

# IuteCredit eurobond public offer

## Opportunity to invest in IuteCredit eurobond EUR 50m tap issue

### About IuteCredit

- Established in 2008, IuteCredit is one of the leading European consumer lending companies, based in Tallinn, Estonia with more than 970 full-time employees.
- IuteCredit operates in 5 countries – Moldova, Albania, North Macedonia, Bulgaria and Bosnia and Herzegovina with 89 branches and 2,127 active shops.
- After acquiring a majority stake in Energbank in 2022, IuteCredit is in the process of gaining operational control, after which it will transfer its technology and know-how in order to continue to fully operate as a bank.
- IuteCredit offers its customers dealer loans, cash loans, car loans as well as banking services through its recently acquired Energbank.
- Business model is built around high demand for personal finance solutions in under-banked markets with high GDP growth and low public/private debt.
- IuteCredit is an experienced and active capital markets participant, having issued and matured multiple bonds. The company's investor base includes both individual and institutional investors from Baltics and other countries as its two eurobond issues are listed on Frankfurt Stock Exchange Regulated Market.

### Loan portfolio

- Net loan portfolio during the year 2022 increased by EUR 88.5m (+84% y/y) and stands at EUR 193.9m. The increase in net loan portfolio is rather evenly distributed between IuteCredit and Energbank – increase of EUR 40m and EUR 48.5m respectively.
- Portfolio split by countries has become more diversified: Energbank (operating in Moldova) makes up 25% of the net loan portfolio, Moldova 27%, Albania 29%, Macedonia 14%, Bosnia and Herzegovina 2% and Bulgaria also 2%.
- During 2022, the net loan portfolio quality has improved notably, with NPL (50+ dpd) ratio decreasing to 7.7% compared to 11.3% in previous year due to IuteCredit's retention of high-quality repeating customers and prudent underwriting standards.

### Financial highlights

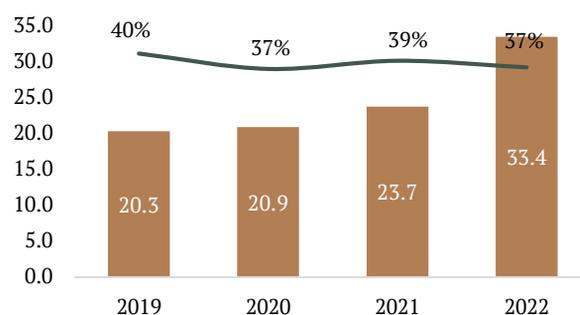
- The company has showed a rapid growth during the 2022 both through organic growth and acquisition of Energbank. Its revenue has reached a new record of EUR 89.1m, while maintaining operating expenses at a rather stable level.
- The company's net profit in 2022 reached EUR 19.6m more than tree times that in previous year, of which around EUR 10m can be attributed to Energbank acquisition deal.
- Due to its profitability and consolidation of Energbank, the company's equity during 2022 has more than doubled and consequently the company's capitalization has improved - capitalization ratio corresponds to 29% as of end 2022.



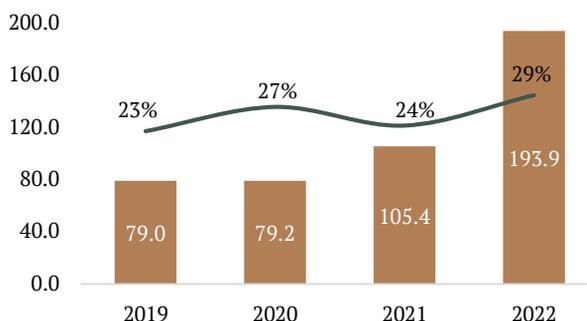
### Financial highlights, EUR m

	FY 2019	FY 2020	FY 2021	FY 2022
<b>Revenue</b>	50.8	56.1	61.2	89.1
<b>EBITDA</b>	20.3	20.9	23.7	33.4
<b>EBITDA Margin</b>	40%	37%	39%	37%
<b>Net profit</b>	8.4	5.2	6.1	19.6
<b>Net loan portfolio</b>	79.0	79.2	105.4	193.9
<b>Cash</b>	6.7	19.5	46.3	65.6
<b>Total Equity</b>	18.5	21.5	25.6	56.1
<b>Total borrowings</b>	84.1	91.4	135.7	253.4
<b>EBITDA / Interest expense</b>	2.3x	1.9x	1.6x	1.7x
<b>Capitalization ratio<sup>1</sup></b>	23%	27%	24%	29%

### EBITDA and EBITDA margin, EUR m



### Net portfolio and Capitalization ratio, EUR m



<sup>1</sup> Total equity / Net loan portfolio

Source: IuteCredit presentations and financial reports

# IuteCredit eurobond public offer



## Term Sheet

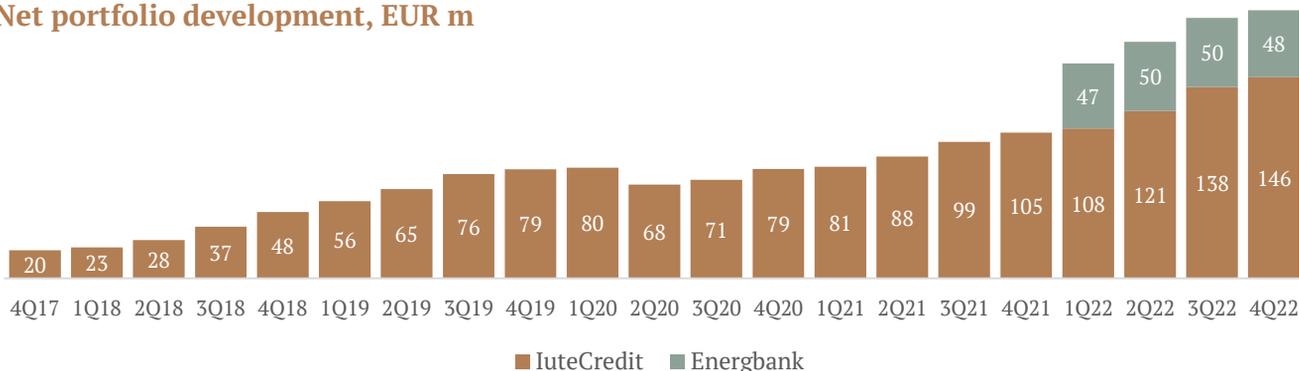
<b>Issuer</b>	IuteCredit Finance S.à r.l. (Luxembourg)
<b>Security type</b>	<b>Senior secured bonds</b>
<b>ISIN</b>	XS2378483494
<b>Offer type</b>	Public offer in Estonia, Latvia, Lithuania
<b>Key guarantors and pledgors</b>	Holding company, IuteCredit Albania, IuteCredit Bosnia Herzegovina, IuteCredit Moldova, IuteCredit North Macedonia
<b>Issue size</b>	Tap issue of max EUR 50m
<b>Coupon rate, frequency</b>	11%, semi-annual
<b>Issue price</b>	<b>96.50 – 99.50</b>
<b>YTM</b>	12.3% - 11.2%
<b>Rollover premium for XS2033386603 bondholders</b>	1%
<b>Maturity</b>	<b>October 6, 2026</b> (3.6 years)
<b>Nominal value</b>	EUR 100
<b>Minimum subscription</b>	<b>EUR 100</b>
<b>Listing</b>	Frankfurt Stock Exchange & Tallinn Stock Exchange Regulated Market
<b>Covenants<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Interest Coverage Ratio at least 1.5x</li> <li>Capitalization Ratio at least 15%</li> </ul>
<b>Law</b>	Luxembourg law
<b>Managers</b>	Signet Bank AS (LV), Bankhaus Scheich Wertpap AG (DE), GOTTEX Brokers SA (CH), Redgate Capital AS (EE), Adamant Capital Partners (BG)

<sup>1</sup> Full list of covenants can be found in the Term Sheet of the Issue

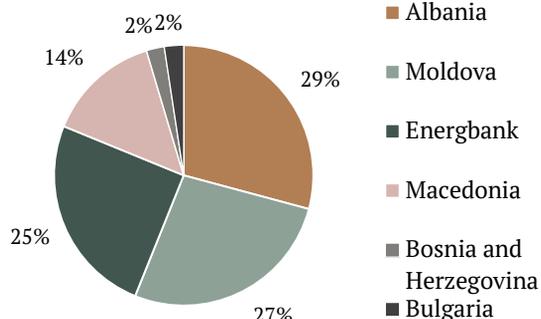
## New eurobond tap issue

- The new tap issue will be in the form of a public offer, registered with CSSF (Luxembourg Financial Regulator). The offer will be available to retail investors in EE, LV and LT and professional investors.
- The proceeds of the new bond issue will be used to refinance existing EUR 50m bonds maturing in August 2023.

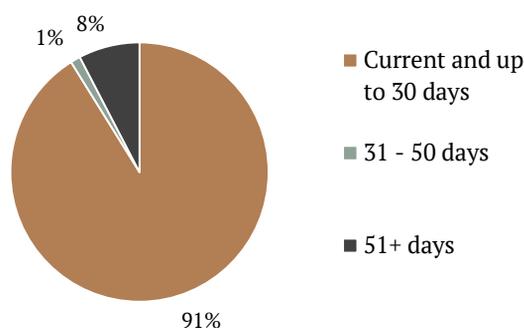
## Net portfolio development, EUR m



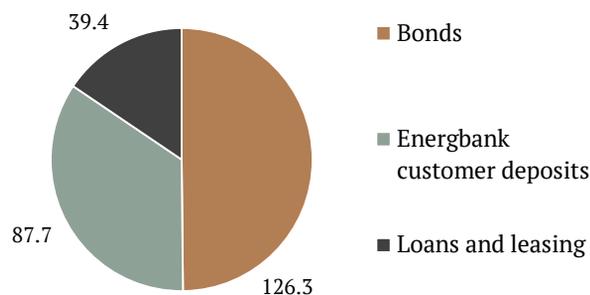
## Net portfolio split by country (31.12.2022)



## Net portfolio by delay buckets (31.12.2022)



## Financing structure, EUR m (31.12.2022)



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