Revolut Bank

Revolut Bank UAB 2025 Management Report

Including Financial Statements for the year ended 31 December 2025

Revolut Bank UAB
Registered number: 304580906

Contents

Management Report

1. Reporting Period Covered by this Report

This management report is prepared for the annual period of 2025. The management report covers the information on Revolut Bank UAB (further referred to as the Bank).

2. Overview of the Bank's Status and Development

The Bank is a credit institution incorporated and licensed in the Republic of Lithuania with company number 304580906 and authorisation code LB000482 and whose registered office is at Konstitucijos ave. 21B, 08130 Vilnius, the Republic of Lithuania. The Bank was granted a specialised banking licence in December 2018, and a "full" banking licence in December 2021 to offer payment, deposit, credit products and other services to its customers in accordance with Articles 4(2), 4(3) and Article 9 (2-1) of the Law on Banks of the Republic of Lithuania. Historically the Bank was directly supervised by the Bank of Lithuania (further referred to as BoL). The BoL adopted a decision to designate the Bank as Other Systemically Important Institution (O-SII) on 20 December 2022. As a consequence, since January 2024, the Bank has been subject to joint supervision by the Bank of Lithuania and the European Central Bank under the Joint Supervisory Mechanism, as well as the European Single Resolution Board under the Single Resolution Mechanism.

The Bank is a wholly owned subsidiary of Revolut Holdings Europe UAB (further referred to as RHE) which in turn is a wholly owned subsidiary of Revolut Group Holdings Ltd (further referred to as Group TopCo).

On the 1st July 2022, the Bank merged with Revolut Payments UAB, thereby simplifying the offering to its customers as well as streamlining the organisational structure.

The Bank has registered the following branches in the EU:

- Revolut Bank UAB (Belgian Branch), which was incorporated on 19th April 2021, registered address: Silver Square, Sq. de Meeûs 35, 1000 Brussels, Belgium.
- Revolut Bank UAB (Netherlands Branch), which was incorporated on 9th August 2022, registered address: Avenue Barbara Strozzi 201, 1083 HN Amsterdam, Netherlands.
- Revolut Bank UAB - Sucursal em Portugal (Portugal Branch), which was incorporated on 18th May 2022, registered address: Avenida Menéres, 612, 4450-189 Matosinhos, Portugal
- Revolut Bank UAB Magyarországi Fióktelepe (Hungarian Branch), which was incorporated on 14th January 2021, registered address: Radnóti Miklós utca 2, 1137 Budapest, Hungary.
- Revolut France succursale de Revolut Bank UAB (French Branch), which was incorporated on 12th July 2022, registered address: 10 avenue Kleber, 75116, Paris, France.
- Revolut Bank UAB (Irish Branch), which was incorporated on 4th May 2022, registered address: 2 Dublin Landings, North Dock, Dublin 1, Ireland.
- Revolut Italia, Branch di Revolut Bank UAB (Italian Branch), which was incorporated on 19th April 2022, registered address: Via Filippo Sassetti 32, 20124 Milan, Italy.
- Revolut Bank UAB, Zweigniederlassung Deutschland, Germany, which was incorporated on 17th January 2023, registered address: FORA Linden Palais, Unter den Linden 40, 10117 Berlin, Germany.
- Revolut Bank UAB Sucursal En España, which was incorporated on 7th March 2023, registered address: Príncipe de Vergara 132, 4ª planta, 28002 Madrid, Spain. NIF code W0250845E.
- Revolut Bank UAB Vilnius Sucursala Bucuresti - Romanian Branch, which was incorporated on 7th June 2023, registered address: Bucureşti Sectorul 1, Bulevardul ION MIHALACHE, Nr. 15-17, Mindspace Victoriei, biroul 111, cladirea Tower Center International, Etaj 1, Romania. Romanian Trade Register number: J40/10350/06.06.2023.
- Revolut UAB UK Operations Branch, which was incorporated on the 1st of September 2025, registered address: 30 South Colonnade, London, E14 5HX, England. Company number: FC042912.

On 17 January 2024 the Swiss Financial Market Supervisory Authority (FINMA) granted a licence for the Bank and its sister company Revolut Securities Europe UAB to set up a joint representation of a foreign bank and a foreign brokerage entity in Switzerland.

The Bank has 100 % investments into the following subsidiaries:

- Revolut (Switzerland) AG, which was incorporated on 15 May 2024, registered address: Beethovenstrasse 48, 8002 Zürich, Switzerland. Trade register number CHE-462.966.439.
- Revolut Switzerland Payments AG, which was incorporated on 14 October 2024,registered address: Beethovenstrasse 48, 8002 Zürich, Switzerland. Trade register number CHE-466.957.066.

The Bank does not prepare consolidated financial statements, as its financial statements, along with those of its subsidiaries, are included in the consolidated financial statements of both Revolut Holdings Europe UAB and Revolut Group Holdings Ltd.

The Bank is offering the following primary products via the Revolut financial app:

- **Current accounts to private individuals**: Instant access, non-interest-bearing demand deposits to retail customers in over 30+ currencies in 30 countries in the EEA and in Switzerland with the following key features:
  - Multi-Currency (FX) - an account where customers can hold and spend in over 30 currencies and enabling customers to purchase FX at interbank rates;
  - Physical and Virtual debit cards - enabling customers to make payments via account linked debit cards;
  - Peer-to-Peer payments, recurring payments and direct debits - enabling customers to send and receive money from/to other Revolut customers instantly at no cost, set periodic payments and direct debits;
  - Credit Transfers - enabling customers to send and receive domestic transfers and cross-border payments via SWIFT.
- **Consumer lending to private individuals**:
  - Revolut Personal Loans are currently available to eligible customers based in Lithuania, Poland, Ireland, Romania, Spain, Germany, France, Portugal and Italy.
  - Credit Cards are currently available to eligible customers based in Lithuania, Poland, Ireland and Spain.
  - Pay Later can be accessed by eligible customers based in Ireland and Poland.

- **Interest Bearing Savings** accounts In-House are offered in several EEA countries. In addition, in Poland customers have the opportunity to place a deposit with a partner bank to earn interest;
- **Insurance products (via the sister company Revolut Insurance Europe UAB (RIE))**: RIE is authorised to provide insurance distribution services of the following products after it went live in July 2022.
  - Travel insurance;
  - Purchase Protection, Refund Protection and Event (ticket) Cancellation Insurance;
  - Cancellation for any reason Insurance;
  - Car Insurance (in Ireland).
- **Investment Services (via the sister company Revolut Securities Europe UAB (RSE)):** RSE is authorised to provide the following investment services and ancillary services after it went live in Q1 2023.
- Investment services:
    - Reception and transmission of orders;
    - Execution of orders for the account of clients;
    - Management of financial instruments portfolio;
    - Provision of investment recommendations;
  - Ancillary services:
    - Safekeeping, accounting and management of financial instruments for the account of clients, including custodianship and other related services such as cash/collateral management and excluding maintaining securities accounts at the top tier level;
    - Foreign exchange services where these are related to the provision of investment services;
    - Investment research and financial analysis or other forms of general recommendations relating to transactions in financial instruments.

RSE provides a range of investment services, including fractional trading of U.S. and EEA-listed stocks and exchange-traded funds (ETFs), fractional bond investments, portfolio management services, investments in money market funds, and contracts for difference (CFDs).From 18 April 2025 with the extended license RSE is authorised to provide the following additional investment services and ancillary services:

- Investment services:
    - Dealing on own account;
    - Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis;
    - Placing of financial instruments without a firm commitment basis.
  - Ancillary services:
    - Granting credits or loans to an investor, through which the investor can enter into a transaction in one or more financial instruments, where the firm granting the credit or loan is itself involved in the transaction;
    - Services related to placing of financial instruments;
    - Investment services and ancillary services that are related to financial instruments, assets or other objects to which financial derivatives, indicated in Article 3(15)(5), (6),(7) and (10) Law on Markets in Financial Instruments of the Republic of Lithuania, are linked to, with a condition that provided investment services or ancillary services and investment activities are linked to such financial derivatives.
- **Business products**: The Bank currently offers the following financial products to Business customers via the App:
  - **Multi-currency accounts**: businesses are able to hold and transact in different currencies from one main account.
  - **Global Payments**:
    - Business customers are able to utilise several inbound and outbound payment; types, e.g. Instant, Local, International, Card, Direct Debits, payout links, QR codes;
    - Physical and virtual debit cards which can be utilised globally;
    - Corporate cards.
  - **Expense management**:
    - Platform for expense tracking and management.
    - Ability to add several users and customise levels of access and permissions;
    - API integrations: the business product integrates with various accounting software;
    - Tools for businesses; invoices, analytics, expenses and rewards.

The Bank is providing financial services to its customers via the Revolut Group global financial super app. It offers retail and business customers an ever-expanding range of financial services that are superior to legacy banks in both speed and quality and with greater control over their finances. With a service that is both data-driven and personalised, Revolut empowers customers to achieve financial independence and security through smarter, more informed decisions about how they spend, save or grow their money.

There are no physical branches and all customer support is provided via mobile-app/web-app chat.

2025 Financial Performance and Asset Positioning

The Bank achieved robust financial results in 2025, driven by substantial scaling and a continued commitment to conservative asset management. The customer base grew to 52.7 million KYC'd users (2024: 38.6 million), while Monthly Active Users (MAU) reached 29.4 million, representing an improved conversion rate of 55.7%. Financially, gross revenues increased by 57.4% to EUR 2.8 billion, with transaction-based fees and commission income remaining the primary driver at 71% of the total. During 2025, the Bank earned EUR 787 million of interest income and EUR 1,940 million gross commission income (EUR 589 million and EUR 1,144 million in 2024).

Net profits more than doubled to EUR 208 million (EUR 101 million in 2024), further strengthening the Bank's capital base.

The Bank maintains a highly liquid and low-risk balance sheet. At year-end 2025, central bank deposits totalled EUR 15.7 billion (46% of total assets), complemented by EUR 16.7 billion (49% of total assets) in low credit risk and short-term treasury investments. This prudent allocation resulted in a Liquidity Coverage Ratio (LCR) of 448%, ensuring a resilient financial position relative to regulatory requirements and market volatility.

The Equity of the Bank was at EUR 1,889 million as of 31 December 2025 (EUR 975 million as of 31 December 2024). The Total Assets of the Bank comprised EUR 35,389 million as of 31 December 2025 (EUR 20,288 million as of 31 December 2024).

Revolut Bank UAB maintained full compliance with all regulatory capital and liquidity requirements throughout the financial year. The Bank's prudential ratios as of 31 December 2025 are detailed in the table below:

Total Capital Ratio	29.84%
Leverage Ratio	5.39%
Liquidity coverage ratio (LCR)	448.08%
Net stable funding ratio (NSFR)	262.28%

As at 31 December 2025 and 2024 the Bank did not hold any own shares. No treasury shares were acquired or transferred during the reporting period.

The Bank did not carry out any research and development activities during the reporting period.

The Bank's client-centric, digital-first business model relies fundamentally on two key internally generated intangible resources: its proprietary technology platform (the Revolut App) and its highly skilled workforce. By leveraging this scalable technological infrastructure, the Bank operates efficiently across the EEA without a traditional physical branch network, rapidly delivering innovative financial products to its customers. Concurrently, its dedicated human capital ensures operational resilience, strategic execution, and robust consumer protection, collectively translating these intangible assets into a strong competitive advantage and sustained financial value creation.

The Bank considers climate risk as part of its risk taxonomy, see further under Note 6.3.

3. Strategy and Plans

The Bank currently operates in 30 EEA countries and Switzerland. The Bank offers many of its products and services to customers free of charge or at relatively low cost, through its mobile application, providing excellent user experience and functionality. Customers can access further services and partner benefits through paid plans if they wish to upgrade. This model has been proven successful in building a customer base and increasing customer usage of the Bank's services. The Bank's aim is to create long term, sustainable growth by focusing on becoming a primary account provider for its customers. An important step to achieve this target is the ability to offer current accounts with local IBANs. The Bank has established a series of branches in certain EEA member states, in order to facilitate the provision of local account details to Revolut customers in the respective country. As of the end of 2025, Lithuanian, Polish, Romanian, French, Irish, Spanish, Dutch, Belgian, German, Portuguese and Italian local IBANs were available, while all other EEA customers continue to have Lithuanian denominated account details (i.e. have Lithuanian IBANs).

On 17 January 2024 the Swiss Financial Market Supervisory Authority (FINMA) granted a licence for the Bank and Revolut Securities Europe UAB to set up a joint representation of a foreign bank and a foreign investment and brokerage firm. Following the operationalisation of the license in the first half of 2024, direct onboarding of new Swiss customers to the Bank began in Q3 2024. Following this initial stage, the migration of Revolut Ltd customers to the Bank began in Q4 2024 with full launch in Q1 2025. The Bank uses the Representative Office to market its services in Switzerland.

In addition, Revolut Switzerland Payments AG (RSPAG) was established, a financial intermediary according to Article 2 (3) of the Swiss Anti-Money Laundering Act (AMLA) and affiliated with a self-regulatory organisation (SRO). RSPAG acts as issuer of debit cards to Swiss-resident clients of the Bank. Since September 2025, all new Swiss-resident retail clients are joining both the Bank and RSPAG. Existing clients were also asked to join RSPAG as card issuer in order to benefit from free of charge card top-ups.

Furthermore, the Bank aims to deliver on its strategy of offering different forms of consumer finance across EU markets with clear emphasis on localised, feature rich product suite. The Bank currently offers Personal Loans, Credit Cards and Buy Now Pay Later and continues to expand the EEA countries to which they are offered. As well as country expansion, the Bank is focusing on new product expansion such as the introduction of Residential Mortgages. The Bank commenced the launch of Mortgages in Lithuania in early 2025 where a gradual roll out continues. Launch initially focused on the mortgage refinance segment and by the end of 2025, added mortgages for the new home buyer segment.

The Bank also cooperates with its EU sister entities, Revolut Insurance Europe UAB to provide insurance products to the Bank's customers and Revolut Securities Europe UAB, to provide investment and brokerage services.

2026–2028 Strategic Outlook

The medium-term strategy for the Bank, including the anticipated cooperation with its future French sister banking entity, centres on sustained scaling and capital optimization across Europe. By the conclusion of 2028, the user base is projected to expand to 95 million KYC'd customers, with Monthly Active Users (MAU) reaching 51 million. This growth trajectory is expected to drive a 146% increase in gross revenues, reaching EUR 6.9 billion, while net profits after tax are forecast to rise by 155% to EUR 534 million over the same period.

To support this accelerated growth and maintain robust regulatory buffers, the Revolut Group intends to execute a strategic capital plan involving the expected injection of EUR 1.4 billion in additional Common Equity Tier 1 (CET1) and Additional Tier 1 (AT1) capital over the next three years. This planned capital strengthening underscores a commitment to financial resilience as the Bank scales its operations and expands its footprint across the European market.

4. Organisational Structure

The organisational structure of the Bank represents the specifics of the business model, where provision of the banking services is backed by advanced technologies and where a number of services and support functions are partially or fully outsourced to sister companies and other third parties.

According to the Articles of Association, the Supervisory Council shall consist of eight members. As of 31 December 2025, the SC was comprised of six non-executive directors who set out the strategy of the Bank and supervise executive management in its decision making in relation to the strategy implementation. While the Supervisory Council currently operates below the statutory size of eight non-executives as defined in the Articles of Association, the Bank is actively recruiting additional directors to restore the required composition and ensure a balanced mix of skills and experience.

The Supervisory Council nominates the Bank's Management Board (MB), which, as of 31 December 2025, comprised of six executives from the key areas of the business: the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Compliance Officer (CCO) / Deputy CEO, the Chief Risk Officer (CRO), the Head of Lending and the Head of Branches. While the Articles of Association provide for a statutory size of seven members, the Chief Information Officer (CIO) position is currently vacant. The Bank is actively progressing the recruitment for this role with the intention of appointing the new CIO to the Management Board, subject to regulatory approvals.

The Management Board implements the strategy set by the Supervisory Council and is responsible for the day-to-day strategic decision-making in relation to that implementation.

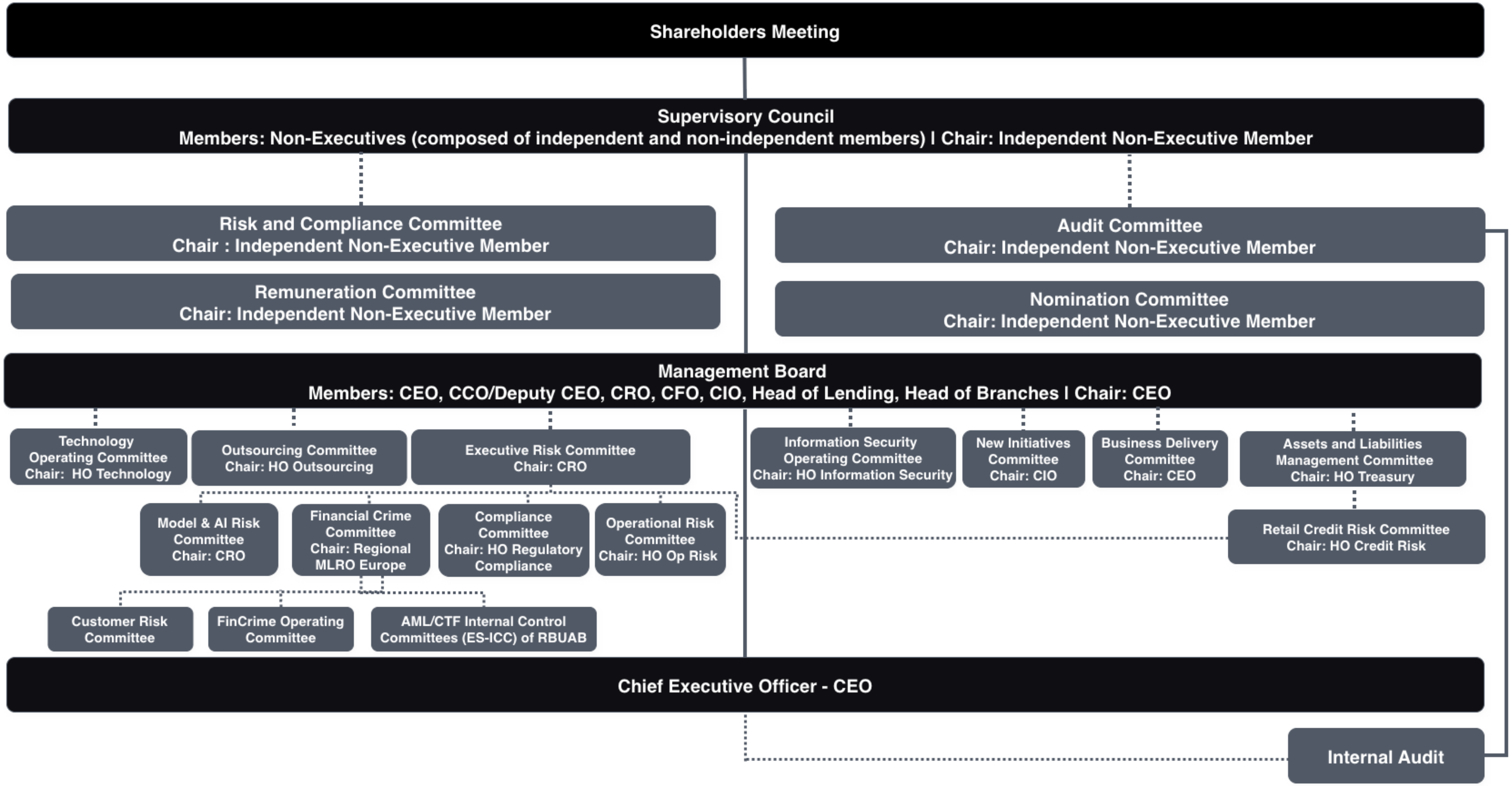
The Supervisory Council established the following committees, to assist in overseeing specific areas of the Company: (i) the Bank's Audit Committee, (ii) the Risk and Compliance Committee, (iii) the Remuneration Committee and (iv) the Nomination Committee.

To support governance and operational oversight, the Management Board has established a number of committees, including the Executive Risk Committee (ERC), which monitors the Bank's risk profile, and the Asset and Liability Management Committee (ALCO), which oversees day-to-day credit and treasury operations within the approved risk appetite. Additional committees, such as the Outsourcing Committee, New Initiatives Committee, Technology Operating Committee, and Information Security Operating Committee, have been formed to address critical areas including services outsourcing, technology, and change management. The Management Board has further established a Business Delivery Committee to oversee strategy, product planning, consumer protection, commercial performance, regulatory engagement, change readiness, and continuous improvement.

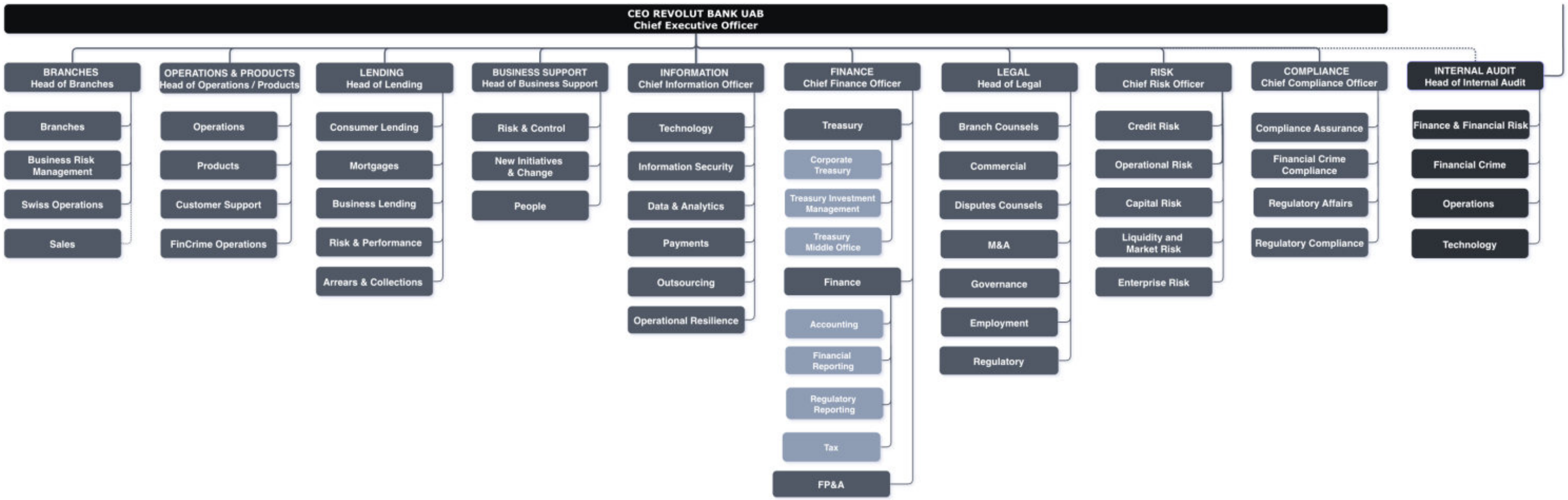
In addition to other responsibilities related with chairing and being a member of the Management Board and leading the Business Support Group, the CEO heads the administration of the Bank and manages day to day commercial operations with responsibilities of:

- administration of the office and infrastructure;
- day to day supervision of the staff;
- routine communication with the regulatory authorities.

Approved organisational structure[1] - roles and responsibilities of the SC, the MB and the committee



[1] As of 31 December 2025, CIO position in the Management Board was vacant.


CEO REVOLUT BANK UAB
Chief Executive Officer
BRANCHES
Head of Branches
Branches
Business Risk Management
Swiss Operations
Sales
OPERATIONS & PRODUCTS
Head of Operations / Products
Operations
Products
Customer Support
FinCrime Operations
LENDING
Head of Lending
Consumer Lending
Mortgages
Business Lending
Risk & Performance
Arrears & Collections
BUSINESS SUPPORT
Head of Business Support
Risk & Control
New Initiatives & Change
People
INFORMATION
Chief Information Officer
Technology
Information Security
Data & Analytics
Payments
Outsourcing
Operational Resilience
FINANCE
Chief Finance Officer
Treasury
Corporate Treasury
Treasury Investment Management
Treasury Middle Office
Finance
Accounting
Financial Reporting
Regulatory Reporting
Tax
FP&A
LEGAL
Head of Legal
Branch Counsels
Commercial
Disputes Counsels
M&A
Governance
Employment
Regulatory
RISK
Chief Risk Officer
Credit Risk
Operational Risk
Capital Risk
Liquidity and Market Risk
Enterprise Risk
COMPLIANCE
Chief Compliance Officer
Compliance Assurance
Financial Crime Compliance
Regulatory Affairs
Regulatory Compliance
INTERNAL AUDIT
Head of Internal Audit
Finance & Financial Risk
Financial Crime
Operations
Technology

5. Strategy Execution

The Bank's EEA strategy execution is driven by the product offering which is designed to target the mass market of consumers who are not fully satisfied with the way they are served by traditional banks. The competitive advantage stems from the following client-centric principles:

- **All-in-one mobile application** ('financial super app'): the Bank offers its customers in the EEA a unique all-in-one product where all customer's financial needs are covered in one easy to use mobile application;
- **Fair and Transparent Pricing**: the Bank offers a strong value proposition by minimising the cost of daily banking services;
- **Single Digital Channel of Service Delivery**: Bank's services are offered only through the internet. There are no physical branches for customer engagement, and all customer service is provided via the in-app chat. This allows the Bank to maximise scalability and consistency of customer experience while reducing overhead and operating costs, with savings passed through to customers.

The Bank and its branches in EEA entities utilise an outsourcing model, mainly through outsourcing arrangements to other Revolut Group entities. This includes using Revolut Group's proprietary, mobile digital platform that delivers a seamless client experience across a wide range of financial services.

6. Governance Structure

The Bank has a two-tier Board structure, which consists of the Supervisory Council and the Management Board. As of 31 December 2025, the Supervisory Council has six Non-Executive Directors, five of whom are independent, while the Management Board consists of six Executive Directors.

A chart of the governance structure is outlined in the chapter 4 above.

The Supervisory Council is a collegial body which supervises the activities of the Management Board. The Supervisory Council approves the Bank's Business Strategy and monitors the Management Board progress in implementing the Strategy. The Supervisory Council reviews items that are most significant for the Bank. This forum is assisted by four Committees as follows:

1. the Audit Committee;
2. the Risk & Compliance Committee;
3. the Remuneration Committee;
4. the Nomination Committee.

The purposes of the aforementioned Committees are outlined below.

The Audit Committee assists the Supervisory Council in its activities, whilst ensuring the internal audit function is efficient, remains independent and has sufficient authority. Further, the Committee assists the Supervisory Council in assuring the quality of financial statements of the Bank. The Committee is comprised of three members of the Supervisory Council, the majority of whom are Independent.

The Risk and Compliance Committee assists the Supervisory Council in the oversight of risk and compliance related matters and the principal risks impacting the Bank, including risk governance and internal control systems, as well as overseeing the effectiveness of the Bank's Enterprise Risk Management Framework. The Committee is comprised of three members of the Supervisory Council, all of whom are Independent.

The Remuneration Committee assists the Supervisory Council in supervising the Bank's Remuneration policies and practices and submits recommendations to the Supervisory Council regarding decisions on remuneration for members of the Management Board and the Bank's Material Risk Takers. The Committee is comprised of three members of the Supervisory Council, a majority of whom are Independent.

The Nomination Committee assists the Supervisory Council in reviewing the size, structure, composition, diversity and succession plans for both the Management Board and Supervisory Council and submits recommendations to the Supervisory Council, or Shareholder where appropriate, regarding decisions on appointing members to the Management Board or Supervisory Council. The Committee also assists the Supervisory Council in reviewing the proposed training for the Management Board and Supervisory Council and the Induction Plan for new members to the Supervisory Council. The Committee is comprised of three members of the Supervisory Council. All Members of the Committee are Independent.

The Management Board is a collegial body comprised of executive members elected by the Supervisory Council. The Management Board designs and implements the Business Strategy approved by the Supervisory Council, monitors the performance of the Bank and makes decisions on the day to day running of the Bank as authorised in the Articles of Association and Terms of Reference. The Management Board is supported by seven Committees as follows:

1. The Executive Risk Committee;
2. The Assets and Liabilities Management Committee;
3. New Initiatives Committee;
4. The Outsourcing Committee;
5. The Technology Operating Committee;
6. Information Security Operating Committee; and
7. Business Delivery Committee.

The purposes of the aforementioned Committees are outlined below. The Chair of the Management Board is the CEO.

The Executive Risk Committee is a committee of the Management Board, which monitors the Bank's risk profile against its risk appetite and approves risk mitigation measures in case of risk limit breaches or risk incidents, oversees the remediation of control deficiencies and escalates matters to the Management Board and/or Risk & Compliance Committee and Supervisory Council at the discretion of the Chair. The Committee is supported by four sub-committees: 1) Operational Risk Committee; 2) Compliance Committee; 3) Model and AI Risk Committee and 4) The Financial Crime Committee. The Financial Crime Committee is further supported by three sub-committees, 1) FinCrime Operating Committee; 2) AML/CTF Internal Control Committee; and 3) Customer Risk Committee. The Customer Risk Committee was established on 15 April 2025 to strengthen governance and enhance the management of client-related financial crime risks. The Executive Risk Committee is chaired by the Chief Risk Officer.

The Assets and Liabilities Management Committee is a committee of the Management Board responsible for the management and optimisation of the Bank's balance sheet and the firm's financial asset investments, capital adequacy, management of counterparty and issuer credit risks, liquidity and funding risks and forecasts, funds transfer pricing, interest rate risks and other market risks of the organisation. The Committee is supported by one sub-committee, the Retail Credit Risk Committee. The Committee is chaired by the Head of Treasury.

New Initiatives Committee is a committee of the Management Board which provides the oversight function for all new initiatives applicable to the Bank. It oversees the connection between these new initiatives and the various support and control functions to ensure that the initiatives implementations are aligned to the Business Plan, risks are identified and controlled, operational readiness is reached for the initiative's launch, and relevant regulatory requirements are met. The Committee Chair is the Chief Information Officer.

The Outsourcing Committee is a committee of the Management Board that contributes to the efficient outsourcing activities management for the Bank as well as overseeing overall third parties relationship related activities. The Committee Chair is the Head of Outsourcing.

The Technology Operating Committee is a committee of the Management Board that is responsible for Technology Operational Resilience, Technology Service Performance, Technology Risk, Technology Risk Incidents Monitoring and Technology Changes. The Committee Chair is the Head of Technology.

Information Security Operating Committee is a committee of the Management Board that is responsible for the protection of information entrusted to the Bank by customers, employees, third parties and other stakeholders. The Committee Chair is the Head of Information Security.

Business Delivery Committee is a committee of the Management Board that is responsible for overseeing initiative and product planning, consumer protection, commercial and market performance, external and regulatory engagement, strategy execution, change readiness, and continuous improvement. The Committee Chair is the Chief Executive Officer.

7. Risk and Compliance Management and Internal Control

The Bank recognises that every employee within the organisation has responsibility for the effectiveness of the risk management and internal control framework.

The Bank uses the “three lines of defence” (3LoD) operating model for risk management. The three lines of defence model enhances the understanding of risk management and control by clarifying the different roles and duties expected from each employee.

The three lines of defence model distinguishes among three groups (or lines) involved in effective risk management:

- Functions that take risks and manage them;
- Functions that are responsible for oversight of risks;
- Functions that perform independent assessments of the efficiency of risk management processes and the internal control framework.

The first line of defence comprises all the risk-taking functions of the Bank. The functions comprising the first line of defence such as Products, Credits, Operations, Treasury, Finance, Legal or Technology are considered to be Risk Owners.

The second line of defence involves the risk monitoring and oversight functions of the Bank and consists of the Risk Management Function and the Compliance Function including the Regulatory Compliance, the Regulatory Affairs and the Financial Crime Functions.

The Risk Management Function, headed by the Chief Risk Officer, is responsible for:

- Implementing and maintaining the Risk Management Framework with all of its components;
- Implementing and maintaining of the Bank’s Risk Appetite framework, including the processes and methodologies used for stating and cascading risk appetite;
- Defining of the three lines of defence model;
- Defining, on-going improvement and maintenance of the risk policies and the risk taxonomy, including the risk measurement and assessment tools, models and methodologies across all material risks as well as stress testing, in line with best practices;
- Risk reporting, including internal reporting to the Supervisory Council, Risk and Compliance Committee, the Management Board, the Executive Risk Committee, the Assets & Liabilities Management Committee and other risk reports;
- Facilitating the development and improvement of the Bank governance structure, with a focus on the processes for risk reporting, risk monitoring and remediation of risk limit breaches, risk incidents and any other deficiencies in risk management;
- Development, improvement and maintenance of risk management IT solutions, which ensure the automation of the different components of Risk Management Framework;
- Risk oversight, monitoring and assurance of the first line of defence to monitor the performance of risk management and to provide assurance on the quality of those activities;
- Providing risk insights based on performed stress testing.

The Chief Risk Officer functionally reports to the Supervisory Council via the Risk and Compliance Committee and administratively to the CEO.

The Compliance Function is split into the Regulatory Compliance, the Regulatory Affairs and the Financial Crime Compliance Functions. The Compliance function is headed by the Chief Compliance Officer.

The Regulatory Compliance Function is responsible for conduct and compliance risks excluding fraud related risk, anti-money laundering, counter terrorist financing and sanctions controls (but including modern slavery, anti-bribery and corruption related risks). It has responsibility for implementing the Bank conduct and compliance risk control framework. This involves (i) supporting the first line of defence in identifying actual and potential conduct and compliance related risks and implementing controls to mitigate these risks; and (ii) monitoring and testing the effectiveness of the control environment to prevent or minimise conduct and compliance risks.

The Regulatory Affairs Function is responsible for engaging with the regulators, coordinating regulatory inquiries and regulatory requirements implementation.

The Financial Crime Compliance Function has the same responsibilities as the Regulatory Compliance function, but solely in relation to the financial crime risk, namely, fraud, anti-money laundering, counter terrorist financing and sanctions controls.

The Chief Compliance Officer (CCO) functionally reports to the Supervisory Council via the Risk and Compliance Committee and administratively to the CEO.

The third line of defence refers to the Internal Audit Function. The function is independent of the first line and second line of defence, and its responsibilities include:

- Providing independent opinions to the Audit Committee on whether the main risks have been appropriately identified and that existing controls are adequate and effective;
- Engagement with the Bank management and leads of different functional areas providing findings about detected deficiencies, insights and recommendations in order to improve the Bank's internal control and risk management framework;
- Providing independent evaluation to the regulators on specific risks and controls.

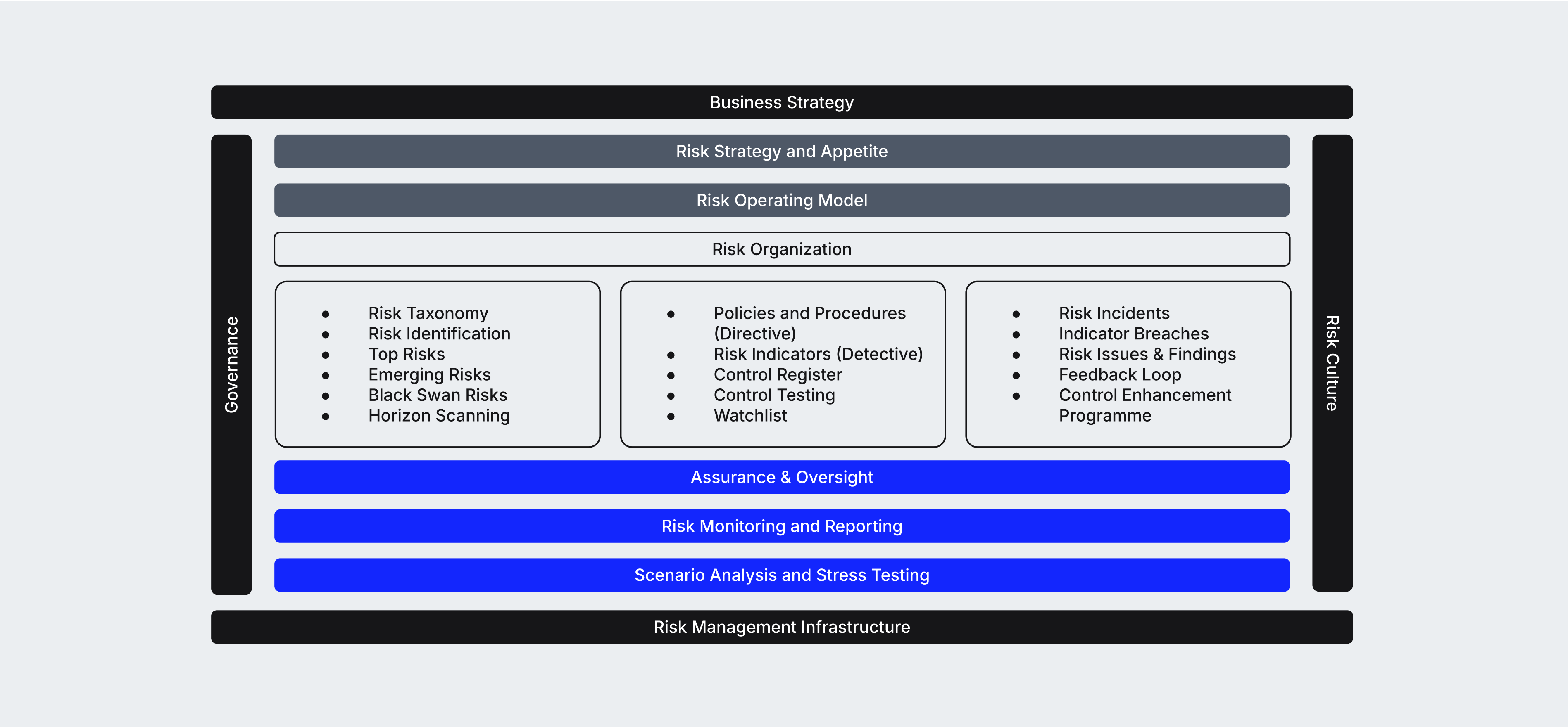
The Head of Internal Audit functionally reports to the Supervisory Council (via the Audit Committee) and administratively to the CEO.

External audit routinely opines on the effectiveness of the Bank's internal controls in the context of the financial statements.

7.1. Risk Management Strategy

The Bank's strategy for managing risks is established in the Enterprise Risk Management Framework (ERMF) and the Risk Appetite Statement (RAS) which are approved by the Bank's Supervisory Council (SC). This ensures that the Bank actively manages risks that may impact its strategies, customers, regulatory compliance, financial resources, operations, and the achievement of its business objectives.

The Bank's ERMF consists of the elements illustrated below:



The main purpose of the ERMF is to define the Bank's risk management approach and to ensure that:

- The risk management process is developed and managed throughout the Bank in a consistent and sound manner;
- Risk management is embedded throughout the Bank promoting a culture of risk awareness and risk ownership;
- The Bank has robust systems of risk management in place and is able to demonstrate that if requested;
- The Bank has the tools and processes required to enhance risk decisions throughout the organisation.

The ERMF is supported by the RAS, which sets the level of risk that the Bank is willing to accept in order to achieve its vision and strategy. The SC formally articulates the boundary levels for the various types of risk the business faces through qualitative statements.

7.2. Risk Appetite Statement

The Risk Appetite Statement is the expression of the level of risk that the Bank is prepared to accept in order to deliver on its vision and strategy. It defines the boundaries of business operations and forms an integral part of the risk management approach, to enable the Bank to manage its risks effectively and demonstrate compliance with relevant regulations.

The Bank expresses risk appetite using qualitative appetite statements supported by quantitative metrics monitored in the Risk Management System (Risk Back-Office). Qualitative risk appetite statements serve the purposes of guiding the organisation towards decision making with regards to acceptance of risks, design of controls and assessment of their adequacy.

The Bank has established a system of Key Risk Indicators (KRIs) which act as preventive and detective controls. For each quantitative KRI supporting the implementation of the Risk Appetite Statement, Level 1, Level 2 and Level 3 KRI limits are defined. Some KRIs act as recovery indicators and thus also have a Level 4 limit set. Regulatory limits are always part of RAS KRIs.

RAS KRIs are a subset of all such indicators and include only those with a defined escalation path up to the Bank's Supervisory Council. Non-RAS KRIs and Business Control Indicators (BCIs) cover other level 2 risks according to the internally defined risk taxonomy as well as some additional aspects of the financial, operational and compliance risks. They focus primarily on operational performance and incidents, customer service, compliance with legal and regulatory requirements, business growth and performance of the entity. Their governance is covered by internal procedures.

7.3. Financial Risk Management

Financial risk is the risk of losing money on business or investment decisions; it encompasses the risk to the Bank's profit and loss, capital and/or liquidity position. The financial risk assessment of the Bank encompasses the following elements:

I. Funding and liquidity risk
II. Retail, wholesale, business (SME customers) and concentration credit risk
III. Capital risk
IV. Market risk including
    I. Foreign Currency Risk (FX Risk);
    II. Interest Rate Risk in the Banking Book (IRRBB);
    III. Credit Spread Risk in the Banking Book (CSRBB);
V. ESG Risk.

Details of the Bank's management of financial risks and used hedging instruments can be found in the Note 6.1 of the financial statements; details of ESG risk in the Note 6.3 of the financial statements.

7.4. Non-financial Risk Management

Non-financial or operational risk is the possibility of an adverse impact on the Bank from inadequate or failed internal processes, people and systems or from external events. Operational risk can be created by a wide range of external events causing business disruption. Similarly, operational risk can arise due to internal events such as the potential for failures or inadequacies in any of the Bank's processes and systems, or those of its outsourced service providers.

Details of the Bank's management of the different types of non-financial risks can be found in the Note 6.2 of the financial statements.

As described in the Enterprise Risk Management Framework, the Bank manages its operational risk following risk identification and response processes, and the operation of directive, preventive and detective internal controls.

The Bank leverages the Revolut Group's approach, capability and processes to manage operational risk. To mitigate operational risks, the Bank has a series of tailored policies and procedures for operational risk management, compiling operational manuals defining business processes and related internal control measures. The major policies containing operational risk management processes include, but are not limited to:

- Operational Risk Policy
- Operational Resilience Policy
- Risk Incident Policy
- Risk Issue Policy
- Outsourcing and Third Party Risk Management (TPRM) Policy
- Change Management Policy
- New Initiatives Approval Policy

The Bank maintains Risk and Control Registers across its product offering to ensure a continuous and accurate understanding of its risk and control profile. All key risks and controls are captured and reported on the Risk Back-Office system and each is subject to an automated workflow that ensures appropriate review, challenge and refinement of the records.

Risk Incidents are actively managed with a feedback loop used to ensure lessons learned from incidents are used to improve future controls or those already included in the risk register.

RAS KRIs are established and monitored to measure levels of operational risk with reporting to the Executive Risk Committee, the Management Board and the Supervisory Council if these KRIs are breached.

Driven by the ongoing risk and control assessment, key actions are centred around the enhancements of controls that mitigate the key risks, in particular: Change Management, Outsourcing and Third Party Risk, Resilience (Technology Availability & Continuity Risk) and Data Risk (including Regulatory Reporting Risk).

The Bank follows the Standardised Approach for its Operational Risk regulatory capital calculation purposes.

Whistleblowing

The Bank's Whistleblowing Policy provides confidential and, where legally permitted, anonymous channels for raising concerns. Supported by robust anti-retaliation safeguards, these mechanisms foster a culture of ethical conduct, responsible business practices, and transparent customer communication.

Conflicts of interest

The Bank avoids Conflicts of Interest (CoI) through a transparent approach to identifying, assessing, and managing potential risks. To support this commitment, the Bank has established a Conflict of Interest Policy that defines clear reporting lines, sets disclosure requirements for employees, and implements robust controls to ensure that all business decisions are made with absolute objectivity and integrity.

Anti-Corruption and Bribery

The Bank maintains a zero-tolerance policy towards corruption and bribery in all its forms. This includes strict adherence to all applicable laws and regulations regarding anti-corruption and bribery, both domestically and internationally.

Bribery of Foreign Officials

The Bank acknowledges the particular risks associated with bribery of foreign officials in international business transactions. The Bank is committed to complying with all relevant laws to ensure that the business activities are conducted in a fair and ethical manner.

8. Employees

As of 31 December 2025 the Bank had 1,575 employees, (as of 31 December 2024 - 1,054 employees).

	31 December 2025	31 December 2024
Regular employees (working under labour contracts with and without a fixed term, including those on maternity/paternity leave)	1,575	1,054
Actual number of employees (excluding those on maternity/paternity leave, gardening leave)	1,535	991

A table below contains information on the number of Bank's working employees and average monthly salaries (before taxes).

	Number of employees		Average monthly salaries (EUR)	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Managerial staff	48	40	12,532	12,464
Specialists	1,527	1,014	4,505	4,443
Total	**1,575**	**1,054**	–	–

9. Remuneration Policy

The following information is prepared following the requirements set out in Clause 11 of the Resolution No 03-82 of the Board of the Bank of Lithuania approving the List of Minimal Requirements for Employee Remuneration Policies of Credit Institutions and Financial Brokerage companies dated 8/5/2015 that refers to Article 450 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

Information concerning the decision-making process used for determining the remuneration policy

The Remuneration Committee is responsible for decisions on remuneration, including decisions related to the process of identification of Identified Staff, in particular regarding the remuneration of the members of the Management Board (inclusive of the Chief Compliance Officer and the Chief Risk Officer), the CEO and the CEO deputies as well as the Head of Internal Audit and remuneration policies, practices, and processes. The Remuneration Committee gathers at least twice per year.

The Remuneration Policy of the Bank is approved by the Supervisory Council and the last update is dated of March 2025. The Remuneration Policy was reviewed taking into consideration three main material changes below:

- **Introduction of a cash element into the Annual Performance Bonus:** A cash component was introduced into the Annual Performance Bonus, subject to role seniority and in compliance with the EBA Guidelines on sound remuneration. The change was implemented to ensure alignment with market practices while maintaining consistency with the Bank's risk profile and long-term interests. The structure of the bonus remains fully aligned with regulatory requirements on deferral, proportionality and performance-based remuneration. The change was reflected in the updated Remuneration Policy approved in March 2025.
- **Bonus cap increase:** The Bank increased the bonus cap from the default ratio of 1:1 to 1:2, in accordance with the Capital Requirements Directive and excluding independent control functions. The change was implemented to align the Bank's remuneration framework with the Group compensation structure, while remaining compliant with applicable regulatory requirements. The increase was approved by the Remuneration Committee (December 2024), the Supervisory Council (December 2024) and the sole shareholder (February 2025). The Joint Supervisory Team was informed accordingly. The change was incorporated into the Remuneration Policy approved in March 2025.

- **Deferral changes for the Management Body and Senior Management:** Following the publication of 2024 asset figures exceeding EUR 20 billion, the Bank was classified as a large institution under CRR and CRD. As a result, stricter remuneration deferral requirements apply to the management body and senior management. In line with these requirements, the deferred portion of variable remuneration was increased to 60%. This change was incorporated into the Remuneration Policy approved in March 2025.

Information on link between pay and performance

The remuneration system applied in the Bank is designed to attract, maintain and motivate the Bank's employees possessing the required skills and competences, promote solid performance results, trustworthy conduct, and effective risk management. The remuneration system is designed to encourage employees to consistently adhere to the ethical principles and values of the Bank in their work, and to act in line with the business and risk management strategy of the Bank.

The Remuneration system applied by the Bank aims to:

- ensure that the employees are paid competitive Remuneration;
- ensure that the cases of setting and principles of payment of Variable Remuneration are in the long-term interests of the Bank's continuous operation, business strategy, goals and values, promote reliable and effective risk management, help prevent conflicts of interests, and make sure that the Remuneration paid is not providing any incentive to the employees for excessive risk-taking;
- link employee salary increases to the individual evaluation of the employee's performance.

The Bank continuously monitors and ensures that the above goals are properly implemented and do not raise conflicts of interests (with the customers of the Bank or otherwise) following a review process described in detail in the Remuneration Policy. The Internal Auditor will at least once a year carry out an independent internal review of the Remuneration Policy and practice (recording its results in audit reports), which shall measure whether the Bank's overall remuneration policy, practice, and processes are working as intended, are aligned with the national and international rules, principles, and standards. Risk control functions at the Bank help to monitor if provisions of the Policy are aligned with the Bank's position, business strategy, goals, values, if the Policy is duly enforced in practice. In addition to other functions and authorizations, the Regulatory Compliance function shall analyse the impact of the Policy on the Bank compliance with the legislation, regulations, and internal procedures.

Remuneration principles are linked to the evaluation results of the employees. All personal conduct is first of all assessed in the context of the goals of the remuneration system of the Bank (as defined above) and in the light of adherence to the core values of the Bank.

Important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria (covering the main parameters and rationale for the variable component scheme)

The Remuneration Policy is applicable to all employees of the Bank as well as management and supervisory bodies who make executive decisions relating to the setting and payment of remuneration to the employees.

The remuneration of the Bank consists of fixed remuneration and variable remuneration.

Fixed remuneration is the remuneration set in the employment contract with the employee or any other agreement with the employee and other long-term non-performance related payments.

The variable remuneration of the internal control functions is awarded for work and results related to the performance of the functions assigned to them. The methods applied for the determination of the remuneration of internal control functions shall not undermine their objectivity and independence. Final recommendations relating to performance evaluation and variable remuneration allocation for Control Function staff members shall be proposed by the head of the Control Function to the CEO and Supervisory Council of the Bank. Their variable remuneration may be based also to some extent on the performance of the Bank as a whole.

Identified Staff are defined as the Bank employees (including members of the Bank's executive staff, managing and supervisory bodies) whose professional activity and/or decisions have a material impact on the Bank's risk profile, and who are identified based on the analysis of quantitative and qualitative parameters under the criteria established in Commission Delegated Regulation (EU) 2021/923 of 25 March 2021. The list of identified staff members has been reviewed in December 2024 based on the changes in staff and changes in staff responsibilities at the Bank.

Identified Staff comprises of the staff categories as they are listed in Commission Delegated Regulation (EU) 2021/923 of 25 March 2021 and clarified in EBA Regulatory technical standards on criteria to define managerial responsibility and control functions, a material business unit and a significant impact on its risk profile, and categories of staff whose professional activities have a material impact on an institution's risk profile (EBA/RTS/2020/05).

The Fixed Remuneration payable to Identified Staff shall reflect their professional experience and the level of responsibility at the Bank, taking into account their education, rank, competences and skills and professional experience, respective business operations, and the level of remuneration on the market.

Ratios between fixed and variable remuneration set in accordance with Article 94(1)(g) of Directive CRD IV

The maximum ratio between variable and fixed remuneration is set at 200%, having come into force in 2025. This adjustment follows the approval of the Shareholders of the Bank and notification to the relevant competent authorities, in compliance with the EBA Guidelines on Sound Remuneration Policies and the Bank of Lithuania Resolution on Minimum Requirements for Remuneration. The ratio between variable and fixed remuneration is retained at 100% for independent control functions to maintain its predominantly fixed nature, reflecting the nature of the responsibilities held by internal control functions. The updated ratio will be annually reviewed prior to the annual performance review to ensure alignment with regulatory requirements and Bank's commitment to maintaining a sound capital base. Shareholders retain the authority to revise or reduce this ratio in the future. Should any further adjustments be proposed, the Bank will seek Shareholder approval and notify the competent authorities as required under the EBA Guidelines on Sound Remuneration Policies and the Bank of Lithuania Resolution on Minimum Requirements for Remuneration.

Information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based

The Bank prioritises the use of Variable Remuneration in the form of Share Options (non-cash instruments). At least 50% of the Variable Remuneration to the Identified Staff will be paid in Share Options. The different types of share options that may be awarded are defined in the Remuneration Policy.

The fund / forecast for the variable remuneration for the financial year is made only after the evaluation of the Bank's (and the relevant unit's) financial performance results considering the current and future risks, the costs of working capital and liquidity upkeep. Since the variable remuneration is granted in Revolut Group Holdings Ltd share options by Revolut Group Holdings Ltd, this evaluation needs to ensure that by granting share options, Revolut Group Holdings Ltd shall not in any way restrict the Bank's ability to strengthen its capital base.

Variable Remuneration shall be awarded considering the financial performance results of the Bank (in a direct relation with Revolut Group) and the relevant structural unit for the period under evaluation and assessing quantitative and qualitative (including financial and non-financial) criteria for the evaluation of employee performance. Qualitative criteria shall include achievements of strategic goals, compliance with the internal and external rules, leadership, teamwork, creativity, motivation, proactivity and initiative, loyalty, cooperation with other employees, achievement of goals and tasks formulated by direct supervisors, feedback from direct supervisors and the clients, etc. In all cases, this assessment shall include an assessment on how the employee complies with the high professional standards of the financial sector and how well the employee demonstrates compliance with the ethical principles of the Bank, its values and the risk management culture. The performance criteria shall be formed so that they do not incentivise excessive risk taking or mis-selling of products and shall always balance compliance and risk averseness with business goals.

Variable Remuneration may be awarded only if the respective employees have been acting fairly, no legal violations have been identified in their activities, and their activities have been given a positive evaluation over the past period of evaluation (or throughout the term of their employment with the Bank).

Variable Remuneration may not be awarded and awarded Variable Remuneration may not be disbursed when:

- this would run counter to the Bank's performance for a respective period and the results of performance evaluation of the employee;
- this would jeopardise and run counter to reliable and effective management of the Bank's risks;
- the payment of Variable Remuneration would encourage excessive risk-taking;
- this would not be in line with the Bank's operating strategy, goals, values, and long-term interests.

The Bank may reduce, withhold, or recover a share or the entire variable remuneration paid in cases defined in the Remuneration Policy.

Remuneration Policy also foresees mechanisms to ensure that the Bank employees do not use personal hedging strategies or, if applicable, insurance against decrease in Variable Remuneration to minimise the impact of the risks envisaged in the models of calculating their Variable Remuneration.

Quantitative information on remuneration is published in the Capital Adequacy and Risk Management Report (Pillar III).

10. Information about Positions Held by Key Management Personnel

Information on other titles held by the Chief Executive Officer, Management Board and Supervisory Council Members of the Bank as of 31 December 2025:

Name and surname	Management Body of Revolut Bank UAB	Main workplace	Title	Other companies where management functions are held	Title
Joseph Heneghan	Management Board	Revolut Bank UAB	Chief Executive Officer of Revolut Bank UAB; Member and Chair of the Management Board	N/A	N/A
Oliver Schreiber	Management Board	Revolut Bank UAB	Chief Financial Officer of Revolut Bank UAB; Member of the Management Board	N/A	N/A
Daniel Marc Alexander Gordon	Management Board	Revolut Bank UAB	Chief Risk Officer of Revolut Bank UAB; Member of the Management Board	Company name: Revolut Insurance Europe UAB Company Registration number: 305910164 Registration address: Konstitucijos ave. 21B, Vilnius, LT-08130	Member of Management Board
Vytautas Danta	Management Board	Revolut Bank UAB	Deputy CEO; Chief Compliance Officer of Revolut Bank UAB; Member of the Management Board	Company name: Revolut Securities Europe UABCompany registration number: 305799582 Registered address: Konstitucijos ave. 21B, LT-08130 Vilnius, Lithuania	Member of Management Board; Chief Compliance Officer
				Company name: Pinigų plovimo prevencijos kompetencijos centras VŠĮ Registration number: 305773609 Registered address: Lukiškių st. 2-2, LT-01108 Vilnius, Lithuania	Co-owner (Revolut) representative
				Company name: European Compliance Professionals Association Registration number: 306961037 Registered address: Aguonų st.. 8B-13, LT-03213 Vilnius, Lithuania	Co. Founder, Board Member
Maurice Patrick Murphy	Management Board	Revolut Bank UAB	Head of Lending of Revolut Bank UAB; Member of the Management Board	N/A	N/A
Gianmaria Scocca	Management Board	Revolut Bank UAB	Head of Branches of Revolut Bank UAB; Member of the Management Board	N/A	N/A
Markus Krebsz	Supervisory Council, Chair of the Remuneration Committee, Member of the Audit Committee	N/A	N/A	Company name: Citizen Shareholders Ltd. Companies House registration number: 11596817 Registered address: Level 39, One Canada Square, Canary Wharf, London, United Kingdom, E14 5AB (ended in October 2025)	Co-founder & Non-executive Director
				Company name: De-Risking Solutions Ltd. Companies House registration number: 09900565 Registered address: 8 Quarles Park Road, Romford, United Kingdom, RM6 4DE	Director & Founder
				Company name: Yamgo Ltd. Companies House registration number: 03597254 Registered address: Unit 4 Kings Road, Swansea, Wales, SA1 8PH	Non executive Director

Name and surname	Management Body of Revolut Bank UAB	Main workplace	Title	Other companies where management functions are held	Title
Caroline Louise Britton	Supervisory Council, Member of the Audit Committee; and the Remuneration Committee	N/A	N/A	Company name: Revolut Ltd Companies House registration number: 08804411 Registered address: 30 South Colonnade, London, United Kingdom, E14 5HX	Non-executive Director Chair of Audit Committee
				Company name: Revolut Group Holdings Limited Companies House registration number: 12743269 Registered address: 30 South Colonnade, London, United Kingdom, E14 5HX	Non-executive Director Chair of Audit Committee
				Company name: Revolut Holdings Europe UAB Company registration number: 305820090 Registered address: Konstitucijos ave. 21B Vilnius, LT-08130	Non-executive Director
				Organisation name: Make a Wish International Activities: MAWI is the umbrella organisation for the national wish granting charities. Its role is to licence the brand and leverage global initiatives to support individual affiliate organisations.	Audit, Finance Risk and Investment Committee Member
				Company name: MoneySupermarket Group plc Companies House registration number: 06160943 Registered address: Moneysupermarket House, St David's Park, Ewloe, Chester, United Kingdom, CH5 3UZ	Non-executive Director
				Company name: Sirius Real Estate Limited Companies House registration number: 05980788 Registered address: Birchin Court, 20 Birchin Lane, London, EC3V 9DJ	Non-executive Director
				Organisation name: Royal Opera House Covent Garden Foundation Registration number: 00480523 Registered address: Covent Garden, London, WC2E 9DD	Trustee
Dovilė Grigienė	Supervisory Council Chair of Supervisory Council (appointed on 28 April 2025) Chair of Nomination Committee	N/A	N/A	Company name: Ex and ex, MB Company registration number: 306740423 Registered address: G. D. Kuverto st. 15E-8, Neringa, LT-93127, Lithuania	Founder and Director
				Company name: Civinity AB Company registration number: 302247881 Registration address: Naugarduko g. 98, LT-03160 Vilnius , Lithuania	Non-Executive Director
				Company name: AQ22 Company registration number: 306803875 Registration address: Aguonų g. 8B-13, LT-03213 Vilnius, Lithuania (Ended in December 2025)	Board Advisor

Name and surname	Management Body of Revolut Bank UAB	Main workplace	Title	Other companies where management functions are held	Title
Marjoleine Barbara Kolk	Supervisory Council	N/A	N/A	Company name: Boer & Croon Registration number: 7054057 Registered address: 8. Piet, Heinkade 95A, 1019 GM, Amsterdam, Netherlands (Ended in August 2025)	COO and Partner
				Company name: Rijnstate Hospital Registration number: 09096140 Registered address: Wagnerlaan 55, 6815 AD Arnhem, Netherlands	Supervisory Board Member
				Company name: Anthos Family Office Registration number: 33159098 Registered address: Jachthavenweg 111, 1081 KM Amsterdam, The Netherlands	CEO

Name and surname	Management Body of Revolut Bank UAB	Main workplace	Title	Other companies where management functions are held	Title
Jacob Johannes Remijn	Supervisory Council Chair of Risk and Compliance Committee	N/A	N/A	Company name: Jade B.V. Registration number: 93575939 Registered address: Nicolaas Maesstraat 118h, 1071RH, Amsterdam, Netherlands (liquidated as of March 2025)	Director/Owner
				Company name: Jaap Remijn B. V. Registration number: 58008179 Registered address: Nicolaas Maesstraat 118h, 1071RH, Amsterdam, Netherlands (Ended in April 2025)	Director/Owner
				Company name: Brand New Day Registration number: 30067102 Registered address: Hoogoorddreef 15, 1101 BA, Amsterdam, Netherlands (Ended in April 2025)	Non-Executive Director
				Company name: CCV Group B.V. Registration Number: 09045274 Registered address: Westervoortsedijk 55, 6827 AT Arnhem, Netherlands.	Interim COO and Director
Christian Mouillon	Supervisory Council Chair of Audit Committee	N/A	N/A	Company name: Savencia Fromage and Dairy Registration Number: 847120185 Registered address: 42 Rue Rieussec, 78220 Viroflay, France	Non Executive Director Chair of Audit Committee Chair of Risk Committee Member of the ESG Committee
				Organisation name: ESCP Business School Registration Number: 824644587 Registered address: 79 av. de la Republique, 75011, Paris, France	Non-Executive Director Chair of the Strategic Committee Member of the audit, risk, compensation and nomination committees
				Company name: CHM Advisory SAS Registration Number: 832199848 Registered address: 4 avenue Emile Acollas, 75007, Paris, France	President
				Company name: Orapi Group Registration Number: 682 031 224 Registered address: 225 Allée des Cèdres, Plaine de l'Ain Industrial Park, 01150 Saint-Vulbas, France. (Ended in January 2025)	Non Executive Director

The following changes took place in the composition of the Management Board and Supervisory Council during the year 2025:

- Felipe Peñacoba Martinez, the member of the Management Board and Chief Information Officer of Revolut Bank UAB, resigned from his position effective 14 November 2025;
- Peter Francis Stevens, the Chair of the Supervisory Council, resigned from his position effective 28 April 2025;
- Dovilė Grigienė was appointed as a new Chair of the Supervisory Council effective 28 April 2025;
- Vytautas Valvonis, the member of the Supervisory Council, resigned from his position effective 12 November 2025.

11. Events after the Reporting Period

Events after the reporting period are disclosed in Note 36.

12. Corporate Sustainability

The Corporate Sustainability Reporting Directive (CSRD), including European Sustainability Reporting Standards (ESRS), was adopted in Lithuania on 25th June 2024. According to CSRD requirement the Bank shall include in the management report information necessary to understand the Bank's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the Bank's development, performance, and position – sustainability statement.

The Bank is exempted from the obligation to prepare sustainability statement as allowed by Article 23 of the Law on Accountability of Companies and Groups of Companies of the Republic of Lithuania, which transposes Article 19a(9) of Directive 2013/34/EU of the European Parliament. This exemption applies as its parent undertaking Revolut Holdings Europe UAB, (registered address: Konstitucijos ave. 21B, 08130 Vilnius, the Republic of Lithuania), will prepare the consolidated management report including sustainability statement in accordance with CSRD and ESRS.

Consolidated management report of Revolut Holdings Europe UAB and the assurance opinion will be published by 30 April 2026:

https://www.revolut.com/reports-and-results/

Joseph Heneghan

Chief Executive Officer of Revolut Bank UAB

12 March 2026

Declaration from the Parent Company on consolidated sustainability report

Pursuant to Article 23, Paragraph 6 of the Republic of Lithuania Law on Reporting of Entities and Groups of Entities, the Parent Company, Revolut Holdings Europe UAB (legal entity code: 305820090), hereby declares that:

The Subsidiary, Revolut Bank UAB (legal entity code: 304580906), is exempt from the requirement to provide sustainability information in its management report because its information is included in the Consolidated Management Report of the Parent Company.

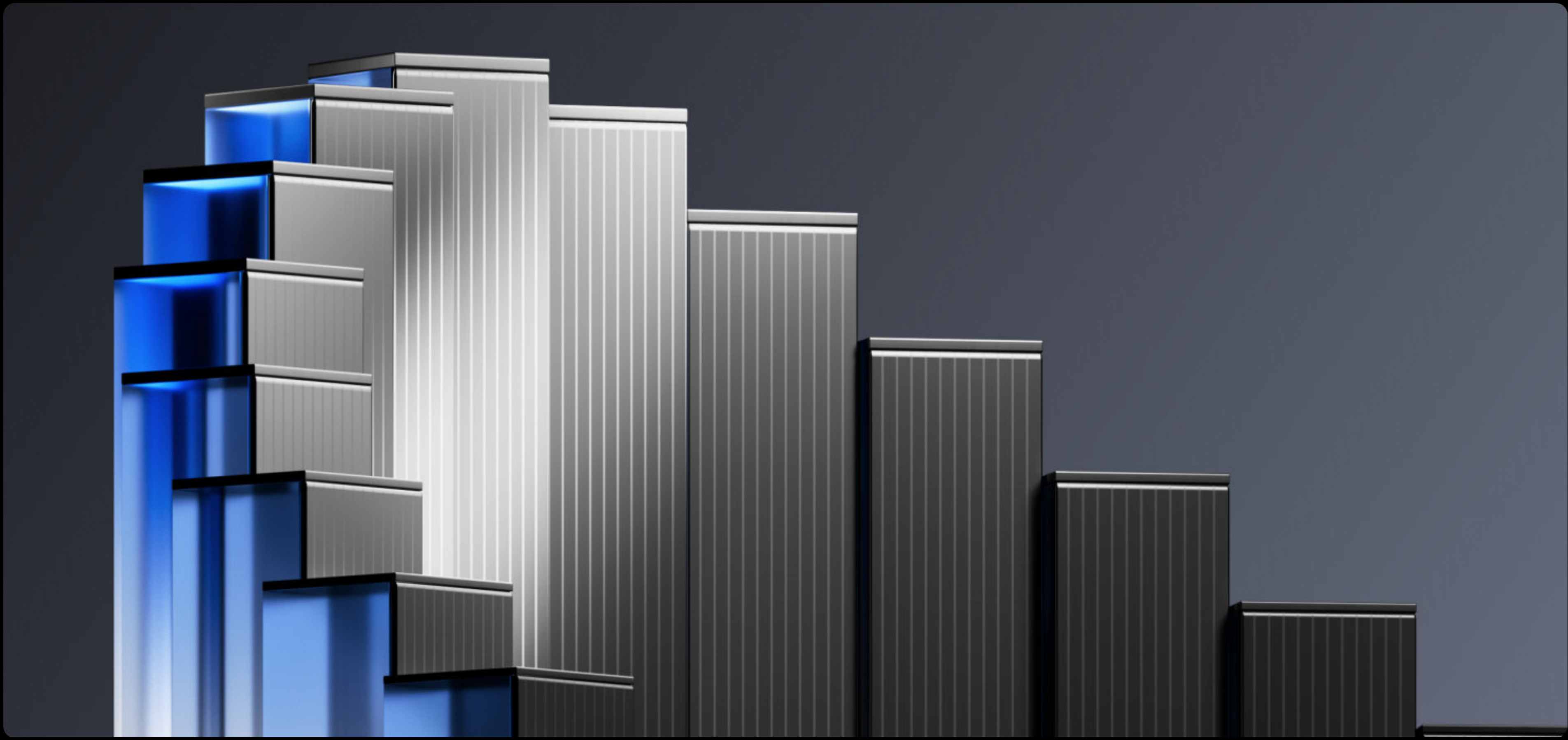
The Parent Company's Consolidated Management Report (including the Consolidated Sustainability Report), prepared in accordance with European Sustainability Reporting Standards (ESRS), will be published no later than 12 months after the last day of the financial year for which the Subsidiary's management report was prepared.

The expected date of publication is by 30 April 2026.

Olga Kosiakova

Interim Chief Executive Officer of Revolut Holdings Europe UAB

12 March 2026



Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

EURth	Notes	2025	2024
Interest income calculated using the effective interest method	7	787,105	589,312
Interest expense	8	(84,610)	(22,669)
Net interest income		**702,495**	**566,643**
Fee and commission income	9	1,939,629	1,144,477
Fee and commission expense	10	(440,104)	(235,362)
Net fee and commission income		**1,499,525**	**909,115**
Net gains and losses on derivatives	19	43,998	17,838
Net gain (loss) from derecognition of financial assets		2,184	(569)
Credit loss expense on financial assets	14	(83,880)	(31,911)
Other operating income	11	613	3,545
Net operating income		**2,164,935**	**1,464,661**
Personnel expenses	12	(134,730)	(88,301)
Depreciation and amortisation	24	(1,342)	(971)
Other operating expenses	13	(1,750,628)	(1,242,262)
Total operating expenses		**(1,886,700)**	**(1,331,534)**
Profit before tax		**278,235**	**133,127**
Tax expense	15	(70,338)	(32,599)
Profit for the year		**207,897**	**100,528**
Items that will not be reclassified to profit or loss		–	–
Items that will or may be reclassified to profit or loss:			
Foreign currency translation		(88)	(60)
Other comprehensive (loss)/ income for the year		**(88)**	**(60)**
Total comprehensive income for the year, net of tax		**207,809**	**100,468**
Attributable to:			
Equity holders of the parent		**207,809**	**100,468**

The accompanying notes on pages 30 to 87 are an integral part of these financial statements.

Statement of Financial Position

at 31 December 2025

EURth	Notes	31 December 2025	31 December 2024
Assets			
Cash and balances with central banks	17	15,714,774	10,823,365
Due from banks and other financial institutions	18	115,487	40,086
Derivatives	19	19,784	15,489
Reverse repurchase agreements	20	5,648,565	1,942,179
Loans and advances to customers	21	2,440,031	1,172,379
Loans and advances to public sector	22	2,299,815	1,114,696
Debt securities	23	7,915,619	4,481,879
Equity instruments		33	33
Investments in subsidiaries		208	208
Property and equipment and right-of-use assets	24	9,472	2,265
Deferred tax assets	15	10,052	333
Other assets	25	1,214,806	694,868
Total assets		**35,388,646**	**20,287,780**
Liabilities			
Derivatives	19	8,094	12,584
Due to customers	26	31,163,192	17,880,484
Due to other financial institutions	27	237,629	207,246
Other liabilities	28	2,072,304	1,205,408
Provisions	29	18,060	6,611
Total liabilities		**33,499,279**	**19,312,333**
Equity attributable to equity holders of parent	30		
Share capital		36,815	36,815
Reserve capital		971,208	670,208
Other equity instruments		400,000	–
Retained earnings		440,994	244,696
Reserves		40,350	23,728
Total equity		**1,889,367**	**975,447**
Total liabilities and equity		**35,388,646**	**20,287,780**

The accompanying notes on pages 30 to 87 are an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 31 December 2025

EURth	Notes	Total attributable to equity holders of the parent							
		Share capital	Reserve capital	Other equity instruments	Legal reserve	Translation reserve	Retained earnings	Other reserves	Total equity
As at 1 January 2024		**36,815**	**379,008**	**–**	**7,159**	**31**	**149,697**	**4,831**	**577,541**
Profit for the year		–	–	–	–	–	100,528	–	100,528
Other comprehensive income		–	–	–	–	(60)	–	–	(60)
Total comprehensive income		**–**	**–**	**–**	**–**	**(60)**	**100,528**	**–**	**100,468**
Formation of reserves	30	–	291,200	–	7,485	–	(7,485)	–	291,200
Share based payments	31	–	–	–	–	–	–	6,238	6,238
Exercise of options	31	–	–	–	–	–	1,956	(1,956)	–
As at 31 December 2024		**36,815**	**670,208**	**–**	**14,644**	**(29)**	**244,696**	**9,113**	**975,447**
As at 1 January 2025		**36,815**	**670,208**	**–**	**14,644**	**(29)**	**244,696**	**9,113**	**975,447**
Profit for the year		–	–	–	–	–	207,897	–	207,897
Other comprehensive (loss)		–	–	–	–	(88)	–	–	(88)
Total comprehensive income		**–**	**–**	**–**	**–**	**(88)**	**207,897**	**–**	**207,809**
Formation of reserves	30	–	301,000	–	12,235	–	(12,235)	–	301,000
Issuance of AT1 Capital	30	–	–	400,000	–	–	–	–	400,000
Share based payments	31	–	–	–	–	–	–	5,111	5,111
Exercise of options	31	–	–	–	–	–	636	(636)	–
As at 31 December 2025		**36,815**	**971,208**	**400,000**	**26,879**	**(117)**	**440,994**	**13,588**	**1,889,367**

The accompanying notes on pages 30 to 87 are an integral part of these financial statements

Statement of Cash Flows

EURth	Notes	2025	2024
Operating activities			
Profit before tax		278,235	133,127
Adjustment for:			
Interest income	7	(787,105)	(589,312)
Interest expense	8	84,610	22,669
Increase (+)/decrease (-) in ECL	14	83,880	31,911
Increase (+)/decrease (-) in provisions	29	11,449	4,887
Provision for deferred tax assets	15	(9,719)	(333)
Depreciation and amortisation	24	1,342	971
Share based payments to employees	31	5,111	6,238
Other non-cash items in (loss)/profit before tax		(726)	(1,165)
Changes in operating assets and liabilities			
Net change in derivative financial instruments	19	(8,785)	(2,097)
Net change in loans and advances to customers	21	(1,318,108)	(582,070)
Change in other operating assets	25	(519,937)	(80,477)
Change in other operating liabilities	27, 28	875,590	561,503
Increase in due to customers	26	13,282,708	7,219,678
Gain(-)/loss(+) from exchange differences		2,466	4,069
Income tax paid		(55,930)	(26,911)
Interest paid		(84,670)	(22,740)
Interest received		754,415	573,012
Net cash flows from operating activities		**12,594,826**	**7,252,960**

EURth	Notes	2025	2024
Investing activities			
Purchase of property and equipment	24	–	(95)
Net purchase of treasury investments	23	(3,433,611)	(2,055,889)
Net change in reverse repurchase agreements	20	(3,706,386)	(1,510,666)
Net change in loans and advances to public sector	22	(1,185,119)	(689,052)
Parent investment in subsidiary		–	(208)
Net purchase of equity instruments		–	(8)
Net cash flows used in investing activities		**(8,325,116)**	**(4,255,918)**
Financing activities			
Proceeds from formation of reserve capital	30	301,000	291,200
Proceeds from issuance of AT1	30	400,000	–
Principal payments of lease liabilities	24.1	(1,346)	(937)
Net cash flows from financing activities		**699,654**	**290,263**
Net increase in cash and cash equivalents		**4,969,364**	**3,287,305**
Net foreign exchange difference		(2,554)	(4,129)
Cash and cash equivalents at 1 January	16	10,863,451	7,580,275
Cash and cash equivalents at 31 December	16	15,830,261	10,863,451

The accompanying notes on pages 30 to 87 are an integral part of these financial statements

Notes to the Financial Statements

1. Corporate Information

The Bank is a credit institution incorporated and licensed in the Republic of Lithuania with company number 304580906 and authorisation code LB000482 and whose registered office is at Konstitucijos ave. 21B, 08130 Vilnius, the Republic of Lithuania. The Bank was granted a specialised banking licence in December 2018, and a "full" banking licence in December 2021 to offer payment, deposit, credit products and other services to its customers in accordance with Articles 4(2), 4(3) and Article 9 (2-1) of the Law on Banks of the Republic of Lithuania. The entity is directly supervised by the Bank of Lithuania (further referred to as BoL). The BoL adopted a decision to designate the Bank as Other Systemically Important Institution (O-SII) on 20 December 2022. As a consequence, in January 2024 the Bank fell under joint supervision by the Bank of Lithuania and the European Central Bank (Joint Supervisory Mechanism) and the European Single Resolution Board (Single Resolution Mechanism).

Since 7 June 2022 the Bank is a wholly owned subsidiary of Revolut Holdings Europe UAB (further referred to as RHE) with company number 305820090, whose registered office is at Konstitucijos ave. 21B, 08130 Vilnius, the Republic of Lithuania which in turn is a wholly owned subsidiary of Revolut Group Holdings Ltd (further referred to as Group TopCo) with Companies House number 12743269, whose registered office is at 30 South Colonnade, London, United Kingdom, E14 5HX.

On the 1st July 2022, the Bank merged with Revolut Payments UAB, thereby simplifying the offering to its customers as well as streamlining the organisational structure.

The Bank has registered the following branches in the EU:

- Revolut Bank UAB (Belgian Branch), which was incorporated on 19th April 2021, registered address: Silver Square, Sq. de Meeûs 35, 1000 Brussels, Belgium.
- Revolut Bank UAB (Netherlands Branch), which was incorporated on 9th August 2022, registered address: Avenue Barbara Strozzi 201, 1083 HN Amsterdam, Netherlands.
- Revolut Bank UAB - Sucursal em Portugal (Portugal Branch), which was incorporated on 18th May 2022, registered address: Avenida Menéres, 612, 4450-189 Matosinhos, Portugal.
- Revolut Bank UAB Magyarországi Fióktelepe (Hungarian Branch), which was incorporated on 14th January 2021, registered address: Radnóti Miklós utca 2, 1137 Budapest, Hungary.
- Revolut France succursale de Revolut Bank UAB (French Branch), which was incorporated on 12th July 2022, registered address: 10 avenue Kleber, 75116, Paris, France.
- Revolut Bank UAB (Irish Branch), which was incorporated on 4th May 2022, registered address: 2 Dublin Landings, North Dock, Dublin 1, Ireland.
- Revolut Italia, Branch di Revolut Bank UAB (Italian Branch), which was incorporated on 19th April 2022, registered address: Via Filippo Sassetti 32, 20124 Milan, Italy.
- Revolut Bank UAB, Zweigniederlassung Deutschland, Germany, which was incorporated on 17th January 2023, registered address: FORA Linden Palais, Unter den Linden 40, 10117 Berlin, Germany.
- Revolut Bank UAB Sucursal En España, which was incorporated on 7th March 2023, registered address: Príncipe de Vergara 132, 4ª planta, 28002 Madrid, Spain. NIF code W0250845E.
- Revolut Bank UAB Vilnius Sucursala Bucuresti - Romanian Branch, which was incorporated on 7th June 2023, registered address: Bucureşti Sectorul 1, Bulevardul ION MIHALACHE, Nr. 15-17, Mindspace Victoriei, biroul 111, cladirea Tower Center International, Etaj 1, Romania. Romanian Trade Register number: J40/10350/06.06.2023.
- Revolut UAB UK Operations Branch, which was incorporated on the 1st of September 2025, registered address: 30 South Colonnade, London, E14 5HX, England. Company number: FC042912

On 17 January 2024 the Swiss Financial Market Supervisory Authority (FINMA) granted a licence for the Bank and Revolut Securities Europe UAB to set up a joint representation of a foreign bank and a foreign securities in Switzerland.

The Bank holds 100% investments into following subsidiaries:

- Revolut (Switzerland) AG, which was incorporated on 15 May 2024, registered address: Beethovenstrasse 48, 8002 Zürich, Switzerland. Trade register number CHE-462.966.439.
- Revolut Switzerland Payments AG, which was incorporated on 14 October 2024,registered address: Beethovenstrasse 48, 8002 Zürich, Switzerland. Trade register number CHE-466.957.066.

The Bank does not prepare the consolidated financial statements as the Bank's and its subsidiaries financial statements are consolidated into both Revolut Holdings Europe UAB and Revolut Group Holdings Ltd consolidated financial statements.

2. Basis of Preparation

The Bank has prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The financial statements have been prepared on a historical cost basis with the exception for derivative financial instruments and non-euro currency positions at fair market value. The financial statements are presented in euros and all values are rounded to the nearest thousands, except when otherwise indicated. The Bank presents its statement of financial position in order of liquidity based on the Bank's intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item.

3. Changes in Accounting Policies and Disclosures

3.1. New and/or amended standards and their interpretations that apply 1 January 2025

The following standards, amendments and interpretations of the existing standards issued by the International Accounting Standards Board (IASB) and adopted for review in the EU are currently effective and were applied by the Bank this year:

- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”: Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025).

The application of the above standards, amendments and interpretations thereof did not have a significant impact on the Bank’s financial statements.

3.2. Standards, amendments and interpretations of the effective standards issued by the IASB, approved in the EU, but not yet effective

The Bank has not applied the following IFRS standards, amendments and interpretations thereof that are already approved at the date of signature of these financial statements but have not yet become effective:

- Annual Improvements Volume 11 (effective for annual periods beginning on or after 1 January 2026);
- Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026);
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (effective for annual periods beginning on or after 1 January 2026);
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

The Bank believes that the application of the said standards, amendments of the effective standards and interpretations thereof will not have a significant impact on the financial statements of the Bank during the initial period of their application.

3.3. Standards, amendments of the effective standards and interpretations not yet effective and not yet approved in the EU

IFRSs currently adopted in the EU are almost identical to the standards approved by the International Accounting Standards Board (IASB), except for the standards, amendments of currently effective standards and interpretations thereof which were not yet approved in the EU (the dates of validity apply to IFRSs in full). The said standards, amendments and interpretations thereof are presented below:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
- Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027)".

The Bank is currently assessing the impact of these new accounting standards and amendments. The management of the Bank does not expect that the adoption of these standards, amendments and interpretations listed above will have a material impact on the financial statements of the Bank in future periods.

4. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Bank in preparing its financial statements:

4.1. Foreign Currency Translation

The financial statements are presented in euros (EUR). Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction.

Transactions are recorded at the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was measured.

Foreign exchange gains and losses resulting from the settlement of monetary transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss shall be recognised in other comprehensive income.

4.2. Interest Income and Expense

4.2.1. Interest Income

Interest income is recognised using the effective interest rate on: credit cards and loans arrangements entered into with customers, debt securities, reverse repos and cash and cash equivalents.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to its gross carrying amount (before adjusting for expected credit losses).

Interest income from non-credit impaired financial assets is recognised by applying the effective interest rate to the gross carrying amount of the asset; for credit impaired financial assets, the effective interest rate is applied to the net carrying amount after deducting the allowance for expected credit losses.

4.2.2. Interest Expense

Interest expense is incurred on savings products issued to customers, reverse repos.

Interest incurred is recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income over the term of the instrument using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to its amortised cost.

Transaction costs that are incremental and directly attributable to the issuance of the financial liability are included in its initial measurement and therefore incorporated into the calculation of the EIR.

Interest expense is also recognised in connection with lease liabilities. The methodology for measurement of interest expense is disclosed in the 'Lease' section below.

4.3. Fee and Commission Income

The Bank recognises revenue according to the principles of IFRS 15 Revenue from Contracts with Customers using the five-step model:

1. Identify the contracts with customers
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction to the performance obligations in the contract
5. Recognise the revenue when (or as) the entity satisfies the performance obligation

The Bank derives its revenue from contracts with customers by providing a variety of services.

Card related fees

Card revenue represents transaction-related fees, including interchange fees, merchant acquiring fees, fair usage fees for cash withdrawals outside of customer plans allowances, and top-up fees. The settlement of card-related transactions by the Bank as the issuer or acquirer is considered a performance obligation under IFRS 15 Revenue from Contracts with Customers. The portion of the transaction price allocated to this performance obligation, which may comprise the entire fee received or receivable, is recognised at the time of settlement of the transaction. Some portion of the transaction price may be deferred if there exists additional performance obligations which have not yet been satisfied at the reporting date; refer to 'RevPoints' below for further details.

Subscription fees

Subscription revenue represents monthly and annual subscription fees charged to retail and business customers. The subscription service has two distinct performance obligations: a card delivery service (which is recognised in other fee income) and a bundle of services offered as part of the customer's day-to-day current account. The portion of the transaction price allocated to the card delivery service is recognised as revenue when the card is delivered (presented within other fee income). The portion of the transaction price allocated to the remaining bundle of services is recognised as revenue on a straight-line basis over the applicable subscription period. Where subscription fees are received in advance, they are initially recognised as contract liabilities and release to profit or loss as revenue is recognised.

Any termination fees for existing subscriptions services ending early are recognised upon the termination date.

Foreign exchange

Foreign exchange revenue represents exchange fees charged to customers during a transaction that involves a fiat currency exchange .This also includes fair usage fees where customers undertake additional exchange transaction volumes outside of their plan allowances.

Foreign exchange revenue is recognised upon satisfaction of a single performance obligation – specifically, the completion of the exchange of one currency for another between the customer's currency pockets.

RevPoints

The Bank offers a loyalty program whereby customers may earn value in the form of a proprietary points currency (RevPoints) upon completion of specific tasks or actions. Points may be redeemed for discounts on a variety of products or services or transferred to frequent flyer program partners. For all points granted to the customer within a transaction under the scope of IFRS 15 Revenue from Contracts with Customers, including points earned on everyday cardholder spend, the future redemption of points is considered a distinct performance obligation assumed by the Bank. Accordingly, the transaction price (e.g., interchange fee) is allocated to each performance obligation on a relative stand-alone selling price basis. Revenue is recognised as the Bank satisfies each performance obligation by transferring the promised good or service to the customer (i.e., upon redemption of the points, including an adjustment for the expected breakage of points).

When fee income is collected prior to point redemption, the Bank recognizes a contract liability. The portion of the transaction fee attributed to the RevPoints performance obligation is deferred and only recognized as revenue once the points are redeemed or expire. Contractual liability is presented within other liabilities as "Contractual liability from loyalty program" in the note 28.

Any points that are granted to the customer that is not within the scope of IFRS 15 Revenue from Contracts with Customers, including certain forms of point bonuses and challenges, are recognised as a provision under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and disclosed in the note 29.

Any consideration granted to a customer upon redemption of RevPoints on a product within the scope of IFRS 15 is generally recognised as consideration payable to the customer; therefore, the redemption is recognised as a reduction of revenue for the applicable redemption product. If the consideration paid or payable to the customer exceeds the transaction amount in the contract, any excess is recognised as a fee expense.

Other

Other fee income mainly comprises:

- Revenue earned for the delivery of cards, which is recognised on the day the card is delivered to the customer;
- Revenue related to fees charged to customers in respect of remittances facilitated at the customer's request, recognised at the time the transaction is settled;
- Revenues related to fees charged on merchant acquiring transactions, recognised at the time of the transaction;
- Revenue related to fees charges for business expense management product, which is recognised over the month in which the customer has access to the product;
- Revenue related to commission earned on the sale of insurance products to customers, which is recognised at the time of the transaction

The Bank provides embedded insurance products to customers as a component of the overall card value proposition, as well as certain standalone insurance products. For all types of insurance offerings, the Bank acts as an intermediary between its customers and its insurance partners only and does not accept any significant insurance risk. Therefore, the Bank does not issue any insurance contracts as defined by IFRS 17 *Insurance Contracts*.

Remaining performance obligations

IFRS 15 *Revenue from Contracts with Customers* allows the Bank to exclude from its remaining performance obligations disclosure any performance obligations which are part of a contract with an original expected duration of one year or less.

Based on the nature of the Bank's products and services, with the exception of RevPoints, contracts with customers generally have an expected duration of one year or less.

Significant Financing Component

A contract is not considered to contain a significant financing component when payments are typically received in advance or at the time the related goods or services are provided and the period between payment and performance is less than one year; nor does a timing difference give rise to a financing component when it arises for reasons other than the provision of finance, such as the deferral of revenue for customer-loyalty programmes or similar arrangements. There are typically no contracts with significant financing component.

4.4. Fee and Commission Expense

Fee expenses primarily relate to fees incurred by the Bank in the processing and settlement of transactions, partner-related costs, the costs of providing products to customers, and the costs incurred for banking, platform fees, and treasury-related costs. Costs are recognised as incurred.

Processing and settlement fee

These are costs primarily payable to the card schemes of which the Bank is a member. Processing and settlement of transaction costs are presented net of rebates received from payment scheme providers for scheme fee costs.

Rebates from card schemes are recognised when it is probable that the economic benefits will flow to the entity and the amount of the rebate can be measured reliably. Accordingly, rebates are accrued monthly based on an estimate derived from historical rebate rates. Costs are recognised as incurred.

Partner-related costs

These are costs incurred by the Bank to purchase services from third-party vendors to include them as an integral component of the product package.

4.5. Personnel Expenses

The Bank provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, defined contribution pension plans and share-based payments.

Short-term benefits, including cash bonuses, holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. A liability is recognised for the amount expected to be paid if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
Accounting policy in respect of share-based payments is disclosed in note 4.20.

4.6. Other and Administrative Expenses

Other and administrative expenses are recognised on an accrual basis in the reporting period when the income related to those expenses was earned, irrespective of the time the cash was transferred. Costs that are not directly related to the specific income are expensed as incurred.

4.7. Financial Instruments – Initial Recognition

4.7.1. Date of Recognition

Financial assets and liabilities with the exception of loans and advances to customers are initially recognised on the trade date, i.e., the date on which the Bank becomes a party to the contractual provisions of the instrument. Loans and advances and due to customers are recognised when funds are transferred to the customers' accounts.

Special accounting consideration on asset-backed securities(ABS) and collateralized loan obligations (CLO) trades on primary market:

The main differences between floating/fixed rate Bonds and ABS, CLO are:

- Prepayments;
- Call feature (including call at par value as well as make-whole call provision);
- Floor on the benchmark rate on ABS and CLO;
- Collateral and Collateral rebalancing;

Unlike ABS and CLO traded on the secondary market which follow the normal settlement dates of T+2/3, for those traded within the primary market (where new securities are issued for the first time), there would be a difference between trade date vs. settlement date of around 6 - 9 weeks.

A financial asset is recognised when and only when the entity becomes a party to the contractual provisions of the instrument [IFRS 9.3.1.1]. As such, prior to the settlement date, the Bank would have not become a party to the contractual provisions of the instrument and would not bear any risks or rewards from the assets. This should be viewed as a commitment to purchase the ABS and CLO. Under IFRS 9, firm commitments are generally not recognised on the balance sheet until it is actually settled, except for when firm commitments are designated as hedged items in a fair value hedge.

As such, ABS and CLO traded on primary market will be recognised on settlement date, the accrued interest should only start from the settlement date as well.

4.7.2. Initial Measurement of Financial Instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

4.7.3. Measurement Categories of Financial Assets and Liabilities

The Bank classifies financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVPL)

Financial liabilities are measured at amortised cost or at FVPL when they are held for trading and derivative instruments.

4.7.4. Determination of Fair Value

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments – those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Bank has access to at the measurement date. The Bank considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments – those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Bank will classify the instruments as Level 3.
- Level 3 financial instruments – those that include one or more unobservable input that is significant to the measurement as whole. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques. Examples of Level 3 financial instruments are instruments for which there is currently no active market or binding quotes, such as unlisted equity instruments.

The Bank evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary, based on the facts at the end of the reporting period.

4.7.5. Financial Assets Measured at Amortised Cost

The Bank measures financial assets at amortised cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

4.7.5.1. Business Model Assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective:

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected). The expected frequency, value and timing of sales are also important aspects of the Bank's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

4.7.5.2. The SPPI Test

As a second step of its classification process the Bank assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money an d credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

4.7.6. Derivative Financial Instruments Recorded at Fair Value Through Profit or Loss

A derivative is a financial instrument with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

Derivatives, including interest rate swaps, foreign currency swaps, and foreign currency forward contracts, are measured at fair value through profit or loss. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in "Net gains and losses on derivatives".

4.7.7. Hedge accounting

The Bank elected, as a policy choice permitted under IFRS 9, to apply the requirements of IAS 39 *Financial Instruments: Recognition and Measurement* for hedge accounting purposes.

Where derivatives are held for risk management purposes, and when transactions meet the required criteria for documentation and hedge effectiveness, the Bank applies fair value hedge accounting, hedging of a net investment in a foreign operation, or cash flow hedge accounting, as appropriate to the risks being hedged.

At inception, the Bank formally documents how the hedging relationship meets the hedge accounting criteria. It also records the economic relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis.

In order to qualify for hedge accounting, a hedging relationship must be expected to be highly effective on a prospective basis and it needs to be demonstrated that it was highly effective in the previous designated period (i.e. one month). A hedge is considered to be highly effective if the changes in fair value or cash flows attributable to the hedged risk are expected to be offset by the hedging instrument in a range of 80% to 125%. It is also necessary to assess, retrospectively, whether the hedge was highly effective over the previous one-month period.

The hedge accounting documentation includes the method and results of the hedge effectiveness assessments.

Fair value hedges

The Bank currently only applies fair value hedging (both macro and micro fair value hedge) for interest rate risk. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised immediately in the profit or loss as the "net gain on changes in the fair value on hedging derivatives and hedged items", within other income or other operating expenses. In addition, the cumulative change in the fair value of the hedged item attributable to the hedged risk is recognised in the same line item, and for hedged items that would otherwise be measured at cost or amortised cost, the carrying amount of the hedged item is adjusted accordingly.

In these hedging relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Bank's own credit risk on the fair value of the interest rate swaps, which is not reflected in the fair value of the hedged item attributable to the change in interest rates;
- differences in the magnitude or timing of future expected cash flows in the hedged item and hedging instrument (for example, differentials on notional amounts, strike rate, payment frequency and maturity between the hedged instrument and hedged item, or the possibility of changes to the critical terms of the hedge; and
- derivatives used as hedging instruments having a non-nil fair value at the time of designation; and
- the ongoing amortisation of any existing balance sheet mismatch between the fair value of the hedged item and the hedging instrument.

If hedge relationships no longer meet the criteria for hedge accounting, hedge accounting is discontinued. For fair value hedges of interest rate risk, the fair value adjustment to the hedged item is amortised to profit or loss over the period to maturity of the previously designated hedge relationship using the effective interest method. If the hedged item is sold or repaid, the unamortised fair value adjustment is recognised immediately in profit or loss.

4.7.8. Undrawn Loan Commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position. These contracts are in the scope of the ECL requirements with the changes in provisions recognised in the financial statements. The nominal values of undrawn loan commitments together with the corresponding ECL are disclosed in Note 29.1.

4.8. Reclassification of Financial Assets and Liabilities

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Bank acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.9. Derecognition of Financial Assets and Liabilities

4.9.1. Derecognition Due to Substantial Modification of Terms and Conditions

The Bank derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI. When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, as set out below, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded. For financial liabilities, the Bank considers a modification substantial based on qualitative factors and if it results in a difference between the adjusted discounted present value and the original carrying amount of the financial liability of, or greater than, ten percent. For financial assets, this assessment is based on qualitative factors.

4.9.2. Derecognition Other Than for Substantial Modification

4.9.2.1. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Bank also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Bank has transferred the financial asset if, and only if, either:

- The Bank has transferred its contractual rights to receive cash flows from the financial asset

or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass–through’ arrangement

Pass-through arrangements are transactions whereby the Bank retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Bank has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term unauthorised overdrafts with the right to full recovery of the amount lent plus accrued interest at market rates
- The Bank cannot sell or pledge the original asset other than as security to the eventual recipients
- The Bank has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Bank is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents, including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Bank has transferred substantially all the risks and rewards of the asset

or

- The Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Bank considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Bank has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Bank’s continuing involvement, in which case, the Bank also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Bank could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Bank would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Point of Derecognition Upon Debt Sale

Financial assets are derecognised when the Bank transfers substantially all the risks and rewards of ownership to a third party. This is typically the point at which a non-revocable purchase agreement is signed or a non-revocable deposit is received. From that point onwards, the Bank is deemed to have transferred substantially all risks and rewards to the purchaser, even if legal title passes only upon transaction close.

4.9.2.2. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

4.10. Impairment of Financial Assets

4.10.1. Overview of the ECL Principles

The Bank records an allowance for expected credit loss for all loans and other financial assets not held at FVPL, together with loan commitments. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit losses or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 month expected credit losses (12m ECL). The 12m ECL is the portion of LTECL that represents the ECL from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument’s credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Bank groups its financial assets into Stage 1, Stage 2, Stage 3, as described below:

- Stage 1: Financial assets which have not experienced a significant increase in credit risk (SICR) since initial recognition, against which an expected credit loss provision is required for expected credit losses resulting from default events expected within the next twelve months (a '12-month ECL') and is required on initial recognition; when a financial asset is first recognised, it is assigned to Stage 1;
- Stage 2: Financial assets which have experienced a SICR event since initial recognition, against which a lifetime ECL provision is required; and
- Stage 3: Financial assets which are credit impaired, for which objective evidence of an impairment exists, and which also requires a lifetime ECL provision.

The staging is aligned with the management of credit risk.

Interest income on assets in Stages 1 and 2 is recognised using the effective interest method on the gross carrying value of the assets. For assets in Stage 3, interest income is recognised using the effective interest method on the carrying value of the assets net of ECL provision.

Credit enhancements: collateral valuation and financial guarantees

To mitigate its credit risks on financial assets, the Bank seeks to use collateral. The collateral comes in various forms, such as cash, securities, etc. Collateral, unless repossessed, is not recorded on the Bank’s statement of financial position. Cash flows expected from credit enhancements which are not required to be recognised separately by IFRS accounting standards and which are considered integral to the contractual terms of a debt instrument that is subject to ECL, are included in the measurement of those ECL. On this basis, the fair value of collateral affects the calculation of ECL. Collateral is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis.

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

4.10.2. The Calculation of ECL

The Bank calculates ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive. The expected credit loss provision is calculated using the three following inputs:

- Probability of default (PD) — the likelihood of default within a given time frame, either twelve months (for Stage 1 assets) or the lifetime of a financial asset (for Stages 2 and 3 assets). PD is determined with reference to internal and external scorecards based on customer characteristics at origination and are subsequently measured based on client behaviour. The concept of PD is further explained in Note 6.1.2.
- Exposure at Default (EAD) — is an estimate of the exposure at a future default date. EAD is determined as the gross carrying amount for drawn balances and a fraction of the available credit based on the utilisation of credit lines for undrawn balances. The EAD is further explained in Note 6.1.2.
- Loss Given Default (LGD) — the net loss in the event of a default. The LGD is further explained in Note 6.1.2.

The expected credit loss provision on the outstanding financial assets at the date of the Statement of Financial Position is calculated by multiplying the PD (dependent on the stage of the asset) by the LGD and EAD, taking into account the contractual period of credit risk exposure from initial recognition in the case of loans. For credit cards, where the exposure to credit risk is not limited to the contractual period, the expected life is calculated based on the estimated life of the loan and undrawn facility.

ECL models incorporate forward-looking information via macroeconomic forecasts produced in accordance with the Bank's ECL methodology. The process is performed separately for each country of lending and the macroeconomic forecasts are updated quarterly.

When estimating the ECL, the Bank considers three scenarios (a base case, an optimistic, and pessimistic). Each of these is associated with different PDs, EADs and LGDs, as set out in Note 6.1.2. The maximum period for which the credit losses are determined is the contractual life of a financial instrument (5 years for credit card limits). Impairment losses and gains are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset’s gross carrying value.

The mechanics of the ECL method are summarised below:

- Stage 1: The 12mECL is calculated as the portion of LTECL that represents the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by EIR or, where relevant, by an approximation to the EIR. This calculation is made for each of the three scenarios, as explained above.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument (5 years for credit card limits). The expected cash shortfalls are discounted by EIR or, where relevant, by an approximation to the EIR.
- Stage 3: For loans considered credit-impaired the Bank recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.
- Loan commitments. When estimating LTECL for undrawn loan commitments, the Bank estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the three scenarios. The expected cash shortfalls are discounted at EIR or, where relevant, at an approximation to the expected EIR on the loan. For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECL is calculated and presented together with the loan. For loan commitments the ECL is recognised within Provisions.

4.10.2.1. Negative balances Impairment Calculation

There are four main types of events that can create negative client's current account balances (unauthorised overdrafts):

- card offline transactions;
- fees charged;
- acquiring top-ups;
- fraudulent activity.

For the purpose of impairment calculation the Bank applies ageing buckets to the negative balances and calculates provision for the buckets based on past historical performance.

The analysis of rates used based on the ageing bucket is disclosed below:

Ageing bucket	2025	2024
a) <= 30 days	30%	30%
b) 30-60 days	55%	61%
c) 60-90 days	60%	68%
d) 90-365 days	63%	71%
e) > 365 days	100%	100%
f) Fraudulent activity	100%	100%
g) Terminated users	100%	100%

4.10.3. Default Definition

The Bank uses the definition of default according to the Article 178 of the CRR (Capital Requirements Regulation) and EBA Guidelines on definition of default. The same definition is used by the Bank for classification of financial instruments as credit-impaired (Stage 3) under IFRS 9.

The Bank identifies defaults at obligor level when either one or both of the following have taken place:

I. (A) the obligor is materially past due for more than 90 consecutive days;
II. (B) the obligor is considered unlikely to pay its credit obligations in full, without recourse to actions such as realising security.

For the purpose of criterion (A), counting of days past due is performed at obligor level. The Bank assesses all credit obligations of a customer past due as material according to absolute and relative thresholds relative to the total amount of all on-balance sheet exposures to the obligor. The number of days past due will be counted as the consecutive number of days that the amount owed by an obligor has been above the materiality threshold and counting stops only when the amount past due drops below the threshold. Per the EBA Regulatory Technical Standards (EBA/RTS/2016/06) materiality threshold is set as follows:

- For retail exposures: absolute threshold of >100 EUR and relative threshold of >1% from the total amount of all on-balance sheet exposures to the obligor.
- For non-retail exposures: absolute threshold of >500 EUR and relative threshold of >1% from the total amount of exposures owed by the obligor.

For the purpose of criterion (B), elements taken as indications of unlikeliness to pay by the Bank include the following:

1. The Bank puts the credit obligation on non-accrued status;
2. Bankruptcy of the obligor or similar protection;
3. Credit fraud;
4. The Bank terminates the agreement of an obligation due to the decrease of its credit quality;
5. Death of a customer;
6. Materially overdue on at least one significant facility but not meeting criterion A at obligor level (applicable for retail exposures only);
7. The Bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation;
8. Non-viable obligors and obligors in arrears that are non-cooperating during the assessment for forbearance;
9. Exposure that have been reclassified out of the non-performing category since the forbearance measures were granted and show continued signs of financial difficulties;
10. Default status (or closest equivalent) in payments to other creditors recorded in the relevant credit register;
11. Significant arrears on a mortgage product that is in an interest-only period;
12. Additional triggers for Joint Obligors that evidence a lack of repayment capacity;
13. Disappearance of an active market for a financial instrument because of financial difficulties of the customer (applicable for non-retail exposures only);
14. Observable data indicating a measurable decrease in estimated future cash flows from a group of financial assets, such that the counterparty is not capable of servicing its debt (applicable for non-retail exposures only);
15. For previously defaulted exposures in 'probation' status, where the exposure in probation becomes 30 days or more past due (applicable for non-retail exposures only).

4.10.4. Migration Between Stages

IFRS 9 requires at each reporting date measurement of loss allowance for each financial instrument at an amount equal to the ECL according to 3 different stages. The stages are determined by the current credit risk, as well as, absolute and relative changes of credit risk since initial recognition - capturing the presence of significant increase of credit risk (SICR):

1. Obligors on forborne performing status (i.e., forbearance with material concession);
2. Obligors not eligible for forbearance measures based on their risk assessment in the last 3 months;
3. Return to a non-impaired status and in 3 month probation period;
4. Facilities more than 30 days past due as of reporting date, calculated on obligor level and using the regulatory DPD definition.; and
5. Facilities with a significant increase in lifetime point-in-time forward-looking probability of default (PD) compared to initial recognition. This occurs if:

(a) The PD has increased by more than 2.5 times (this would be equivalent to downgrade by approximately two or more notches according to internal rating scale).

(b) The PD has increased by more than 0.5% in absolute terms (to avoid classification as Stage 2 of obligors still being with low risk despite a relative PD change exceeding 2.5 times)

SICR indicators in points 1 to 4 above are evaluated at obligor level, while 5 is evaluated at individual financial instrument level.

For wholesale credit risks, a low-risk exemption applies, such that all investment grade obligors will be allocated to Stage 1. In line with the Internal Ratings Procedures, the Bank relies on the ratings of external rating agencies and will assign each externally rated counterparty a rating per the approach noted in the Internal Rating Procedures. The Bank does not apply a low credit risk exemption for its retail exposures at the moment.

Stage 2 assets will include non-investment grade exposures which have experienced a downgrade by 2 or more notches based on internal rating scale at the reporting date compared to initial recognition, and this results in a PD increase of more than 0.5% in absolute terms.

Transfers from Stage 2 back to Stage 1 will be performed when none of the SICR indicators are present as of the reporting date and it passes a 3-month probation period after having had impaired status.

Transfers from Stage 3 back to Stage 2 will be performed when the last 3 months have passed since the default date without any Unlikeliness-to-Pay (UTP) and fewer than 6 regulatory days past due (DPD) at the obligor level.

Any changes in the criteria used to determine SICR follow the same approval pathway described for the overall IFRS 9 model.

4.11. Write-Offs

Financial assets are written off, either partially or in full, against the related allowance once there is no realistic prospect of recovery and the amount of the loss has been determined. Subsequent recovery of amounts written off are recognised against the amount of impairment losses recognised in the Statement of Profit or Loss and Other Comprehensive Income.

The Bank will determine for each type of portfolio suitable maximum periods for full provisioning and write-off. The Bank will assess the recoverability of exposures classified as non-performing due to registering arrears for a prolonged length of time. If, following this assessment, an exposure or part of an exposure is deemed as unrecoverable, it will be written off in a timely manner. To ensure timely write-offs, facilities that have been in defaulted status for 2 (unsecured) or 7 (secured) consecutive years will be written off.

For exposures under insolvency or bankruptcy procedures, due to low collateralisation of the exposures, legal expenses often absorb a significant portion of the proceeds from the bankruptcy procedure and therefore estimated recoveries are expected to be very low.

A partial write-off may be warranted where there is reasonable financial evidence on the credit file to demonstrate an inability on the borrower's behalf to repay the full amount of the monies owing (i.e. a significant level of debt overhang which cannot be reasonably demonstrated to be recoverable following implementation of a forbearance or settlement treatment).

Negative client balances are are written off for:

- Terminated users — at the point of termination;
- Fraudulent user activity — at the point of completion of internal investigation; or
- Balances older than 365 days

4.12. Forborne and Modified Loans

The Bank sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties. The Bank considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Bank would not have agreed to them if the borrower had been financially healthy. Forbearance involves changing of loan conditions.

For retail exposures, the set of forbearance measures granted include interest-only period, maturity extension, repayment deferral and/or capitalisation/rescheduling of the arrears balance. As of 31 December 2025 and 2024 reporting dates the Bank has forborne assets, which are disclosed in the Note 21. Once an asset has been classified as forborne, it will remain forborne for a minimum 24-month probation period. In order for the loan to be reclassified out of the forborne category, the customer has to meet all of the following criteria:

- 2 years have passed since the date on which the forbearance measures were granted and the date on which the exposure was re-classified as performing, whichever is later;
- Regular and timely payments have been made during the probation period;
- Repaid a material amount of the outstanding principal of restructured facilities;
- No significant arrears.

For wholesale exposures, if modifications are substantial, the loan is derecognised, as explained in Note 4.9.1. Once the terms have been renegotiated without this resulting in the derecognition of the loan, any impairment is measured using the original EIR as calculated before the modification of terms. The Bank also reassesses whether there has been a significant increase in credit risk and whether the assets should be classified as Stage 3. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

4.13. Cash and Cash Equivalents

Cash and cash equivalents as referred to in the cash flow statement comprises cash on hand, non-restricted current accounts with central banks and amounts due from banks on demand or with an original maturity of three months or less.

4.14. Property, Plant and Equipment

Property and equipment is stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Depreciation of owned assets is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Computer equipment 3 years

- Office equipment 4 years
- Fixtures and fittings 4 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss and Other Comprehensive Income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.15. Other assets and liabilities

Cash collateral

Cash collateral is given to mitigate the risk arising from variation margin on the Banks's derivative positions held with external and related counterparties. Cash collateral includes amounts held with our partners on a long-term basis to support customers' transaction volumes.

Collateral paid is included as an asset in other assets. Where collateral is received, this is recognised in other liabilities.

Card schemes

Card schemes include rebates due to the Bank arising from credit card scheme and processing fees.

Settlement receivables and payable

Settlement receivables and payables include balances arising from timing differences in the Bank's settlement process between the cash settlement of a transaction and the recognition of the associated liability (for example, customer liabilities e-money in issue). When customers fund their e-money account using their bank account, or a credit or debit card, or sell stocks, there is a clearing period before the cash is received or settled. This period is usually within five business days.

4.16. Leases

The Bank assesses at contract inception whether a contract is, or contains, a lease; that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At 31 December 2025 and 2024 the Bank is a lessee in its lease arrangements, and is not a lessor.

The Bank applies a single recognition and measurement approach for all lessee leases, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low-value assets. The Bank recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

4.16.1. Right-of-use assets

The Bank recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. If ownership of the leased asset transfers to the Bank at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset, otherwise the right-of-use asset is amortised over the duration of the lease agreement. Depreciation starts at the commencement date of the lease.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 4.17, Impairment of non-financial assets.

The right-of-use assets are presented along with property and equipment in the Statement of Financial Position.

4.16.2. Lease liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating the lease, if the lease term reflects the Bank exercising the option to terminate.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line administrative expense in the Statement of Profit or Loss and Other Comprehensive Income.

In calculating the present value of lease payments, the Bank uses the rate implicit in the lease if it is readily determinable. However, if the rate implicit in the lease is not readily determinable, the incremental borrowing rate (IBR) at the lease commencement date for the local subsidiary is used. If the IBR of the local subsidiary is not readily determinable, the IBR of the Bank is used.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Bank has elected to apply this practical expedient and will not separate lease and non-lease components.

The lease liabilities are presented along with other liabilities in the Statement of Financial Position.

4.16.3. Short-term leases and leases of low-value assets

The Bank applies the short-term lease recognition exemption to those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

4.17. Impairment of Non-Financial Assets

At each date of the Statement of Financial Position, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash-generating unit) may be impaired. If there is such an indication, the recoverable amount of the asset (or asset's cash-generating unit) is compared to the carrying amount of the asset (or asset's cash-generating unit).

The recoverable amount of the asset (or asset's cash-generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash-generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash-generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter, any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in profit or loss.

4.18. Provisions and Contingencies

4.18.1. Provisions

Provisions are recognised when the Bank incurs a present legal or constructive obligation for which it is probable that settlement by an outflow of resources embodying economic benefits will transpire and a reliable estimate of the amount of the obligation can be made.

Provisions are charged as an expense in the Statement of Profit or Loss and Other Comprehensive Income in the year that the Bank becomes aware of the obligation and are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

When payments are eventually made, they are recognised as a reduction in the provision carried in the Statement of Financial Position.

4.18.2. Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured reliably at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Bank's control.

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Where an inflow of economic benefits from a contingent asset is probable, it is disclosed in the notes to the financial statements.

4.19. Taxes

4.19.1. Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Bank operates and generates taxable income.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income respectively and not in the Statement of Profit or Loss and Other Comprehensive Income.

4.19.2. Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for taxable temporary differences and deferred tax assets are recognised for deductible temporary differences. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognised as income tax benefits or expenses in the Statement of Profit or Loss and Other Comprehensive Income. The Bank only offsets its deferred tax assets against liabilities when there is both a legal right to offset its current tax assets and liabilities and it is the Bank's intention to settle on a net basis.

4.20. Share-Based Payments

The Revolut Group operates a number of share-based payment schemes. The purpose of these schemes is to incentivise and remunerate the Revolut Group's employees, including those employed by the Bank. These schemes meet the definition of Group equity-settled share-based payments as the Bank receives services but doesn't have the obligation to settle the share-based payment transaction. Accordingly, the awards associated with these schemes are accounted for in accordance with IFRS 2 to the extent they relate to the Bank's employees. Schemes are recognised within profit or loss when the services are received, with a corresponding increase in equity (shared-based payment reserve).

The Bank measures the services received directly, at the fair value of the goods or services received on the grant date of the award.

Estimating fair value for share-based compensation transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant, including incorporating any market performance conditions and non-vesting conditions which are incorporated into the grant date fair value.

Option pricing methodologies, such as the widely employed Black-Scholes model, are used to determine the grant date fair value of equity-settled share based payments. Where required, the Bank uses third-party valuation specialists to estimate the grant date fair value of each grant based on the terms of that grant, incorporating internal and market data. Key assumptions that impact the grant date fair value include equity price, expected volatility, expected term, risk-free rate, and expected dividend yields.

The fair value of the awards is recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income over the vesting period with a corresponding increase in the share-based payment reserve in equity. The cumulative expense at each reporting date is based on the total number of share-based payment awards that are expected to vest, taking into account the service conditions and any non-market performance conditions such that the total cumulative amount recognised as an expense over the vesting period is based on the number of share-based payment awards that eventually vest. The Bank has to estimate the expected yearly percentage of employees that will stay within the Bank at the end of the vesting period of the share based payment awards in order to determine the amount of share-based compensation expense charged to the statement of profit or loss and other comprehensive Income.

If an employee fails to complete a specified service period, or a performance condition is not satisfied, no expense is recognised on a cumulative basis for the associated awards.

Where the terms and conditions of share-based payment awards are modified before they vest, to the extent that there is an increase in the fair value of the share-based payment awards, measured immediately before and after the modification, this increase is also recognised as an expense in profit or loss over the remaining vesting period.

During the year 2024, the Bank has revised the accounting policy regarding the disclosure of the Share-based payment reserve. Previously, all reserves related to exercised options were retained within the share-based payment reserve in other reserves. Under the revised policy, reserves related to exercised or expired options are transferred from the other reserves to retained earnings.

Reason for the change

The revised policy provides a clearer presentation of share-based payments. It reflects the actual exercised or expired options during the period while ensuring the share-based payments reserve shows only the balance for vested but not yet exercised options. This results in the improved transparency and better alignment with the Bank’s financial reporting objectives. The policy was applied from 2024 since the impact in previous periods is not material.

4.21. Share capital, reserves and other equity instruments

Ordinary shares are classified as equity. Incremental costs that are directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Bank maintains a Reserve Capital, which represents a form of capital injection available under the Law on Banks of the Republic of Lithuania. This reserve is designed to receive capital support from shareholders without the immediate issuance of additional shares.Contributions to the Reserve Capital are recognized in Equity at the fair value of the consideration received.

Other equity instruments (AT1). The Bank classifies Additional Tier 1 (AT1) capital instruments as "Other equity instruments" within equity. These instruments are classified as equity as they do not create a contractual obligation to remit cash or assets to the holder under normal circumstances.

- Nature and Terms: The AT1 instruments are perpetual with no fixed maturity date. They are callable at the issuer's option after five years.
- Discretionary Coupons: Interest and principal payments are fully discretionary, non-cumulative, and can be cancelled at any time by the issuer.
- Subordination: The instruments are deeply subordinated, ranking junior to all senior creditors and senior only to the rights and claims of ordinary share capital.
- Distributions: Floating rate coupon payments on these instruments are treated like dividends and recorded directly in equity. No interest expense is recognized in the statement of profit or loss.
- Transaction Costs: Incremental costs directly attributable to the issuance are accounted for as a deduction from equity.

The Bank's reserves represent the revaluation of foreign currency at the Statement of Financial Position date, shared-based payment reserve, and legal reserve.

Legal reserve is formed according to the Law of the Republic of Lithuania on Banks, allocations to the legal reserve shall be compulsory and shall not be less than 1/20 of the profit available for appropriation. The legal reserve may, by a decision of extraordinary general or annual meeting of the shareholders, be used only to cover losses of the activities.

Retained earnings represent cumulative profits or losses, net of dividends paid to shareholders.

5. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Bank’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Bank’s accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date.

5.1. Going Concern

The financial statements of Revolut Bank have been prepared on a going concern basis. The directors have assessed the Bank's ability to continue as a going concern and, after making appropriate enquiries, have a reasonable expectation that the Bank has adequate resources to continue its operational existence for the foreseeable future.

In forming this view, the directors have taken into account the following key considerations:

- **Profitability**: The Bank has remained profitable throughout 2024 and 2025.
- **Revenue Growth**: Substantial growth in the customer base has resulted in a material increase in revenues, driven by both interest income and commission income.
- **Capital Adequacy**: The Bank maintains a strong capital base, with capital ratios significantly exceeding regulatory minimum requirements.
- **Liquidity**: The Bank demonstrates a robust liquidity position, reflected in its Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), both of which remain well above regulatory thresholds.
- **Parent Companies Support**: The Bank benefits from continued strong support from its parent companies, including planned additional capital injections to support growth, the use of the Revolut Group's technology platform and app, and the provision of centralised support functions.
- **Transfer Pricing Stability**: The intercompany transfer pricing arrangement with Revolut Ltd ensures the Bank remains profitable before any intra-group service fees are incurred annually.

The directors have established a detailed business plan for the period 2026-2028, which forecasts continued profitability. This plan has been subjected to rigorous stress testing under a series of adverse scenarios, including idiosyncratic, systemic, and combined market stresses. More details about internal capital assessment are disclosed in the note 34.2. These assessments confirm the Bank's resilience under challenging conditions.

Further supporting this assessment is the financial performance of the Bank's ultimate parent company, Revolut Group Holdings Ltd, which has demonstrated sustained profitability on a consolidated basis for the financial years 2024 and 2025, despite significant investments in technology, marketing, and its workforce.

The intercompany agreement for financial and general support services with Revolut Ltd, which may be terminated with twelve month's notice, remains in full force.

Based on these factors, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

5.2. Impairment Losses on Financial Assets

In determining the expected credit losses, the Bank makes the following judgments:

- **Significant increase in credit risk (SICR)**

In assessing whether a significant increase in credit risk (SICR) has occurred for an exposure since initial recognition, the Bank considers both quantitative and qualitative information and analysis. In doing so, the Bank makes judgements about the appropriate indicators used as SICR triggers. The triggers that the Bank has determined as appropriate include movement in PD and other qualitative factors, such as moving a customer/facility to the watch list, or the account becoming forborne.

- **Multiple economic scenarios**

The Bank in its measurement of ECL makes judgements about the type and number of macroeconomic scenarios in order to reflect the Bank's exposure to credit risk. The scenarios are derived from macroeconomic forecasts from multiple external providers which are then aggregated to the three scenarios (i.e. Baseline, Optimistic, and Pessimistic).

- **Development of ECL models**

Judgement exists in the development of ECL models. This includes the segmentation of products, the formulas and choice of inputs, for example which inputs are relevant for the particular exposures in particular regions.

- **Segmentation**

The Bank regularly reviews its models in the context of actual loss experience and adjusts when necessary. In the event of launching of new credit portfolio without available data to support empirical estimation of a given ECL parameter, this parameter might be initially determined on expert basis with additional consideration of external benchmarks and data. Further details about the Bank's impairment losses on financial assets are given in Notes 6.1.2 and 21.1

5.3. Hedge accounting

The Banks's hedge accounting policies include an element of judgement and estimation, in particular, in respect of the projected portfolio repricing time bucket of the underlying non-maturing core customer liabilities in respect of deposits in the macro fair value hedges.

Under the EU 'IAS 39 carve-out', the Bank recognizes hedge ineffectiveness in respect to core deposits only when the revised estimate of the amount of cash flows scheduled in each monthly time buckets falls below the original designated amount of that bucket.

Core deposits within the identified portfolios are allocated to repricing time buckets based on expected, rather than contractual, repricing dates. These repricing dates are estimated at the inception of the hedge and throughout the term of the hedge, based on historical experience and other available information. This includes data and expectations regarding interest rates, withdrawal rates, and the interaction between them. The Bank utilizes the exception within IFRS as adopted by the EU that permits the hedging of a portfolio of core deposits that are expected to remain outstanding for a significant period, even though the timing of individual withdrawals is uncertain.

The estimates are reviewed periodically and updated in light of experience, changes in these estimates can influence the availability and timing of suitable hedged items, which may impact the effectiveness of the hedge relationships.

Additionally, for the portfolio fair value hedges of the Bank's core deposits portfolio, the Bank follows a dynamic hedging strategy, and the period for which the Bank designates these hedges is one month. At the end of each month, the Bank voluntarily de-designates the hedge relationships and re-designates them as new hedges. This one-month repricing time period duration is deemed to be the most appropriate to minimize ineffectiveness and accommodate new exposures within the context of the core deposit carve-out exception under IFRS as adopted by the EU.

Further details about the Bank's hedge accounting are disclosed in Note 19.1.

5.4. RevPoints

The Bank recognises revenue associated with post-generating transactions under IFRS 15 *Revenue from contracts with customers* on a relative stand-alone selling price basis and releases previously deferred contract liability in proportion with the pattern of rights exercised by the customer when redeeming said points.

Calculating the stand-alone selling price of the performance obligations in a transaction involving RevPoints requires several assumptions by management, including but not limited to:

- an estimate of the future redemption value of earned points, which is a function of the variety of redemption alternatives available to the customer at the time the points are granted, the implied value of each of those redemption alternatives, and expected customer redemption tendencies which drive the proportion in which those alternatives will be adopted,
- an estimate of the probability that granted points will be redeemed prior to expiry, and
- estimates included in the calculation of other performance obligations in the contract, such as interchange yields and commission rates for a portfolio of contracts that have opted into RevPoints.

Management's estimate of the probability of redemption is also used to release contractual liability into profit or loss in proportion with the pattern of rights exercised by the customer.

Assumptions are reviewed on a periodic basis and adjusted to reflect management's best estimate at the applicable reporting date, incorporating all empirical data observed as of that date, changes to the RevPoints program terms and conditions, and new types of redemption alternatives.

The Bank does not reallocate the transaction price to reflect changes in stand-alone selling prices after contract inception, which includes changes to management assumptions used to compute those stand-alone selling prices. Accordingly, changes to management assumptions only impact (1) the deferral of revenue for new transactions and contacts on a prospective basis, and (2) the pattern of release for any contractual liability (but not the original amount of the liability itself).

Of the assumptions detailed above, the probability of redemption is subject to significant estimation uncertainty as it is dependent upon future customer redemption behaviour; as such, a sensitivity analysis has been performed. This sensitivity is applied to the initial calculation of stand-alone selling prices and the subsequent recognition of breakage.

A decrease in the probability of redemption assumption by 5 percentage points would have resulted in a cumulative increase in revenue and a decrease in contract liability of EUR 4.5 million, whilst an increase of 5 percentage points would result in a cumulative decrease in revenue and an increase in contract liability of EUR 5.2 million.

Development of RevPoints models

Judgement exists in the development of the RevPoints model. This includes the methodology used and the choice of input assumptions, for example determining the conversion assumptions (interchange yields and commission rates), the probability of redemption, and the future redemption value of earned points. These assumptions are derived from the entire portfolio of users, but are applied by the model at an individual user level.

6. Risk Management

6.1. Financial Risk

The Bank's business remains sensitive to global macroeconomic conditions, as its revenue depends on the volume and value of user transactions, which are influenced by customers' income levels and spending behaviour.

Economic recoveries across EEA markets are overshadowed by high trade uncertainty with regard to US tariffs, and weakened external demand, particularly from China. Growth in major EEA markets remains weak. This could prolong weak consumer confidence levels, and subdue subscriptions or fee-generating activities. Furthermore, European economies' high export dependence leaves them exposed to deteriorating terms of trade, with the euro appreciation against the US dollar. This could weaken the labour market and affect credit quality of the Bank's target market as it builds out its retail lending portfolios. Unemployment rates across EEA remained largely anchored near historical lows, but labour market rigidity could mask margin pressure for employers.

Deteriorating sovereign credit profiles will add a considerable risk premium to sovereign, as well as corporate bonds, and push up retail financing costs, particularly in Germany, France and Belgium. This could adversely impact both Bank's wholesale and retail credit portfolios.

Geopolitical risks remain a concern. The ongoing conflict in Ukraine continues to disrupt energy markets and trade, affecting economic stability across Europe. Additionally, global trade tensions and political uncertainties, including disputes between key economies, could introduce further volatility. If these risks escalate, they may contribute to financial and non-financial risks for the Bank, including regulatory changes, cybersecurity threats and overall market instability.

6.1.1. Liquidity and Funding Risk

Principal risk: Liquidity risk is the risk that the Bank cannot meet its financial obligations when they fall due. Related to this, Funding Risk is the risk that the Bank does not have sufficient stable sources of funding to meet its financial obligations when they fall due, or can do so only at excessive cost.

Liquidity and funding risks may have several drivers (assets and liabilities duration gap, collateral requirements and derivatives margins fluctuations, off-balance sheet exposures, foreign exchange (FXs), decrease of market value of assets or stress events causing deposits run-off, pre-funding) that require the Bank to monitor cashflow mismatches (on a daily and intra-day basis) to avoid funding shortfalls and to meet operational and payments obligations. Moreover, coordination with the Revolut Group is ensured with respect to Intragroup funding in order to address any potential temporary or structural funding gap.

Funding and Liquidity Risks are owned and managed by Treasury Function with control and oversight provided by Risk Management Function, Asset and Liability Management Committee (ALCO) and ultimately by the Management Board.

Mitigants and Controls: The Bank aims, at all times, to maintain a liquidity buffer of unencumbered, high quality cash instruments and securities that are readily convertible to cash to ensure that it can meet all its financial and regulatory obligations in business as usual and stress conditions. This is achieved by holding surplus cash equivalents in the form of overnight deposits with central banks as well as a portfolio of securities classified as High Quality Liquid Assets by European Central Bank standards laid off in regulation (EU) No 575/2013. Overall, the Bank has a low risk appetite for funding and liquidity risks.

A liquidity limits control system is in place in order to prevent deterioration in the liquidity position of the Bank and anticipate any downtrend in regulatory requirements ratio (LCR, NSFR). Limits are set hierarchically (from BCIs to RAS KRIs) and monitored daily in order to create an early warning system to promptly react to any deterioration of higher levels ideally preventing triggering the Liquidity Contingency Plan and ultimately the Recovery Plan.

Liquidity and Funding Risks are proactively planned and managed within the Internal Liquidity Adequacy Assessment Process (ILAAP) under both normative and economic perspectives. Under Normative perspective, regulatory required ratios are monitored on a daily basis in order to ensure their values are above minimum requirements at any time and changes in their components are analysed and eventually addressed promptly. Economic perspective is fulfilled through the internally developed liquidity stress test tool (liquidity stress excess, LSE) and the Stressed Survival Horizon (SSH) metric. The LSE covers multiple time horizons (30-day, 3-month, and 12-month) and stress scenarios (with specific idiosyncratic, systemic and combined assumptions) ensuring a sufficient liquidity buffer is maintained at all time, tailored to the Bank's business model, activities and growth. The SSH offers an estimation of the period during which the Bank can fulfil its stressed expected net cash outflows without access to the market

Various additional metrics and early warning indicators are followed up to enhance daily liquidity management. The ALCO may introduce new metrics and limits within its mandate.

Outlook: The Bank is expected to maintain sufficient excess unencumbered liquidity to support business as usual and stressed contingent financial obligations. The Bank's liquidity position is expected to evolve along with deposit collection due to initiatives to attract more customers and to establish status as primary bank for customers globally.

As growth is mainly driven by deposits, Risk will focus on closely monitoring assets and liabilities mismatch, ensuring funding diversification and duration profile will sustain the business.

6.1.2. Credit Risk

Credit risk is the risk of loss to the entity resulting from the failure of customers or counterparties to meet their financial obligations.

Credit risk includes counterparty credit risk, settlement risk and credit concentration risk, which covers geographic, sector and single-name concentration risks.

Credit risk for the Bank arises from retail lending to private individuals and wholesale exposures to governments, corporates, securitisations, banks and other financial institutions. Regular reports are prepared and presented to the entity's management bodies and ALCO to follow the level and development of the credit risk profile. For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their carrying amount.

Credit risk measurement

6.1.2.1. Retail and business credit risk

Principal risk: The Bank's retail and business credit portfolios consist of unsecured and secured lending to individuals and credit exposure to individual businesses due to the Bank's merchant acquiring and FX Forwards services, all operating in a range of countries.

Mitigants and controls: Retail and business lending credit products are subject to appropriate underwriting procedures and monitoring, and governed by relevant risk committees. All retail credit programs are assessed at least annually, while retail credit performance against risk appetite is continuously monitored and overall portfolio monitoring reviewed regularly at the Bank's Retail Credit Risk Committee.

Outlook: The Bank continues to work on broadening its retail credit product offering, having launched a mortgage product in 2025 and planning to launch overdrafts in 2026. The Bank also has plans for scaling its product offering in existing countries and gradually rolling them out to additional countries, which will result in growth in retail credit exposure during the upcoming years.

The Bank launched its retail lending activities to private individuals in 2020, starting in Lithuania and Poland, then in Ireland and Romania in 2022, Spain, Germany and France in 2023 and Portugal and Italy in 2024. Unsecured consumer lending is in the form of personal loans, credit card limits and pay later limits, while secured lending is in the form of refinancing and new home buyer mortgages. These products have been introduced on a gradual basis, and, as of 31 December 2025 despite rapid growth throughout the year, the Bank consumer loan portfolio remained small with approximately 7% of total assets (6% of total assets as of 31 December 2024).

The Bank’s key objective in its retail lending activities is to ensure the risk adjusted return meets its shareholders’ requirements while targeting prime and near-prime risk customers, and maintaining a solid credit risk profile of the loan portfolio.

Loans are originated only in cases where they meet the Bank’s underwriting standards, which are consistent with its risk appetite. The key elements of the assessment of the customer’s ability to repay the loan and, consequently, of the decision making on loan approval are ensuring the loan payments are affordable for the customer and their credit risk is within appetite, especially based on their credit rating derived by using appropriate rating models.

Loans are subject to continuous monitoring after their disbursal in order to identify deterioration in credit quality of individual loans at an early stage, track loan portfolio risk profile and proactively take relevant measures at individual loan level and at loan portfolio level to keep the risk level within the Bank’s risk appetite.

Risk models are key elements of the credit processes. Credit risk is quantified using rating models that estimate probability of default (PD), loss given default (LGD) parameters and exposure at default (EAD) parameters, which are used for multiple purposes within the Bank, including:

- Decision making in loan origination process;
- Risk adjusted pricing;
- Monitoring of changes in credit risk and its management;
- Risk reporting, including to the Bank’s management bodies;
- Loan impairment calculation under IFRS 9.

The Bank’s rating models for estimation of probability of default (PD) are based on jurisdiction specific scoring models either built internally or provided by external vendors, and/or "global" models built internally leveraging the Bank's proprietary data. All retail customers are classified by risk using these rating models at loan origination (also every time a commitment is renewed) and regularly during the life of the loan.

6.1.2.2. Wholesale credit risk

Principal risk: Wholesale credit risk is the risk of loss stemming from the failure of a government, large corporate or financial obligor to meet its obligations in a timely manner. The Bank is exposed to wholesale credit risk operationally (stemming from exposures that enable products or services for customers, primarily via other financial institutions and central banks) and through investments (stemming from the investment of surplus liquidity in select securities in order to generate returns).

Mitigants and controls: All of the Bank's wholesale credit risk exposures are constrained by credit risk limits commensurate with the risk profile of the counterparty, as reviewed and approved by credit committees. Additional controls manage single-name, geographic and sector concentrations, as well as more granular controls and frameworks applied to specific portfolios.

Outlook: The character of the Bank's wholesale credit portfolio is expected to remain broadly stable, and credit quality to remain high. Operational exposure will continue to consist very substantially of exposures to the national central banks of the Eurosystem, and the investment portfolio of exposures to stable, highly-rated sovereign and sovereign-equivalent counterparties, to well-rated financial institutions secured in most cases by collateral, and to select and carefully considered securitisations of the highest possible credit quality.

The Bank aims to keep wholesale credit risks consistent with risk appetite and controlled at a low level through judicious screening and monitoring of potential counterparties to ensure continued strong credit quality, as well as avoiding excessive exposures to higher risk counterparties, sectors and geographies. The Bank’s operational wholesale credit risk exposures include balances with central banks and financial institutions, as well as hedging and other wholesale transactions. These also include intra-Group exposures to other Revolut Group entities, specifically FX swaps with Revolut Ltd.

The treasury portfolio consists of bonds issued by robust sovereigns and financial institutions.It also includes sub-sovereign securities backed by highly-rated governments, quality securitizations, and reverse repo transactions. These repos are conducted with selected, well-rated financial institutions and typically feature daily mark-to-market margining.

The Bank manages wholesale credit risks and ensures alignment with risk appetite through a comprehensive risk management framework, consistent with regulatory requirements and aligned with industry best practices, fundamentally based around applying and maintaining strict limits on the credit exposures incurred to wholesale counterparties in accordance with their credit quality. Risk management activities include, but are not limited to:

- Comprehensive analysis of creditworthiness of prospective counterparties, including consideration of their ratings, before establishing limits, and requiring such limits to be in place before incurring exposure;
- Active and continuous monitoring of all credit limits and exposures, and of the credit profiles of approved and active counterparties, including definition and tracking of early warning indicators, monitoring of rating changes and, if necessary, proactive review and management of limits;
- Additional, granular monitoring of specific portfolios through specialised dashboards and management information, and continuous monitoring of indicators measuring concentration risks;
- A rigorous limit approval process featuring independent first and second-line review of all proposals, with all material credit limits requiring individual presentation and approval by the Bank’s Assets & Liabilities Management Committee and, for larger limits, the Management Board.

Where available, and supported always by its own credit risk assessments, the Bank uses ratings assigned by external rating agencies for internal risk classification and determination of probability of default (PD) for wholesale counterparties, which include corporates, securitisations, banks, other financial institutions, sovereign and sub-sovereign/regional governments and their agencies, central banks, and supranational entities. For this purpose, the Bank recognizes and checks availability of external ratings issued by Moody's, Standard & Poor's (S&P) and Fitch. Where these are not available, externally unrated counterparties are assigned internal ratings based on the output of specific credit scorecards utilising industry best practice, their relationship to another counterparty that is externally rated, or expert judgement supported by detailed credit risk analysis of the particular counterparty.

6.1.2.3. Credit Concentration Risk

Principal risk: Credit concentration risk is the risk of losses stemming from credit exposure being excessively concentrated against counterparties sharing common characteristics that create underlying correlations between their individual credit risks, such as the same industry or reliance on the same geographies.

Mitigants and Controls: The Bank's credit concentration risk is controlled via limits on maximum concentrations to a single counterparty groups, industry sector or geographic region. Additionally, more granular concentration frameworks controlling concentration in individual countries, sub-national regions and sub-sectors are in place for specific portfolios.

Outlook: The Bank's exposure is expected to remain stable overall. The Bank's strategy necessarily involves a degree of concentration in Europe compared to other geographic regions, but exposures within the region are expected to continue to diversify as the Bank expands its business. Exposures by business sector are likewise expected to diversify as new products for business and corporate customers are launched, while single name concentration is also expected to remain low.

Credit Concentration Risk in the Bank is managed in accordance with the approved Credit Concentration Risk Management Policy. The Bank manages concentrations in its credit risk profile through setting restrictions (limits) on exposures against certain concentration types. Common credit risk concentrations covered within the scope of this policy include, but are not limited to:

I. Single name concentrations,

II. Geographic or country risk concentrations;

III. Sector concentrations;

IV. Product concentrations.

Concentrations within credit exposures will be identified as part of the ongoing wholesale, business and retail credit risk management processes, which require second line Credit Risk team review and approval for new products, initiatives and counterparty exposures. Risk management function monitors and reports concentration risks to the ALCO, which further decides whether escalation is required to the Bank's Management Board as well as to the Revolut Group's relevant governance forum.

Information about credit concentration risk for financial instruments is disclosed in Notes 21.2 and 23.

General Expected Credit Loss Assessment Principles

The Bank recognises the credit losses in accordance with the requirements of IFRS 9.

In the Bank, the credit portfolio is divided into three Stages as described in accounting principles above (Note 4.10).

12-month and lifetime expected credit losses

The expected credit loss (ECL) is calculated as the weighted average of losses expected in different macroeconomic scenarios. The ECL for a particular macroeconomic scenario is calculated as the product of the marginal probability of default (PD), loss given default (LGD) and exposure at default (EAD). Future cash flows in ECL are discounted using nominal rate as approximation of the effective interest rate.

Macroeconomic scenario adjusted marginal PD is the probability that the performing exposure defaults during a particular time period under certain macroeconomic conditions. Three macroeconomic scenarios are used to reflect different development paths for this risk driver.

The risk parameter LGD is the share of an exposure that would be lost in case of a default event. The Bank uses the EBA Risk dashboard as the benchmarking approach for this driver.

The risk parameter EAD represents the total exposure of a facility at the moment of default. For products with contractual repayment schedules, the EAD term structure is shaped by the amortisation profile. For revolving products, the credit limit utilisation approach is used to estimate EAD. Certain instruments, like Buy Now Pay Later loans have a hybrid behaviour in terms of the repayment schedule. These loans have a credit limit, which can be used for multiple drawdowns both simultaneously or sequentially. Each of the drawdowns have their own payment schedules, however there is no contractual schedule for the future drawdowns. To reflect this duality in the EAD calculation, the EAD for the individual drawdowns are calculated based on the amortisation profile. For the undrawn part the Credit Conversion Factor (CCF) is used. Finally, as a last step of the calculation, the EAD is aggregated to facility level.

All risk parameters - PD, LGD, EAD curves and the discount factor are estimated on the monthly basis till the maturity date of a facility. Monthly estimates are used to produce either the 12-month ECL (for facilities in Stage 1) or the lifetime ECL (for facilities in Stage 2 and 3). In case an exposure has short maturity (e.g., overnight deposits), the risk parameters are adjusted accordingly.

Macroeconomic scenarios

Estimation of ECL is performed under three economic scenarios (baseline, optimistic and pessimistic) for potential development of the key macroeconomic variables. The economic scenarios are country specific.

The forecasted macroeconomic scenarios are updated quarterly. The scenario weights are reviewed (and if necessary, updated) quarterly to ensure they reflect the up-to-date expectations of the macroeconomic outlook. As a rule of thumb, the baseline scenario gets the highest weight in ECL calculation. The scenarios and likelihood of their realisation are approved by the relevant bodies of the Bank.

Tables below show the scenarios for development of key macroeconomic parameters used in ECL estimation for end of years 2025 and 2024. Country-specific econometric parameters are shown, reflecting the parameters identified as having the strongest predictive ability within each respective country.

Table with Macroeconomic forecast for Lithuania 31 December 2025

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
Annual change in Industrial Production, %	-2.36%	2.54%	2.91%	3.37%	1.73%	-9.52%	-4.35%	4.97%	6.44%	1.94%	1.11%	4.86%	2.76%	3.20%	1.61%
Unemployment rate, %	7.99%	7.51%	7.16%	7.27%	7.50%	10.17%	14.32%	15.31%	13.12%	11.34%	6.86%	4.35%	4.17%	5.34%	6.26%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Lithuania 31 December 2024

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Annual change in Industrial Production, %	3.53%	3.52%	2.73%	2.74%	2.58%	2.38%	1.96%	2.10%	2.44%	2.06%	5.07%	4.98%	3.06%	3.18%	2.98%
Unemployment rate, %	7.08%	6.82%	6.49%	6.10%	5.97%	7.45%	7.31%	6.90%	6.60%	6.70%	6.73%	6.40%	5.83%	5.11%	4.50%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Poland 31 December 2025

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
Exchange Rate (PLN per EUR)	4.45	4.44	4.42	4.41	4.41	4.71	4.83	4.81	4.76	4.72	4.36	4.33	4.33	4.32	4.33
Annual change in real GDP, %	3.32%	2.63%	2.06%	1.79%	1.72%	-1.16%	-1.36%	3.36%	3.44%	2.06%	5.11%	3.63%	1.87%	1.74%	1.72%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Poland 31 December 2024

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Exchange Rate (PLN per EUR)	4.31	4.29	4.28	4.22	4.16	4.41	4.39	4.38	4.32	4.26	4.21	4.19	4.18	4.12	4.06
Annual change in real GDP, %	2.85%	3.69%	3.41%	3.29%	3.16%	2.19%	2.79%	2.63%	2.57%	2.43%	3.80%	4.84%	4.10%	3.80%	3.62%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Ireland 31 December 2025

					Baseline scenario					Pessimistic scenario					Optimistic scenario
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
Annual change in Industrial Production, %	-3.16%	1.13%	1.48%	1.47%	1.64%	-8.79%	-3.92%	3.82%	4.00%	2.28%	-0.63%	2.71%	1.19%	1.28%	1.53%
Annual change in Private Consumption, %	3.19%	3.55%	3.40%	2.90%	2.26%	-0.40%	-2.12%	2.60%	4.80%	3.19%	4.55%	5.87%	3.82%	2.88%	2.23%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Ireland 31 December 2024

					Baseline scenario					Pessimistic scenario					Optimistic scenario
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Euro Area Annual change in real GDP, %	0.76%	1.35%	1.43%	1.36%	1.35%	0.40%	0.90%	1.05%	1.10%	1.10%	1.10%	1.80%	1.90%	1.57%	1.50%
Unemployment rate, %	4.44%	4.53%	4.60%	4.85%	4.84%	4.70%	5.39%	5.96%	6.33%	6.55%	4.19%	4.19%	4.03%	4.05%	4.00%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Romania 31 December 2025

					Baseline scenario					Pessimistic scenario					Optimistic scenario
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
External Debt, %	60.21%	62.97%	64.19%	63.11%	61.39%	82.69%	90.25%	77.06%	66.84%	62.18%	55.38%	56.17%	57.81%	58.23%	58.00%
Unemployment rate, %	6.22%	6.30%	6.29%	6.25%	6.22%	7.05%	7.74%	7.55%	7.15%	6.88%	5.52%	5.45%	5.75%	5.98%	6.07%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Romania 31 December 2024

					Baseline scenario					Pessimistic scenario					Optimistic scenario
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Annual change in real GDP, %	2.58%	3.33%	3.55%	3.64%	3.39%	1.84%	1.30%	2.40%	2.99%	2.52%	3.80%	4.68%	4.84%	4.34%	4.18%
Unemployment rate, %	5.39%	5.37%	5.26%	5.07%	4.91%	5.54%	6.07%	5.80%	5.65%	5.62%	5.10%	4.80%	4.80%	4.72%	4.38%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Spain 31 December 2025

					Baseline scenario					Pessimistic scenario					Optimistic scenario
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
Annual change in Disposable Income, %	2.51%	2.04%	1.83%	1.40%	1.19%	0.65%	-0.09%	0.46%	1.23%	1.26%	2.99%	2.83%	2.38%	1.60%	1.20%
Unemployment rate, %	10.04%	9.54%	9.18%	9.03%	8.99%	11.53%	12.77%	12.57%	10.41%	9.02%	8.86%	7.99%	8.08%	8.56%	8.93%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Spain 31 December 2024

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Unemployment rate, %	11.61%	11.20%	10.96%	10.82%	10.54%	11.91%	11.99%	11.80%	11.60%	11.46%	11.25%	10.50%	9.75%	9.25%	8.75%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Germany 31 December 2025

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
Annual change in Disposable Income, %	2.30%	2.10%	1.98%	1.59%	1.44%	-0.37%	-0.65%	0.42%	0.67%	0.62%	3.70%	3.20%	2.53%	2.19%	1.96%
Unemployment rate, %	6.26%	5.84%	5.72%	5.74%	5.75%	7.72%	8.45%	8.08%	7.16%	6.42%	5.29%	4.53%	4.77%	5.20%	5.63%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Germany 31 December 2024

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Unemployment rate, %	5.95%	5.90%	5.70%	5.52%	5.46%	6.13%	6.44%	6.08%	5.80%	5.70%	5.70%	5.20%	5.30%	5.16%	5.12%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for France 31 December 2025

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
10-Year Bond Yield, %	3.29%	3.10%	3.06%	3.05%	3.04%	2.80%	1.90%	1.29%	1.17%	1.50%	3.51%	3.57%	3.64%	3.65%	3.66%
Unemployment rate, %	7.82%	7.79%	7.64%	7.51%	7.45%	8.41%	9.75%	9.98%	9.12%	8.29%	7.44%	7.02%	7.23%	7.38%	7.43%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for France 31 December 2024

	Baseline scenario					Pessimistic scenario					Optimistic scenario				
Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
Unemployment rate, %	7.46%	7.42%	7.18%	7.04%	6.79%	7.80%	7.88%	7.61%	7.46%	7.39%	7.16%	7.00%	6.67%	6.60%	6.20%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Italy 31 December 2025

Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
					Baseline scenario					Pessimistic scenario					Optimistic scenario
3-Month EURIBOR, %	2.04%	2.21%	2.35%	2.38%	2.42%	1.32%	0.13%	-0.06%	-0.07%	-0.07%	2.25%	2.57%	2.46%	2.38%	2.42%
Unemployment rate, %	6.22%	6.29%	6.31%	6.34%	6.36%	6.63%	8.41%	10.02%	9.89%	9.11%	6.04%	5.71%	5.64%	5.70%	5.78%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Italy 31 December 2024

Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
					Baseline scenario					Pessimistic scenario					Optimistic scenario
Annual change in real GDP, %	0.87%	0.98%	0.99%	0.79%	0.82%	0.64%	0.36%	0.43%	0.32%	0.60%	3.00%	1.80%	1.80%	1.29%	1.28%
Unemployment rate, %	7.16%	7.12%	7.00%	7.14%	7.42%	7.60%	7.80%	8.00%	8.20%	8.30%	6.77%	6.37%	6.13%	6.07%	7.00%
Scenario weights					60.00%					30.00%					10.00%

Table with Macroeconomic forecast for Portugal 31 December 2025

Macroeconomic variable	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030	2026	2027	2028	2029	2030
					Baseline scenario					Pessimistic scenario			Optimistic scenario		
Annual change in Fixed Investment, %	3.94%	1.94%	1.38%	0.70%	0.59%	-6.57%	-7.06%	6.25%	6.29%	2.23%	8.28%	4.11%	0.45%	-0.16%	0.35%
ECB Deposit Rate, %	2.15%	2.29%	2.40%	2.40%	2.40%	0.63%	0.15%	0.15%	0.15%	0.15%	2.36%	2.65%	2.51%	2.40%	2.40%
Scenario weights					46.00%					27.00%					27.00%

Table with Macroeconomic forecast for Portugal 31 December 2024

Macroeconomic variable	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
					Baseline scenario					Pessimistic scenario					Optimistic scenario
Annual change in real GDP, %	1.75%	1.91%	2.05%	1.98%	1.88%	1.20%	1.40%	1.65%	1.51%	1.27%	2.00%	2.46%	2.79%	2.80%	2.81%
Scenario weights					60.00%					30.00%					10.00%

Sensitivity analysis towards macroeconomic scenarios

In general, worsening of macroeconomic scenarios shall both increase migration from Stage 1 to Stage 2, and increase the ECL level itself through the impact on forward-looking PDs. The opposite effect is expected from improvement of the economic outlooks. Currently the Bank quantifies the sensitivity by applying different weightings to a diverse set of scenarios. Table below provides an overview of ECL levels (expressed in thousand EUR) in the following cases based on the portfolio as of end of the years 2025 and 2024:

	Baseline	Optimistic	Pessimistic
31 December 2024	60%	10%	30%
31 December 2025	46%	27%	27%

- Baseline - 100% weight is assigned to baseline scenario
- Optimistic - 100% weight is assigned to optimistic scenario
- Pessimistic - 100% weight is assigned to pessimistic scenario

The adjustment in scenario weightings reflects the adoption of a new macroeconomic data provider, Moody's Analytics. Unlike the previous framework, the current model utilizes a suite of percentile-based scenarios where weights are derived using a systematic statistical approach. This change enhances the objectivity of forward-looking estimates by anchoring probability weightings to a rigorous quantitative distribution of potential economic outcomes.

Sensitivity analysis for 31 December 2025

					Scenario			
Country	Product type	Current weights (EURth)	Baseline (EURth)	Baseline (%)	Optimistic (EURth)	Optimistic (%)	Pessimistic (tEUR)	Pessimistic (%)
IE	Fixed Term Credit	29,598.68	(63.68)	(0.22%)	(237.07)	(0.80%)	345.56	1.17%
	Revolving Credit	9,091.91	(43.15)	(0.47%)	(149.88)	(1.65%)	223.39	2.46%
	Buy Now Pay Later	921.00	–	–%	–	–%	–	–%
	All	**39,611.59**	**(106.83)**	**(0.27%)**	**(386.95)**	**(0.98%)**	**568.95**	**1.44%**
PL	Fixed Term Credit	13,379.55	(514.44)	(3.85%)	(1,166.15)	(8.72%)	2,042.61	15.27%
	Revolving Credit	5,750.33	(312.84)	(5.44%)	(692.72)	(12.05%)	1,225.71	21.32%
	Buy Now Pay Later	239.00	–	–%	–	n/a	–	n/a
	All	**19,368.88**	**(827.29)**	**(4.27%)**	**(1,858.86)**	**(9.60%)**	**3,268.32**	**16.87%**
RO	Fixed Term Credit	10,303.40	(160.87)	(1.56%)	(665.45)	(6.46%)	939.52	9.12%
	Revolving Credit	0.06	–	(3.08%)	(0.01)	(8.72%)	0.01	14.02%
	All	**10,303.46**	**(160.87)**	**(1.56%)**	**(665.46)**	**(6.46%)**	**939.53**	**9.12%**
DE	Fixed Term Credit	9,009.78	(626.16)	(6.95%)	(1,650.38)	(18.32%)	2,717.17	30.16%
	Revolving Credit	0.03	–	(4.60%)	(0.01)	(17.24%)	0.01	25.00%
	All	**9,009.82**	**(626.16)**	**(6.95%)**	**(1,650.39)**	**(18.32%)**	**2,717.18**	**30.16%**
LT	Fixed Term Credit	3,531.17	(487.15)	(13.80%)	(888.18)	(25.15%)	1,718.15	48.66%
	Revolving Credit	1,258.78	(253.26)	(20.12%)	(422.27)	(33.55%)	853.76	67.82%
	Mortgages	16.00	–	–%	–	–%	–	–%
	All	**4,805.94**	**(740.42)**	**(15.41%)**	**(1,310.45)**	**(27.27%)**	**2,571.90**	**53.52%**
ES	Fixed Term Credit	8,007.94	(52.22)	(0.65%)	(186.63)	(2.33%)	275.60	3.44%
	Revolving Credit	1,652.45	(15.67)	(0.95%)	(45.86)	(2.78%)	72.55	4.39%
	All	**9,660.39**	**(67.89)**	**(0.70%)**	**(232.49)**	**(2.41%)**	**348.15**	**3.60%**
FR	Fixed Term Credit	7,999.63	25.82	0.32%	51.67	0.65%	(95.65)	(1.20%)
	All	**7,999.63**	**25.82**	**0.32%**	**51.67**	**0.65%**	**(95.65)**	**(1.20%)**
PT	Fixed Term Credit	1,736.99	(13.27)	(0.76%)	(67.97)	(3.91%)	90.58	5.21%
	All	**1,736.99**	**(13.27)**	**(0.76%)**	**(67.97)**	**(3.91%)**	**90.58**	**5.21%**
IT	Fixed Term Credit	1,971.67	(178.41)	(9.05%)	(298.57)	(15.14%)	602.53	30.56%
	Revolving Credit	0.02	–	(6.29%)	–	(17.71%)	–	28.00%
	All	**1,971.68**	**(178.41)**	**(9.05%)**	**(298.57)**	**(15.14%)**	**602.53**	**30.56%**
Total	Fixed Term Credit	85,538.81	(2,070.39)	(2.42%)	(5,108.73)	(5.97%)	8,636.06	10.10%
	Revolving Credit	17,753.57	(624.93)	(3.52%)	(1,310.75)	(7.38%)	2,375.43	13.38%
	Buy Now Pay Later	1,160.00	–	–%	–	–%	–	–%
	Mortgages	16.00	–	**–%**	–	**–%**	–	**–%**
	All	**104,468.37**	**(2,695.32)**	**(2.58%)**	**(6,419.47)**	**(6.14%)**	**11,011.50**	**10.54%**

Sensitivity analysis in the table above for is presented for retail loans only, since the ECL for BNPL and mortgages were not material as at 31 December 2025.

Sensitivity analysis for 31 December 2024

Country	Product type	Current weights (EURth)	Scenario Baseline (EURth)	Baseline (%)	Optimistic (EURth)	Optimistic (%)	Pessimistic (EURth)	Pessimistic (%)
IE	Fixed Term Credit	16,113.79	(215.60)	(1.34%)	(634.20)	(3.94%)	642.50	3.99%
	Revolving Credit	2,974.58	(46.80)	(1.57%)	(149.10)	(5.01%)	143.20	4.81%
	Buy Now Pay Later	936.28	n/a	n/a	n/a	n/a	n/a	n/a
	All	**20,024.65**	**(262.30)**	**(1.31%)**	**(783.30)**	**(3.91%)**	**785.70**	**3.92%**
PL	Fixed Term Credit	4,090.35	(82.30)	(2.01%)	(396.80)	(9.70%)	296.90	7.26%
	Revolving Credit	4,754.58	(112.20)	(2.36%)	(552.70)	(11.62%)	408.60	8.59%
	Buy Now Pay Later	250.87	n/a	n/a	n/a	n/a	n/a	n/a
	All	**9,095.80**	**(194.50)**	**(2.14%)**	**(949.50)**	**(10.44%)**	**705.50**	**7.76%**
RO	Fixed Term Credit	6,894.26	(107.30)	(1.56%)	(656.30)	(9.52%)	433.40	6.29%
	All	**6,894.26**	**(107.30)**	**(1.56%)**	**(656.30)**	**(9.52%)**	**433.40**	**6.29%**
DE	Fixed Term Credit	3,532.13	(50.20)	(1.42%)	(318.90)	(9.03%)	206.70	5.85%
	All	**3,532.13**	**(50.20)**	**(1.42%)**	**(318.90)**	**(9.03%)**	**206.70**	**5.85%**
LT	Fixed Term Credit	1,935.83	(44.30)	(2.29%)	(241.30)	(12.46%)	169.10	8.74%
	Revolving Credit	1,352.70	(23.40)	(1.73%)	(125.60)	(9.29%)	88.80	6.56%
	All	**3,288.53**	**(67.80)**	**(2.06%)**	**(367.00)**	**(11.16%)**	**257.90**	**7.84%**
ES	Fixed Term Credit	2,993.65	(4.40)	(0.15%)	(54.20)	(1.81%)	26.90	0.90%
	Revolving Credit	281.61	(1.70)	(0.60%)	(7.50)	(2.66%)	5.90	2.10%
	All	**3,275.26**	**(6.10)**	**(0.19%)**	**(61.70)**	**(1.88%)**	**32.70**	**1.00%**
FR	Fixed Term Credit	1,198.92	(15.60)	(1.30%)	(75.80)	(6.32%)	56.40	4.70%
	All	**1,198.92**	**(15.60)**	**(1.30%)**	**(75.80)**	**(6.32%)**	**56.40**	**4.70%**
PT	Fixed Term Credit	149.96	0.10	0.07%	(0.40)	(0.27%)	–	–%
	All	**149.96**	**0.10**	**0.07%**	**(0.40)**	**(0.27%)**	**–**	**–%**
IT	Fixed Term Credit	6.96	(1.20)	(17.24%)	(3.70)	(53.16%)	3.60	51.72%
	All	**6.96**	**(1.20)**	**(17.24%)**	**(3.70)**	**(53.16%)**	**3.60**	**51.72%**
Total	Fixed Term Credit	36,915.85	(520.90)	(1.41%)	(2,381.60)	(6.45%)	1,835.60	4.97%
	Revolving Credit	9,363.47	(184.10)	(1.97%)	(835.00)	(8.92%)	646.40	6.90%
	Buy Now Pay Later	1,187.15	n/a	n/a	n/a	n/a	n/a	n/a
	All	**47,466.47**	**(704.90)**	**(1.49%)**	**(3,216.60)**	**(6.78%)**	**2,482.00**	**5.23%**

Sensitivity analysis in the table above is presented for retail loans only, since the ECL for BNPL and mortgages were not material as at 31 December 2024. The Bank has granted 6 mortgages as of 31 December 2024 with a total ECL of EUR 28.92.

6.1.3. Interest Rate Risk

Principal risk: Interest rate risk in the banking book (IRRBB) is the risk that the Bank's balance sheet and profitability are structurally exposed to unexpected movements in interest rates. This risk stems from maturity and repricing mismatch between assets, liabilities and off-balance sheet items, which would materialise with changes in the yield curve ("gap risk"), or from options (embedded and explicit), where the Bank or its customer can alter the level and timing of their cash flows ("option risk"), or with changes in the relationship between various yield curves ("basis risk").

This risk also includes credit spread risk in the banking book (CSRBB), which describes the risk driven by changes in the market perception about the price of credit risk, liquidity premium and potentially other components of instruments with credit risk.

Mitigants and Controls: To quantify IRRBB the Bank uses two metrics: the economic value of equity (EVE) sensitivity and the net interest income (NII) sensitivity. EVE is assessed through a measurement of changes in the net present value of the interest rate sensitive instruments (excluding CET1 capital and other perpetual own funds) over their remaining life resulting from interest rate movements assuming at least six different shock scenarios. NII is computed as the one year impact of parallel shock in interest rates on the earnings generated by the banking book items based on their repricing profiles.

Outlook: Both metrics are managed against a control framework, which is defined with set limits in place. The Treasury Function is responsible for IRRBB management on an ongoing basis. Interest rate characteristics of funding shall be matched as far as possible to lending and investment portfolios. Hedging derivatives are used to manage the remaining exposure to IRRBB within risk appetite. The Risk Management Function closely monitors IRRBB exposures, proposes limits and calculation assumptions, and performs stress testing. Any breach of the limit is escalated to the senior management with mitigating actions taken.

IRRBB sensitivity

IRRBB sensitivity in terms of EVE (disclosed as a ratio versus CET1 capital) under stress was within internal and regulatory limits at the end of 2025. Interest rate derivatives and fixed rate treasury assets were used to reduce the Bank's exposure to EVE sensitivity.

IRRBB scenarios

IRRBB scenarios	2025	2024
EVE Parallel Up scenario	0.45%	0.45%
EVE Parallel Down scenario	(3.86%)	(3.27%)
NII Parallel Up scenario	8.95%	24.87%
NII Parallel Down scenario	(17.89%)	(24.87%)

6.1.4. Foreign Currency Risk

Principal risk: Currency or FX exposure is defined as the change in the value of a position with respect to a change in the FX rate expressed as cash equivalents per currency or currency pair. The Bank uses FX hedging to manage risk and overhead. The strategy focuses on maintaining scalability and process automation. FX hedging to manage risks, expenses and overhead of FX risk hedging while ensuring scalability and automation of the processes. FX hedging at the entity level like the Bank is executed into the functional currency of the entity - EUR.

Mitigants and Controls: Based on the current business model, the foreign exchange risk related to users' balances kept in other than EUR currencies imply a low FX risk for the Bank. The monitoring is performed intra-day to ensure proper control of this risk by hedging new positions intra-day using automated FX swapping solutions.

Outlook: The majority of the FX position within the banking book arises from the Treasury Function's activities. This includes profit on the banking products, interest earned on nostro balances, intra-group accrual and fee transactions, and various costs (all in non-base currency). A small FX position is allowed as defined in the Risk Appetite Statement. Any material FX risk arising from Treasury Function activities is hedged on a day-to-day basis and is subject to ongoing monitoring.

As of 31 December 2025 and 31 December 2024, the Bank's net FX exposures relative to total assets were low.

Sensitivity of foreign exchange risk

The Bank uses a statistical Expected Shortfall (ES) model to forecast a potential loss due to movements in FX rates. Considering the Bank's low net FX exposure at the end of 2025, any market turbulence leading to significant change in FX rates would not cause material impact for the earnings.

For example, a 1% volatility in currency rates disregarding currency correlation factor would lead to a financial loss of EUR 1 million considering the Bank's open FX exposure as of 31 December 2025, which is summarised in the table below.

The table below summarises the Bank's open FX exposure as of 31 December 2025.

Currency	Rates	Position (million EUR)	Percentage of total assets
Polish Zloty (PLN)	4.21829	(3)	0.0%
Romanian Leu (RON)	5.08585	37	0.1%
U.S. Dollar (USD)	1.17401	(9)	0.0%
UK Pound Sterling (GBP)	0.87182	–	0.0%
Swiss Franc (CHF)	0.93103	(1)	0.0%
Other long positions	–	58	0.2%
Other short positions	–	(7)	0.0%
Total long open position	**–**	**95**	**0.3%**
Total short open position	**–**	**(20)**	**0.1%**

The table below summarises the Bank's open FX exposure as of 31 December 2024.

Currency	Rates	Position (million EUR)	Percentage of total assets
Polish Zloty (PLN)	4.27500	(1)	0.0%
Romanian Leu (RON)	4.97430	10	0.0%
U.S. Dollar (USD)	1.03890	40	0.2%
UK Pound Sterling (GBP)	0.82918	14	0.1%
Swiss Franc (CHF)	0.94120	4	0.0%
Other long positions	–	37	0.2%
Other short positions	–	(5)	0.0%
Total long open position	**–**	**105**	**0.5%**
Total short open position	**–**	**(6)**	**0.0%**

6.2. Non-Financial Risk

6.2.1. Conduct and culture risk

Principal risk:

The Bank is exposed to conduct and culture risks arising from its operations across multiple jurisdictions, including branches operating on a Freedom of Services (FoS) basis. Risks relate to customer outcomes, product design, sales practices, and cultural behaviours that may not align with supervisory expectations or consumer protection standards. Poor conduct or misaligned incentives could lead to customer harm, reputational damage, or regulatory intervention. The Bank is committed to putting consumers at the heart of the business and delivering them with good outcomes. This applies across all stages of the consumer journey, including through its delivery of products and services, communications and post-sale support.

Mitigants and Controls:

Conduct and culture risk is managed under the Bank's Enterprise Risk Management Framework, with escalation through the Compliance Committee, Executive Risk Committee, Supervisory Council Risk & Compliance Committee, and Supervisory Council. Key mitigants include (i) Product Design and Localisation: Compliance is embedded in product development ensures products and services meet local regulatory standards and customer needs, supported by branch readiness reviews and consumer protection oversight; (ii) Consumer Protection: Controls include reviews of financial promotions, complaint oversight, and root-cause analysis of customer issues; (iii) Culture and Accountability: Conduct expectations are set through the Code of Conduct, with supporting policies on gifts, entertainment, conflicts of interest, whistleblowing, and personal account dealing. Regular training and awareness sessions reinforce these standards; (iv) Oversight: Preventative and detective controls identify potential vulnerabilities early; (v) Sound Remuneration Practices: Clear roles, responsibilities, and oversight arrangements are defined both operationally and organizationally, with mechanisms in place to discourage misconduct and promote fair outcomes. The Bank's remuneration framework is designed to align incentives with responsible business practices, ensuring staff are rewarded for sustainable performance and customer-centric behaviours, rather than short-term gains.

Outlook:

The Bank maintains a low tolerance for conduct and culture risks and is committed to protecting consumers by ensuring good outcomes across all stages of the customer journey. Priorities include adapting to evolving consumer protection expectations, strengthening localisation of products and communications, and maintaining strong regulatory engagement across the EEA. By embedding conduct risk considerations into governance, product design, and culture, the Bank seeks to ensure sustainable growth while maintaining trust with customers and regulators.

6.2.2. Regulatory Compliance Risk

Principal risk:

The Bank operates in a highly regulated environment under the direct supervision of the European Central Bank (ECB) and the Bank of Lithuania (BoL). The Bank and its branches face compliance risk from operating across multiple jurisdictions, including on a Freedom of Services (FoS) basis, with differing prudential, conduct, and consumer protection requirements. Failure to meet these obligations could result in regulatory sanctions, reputational damage, and limitations on business operations. The Bank is committed to complying with the relevant regulatory obligations in the jurisdictions in which it operates and to provide accurate, reliable and timely reports to external regulators, authorities and stakeholders.

Mitigants and Controls:

Regulatory Compliance risk is managed under the Enterprise Risk Management Framework, with escalation through the Compliance Committee, Executive Risk Committee, Supervisory Council Risk & Compliance Committee, and Supervisory Council. The Bank conducts regulatory horizon scanning to identify early signs of EU and local regulatory changes, ensuring policies, procedures, and controls are updated in advance of implementation. A structured regulatory mapping process assesses legal and supervisory requirements across jurisdictions, aligning them with internal controls and monitoring obligations. This work is driven by Regulatory Compliance Managers with local knowledge in branch countries, who ensure national rules and supervisory expectations are properly applied. Specialist resources in the second line reinforce oversight through independent assurance reviews and monitoring, ensuring timely identification and escalation of risks.

Outlook:

Operating across 30 EEA jurisdictions and Switzerland, the Bank is subject to extensive oversight from a diverse range of national competent authorities and tax regulators. This multi-jurisdictional footprint entails rigorous supervision, including thematic reviews and recurring on-site inspections, ensuring continuous alignment with all local and pan-European regulatory standards.

In April 2025, the Bank of Lithuania imposed a EUR 3.5 million fine on Revolut Bank in relation to Anti-Money Laundering controls. The Bank is committed to the highest standards of regulatory compliance, and has taken immediate action to address its findings.

In July 2025 the Italian Competition Authority (AGCM) publicly announced a consumer protection investigation into Revolut entities including the Bank. The Bank expects the AGCM's investigation to conclude during Q1 2026 and that the proceedings may result in the imposition of a financial penalty.

The Bank is committed to meeting all national and cross-border requirements across its operating jurisdictions. Central to this commitment is the maintenance of a constructive and open dialogue with all competent authorities and tax bodies. The Bank constantly strives to enhance its internal control environment, ensuring that its compliance framework evolves alongside shifting local obligations and global best practices. Any findings resulting from regulatory inspections are addressed with the highest priority, with a formalized remediation process designed to ensure robust and timely resolution. This proactive approach to oversight and transparency is fundamental to reinforcing regulatory trust and supporting the Bank's long-term, sustainable growth.

6.2.3. Cyber and Data Security Risk

Principal risk:

The Bank and the wider Revolut Group face significant cybersecurity threats due to its digital, cloud-based operating model, hyper-growth, global scale, and fintech nature. The Bank processes large volumes of sensitive customer, employee, and corporate data, necessitating strict compliance with cybersecurity, data protection and privacy regulations. Protecting the confidentiality, integrity,and availability of this data against external threats and internal risks is vital to maintaining trust, safeguarding reputation, and ensuring operational resilience. As Revolut Group operates on a unified IT structure, these risks are managed centrally at the Revolut Group level. This centralized approach ensures consistent protection of sensitive customer and corporate data while maintaining compliance with global privacy regulations across all jurisdictions.

Mitigants and Controls:

Revolut Group has implemented a comprehensive framework of technical and organisational controls to manage cybersecurity risks effectively. While Revolut Group manages the technical and operational execution of the cybersecurity framework, the Bank maintains oversight and compliance assurance operating several *addenda* to Revolut Group Cybersecurity policies. Specifically, the Bank collaborates on requirements definitions and local controls and indicators, while performing comprehensive oversight of the services received from Revolut Group to ensure alignment with local regulations. The various technical activities performed by Revolut Group, with the Bank oversight, include rigorous application security testing, vulnerability management, and endpoint protection to safeguard systems and data. A company-wide security awareness programme, including phishing simulations, helps to strengthen employee awareness and behaviours. Logical access controls and multi-factor authentication ensure robust identity management, while cyber threat intelligence, real-time monitoring, and alerting capabilities enable the organisation to identify and address emerging risks swiftly. Third-party risks are managed through due diligence and continuous monitoring of vendors. Regular penetration testing and SOC 2 Type 2 compliance audits validate the effectiveness of the entire Revolut Group's control environments. For customers, the Bank and Revolut Group incorporates advanced security features such as location-based card controls, 3D Secure push notifications, and fraud detection systems. Revolut Group and the Bank continue to invest in its platforms to enhance resilience and reduce the risk of data breaches.

Outlook:

The Bank and Revolut Group operate in a rapidly evolving threat landscape that demands constant adaptation and vigilance. The company's security assurance journey reflects its commitment to maintaining high standards. Having first achieved a SOC 2 Type 1 compliance in 2022, Revolut Group has expanded this to a 12-month observation period for SOC 2 Type 2 in 2025, now covering all trust services criteria of Security, Confidentiality, Availability, Processing Integrity and Privacy, this is alongside completion of an ISO 27001 certification in 2025 to provide additional assurance on the maturity of its information security controls. Alongside these milestones, Revolut Group and the Bank are continuing to invest in adaptive security technologies and striving to enhance its controls and processes. By maintaining a proactive approach to cybersecurity, the Bank is well-positioned to address future risks, build trust, and meet regulatory expectations while minimising exposure to data security threats.

6.2.4. Third Party and Outsourcing Risk

Principal risk:

The Bank relies on third parties and outsourcing service providers, including intra-group service arrangements, for the delivery of its business operations across a number of channels, for example, payment processing, customer support, Know Your Customer (KYC) & Anti-Money Laundering (AML) as well as other business services. Consequently, this presents operational, compliance and reputational risk, for which we have a defined risk appetite and monitoring procedures.

Mitigants and Controls:

The Bank mitigates this risk through application of the Third Party and Outsourcing Risk Management framework aligned with Bank's risk appetite. This includes inherent risk assessment, due diligence, contracting standards, contingency arrangements and ongoing monitoring. The Bank works closely with third parties and intra-group service providers to ensure we are resilient and can continue to deliver our services to high standards with minimal disruption. The Bank continues to reduce dependencies on third parties via diversification and building products and processes in-house where practical. Concentration risk analysis is done regularly across third parties and outsourcing arrangements.

Outlook:

The Bank expects the network of third parties to continue to grow as a result of the Bank's business growth therefore the Bank continues to closely monitor this risk. Material third party and intra-group outsourcing relationships are subject to governance; and regular updates on third party concentrations continue to be conducted and reported to management. The Bank regularly reviews and improves Third Party and Outsourcing Risk Management framework, taking into consideration changes in the materiality and number of third parties and intra-group service arrangements and upcoming regulations. The Bank is actively managing concentration risk through diversifying its suppliers of third party and intra-group services and by building solutions to a number of key processes in-house, which gives better control over those processes and ability to manage their resilience directly. The Bank fosters open, fair, and transparent relationships with third parties through proactive communication, regular performance evaluations, and continuous improvement initiatives. These collaborative efforts enhance mutual accountability, drive innovation, and strengthen operational effectiveness, enabling the Bank to deliver sustained value to customers and stakeholders.

6.2.5. Availability and Continuity Risk

Principal risk:

Operational Resilience is an outcome which the Bank strives to achieve by effectively managing its Availability and Continuity Risk and responding to operational disruptions in a timely manner. Operational disruptions can have many causes including, for example, technology failures or when making changes to systems. Some disruptions may also be caused by matters outside of the Bank's control, such as a cyberattack or wider telecommunications or power failure. While the risk of operational disruptions cannot be eliminated, maintaining Operational Resilience continues to be a priority for the Bank, to protect its growing customer base across an increasingly diverse set of products.

Mitigants and Controls:

The Bank and Revolut Group's Operational Resilience Framework sets out the policy, procedures and governance structures to enable the Bank to monitor and manage the resiliency of critical and important functions, including the most important business services for customers. The Operational Resilience

Framework is formed of nine capability pillars, which cover a variety of potential sources of operational disruption and support us in defining ‘resilience practices’ under each pillar. The Bank maintains a suite of Business Continuity Plans and Disaster Recovery Plans, which contain recovery measures for business processes and technology to enable services to be resumed within a timely manner. These plans are tested regularly to ensure they remain fit for purpose.

Outlook:

The Operational Resilience Framework requires ongoing assessment and identification of critical and important functions, including the most important business services for customers. The Bank will continually work to enhance the resiliency of its critical and important functions including important business services, by investing in additional technology, people and third party resources. The aim of this is to limit the likelihood of a major disruption occurring, and also to limit the harm to customers and the Bank should a disruption impact the Revolut Group. The Bank operates a robust testing regime to monitor the effectiveness of our resiliency measures across the wider Revolut Group, including stress testing of all important business services for customers.

In line with the Digital Operational Resilience Act ('DORA') effective from January 2025, the Bank, in conjunction with Revolut Group, will continually work to enhance its resiliency, by investing in additional technology, people and third party resources. The aim of this is to limit the likelihood of a major disruption occurring, and also to limit the harm to customers, the Bank and the broader European financial sector should a disruption impact the Revolut Group.

6.2.6. Financial Crime Risk

Principal risk:

Financial Crime Risk is the risk that the Bank's systems, products, services, third parties or employees are used to facilitate or become the victim of money laundering, terrorist financing, sanctions evasion, proliferation financing or external fraud, resulting in financial loss, regulatory fines, and reputational damage. This includes money laundering, sanctions violations, and terrorist and proliferation financing. Failure to appropriately manage this risk, whether through the misuse of the Bank’s products and services, the actions of third parties, or the conduct of employees, may expose the Bank to regulatory enforcement actions, including fines, restrictions, or disciplinary measures. Such outcomes could result in material financial loss and significant reputational damage to the organisation.

Mitigants and Controls:

The Bank takes its responsibility to prevent, detect, and mitigate Financial Crime seriously. These risks are managed through robust governance, effective risk management procedures, and a comprehensive control framework designed to identify and address Financial Crime Risk.

The Bank continues to enhance the effectiveness of its systems and controls, including real-time transaction monitoring, sanctions and adverse media screening, and mandatory Financial Crime training for staff. The Bank remains committed to investing substantial resources and attention to further strengthen its Financial Crime framework, systems, and controls, ensuring they remain effective, scalable, and aligned with regulatory expectations.

Outlook:

The Bank takes the risks of sanctions, money laundering, and terrorist financing extremely seriously. As the organisation expands its products and services, exposure to existing risks increases and new risks emerge, requiring sustained focus to manage Financial Crime Risk effectively and efficiently.

In light of the heightened sanctions risks driven by ongoing geopolitical conflict, the Bank remains focused on enhancing its screening, transaction monitoring, and enhanced due diligence controls to ensure compliance with evolving sanctions regimes. The Bank will also continue to evaluate, monitor, and strengthen the effectiveness of its Financial Crime framework, maintaining a risk and control environment that enables a prompt and effective response to emerging Financial Crime threats.

6.2.7. External Fraud Risk

Principal risk:

The Bank defines external Fraud Risk as a wide range of behaviours that are linked by trickery or deceit with the intention it will culminate in some form of gain, and / or to cause loss to another party.. Significant External Fraud Risks for the Bank include Acquiring Fraud, Issuing Fraud (Card, Payment, Lending), Account Takeover Fraud and Application Fraud (Identity Fraud). The Bank maintains a low appetite for External Fraud Risk, with particular focus on protecting customers against Account Takeover Fraud, Authorised Push Payment Fraud, and lost or stolen Card Fraud. The Bank is committed to complying with all relevant regulatory requirements and supervisory recommendations. Failure to do so could result in enforcement actions, including fines, public censure, suspensions, restrictions, conditions, limitations, or disciplinary measures, with the potential for significant financial and reputational impact.

Mitigants and Controls:

The Bank aims to minimise External Fraud Risk by maintaining robust, risk-based systems and controls designed to comply with legislative and regulatory requirements and to prevent, identify, manage and report occurrences of External Fraud. Where fraud does occur, the Bank follows a clear policy of investigating all events in order to learn and take the necessary steps to further strengthen its systems and controls, therefore protecting both the Bank and its customers from future fraud risk(s) and to protect the Bank reputation.

External fraud risk is managed in line with the Enterprise Risk Management framework, supported by a risk register of external fraud risks covering the major fraud typologies and how these apply across Banks’s business and product offerings. Preventative real-time fraud detection models and rules are in place. Controls are mapped to risks and are tested on a periodic basis for design and operating effectiveness. The Bank also maintains a suite of KRIs and BCIs to monitor changes in fraud risk exposure. In addition, the Bank mitigates key fraud risks through mandatory training for all employees and the use of targeted KRIs to identify and respond to emerging fraud trends.

Outlook:

The Bank continues to evaluate, monitor and strengthen the effectiveness of its External Fraud Framework and is committed to maintaining a risk and control environment that enables it to respond promptly and effectively to any emerging fraud threats and advanced technology. The increasing use of AI by criminals, in particular deepfake technology, continues to pose a challenge, which the Bank is addressing by enhancing its own machine learning models and working with vendors to improve detection. Evolving regulatory requirements (Payment Services Directive 3) further highlight the need for continuous monitoring and enhancing of both acquiring and issuing fraud controls. To stay ahead of these risks, the Bank is expanding collaboration with peer institutions and industry bodies and developing a framework to enhance the use of external intelligence sources, enabling more effective responses to fraud threats.

As the Bank continues to grow and launch innovative products and payment channels, the fraud risk landscape will remain dynamic. Addressing these challenges requires strong governance, robust fraud controls, and the agility to adapt rapidly to new and emerging risks.

6.2.8. Model Risk

Principal risk:

Model Risk refers to the potential for automated calculations used to drive business decisions, be these understood through traditional models, Artificial Intelligence (AI) / Machine Learning (ML) models, End-User Computing (EUC) based calculations or trading algorithms, to be inaccurate, incomplete or otherwise misleading, resulting in the ineffective decision making.

Mitigants and Controls:

The Bank ensures models are reliable for decision-making by validating Tier 1 and Tier 2 models, assigning risk ratings, reviewing finding responses, and accepting models for use through Independent Model (Re)Validations or Annual Reviews, and provides frequent periodic updates to senior management and relevant governance bodies. Model risk reviews entails review of the model methodology, reasonableness of model assumptions and may require additional testing. Tier 3 and Tier 4 models are validated proportionally.

In February 2025, the Bank has established a dedicated Model and AI Risk Committee to oversee model and AI risks in the Bank, it draws its mandate from the Bank's Executive Risk Committee (ERC).

Outlook:

The Bank expects to maintain the model risk at a a low level despite of the increased usage of models and AI tools in business. This will be achieved through the regular model validations and reviews and remediation of the identified findings, stronger oversight from the dedicated committee will be an enabler.

6.3. ESG Risk

Principal risk:

ESG risk stems from Environmental (E), Social (S), and Governance (G) factors which can lead to financial losses by impacting counterparties, operations, or assets. Environmental risks include climate-related hazards (physical and transition risks), pollution, and nature-related risks (e.g., biodiversity loss). Social risks encompass issues related to the workforce, value chain labor, customers, and local communities. Governance risks involve regulatory compliance and business conduct failures. These factors are not standalone but are drivers embedded into the existing prudential risk categories of the Capital Requirements Regulation (CRR), specifically credit, market, operational, and liquidity risk.

Mitigants and Controls:

The primary controls and mitigants for ESG risk are centred on integration, governance, and measurement across the Enterprise Risk Management (ERM) framework. Key controls involve embedding ESG considerations into due diligence processes for new initiatives and vendors, and utilising Regulatory Horizon Scanning to proactively manage compliance risk. Mitigation is achieved through defining a clear and conservative Risk Appetite (e.g., 'low' for Climate Risk) and operationalising it via Key Risk Indicators (KRIs) that track exposure to high-risk sectors (Transition Risk) and vulnerable physical assets (Physical Risk). Formal Sustainability and ESG Risk Management Policies establish mandatory rules, while a compulsory, organization-wide ESG Risk Management training course ensures a strong risk culture and consistent application of controls by all staff.

Outlook:

The Bank's outlook for ESG risk is focused on enhancing data foundations and embedding quantitative analysis into core risk management processes. The Bank is moving beyond qualitative assessment by beginning to report on financed emissions and introducing specific credit monitoring standards to systematically improve data collection and refine Key Risk Indicators (KRIs). While firm commitments are not yet set, the Bank will be actively exploring target setting across its diverse ESG risk exposures. A significant near-term priority is to continue developing quantitative analysis and stress testing under the Network for Greening the Financial System (NGFS) climate scenarios, and to further build out the Bank's recent Climate Resilience Analysis for quantifiable strategic insights. The conclusions derived from these analyses will be directly integrated into ICAAP reporting and leveraged for strategic decision-making to build resilience against climate-related financial risks.

Environmental Risk Management

Principal risk:

Environmental risk reflects the potential financial impact arising from climate-related and other environmental factors, including both physical and transition risks, as well as pollution, biodiversity, ecosystems, and water and marine resources. Climate-related risks continue to be the most material for the Bank. Transition risks may arise from changes in regulation, technology, or customer behaviour that affect counterparties or the value of financed activities, while physical risks relate to acute or chronic climate hazards. Given the Bank's predominantly digital business model, exposure to physical risks remains limited, although reliance on critical third parties, expanding business activities, the introduction of retail credit products such as mortgages, and future corporate lending will gradually increase the Bank's exposure to both physical and transition risks, as well as other environmental sensitivities.

Mitigants and Controls:

Controls in 2025 focused on strengthening integration of environmental considerations across the Enterprise Risk Management Framework. Key measures include the enhancement of climate scenario analysis for capital and liquidity planning and the expansion of climate risk assessments into broader Climate Resilience Analysis. Climate risk considerations are embedded into the New Initiative Approval Process through mandatory second-line reviews, with risk owners required to demonstrate that new products, including mortgages and retail lending, meet the Bank's low climate risk appetite and data collection standards. Sector-level restrictions remain in place under the Sustainability Policy to limit exposure to high-emitting and environmentally harmful sectors. Work has begun to prepare for financed emissions reporting and to develop the first credit-level data standards to support future climate-related Key Risk Indicators. The Bank has also enhanced ESG risk identification and assessment for third parties using ESG risk data and an expanded vendor due diligence process, along with new ESG compliance guidelines in its Third Party Handbook.

Outlook:

In line with the updated Double Materiality Assessment (DMA) findings for 2025, Climate Change remains a material topic for the Bank. The near-term priority is to strengthen data foundations to meet upcoming EBA expectations and to ensure that environmental risks are considered in lending decisions as the portfolio expands. On the basis of the progress achieved in further integrating climate and environmental risk factors into the Enterprise Risk Management Framework in 2025, the Bank will be working on developing a prudential transition plan in accordance with the updated ECB Supervisory Priorities for the 2026-2028 period. This will include the continued refinement of its climate scenario analysis toolkit and integrating conclusions directly into ICAAP, credit adjudication processes, and portfolio steering. Moreover, the Bank will also be looking to develop its Nature Risk identification and assessment capabilities in line with Supervisory Priorities. Engagement with Group entities will continue to ensure alignment on climate-related obligations, including financed emissions calculation and operational emissions reporting.

Social and Governance Risk Management

Principal risk:

Social and governance risks relate to the Bank's interactions with employees, customers, counterparties, communities and other stakeholders. Social risks include workforce wellbeing, customer treatment, and value chain working conditions. Governance risks arise from weak controls, misconduct, regulatory breaches, or insufficient oversight.

Mitigants and Controls:

Throughout 2025, the Bank strengthened governance mechanisms for managing social and business conduct risks. Following the updated DMA, Own Workforce and Customers and End Users were confirmed as material topics for the Bank under European Sustainability Reporting Standards (ESRS). Controls were reinforced by formalising ESG responsibilities across the three lines of defence, with emphasis on governance, oversight, and responsibility for operationalising DMA outcomes. Vendor oversight and third-party governance continue to follow group-wide standards supplemented by the Bank-level enhancements to the New Initiative Approval Process. Mandatory business conduct and compliance assessments apply to all new products and partnerships. The Bank also monitors conduct-related risks and ensures robust treatment of customers through strong compliance, clear product design standards, and regular risk reviews of lending practices.

Outlook:

The Bank will continue to operationalise findings from the DMA, expanding governance controls to address customer-related risks and value chain oversight. Work continues to align third-party governance practices with EBA expectations, particularly in relation to sustainability screening and SLA integration for group-managed services. Additional progress is planned in 2026 to strengthen policies and add Social and Governance Risks to the Risk Taxonomy and risk appetite.

7. Interest Income, Calculated Using the Effective Interest Method

EURth	2025	2024
Interest income on debt instruments at amortised cost	320,054	184,843
Interest income on due from banks	287,831	318,143
Interest income on loans and advances to customers	173,253	86,326
Interest income on interest rate swaps	5,967	–
Total	**787,105**	**589,312**

8. Interest Expense

EURth	2025	2024
Interest expenses on savings	(84,550)	(17,214)
Interest expenses on interest rate swaps	–	(5,384)
Interest expense on lease liabilities	(60)	(71)
Total	**(84,610)**	**(22,669)**

9. Fee and Commission Income

EURth	2025	2024
Card transaction fees	813,437	532,685
Subscription	586,102	334,048
Foreign exchange	211,493	157,780
Customer loyalty program	160,600	17,576
Card delivery	62,456	49,721
Remittance fees	56,977	35,937
Acquiring fees	36,387	13,515
Other income	12,177	3,215
Total	**1,939,629**	**1,144,477**

Amounts arising from revenue from contracts with customers include contract liabilities related to RevPoints. These represent the Bank’s obligation to transfer goods or services to customers for which consideration has been received but not yet recognised as revenue. The contract liability is recognised when RevPoints are issued and is released to revenue as points are redeemed or expire. The balance is presented within Other Liabilities in Note 28.

Remaining performance obligations

Due to the nature of its commercial arrangements, other than contract liabilities, arising as a result of the RevPoints program, the Bank doesn't have any material remaining performance obligations related to contracts with durations over one year as at 31 December 2025 and 31 December 2024.

The aggregate amount of the transaction price allocated to unsatisfied performance obligations for RevPoints is EUR 238,331 thousand (2024: EUR 95,516 thousand). The Bank expects to recognise this amount as revenue as the associated points are either redeemed or expired. Points expire approximately three years from the date they are earned, at which point any remaining deferred revenue for those specific points is recognised.

10. Fee and Commission Expense

EURth	2025	2024*
Processing and settlement fees	(257,940)	(172,434)
Redemption of customer loyalty points	(109,021)	(15,199)
Partner-related costs	(45,301)	(33,317)
Other transaction fees	(27,842)	(14,412)
Total	**(440,104)**	**(235,362)**

*During the year 2025, the Bank reviewed the presentation of its commission-based transactions.

In order to better reflect the economic substance of customer cashback arrangements under IFRS 15, these expenses, which were previously presented within Fee and Commission Expense, are now presented as a reduction of Fee and Commission Income. To ensure comparability, the prior year figures have been reclassified to conform to the current year's presentation. This reclassification resulted in a decrease of both Fee and Commission Income and Fee and Commission Expense by EUR 24,471 thousand for the year ended 31 December 2024, with no impact on net profit, total equity, or cash flows.

11. Other Operating Income

EURth	2025	2024
Service fee income from Revolut Group	613	1,739
Net gain on changes in the fair value on hedging derivatives and hedged items	–	1,329
Net foreign exchange gain	–	477
Total	**613**	**3,545**

12. Personnel Expense

EURth	2025	2024
Wages and salaries	(100,143)	(63,816)
Social security costs	(21,349)	(13,613)
Share based payments (Note 31)	(5,111)	(6,238)
Pension costs	(2,963)	(2,400)
Employee benefits	(2,910)	(1,529)
Severance	(1,289)	(662)
Staff Recruitment & HR Expenses	(965)	(43)
Total	**(134,730)**	**(88,301)**

13. Other Operating Expenses

EURth	2025	2024
Services fee from Revolut Group	(1,517,249)	(1,080,435)
Advertising and marketing	(120,224)	(92,167)
Contributions to resolution funds and deposit guarantee	(34,569)	(17,122)
Legal and professional fees	(15,859)	(6,172)
Net foreign exchange loss	(8,817)	–
Solidarity tax	(8,080)	(7,374)
Irrecoverable VAT	(5,510)	(9,938)
Chargeback cost	(5,256)	(13,672)
Net loss on changes in the fair value on hedging derivatives and hedged items	(696)	–
Audit fees	(301)	(174)
Other expenses	(34,067)	(15,208)
Total	**(1,750,628)**	**(1,242,262)**

The Bank and its branches in EEA countries utilise an outsourcing model, mainly through outsourcing arrangements to other Revolut Group entities. This includes using Revolut Group’s proprietary, mobile digital platform that delivers a seamless client experience across a wide range of financial services. Services provided from Revolut Group are priced in accordance with the OECD Transfer Pricing Guidelines and principles on arm’s length pricing. The outcome is the the result of a functional, asset and risk analysis conducted, including an annual update of the relevant third party industry benchmarks.

Under this outsourcing framework, Revolut Ltd operates as the material outsourcer to the Bank, providing a wide range of banking and payment operations, including associated technology, end-to-end customer sourcing, and ancillary back-office services. The transfer pricing policy applies a Transactional Net Margin Method (TNMM) to ensure the Bank retains an arm's length target profitability for its functional contributions and the risks it bears. This target return is calculated as the aggregate of an arm's length margin on the Bank's local workforce costs plus a benchmarked return on regulatory capital (equity), the later of which is set in reference to comparable financial institutions in the region. Any residual net profit generated above this target profitability is paid to Revolut Ltd as a service fee for the provision of its broad range of composite supply services, including financial and non-financial service components.

To ensure robust governance and adherence to regulatory outsourcing guidelines, the intra-group arrangements include defined Service Level Agreements (SLAs). In the event that services provided by the Revolut Group do not meet these contractually agreed performance levels, service credits are applied to proportionally reduce the intercompany service fees charged to the Bank.

14. Credit Loss Expense on Financial Assets

EURth	2025	2024
Net impairment on loans: (charge)	(67,904)	(31,121)
Net impairment on debt securities: release	129	6
Net impairment on due from banks and other financial institutions: (charge)	(9)	–
Total impairment losses	**(67,784)**	**(31,115)**
Provisions for commitments and guarantees given: (charge)	(854)	(1,156)
Net provision for unauthorised overdraft: (charge) / release	(15,511)	345
Recoveries of unauthorised overdraft previously written-off	269	15
Total provisions	**(16,096)**	**(796)**
Net expected credit losses	**(83,880)**	**(31,911)**

15. Income Tax

EURth	2025	2024
Current tax	(78,063)	(30,727)
Prior year adjustment of current tax	(1,994)	(2,205)
Deferred tax		
Relating to origination and reversal of temporary differences	9,719	333
Total income tax	**(70,338)**	**(32,599)**

15.1. Reconciliation of the Total Tax Charge

EURth		2025		2024
Profit before tax		**278,235**		**133,127**
Income tax (expenses) at statutory tax rate of 21% (2024: 20%)	21.00%	(58,429)	20.00%	(26,625)
Effect of lower statutory tax rate of 16% (for profit below EUR 2 million, 2024: 15%)	(0.04%)	100	(0.08%)	100
Effect of tax rates in foreign jurisdictions	1.10%	(3,087)	1.62%	(2,157)
Tax effect of:				
Tax-exempt income/non-deductible (expenses)	2.62%	(7,280)	1.35%	(1,798)
Adjustments in respect of prior years	0.72%	(1,994)	1.66%	(2,205)
Other tax differences, net	(0.13%)	352	(0.06%)	86
Total income tax expense	**25.27%**	**(70,338)**	**24.49%**	**(32,599)**

15.2. Deferred Tax

31 December 2025

EURth	Deferred tax asset	Statement of Profit or Loss and Comprehensive Income
Fair value differences and other provisions	10,052	9,719

31 December 2024

EURth	Deferred tax asset	Statement of Profit or Loss and Comprehensive Income
Provision for tax losses carried forward	333	333

16. Cash and Cash Equivalents

EURth	2025	2024
Cash and balances with central banks	15,714,774	10,823,365
Due from banks and other financial institutions	115,487	40,086
Total	**15,830,261**	**10,863,451**

17. Cash and Balances With Central Banks

EURth	2025	2024
Overnight deposits	14,817,323	–
Current account with the European Central Bank	456,231	10,547,801
Current accounts with other national Central banks	436,768	275,564
Cash at ATMs	4,452	–
Total	**15,714,774**	**10,823,365**

The Bank has met the minimum reserve requirements set by the Bank of Lithuania and Central banks where Bank has operationalised branches: France, Ireland, Spain, Netherlands, Germany, Romania, Italy, Belgium.

As of 31 December 2025 the Bank's mandatory reserves held with Central banks were EUR 342,081 thousand (31 December 2024 EUR 147,480 thousand).

18. Due From Banks and Other Financial Institutions

EURth	2025	2024
Placements with other banks - demand deposits	71,926	18,236
Placements with other financial institutions - demand deposits	43,561	21,850
Total	**115,487**	**40,086**

There is no material impairment recognised on the carrying value of cash and cash equivalents as amounts placed are with institutions rated BB+ or above and have immaterial probability of default.

19. Derivatives

At 31 December 2025 EURth	Carrying value assets	Carrying value liabilities	Notional amount
Derivatives in hedge accounting relationships:			
Interest rate swaps with other counterparties	2,645	(23)	345,374
Interest rate swaps with related parties	3,886	(68)	334,517
Total derivatives in hedge accounting relationships	**6,531**	**(91)**	**679,891**
Derivatives not in hedge accounting relationships:			
Foreign exchange contracts (forwards) with related parties	2,154	(3,002)	197,796
Foreign exchange contracts (swaps) with related parties	5,180	(4,484)	4,130,849
Foreign exchange contracts (forwards) with other customers	5,919	(517)	247,267
Total derivatives not in hedge accounting relationships	**13,253**	**(8,003)**	**4,575,912**
Total derivatives	**19,784**	**(8,094)**	**5,255,803**

At 31 December 2024 EURth	Carrying value assets	Carrying value liabilities	Notional amount
Derivatives in hedge accounting relationships:			
Interest rate swaps with other counterparties	4,535	(1,685)	1,008,443
Interest rate swaps with related parties	4,327	(2,484)	896,596
Total derivatives in hedge accounting relationships	**8,862**	**(4,169)**	**1,905,039**
Derivatives not in hedge accounting relationships:			
Foreign exchange contracts (forwards) with related parties	–	–	–
Foreign exchange contracts (swaps) with related parties	5,923	(5,470)	2,159,754
Foreign exchange contracts (forwards) with other customers	704	(2,945)	99,112
Total derivatives not in hedge accounting relationships	**6,627**	**(8,415)**	**2,258,866**
Total derivatives	**15,489**	**(12,584)**	**4,163,905**

There were no changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability.

Foreign Exchange and Interest Rate Swaps

Foreign exchange swaps are contractual agreements between two parties to exchange a set amount of currency at contract date as well as exchange same amount back at agreed future date at agreed future rate. FX swaps are grossly settled directly with counterparty. Swaps are fully collateralized. The applicable margin is assessed and settled on a daily basis.

The Bank enters into foreign currency swap contracts to manage foreign currency liquidity and regulatory exposures and to support payment operations in non-EUR currencies, all within its approved risk management framework. The net yield on foreign exchange derivatives presented in Net gains and losses on derivatives is the return on settlement of the far leg of the foreign currency swaps due to the difference between the prevailing spot rate and the forward rate at inception (i.e. the 'contractual gain'). During the year ended 31 December 2025, the net yield on foreign exchange derivatives was EUR 32,072 thousand (2024: EUR 19,753 thousand).

Any movement in foreign exchange rates between inception and maturity relative to the contractually agreed forward rate at inception results in a foreign currency gain or loss on foreign currency derivatives. During the year ended 31 December 2025, the foreign exchange loss on foreign currency swaps was EUR (66,958) thousand (2024: EUR 30,311 thousand); these are predominantly offset by exchange gains and losses incurred on foreign currency denominated monetary assets and liabilities on the balance sheet. This is disclosed on a net basis with all other foreign exchange gains and losses in Note 13 under net foreign exchange loss.

During 2025, the Bank has entered into interest rate swaps cleared through central counterparties, which are subject to daily “settle-to-market” mechanisms. Under these arrangements, daily variation margin payments or receipts represent legal settlement of the derivative’s fair value changes. Accordingly, these instruments are remeasured to fair value each day, and the resulting gain or loss is settled in cash on the next day. After daily settlement, the carrying amount of the derivative is nil. The Bank recognizes the daily settlement amounts in profit or loss as they occur. As such, the closing carrying amount recorded on balance sheet as at 31 December 2025 of less than EUR 5 thousand (2024: nill) for these centrally cleared interest rate swaps, represents one day's fair value movement which has not yet been settled in cash.

Offsetting

The Bank has netting agreements in place with counterparties to manage the associated credit risks for over-the-counter traded derivatives, loans and deposits transactions. These netting agreements generally enable the counterparties to set-off liabilities against available assets received in the ordinary course of business and/or in the event of the counterparty’s default. The offsetting right is a legal right to settle, or otherwise eliminate, all or a portion of an amount due by applying an amount receivable from the same counterparty against it, thus, reducing credit exposure.

Offsetting financial assets and financial liabilities of reverse repurchase agreements and repurchase agreements is disclosed in Note 20. There were no active items where the offsetting was applied as at 31 December 2024.

Net gains and losses on derivatives

EURth	2025	2024
Net gain (loss) from foreign exchange derivatives	32,072	19,753
Unrealised gain (loss) on forward contract derivatives	7,644	(2,281)
Realised gain (loss) on forward contract derivatives	4,282	366
Total	**43,998**	**17,838**

19.1. Hedge accounting

The Bank is using two types of hedging relationships: macro fair value hedge and micro fair value hedge.

Macro fair value hedge

In the Bank's structural core deposits macro fair value hedge, macro hedge accounting is used to recognise fair value changes related to changes in interest rate risk in non-interest-bearing core deposit accounts and therefore reduce the profit or loss volatility that would otherwise arise from changes in the fair value of the interest rate swaps alone.

Applying fair value hedge accounting enables the Bank to reduce fair value fluctuations of fixed rate financial liabilities. From a hedge accounting point of view, the Bank designates the hedged risk as the exposure to changes in the fair value of an identified portion of recognised customer liabilities (core deposit) that could affect profit or loss.

The table below sets out the accumulated fair value adjustments arising from the corresponding continuing hedge relationships.

EURth	As at 31 December 2025		As at 31 December 2024		
	Carrying amount of hedged items	Accumulated amount of fair value adjustments on the hedged items	Carrying amount of hedged items	Accumulated amount of fair value adjustments on the hedged items	Line item in the Statement of Financial Position
Hedged item - customer liabilities in respect of deposits	(629,291)	(2,001)	(1,845,648)	(7,272)	Due to customers

The following table provides information about the hedging instruments included in the derivative financial instruments line items of the statement of financial position:

EURth	As at 31 December 2025		As at 31 December 2024		Line item in the Statement of Financial Position
	Notional amount	Carrying amount*	Notional amount	Carrying amount*	
Interest rate swap – hedge of core deposits	639,893	2,895	1,883,036	8,639	Derivatives

Carrying amount represents the clean fair value of the interest rate swaps excluding interest accrual;

The below table sets out the outcome of the hedging strategy to changes in the fair value of the hedged items and hedging instruments, used as the basis for recognising ineffectiveness.

As at 31 December 2025 EURth		Gains/(losses) attributable to the hedged risk		Net cumulative fair value gain/(loss)	Movement in FX gain/(loss)	Ineffectiveness recognised during the year	Line item in the Statement of Profit or Loss and Other comprehensive Income
Macro fair value hedge		**Hedged items**	**Hedging instruments**				
Hedged items	Hedging instruments						
Customer liabilities in respect of deposits	Interest rate swaps	(2,001)	2,895	894	(45)	(388)	Other operating expense

As at 31 December 2024 EURth		Gains/(losses) attributable to the hedged risk		Net cumulative fair value gain/(loss)	Movement in FX gain/(loss)	Ineffectiveness recognised during the year	Line item in the Statement of Profit or Loss and Other comprehensive Income
Macro fair value hedge		**Hedged items**	**Hedging instruments**				
Hedged items	Hedging instruments						
Customer liabilities in respect of deposits	Interest rate swaps	(7,272)	8,639	1,327	40	1,367	Other operating income

As at 31 December 2025 EURth	Less than one month	One to three months	Three to twelve months	One to five years	Over five years	Total
Interest rate swaps in macro fair value hedge						
Notional amount	–	322,202	188,490	129,201	–	639,893
Average rate	3.01 %					

As at 31 December 2024 EURth	Less than one month	One to three months	Three to twelve months	One to five years	Over five years	Total
Interest rate swaps in macro fair value hedge						
Notional amount	–	813,771	419,120	650,145	–	1,883,036
Average rate	3.36 %					

Micro fair value hedge

The Bank invests in fixed rate financial instruments, such as fixed rate bonds and fixed rate loans (i.e. Schuldscheindarlehen (SSD)). Theses fixed-rate instruments are held at amortised cost and exposes the Bank to the risk of changes in the fair value of its investments attributable to changes in the interest rate volatility.

The Bank decided to apply micro fair value hedge accounting to protect against adverse changes in the clean fair value of the financial assets attributable to changes in interest rates volatility and to extract upside opportunities, using pay-fixed/receive floating interest rate swaps.

The table below sets out the accumulated fair value adjustments arising from the corresponding continuing hedge relationships.

	As at 31 December 2025		As at 31 December 2024		
EURth	Carrying amount of hedged items	Accumulated amount of fair value adjustments on the hedged items	Carrying amount of hedged items	Accumulated amount of fair value adjustments on the hedged items	Line item in the statement of financial position
Debt instruments	167,284	(1,809)	9,759	19	Debt securities
Government loans	40,957	(327)	12,061	2	Loans and advances to public sector
Total	**208,241**	**(2,136)**	**21,820**	**21**	

The following table provides information about micro hedging instruments included in the derivative financial instruments line item of the Bank's Statement of Financial Position:

	As at 31 December 2025		As at 31 December 2024		
EURth	Notional amount	Carrying amount*	Notional amount	Carrying amount*	Line item in the Statement of Financial Position
Interest rate swap – hedge of debt instruments and government loans	205,000	1,851	22,000	(19)	Derivatives Assets/Liabilities

** Carrying amount represents the clean fair value of the interest rate swaps excluding interest accrual;*

The below table sets out the outcome of the Bank's hedging strategy to changes in the fair value of the hedged items and hedging instruments, used as the basis for recognising ineffectiveness.

As at 31 December 2025 EURth		Gains/(losses) attributable to the hedged risk		Net cumulative fair value gain/(loss)	Ineffectiveness recognised during the year	Line item in the Statement of Profit or Loss and Other comprehensive Income
Micro fair value hedge		**Hedged items**	**Hedging instruments**			
Hedged items	Hedging instruments					
Debt Securities	Interest rate swaps	(1,809)	1,521	(288)	(289)	Other operating expense
Government loans	Interest rate swaps	(327)	330	3	2	Other operating expense
	Total	**(2,136)**	**1,851**	**(285)**	**(287)**	

As at 31 December 2024 EURth		Gains/(losses) attributable to the hedged risk		Net cumulative fair value gain/(loss)	Ineffectiveness recognised during the year	Line item in the Statement of Profit or Loss and Other comprehensive Income
Micro fair value hedge		**Hedged items**	**Hedging instruments**			
Hedged items	Hedging instruments					
Debt Securities	Interest rate swaps	19	(18)	1	1	Other operating income
Government loans	Interest rate swaps	2	(1)	1	1	Other operating income
	Total	**21**	**(19)**	**2**	**2**	

The total net loss on changes in the fair value on hedging derivatives and hedged items recognised during the year ended 31 December 2025 was EUR (720) thousand (31 December 2024: EUR 1,369 thousand gain).

Hedge ineffectiveness can arise from:

- Differentials in notional amount, strike rate, payment frequency and maturity date between the hedging instrument and hedged item;
- Differences in timing of cash flows of hedged items and hedging instruments;
- Derivatives used as hedging instruments having a non-nil fair value at the time of designation;
- The effect of changes in counterparties' credit risk on the fair values of hedging instruments or hedged items;
- The ongoing amortisation of any existing balance sheet mismatch between the fair value of the hedged item and the hedging instrument;
- The possibility of changes to the critical terms of the hedged item.
- Movement in the Bank's and hedging counterparty's credit spread that would result in movement in fair value of the hedging instrument that would not be reflected in the movements in the value of the hedged item.

The maturity profile of the Bank's hedging instruments used in micro fair value hedge relationships is as follows.

As at 31 December 2025 EURth	Less than one month	One to three months	Three to twelve months	One to five years	Over five years	Total
Interest rate swaps in micro fair value hedge						
Notional amount	–	–	–	205,000	–	205,000
Average rate	2.04 %					

As at 31 December 2024 EURth	Less than one month	One to three months	Three to twelve months	One to five years	Over five years	Total
Interest rate swaps in micro fair value hedge						
Notional amount	–	12,000	10,000	–	–	22,000
Average rate	2.74 %					

20. Reverse repurchase agreements

Investment in reverse repurchase agreements are measured at amortised cost due to management's intention to collect the contractual cash flows of the agreements until maturity.

At 31 December 2025 the fair value of financial assets accepted as collateral regarding the Bank's reverse repurchase agreements that the Bank is permitted to sell or repledge in the absence of default was EUR 5,841,866 thousand (31 December 2024: EUR 1,998,238 thousand), of which the Bank had repledged to the repo counterparty EUR 826,842 thousand (31 December 2024: EUR 568,348 thousand).

As at 31 December 2025 the Bank received cash collateral on bilateral reverse repurchase agreements of EUR 7,913 thousand (31 December 2024: EUR 746 thousand), which is disclosed as collateral received in Note 28.

The carrying amount of reverse repurchase agreements by countries is disclosed below.

EURth	2025	2024
France	3,251,538	1,377,426
Spain	1,314,341	371,742
Germany	759,844	193,011
Italy	322,842	-
Total	**5,648,565**	**1,942,179**

Offsetting financial assets and financial liabilities

The Bank reports financial assets and financial liabilities on the balance sheet only if there is a legally enforceable right to set-off the recognised amount and there is intention to be settled on a net basis, or to realise the asset and settle the liability simultaneously.

	Amounts subject to enforceable netting arrangements						
	Effects of offsetting on-balance sheet			Related amounts not offset			
EURth	Gross amounts	Amounts offset	Net amounts reported on balance sheet	Financial collateral	Net amount	Amounts not subject to enforceable netting arrangements	Total balance sheet amount
At 31 December 2025							
Securities purchased under resale agreements (reverse repos)	5,698,499	(49,934)	5,648,565	(5,849,779)	(201,214)	–	5,648,565
Total assets	**5,698,499**	**(49,934)**	**5,648,565**	**(5,849,779)**	**(201,214)**	**–**	**5,648,565**
Repurchase agreement	(49,959)	49,934	(25)	–	(25)	–	(25)
Total liabilities	**(49,959)**	**49,934**	**(25)**	**–**	**(25)**	**–**	**(25)**
At 31 December 2024							
Securities purchased under resale agreements (reverse repos)	1,942,179	–	1,942,179	(1,999)	1,940,180	–	1,942,179
Total assets	**1,942,179**	**–**	**1,942,179**	**(1,999)**	**1,940,180**	**–**	**1,942,179**
Repurchase agreement	–	–	–	–	–	–	–
Total liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Assets pledged and transferred

Assets are transferred as collateral to secure liabilities under repurchase agreements. Assets transferred are non-cash assets transferred to a third party that do not qualify for de-recognition from the Bank's balance sheet as the Bank retains substantially all of the exposure to these assets under an agreement to repurchase them in the future.

The following table summarises the nature and carrying amount of assets transferred as security as part of repurchase agreements:

EURth	2025	2024
Debt instruments measured at amortised cost	49,877	–
Assets pledged and transferred	**49,877**	**–**

21. Loans and Advances to customers

EURth	2025	2024
Consumer lending	2,537,787	1,215,379
Less: Allowance for ECL	(102,878)	(48,477)
Unauthorised overdraft	18,674	17,024
Less: impairment	(13,552)	(11,547)
Total	**2,440,031**	**1,172,379**

As at 31 December 2025, Bank had forborne consumer credits with gross carrying value of EUR 9,579 thousand (31 December 2024: EUR 1,545 thousand).

In 2025 the Bank wrote-off EUR 13,477 thousand of unauthorised overdraft (2024: EUR 13,007 thousand).

21.1. Impairment Allowance for Loans

The table below shows the credit quality based on the Bank's internal credit rating system, 12-month PD range and year-end stage classification. The amounts presented are gross of allowance for ECL. Details of the Bank's internal grading system and the Bank's impairment assessment and measurement approach are set out in Note 6.1.2.

31 December 2025

Internal rating grade	12-month PD range	Risk level	Stage 1	Stage 2	Stage 3	POCI	Total, EURth
1	0.03% - 0.10%		86,042	6	–	–	86,048
2	0.10% - 0.20%		130,335	15	–	–	130,350
3	0.20% - 0.30%		157,817	7,448	–	–	165,265
4	0.30% - 0.50%		251,215	20,413	–	–	271,628
5	0.50% - 0.80%		321,675	38,598	–	–	360,273
6	0.80% - 1.30%		378,659	35,305	–	–	413,964
7	1.30% - 2.00%	Low	291,619	46,438	–	–	338,057
8	2.00% - 3.00%		212,441	30,050	–	–	242,491
9	3.00% - 5.00%	Moderate	166,357	39,364	–	–	205,721
10	5.00% - 8.00%		74,985	26,594	–	–	101,579
11	8.00% - 13.00%		28,940	23,930	–	–	52,870
12	13.00% - 20.00%		16,334	20,531	–	–	36,865
13	20.00% - 100%		20,698	49,821	–	–	70,519
14	100%	High	–	–	62,157	–	62,157
Total			**2,137,117**	**338,513**	**62,157**	**–**	**2,537,787**

31 December 2024

Internal rating grade	12-month PD range	Risk level	Stage 1	Stage 2	Stage 3	POCI	Total, EURth
1	0.03% - 0.10%		12,440	–	–	–	12,440
2	0.10% - 0.20%		36,415	29	–	–	36,444
3	0.20% - 0.30%		66,320	43	–	–	66,363
4	0.30% - 0.50%		125,899	240	–	–	126,139
5	0.50% - 0.80%		145,097	8,116	–	–	153,213
6	0.80% - 1.30%		182,313	11,652	–	–	193,965
7	1.30% - 2.00%	Low	155,445	16,027	–	–	171,472
8	2.00% - 3.00%		133,485	13,104	–	–	146,589
9	3.00% - 5.00%	Moderate	112,704	15,937	–	–	128,641
10	5.00% - 8.00%		45,757	12,293	–	–	58,050
11	8.00% - 13.00%		20,791	10,953	–	–	31,744
12	13.00% - 20.00%		10,555	9,087	–	–	19,642
13	20.00% - 100%		10,149	32,559	–	–	42,708
14	100%	High	–	–	27,969	–	27,969
Total			**1,057,370**	**130,040**	**27,969**	**–**	**1,215,379**

A reconciliation of changes in allowance for ECL by stage for consumer lending is as follows:

EURth	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL
As at 1 January 2025	**12,511**	**14,370**	**21,596**	**48,477**
Transfer to Stage 1	6,440	(5,888)	(552)	–
Transfer to Stage 2	(3,164)	3,777	(613)	–
Transfer to Stage 3	(36)	(11,656)	11,692	–
Net remeasurement of ECL arising from stage transfer	(147)	7,182	26,815	33,850
Increases due to origination and acquisition	20,367	–	–	20,367
Net drawdowns, repayments, net remeasurement	(8,270)	26,266	3,869	21,865
Decreases due to derecognition	(4,465)	(2,615)	(1,111)	(8,191)
Decrease in allowance account due to write-offs	–	–	(507)	(507)
Decrease in allowance account due to debt sales	–	–	(12,983)	(12,983)
As at 31 December 2025	**23,236**	**31,436**	**48,206**	**102,878**

EURth	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL
As at 1 January 2024	**11,263**	**10,233**	**20,202**	**41,698**
Transfer to Stage 1	4,789	(4,620)	(169)	–
Transfer to Stage 2	(2,266)	2,525	(259)	–
Transfer to Stage 3	(54)	(8,038)	8,092	–
Net remeasurement of ECL arising from stage transfer	(40)	4,484	16,388	20,832
Increases due to origination and acquisition	12,567	–	–	12,567
Net drawdowns, repayments, net remeasurement	(10,453)	10,841	2,222	2,610
Decreases due to derecognition	(3,295)	(1,055)	(581)	(4,931)
Decrease in allowance account due to write-offs	–	–	(203)	(203)
Decrease in allowance account due to debt sales	–	–	(24,096)	(24,096)
As at 31 December 2024	**12,511**	**14,370**	**21,596**	**48,477**

The tables above include the following categories of movements:

- **Transfers between stages**: showing the transfer of expected credit losses when an asset moves from stage 1 to stage 2 or 3 before remeasurement of ECL,with **Net remeasurement of ECL due to stage transfers** presented separately.
- **Increase due to origination and acquisition**: new assets originated during the year;
- **Decrease due to derecognition**: represents accounts closed during the year, excluding write-offs and debt sales, which are presented separately;
- **Net drawdowns, repayments, net remeasurement:** Changes in ECL resulting from: (i) net changes in outstanding credit exposures due to drawdowns and repayments; (ii) revisions to risk parameters and model refinements.

Significant changes in the gross carrying amounts of loans that contributed to changes in the loss allowance were the following:

- In 2025 and 2024, the portfolio's exposures almost doubled, resulting in an increase of nominal ECL allowances;
- Although there were significant debt sales in 2025 EUR 17,691 thousand (2024: EUR 30,532 thousand), this was offset by the portfolio migration to Stage 3, leading to an overall slight increase of the proportion of Stage 3 facilities from 2.30% to 2.45%.
- The main input of the ECL model - the behavioural model - was recalibrated quarterly. Due to the frequent recalibrations, the impact of the individual recalibrations is limited. Overall, these recalibrations along with the portfolio movements resulted in an increase of Stage 2 proportions from 10.70% to 13.34%.
- During the year 2025 EUR 625 thousand (2024: EUR 265 thousand) of loans were written off with a corresponding decrease in the loss allowance.

21.2. Credit Risk Analysis by Product and Country

An analysis of risk concentration in gross carrying amounts and corresponding ECL in the loans portfolio by type of lending and geographical location is presented below:

As at 31 December 2025		Gross carrying amount			Allowance for ECL			ECL coverage %
EURth	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Per product									
Consumer loans	1,805,136	298,110	53,887	20,522	24,025	41,548	1.14%	8.06%	77.10%
Credit cards	221,510	40,159	6,814	2,697	7,409	5,504	1.22%	18.45%	80.77%
BNPL	10,073	244	1,456	1	2	1,154	0.01%	0.82%	79.26%
Mortgage loans	100,398	–	–	16	–	–	0.02%	–%	–%
Total	**2,137,117**	**338,513**	**62,157**	**23,236**	**31,436**	**48,206**	**1.09%**	**9.29%**	**77.56%**
Per country									
Lithuania	238,878	28,801	1,526	1,403	2,144	1,141	0.59%	7.44%	74.77%
Poland	322,967	67,012	9,731	3,952	7,649	7,343	1.22%	11.41%	75.46%
Ireland	596,531	108,660	24,901	7,301	11,809	19,690	1.22%	10.87%	79.07%
Romania	408,798	60,058	6,555	2,127	4,257	3,942	0.52%	7.09%	60.14%
Spain	123,959	26,488	6,346	2,090	1,976	5,268	1.69%	7.46%	83.01%
Germany	193,498	20,036	5,075	3,279	1,496	4,229	1.69%	7.47%	83.33%
France	148,874	21,491	5,641	1,904	1,586	4,585	1.28%	7.38%	81.28%
Italy	61,269	3,865	1,369	559	259	1,153	0.91%	6.70%	84.22%
Portugal	42,343	2,102	1,013	621	260	855	1.47%	12.37%	84.40%
Total	**2,137,117**	**338,513**	**62,157**	**23,236**	**31,436**	**48,206**	**1.09%**	**9.29%**	**77.56%**

As at 31 December 2024	Gross carrying amount			Allowance for ECL			ECL coverage %		
EURth	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Per product									
Consumer loans	959,322	111,306	21,791	11,385	11,281	16,667	1.19%	10.14%	76.49%
Credit cards	89,084	18,423	4,858	1,124	3,069	3,777	1.26%	16.66%	77.75%
BNPL	7,805	311	1,320	2	20	1,152	0.03%	6.43%	87.27%
Mortgage loans	1,159	–	–	–	–	–	–%	–%	–%
Total	**1,057,370**	**130,040**	**27,969**	**12,511**	**14,370**	**21,596**	**1.18%**	**11.05%**	**77.21%**
Per country									
Lithuania	77,509	31,106	1,739	822	1,991	1,228	1.06%	6.40%	70.62%
Poland	196,337	32,672	6,345	1,967	3,381	4,680	1.00%	10.35%	73.76%
Ireland	298,467	36,141	11,295	3,952	5,681	9,812	1.32%	15.72%	86.87%
Romania	291,851	13,171	2,910	3,062	1,950	1,874	1.05%	14.81%	64.40%
Spain	43,580	4,599	2,127	990	493	1,686	2.27%	10.72%	79.27%
Germany	61,955	6,349	2,952	1,141	511	1,899	1.84%	8.05%	64.33%
France	67,720	5,689	601	454	329	417	0.67%	5.78%	69.38%
Italy	8,961	10	–	7	–	–	0.08%	–%	–%
Portugal	10,990	303	–	116	34	–	1.06%	11.22%	–%
Total	**1,057,370**	**130,040**	**27,969**	**12,511**	**14,370**	**21,596**	**1.18%**	**11.05%**	**77.21%**

22. Loans and Advances to Public Sector

As at 31 December 2025 and 31 December 2024, the Bank has invested in Schuldschein (SSD) loans, which constitutes a standardised loan contract under the German Civil Code, evidenced by a certificate of indebtedness. The Bank's investments in SSD were centred around German and Austrian municipalities or regional governments.

As at 31 December 2025 and 31 December 2024 all exposures were classified at stage 1 for impairment calculation.

Information about maturity is disclosed in Note 32.

23. Debt Securities

During 2025 the Bank continued to invest into the portfolio of held to maturity debt securities. These debt securities booked at amortised cost, owing to the way the portfolio is managed, and in particular management's intention to not trade these bonds but hold these securities until maturity. As a mix of high quality financial institutions and government bonds, the credit ratings of these bonds are high or very high. To account for the credit risk in the portfolio, the Bank reduces the value of the assets on the balance sheet using an Impairment Loss Allowance (provision) under IFRS 9.

During 2025, the Bank continued to invest into Asset-backed securities (ABS). The accounting policy in respect of those instruments is described in Note 4.7.

As at 31 December 2025 the Bank had one debt instrument measured at amortised cost which was pledged as collateral as part of repurchase agreements with carrying value of EUR 49,877 thousand (31 December 2024: nill). Further details are disclosed in the Note 20.

EURth		2025		2024
Debt securities of financial institutions	**Carrying amount**	**ECL**	**Carrying amount**	**ECL**
United Kingdom	352,987	(6)	218,235	(17)
Spain	174,666	(5)	123,293	(33)
France	129,049	(1)	155,410	(6)
Canada	103,496	(1)	109,022	(3)
United States	95,006	(12)	94,858	(28)
Australia	80,166	–	81,596	(1)
Germany	79,664	(1)	15,781	(27)
Belgium	49,931	–	–	–
South Korea	49,804	–	–	–
Austria	37,072	–	16,986	(1)
Finland	29,760	–	29,290	–
Japan	24,970	(1)	24,439	(4)
Switzerland	9,922	–	9,598	–
Sweden	4,967	–	22,850	(1)
Total	**1,221,460**	**(27)**	**901,358**	**(121)**
Government debt securities				
Belgium	1,432,828	(18)	99,682	(1)
France	1,387,212	(27)	770,186	(66)
Germany	523,863	–	142,230	(1)
Luxembourg	414,475	–	115,905	–
Canada	367,799	(3)	241,004	(2)
Spain	241,314	(30)	194,430	(57)
Lithuania	93,866	(4)	94,465	(4)
Finland	60,535	–	–	–
United Kingdom	28,808	–	30,344	–
United States	8,688	–	204,326	–
Total	**4,559,388**	**(82)**	**1,892,572**	**(131)**
Asset Backed Securities				
Ireland	2,134,894	(14)	1,688,201	–
Total	**2,134,894**	**(14)**	**1,688,201**	**–**
Total debt instruments measured at amortised cost	**7,915,742**	**(123)**	**4,482,131**	**(252)**

Debt securities of financial institutions by credit rating assigned in accordance with article 138 of the Capital Requirements Regulation (EU) No. 575/2013 (Standard & Poor's long term credit rating scale) are presented below:

EURth		2025		2024
Debt securities of financial institutions	**Carrying amount**	**ECL**	**Carrying amount**	**ECL**
AAA	126,706	(2)	135,867	(4)
AA	49,601	–	57,076	(1)
AA-	141,428	–	42,611	(1)
A+	480,896	(12)	316,340	(31)
A	300,429	(4)	121,127	(15)
A-	122,400	(9)	154,731	(29)
BBB+	–	–	57,825	(13)
BBB	–	–	–	–
BBB-	–	–	15,781	(27)
Total	**1,221,460**	**(27)**	**901,358**	**(121)**

23.1. Impairment Allowance for Debt Instruments Measured at Amortised Cost

A reconciliation of changes in the carrying amount and corresponding allowance for ECL by stage for debt instruments measured at amortised cost is, as follows:

31 December 2025

EURth		Stage 1		Stage 2
	Carrying amount	ECL	Carrying amount	ECL
As at 1 January 2025	**4,466,350**	**225**	**15,781**	**27**
Increases due to origination and acquisition	3,449,392	27	–	–
Changes due to change in credit risk (net)	–	(129)	(15,781)	(27)
As at 31 December 2025	**7,915,742**	**123**	**–**	**–**

31 December 2025

EURth			Stage 1			Stage 2
Internal rating grade	12-month PD range	Gross carrying amount	ECL	12-month PD range	Gross carrying amount	ECL
Performing						
High grade	0.01% - 0.18%	7,915,742	123	–%	–	–
Total		**7,915,742**	**123**		**–**	**–**
Coverage ratio		–%			– %	

31 December 2024

EURth		Stage 1		Stage 2
	Carrying amount	ECL	Carrying amount	ECL
As at 1 January 2024	2,411,106	**220**	**15137**	**39**
Increases due to origination and acquisition	2,055,244	–	644	–
Decreases due to bond maturity	–	5	–	(12)
As at 31 December 2024	**4,466,350**	**225**	**15,781**	**27**

31 December 2024

EURth			Stage 1			Stage 2
Internal rating grade	12-month PD range	Gross carrying amount	ECL	12-month PD range	Gross carrying amount	ECL
Performing						
High grade	0.01% - 0.42%	4,466,350	225	0.36%	15,781	27
Total		**4,466,350**	**225**		**15,781**	**27**
Coverage ratio		0.01%			0.17%	

24. Property and Equipment and Right-of-Use Assets

EURth	Fixtures & fittings	Computer equipment	Office equipment	Right-of-use assets	Total
Cost					
At 1 January 2024	**–**	**160**	**2**	**3,157**	**3,319**
Additions	8	36	51	884	979
Change in dilapidation provision	–	–	–	9	9
At 31 December 2024	**8**	**196**	**53**	**4,050**	**4,307**
Additions	–	–	–	8,686	8,686
Disposals and derecognition	–	(61)	–	(1,014)	(1,075)
Change in dilapidation provision	–	–	–	137	137
At 31 December 2025	**8**	**135**	**53**	**11,859**	**12,055**
Depreciation					
At 1 January 2024	**–**	**(110)**	**(2)**	**(959)**	**(1,071)**
Depreciation charge for the year	(2)	(32)	–	(937)	(971)
At 31 December 2024	**(2)**	**(142)**	**(2)**	**(1,896)**	**(2,042)**
Depreciation charge for the year	(4)	(31)	(16)	(1,291)	(1,342)
Disposals and derecognition	–	59	–	742	801
At 31 December 2025	**(6)**	**(114)**	**(18)**	**(2,445)**	**(2,583)**
Net book value					
At 31 December 2024	**6**	**54**	**51**	**2,154**	**2,265**
At 31 December 2025	**2**	**21**	**35**	**9,414**	**9,472**

24.1. Right-of-Use Assets

The Bank has lease contracts for office spaces, which are recognized under right-of-use assets:

- Vilnius office – maturity on July 14, 2027
- Madrid office – maturity on April 30, 2026
- Milan office (new lease in 2025) - maturity on March 31, 2027
- Barcelona office (new lease in 2025) - maturity on December 4, 2030
- Madrid office (new lease in 2025) - maturity 1 November 2033.

Paris office – derecognised as the lease contract was terminated in 2025.

Set out below are the carrying amounts of lease liabilities (included under other liabilities) and the movements during the period:

EURth	2025	2024
At 1 January	**2,053**	**2,035**
Additions	8,686	884
Accretion of interest	60	71
Payments	(1,346)	(937)
Derecognition	(359)	–
At 31 December	**9,094**	**2,053**
Current	1,308	1,114
Non-current	7,786	939

The following are the amounts recognised in profit or loss:

EURth	2025	2024
Depreciation expense of right-of-use assets	(1,291)	(937)
Interest expense on lease liabilities (Note 8)	(60)	(71)
Derecognition of right-of-use assets	87	–
Total amount recognised in profit or loss	**(1,264)**	**(1,008)**

25. Other Assets

EURth	2025	2024
Settlement receivables	1,119,918	609,663
Accrued payment scheme rebates	54,399	25,710
Amounts recoverable on card scheme contracts*	16,226	17,630
Due from intermediaries	10,052	10,196
Receivable VAT	6,051	122
Cash collateral	3,009	–
Prepaid expenses	2,574	2,090
Accrued income	1,066	27,917
Rent deposits	620	446
Other	891	1,094
Total	**1,214,806**	**694,868**

* Amounts recoverable on card scheme contracts represents collateral held with the Bank's partners for the settlement process.

26. Due to Customers

EURth	2025	2024
Due to customers - Current accounts	23,913,102	15,583,407
Due to customers - Savings accounts	7,248,089	2,289,805
Changes in the fair value of hedged liabilities in portfolio hedges of interest rate risk	2,001	7,272
Total	**31,163,192**	**17,880,484**

27. Due to Other Financial Institutions

The Bank uses a multi-currency facility with Revolut Ltd to deposit funds. At 31 December 2025 the Bank had a negative balance in EUR currency of EUR 227,763 thousand (31 December 2024: EUR 197,677 thousand) recognised in liabilities and positive balance EUR 43,539 thousand (31 December 2024: EUR 21,850 thousand) in assets.

As at 31 December 2025 the Bank has received from Revolut Ltd variation margin of EUR 9,866 thousand (31 December 2024: EUR 9,569 thousand).

28. Other Liabilities

EURth	2025	2024
Settlement liabilities	1,641,069	986,115
Contractual liability from loyalty program	238,331	95,516
Contractual liability from subscriptions	81,586	56,007
Corporate tax payable	46,186	21,804
Accrued expenses	25,640	21,051
Collateral received	10,274	3,663
Lease liability (Note 24)	9,094	2,053
Payroll payable	6,130	3,487
Refunds to customers	209	9,651
Other liabilities	13,785	6,061
Total	**2,072,304**	**1,205,408**

The contractual liability from loyalty program is recognised as revenue as the associated points are redeemed by the customer. All other contractual liabilities recognised at the beginning of each period are fully released into commission income during that year, as these liabilities have a duration of less than one year.

As described in the Note 5.4 during the year 2025, the Bank revised the accounting estimate for the recognition of deferred revenue related to the 'RevPoints' customer loyalty program.

Below the impact of RevPoints Model Update on contractual liability from loyalty program is presented:

EURth	2025	2024
Balance as at 1 January	**95,516**	**583**
Change in accounting estimate (RevPoints model update)	1,821	–
Loyalty points issued to customers	330,426	111,054
Redemptions	(190,400)	(15,469)
Expirations	(2,747)	(538)
Revaluations	3,715	(114)
Balance as at 31 December	**238,331**	**95,516**

29. Provisions

EURth	2025	2024
Provision for undrawn commitments	2,491	1,632
Provision for redemptions under loyalty programs*	1,943	971
Dilapidation provision	426	289
Claims provision	13,200	3,719
Total	**18,060**	**6,611**

*A provision is recognised for the future redemption of RevPoints when the associated transaction on which the points were earned does not generate revenue. These transactions are primarily comprised of miscellaneous Challenges which reward account holders for performing certain tasks within the Revolut app.

The movement in provision for undrawn commitments during 2025 and 2024 respectively is, as follows:

EURth	Undrawn commitments
31 December 2023	**473**
Changes in ECL	1,159
31 December 2024	**1,632**
Changes in ECL	859
31 December 2025	**2,491**

The table below shows provisions for undrawn commitments by stages:

31 December 2025

EURth	Stage 1	Stage 2	Stage 3	Total
Undrawn commitments	1,386	1,105	–	2,491

31 December 2024

EURth	Stage 1	Stage 2	Stage 3	Total
Undrawn commitments	896	736	—	1,632

29.1. Undrawn Commitments

To meet the financial needs of customers, the Bank may enter into various irrevocable commitments and contingent liabilities. These consist of financial guarantees, letters of credit and other commitments to lend. Even though these obligations may not be recognised on the statement of financial position, they contain credit risk and, therefore, form part of the overall risk of the Bank.

The Bank offers credit card, revolving loan (commercially called buy now pay later) and mortgage lending facilities to its customers. The nominal value of the undrawn commitments was EUR 469,043 thousand at 31 December 2025 (31 December 2024: EUR 223,828 thousand). At 31 December 2025 the Bank recognised EUR 2,491 thousand of allowance on ECL for the outstanding exposures (31 December 2024: EUR 1,632 thousand).

The table below sets out the credit quality of retail customers lending commitments of the Bank as at 31 December 2025.

Internal rating grade	12-month PD range	Risk level	Stage 1	Stage 2	Stage 3	POCI	Total
1	0.03% - 0.10%		175,640	5	–	–	**175,645**
2	0.10% - 0.20%		57,622	1	–	–	**57,623**
3	0.20% - 0.30%		39,550	344	–	–	**39,894**
4	0.30% - 0.50%		39,506	1,517	–	–	**41,023**
5	0.50% - 0.80%		38,028	2,133	–	–	**40,161**
6	0.80% - 1.30%		42,140	1,755	–	–	**43,895**
7	1.30% - 2.00%	Low	29,013	2,323	–	–	**31,336**
8	2.00% - 3.00%		15,956	1,834	–	–	**17,790**
9	3.00% - 5.00%	Moderate	10,603	1,708	–	–	**12,311**
10	5.00% - 8.00%		3,768	805	–	–	**4,573**
11	8.00% - 13.00%		1,183	611	–	–	**1,794**
12	13.00% - 20.00%		436	310	–	–	**746**
13	20.00% - 100%		475	570	–	–	**1,045**
14	100%	High	–	–	1,207	–	**1,207**
Total			**453,920**	**13,916**	**1,207**	**–**	**469,043**

The table below sets out the credit quality of retail customers lending commitments of the Bank as at 31 December 2024.

Internal rating grade	12-month PD range	Risk level	Stage 1	Stage 2	Stage 3	POCI	Total
1	0.03% - 0.10%		30,855	–	–	–	**30,855**
2	0.10% - 0.20%		33,290	–	–	–	**33,290**
3	0.20% - 0.30%		25,400	–	–	–	**25,400**
4	0.30% - 0.50%		26,604	6	–	–	**26,610**
5	0.50% - 0.80%		18,970	849	–	–	**19,819**
6	0.80% - 1.30%		19,660	1,042	–	–	**20,702**
7	1.30% - 2.00%	Low	19,321	1,666	–	–	**20,987**
8	2.00% - 3.00%		16,837	1,686	–	–	**18,523**
9	3.00% - 5.00%	Moderate	13,877	1,721	–	–	**15,598**
10	5.00% - 8.00%		5,443	922	–	–	**6,365**
11	8.00% - 13.00%		1,442	800	–	–	**2,242**
12	13.00% - 20.00%		478	470	–	–	**948**
13	20.00% - 100%		720	681	–	–	**1,401**
14	100%	High	–	–	1,088	–	**1,088**
Total			**212,897**	**9,843**	**1,088**	**–**	**223,828**

30. Share Capital and Reserves

Authorised shares	**2025 Thousands**	**2024 Thousands**	**2023 Thousands**
Ordinary shares of EUR 1 each	36,815	36,815	36,815

Ordinary shares issued and fully paid	**Thousands**
At 1 January 2024	**36,815**
Issued ordinary shares	–
At 31 December 2024	**36,815**
Issued ordinary shares	–
At 31 December 2025	**36,815**

Reserves

EURth	Reserve capital	Other equity instruments	Reserves
At 1 January 2024	**379,008**	**–**	**12,021**
Formation of the reserve capital by shareholder contributions	291,200	–	–
Share based payments and translation cost incurred	–	–	6,178
Exercise of options	–	–	(1,956)
Transfer from retained earnings	–	–	7,485
At 31 December 2024	**670,208**	**–**	**23,728**
Formation of the reserve capital by shareholder contributions	301,000	–	–
Issuance of AT1 Capital	–	400,000	–
Share based payments and translation cost incurred	–	–	5,023
Exercise of options	–	–	(636)
Transfer from retained earnings	–	–	12,235
At 31 December 2025	**971,208**	**400,000**	**40,350**

The reserves include the legal reserve of EUR 26,879 thousand (2024: EUR 14,644 thousand), the share based payment reserve of EUR 13,588 thousand (2024: EUR 9,113 thousand) and other translation reserve EUR (117) thousand (2024: EUR (29) thousand).

Other equity instruments include Additional Tier 1 (AT1) capital subscribed by the Parent Company.

31. Share-Based Payments

The Revolut Group issues equity-settled share-based payment awards to certain employees which are generally subject to service, and in some cases, performance based vesting or non-vesting conditions and are settled for shares of the Revolut Group Holdings Ltd.

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market performance vesting conditions) at the date of grant. The fair value of the options determined at the grant date of the equity-settled share-based payments is expensed on a graded basis over the vesting period, based on the Revolut Group's estimate of the number of awards that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Unapproved share option scheme and parent company modification

During 2022, a new holding company was inserted into the Group changing the legal structure of Revolut such that the ultimate parent company of the Group changed from Revolut Ltd to Revolut Group Holdings Ltd. With this change, all previously granted share-based awards were novated from Revolut Ltd to Revolut Group Holdings Ltd.
During 2023, the Group adopted the Revolut Group Holdings Ltd Global Share Plan (GSP) under which share options and Restricted Stock Units (RSUs) were granted.

The grant-date fair value of the options granted to employees during 2025 has been determined utilizing an option pricing model, which encompasses the Black-Scholes methodology.

Share-based awards granted have varying vesting schedules depending on the reason for the grant — for example, Sign-on Bonus, Referral Bonus, Promotion Bonus, or Performance Bonus. The main vesting schedules for those grants are: (i) a four-year vesting schedule with 25% vesting on each anniversary; (ii) a two-year vesting schedule with 50% upfront and 25% vesting annually over the subsequent two years; and (iii) a two-year vesting schedule where 1/24th vests each month. Employees are required to remain in employment with the Revolut Group until the vesting period has elapsed; otherwise, the awards lapse. Options and RSUs granted under the GSP have expiry dates not exceeding ten years from the date of the grant.

Valuation Assumptions

Key assumptions used in determining the values of options are shared below.

	2025	2024
Model	Option Pricing Model	Option Pricing Model
Expected volatility	35%	35%-50%
Expected terms (years)	1.5	1.5
Expected dividend yields	nil	nil
Risk-free interest rate	3.56%	3.6%-4.4%

Calculating the grant-date fair value of options in private companies requires making highly subjective estimates and assumptions. The most material of which are the Revolut Group's grant-date ordinary share value and expected volatility.

Grant-date fair value is estimated using a combination of an income and market approach, including referencing transactions or attempted transactions in the company's own shares during the period in question. Expected volatility is derived from observed volatility from comparable companies, as the Revolut Group became a prudential consolidation group in July 2024 the list of comparable companies was updated resulting in a reduced volatility assumption for grants awarded subsequently.

These assumptions can materially affect the fair value of share-based payments.

Reconciliation of outstanding share-based payment awards

A reconciliation of share option movements over the years ended 31 December 2025 and 2024 is shown below.

	Weighted average exercise price, (EUR) 2025	Number 2025	Weighted average exercise price, (EUR) 2024	Number 2024
Outstanding at the beginning of the year	**0.02**	**66,149**	**0.03**	**46,029**
Transfers during the year	–	(7,747)	–	4,173
Adjustments related to prior year	–	(1,131)	–	1,472
Granted during the year	0.04	14,621	–	25,630
Exercised during the year	0.08	(6,741)	0.01	(9,028)
Forfeited during the year	0.18	(2,843)	–	(2,127)
Outstanding at the end of the year	**0.01**	**62,308**	**0.02**	**66,149**
Exercisable at the end of the year	**0.01**	**45,105**	**0.04**	**43,401**

The estimated weighted average fair value of share options granted during the year at the measurement date as at 31 December 2025 was EUR 375.99 (2024: EUR 276.92). The estimated weighted average share price at the date of exercise for share options exercised in 2025 was EUR 761.50 (2024: EUR 481.56).

The outstanding options at the end of 2025 weighted average remaining contractual life by exercise price is shown below:

Pool	Exercise Price	Weighted average remaining contractual life	Number of shares
1	–	6	61,929
2	0.86	4	379
Total	**0.01**		**62,308**

The outstanding options at the end of 2024 weighted average remaining contractual life by exercise price is shown below:

Pool	Exercise Price	Weighted average remaining contractual life	Number of shares
1	–	8	63,076
2	0.12	4	1,140
3	0.60	5	1,495
4	0.90	5	438
Total	**0.02**		**66,149**

Impact on the Statement of Profit or Loss and Other Comprehensive Income

The total share-based payment expense recognised in personnel expenses in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

EURth	2025	2024
Equity-settled share-based payment charge	5,111	6,238

32. Maturity Analysis of Financial Assets and Liabilities

The table below shows an analysis of financial assets and liabilities presented according to when they are expected to be recovered or settled.

As at 31 December 2025, EURth	Up to 3 months /on demand	3-12 months	1-5 years	More than 5 years	Total
Assets					
Cash and balances with central banks	15,714,774	–	–	–	15,714,774
Due from banks and other financial institutions	115,487	–	–	–	115,487
Derivatives	11,111	5,729	2,944	–	19,784
Reverse repurchase agreements	297,626	2,013,407	3,337,532	–	5,648,565
Loans and advances to customers	374,252	396,742	1,372,474	296,563	2,440,031
Loans and advances to public sector	314,897	535,181	1,449,737	–	2,299,815
Debt securities	648,015	1,661,576	3,471,141	2,134,887	7,915,619
Other financial assets	1,205,290	–	–	–	1,205,290
Total financial assets	**18,681,452**	**4,612,635**	**9,633,828**	**2,431,450**	**35,359,365**
Liabilities					
Derivatives	5,203	2,624	267	–	8,094
Due to customers	31,163,192	–	–	–	31,163,192
Due to other financial institutions	237,629	–	–	–	237,629
Lease liabilities	314	994	7,786	–	9,094
Other financial liabilities	1,683,113	–	–	–	1,683,113
Total financial liabilities	**33,089,451**	**3,618**	**8,053**	**–**	**33,101,122**

As at 31 December 2024, EURth	Up to 3 months /on demand	3-12 months	1-5 years	More than 5 years	Total
Assets					
Cash and balances with central banks	10,823,365	–	–	–	10,823,365
Due from banks and other financial institutions	40,086	–	–	–	40,086
Derivatives	6,752	2,698	6,039	–	15,489
Reverse repurchase agreements	354,683	690,804	896,692	–	1,942,179
Loans and advances to customers	198,971	196,754	673,027	103,627	1,172,379
Loans and advances to public sector	27,048	187,234	900,414	–	1,114,696
Debt securities	202,324	322,258	2,215,537	1,741,760	4,481,879
Other financial assets	691,562	–	–	–	691,562
Total financial assets	**12,289,006**	**1,399,748**	**4,691,709**	**1,845,387**	**20,225,850**
Liabilities					
Derivatives	6,527	2,437	3,620	–	12,584
Due to customers	17,880,484	–	–	–	17,880,484
Due to other financial institutions	207,246	–	–	–	207,246
Lease liabilities	276	838	939	–	2,053
Other financial liabilities	1,014,316	–	–	–	1,014,316
Total financial liabilities	**19,079,719**	**3,275**	**4,559**	**–**	**19,087,553**

33. Fair Value Measurement

33.1. Assets and Liabilities by Fair Value Hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

At 31 December 2025 EURth	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Interest rate swaps	–	6,531	–	6,531
Foreign exchange contracts	–	13,253	–	13,253
Total derivative financial instruments (assets)	**–**	***19,784***	**–**	***19,784***
Equity Instruments at fair value through OCI				
Equity instruments	–	–	33	33
Total financial assets measured at fair value	**–**	**19,784**	**33**	**19,817**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Interest rate swaps	–	91	–	91
Foreign exchange contracts	–	8,003	–	8,003
Total derivative financial instruments (liabilities)	**–**	***8,094***	**–**	***8,094***
Total financial liabilities measured at fair value	**–**	**8,094**	**–**	**8,094**

At 31 December 2024 EURth	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Interest rate swaps	–	8,862	–	8,862
Foreign exchange contracts	–	6,627	–	6,627
Total derivative financial instruments (assets)	**–**	***15,489***	**–**	***15,489***
Equity Instruments at fair value through OCI				
Equity instruments	–	–	33	33
Total financial assets measured at fair value	**–**	**15,489**	**33**	**15,522**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Interest rate swaps	–	4,169	–	4,169
Foreign exchange contracts	–	8,415	–	8,415
Total derivative financial instruments (liabilities)	**–**	***12,584***	**–**	***12,584***
Total financial liabilities measured at fair value	**–**	**12,584**	**–**	**12,584**

Valuation techniques

Derivative financial instruments are valued using net present valuation techniques that utilise observable market inputs.

Foreign exchange derivatives

Foreign exchange (FX) derivatives include foreign exchange forward and swap contracts. Foreign exchange swaps relate to contracts taken out by the Bank with other counterparties (financial institutions) in which the Bank pays a specified amount in one currency and receives a specified amount in another currency. FX swaps are typically gross-settled. Foreign currency forwards are contractual agreements to buy or sell a specified amount of foreign currency at a specific price and date in the future. The Bank has a portfolio of corporate forwards, which are customised contracts transacted in the over-the-counter market, and a portfolio of client forwards, which are proposed to the customers.

These instruments are valued using observable foreign exchange rates and observable or calculated forward points. With the exception of contracts where a directly observable unadjusted price in an active market is available which are disclosed as Level 1, the Bank classifies foreign exchange contracts as Level 2 financial instruments.

Interest rate derivatives

Interest rate derivatives include interest rate swaps and cross currency interest rate swaps.

Interest rate swaps relate to contracts taken out by the Bank with other counterparties (financial institutions) in which the Bank either receives or pays a floating rate of interest in return for paying or receiving, respectively, a fixed rate of interest. The payment flows are typically netted against each other, with the difference being paid by one party to the other. Most swaps are fully collateralised and require daily margin settlement, which significantly reduces the Bank's credit risk. The valuation techniques include forward pricing and swap models, using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are generally Level 2.

The fair value of cross-currency swaps is measured using a discounted cash-flow model based on observable market inputs. Key inputs include currency-specific discount curves, forward interest rate curves, FX forward rates, and cross-currency basis spreads, with credit-risk adjustments derived from observable market data. These inputs are market-based rather than entity-specific, supporting their Level 2 designation.

There were no changes to the valuation techniques during the period.

33.2. Fair Value of Financial Instruments Not Measured at Fair Value

The table below summarises the carrying amounts and fair values of those financial assets and liabilities presented on the Bank's statement of financial position at amortised cost.

Valuation techniques

Debt securities

The fair value of debt securities, are based on market prices if available. Bonds are valued using observable market prices sourced from broker quotes, inter-dealer prices or other reliable pricing sources, and are classified as Level 1. Asset Backed Securities (ABS) are securities that are linked to the cash flows of a pool of referenced assets via securitisation. Since the market for trading collateralised loan obligations (CLO) is limited in liquidity, no observable marked quotes are available. In this case, the fair value (or market value) of the CLO is determined based on a model that takes into account the credit rating of the CLO tranche, the composition and characteristics of the collateral (collateral type, credit quality, geographic concentration, etc.). As such, CLOs are classified as Level 2 within the fair value hierarchy and the Bank uses an external vendor valuation provider.

Securities purchased under resale agreement

Reverse repurchase agreements are valued by discounting the expected future cash flows using industry standard models that incorporate market interest rates and repurchase rates, based on the specific details of the transaction. Inputs are deemed observable and therefore classified as Level 2.

Loans to public sector (SSDs)

Loans to public sector are valued by discounting the expected future cash flows and adjusting them for time value using comparable market rates and mathematical methods to ensure accuracy. This is classified as Level 2.

Loans and advances to customers

The fair value of loans and advances to customers are determined using valuation techniques that incorporates discounting the future contractual cash flows adjusted for estimated prepayments, using market risk-free interest rate curve with relevant
credit spreads. The price or loan spread are generally unobservable and therefore classified as Level 3.

Due to customers

The fair value of customer deposits is determined to be equivalent to their carrying value, predicated on their daily withdrawal accessibility.The carrying amounts and fair values of other financial assets and liabilities presented on the Bank's statement of financial position at amortised cost don't differ materially, as all transactions are concluded based on market conditions.

At 31 December 2025 EURth	Carrying value			Fair value
		Level 1	Level 2	Level 3
Assets				
Cash and balances with central banks	15,714,774	–	15,714,774	–
Due from banks and other financial institutions	115,487	–	115,487	–
Reverse repurchase agreements	5,648,565	–	5,623,183	
Loans and advances to customers	2,440,031	–	5,122	2,639,842
Loans and advances to public sector	2,299,815	–	2,307,456	–
Debt securities	7,915,619	5,318,179	2,610,161	–
Other financial assets	1,205,290	–	1,205,290	–
Total financial assets measured at amortised cost	**35,339,581**	**5,318,179**	**27,581,473**	**2,639,842**
Liabilities				
Due to customers*	31,163,192	–	31,163,192	–
Due to other financial institutions	237,629	–	237,629	–
Other financial liabilities	1,692,207	–	1,692,207	–
Total financial liabilities measured at amortised cost	**33,093,028**	**–**	**33,093,028**	**–**

**The carrying amount of due to customers also includes fair value adjustment on macro fair value hedge of EUR 2,001 thousand (*31 December 2024*: EUR 7,272 thousand). Refer to the Notes 4.7.7 and 26 for further details.*

At 31 December 2024 EURth	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Assets				
Cash and balances with central banks	10,823,365	–	10,823,365	–
Due from banks and other financial institutions	40,086	–	40,086	–
Reverse repurchase agreements	1,942,179	–	1,951,109	–
Loans and advances to customers	1,172,379	–	5,477	1,193,150
Loans and advances to public sector	1,114,696	–	1,140,439	–
Debt securities**	4,481,879	2,819,506	1,803,978	–
Other financial assets	691,562	–	635,777	–
Total financial assets measured at amortised cost	**20,210,361**	**4,623,484**	**14,596,253**	**1,193,150**
Liabilities				
Due to customers	17,880,484	–	17,880,484	–
Due to other financial institutions	207,246	–	207,246	–
Other financial liabilities	1,016,369	–	1,016,369	–
Total financial liabilities measured at amortised cost	**19,104,099**	**–**	**19,104,099**	**–**

*** The balance for the year ended 31 December 2024 re-presented to be consistent with updated fair value inputs and fair value hierarchy of CLOs.*

34. Capital

The main objectives of the Bank's capital management are to:

- Ensure capital planning supports the implementation of the Bank's strategic goals and business objectives.;
- Maintain a capital level that adequately covers all material risks to which the Bank is exposed and enables it to pursue its business objectives;
- Comply with the regulatory capital requirements at all times;
- Meets the Bank's internally determined capitalisation targets, which envisage appropriate additional capital cushion above the regulatory required capital in order to ensure capital adequacy in case of material deviations of the Bank's performance from the financial plan or severe adverse scenarios (both bank-specific and systemic);
- Maintain a range of available and feasible management actions to restore the Bank's capitalisation in case of its deterioration;
- Optimise the capital allocation to maximise shareholder value, including usage of internal capital allocation to business and its consideration in risk adjusted pricing so that the Bank is able to deliver the level of return on risk adjusted capital required by shareholders.

The Bank actively manages its capital structure and makes adjustments in response to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividend paid to shareholders and/or the return on capital, issue capital securities, or make structural changes to its balance sheet ensuring optimal usage of capital. The objectives, policies and processes related with the Bank's capital management are reviewed at least annually.

34.1. Regulatory Capital Requirements

The Bank maintains an actively managed capital base to cover inherent business risks and comply with the regulatory capital adequacy requirements, calculated in accordance with the EU Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD).

Consistent with regulatory expectations, the Bank targets a capital level equivalent to the aggregate of:

- Minimum Pillar 1 requirements;
- Pillar 2 Requirements (P2R);
- Combined Buffer Requirement (CBR); and
- Pillar 2 Guidance (P2G).

The Bank recognizes that capital buffers (CBR and P2G) are designed to absorb losses. Consequently, under severe stress scenarios, the Bank's capital ratios are permitted to temporarily utilize these buffers (falling below the aggregate target level) to maintain operational continuity.

As of 31 December 2025, the total capital requirement of the Bank (in accordance with the regulatory requirements) is equal to 12.01% for CET1 capital ratio and 17.14% for total capital ratio.

Capital requirements as of 31 December 2025

	Total capital
Minimum Pillar 1 requirement	8.00%
Pillar 2 requirement (P2R)*	3.70%
Combined buffer requirement (CBR)	5.44%
of which: Capital conservation buffer (CCB)	2.50%
of which: Countercyclical buffer (CCyB)	0.92%
of which: Other systemically important institution buffer (O-SII)**	2.00%
of which: Systemic risk buffer (SyRB)	0.02%
Total capital requirement	**17.14%**

* In 2025, the Bank received a SREP decision to increase the Pillar 2 Requirement (P2R) from 3.70% to 4.50%, effective from January 1, 2026.

** The Bank has been designated as Other Systemically Important Institution by the Bank of Lithuania in December 2022, and currently has to meet an additional capital requirement of 2.0%.

The Bank has complied in full with all its externally imposed capital requirements over the reported period, including the changes in requirements that come into effect in 2025.

The Bank's CET1 capital ratio and total capital ratio were at the level of 23.15% and 29.84% at the end of 2025 (2024: both CET 1 capital ratio and total capital ratio 30.98%) ensuring robust capitalisation.

The Bank calculates its minimum Pillar 1 capital requirement in accordance with the CRR as follows:

- For credit and counterparty risk using standardised approach;
- For operational risk using the business indicator approach;
- For market risk using standardised approaches;
- For credit valuation adjustment under a standardised method.

EURth	31 December 2025	31 December 2024
Total RWAs	**5,978,735**	**2,823,747**
Capital Resources		
Total CET1 Capital	1,383,881	874,891
Total Tier 1 Capital	1,783,881	874,891
Total Capital Resource	**1,783,881**	**874,891**
CET1 Ratio (%)	23.15%	30.98%
Tier 1 Ratio (%)	29.84%	30.98%
Total Capital Ratio (%)	**29.84%**	**30.98%**

The Bank's leverage ratio was 5.39% by the end of 2025 (2024: 4.42%) reflecting adequate capitalisation from this perspective too.

The Bank's regulatory eligible capital consists exclusively of CET1 capital, which comprises share capital, reserves and retained earnings less the intangible assets and deferred tax assets.

In December 2025, the Bank successfully strengthened its capital base through the intragroup issuance of a perpetual subordinated callable instrument. Structured to qualify as an Additional Tier 1 (AT1) capital under the EU CRR, this issuance enhances the Bank's Tier 1 capital position, improving the resilience of its capital structure with additional capacity to absorb losses.

34.2. Internal Capital Assessment

The internal capital adequacy assessment process (ICAAP), constitutes the comprehensive framework through which the Bank assesses its overall capital needs in relation to its risk profile. Through this process, the Bank aims to:

- Identify material risks for the Bank, including those not fully captured by Pillar 1, and quantify the necessary internal capital;
- Ensure that the Bank maintains adequate capital to cover the Bank's risks and support implementation of its business strategy under both normal and stressed conditions; and
- Evaluate the adequacy of capital levels against regulatory requirements (Normative Perspective) and internal economic targets (Economic Perspective) over a multi-year horizon.

The ICAAP is fully integrated with the Bank's financial and strategic planning processes. It serves a critical role in the capital planning and in the determination of the internally targeted capital levels, which are reviewed and approved by the Supervisory Council.

The ICAAP of the Bank is subject to a regular annual update. However an ad-hoc review or material enhancement of the framework may be triggered by such events as:

- Material changes to the Bank's business model or risk profile;
- Significant shifts in the macroeconomic environment; and/or
- Specific regulatory supervisory requirements.

The 2025 ICAAP planning horizon extends through the end of 2028. Through this process, the Bank identified specific material risks as not fully covered by Pillar 1 capital requirements. Consequently, the Bank assessed additional internal Pillar 2 capital add-ons for the following risk categories:

- Operational risk;
- Market risk (additional internal Pillar 2 capital assessed for FX risk);
- Credit risk (additional internal Pillar 2 capital assessed for retail loans and wholesale loans);
- Credit concentration risk covering geographic, sector and single-name concentration risks;
- Interest rate risk in the banking book (IRRBB);
- Credit spread risk arising from non-trading book activities (CSRBB);
- Environmental, social, and corporate governance (ESG) risk.

The Bank conducts stress testing as part of the ICAAP in order to assess the capital adequacy under severe but plausible financial stress scenarios.

To assess capital adequacy under severe but plausible conditions, the Bank performed comprehensive stress testing as part of the 2025 ICAAP. The assessment included three distinct scenarios:

- Bank-specific scenario assuming occurrence of the adverse circumstances, which are specific for the Bank;
- Systemic scenario, which assumes the adverse macroeconomic conditions;
- Combined scenario, which covers both systemic and bank-specific nature adverse developments.

The Bank estimated the impact on the Bank's CET1 capital ratio, total capital ratio and leverage ratio was estimated under these adverse scenarios for the horizon extending until the end of 2028. This assessment incorporated the availability and feasibility of the management actions designed to restore capital levels should material deterioration occur.

The results of the stress testing performed demonstrate that the Bank current and projected capitalisation remains robust. The Bank maintains adequate buffers to cover potential risks and ensure compliance with regulatory requirements, even under severe adverse conditions.

35. Related Party Disclosures

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

As at 31 December 2025 EURth	Parent 2025	Other Related Parties 2025	Parent 2024	Other Related Parties 2024
Assets				
Due from banks and other financial institutions	–	43,561	–	21,850
Derivatives	–	11,220	–	10,250
Other assets	5	1,018,442	30	553,849
Total assets	**5**	**1,073,223**	**30**	**585,949**
Liabilities				
Due to other financial institutions	–	237,629	–	207,246
Derivatives	–	7,554	–	7,954
Other liabilities	–	1,567,776	4	945,437
Total liabilities	**–**	**1,812,959**	**4**	**1,160,637**
Income and expenses				
Net gains and losses on derivatives		32,072	–	19,753
Operating (expense) income from derivatives and foreign exchange gains		(61,960)	–	33,028
Other operating income	120	493	95	1,739
Other operating expenses	–	(1,520,301)	–	(1,082,541)
Interest income (expenses) on interest rate	–	2,638	–	(2,724)
Personnel expenses	(1)	(354)	–	(672)
Net income and expenses	**119**	**(1,547,412)**	**95**	**(1,031,417)**

Amounts due from other financial institutions and due to other financial institutions include positive and negative balance within a multi-currency facility with Revolut Ltd to deposit funds. The intercompany receivables and payables classified under other assets and other payables accordingly relate to recharges of expenses between Revolut Group entities and are unsecured, non-interest bearing and repayable on demand.

The management of the Bank received fixed remuneration of EUR 1,859 thousand in 2025 (2024: EUR 1,346 thousand) and variable (share options) of EUR 172 thousand in 2025 (2024: EUR 1,130 thousand).Bank did not provide post-employment, termination, or other long-term benefits to its employees.

The year-end balances of loans granted to and deposits accepted from the Bank’s key management personnel:

EURth	Deposits		Loans (outstanding balance)	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Key management	282	177	30	72

As at 31 December 2025 Bank had granted a revolving credit (RC) facility to Revolut Ltd of EUR 118 million (2024: EUR 118 million), as at 31 December 2025 no credit from the RC facility had been used.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions and are in the ordinary course of business.

36. Events After the Reporting Period

There were no events post reporting period that required disclosure or adjustments to be made to accounting estimates and assumptions as at 31 December 2025.

The financial statements were signed on 12 March 2026 by:

Joseph Heneghan
Chief Executive Officer

Oliver Schreiber
Chief Financial Officer

ROSK CONSULTING

Independent Auditor's Report

To the shareholder of Revolut Bank UAB:

Report on the Audit of the Financial Statement

Opinion

We have audited the financial statements of Revolut Bank UAB (hereafter – „the Bank"), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank 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 as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Bank in accordance with the ethical requirements of Regulation (EU) No 537/2014 of the European Parliament and of the Council (Regulation (EU) No 537/2014) on specific requirements regarding the statutory audit of public interest entities that are relevant to statutory audit of public interest entities, the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania that are relevant to audit of financial statements in the Republic of Lithuania and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Regulation (EU) No 537/2014 and the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania and the IESBA Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Each audit matter and our respective response are described below.

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Recognition of fee and commission income (see Notes 4.3 and 9 to the financial statements)</td></tr>
<tr><td>The Bank is engaged in retail and wholesale financial services, including but not limited, to accepting deposits, consumer lending, card payment services, saving vaults and other business products, which are subject to the commission and fee income. The Bank's fee and commission income for the year 2025 amounted to EUR 1,940 million.

The Bank has a revenue recognition process that has a significant automation component, where relevant fees are charged directly from the customer account according to the contractual commissions, subscription and other fees rates.

Fees and commission income are the key indicators of the Bank's financial performance, and their accurate and complete recognition highly depends on the reliability of the automated IT systems. Both the significance of revenue to the Bank's financial results, as well as the complexity of the IT systems used to recognise them, lead to the conclusion of revenue being a key audit matter.</td><td>Among others, we have performed the following audit procedures:
We gained an understanding of the Bank's revenue recognition process and assessed whether the Bank's accounting policy for recognising fee and commission income meets the requirements of the International Financial Reporting Standards as adopted by the European Union.
We have identified the relevant IT systems that are involved in transaction processing and revenue recognition and have tested whether their respective controls have been designed and implemented properly and are operating effectively.
We have reviewed ETL scripts that are used to extract, transform and load customer data into an aggregate output and verified that these scripts ensure an accurate transfer of data.
We have selected a sample of revenue records and compared them with the details in the Bank's system, where these transactions are recorded and with third-party systems, on which these transactions were initiated.
We have checked whether the commission charged for relevant transactions corresponds to the rates applied by the Bank and was calculated correctly.
We have tested whether subscription revenues were deferred correctly over the period of the subscription.
We have evaluated and challenged the reasonableness of assumptions used in determining revenues related to customer loyalty programs and their respective performance obligations.
We have evaluated the sufficiency and appropriateness of disclosures related to revenue recognition in the financial statements of the Bank.</td></tr>
</table>

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Impairment of credit products (see Notes 4.10, 6.1.2, 14 and 21 in the financial statements)	
The Bank is engaged in lending activities and offers a range of credit products, including personal loans, credit cards, Buy Now Pay Later arrangements, and mortgages. The impairment allowance for these credit products, which amounted to EUR 103 million as at 31 December 2025, is calculated by classifying the Bank's credit exposures by products into homogeneous groups and risk levels. Impairment allowances are determined using probability-weighted scenarios and are based on three key inputs: Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD). The derivation of these variables involves assessment of the client's current state and also requires making significant assumptions and performing statistical analysis to account for it's possible future changes, whether due to customer behavior or changes in the macroeconomic environment. In our opinion, these estimates and assumptions made by the Bank have a significant effect on the value of the Bank's credit products. Based on these reasons, we believe that this area is a key audit matter.	Among others, we have performed the following audit procedures: • We have gained an understanding of the Bank's impairment allowance calculation policy and the customer risk evaluation process, including the assessment of key assumptions, data sources, and management judgments. • We have identified the relevant IT systems involved in the impairment allowance calculation and tested whether the related controls were appropriately designed, implemented, and operating effectively. • We have performed substantive testing to assess the accuracy of key assumptions and the completeness and reliability of the data points used in the model. • We have recalculated key model inputs, including PD and LGD, by executing the ETL scripts and compared the resulting outputs with the Bank's calculated values to assess their accuracy. • We have conducted sensitivity testing by applying alternative values to key macro-economic variables and model parameters to evaluate the robustness of the impairment allowance calculation and to determine whether the resulting variations were reasonable within the Bank's methodology. • We have performed a benchmarking analysis by comparing the Bank's impairment levels with those reported by comparable financial institutions, assessing whether the recorded allowances were consistent with market practice. • We have evaluated the sufficiency and appropriateness of the disclosures related to loans and impairment allowances in the Bank's financial statements.

Other information

The other information comprises the information included in the Bank's management report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information.

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 specified below.
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 or otherwise appears to be materially misstated. 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.

In addition, our responsibility is to consider whether information included in the Bank's management report for the financial year for which the financial statements are prepared is consistent with the financial statements and whether management report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of the financial statements, in our opinion, in all material respects:

- The information given in the Bank's management report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Bank's management report, excluding the requirements for the information on sustainability matters, has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

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 International Financial Reporting Standards as adopted by the European Union, 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 Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank'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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 ISAs, 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 Bank'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 Bank'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. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- 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.

We 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Under the decision of the general Shareholders meeting on 30 June 2023, we were elected for the first time to audit the Bank's financial statements. Our appointment to audit the Bank's financial statements is renewed each year. The total uninterrupted term of appointment is 3 years.

We confirm that our audit opinion expressed in the Opinion section of our report is consistent with the audit report for the financial statements presented to the Bank and its Audit Committee.

We confirm that to the best of our knowledge and belief, services provided to the Bank are consistent with the requirements of the law and regulations and do not comprise non-audit services referred to in Article 5(1) of the Regulation (EU) No 537/2014 of the European Parliament and of the Council.
In the course of the audit we have provided to the Bank the review of the interim financial information for the period ended 30 June 2025 and accounting opinion on Additional Tier 1 capital instruments.

The audit engagement partner on the audit resulting in this independent auditor's report is Romanas Skrebnevskis.

Auditor Romanas Skrebnevskis
Auditor's certificate No. 000471

ROSK Consulting UAB
Audit company's certificate No. 001514

Vilnius, Lithuania
12 March 2026

The auditor's electronic signature is used herein to sign only the Independent Auditor's Report

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Revolut Bank UAB
Registered number: 304580906