliance with applicable Luxembourg legislation, including the Luxembourg law of 10 August 1915 on commercial companies, as amended, and the Luxembourg law of 11 August 2008 on transparency requirements for issuers of securities, as amended. In addition, Eleving Group complies with the applicable rules and regulations of the Frankfurt Stock Exchange and the Nasdaq Riga Stock Exchange. The company's corporate governance framework is based on, and limited to, the requirements set out in the aforementioned laws and applicable listing rules.

### General overview

Overall, we are very satisfied with the Group's performance in 2025. We delivered record-high revenues, recording a 15.5% increase year-on-year, alongside continued portfolio growth both in Europe and Africa. Latvia, Romania, and Kenya were the main contributors to the growth, demonstrating strong market performance.

The Group maintained a diversified business operations portfolio, generating a well-balanced revenue stream from all the core business lines:

- Traditional vehicle financing products contributed EUR 67.0 million to the revenue (a 6.0% decrease compared to 12M 2024).
- Flexible vehicle financing products contributed EUR 60.3 million to the revenue (a 25.9% increase compared to 12M 2024).
- Device financing products contributed EUR 7.9 million to the revenue (product launched in 2025).
- Consumer lending products contributed EUR 114.8 million to the revenue (a 18.0% increase compared to 12M 2024).

During the year, we remained focused on executing our strategy, deepening our presence in the existing markets, expanding our product portfolio, and entering new geographies. 2025 was also a year of significant investments in the Group's future for Eleving Group to be well positioned to continue delivering double-digit growth in the coming year.

### Operations in European markets

In European markets, the Group's strategic focus in 2025 was on maximizing the value of our existing customer base. In several of our markets, we expanded our product offering by introducing installment loans for our clients. This represented a natural step in our product evolution,



as we have been operating in Europe for many years and have built a high-quality customer base. Our customers increasingly require more flexible, unsecured products not tied to a specific asset, such as a vehicle. With the primary focus on our existing customer base, we gradually began onboarding new customers as well. Within a relatively short period of time, we observed a strong demand for these products, which translated into notable portfolio growth. The approach has proven effective and will remain one of the key focus areas also in 2026.

### Operations in African markets

We are also very pleased with the performance of our Africa team. In 2025, we launched smartphone financing in Kenya and Uganda as a new addition to our product portfolio. By the end of 2025, the loan portfolio of smartphone financing had already reached EUR 13.5 million. In addition, during the year, we entered a new market—Tanzania—by introducing motorcycle financing, a product segment in which we have extensive experience. In 2026, we aim to further accelerate growth in Africa, supported by portfolio expansion and disciplined execution.

### Capital management

For Eleving Group, 2025 was also a defining year in the capital markets. The year marked the first anniversary of the Group's IPO and was accompanied by the successful execution of two bond issuances.

In March, we completed a EUR 40 million bond tap to the EUR 50 million bonds originally issued in 2023. In October, we successfully refinanced the bonds issued in 2021 and maturing in 2026, with a total amount of EUR 150 million, and issued new bonds, raising a total of EUR 275 million. This represented the largest and most successful bond issuance in Eleving Group's history. Both transactions attracted a strong demand from a diverse investor base, including global institutional investors and retail investors in the Baltics and Germany. The level of investor interest reflects the reputation of Eleving Group as a reliable and well-established issuer in the capital markets. In parallel, we continued to successfully execute our strategy of raising funding in local currencies across the markets in which we operate, thereby reducing foreign exchange risk and supporting sustainable growth. Delivering on our IPO commitments, we distributed EUR 19.65 million in dividends in 2025, representing a total cash yield of 10%, calculated based on the IPO price. The Group manages its FX risks by using derivatives and local funding.

### Operational efficiency

Maintaining lean operations remains a core priority for Eleving Group. In 2025, we reduced our cost-to-income ratio and expect to maintain this approach going forward. Portfolio growth is one of the drivers supporting further improvements in the cost-to-income ratio; however, we see that additional measures are required to address the rising cost pressures. In 2026, we will focus on implementing automated solutions, such as AI voice agents at call centres, which we tested in 2025, to address these pressures and further improve operational efficiency. The Group's research and development activities mostly relate to in-house IT systems, which are being developed to support the core business of the Group.

### Risk management

Risk management at Eleving Group is defined as a structured and continuous process of identifying, assessing, monitoring, and mitigating risks that could negatively affect the Group's operations and financial performance. The framework is governed by internal policies that establish clear responsibilities, reporting lines, and methodologies

across all operating entities. The process covers four core stages—risk identification, management, monitoring, and control—and addresses key risk categories, including financial, legal, operational, reputational, and ESG risks. Financial risk management focuses on liquidity, credit, and market risks, with particular attention to currency and interest rate exposures. The Group actively manages liquidity through diversified funding sources, including marketplace for loans platforms and international bond issuances, while market risks are mitigated through hedging strategies and pricing mechanisms. Legal and regulatory risks are monitored through internal and external expertise, operational risks are reduced through disciplined underwriting and collection procedures, and reputational and ESG risks are managed through ongoing monitoring, compliance, and alignment with sustainable business practices.

### Internal controls

The internal control system of Eleving Group is designed to ensure the integrity, accuracy, and reliability of financial reporting, particularly in the preparation of consolidated financial statements. Employees involved in accounting processes are qualified and receive regular training, with clearly defined roles and responsibilities ensuring proper segregation of duties across administrative, operational, and reporting functions. Standardized reporting packages and centralized oversight by the Group's Accounting Department support consistency and compliance with applicable accounting standards. Complex accounting judgments and impairment testing are conducted centrally to ensure uniform evaluation criteria across cash-generating units. Internal processes are in place to capture changes in the legal and economic environment and to ensure timely implementation in financial reporting. Additionally, error detection and correction mechanisms operate at both regional and group levels, reinforcing the robustness of the control environment and minimizing the risk of misstatement or fraud.

### Outlook

Looking ahead to 2026, Eleving Group is well positioned for further growth. Following the bond issuance completed in 2025, the Group has secured a strong funding base to support continued expansion. At the same time, we will continue to focus on operational excellence and cost efficiency to support sustainable and profitable growth.



**Modestas Sudnius**  
Eleving Group CEO