

**INVESTOR PRESENTATION
FOR 2017Q4 RESULTS**



ExpressCredit

Banknote

MoneyMetro

February 2018

Disclaimer

- ◆ This document (the “Presentation”) has been prepared for the sole purpose of providing an overview of 2017Q4 results of SIA ExpressCredit, which, together with its subsidiaries, is further referred to herein as “ExpressCredit” or the “Company”, to current and prospective investors in bonds issued by the Company.
- ◆ This Presentation is of selective nature and is made to provide an overview of the Company’s business, based on 2017Q4 results. Unless stated otherwise, the information in this Presentation is provided from consolidated perspective.
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Snapshot as at 31 December 2017



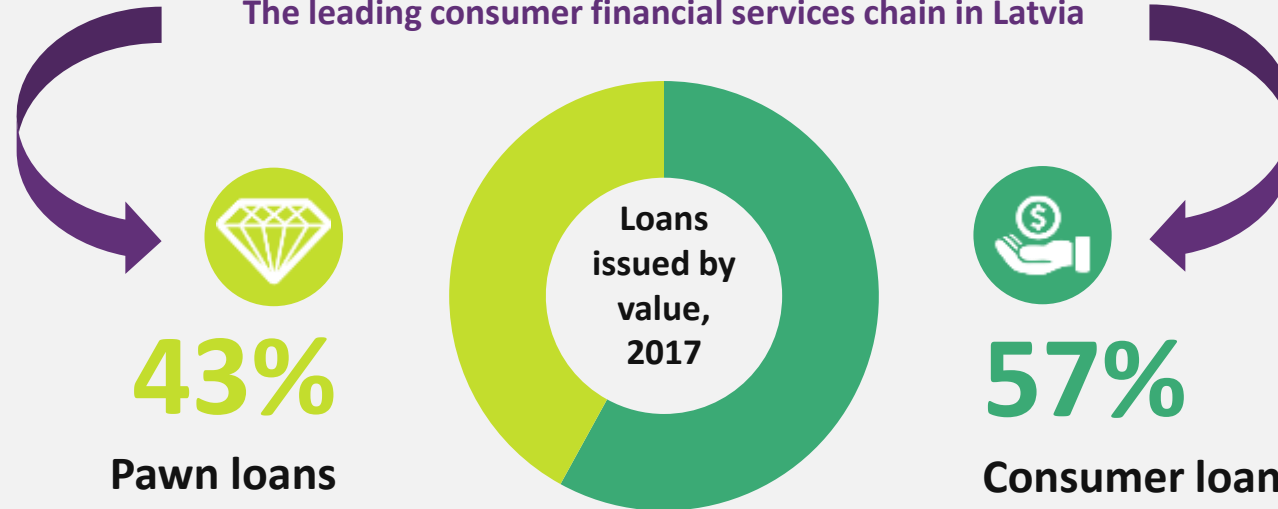
Banknote

MoneyMetro

Originally established in 2009 as a pawn broking chain

The leading consumer financial services chain in Latvia

3rd largest non-bank consumer lender in Latvia¹



320,000+

Total unique registered customers



270

Employees, 31 December 2017



EUR 15.8m

Net loan portfolio, 31 December 2017



37%

Growth in net loans y-o-y, 2017Q4



2,500,000+

Total number of loans issue transactions



90

Branches, 31 December 2017



EUR 34.9m

Value of loans issued, 2017



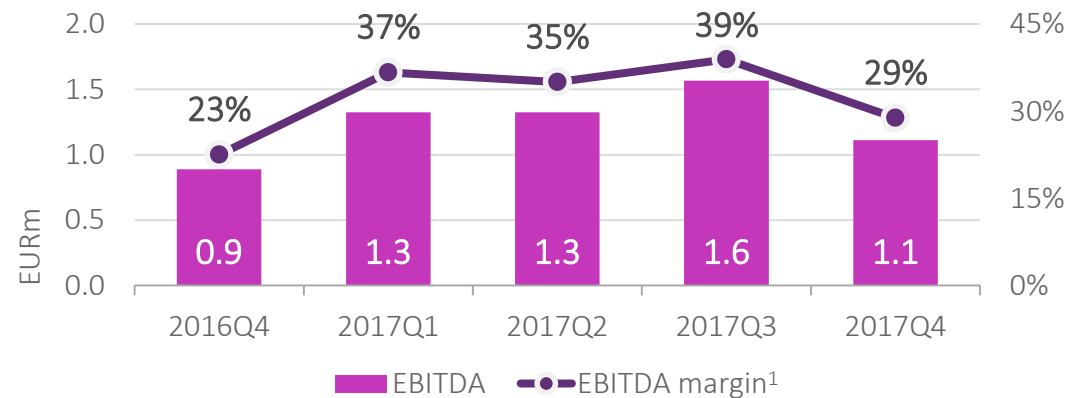
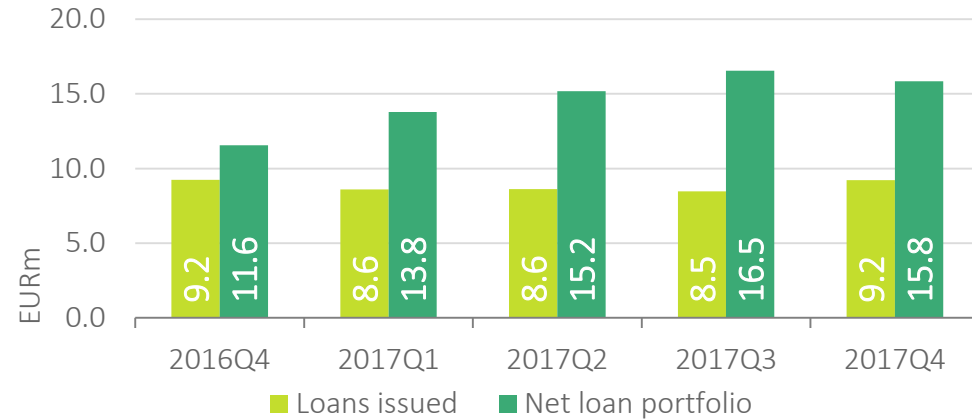
EUR 5.3m

EBITDA, 2017



1) Based on reported annual revenue of licenced non-bank consumer lenders in 2016

2017Q4 highlights



Launched online lending operations thus attracting new clients and improving service for existing clients



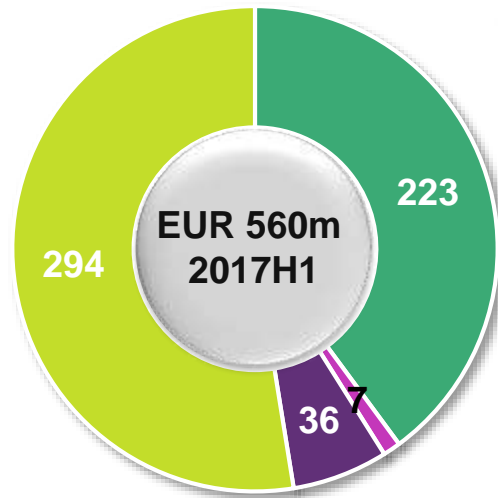
Changed approach and cooperation with debt recovery companies improving **non-performing loans ratio** in portfolio



Simplicity, accessibility, respect and progress – new values reworked along with mission and vision in accordance with the new services offered

2017Q4 highlights: Market overview latest update

Loan portfolio of Latvian non-bank lenders



- Consumer (incl. online)
- Pawn
- Mortgage
- Leasing, car title

Consumer loans



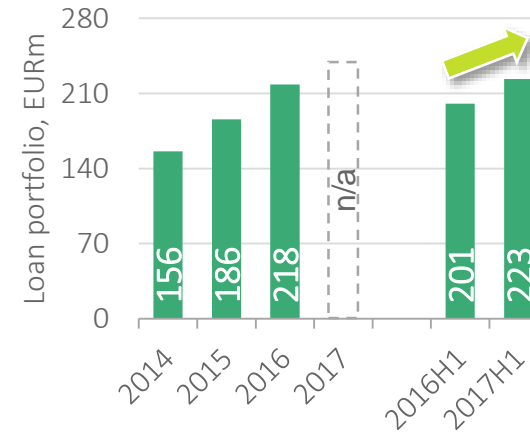
- ◆ Fast-growing segment
- ◆ Banknote grows even faster
- ◆ 6% market share¹



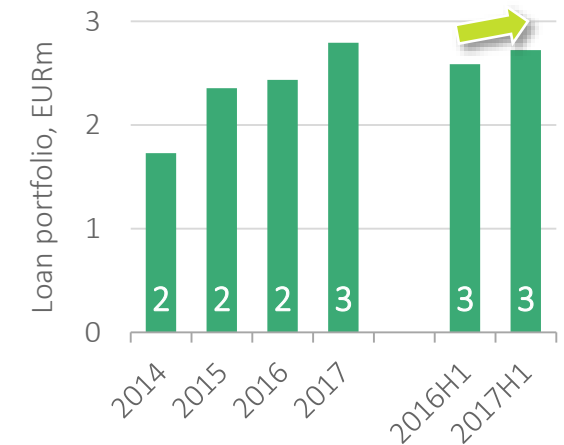
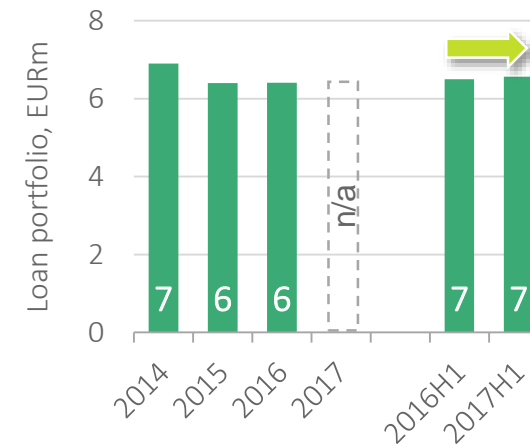
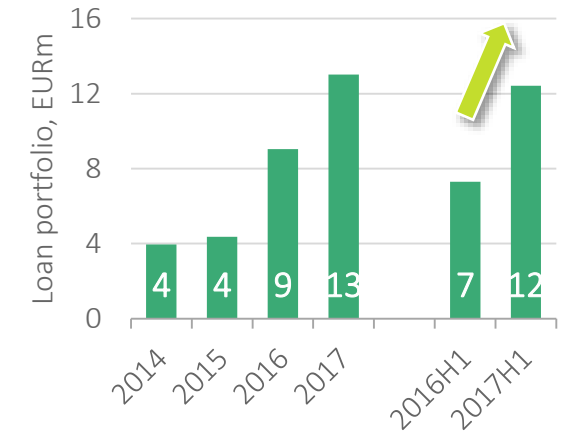
Pawn loans

- ◆ Stable segment
- ◆ Banknote is the leading player
- ◆ 41% market share¹

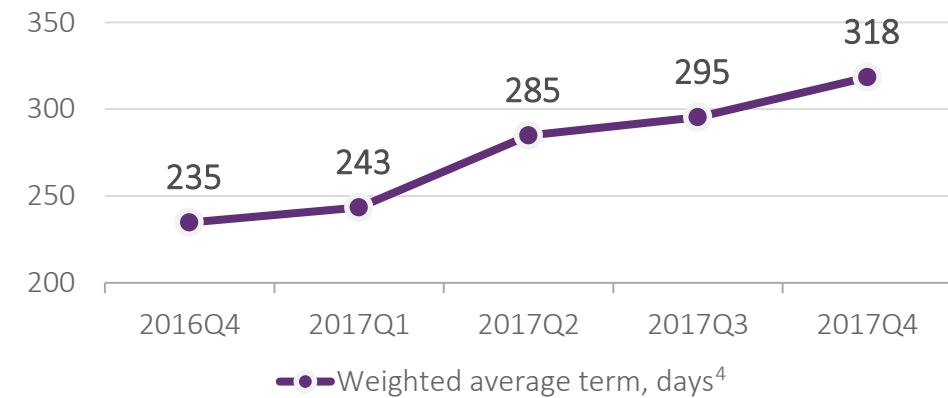
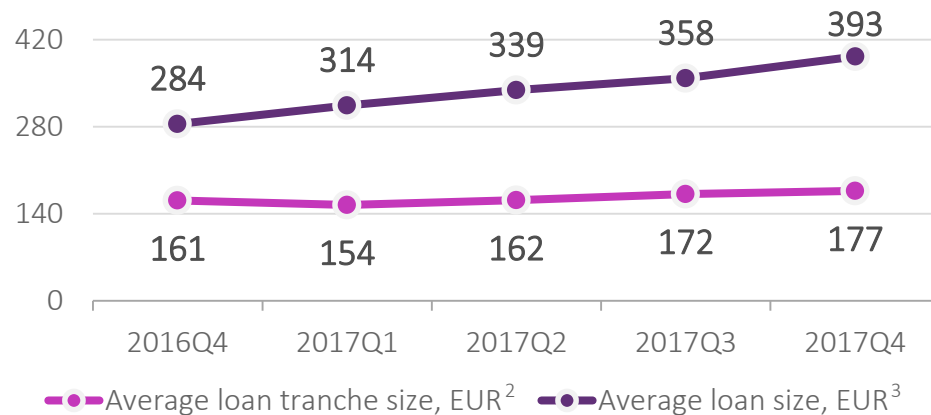
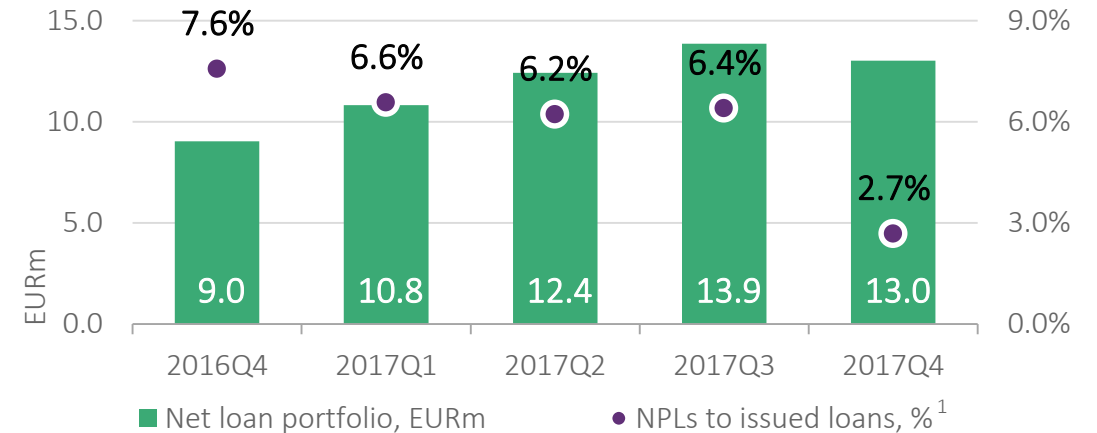
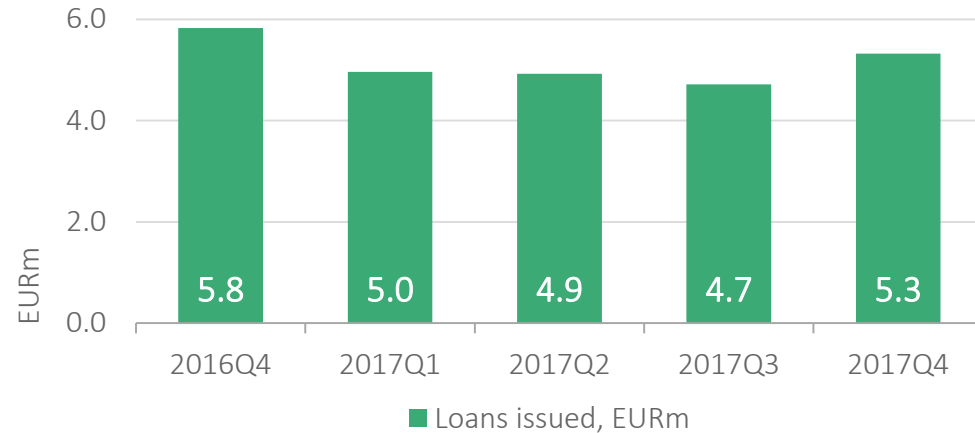
Industry



ExpressCredit²

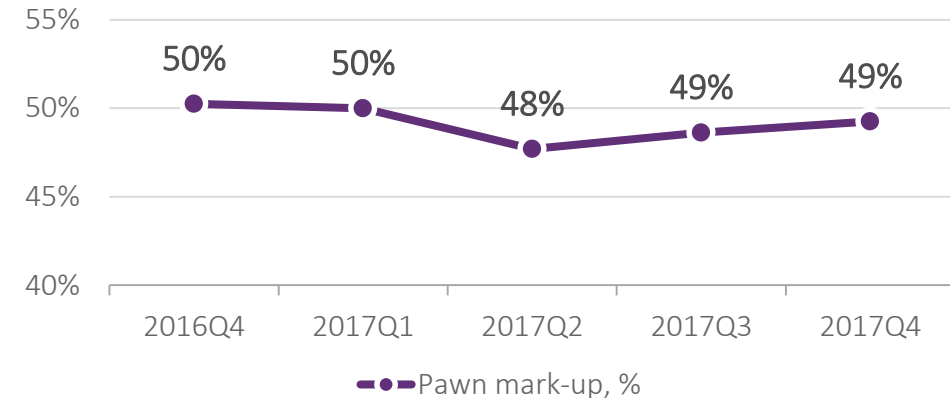
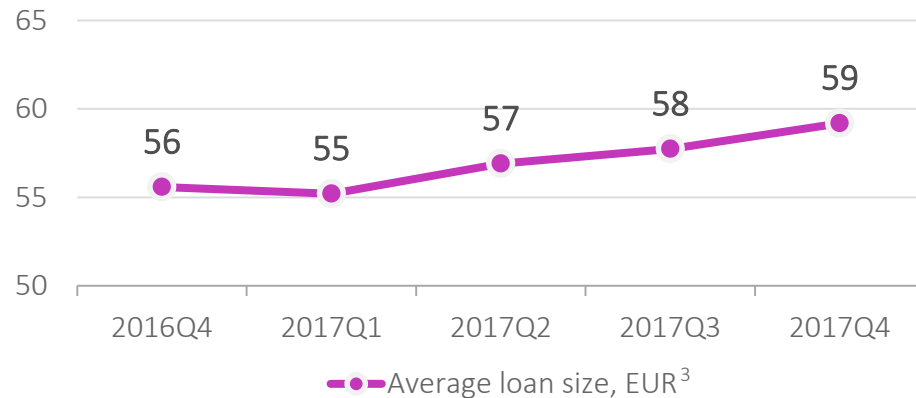
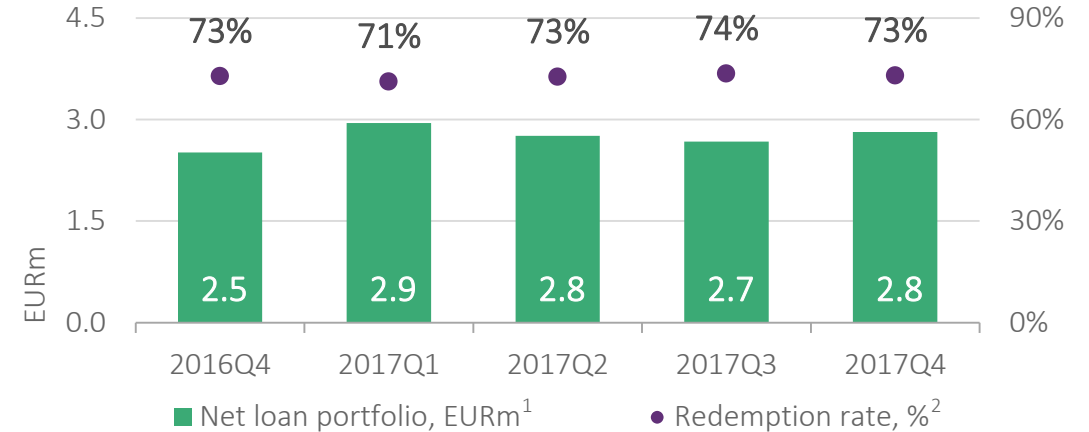
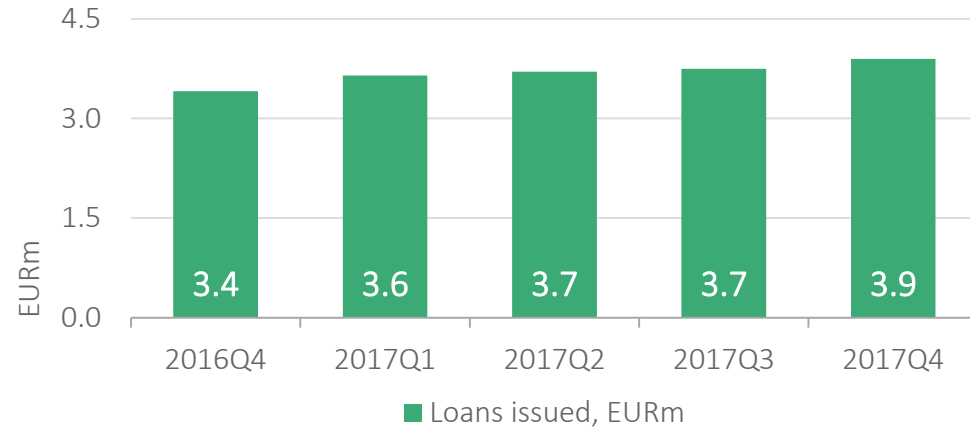


2017Q4 highlights: Consumer loans



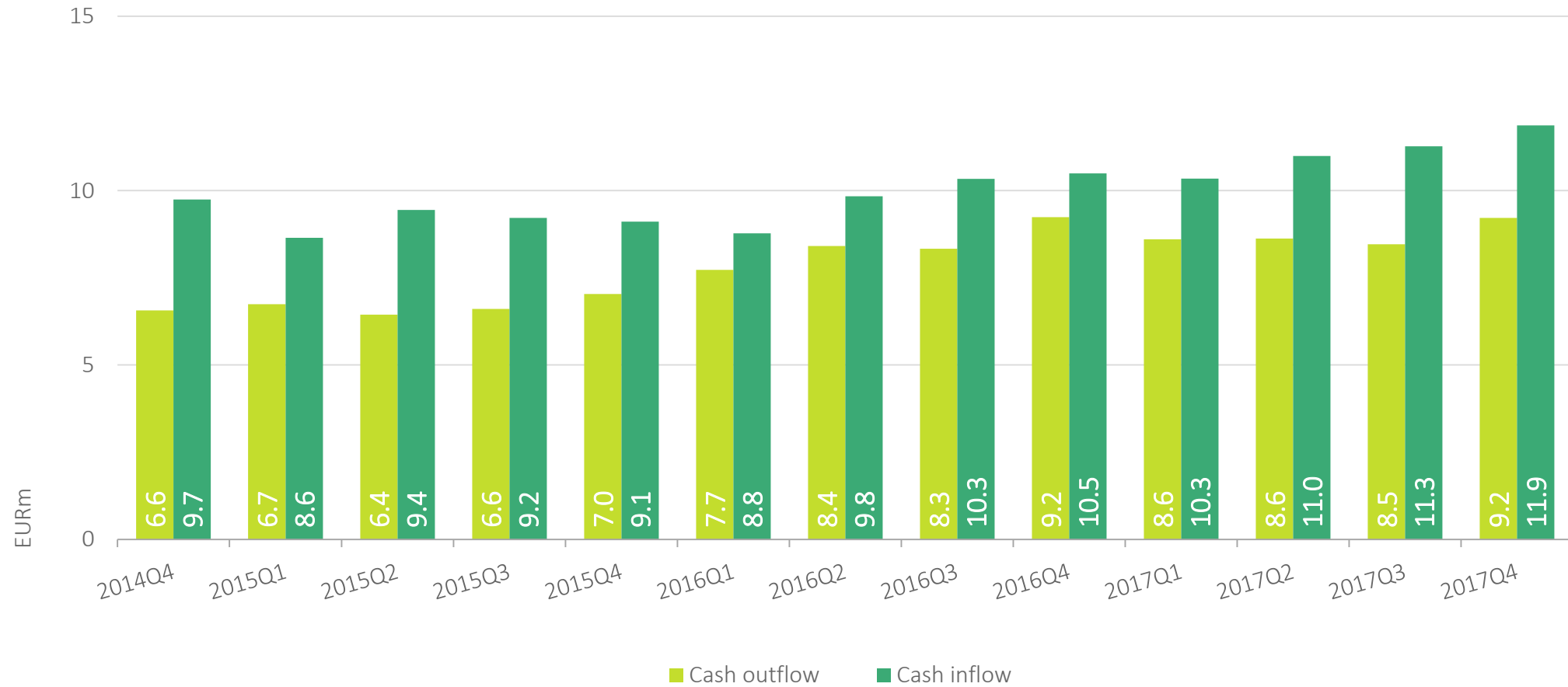
- 1) Share of loans issued (by value) during the two preceding quarters which are more than 90 days overdue as at the end of the respective quarter; Changed approach and cooperation with debt recovery companies improving **non-performing loans ratio** in portfolio
- 2) Average loan tranche size per issue transaction during the period
- 3) Average loan size per customer in the portfolio as at the end of the period
- 4) Weighted average term of loans issued during the period

2017Q4 highlights: Pawn loans



- 1) Includes car title loan and mortgage loan legacy portfolios
- 2) Items being redeemed or extended within 3 months since issuance, by value of loans issued excl. item purchasing
- 3) Average loan size per issue transaction during the period

Loan portfolio cash flow



Financing structure

Interest-bearing debt	2017Q3 ¹ , EUR'000	2017Q4 ¹ , EUR'000	Interest rate, %	Maturity
◆ Secured bonds	1,250	1,000	14.0%	11.2018
◆ Unsecured bonds	3,423	3,490	15.0%	12.2020
◆ Unsecured notes	2,326	3,573	14.0%	10.2021
◆ Peer-to-peer lending platform	7,770	8,105	11.0%-13.5%	Mimicking term structure of underlying loans
◆ Private loans	1,500	0	12.9%-14.0%	Up to 05.2018
◆ Leases	126	175	3.5%+EURIBOR	Up to 3 years
◆ Accrued interest and bonds commissions	0	4		
TOTAL	16,396	16,346		

Key financials

Income statement, EUR'000	2016Q4 ¹	2017Q4 ¹	%, y-o-y
Interest and similar income	3,106	3,246	4.5%
Gross profit from sale of goods ²	835	611	(26.8%)
Gross profit	3,941	3,858	(2.1%)
Selling expense	(1,896)	(1,213)	(36.0%)
Administrative expense	(406)	(613)	50.9%
Net other income / (expense)	(751)	(919)	22.3%
EBITDA	887	1,112	25.3%
Depreciation	(32)	276	(972.8%)
Interest and similar expense	(455)	(523)	14.9%
Taxes	(98)	(140)	43.2%
NET PROFIT	303	725	139.0%

Balance sheet, EUR'000	2016Q4	2017Q4	%, y-o-y
Fixed and intangible assets	582	618	6.2%
Loans to related parties	1,386	1,302	(6.0%)
Net loan portfolio	11,555	15,844	37.1%
Inventory and scrap	701	683	(2.6%)
Other assets	489	667	36.4%
Cash	1,279	2,220	73.5%
TOTAL ASSETS	15,992	21,333	33.4%
Share capital and reserves	1,500	1,500	-
Retained earnings	345	233	(32.6%)
Profit/loss for the current year	961	1,969	105.0%
Equity	2,806	3,702	31.9%
Interest-bearing debt	12,372	16,346	32.1%
Trade payables and other liabilities	815	1,285	57.7%
Liabilities	13,186	17,631	33.7%
TOTAL EQUITY AND LIABILITIES	15,992	21,333	33.4%

1) Part of Interest income reclassified as Gross profit from sale of foreclosed items for comparability with historic data

2) Sale of foreclosed items