Financial Company
IUTE CREDIT MACEDONIA
DOOEL - Skopje

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2025

Skopje, March 2026

These reports are translation of the official reports issued in Macedonian language

CONTENTS Page

MOORE STEPHENS LTD
Sv. Kiril i Metodij, 1000 Skopje
Republic of North Macedonia
Tel.: +389 (2) 32 14 706
E-mail: moore@moore.mk
www.moore.mk
www.moore-global.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF Financial Company IUTE CREDIT MACEDONIA DOOEL - Skopje

Report on the Financial Statements

Opinion

We have audited the financial statements of IUTE CREDIT MACEDONIA DOOEL Skopje (the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted in the Republic of North Macedonia.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) as adopted in the Republic of North Macedonia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of North Macedonia, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 23(a) to the financial statements, which discloses that, as at 31 December 2025, pursuant to the Representation Agreement between IuteCredit Finance S.à r.l., Luxembourg and Greenmark Restructuring Solutions GmbH, Germany, the Company has pledged its receivables from loans granted and has issued a promissory note as a guarantee in favour of Greenmark Restructuring Solutions GmbH, Germany, whereby it assumes all obligations arising from bonds issued by IuteCredit Finance S.à r.l., Luxembourg, in the amount of EUR 225 million.

The total assets of the Company, according to the accompanying financial statements, as at 31 December 2025 amount to EUR 60.2 million. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report on the Company's operations and the annual account prepared by management in accordance with the Law on Trade Companies, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as explicitly stated in the Report on Other Legal and Regulatory Requirements.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS as adopted in the Republic of North Macedonia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists.

Misstatements may arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal or Regulatory Requirements

As stated in the Other Information section, the Company's management is responsible for preparing the Annual Report for 2025 in accordance with Article 384/240 of the Law on Trade Companies. Our responsibility is to express an opinion on the consistency of the separate Annual Report with the historical financial information disclosed in the annual account and the audited financial statements of the Company as at and for the year ended 31 December 2025, in accordance with International Standards on Auditing, as well as in accordance with the requirements of Article 34, paragraph 1, point (d) of the Audit Law.

In our opinion, the historical financial information disclosed in the Annual Report of IUTE CREDIT MACEDONIA DOOEL Skopje as at and for the year ended 31 December 2025 is consistent, in all material respects, with the information disclosed in the annual account and the audited financial statements of the Company as at and for the year ended 31 December 2025.

Skopje, 26 March 2026

Certified Auditor	Manager and Certified Auditor
Kostadinka Kitanoska	Antonio Veljanov

Друштво за ревизија МУР СТИВЕНС ДОО СКОПЈЕ

	Note	2025 (000) MKD	2024 (000) MKD
Interest and commission income for:			
Loans to other clients	7	1.375.581	1.119.054
Deposits in banks and saving institutions		-	-
		1.375.581	**1.119.054**
Interest and commission expense for:			
Loans to other clients	11	(257.685)	(222.607)
Loans from banks		(5.115)	(726)
Other interest expense		(3.381)	-
		(266.181)	**(223.333)**
Net income from interest and fees		**1.109.400**	**895.721**
Other operating income	9	127.620	141.238
Foreign exchange gains/(losses) (net)	11a; 11 b	26.177	16.026
Employee expenses	8	(150.742)	(133.806)
Depreciation and amortization	16;17	(11.918)	(2.673)
Impairment of loans	15	(315.008)	(307.714)
Other operating expenses	10	(497.094)	(446.299)
Income (loss) before taxation		**288.435**	**162.493**
Income tax	12	(61.711)	(40.181)
Net income (loss) for the period		**226.724**	**122.312**
Other comprehensive income:			
Other comprehensive income		-	-
Total other comprehensive income		**-**	**-**
Total comprehensive income (loss) for the period		**226.724**	**122.312**

	Note	2025 (000) MKD	2024 (000) MKD
ASSETS			
Cash and cash equivalents	13	244.075	119.418
Loans to customers	15	3.273.448	2.253.263
Other receivables and prepaid expenses	14	151.601	56.014
Intangible assets	16	-	13
Right-of-use asset	17.1	26.109	-
Equipment and other	17	4.256	5.455
Financial instruments at fair value through profit or loss	19	79	3.042
Long-term deposits	18	-	15.891
TOTAL ASSETS		**3.699.568**	**2.453.096**
LIABILITIES AND EQUITY			
Liabilities			
Trade payables	20	43.397	56.502
Borrowings	21	2.916.479	1.905.475
Other payables	20	175.914	112.479
Total payables		**3.135.790**	**2.074.456**
Equity			
Share capital	22	240.089	240.089
Legal reserves		96.965	16.239
Other reserves		-	-
Accumulated profit (loss)		226.724	122.312
Total equity		**563.778**	**378.640**
TOTAL PAYABLES AND EQUITY		**3.699.568**	**2.453.096**

Approved by,

10 March 2026

Manager
Biljana Misik

Финансиско друштво ИУТЕ КРЕДИТ МАКЕДОНИЈА ДООЕЛ Скопје

	Note	2025 (000) MKD	2024 (000) МКД
Cash flows from operating activities			
Income (loss) before taxation		**288.435**	**162.493**
Adjustments for:			
Equipment depreciation	17	2.271	2.661
Amortization on right-of-use asset	17.1	9.543	-
Amortization on intangible assets	16	-	-
Interest and commission income		(1.375.581)	(1.119.054)
Interest and commission expense		266.181	223.333
Impairment of financial assets		315.008	307.714
Expenses from previous years at the expense of accumulated profit		-	-
Capital (profit) loss on sale and expenditure on fixed assets		2.272	119
Write off of financial assets		(250.294)	(374.003)
Profit (loss) before changes in working capital		**(742.165)**	**(796.737)**
Loans to other clients, (net)		(1.053.446)	(311.522)
Revenues from interest and commission		1.344.128	1.099.950
Other current assets and prepayments		(95.587)	(12.693)
Liabilities from suppliers		(13.105)	28.959
Other current liabilities and accruals		27.783	48.445
Net cash used in operating activities		**(532.392)**	**56.402**
Income tax (Paid)/received		(61.711)	(28.799)
Net cash flows from operating activities		**(594.103)**	**27.603**
Cash flows from investing activities			
Acquisition of intangible assets	16	-	-
Sale of the equipment		(2.249)	-
Acquired / sold investments	19	2.963	(3.042)
Given deposits	18	15.891	(1.375)
Acquisition of the equipment and other	17	(1.082)	(1.634)
Net cash flows from investing activities		**15.523**	**(6.051)**
Cash flows from financial activity			
Paid in capital	22	-	30.748
Dividends paid		(41.586)	-
Used (repaid) loans, net	21	1.003.157	111.751
Paid interest		(258.334)	(221.743)
Net cash flows from financial activity		**703.237**	**(79.244)**
Net increase (decrease) in cash assets		**124.657**	**(57.692)**
Cash and cash equivalents at the beginning of the year		**119.418**	**177.110**
Cash and cash equivalents at the end of the year		**244.075**	**119.418**

	Share capital	Legal reserves	Other reserves	Accumulated Profit (loss)	Total equity
In 000 MKD					
Balance as at 1-st of January 2024	**209.341**	**14.662**	**-**	**1.577**	**225.580**
Comprehensive income:					
Profit (loss) for the period	-	-	-	122.312	122.312
Reconciliations				-	-
Total comprehensive income	**-**	**-**	**-**	**122.312**	**122.312**
Transactions with owners (shareholders):					
Paid in capital	30.748	-	-	-	30.748
Allocation to reserves	-	1.577	-	(1.577)	-
Dividends distributed	-	-	-	-	-
Expenses from previous years at the expense of accumulated profit				-	-
Balance at 31-st December 2024	**240.089**	**16.239**	**-**	**122.312**	**378.640**
Comprehensive income:					
Profit (loss) for the period	-	-	-	226.724	226.724
Reconciliations				-	-
Total comprehensive income	**-**	**-**	**-**	**226.724**	**226.724**
Transactions with owners (shareholders):					
Paid in capital	-	-	-	-	-
Allocation to reserves	-	80.726	-	(80.726)	-
Dividends distributed	-	-	-	(41.586)	(41.586)
	-	-	-	-	-
Balance as at 31-st December 2025	**240.089**	**96.965**	**-**	**226.724**	**563.778**

1. Basic data and activity

The financial company IUTE CREDIT MACEDONIA DOOEL – Skopje (hereinafter the Company), was established in July 2017 as limited liability company in accordance with the Law on Financial Companies.

The principal activity of the Company for which it is registered and licence is acquired from the Ministry of finance on 24.07.2017 and 18.09.2017 is granting of loans and issuing and administration of credit cards.

The registered office of the Company is at St.1732 No.4 Lamela A/DP No.1, Skopje.

The total number of employees in the Company as of 31 December 2025 is 84 employees (2024: 87 employees).

2. Basis of preparation of the financial statements

2.1. Basis of preparation

The financial statements, presented on pages 3 to 35, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as published in the Republic of North Macedonia in the Rulebook on Accounting (Official Gazette Nos. 75/2024 and 274/2024), applicable from 1 January 2025.

The comparative information for the prior year has been prepared in accordance with the accounting standards applicable in that period and has not been adjusted to reflect the new accounting framework.

The financial statements have been prepared as at and for the years ended 31 December 2025 and 2024. The current and comparative information in the financial statements is presented in thousands of Macedonian denars (MKD). Where necessary, comparative information has been adjusted and reclassified to conform with the presentation in the current year.

2.2. Adoption of new and revised IFRS

From 1 January 2025, the Company applies International Financial Reporting Standards in accordance with the applicable regulatory framework in the Republic of North Macedonia.

New and amended IFRS applied in the current period

The following new and amended IFRS are effective for the reporting period beginning on 1 January 2025:

1. IFRS 15 – Revenue from Contracts with Customers, which introduces a single model for revenue recognition based on the identification and satisfaction of performance obligations;
2. IFRS 16 – Leases, relating to the accounting treatment of operating lease contracts for lessees, as well as the recognition of new assets in the form of right-of-use assets and corresponding lease liabilities for lease contracts that were previously not recognized in the statement of financial position.

2. Basis of preparation of the financial statements (Continued)

2.2.Adoption of new and revised IFRS (Continued)

The adoption of IFRS 16 had a material impact on the Company's financial position, through an increase in both assets and liabilities, as well as on the presentation of expenses, whereby lease expenses have been replaced by depreciation of right-of-use assets and finance costs related to lease liabilities.

Detailed information regarding the application of IFRS 16, including its effects on assets, liabilities and results, is disclosed in Note 3.8 Right-of-use assets and lease liabilities (IFRS 16).

The adoption of the other new and revised standards effective from 1 January 2025 did not have a significant impact on the Company's financial position, financial performance or cash flows for the year ended 31 December 2025.

Standards issued but not yet effective

The following standards have been issued but their application has been deferred until 1 January 2028:

1. IFRS 9 – Financial Instruments
2. IFRS 17 – Insurance Contracts

The Company has adopted a policy of early adoption of IFRS 9, which has been applied consistently in both the current and prior reporting periods. These financial statements have been prepared in accordance with IFRS 9 with respect to the classification and measurement of financial assets and liabilities, as well as the impairment of financial assets based on the expected credit loss model.

IFRS 17 is not applicable to the Company's operations, as the Company does not engage in activities related to insurance contracts.

2.3. Basic accounting methods

The financial statements are based on the cost method.

2.4. Accounting estimates and judgements

The Company is applying certain accounting estimates and judgments during the process of preparation of the financial statements. Certain items in the financial statements, which cannot be measured accurately, are estimated. The estimation process includes judgments based on the latest available information.

Estimates are used in determining the useful lives of assets, fair value of receivables or their uncollectibility etc.

During the periods, certain estimates can be revised if there are changes in the circumstances on which the estimation was based or as a result of new information, greater experience and subsequent events.
The effects of the changes in the accounting estimates are included in the net profit or loss for the period as well as in the future periods on which the change takes effect or both.

2. Basis of preparation of the financial statements (Continued)

2.5 Fair value measurement

The Company holds financial assets and liabilities which, inter alia, include trade receivables, investments, trade payables, borrowings and lease liabilities, as well as certain non-financial assets for which the application of accounting policies and disclosures requires the use of professional judgement.

In accordance with IFRS 13 – Fair Value Measurement, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the Company's financial assets and liabilities approximates their carrying amounts, considering that the majority of these instruments have short maturities, which generally do not exceed one year from the reporting date.

An exception to the above are long-term financial instruments and investments measured at fair value, for which fair value is determined based on quoted prices in an active market or, where such prices are not available, through the application of appropriate valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs, in accordance with IFRS 13.

Interest rates used for discounting estimated cash flows are applied solely within the calculations performed in accordance with IFRS 16 – Leases, for the purpose of determining the value of right-of-use assets and the corresponding lease liabilities.

For lease contracts recognized under IFRS 16 during the current period, the Company uses an incremental borrowing rate of 10.85%, representing the rate at which the Company would borrow to acquire a similar asset, with a similar term and risk profile, at the commencement date of the lease.

For contracts previously classified as finance leases and which are active at the beginning of the period, the discounting of cash flows is performed using the interest rates determined by the leasing companies, as specified in the respective agreements, for which amortisation schedules have been established.

Other than as described above, no interest rates are used for discounting cash flows for the purposes of determining the fair value of other financial assets or liabilities.

Since the end of the last annual reporting period, there have been no significant changes in market or economic conditions, nor in the valuation techniques and key assumptions applied, that would have a material impact on the fair value of the Company's assets and liabilities.

During the current period, there have been no changes in the classification of assets and liabilities within the fair value hierarchy compared to the last annual financial statements.

During the current period, there have been no transfers of financial assets or financial liabilities between levels of the fair value hierarchy.

2. Basis of preparation of the financial statements (Continued)

2.5 Fair value measurement (Continued)

Investments are classified and measured in accordance with IFRS 9, based on the Company's business model for managing financial assets and the characteristics of the contractual cash flows.

Depending on the nature of the investments, they are measured at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.
The deferral of the mandatory application of IFRS 9 at the national level does not affect these financial statements, as the Company applies the standard consistently in both the current and prior reporting periods.

2.6. Going concern concept

The financial statements are prepared based on the going concern concept which means that the Company will continue to operate in the future on a continuing basis.

3. Basic accounting policies and estimates

The principal accounting policies applied for the preparation of these financial statements are set out below.

3.1. Recognition of interest income and expense

Interest income is recognized using the effective interest rate method, in accordance with IFRS 9 – Financial Instruments.
The effective interest rate represents the rate that exactly discounts the expected future cash inflows over the expected life of the financial asset. The calculation takes into account contractual interest as well as relevant fees that are an integral part of the yield on the loans.
In practice, the Company applies a system-based calculation of interest income based on the contractual terms of the loans, which represents a reasonable approximation of the effective interest rate method, with any differences not being material to the financial statements.
Interest income is recognized:

- on the gross carrying amount for financial assets in Stage 1 and Stage 2;
- on the net carrying amount for credit-impaired assets (Stage 3).

Other income is generally recognized on an accrual basis when the related service is rendered.

3.2. Exchange rate differences

Business transactions in foreign currency are recorded in MKD by applying the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currencies are denominated into MKD at the exchange rates ruling at the balance sheet date.

Gains and losses on exchange arising on the translation of receivables and liabilities in foreign currencies into Denar counter value are reported in the income statement as other income or expenditure, in the year to which they refer.

3. Basic accounting policies and estimates (Continued)

3.3. Income tax (current and deferred)

Income tax for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date.

Current income tax is calculated according to the regulations of the Republic of North Macedonia. According the changes in the tax regulations, current income tax is calculated on the basis which represents the profit before taxation increased for expenses which are not deductible for the taxation purposes and less reported revenues with related parties. Income tax is calculated based on the relevant tax rate at the balance sheet date of 10% (2024: 10%).

Deferred tax is provided using the balance sheet liability method, providing temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date.

Calculation of the effective tax rate is presented in Note 12.

3.4. Cash and cash equivalents

Cash and cash equivalents are carried out at cost in the balance sheet. For the purposes of these financial statements, cash and cash equivalents are comprised of cash in hand, cash in banks denar and foreign currency accounts, demand deposits and time deposits with maturity up to three months.

3.5. Financial instruments

Initial recognition

Financial assets and liabilities, except for loans and advances to customers and liabilities to customers, are initially recognized on the trade date, i.e. the date on which the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognized when the funds are transferred to the customers' accounts. The Company recognizes liabilities to investors when the funds are transferred to the Company's account.

The classification of financial instruments at initial recognition depends on their contractual terms and the Company's business model for managing the instruments. Financial instruments are initially measured at fair value, except in the case of financial assets and financial liabilities measured at fair value through profit or loss (FVTPL), where transaction costs are added to or deducted from that value.

The Company classifies all its financial assets based on the asset's contractual terms, the Company's business model and the SPPI test (solely payments of principal and interest), and measures them at:

- amortised cost;
- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL).

Financial liabilities, except for loan commitments and financial guarantee contracts, are measured at amortised cost or at FVTPL if they are held for trading, represent derivative instruments, or the fair value option has been applied.

3. Basic accounting policies and estimates (Continued)

3.5. Financial instruments (continued)

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECL) for all loans and other debt financial assets not measured at fair value through profit or loss (hereinafter referred to as “financial instruments”).

The ECL allowance is based on lifetime expected credit losses (LTECL), except where there has been no significant increase in credit risk since initial recognition, in which case the allowance is based on 12-month expected credit losses (12mECL).

12mECL represents the portion of LTECL resulting from default events that are possible within 12 months after the reporting date. Both LTECL and 12mECL are calculated on a collective basis.

At the end of each reporting period, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition, by considering the change in the risk of default over the remaining life of the instrument.

Based on this assessment and the number of days past due (DPD), loans are classified into:

- **Stage 1:** Loans with up to 30 days past due (DPD ≤ 30). At initial recognition, an allowance based on 12mECL is recognized. This category also includes loans with improved credit risk reclassified from Stage 2.
- **Stage 2:** Loans with 31 to 49 days past due (30 < DPD < 50), i.e. loans with a significant increase in credit risk; LTECL is recognized. This category also includes loans reclassified from Stage 3 following an improvement in credit risk.
- **Stage 3:** Loans with 50 or more days past due (DPD ≥ 50) and/or loans with terminated contracts, which are considered credit-impaired; LTECL is recognized.
- **POCI:** Purchased or originated credit-impaired assets at initial recognition. These are recognized at fair value, with interest income calculated using a credit-adjusted effective interest rate.

Where there is no reasonable expectation of recovering all or part of the amount, the gross carrying amount is reduced (partial or full derecognition).

Impairment losses and recoveries are recognized as an adjustment to the gross carrying amount.

Key parameters for credit risk assessment

The Company uses the following parameters:

- **PD (Probability of Default):** the likelihood of default over a specified time horizon; reflects the probability that a customer will be more than 50 days past due within 12 months from the assessment date.
- **EAD (Exposure at Default):** the exposure at the time of default, taking into account expected changes, repayments and accrued interest.
- **LGD (Loss Given Default):** the expected economic loss in the event of default (more than 50 days past due), expressed as a percentage of EAD and based on historical loss rates; for Stage 3 loans, the time spent in default (Time in Default) is also considered.

In accordance with IFRS 9, LGD rates are estimated for Stage 1, Stage 2, Stage 3 and POCI assets and are calibrated through back-testing.

3. Basic accounting policies and estimates (Continued)

3.5. Financial instruments (continued)

ECL calculation methodology

- **Stage 1:** 12mECL is calculated based on the expected probability of default over the next 12 months, applied to the projected EAD and expected LGD, discounted using an approximation of the original effective interest rate (EIR).
- **Stage 2:** LTECL is calculated over the lifetime of the instrument, using lifetime PD and LGD parameters.
- **Stage 3:** Lifetime expected losses are recognized based on expected recoveries and historical recovery rates.

Forward-looking information

The following macroeconomic indicator is used in the ECL models:

- unemployment rate

Where the models do not capture all relevant market characteristics, qualitative adjustments are applied.

Time horizon

A period of at least 12 months is used for historical analysis. The same 12-month horizon is also applied for forward-looking estimates.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, which is generally considered to be after 365 days past due (DPD).
If the amount to be written off exceeds the accumulated loss allowance, the difference is first recognized as an additional impairment allowance, after which the gross carrying amount is reduced. Any subsequent recoveries are recognized as a reduction in credit loss expense.

3.6. Equipment

(1) Basic presentation

Initially, equipment is measured at cost. The cost of an item comprises its purchase price, including import duties and non-refundable purchase taxes, as well as any costs directly attributable to bringing the asset to the location and condition for its intended use.
Subsequently, an item of equipment is recorded at cost less accumulated depreciation and any impairment.

Administrative and other general indirect costs do not represent part of the cost of equipment.
The advance payments performed for acquisition of equipment is recognized as given advances for acquisition.

Positive or negative difference resulting from the sale of NPO is recorded as capital gain or loss within other income or expenses.

3. Basic accounting policies and estimates (Continued)

4. 3.6. Equipment (Continued)

(2) Depreciation

Depreciation is charged on a straight-line basis at prescribed rates to allocate the cost of the equipment over their estimated useful lives. Equipment is depreciated on a single asset basis, until the asset is fully depreciated.

The depreciation annual rates and estimated useful lives applied in 2025 and 2024 are as follows:

	2025	2025	2024	2024
Equipment	10 %	10 years	10 %	10 years
Computers	25 %	4 years	25 %	4 years
Office furniture	20 %	5 years	20 %	5 years

3.7. Intangible assets

An asset should be recognized as intangible asset in the financial statements if, and only if, it is controlled from the company, it is probable that the future economic benefits will flow, the cost of the asset can be measured reliably and it has non-material form.
An intangible asset should be recognized initially, at cost, and that is the amount of cash and cash equivalents paid for its acquisition. Subsequently, the intangible assets are recognized at cost less accumulated amortization and any impairment losses.

Intangible assets should be amortized over the best estimate of their useful life. The annual amortization rate is 20% (2024: 20% per year).

3.8 Leases

From 1 January 2025, the Company applies the requirements of IFRS 16 – Leases to its lease contracts. In accordance with the standard, the Company recognizes right-of-use assets and corresponding lease liabilities for lease contracts that meet the criteria of IFRS 16. Right-of-use assets and lease liabilities are presented as separate line items in the statement of financial position.

For existing contracts that were previously classified as operating leases under IAS 17, a lease liability is recognized at the date of initial application at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. The Company applies an incremental borrowing rate of 10.85%, representing the rate at which the Company would borrow to acquire a similar asset, with a similar term and risk profile, at the date of initial application.

A right-of-use asset at the date of initial application is recognized at an amount equal to the lease liability, adjusted for any lease payments made in advance or accrued lease payments relating to that lease that were recognized in the statement of financial position immediately before the date of initial application.

3. Basic accounting policies and estimates (Continued)

3.8 Leases (Continued)

For existing contracts previously classified as finance leases under IAS 17 and which are active at the beginning of the period, the discounting of cash flows is performed using the contractual interest rates determined by the leasing companies, for which amortisation schedules have been established. Assets under these contracts have been reclassified as right-of-use assets in the opening balance and at the end of the period.
The adoption of IFRS 16 resulted in a change in the cost structure, whereby lease expenses have been replaced by:

- depreciation of right-of-use assets; and
- finance costs related to lease liabilities.

In the statement of cash flows:

- repayments of the principal portion of lease liabilities are presented within financing activities;
- interest is presented in accordance with the Company's accounting policy for interest.

Lease liabilities are measured at amortised cost using the applicable interest rate described above and are presented as current and non-current liabilities in the statement of financial position.
The Company's non-current lease liabilities, recognized in accordance with IFRS 16 – Leases, mature within the following time bands, based on the remaining maturity from the reporting date (31 December 2025):

Maturity	2025	2024
1 to 5 years	27,416	-
Over 5 years	-	-
Total non-current lease liabilities	**27,416**	**-**

Non-current lease liabilities have a final maturity up to 2029.

The adoption of IFRS 16 had a material impact on the Company's financial position, through an increase in both assets and liabilities, as well as on the presentation of expenses; however, it did not have a significant impact on the overall result for the period.

3.8. Impairment of assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3. Basic accounting policies and estimates (Continued)

3.9. Trade payables

Trade payables are stated at their nominal value (cost), arising from business transactions.

Trade payables are written off by crediting other revenues, after the expiration of the legal maturity period or by off-court agreement between parties.

3.10. Borrowings

Borrowings represent short-term and long-term interest bearing borrowings stated at their nominal value. The amounts of the interest agreed are shown as financing expenses in the income statement and as short-term financial liabilities in the balance sheet. Foreign interest bearing borrowings are stated at the exchange rate at 31st December, and losses or gains of exchange are stated as financial income or expense.

3.11. Equity

(1) Shareholders capital

The Company's shareholders capital is recognized in the amount of the nominal (par) value of the authorized and issued shares.

(2) Legal reserves

Legal reserves are formed from the net profit based on the local statutory legislation, and could be used for loss recovery. Under the local statutory legislation, the Company is required to set aside minimum 5% of its year net profit in the reserves until the level of this reserve reaches 10% of the registered share capital. Until reaching the minimum required, level reserves could be used only for loss recovery. If the legal reserve exceeds 10%, legal reserves can also be used for distribution of dividends, based on a decision of the Shareholders' Assembly.

3.12. Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

(1) Short-term employee benefits

Short-term employee benefits are employee benefits which fall due wholly within twelve months after the end of the period in which the employees render the related services. These benefits include items such as: wages, salaries and social security contributions, short-term compensated absences, profit-sharing and bonuses and other non-monetary benefits. All short-term employee benefits are recognized as a liability and expense for the undiscounted amount.

3.Basic accounting policies and estimates (Continued)

3.12. Employee benefits (Continued)

(2) Post-employment benefits

The Company calculates and pays pension insurance contributions of its employees according to the domestic legislation. The contributions, based on the employee's salaries are paid in the domestic National Fund. The Company has no additional liabilities.

Also, the Company is obliged to pay benefit in amount of two months' salary to all its employees who are retiring in the moment of retirement. The Company has made no provision for these liabilities as the amount is not significant for the financial statements.

3.13. Provisions

Provisions (uncertain liabilities) are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as an asset when, and only when, it is virtually certain that the reimbursement will be received. The expense relating to a provision is presented in the income statement net of the amount recognized for a reimbursement. Where the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation using pre-tax rates that reflects current market assessments.

3.14. Contingencies

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liability is not recognized in the financial statements, only are disclosed.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent asset are recognized only when the realization of income is virtually certain.

4. Risk management

The Company in engaged in different kind of business transactions which derive from its daily activities and which are connected with the customers, suppliers and creditors. The main financial risks to which the Company is exposed during its business and the policies for their management are the following:

4.1. Market risk

Foreign exchange risk

The Company does not enter in transactions denominated in foreign currencies and therefore the Company is exposed to foreign currency risk.

All loan agreements are without FX clause and therefore the Company is not exposed to foreign currency risk

Equity price risks

The Company is not exposed to this kind of risk as it does not own any securities.

4.2. Credit risk

The Company is exposed to credit risk through its credit activities.

The credit risk represents risk in the event where its customers fail to meet their payment obligations. The management of the credit risk is done by the Company based on the estimation of its clients and their credit liability.

According to the local legislation in North Macedonia (Law on financial companies) there are limits for the total credit exposure which cannot be more than 10 times of the Company's equity and reserves. The Company has no breach of this limitation (2024: none).

According to the local legislation in North Macedonia (Law on financial companies) the Company is not allowed to make loans to owners and related parties. The Company has no breach of this limitation (2024: none).

Generally, the Company's policy is to work with clients with good credit rating.

Regarding the impairment of bad and doubtful loans, the Company has implemented system of grading and recording of impairment losses for bad and doubtful loans based on the estimated losses in credit portfolio.

4. Risk management

4.3. Interest rate risk

All active interest bearing assets which are related to the loan agreements are with adjustable interest rates which are implemented by the Company according to the legislation. All loans are short-term. According to this there is interest rate exposure but it depends on the market fluctuations and the Company can manage it with his own decisions for the rates.

The Company is exposed to risk of interest rate fluctuation, which relates to the loans, borrowings or bank deposits concluded with variable interest rates. Considering that the Company has no agreed loans with variable interest rates, it can be said that the Company Is not exposed to this kind of risk

4.4. Liquidity risk

Liquidity risk includes the risk of being unable to fund its liabilities at appropriate maturities with its cash. This kind of risk is managed by maintaining sufficient cash for regular funding of its committed credit facilities. The Company has no such liquidity issues.

4.5. Taxation risk

According to local legislation in RNM, the tax authorities may at any time inspect the books and records subsequent to the reported tax year, and may impose additional tax assessments. Up to the date of these financial statements, inspection for income tax (taxable expenses) and personnel income tax for period ended 31 December 2025 is not yet executed, as well as personal income tax and personal income contributions. Furthermore, the early adoption of IFRS 9 does not have tax implications, as impairment allowances on receivables, including receivables from loans granted, are treated as non-deductible expenses for tax purposes.

5. Fair value estimation

The Company has financial assets and liabilities which include loan receivables, borrowings and trade payables as well as non-financial assets, for which large number of accounting policies and disclosures require establishing of their fair value.

The fair value of financial assets and liabilities generally approximate their carrying amount as most of it have short-term due in period of 1 year from the date of the balance sheet.

6. Financial instruments

6.1. Capital risk management

The Company's business model is based on securing sources of financing through loans and borrowings, as well as own funds. The largest portion relates to a loan from the parent company, which is long-term in nature and committed in terms of providing liquidity.
The indebtedness as at 31 December 2025 and 2024 is as follows:

	2025	2024
Borrowings	2,916,479	1,905,475
Cash	(244,075)	(119,418)
Net borrowings (cash)	**2,672,404**	**1,786,057**
Equity	**563,778**	**378,640**
% debt	**474,02%**	**471,70%**

6.2. Foreign currency risk

The Company does enter into transactions in foreign currencies and therefore the Company is exposed to foreign currency risk, except for the used loan from the parent company. The total exposure on foreign currency as at 31 December 2025 in financial liabilities is in amount of 2,699,788 thousands of MKD (2024: 1,824,637 thousands of MKD), while the exposure with the financial assets is in amount of 130,087 thousands of MKD (2024: 67,434 thousands of MKD), form which 51,543 thousands of MKD exposure in EUR and 15,891 thousands of MKD exposure in USD.

The Company is generally exposed to EUR.

Change of +-10% of the FX rate of EUR would cause net effect of 256,970 thousands of MKD on the Company's profit/ loss (2024: 177,309 thousands of MKD), while change of +-10% of the FX rate of USD would cause net effect of 1,589 thousands of MKD on the Company's profit/ loss.

6. Financial instruments (Continued)

6.3. Interest rate risk

The Company is exposed to interest risk arising from deposits and borrowings from banks and other entities, with a variable interest rate clause.

The carrying amount of the financial assets and liabilities according to their exposure to interest risk at the end of the year is as follows:

	31 December	
	2025	**2024**
Financial assets		
Non – interest bearing:		
- Cash and cash equivalents	42,931	34,898
- Deposits	337,981	15,891
-Interest and other receivables	**380,912**	292,464
		343,253
Interest bearing with fixed interest:	3,193,907	
- Loans	**3,193,907**	2,140,461
		2,140,461
Interest bearing with variable interest:	201,144	
- Cash and cash equivalents	79	84,520
-Investments	-	3,042
	201,223	**87,562**
	3,776,042	**2,571,276**
Financial liabilities		
Non – interest bearing:		
- Trade payables	43,397	56,502
- Interest	27,966	20,119
- Other current liabilities	36,438	17,656
	107,801	**94,277**
Interest bearing with fixed interest:		
- Loans and borrowings	551,040	93,692
	551,040	**93,692**
Interest bearing with variable interest:		
- Loans and borrowings	2,337,473	1,791,664
	2,337,473	**1,791,664**
	2,996,314	**1,979,633**

Change of +-2 p.p of the interest rate on the loans would cause net effect of 42,725 thousands of MKD on the Company's profit/ loss (2024: 33,764 thousands of MKD).

6.4. Liquidity risk

The following table details the Company's remaining contractual maturity for its financial assets and liabilities as at 31 December 2025:

6. Financial instruments (Continued)

6.4. Liquidity risk (Continued)

	Less than 1 month	1 to 3 month	3 to 12 month	Over 12 months	Total
Cash	244,075	-	-	-	**244,075**
Deposits	-	-	-	-	**-**
Investments	79	-	-	-	**79**
Interest and other receivables	337,981	-	-	-	**337,981**
Loans, without any provision	76,426	256,410	848,398	2,012,673	**3,193,907**
	658,561	**256,410**	**848,398**	**2,012,673**	**3,776,042**
Trade payables	43,397	-	-	-	**43,397**
Borrowings	27,970	6,852	221,299	2,632,392	**2,888,513**
Interest	27,966	-	-	-	**27,966**
Other payables	36,438	-	-	-	**36,438**
	135,771	**6,852**	**221,299**	**2,632,392**	**2,996,314**

The following table details the Company's remaining contractual maturity for its financial assets and liabilities as at 31 December 2024:

	Less than 1 month	1 to 3 month	3 to 12 month	Over 12 months	Total
Cash	119,418	-	-	-	**119,418**
Deposits	-	-	15,891	-	**15,891**
Investments	3,042	-	-	-	**3,042**
Interest and other receivables	292,464	-	-	-	**292,464**
Loans, without any provision	108,994	193,550	634,490	1,203,427	**2,140,461**
	523,918	**193,550**	**650,381**	**1,203,427**	**2,571,276**
Trade payables	56,502	-	-	-	**56,502**
Borrowings	6,765	10,570	55,101	1,812,920	**1,885,356**
Interest	20,119	-	-	-	**20,119**
Other payables	17,656	-	-	-	**17,656**
	101,042	**10,570**	**55,101**	**1,812,920**	**1,979,633**

6.5. Credit risk

The Company is exposed to credit risk in the event where its customers fail to meet their payment obligations. The following table presents the structure of the loan receivables from the customers as at 31 December 2025 according to the estimates risk and impairment:

	In (000) MKD		
	Gross amount	**Impairment**	**Net amount**
Principal	3,193,907	(172,524)	3,021,383
Interest	231,699	(24,108)	207,591
Fees	44,474	-	44,474
	3,470,080	**(196,632)**	**3,273,448**

6. Financial instruments (Continued)

6.5. Credit risk

The following table presents the structure of the loan receivables from the customers as at 31 December 2024 according to the estimates risk and impairment:

	In (000) MKD		
	Gross amount	**Impairment**	**Net amount**
Principal	2,140,462	(114,016)	2,026,446
Interest	203,308	(17,902)	185,406
Fees	41,411	-	41,411
Undue interest and fees	-	-	-
	2,385,182	**(131,918)**	**2,253,263**

6.6. Capital management

Basic goal of the Company regarding the capital management policy is to be in adhere of the Law on financial companies (The Law). According to the Law, the Company is obliged to maintain at any time share capital not less than 30,000 thousands of MKD (2023: 6,000 thousands of MKD). Also, the Company can not have loan receivables in amount of more than 10 times of the amount of the share capital and reserves.

Equity maintenance and investments in loans are managed by the Company on a regular basis.

The following tables are presenting the share capital and investments in loan receivables of the Company as at 31 December 2025 and 2024 according to the regulations.

	2025 (000) MKD	**2024 (000) MKD**
1. Total equity		
Share capital	240,089	240,089
Total	**240,089**	**240,089**
2.Share capital based on limit		
Equity of 30,000 thousands of MKD	30,000	30,000
Total	**30,000**	**30,000**
3. Amount above share capital	**210,089**	**210,089**

	2025 (000) MKD	**2024 (000) MKD**
1. Total investments		
Loan receivables	3,273,448	2,253,263
Total	**3,273,448**	**2,253,263**
2. Limit according to the law		
Share capital, reserves and profit (losses)	337,054	256,328
Ratio	10	10
Total	**3,370,540**	**2,563,280**
3. Amount above limit	**-**	**-**

7. INTEREST AND FEE INCOME

	2025 (000) MKD	2024 (000) MKD
Interest income	168.122	154.778
Income from commission	1.129.797	875.958
Income from the warning letters	71.686	82.723
Income from the penalty interest	5.976	5.595
Total	**1.375.581**	**1.119.054**

8. COST FOR EMPLOYEES

	2025 (000) MKD	2024 (000) MKD
Employees net salaries	98.859	86.183
Taxes and contributions for wages	43.464	41.053
Other costs for the employees	6.747	4.923
Business trip expenses	1.672	1.647
Total	**150.742**	**133.806**

9. OTHER OPERATING INCOME

	2025 (000) МКД	2024 (000) МКД
Collected written-off and terminated receivables based on loans	13.050	20.763
Income from the sale of written off receivables	22.221	113.651
Income from the refund of the solidarity tax	82.081	-
Income from marketing activities	4.454	4.827
Income from issued certificates	1.135	1.482
Other operating income	4.679	515
Total	**127.620**	**141.238**

During 2025, the company earned income of 22,221 thousands of MKD (2024: 113,651 thousands of MKD) from the sale of written-off receivables in the amount of 148,428 thousands of MKD (2024: 930,144 thousands of MKD) to EOS Matrix.

10. OTHER OPERATING EXPENSES

	2025 (000) MKD	2024 (000) MKD
Rental of the business offices and equipment	326	12.645
Costs for electricity and heating	2.347	2.844
Maintenance cost	16.685	9.586
Phone and internet services	2.021	2.210
Advertising, representation and sponsorship cost	58.010	49.268
Costs from domestic payment and banks commission	3.063	7.511
Expenses for the use of rights	9.880	8.954
IT services	13.879	3.662
Other services	25.921	29.830
Management and guarantee services from AS Iute Group	335.754	297.048
Other operating expenses	29.208	22.741
Total other operating expenses	**497.094**	**446.299**

The Company has concluded Management and guarantee fee contracts with the parent company, which refer to fees for consulting services that the Company needs for rendering financial services to its clients, as well as fee that the parent company will guarantee the continuous business activity of the Company. The contracts are valid until 31 December 2029.

11.a. FINANCING INCOME

	2025 (000) MKD	2024 (000) MKD
Interest income	-	-
Foreign exchange gains	37.377	16.271
Brokerage	21.641	12.871
Other financing income	5.520	2.498
realized income from the sale of shares	36	81
Total financing income	**64.574**	**31.721**

11.b FINANCING EXPENSES

	2025 (000) MKD	2024 (000) MKD
Interest expenses	262.800	223.333
Foreign exchange losses	38.397	15.695
Interest expenses on lease liabilities (IFRS 16)	3.381	-
Total financing expenses	**304.578**	**239.028**

12. INCOME TAX

	2025 (000) MKD	2024 (000) MKD
Current income tax	61.711	40.181
Deferred income tax	-	-
Total	**61.711**	**40.181**

Calculation of the income tax:

	2025 (000) MKD	2024 (000) MKD
Income (loss) before taxation	**288.435**	**162.493**
Unrecognized expenses:		
Representation	4.163	1.768
Interest on loans	-	-
Donations and sponsorships	-	-
Impairment of loans	315.008	307.715
Withholding tax	6.451	9.042
Written-off of unpaid receivables	12.144	5.076
Reimbursement of expenses and other income from employment	1.285	1.010
Other employee benefits	4.028	4.897
Monetary and tax penalties	-	363
Other	10.124	6.696
Tax base before tax exemptions	**641.638**	**499.060**
Other exemptions	(24.525)	(97.246)
Exemption for loss from the previous years	-	-
Tax base	**617.113**	**401.814**
Calculated income tax with 10% (2019: 10%)	**61.711**	**40.181**
Other exemptions	-	-
Income tax	**61.711**	**40.181**
Income before taxation	**288.435**	**162.493**
Effective tax rate	**21,40%**	**24,73%**

13. CASH AND CASH EQUIVALENTS

	2025 (000) MKD	2024 (000) MKD
Currency accounts with the bank	71.091	33.001
Foreign currency accounts with the bank	130.053	51.519
Cash in ATM	42.931	34.898
Other cash equivalents	-	-
Total cash and equivalents	**244.075**	**119.418**

14. OTHER CURRENT ASSETS AND PRE PAID EXPENSES

	2025 (000) MKD	2024 (000) MKD
Claims for guarantees	503	503
Advances paid and deposit	1.837	1.837
Receivables for income tax	-	-
Inventories	-	2.249
Receivables from employees and other receivables	4.944	5.293
Receivables from a bankrupt bank	458	550
Receivables from Mintos based on loan redemption	6.738	-
Receivable for paid solidarity tax	82.081	-
Other receivables	49.165	41.398
Prepaid expenses	5.875	4.184
Total other current assets	**151.601**	**56.014**

15. LOANS TO CUSTOMERS

	2025 (000) MKD	2024 (000) MKD
Retail loans	3.193.907	2.140.461
Interest on retails loans	231.699	203.309
Commissions on retail loans	44.474	41.411
Undue interest, commissions and other	-	-
	3.470.080	**2.385.181**
Impairment on loans	(196.632)	(131.918)
	(196.632)	**(131.918)**
Total loans to customers	**3.273.448**	**2.253.263**
Movement of the impairment on loans:		
Balance 1-st of January	**131.918**	**198.207**
New impairment	315.008	307.714
Write-offs	(250.294)	(374.003)
Balance 31-st of December	**196.632**	**131.918**

16. INTANGIBLE ASSETS

	2025 (000) MKD	2024 (000) MKD
Purchase value		
Balance 1-st of January	**13**	**517**
Additions	-	-
Rewriting	(13)	(504)
Write off	-	-
Balance 31-st of December	**-**	**13**
Accumulated amortization		
Balance 1-st of January	**-**	**-**
Amortization for the current year	-	-
Rewriting	-	-
Write off	-	-
Balance 31-st of December	**-**	**-**
Carrying amount as at 31-st December	**-**	**13**

17. EQUIPMENT AND OTHER

	Equipment & inventory (000) MKD	Investments in progress (000) MKD	Investment in other asset (000) MKD	Total (000) MKD
Cost				
Balance 1-st of January	**24.934**	**171**	**4.090**	**29.195**
Additions	931	-	151	1.082
Transfer from investments in progress	171	(171)	-	-
Disposals	(2.289)	-	-	(2.289)
Rewritig	13	-	-	13
Balance 31-st of December	**23.760**	**-**	**4.241**	**28.001**
Accumulated depreciation				
Balance 1-st of January	**20.772**	**-**	**2.968**	**23.740**
Depreciation	2.053	-	218	2.271
Disposals	(2.266)	-	-	(2.266)
Rewritig	-	-	-	-
Balance 31-st of December	**20.559**	**-**	**3.186**	**23.745**
Carrying amount:				
31.12.2025	**3.201**	**-**	**1.055**	**4.256**
31.12.2024	**4.162**	**171**	**1.122**	**5.455**

The company does not have its own business premises and therefore uses leased space under an operating lease for which monthly rent is paid.

17.1 RIGHT-OF-USE ASSETS

	Property	Motor vehicles	Total
Cost			
Balance 1-st of January	-	-	-
Additions to right-of-use assets during the period	35.652	-	35.652
Balance 31-st of December	**35.652**	**-**	**35.652**
Accumulated depreciation			
Balance 1-st of January	-	-	-
Depreciation	9.543	-	9.543
Balance 31-st of December	**9.543**	**-**	**9.543**
Carrying amount:			
31.12.2025	**26.109**	**-**	**26.109**
31.12.2024	**-**	**-**	**-**

18. GIVEN DEPOSITS

As at 31 December 2025, the Company had no deposits placed. As at 31 December 2024, deposits amounting to MKD 15,891 thousand related entirely to a long-term deposit placed with U.S. Bank for the purposes of card settlement with Mastercard, in the amount of USD 269,878.67, pursuant to an agreement for the use of Mastercard services. The agreement was terminate

19. FINANCIAL INVESTMENTS AT FAIR VALUE TROUGHT INCOME STATEMENT

Financial instruments at fair value through income statement in the amount of 79 thousand MKD (2024: 3,042 thousand MKD) represent investments in shares of Investment fund KB Invest - cash fund.

20. TRADE PAYABLES AND OTHER

	2025 (000) MKD	2024 (000) MKD
Domestic suppliers	13.303	11.021
Foreign suppliers	30.094	45.481
Income tax liabilities	22.802	11.712
Liabilities for salaries	15.885	8.903
Liabilities for early repayment of loans	68.724	49.720
Liabilities for unused funds from approved loans	16.763	10.848
Lease liabilities	27.416	-
Other liabilities	24.324	31.296
Total trade payables and other	**219.311**	**168.981**

21. LOANS AND BORROWINGS

	2025 (000) MKD	2024 (000) MKD
Borrowings from:		
IUTE Group AS Estonia	2.279.048	1.276.679
AS Mintos Latvia	365.128	484.235
Local investors	185.912	93.692
Local banks	58.425	30.750
Interest from borrowings from IUTE Group AS Estonia	23.617	14.583
Interest from borrowings from AS Mintos Latvia	1.901	3.659
Interest from local investors	2.448	1.877
Total	**2.916.479**	**1.905.475**

Long-term loan from IUTE Group AS Estonia in the amount of 2,279,048 thousands of MKD or 37,060,706 EUR with interest rate of 10%. The loan arise from concluded master loan agreement for the amount of maximum 40,000,000 EUR and the repayment period is up to 01.09.2029.The loan is in EUR. Collateral for the loan are loan receivables from customers of the Company.

Long-term loan from AS Mintos Latvia, which in 2025 amounted to 365,128 thousands of MKD or 5,937,518 EUR originates from a contract for the purchase of receivables based on given loans, between the Company as the borrower, SIA Mintos Finance No. 39 from Latvia as the issuer and AS Mintos Latvia as an investor. In accordance with this agreement, the repayment term of the loan follows the repayment terms of the purchased receivables on the basis of given loans. Collateral for the loan is a pledge on the Company's receivables from its customers, in an amount that does not exceed 10 million EUR.

Long-term loan from local inventors in the amount of 185,425 thousands of MKD with a maturity date to September 2027 and an interest rate of 8-11.5% per annum.

Long-term loan from local bank in the amount of 58,425 thousands of MKD with a maturity date to April 2027 and an variable interest rate of 10% per annum.

22. SHARE CAPITAL

Share capital	2025 (000) MKD	2024 (000) MKD
IUTE Group AS Estonia	240.089	240.089
	240.089	**240.089**

The structure of the owners as of 31 December is as follows:

Owners:	2025 %	2024 %
IUTE Group AS Estonia	100%	100%

During 2024, share capital increase was done with additional 500,000 EUR or 30,748 thousands of MKD. As of 31.12.2024, the amounth of EUR 500,000 has been paid in full. On 26.12.2024, Resolution No. 10605/2 was obtained from the Ministry of Finance of the RSM, which gave consent for the capital increase. The capital increase was recorded in the Central Register of the RSM on 13.01.2025.
During 2023, share capital increase was done with additional 450,000 EUR or 27,673 thousands of MKD. As of 31.12.2023, the amounth of EUR 450,000 has been paid in full. On 13.02.2024, Resolution No. 181/1 was obtained from the Ministry of Finance of the RSM, which gave consent for the capital increase. The capital increase was recorded in the Central Register of the RSM on 06.03.2024.

During 2022, share capital increase was done with additional 500,000 EUR or 30,842 thousands of MKD. During 2021, share capital increase was done with additional 1,300,000 EUR or 80,051 thousands of MKD.

During 2019, share capital increase was done with additional 600,000 EUR or 36,897 thousands of MKD.

23. CONTINGENCIES

Provisions and contingent liabilities are recognized and disclosed in the financial statements when there is a probability of future outflows of resources embodying economic benefits and when a reliable estimate of the amount can be made.

a) Guarantees and pledged receivables
As at 31 December 2025, IuteCredit Finance S.à r.l., Luxembourg, has issued secured bonds with a nominal value of EUR 225 million, bearing ISIN XS3047514446, which are listed on the Frankfurt Stock Exchange, Germany, and on the NASDAQ Tallinn Stock Exchange, Estonia, with a fixed coupon interest rate of 12% and a maturity date of 6 December 2030.

Greenmark Restructuring Solutions GmbH, Germany, has been appointed as joint representative of the bondholders and acts jointly with them as a secured creditor. In 2019, IuteCredit Finance S.à r.l., Luxembourg (hereinafter referred to as the “Issuer”), entered into a representation agreement with Greenmark Restructuring Solutions GmbH, Germany.

Under this agreement, in favour of the bondholders and in relation to the issued bonds in the total amount of EUR 225 million, the Issuer has provided security in the form of first-ranking pledges over securities, present and future receivables arising from loans granted to customers, bank accounts, and a promissory note in the form of a notarial deed, owned by the subsidiaries of Iute Group AS, Estonia, in Luxembourg, Estonia, Moldova, Albania, Bulgaria and North Macedonia.

23. CONTINGENCIES (Continued)

a) Guarantees (Continued)

In accordance with the representation agreement, in order to secure the fulfilment of the obligations of the Issuer arising from the bonds, IuteCredit Macedonia has entered into a pledge agreement over receivables with Greenmark Restructuring Solutions GmbH, Germany, and has issued a promissory note in the form of a notarial deed as a guarantee in an amount of up to EUR 225 million in favour of Greenmark Restructuring Solutions GmbH, Germany. By doing so, together with the aforementioned subsidiaries, it assumes all obligations arising from the issued bonds, up to an amount of EUR 225 million.

In addition, the Company has pledged its receivables in favour of Mintos as a lender, with a secured claim amounting to EUR 10 million, and in favour of Kapital Bank as a lender, with a secured claim amounting to EUR 950 thousand.

As at 31 December 2025, the outstanding balance of liabilities to these lenders amounts to MKD 425,454 thousand (Note 21).

b) Litigation

As of December 31, 2025, no lawsuits have been initiated against the Company.

25. POST BALANCE SHEET EVENTS

Subsequent to the reporting date, no events have occurred that would have a material impact on the Company's business activities or that would require adjustment to these financial statements.

Subsequent to the reporting date, the Company is considering the possibility of issuing a bond during 2026 in order to secure additional sources of financing. As at the date of approval of the financial statements, preparatory activities related to the issuance are ongoing, and the final terms have not yet been determined.

26. RELATED PARTY TRANSACTIONS

Related party transactions are as follows:

	,31 December 2024	
Receivables from and payables to:	**Receivables**	**Payables**
IUTE Group AS Estonia	-	2.332.430
Other related party	-	-
Total	**-**	**2.332.430**

	,31 December 2023	
Receivables from and payables to:	**Receivables**	**Payables**
IUTE Group AS Estonia	-	1.336.395
Other related party	137	-
Total	**137**	**1.336.395**

	,31 December 2024	
Income and expenses:	**Income**	**Expenses**
IUTE Group AS Estonia	-	491.716
Other related party	43	6.205
Total	**43**	**497.921**

	,31 December 2023	
Income and expenses:	**Income**	**Expenses**
IUTE Group AS Estonia	-	404.300
Other related party	-	6.047
Total	**-**	**410.347**