



Consumer lending market review 9M 2024


**SIGNET
BANK**

9M 2024 Consumer lending market review



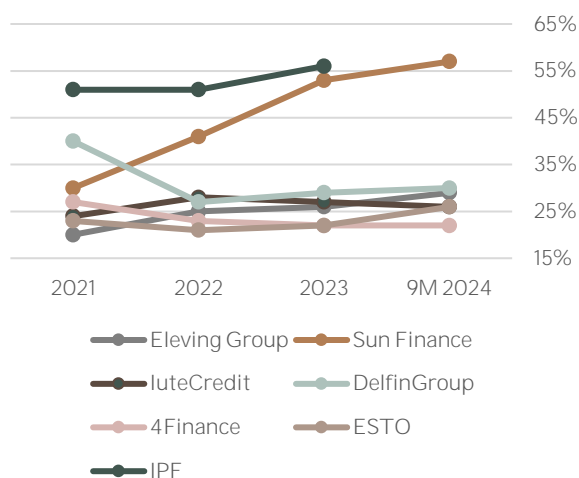
Sector highlights

- On yearly basis the companies continued to expand their loan portfolios driven by expansion of existing businesses and organic growth, though Sun Finance recorded y-o-y reduction for the second quarter in a row. Due to the current macroeconomic environment, companies are placing greater emphasis on credit quality, which has led to a slight deceleration in growth.
- Company costs grew along revenues, as higher interest rates kicked in and inflationary pressures reflected on OpEx. Positively, most of the companies were able to grow revenues ahead of the costs, reflecting reduction of cost-to-income ratio and higher net profits accordingly. This has overall kept the capitalization ratios stable.
- Eleving Group has successfully completed its IPO on the Nasdaq Baltic Stock Exchange and Frankfurt Stock Exchange, becoming the largest private IPO in Latvia. A total of 4,515 investors subscribed to the company's shares for a total of EUR 33 million, with the base offer being oversubscribed by 1.2x. Eleving decided to set the offer size to EUR 29m (full offer of new shares: EUR 30m).
- On November 21, ESTO announced the successful issuance of EUR 15m in Secured Notes due 2026. The proceeds from this issuance were used to refinance EUR 11 million of outstanding senior notes due in 2024.
- Bond prices remained broadly stable q-o-q, with minimal fluctuations observed. Closing the third quarter of the year, the bonds of the companies included in the review saw the range of yields drop marginally, which corresponds with the macroeconomic outlook of expected central bank rate cuts.

Selected companies



Capitalization ratio



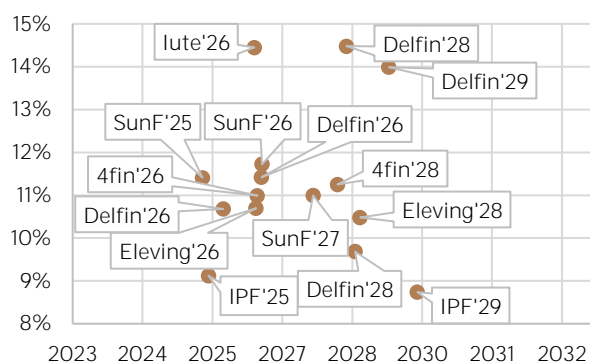
9M 2024 Financial highlights

EUR m	Eleving Group	Sun Finance	Delfin Group	Iute Credit	4Finance	ESTO	IPF ²
Revenue	158.3	200.6	45.6	83.7	384.1	19.4	-
EBITDA	69.8	75.7	15.5	30.9	114.0	10.5	-
Net profit	22.0	40.7	5.4	7.5	37.5	2.9	-
Net loan portfolio	346.2	159.4	107.7	280.9	1,248.2	68.4	-
Total Equity	100.6 ¹	91.1	34.0 ¹	72.1	280.6	17.2 ¹	-

¹Including subordinated loans and bonds

²Publishes results twice a year

Yield to Maturity (YTM)



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9M 2024 Eleving Group

Eleving GROUP



Key parameters

Founded: 2012

Headquarters: Latvia

Net portfolio: EUR 346.2m

Bonds outstanding: EUR 225.0m

Auditor: KPMG Luxembourg (IFRS)

Rating: B from Fitch

Products: Car financing; Consumer loans; Flexible lease and subscription based products

Key markets

- Kenya
- Albania
- Lithuania
- Romania
- Latvia
- Uganda

Financial highlights

- In 9M 2024 the Group has recorded net portfolio of EUR 346.2m, increasing 6% y-o-y, largely reflecting the integration of ExpressCredit (a consumer finance provider in Southern Africa) portfolio of ca. EUR 28m in Q3 2023. The consumer loan segment net portfolio reached EUR 117m (+17% y-o-y), while vehicle finance loan portfolio amounted to EUR 229.2m (+5.5% y-o-y).
- Accordingly, as of the end of 9M 2024, revenues from consumer lending products increased by 48% y-o-y to EUR 70m, traditional lease and leaseback products by 4% y-o-y to EUR 53.1m, while flexible lease and subscription based products increased by 8% y-o-y to EUR 34.8m.
- Growing revenues were coupled by decline of interest rates on the Mintos platform. Net interest income grew by 11% y-o-y to EUR 117 in 9M 2024, exceeding net loan portfolio growth. Potentially, the growing consumer finance share in the loan portfolio (+2pp y-o-y) contributes to relatively higher revenue growth. The Group achieved EBITDA of EUR 69.8m with 12% growth y-o-y, recording EBITDA margin of 44% during 9M 2024, unchanged y-o-y. Net profit for 9M 2024 reached EUR 22m (+13% y-o-y), reflecting higher corporate income tax expense.
- The Group has experienced a slight improvement in the quality of its net loan and used vehicle rent portfolio (excluding consumer lending), with loans past due more than 30 days accounting for 16% of the portfolio by the end of 9M 2024. This marked a decrease from 18% reported at the end of H1 2024. Meanwhile, the net consumer loan portfolio quality saw a decrease, with the net NPL ratio representing 6.7% of the portfolio by the end of 9M 2024, compared to 4.5% at the end of H1 2024.

Other developments

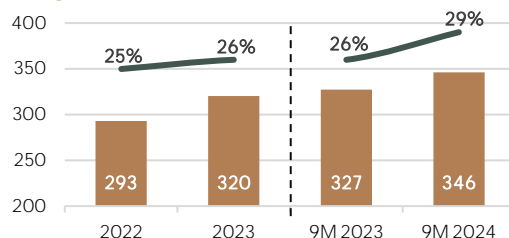
- Eleving Group has successfully completed its IPO on the Nasdaq Baltic Stock Exchange and Frankfurt Stock Exchange, becoming the largest private IPO in Latvia. A total of 4,515 investors subscribed to the company's shares and EUR 29 million was raised, with the base offer being oversubscribed by 1.2x.
- Fitch Ratings has upgraded Eleving Group's Long-Term Issuer Default Rating (IDR) from 'B-' to 'B' with a stable outlook. Also, the Group's senior secured debt rating was upgraded to 'B' with a Recovery Rating 'RR4'.
- During August, Carguru, acquired OX Drive, merging two Latvian car-sharing businesses. Eleving Group holds approximately 36% of the combined entity.
- Eleving Group has redeemed its subordinated unsecured bonds (2021/2031) on November 29, 2024, at 101% of their value, plus accrued interest.

Financial highlights, EUR m

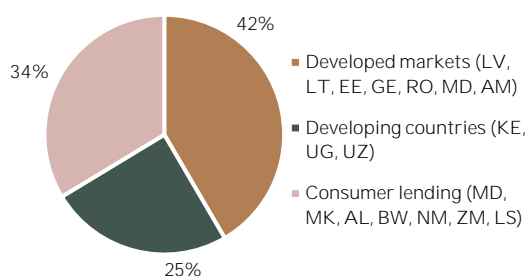
	9M 2023	9M 2024		FY 2022	FY 2023	
Revenue	142.5	157.9	+11%	175.7	189.5	+8%
EBITDA	62.3	69.8	+12%	68.1	81.8	+20%
EBITDA margin	44%	44%	+0pp	39%	43%	+4pp
Net profit	19.4	22.0	+13%	14.6	21.9	+50%
Net loan portfolio	327.3	346.2	+6%	293.0	320.3	+9%
Cash	26.5	27.4	+3%	13.8	27.5	+99%
Adjusted Equity ¹	85.2	100.6	+18%	72.6	81.9	+13%
Total borrowings	306.6	305.2	-1%	272.8	322.1	+18%
EBITDA / Interest expense (>1.25x)	2.3x	2.3x	+0.0x	2.2x	2.2x	+0.0x
Capitalization ratio (>15%)	26%	29%	+3pp	25%	26%	+1pp

¹Including subordinated bonds

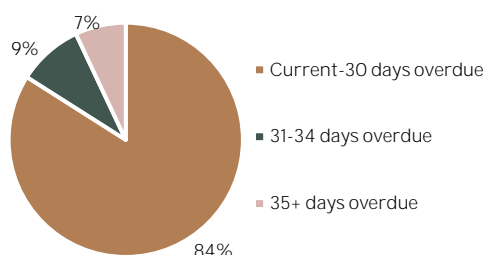
Net loan portfolio and Capitalization ratio, EUR m



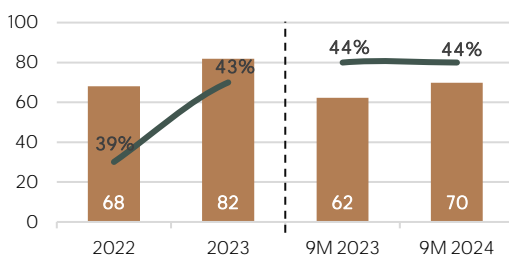
Net loan portfolio split by markets, (30.09.2024)



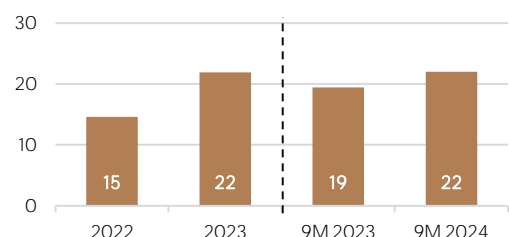
Net car loan portfolio by delay buckets, (30.09.2024)



EBITDA and EBITDA margin, EUR m



Net profit before FX, EUR m



9M 2024 Sun Finance

Key parameters

Founded: 2017

Headquarters: Latvia

Net portfolio: EUR 159.4m

Bonds outstanding: EUR 117.0m

Auditor: Baker Tilly (IFRS)

Products: Short term loans; Line of credit, Installment loans

Key markets

- Latvia
- Poland
- Sweden
- Denmark
- Kazakhstan
- Mexico
- Philippines

Financial highlights

- The Group's net loan portfolio experienced a 17% decline vs 9M 2023, standing at EUR 153.2 m. This reduction was mainly driven by a continuing strategic scaling back of business processes in the Central Asian HUB. As of the end of 9M 2024, the Central Asia HUB represented 7% of the total portfolio, a decrease from 14% at the end of 6M 2024. Consequently, the share of the Europe HUB has increased to 64% from 58%, while, the newest region, African HUB, continues to account for 3.0% of the total portfolio, unchanged from the end of 6M 2024.
- The Group's revenue, continued to be driven by the reduction of exposure in Central Asia HUB market, reached EUR 200.6m in 9M 2024 marking a 11% decrease from 9M 2023.
- The scaling-back of Central Asia HUB is accompanied by a rise in operating expenses, primarily attributed to the overall increase in operational volume and the launch of new markets, leading to a spike in direct costs. As the OpEx expanded ahead of revenues, the cost-to-income ratio increased by 2pp q-o-q, reaching 32%. Driven by a reduction in revenue, the Group's EBITDA for 9M 2024 reached EUR 75.7m, marking an 13% y-o-y decrease, with the EBITDA margin remaining stable, standing at 38% at the end of 9M 2024.
- The Group finished 9M 2024 with a net profit of EUR 40.7m, marking a 21% y-o-y decrease. However, the deteriorating bottom line is strengthened by the Group's capitalization ratio, which stood at 57% as of the end of H1, reflecting a notable 12 pp y-o-y increase.
- Cost/income ratio reached 29.4% for the period, up by 5% compared to 9M 2023. New product development and the shift in geographic scope of operational markets contributed to the increase in the ratio.

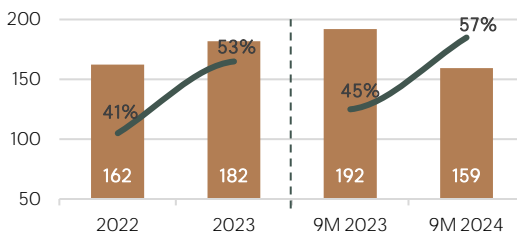
Other developments

- In March, Sun Finance was once more recognized as one of the Fastest Growing European Companies by The Financial Times, maintaining its position in the ranking for the 4th consecutive year - a notable achievement not only for the Baltic region but also at the European level.
- In April, the Group achieved a significant milestone, reaching EUR 3 billion in loans issued to customers since the company's inception.
- Towards the end of May, the Group registered a new senior unsecured bond issue of up to EUR 40m to refinance the 3-year EUR 20m bonds maturing on 30 June 2024, as well as to support new product development and further geographic expansion. The new bond issue, maturing in November 2027, has been organized as a private placement with an 11% coupon rate, paid monthly.

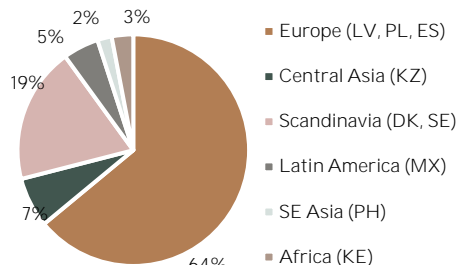
Financial highlights, EUR m

	9M 2023	9M 2024		FY 2022	FY 2023	
Revenue	225.3	200.6	-11%	273.9	306.8	+12%
EBITDA	86.6	75.7	-13%	107.3	119.4	+11%
EBITDA margin	38%	38%	+0pp	39%	39%	+0pp
Net profit	51.8	40.7	-21%	65.5	71.5	+9%
Net loan portfolio	191.9	159.4	-17%	162.3	181.8	+12%
Cash	22.7	32.7	44%	8.7	22.6	+159%
Adjusted Equity	85.6	91.1	6%	66.0	96.0	+45%
Total borrowings	140.1	117.4	-16%	122.4	126.4	+3%
EBITDA / Interest expense (>1.75x)	7.2x	5.6x	-1.6x	8.6x	6.5x	-0.7x
Capitalization ratio (>20%)	45%	57%	+12pp	41%	53%	+8pp

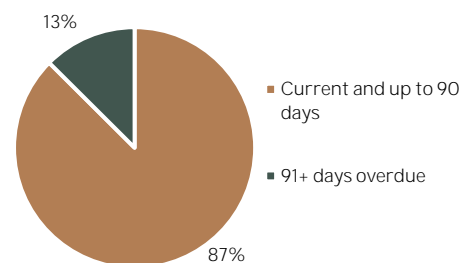
Net loan portfolio and Capitalization ratio, EUR m



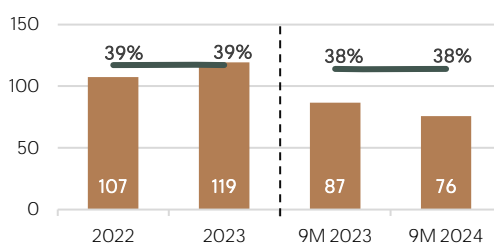
Net loan portfolio split by markets (30.09.2024)



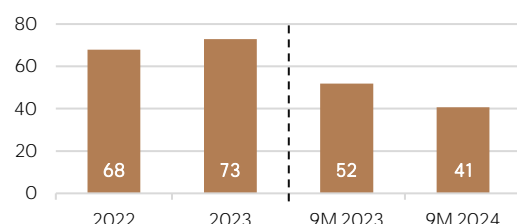
Gross portfolio by delay buckets, (30.09.2024)



EBITDA and EBITDA margin, EUR m



Net profit before FX, EUR m



9M 2024 DelfinGroup



Key parameters

Founded: 2009

Headquarters: Latvia

Net portfolio: EUR 107.7m

Bonds outstanding: EUR 50m

Auditor: KPMG Baltics (IFRS)

Products: Pawn broking loans;
Consumer loans; Sale of pre-owned goods

Key markets

- Latvia
- Lithuania

Financial highlights

- In Q3 2024, DelfinGroup successfully expanded its net loan portfolio, despite profits staying relatively stable amid ongoing credit loss expense pressure and growing OpEx. Loan issuance increased by 13% year-on-year, reaching EUR 26.5m during 9M 2024. The pawn-loans issuance had quite decent upside of 9% y-o-y, meanwhile, consumer loan issuance exhibited similar increase of 13% y-o-y. Net loan portfolio increased by 27% y-o-y. Given the relative high loan portfolio growth compared to loan issuance, the loan portfolio is partly driven by the increase in average ticket and term size of loans. Retail sales of pre-owned goods in Q3 2024 grew by 15% y-o-y and reached EUR 4.5m. During 9M 2024, Group achieved a 25% year-on-year revenue growth, reaching EUR 45.6m.
- Net interest income outpaced net portfolio growth, reaching EUR 38.4m (+27% y-o-y). Retail of pre-owned goods showed decent upside, reaching EUR 4.5m, gross margin of pre-owned goods declined to 30.9% (+5.1 pp y-o-y), likely attributed to sales promotions and discounting strategies.
- Credit loss expenses rose 37% year-over-year to EUR 11m, outpacing loan portfolio growth by 10%. This increase reflects the current macro environment and the quality of new loans, necessitating higher provisions. The NPL ratio also grew to 3.6% in Q3 2024 (+0.7pp from Q3 2023), requiring further credit loss provisions, though NPL fluctuations may occur due to the timing of loan cessations, however NPL ratio is below the Group's internally set target of 7%.
- Operating expenses increased to EUR 15.2m (+24% y-o-y), partly driven by entry into the Lithuanian market, reflecting additional salary and marketing costs. However, the Group managed to grow its revenue streams ahead of OpEx, with the Q3 2024 cost-to-income ratio declining to 46.6% (-0.6 pp y-o-y, -0.3 pp q-o-q). Nonetheless, higher credit loss expense limited bottom line profitability with operating profit amounting to EUR 5.2m (+15% y-o-y, +4% q-o-q).
- Net profit was relatively unchanged and amounted to EUR 5.4m (+1% y-o-y, -1.7% q-o-q) during Q3 2024; however, the bottom line is negatively impacted by Latvia's new CIT policy, which taxes full profit rather than just distributed dividends, affecting financial institutions.

Other developments

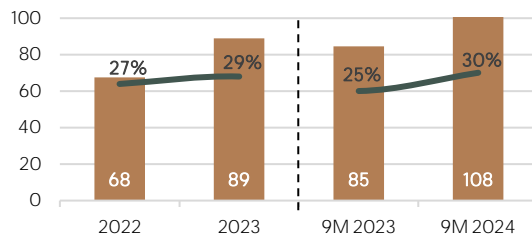
- In June 2024 via public offering, DelfinGroup's major shareholders, AS ALPPES Capital and SIA Curiosity, sold 8.3m shares at a 92% subscription rate, raising EUR 9m. They offered up to 19.8% of the Group at EUR 1.09, 12.8% below the three-month average. After the sale, DelfinGroup's free float increased to 47.6%.
- DelfinGroup successfully refinanced its EUR 10m bond maturing in September 2024 by issuing a new EUR 15m bond with a 10% fixed interest rate through a public offering, which attracted strong demand of EUR 22.3m from over 2,700 investors.
- DelfinGroup listed two new bond issues on Nasdaq First North on November 7, 2024. With EUR 15m unsecured bonds carrying a 9% + 3M EURIBOR coupon and mature on November 25, 2026. The EUR 5m subordinated bonds offer 11.5% + 3M EURIBOR and mature on July 25, 2028.

Financial highlights, EUR m

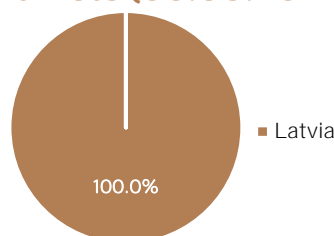
	9M 2023	9M 2024		FY 2022	FY 2023	
Revenue	36.9	45.6	+24%	35.8	50.4	+41%
EBITDA	13.1	15.5	+18%	13.1	18.2	+39%
EBITDA margin	35%	34%	-1pp	37%	36%	-1pp
Net profit	5.3	5.4	+2%	6.0	6.6	+10%
Net loan portfolio	84.6	107.7	+27%	67.5	89.0	+32%
Cash	3.2	5.5	+72%	2.4	5.9	+146%
Adjusted Equity ¹	21.0	34.0	+62%	18.1	26.1	+44%
Total borrowings	71.3	82.2	+15%	54.0	72.2	+34%
EBITDA / Interest expense (>1.5x)	2.2x	1.9x	-0.3x	2.8x	2.1x	-0.7x
Capitalization ratio (>25%)	25%	30%	+5pp	27%	29%	+2pp

¹Including subordinated bonds

Net loan portfolio and Capitalization ratio, EUR m

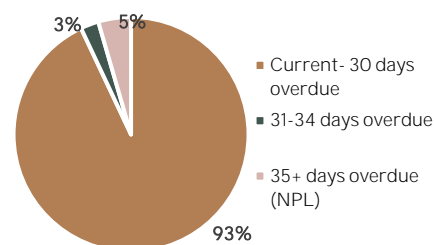


Net loan portfolio split by markets (30.09.2024)*

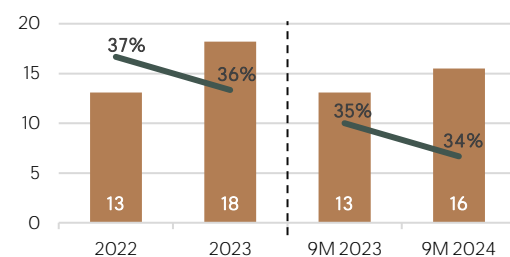


*The distribution of the loan portfolio does not include data on pawn loans in Lithuania, as DelfinGroup does not report this separately. The share is estimated to be very small and does not significantly impact the overall portfolio structure.

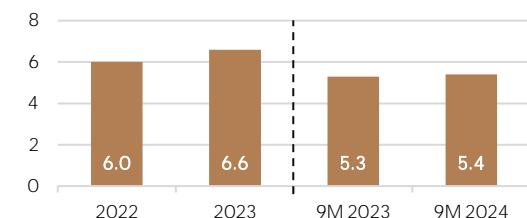
Gross consumer loan portfolio by delay buckets (30.09.2024)



EBITDA and EBITDA margin, EUR m



Net profit, EUR m



Key parameters

Founded: 2017

Products: Buy now pay later (BNPL)

Headquarters: Estonia

Net portfolio: EUR 68.4m

Key markets

Bonds outstanding: EUR 16m

• Estonia

• Lithuania

Auditor: KPMG Baltics (IFRS)

• Latvia

Financial highlights

- During 9M 2024 the Group continued to grow its operational volumes with GMV reaching EUR 123.2m (+4% y-o-y), volume of transactions coming at EUR 719.5m (+81% y-o-y) and issued EUR 62.2m of loans (+18% y-o-y). Accordingly, net loan portfolio increased to EUR 68.4m (+18% y-o-y), retaining provision cost to loan portfolio stable at 2%, keeping NPL ratio below 1% at 0.6%.
- Higher operational volumes are reflected in ESTO revenues which reached EUR 23m during 9M 2024 increasing 31% y-o-y. The Group's interest income increased by 34%, reaching EUR 11.2m, while fee and commission income surged by 38%, reaching EUR 2.3m during the same period. During Q3, the Group comments that it achieved its highest-ever quarterly revenue, EBITDA, and net profit.
- During 9M 2024, the Group witnessed an increase in expenses and income across all major categories, with income growing faster than expenses, reflected by improving cost-to-income ratio, which was at 22%, down by 5pp y-o-y. Interest income grew by 32% y-o-y. OpEx saw major upward trajectory with personnel expenses rising by 18% y-o-y, other expenses by 36% y-o-y. Consequently, the Group achieved an EBITDA of EUR 10.5m, reflecting a notable growth of 65% y-o-y, and improved EBITDA margin by 10pp y-o-y to 46%.
- The Group's net profit during 9M 2024 exhibited a triple-digit growth, reaching EUR 5.1m, representing increase of 133% y-o-y. This growth consequently led to a notable improvement in the Group's capitalization ratio, which stood at 26% as of the end of 9M 2024, compared to 22% reported as of the end of 9M 2023 (+4pp y-o-y). The Group's interest coverage ratio, currently at 2.0x, has seen a rise of 0.5x relative to its 1.5x mark at the end of 9M 2024.

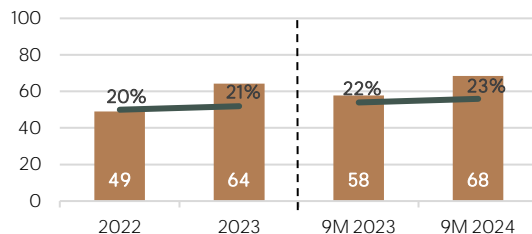
Other developments

- On May 28, 2024, ESTO announced an extension of its partnership with Multitude Bank p.l.c., increasing the debt facility from EUR 14m to a total of EUR 20m. This expanded facility enhances the initial partnership, which began in 2022 with a commitment of EUR 14m to support the growth of ESTO's portfolio.
- On September 16 and October 7, 2024, ESTO announced a partial early redemption of bonds totaling EUR 2m and EUR 3m, therefore decreased the outstanding EUR 15m bond issue to EUR 11m, which was set to mature in November 2024.
- In November 2024, ESTO, announced the successful issuance of EUR 15m in Secured Notes due 2026. The proceeds from this issuance was used to refinance EUR 11m of outstanding notes due in November 2024.

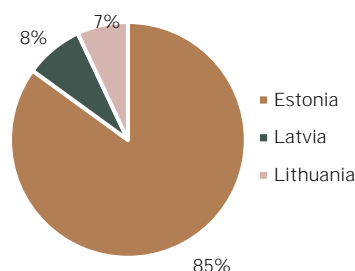
Financial highlights, EUR m

	9M 2023	9M 2024		FY 2022	FY 2023	
Revenue	17.5	23.0	+31%	9.5	20.0	+111%
EBITDA	6.4	10.5	+64%	3.8	8.7	+129%
EBITDA margin	36%	46%	+10pp	41%	43%	+2pp
Net profit	2.2	5.1	+133%	0.8	2.9	+263%
Net loan portfolio	56.3	68.4	+21%	49.0	64.4	+31%
Cash	2.6	3.5	+35%	0.9	2.4	+167%
Adjusted Equity	12.7	19.5	+54%	10.4	14.3	+38%
Total borrowings	50.1	57.5	+15%	41.5	54.3	+31%
EBITDA / Interest expense (>1.5x)	1.5x	2.0x	+0.5x	1.3x	1.5x	+0.2x
Capitalization ratio (>20%)	22%	26%	+4pp	20%	21%	+1pp

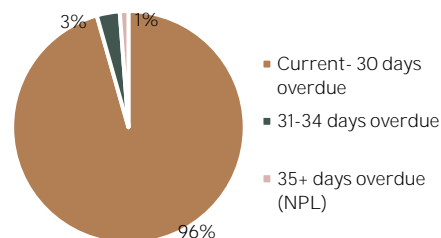
Net loan portfolio and Capitalization ratio, EUR m



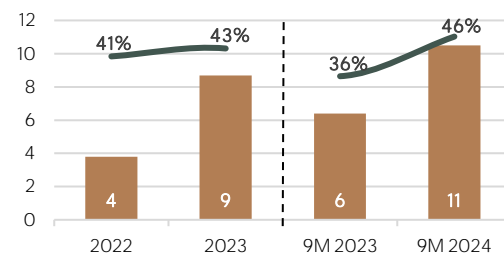
Net loan portfolio split by countries, Q1



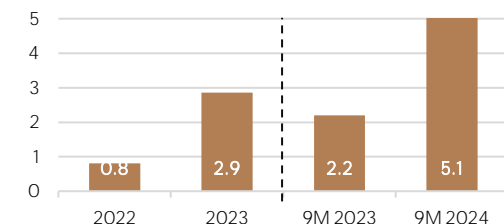
Net loan portfolio by delay buckets, Q1



EBITDA and EBITDA margin, EUR m



Net profit, EUR m



9M 2024 luteCredit



Key parameters

Founded: 2008

Headquarters: Estonia

Net portfolio: EUR 280.9m

Bonds outstanding: EUR 125m

Auditor: KPMG Luxembourg (IFRS)

Products: Dealer loans; Cash loans;
Car loans; Bank

Key markets

- Moldova
- North Macedonia
- Bulgaria
- Albania
- Bosnia and Herzegovina

Financial highlights

- During 9M 2024, lute Group reported solid portfolio growth across all markets, with the total net loan portfolio standing at EUR 280.9m, marking a sharp 21% increase y-o-y. luteCredit's share in the total net loan portfolio is stable at 70%, while Energbank holds the remaining 30%, increasing from 26.2% since H1 2023. The surge in the net loan portfolio stemmed from the expansion of the Albanian and Bulgarian portfolios.
- While the Group's net loan portfolio experienced solid growth, up 21% y-o-y, its quality also showed slight improvement, with current loans and those due within 30 days comprising 94% of the portfolio by the end of the period, compared to 92% at the end of 2023.
- Due to heightened pressures from competition and potentially higher quality loans requiring lower rates, the Group's interest income has suffered slightly. Group's net interest and commission fee income amounted to EUR 47.6m, decreasing by 1% y-o-y, while the cost of debt remains high and interest expense increased to EUR 20.8m or 0.6% y-o-y.
- Cost to revenue ratio saw an increase to 43.3%, up 1.6pp y-o-y, as a result of lower income from government bonds and central bank deposits at Energbank while turnaround of operations slower than expected.
- All in all, the Group reported net operating income of EUR 42.8m, up 7% y-o-y, while profit before tax amounted to EUR 8.9m, down 18.1% y-o-y. Net profit in 9M 2024 amounted to EUR 7.5m, falling by 20% y-o-y. The sharp drop is explained by increased OpEx, decreased interest income and exceptionally high FX gain accounted for in the previous period.
- The equity to net loan portfolio ratio in 9M 2024 decreased slightly to 25.7% from 27.5% at the end of 2023, still exceeding Eurobond covenant of at least 15% with notable margin. However, ICR has stayed at the same level y-o-y, remaining at the covenant level of 1.5x.

Other developments

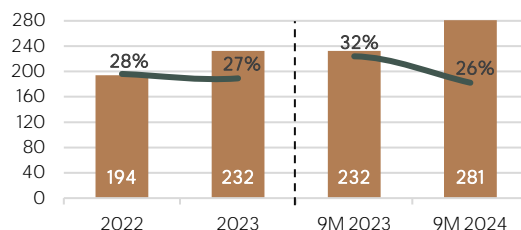
- In 9M 2024, the Group remains committed to its annual financial targets, aiming for a net loan portfolio of EUR 281m, and a net profit of EUR 10m at the end of 2024, mentioning that the previous target of net profit of EUR 15m seems beyond reasonable expectations.
- In July 2024, Fitch Ratings assigned a B- Long-Term Default Rating and a B- Senior Secured Debt Rating for EUR bond 2021/2026.
- Wallet services and digital insurance brokerage continue to grow significantly faster than lending business – further acceleration is expected by the management.

Financial highlights, EUR m

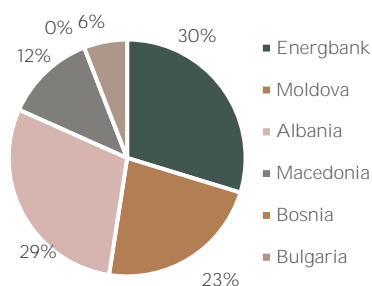
	9M 2023	9M 2024		FY 2022	FY 2023	
Revenue	78.8	83.9	+6%	89.6	106.3	+19%
EBITDA	34.3	33.1	-3%	31.7	40.2	+27%
EBITDA margin	39%	37%	-2pp	35%	38%	+3pp
Net profit	9.3	7.5	-19%	17.1	10.3	-40%
Net loan portfolio	232.2	280.9	+21%	193.9	232.2	+20%
Cash	71.6	68.3	-5%	65.6	71.7	+9%
Adjusted Equity	63.8	72.1	+13%	53.6	63.8	+19%
Total borrowings	279.5	321.7	+15%	253.4	293.0	+16%
EBITDA / Interest expense ¹ (>1.5x)	1.5x	1.5x	+0.0x	1.7x	1.7x	+0.0x
Capitalization ratio (>15%)	32%	26%	-6pp	28%	27%	-1pp

¹Adjusted for non-operating items in accordance with terms and conditions

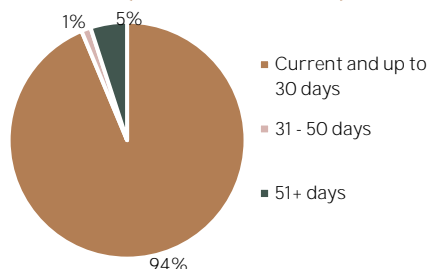
Net loan portfolio and Capitalization ratio, EUR m



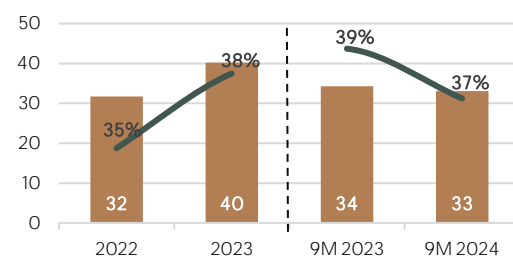
Net loan portfolio split by markets (30.09.2024)



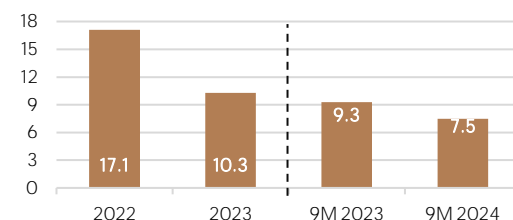
Net loan portfolio by delay buckets (30.09.2024)



EBITDA and EBITDA margin, EUR m



Net profit before FX, EUR m



Key parameters

Founded: 2008

Headquarters: Latvia

Net portfolio: EUR 1,248.2m

Bonds outstanding: EUR 325m

Auditor: PKF Audit & Conseil (IFRS)

Rating: B- S&P, B2 Moody's, B Fitch

Products: Short-term loans, Credit lines, Consumer loans, Bank

Key markets

- Spain
- Latvia
- Lithuania
- Romania
- Bulgaria
- Czech Republic

Financial highlights

- Online loan issuance has remained overall steady with issued loans decreasing slightly by 0.1% y-o-y to EUR 423.5m, which reflects less active expansion in new markets. TBI on another hand has recorded more visible loan issuance growth of 28% y-o-y, amounting to EUR 832.8m, reflecting growth in both core and new markets.
- Loan portfolio reached EUR 1,248.2m, increasing 22% y-o-y. TBI Bank segment's share of the Group's total net loan portfolio declined to 87%, down from 88% in 2023. The Group's impairment expense during 9M 2024 has showed slower growth relative to the loan issuance, amounting to EUR 126.8m and marking a 15% y-o-y increase. The annualized cost of risk has slightly improved to 12.9% by 1.2pp y-o-y. However, the Group's NPL ratio has increased to 10.1%, up 0.2pp y-o-y.
- Net interest income during 9M 2024 amounted to EUR 269m growing 12% y-o-y, recording slower growth compared to net loan portfolio. 4finance recorded a significant 50% increase in net fee and commission income. It's important to highlight that the majority of net fee and commission income is derived from TBI Bank's insurance sales to its customers. All in all revenues reached EUR 384.1m, increasing 17% y-o-y.
- Cost to income ratio stood at 22% for 9M 2024, an improvement from 27% in 9M 2023, despite total operating costs increasing by 11% y-o-y. Overall, the achieved operational efficiency drove net profit to EUR 37.5m in 9M 2024, increasing 42% y-o-y.
- During 9M 2024, the Group's capitalization ratio did not change, staying at 22% by the end of the period. The interest coverage ratio in 9M 2024 was 2.0x, a 0.1x decrease from 9M 2023, currently at the bond covenant threshold of 2.0x.

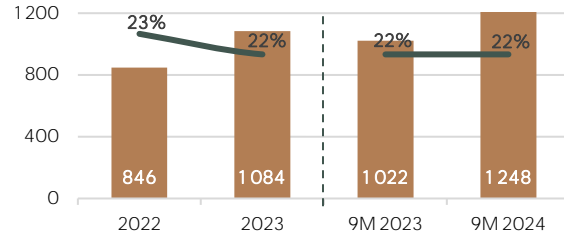
Other developments

- In May 2024 the Group received new credit rating of 'B' assigned by Fitch with stable outlook.
- The Group is seeking to acquire a non-bank financial corporation in India, marking a strategic move to expand its presence in the rapidly growing financial services market. 4finance has already signed a Sale and Purchase Agreement (SPA) for the acquisition. According to management, the deal is now pending regulatory approval, with the necessary licensing process expected to take approximately six months to complete. This acquisition aligns with the Group's broader goal of diversifying its operations and entering new, high-potential markets.
- The Group is planning to expand into new markets – Mexico (first loan issued in Oct 2023, market already demonstrated potential, India (looking to start issuing sub-prime, 3–6 months, installment loans in Q1 2025 and Georgia (on track to start a pilot auto-lending program in Q1 2025).
- The Group's EUR 2028 bonds were listed on the Nasdaq Baltic First North on 29 August.

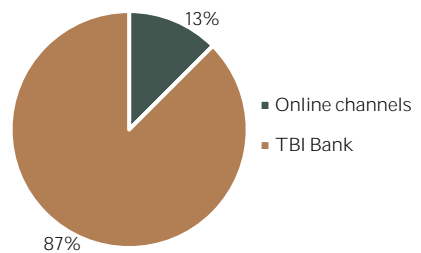
Financial highlights, EUR m

	9M 2023	9M 2024		FY 2022	FY 2023	
Revenue	326.9	384.1	+17%	358.9	455.2	+27%
EBITDA	93.0	114.0	+23%	112.3	137.1	+22%
EBITDA margin	28%	30%	+2pp	31%	30%	-1pp
Net profit	26.4	37.5	+42%	34.7	44.1	+27%
Net loan portfolio	1022.2	1248.2	+22%	846.4	1,084.4	+28%
Cash	217.0	284.9	+31%	221.6	261.6	+18%
Total Equity	226.6	280.6	+24%	198.6	241.7	+22%
Total borrowings	301.5	333.3	+11%	284.8	301.6	+6%
EBITDA / Interest expense (>2.0x)	2.1x	2.0x	-0.1x	2.5x	2.1x	-0.4x
Capitalization ratio	22%	22%	+0pp	23%	22%	-1pp

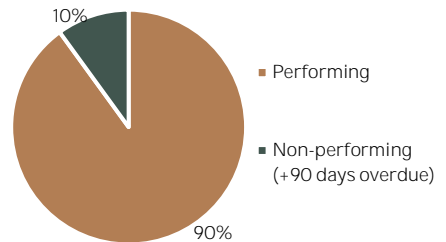
Net loan portfolio and Capitalization ratio, EUR m



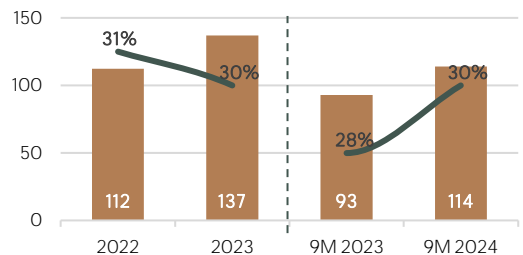
Net loan portfolio split by markets (30.09.2024)



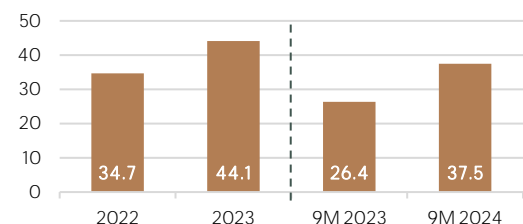
Gross loan portfolio by delay buckets (30.09.2024)



EBITDA and EBITDA margin, EUR m



Net profit before FX, EUR m

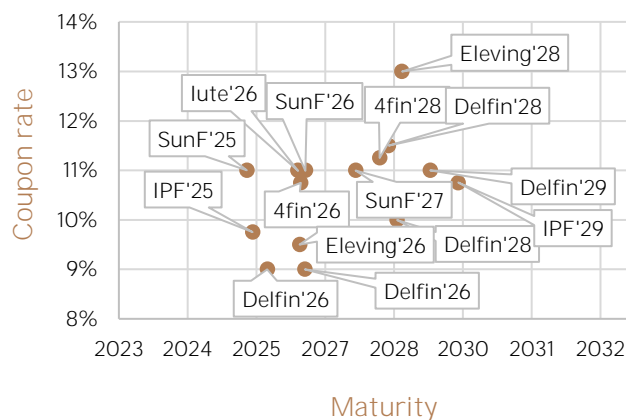
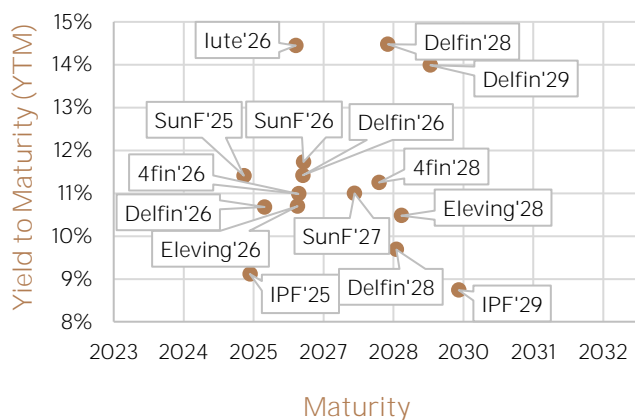


Current bond issues



Company	Issuer	ISIN	Maturity	Coupon	Issue size, EUR	YTM ¹	BID Price	Call option	Collateral	Listing
Eleving	Eleving Group S.A. (Luxembourg)	XS2393240887	18.10.2026	9.50%	150m	10.70%	98.00	Call @104.75% (18.10.2024); @102.375% (18.10.2025); @100% after	Secured	Frankfurt Stock Exchange and Nasdaq Riga
		DE000A3LL7M4	31.10.2028	13.00%	50m	10.48%	102.00	Call @103% (31.10.2025); @102% (31.10.2026); @101% (31.10.2027); @100 after	Secured	Frankfurt Stock Exchange and Nasdaq Riga
Sun Finance	Sun Finance Treasury Ltd. (Malta)	LV0000860112	30.09.2025	11% + 3M EURIBOR	50m	11.41%	102.00	Call @102% (30.09.2025) @101% (30.09.2024)	Senior Unsecured	Nasdaq First North
		LV0000802692	30.11.2026	11% + 3M EURIBOR	27m	11.73%	104.00	Call @102% (30.06.2024) @100.5% (31.08.2026)	Senior Unsecured	Nasdaq First North
		LV0000803187	30.11.2027	11%	40m	11.00%	100.00	Call @102% (31.05.2027) @100% (30.06.2027)	Senior Unsecured	Nasdaq First North
lutecredit	luteCredit Finance S.a r.l. (Luxembourg)	XS2378483494	06.10.2026	11%	125m	14.45%	94.50	Call @105.5% (06.10.2025); @102.75% after	Secured	Frankfurt Stock Exchange and Nasdaq Tallinn
		LV0000802718	25.02.2026	9.00% + 3M EURIBOR	15m	10.68%	101.50	Call @101% (25.02.2024)	Senior Unsecured	Nasdaq First North
delfin group	AS Delfin Group (Latvia)	LV0000860146	25.11.2026	9.00% + 3M EURIBOR	15m	11.42%	101.00	Call @101% (25.05.2024)	Senior Unsecured	Nasdaq First North
		LV0000802700	25.07.2028	11.50% + 3M EURIBOR	5m	14.48%	100.00	Call @101% (on every coupon payment day)	Subordinated	Nasdaq First North
		LV0000870145	25.05.2029	11.00 + 3M EURIBOR	5m	13.99%	100.00	Call @101% (on every coupon payment day)	Subordinated	-
		LV0000803914	25.09.2028	10.00%	15m	9.69%	100.50	Call @102% (20.09.2025)	Senior Unsecured	Nasdaq Reg Market
FINANCE	4finance S.A. (Luxembourg)	XS1417876163	23.05.2028	11.25%	150m	11.25%	100.00	Call @104% (23.12.2018); @103% (23.11.2024); @102% (23.05.2025); @100% (23.05.2026)	Senior Unsecured	Frankfurt Stock Exchange
		NO0011128316	26.10.2026	10.75%	175m	10.99%	99.60	Call @105.375% (26.04.2025); @102.688% (26.10.2025); @101.344% (26.04.2026); @100% after	Senior Unsecured	Nasdaq Stockholm
International Personal Finance plc	International Personal Finance plc (United Kingdom)	XS2256977013	12.11.2025	9.75%	66m	9.12%	100.50	Call @104.875 (12.11.2022); @102.4375% (12.11.2023); @100% after	Senior Unsecured	London Stock Exchange
		XS2835773255	14.12.2029	10.75%	341m	8.74%	108.10	Call @104.68% (14.06.2026); @102.1805% (14.06.2027); @100% after	Senior Unsecured	London Stock Exchange
esto	ESTO Holdings OU (Estonia)	EE3300005065	20.11.2026	12.00%	15m	11.43%	101.00	Call @102% (22.11.2025); @100.25% (22.08.2024)	Secured	-

¹Source: Bloomberg, Nasdaq Riga. Data as of 10th December 2024





Signet Bank AS

Antonijas street 3
Riga, LV 1010, Latvia

Phone: +371 67080 000

Email: info@signetbank.com

www.signetbank.com