

Q2 2025

Interim Financial Report

Salmon



Salmon at a Glance

Salmon

OVERVIEW

- Founded in 2022, Salmon operates a challenger bank in the Philippines providing innovative AI-powered consumer lending and savings products
- Headquartered in Abu Dhabi Global Market, the Company operates its main offices in Manila, Philippines, with a team of over 1,500 professionals. Its core team comprises top-tier talent from leading technology firms and banks, including Tinkoff, one of the world's most acclaimed digital banks.
- Operating in a large and rapidly growing market with more than 115 million people, Salmon is providing credit across the available channels – both online and offline – making credit products very easy to use while leveraging AI tools and a wide variety of available data sources to score potential clients
- One of the highest rated financial service apps in the Philippines rated at 4.8 in App Store/Google Play
- Salmon operates a licensed bank in the Philippines (Rural Bank of Sta. Rosa (Laguna), Inc.) and financing companies in the Philippines
- Salmon operations are centered around its highly rated mobile application, with a suite of financial solutions in a single, digitally native mobile application to interact with and to support customers.

Figures as of June 2025

US\$53.4mn

Gross Loans Outstanding

US\$17.1mn

Bank Deposits

4.8

Google/App Store Rating

US\$59.2mn

Annualized Revenue

WORLD CLASS INVESTORS

Back in Black



Point-of-Sale (POS) Loans

Installment loans issued at partner stores for the purpose of purchasing consumer products



Cash Loans

Installment cash loans made to pre-approved repeat customers



Online and Offline Revolving Credit Lines (RCL)

A "low and grow" credit line that customers may draw down on to make purchases (optionally linked to a physical and/or virtual cards)



Deposit Accounts

Bank accounts offering market-leading (up to 8.88%) interest rates

Founders' Message

A defining 2nd quarter 2025 for Salmon

In Q2 2025, Salmon's total loan portfolio increased by US\$7.6 million from Q1 2025 (2.1× year-over-year growth), with expansion across our offering. The main growth driver was the onboarding of new partner stores and improved agent productivity across key channels.

The quarter marked considerable progress in the evolution of our revolving credit line product (enabled with online and offline acquisition) with the introduction of a grace period of up to 61 days and other differentiating features. Over the course of the quarter, we confirmed strong economic viability of the improved RCL product, yet disbursements were kept relatively steady to ensure continued control over risks.

As Salmon was working on the closing of the Nordic bond issue and the A-2 equity round in Q2 we also kept to a minimum cash loan issuance to repeat customers to optimize allocation of resources in light of the pending transaction. With the receipt of bond/equity proceeds and strong momentum in the inflow of deposits, Salmon will be catching up on cash loan originations deferred in Q2 in the coming months.

Risks across the portfolio have either remained stable or improved in the context of a rapidly scaling portfolio. Compared to the same period of the last year we recorded a notable decrease in the overall risks of the portfolio. We are convinced that continued research and learning from higher lending volumes will allow us to continue improving the risk profile of our business.

Our deposit mobilization efforts at the bank also delivered good results, with total deposits increasing by US\$8.1 million in Q2 2025. This was driven by the launch of mobile banking application of the Bank in May 2025 as approved by the BSP. Growth in deposits not only strengthens our balance sheet and reduces our cost of funding, but also reflects growing consumer trust in Salmon.

On the fundraising side, to support this continued growth, we successfully closed a US\$28 million Series A2 equity round during the quarter. The round was led by Spice Expeditions, a US venture capital firm established by Nick Huber, formerly a partner at Ribbit Capital, with the participation of other blue chip US institutional investors. Existing investors have also participated in the round. Concurrently, we completed (with the closing date being 18 July 2025) the US\$60 million issuance of Nordic bonds under a broader US\$150 million bond framework, enhancing our funding toolkit and reinforcing our ability to provide credit to the underserved, and underbanked. The success of this issuance, raised in a challenging global macro environment, underscores strong investor confidence in our business model, credit quality, and long-term mission.

CONFIDENTIAL

Salmon

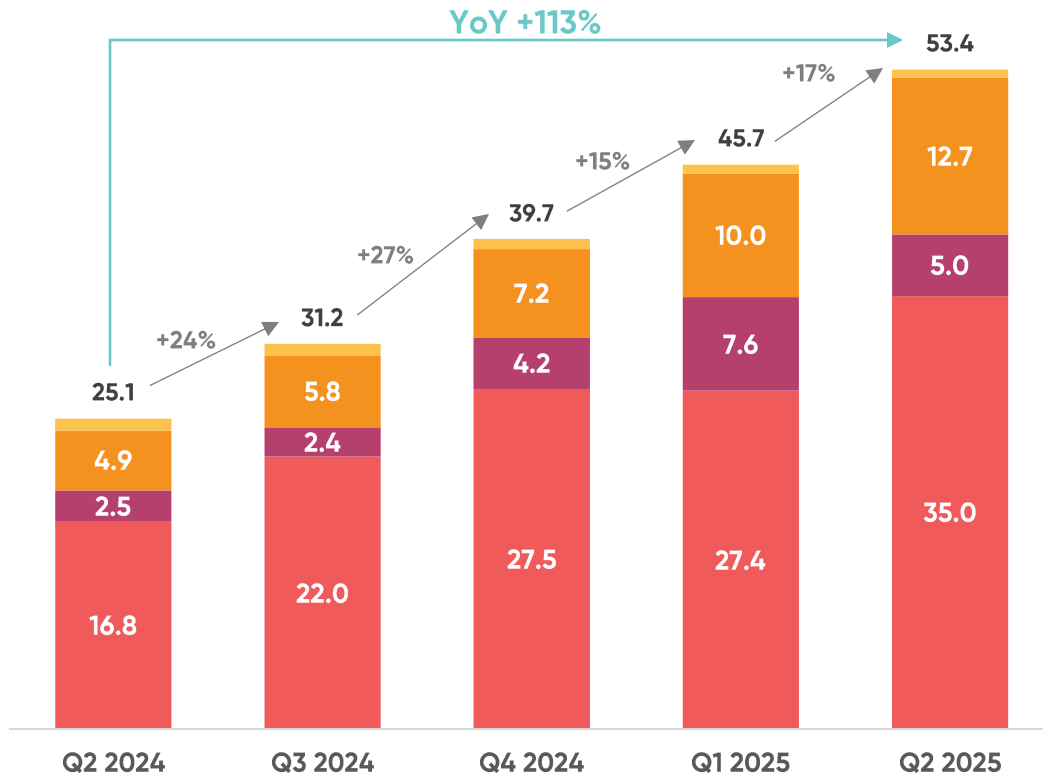


Loans and Deposits Highlights

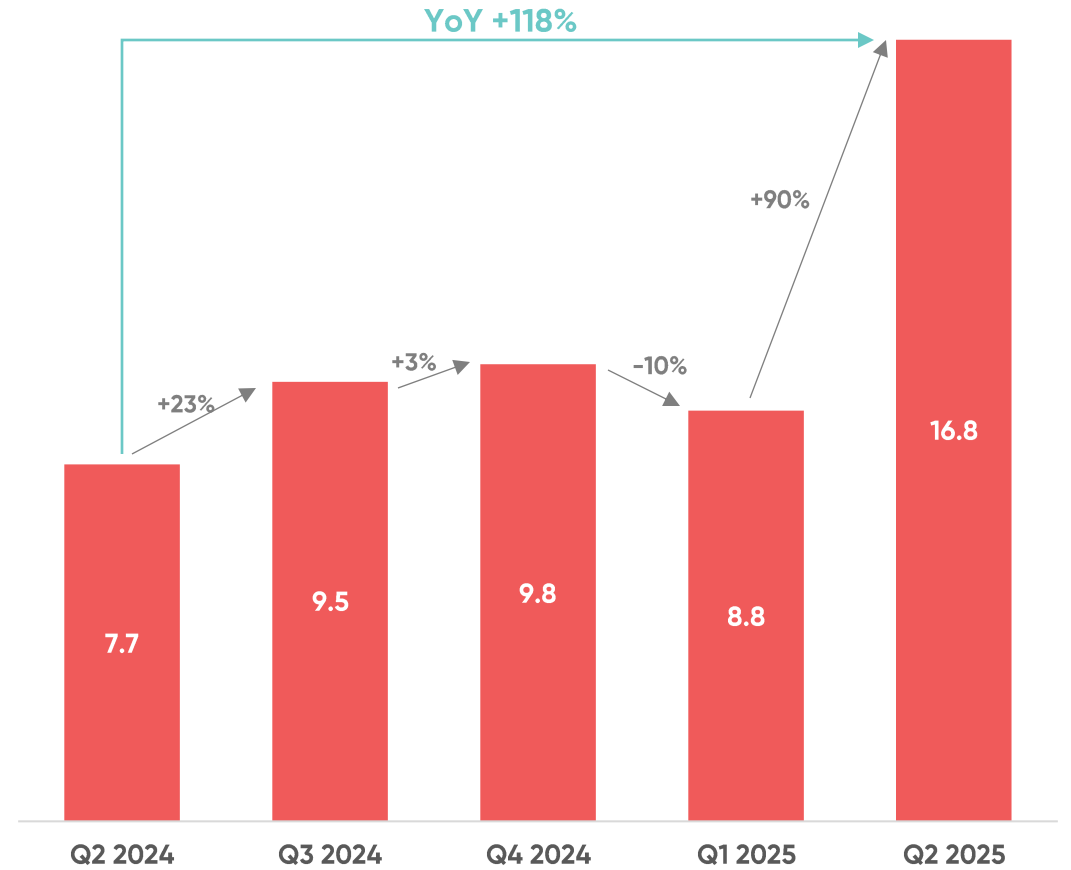
Figures in US\$ mm

Gross Portfolio

■ POS ■ Cash Loans ■ RCL ■ Bank Legacy



Customer Deposits



Income Statement

Unaudited management accounts (in US\$ mm)

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	6M 2025	2024
Revenue	14.3	12.1	9.0	7.8	5.6	26.3	26.5
Funding Expense	(2.6)	(1.5)	(1.7)	(1.5)	(1.3)	(4.2)	(5.7)
Net Revenue	11.6	10.5	7.3	6.3	4.3	22.2	20.8
Operating Expense excl. non-recurring & ESOP	(12.4)	(10.3)	(11.3)	(8.9)	(7.6)	(22.7)	(34.9)
Pre-Provision Operating Income / (Loss)	(0.7)	0.2	(4.1)	(2.6)	(3.3)	(0.5)	(14.0)
Provisions	(7.7)	(6.2)	(6.0)	(5.2)	(4.8)	(13.8)	(18.5)
Adjusted Loss Before Tax	(8.4)	(5.9)	(10.1)	(7.7)	(8.2)	(14.4)	(32.6)
ESOP Expense	(0.3)	(0.3)	(1.8)	(1.8)	(1.8)	(0.6)	(7.2)
Non-operating, Non-recurring Expenses	(4.2)	-	-	-	-	(4.2)	-
Loss Before Tax	(12.9)	(6.3)	(11.9)	(9.5)	(10.0)	(19.2)	(39.8)
Deferred Tax Income / (Expense)	0.5	0.5	1.0	1.3	0.8	1.0	3.6
Income Tax Expense	(0.6)	(0.4)	(0.7)	(0.6)	(0.2)	(1.0)	(1.6)
Net Loss Charged to Profit and Loss	(13.0)	(6.1)	(11.5)	(8.8)	(9.4)	(19.2)	(37.7)
Allocation to non-controlling interest	(0.6)	(0.5)	(0.3)	(0.6)	(0.5)	(1.1)	(1.5)
Foreign Currency Translation Reserve	0.3	0.2	(0.7)	1.1	(0.8)	0.5	(0.9)
Other Equity Charges	-	-	(0.0)	-	-	-	(0.0)
Net Loss Charged to Equity	(13.3)	(6.4)	(12.5)	(8.3)	(10.7)	(19.7)	(40.1)



Non-operating, non-recurring expenses pertains to the one-time revaluation of warrants outstanding due to the new price established at the Series A2 Equity Round.

These warrants were subsequently reclassified from liability to equity due to the cessation of the cash-settlement feature.

Balance Sheet

Unaudited management accounts (in US\$ mm)

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	6M 2025	2024
Assets							
Cash and Cash Equivalents	34.6	16.2	15.0	19.1	13.7	34.6	15.0
Gross Loans	53.4	45.7	39.7	31.2	25.1	53.4	39.7
Allowance for Credit Loss	(14.3)	(11.7)	(9.9)	(9.4)	(6.8)	(14.3)	(9.9)
Net Loans	39.1	34.0	29.8	21.8	18.3	39.1	29.8
Other Receivables and Advances	62.4	3.2	6.2	2.4	2.8	62.4	6.2
Fixed & Right-of-use Assets	1.2	1.3	1.4	1.5	1.4	1.2	1.4
Intangible Assets	7.5	6.4	5.4	4.4	3.4	7.5	5.4
Investments in Associates	0.1	-	-	-	-	0.1	-
Deferred Tax Assets	5.3	4.6	4.0	2.9	1.6	5.3	4.0
Total Assets	150.1	65.7	61.7	52.0	41.2	150.1	61.7
Liabilities							
Customer Deposits	17.1	9.1	10.1	9.5	7.8	17.1	10.1
Interest Bearing Wholesale Debt	86.4	31.6	23.4	22.4	19.3	86.4	23.4
Warrants	-	2.1	2.1	2.1	2.1	-	2.1
Trade Payables and Other Liabilities	6.7	7.3	8.8	16.2	4.2	6.7	8.8
Total Liabilities	110.3	50.1	44.4	50.2	33.4	110.3	44.4
Equity							
Mandatory Convertible Notes	-	30.0	26.1	-	-	-	26.1
Warrants Outstanding	7.1	-	-	-	-	7.1	-
Paid-up Capital	101.2	41.8	41.2	41.2	41.0	101.2	41.2
ESOP Reserves	14.0	13.8	14.1	12.4	10.8	14.0	14.1
Non-controlling Interest	3.0	2.4	1.9	1.6	1.0	3.0	1.9
Retained Earnings	(85.6)	(72.3)	(65.9)	(53.4)	(45.0)	(85.6)	(65.9)
Total Equity	39.8	15.7	17.4	1.9	7.8	39.8	17.4



Increase in Other Receivables and Advances in 2025 Q2 is due to the proceeds from the Nordic Bond held in escrow, as the Company concluded its Series A2 Equity Financing Round in June 2025 which was a CP to the disbursement of funds.

Cash Flows

Unaudited management accounts (in US\$ mm)

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	6M 2025	2024
Beginning of Period Cash	16.2	15.0	19.1	13.7	9.9	15.0	3.7
Net loss before tax	(12.9)	(6.3)	(11.9)	(9.5)	(10.0)	(19.2)	(39.8)
<i>Adjustments for non-cash items</i>							
Depreciation and Amortization	0.4	0.3	0.2	0.2	0.1	0.6	0.9
ESOP Expense	0.3	0.3	1.8	1.8	1.8	0.6	7.2
Provision for Expected Loss	7.7	6.2	6.0	5.2	4.8	13.8	18.5
Funding Expense	2.6	1.5	1.7	1.5	1.3	4.2	5.7
Forex and Other Adjustments	4.1	(0.1)	0.3	0.0	0.0	4.0	1.0
Adjusted Loss Before Interest and Income Tax	2.1	2.0	(1.8)	(0.8)	(1.9)	4.1	(6.5)
Income Tax Paid	(2.1)	-	(0.2)	(0.0)	(0.1)	(2.1)	(0.2)
Interest Paid	(0.2)	(0.7)	(0.0)	(0.7)	0.0	(0.9)	(1.0)
Other Debt Funding Expense Paid	-	(0.3)	-	-	-	(0.3)	(0.2)
Net Cash Flows from Operating Activities before changes in Gross Portfolio and WC	(0.2)	1.0	(2.0)	(1.5)	(1.9)	0.8	(7.9)
Change in Gross Portfolio	(12.5)	(9.4)	(14.5)	(7.6)	(10.2)	(21.9)	(39.4)
Change in Other Assets	(1.4)	2.6	(3.0)	0.4	(0.8)	1.2	(2.4)
Change in Other Liabilities	0.8	(1.9)	2.7	0.7	0.6	(1.2)	6.4
Net from Operating Activities	(13.4)	(7.7)	(16.8)	(8.0)	(12.4)	(21.1)	(43.3)
Rural Bank Deposits	8.0	(1.0)	0.4	1.8	1.1	7.0	8.5
Wholesale Debt Financing	(2.5)	7.8	(0.4)	2.1	-	5.3	7.7
Equity and Convertible Note Financing	28.1	3.5	15.2	10.7	16.3	31.6	45.2
Other Financing Activities	(0.3)	(0.0)	(0.1)	(0.0)	(0.0)	(0.3)	(0.4)
Net Cash Flows from Financing	33.2	10.2	15.0	14.6	17.4	43.5	60.9
Acquisition of Fixed and Intangible Assets	(1.5)	(1.3)	(1.3)	(1.3)	(1.2)	(2.8)	(4.8)
Acquisition of Subsidiaries and Associates	(0.1)	-	(1.0)	-	-	(0.1)	(1.5)
Net Cash Flows from Investing	(1.6)	(1.3)	(2.2)	(1.3)	(1.2)	(2.8)	(6.3)
End of Period Cash	34.6	16.2	15.0	19.1	13.7	34.6	15.0

Disclaimer



Background

This report (this "**Report**") has been produced by Salmon Group Ltd. (reg. no. 000007980) (the "**Issuer**", and together with its direct and indirect subsidiaries from time to time, the "**Group**") in connection with the terms and conditions of its senior secured callable fixed rate bonds (ISIN: NO0013535468) (the "**Bonds**") dated May 2, 2025 (the "**Bond T&Cs**").

This Report is for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds or the Warrants (as defined in the Bond T&Cs). By reading this Report, you agree to be bound by the following terms, conditions and limitations.

Unaudited financial statements

All financial information contained in this Report are unaudited and have not been reviewed by the Group's auditor or any other auditor or financial expert. Hence, such financial information might not have been produced in accordance with applicable or recommended accounting principles and may furthermore contain errors and/or miscalculations.

This Report is dated **August 31, 2025**, and does not reflect any changes in the affairs of the Group since such date.

The Group does not make any express or implied representation or warranty as to the accuracy or completeness of the information contained in the Report, and the Group shall not be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on this Report.

No advice

Neither this Report nor any of its contents is to be taken as the giving of advice by the Issuer. Any recipient of this Report should not construe this Report as legal, tax, accounting or investment advice or a recommendation.

No offer or solicitation

This Report is not intended to, and does not constitute an offer or invitation or solicitation of any offer to sell or purchase any securities of the Issuer. This Report is not intended to, and does not, create a binding or enforceable offer, agreement or commitment on the part of the Issuer to enter into or negotiate any transaction.

Forward looking statements

Certain information contained in this Report, including any information on the Group's plans or future financial or operating performance and other statements that express the Group's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Group or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Group cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Group to be materially different from the Group's estimated future results, performance or achievements expressed or implied by those forward-looking statements. The Group gives no assurance as to the accuracy of such statements, estimates or projections and no responsibility or liability is accepted by the Group as to the achievement or reasonableness of any such future projections, forecasts, estimates, or statements as to prospects or future returns contained, or referred to, in this Report. Actual results may vary materially from the projected results contained in this Report.

Governing law

This disclaimer shall be governed by and constructed in accordance with the laws of Sweden.

Salmon