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FINANCIAL REPORT

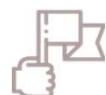
UNAUDITED RESULTS FOR 12 MONTHS
ENDING 31 DECEMBER 2021



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Largest financial
services branch
network in Latvia

DELFINGROUP AT A GLANCE



5,927

Investors participated in
IPO



AWARDS

Latvian Corporate
Governance Award 2021*

90+
branches



38
cities



290+
employees



400,000+
registered customers

last **12 years**
profitable operations

BRANDS:

Banknote **VIZIA**

BUSINESS SEGMENTS

- Consumer loans
- Pawn loans
- POS loans
- Retail of pre-owned goods

KEY FINANCIALS (2021 12M)

52.5 m€

(+9% Y-o-Y)

Value of issued
loans

5.2 m€

(+12% Y-o-Y)

Profit before
tax

43.0 m€

(+24% Y-o-Y)

Total net loan
portfolio

10.2 m€

(+8% Y-o-Y)

EBITDA

* <https://www.bicg.eu/corporate-governance-awards-held-in-latvia/>



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Q4 HIGHLIGHTS

IPO

DelfinGroup closed IPO on Nasdaq Riga. 5,927 investors participated, raising EUR 8.09 million gross proceeds. Shares listed on Baltic Main list.

TEAM

Strengthening of the management team with Sanita Zitmane, an experienced professional in developing and managing fintech products.

FUNDING

Redemption of bonds with 14% and 12% annual coupon rates. Refinanced by new bond emission with 8% annual coupon rate.

SOCIAL INITIATIVES

DelfinGroup supports Children's Hospital and seniors at social care institutions.



The Banknote mobile application interface. It features a green header with the word "Banknote" in white. Below the header are two download links: "Download on the App Store" and "GET IT ON Google Play". The main screen shows a map of Vilnius with a green dot indicating the location. Below the map are several transaction details: "Elokės atidavuma: 770,42 €", "Kopėjų atidavimo summa: 790,42 €", "Minėta mėsičių: 82,01 €", "Pirmų mėsičių data: 09/07/2021", and "Atdavimo sezonė: 2021-07-01". There are also buttons for "Sudėti" and "Perleisti".





Q4 HIGHLIGHTS

ACCESSIBILITY

Opening of new Banknote branches in Riga (Zolitude) and Daugavpils. Banknote branch network reaching 93 entities in Latvia.

NEW PRODUCTS

VIZIA credit line with limit up to EUR 3,000.

PRODUCT IMPROVEMENTS

Banknote and VIZIA consumer loan limit increase from EUR 5,000 to 7,000 and the repayment term extended up to seven years.

BANKNOTE APP

Growing volumes of recently launched product. 39% increase of loan issuance via app quarter on quarter.

SELECTED FINANCIALS

Total loans issued



Total revenue, quarterly cumulative



EBITDA



Profit before tax



* EBITDA and PBT for Q3 2020 is higher due to a reversal of provisions for doubtful debts created at the beginning of the Covid-19 pandemic



1st, 2nd and 3rd wave of COVID-19
restrictions in Latvia

CONSUMER LOANS

Consumer net loan portfolio



Average loan*



Weighted average term of loans issued



Non-performing loan ratio



* Average consumer loan balance for one client at the end of period.



1st, 2nd and 3rd wave of COVID-19
restrictions in Latvia

PAWN LOANS

Pawn net loan portfolio



Average loan amount



Redemption rate*



* Items redeemed or extended within 2 months since issuance.



1st, 2nd and 3rd wave of COVID-19
restrictions in Latvia



RETAIL OF PRE-OWNED GOODS*

Sales of goods



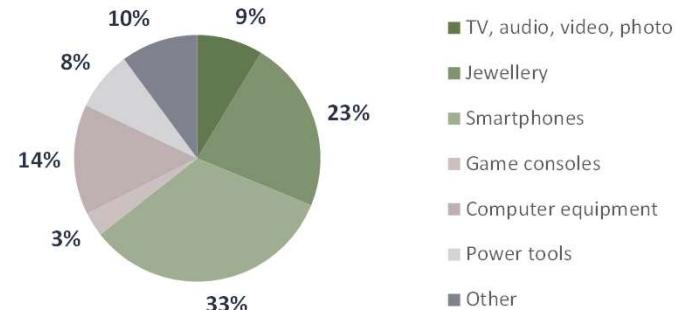
Gross margin



Number of items sold



Sales split by product category (2021 12M)



* Excluding wholesale of precious metals (scrap)

1st, 2nd and 3rd wave of COVID-19 restrictions in Latvia



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CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT, EUR'000	2021			2020 12M**	2021 12M	Change %
	Q3	Q4	%			
Total revenue	6,463	7,089	10%	23,664	25,489	8%
Cost of sales	-849	-1,057	24%	-4,224	-3,668	-13%
Credit loss expense*	-956	-237	-75%	-2,404	-2,477	3%
Interest expenses and similar expenses	-885	-1,109	25%	-3,547	-3,855	9%
Gross profit	3,773	4,687	24%	13,487	15,488	15%
Selling expenses	-1,524	-1,866	22%	-5,446	-6,158	13%
Administrative expenses	-1,051	-1,127	7%	-3,261	-4,213	29%
Other operating income	29	29	0%	72	85	16%
Profit before tax	1,227	1,723	40%	4,854	5,203	7%
Income tax expense	-201	-155	-23%	-755	-979	30%
Net profit	1,026	1,568	53%	4,100	4,224	3%
EBITDA	2,367	3,191	35%	9,466	10,196	8%

* For the purpose of comparison, other operating expenses are reclassified to credit loss expense as major part of other operating expenses are losses from cession of non-performing loans (debt sales).

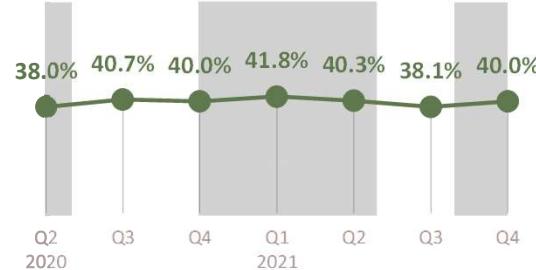
** Data reflected according to restated comparatives in newest FS's.

CONSOLIDATED BALANCE SHEET

BALANCE SHEET, EUR'000	2020.12.31	2021.12.31	Change
Fixed and intangible assets	1,038	1,201	16%
Loans to related parties	474	-	-100%
Net loan portfolio	34,674	42,962	24%
Inventory and scrap	1,534	1,949	27%
Other assets	655	520	-21%
Cash	4,592	2,460	-46%
Right-of-use assets	3,194	2,973	-7%
TOTAL ASSETS	46,161	52,065	13%
EQUITY	9,454	17,377	84%
Share capital and reserves	4,000	4,532	13%
Share premium		6,891	100%
Retained earnings	1,354	1,731	28%
Profit/loss for the current year	4,100	4,224	3%
LIABILITIES	36,708	34,687	-6%
Interest-bearing debt	31,151	29,412	-6%
Trade payables and other liabilities	2,121	1,970	-7%
Lease liabilities for right-of-use assets	3,436	3,305	-4%
TOTAL EQUITY AND LIABILITIES	46,161	52,065	13%

FINANCIAL RATIOS

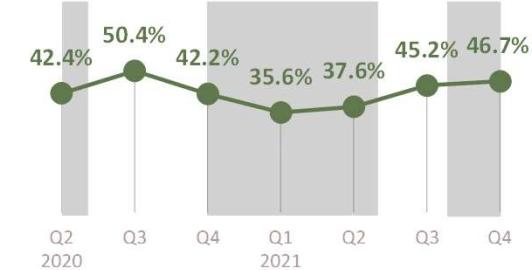
EBITDA margin*



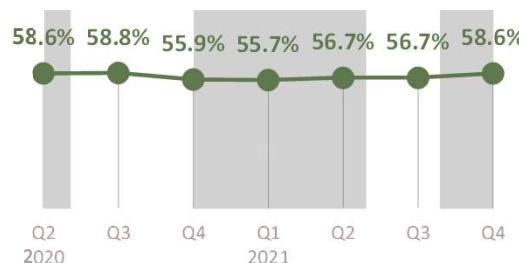
Equity ratio



ROE**



Cost-to-income ratio*



Cost of interest-bearing liabilities



Interest coverage ratio*



* Last 12 months figures

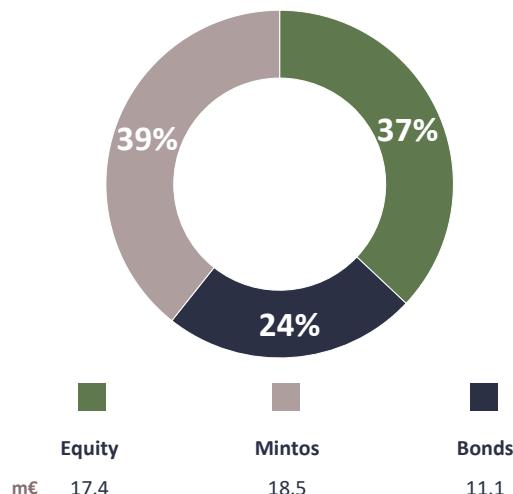
**Annualized

 1st, 2nd and 3rd wave of COVID-19 restrictions in Latvia



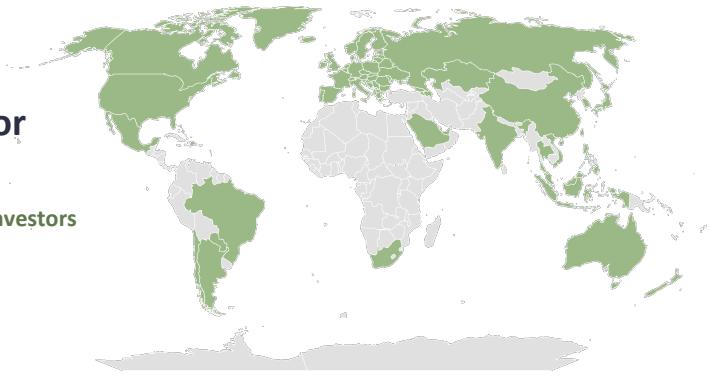
DIVERSIFIED AND SUSTAINABLE CAPITAL STRUCTURE

Capital structure, Q4 2021



Active MINTOS investor map, Q4 2021

DelfinGroup has more than **64,000 investors** in Mintos from **107 countries**



mintos

Bond financing track record



Regular cash
distribution to
shareholders

Dividend payments
5 times a year:
• 4 quarterly
• 1 annual

DIVIDENDS

EUR 512,111

Dividends paid in Q4

EUR 0.0113

Per share



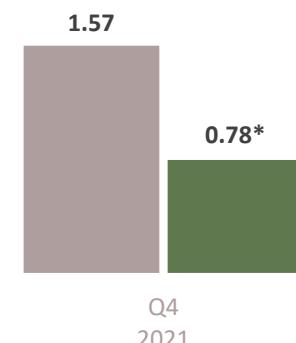
Dividend policy

Quarterly dividends

Up to 50% from previous Q profit

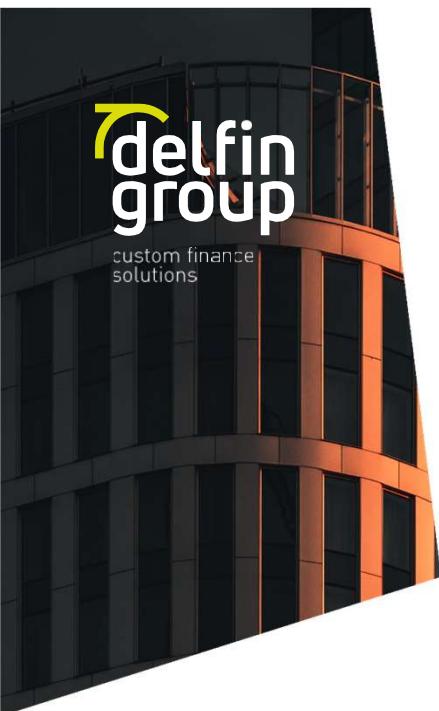
Annual dividends

In amount to ensure optimal
capital structure



■ Net profit ■ Dividends paid

*Proposed dividends by the Management Board. Decision on approval to be made at
Extraordinary Shareholders' Meeting

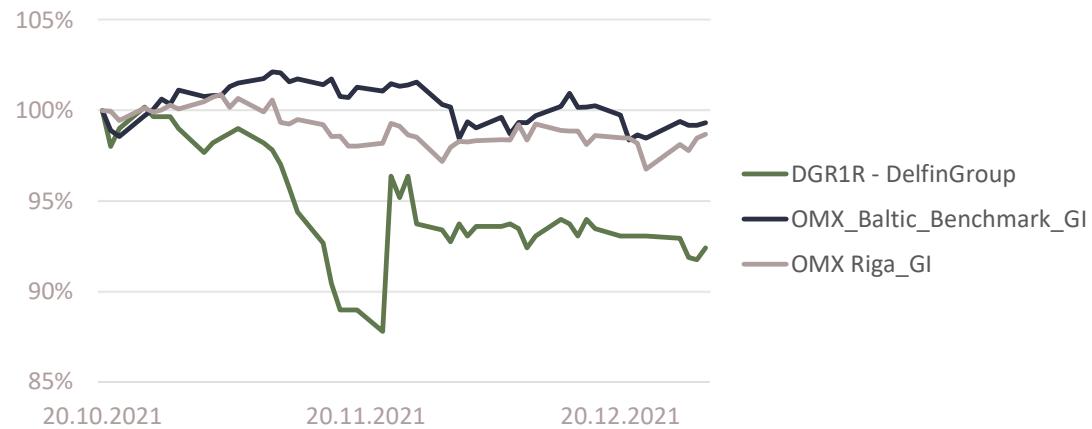


SHARE PERFORMANCE

Share price, EUR



Share dynamics compared to indexes



	DelfinGroup	Financial industry**
31.12.2021		
Capitalization m EUR	63.5	-
EPS EUR*	0.103	-
P/E	13.6	21.4
P/BV	3.7	3.2

*Calculations based on weighted average of total outstanding shares that increased in 2021 due to stock split and listing of new public shares.

**Average ratio for financial services companies listed on Nasdaq Baltic Main list at 31.12.2021.



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Latvian financial service company **AS DelfinGroup** has completed the acquisition of the **AS Moda Kapitāls** pawn shop business, which was started in August 2021. **AS Moda Kapitāls** owned the fourth largest pawn shop network in Latvia and the acquisition of its business will strengthen the leading position of **AS DelfinGroup** in regions.

Ivars Lamberts, Member of the Management Board of **AS DelfinGroup**, "AS Moda Kapitāls was a strong regional player with a wide network of branches, therefore we saw good investment opportunities in the acquisition of the company's pawn shop loan portfolio. We are convinced that the acquisition of the company's pawn shop business will not only strengthen the leading position of **AS DelfinGroup** in the Latvian pawn shop segment, but will also increase the overall value of the company in the long term. The former customers of **AS Moda Kapitāls** will eventually benefit, because now they will have access to a broader range of services in more than ninety **Banknote** branches across Latvia, a rapidly growing online store, mobile application services and remote evaluation of goods."

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Q&A