

**INVESTOR PRESENTATION
FOR 2017Q3 RESULTS**



ExpressCredit

Banknote

MoneyMetro

November 2017

Disclaimer

- ◆ This document (the “Presentation”) has been prepared for the sole purpose of providing an overview of 2017Q3 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.
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Snapshot as at 30 September 2017



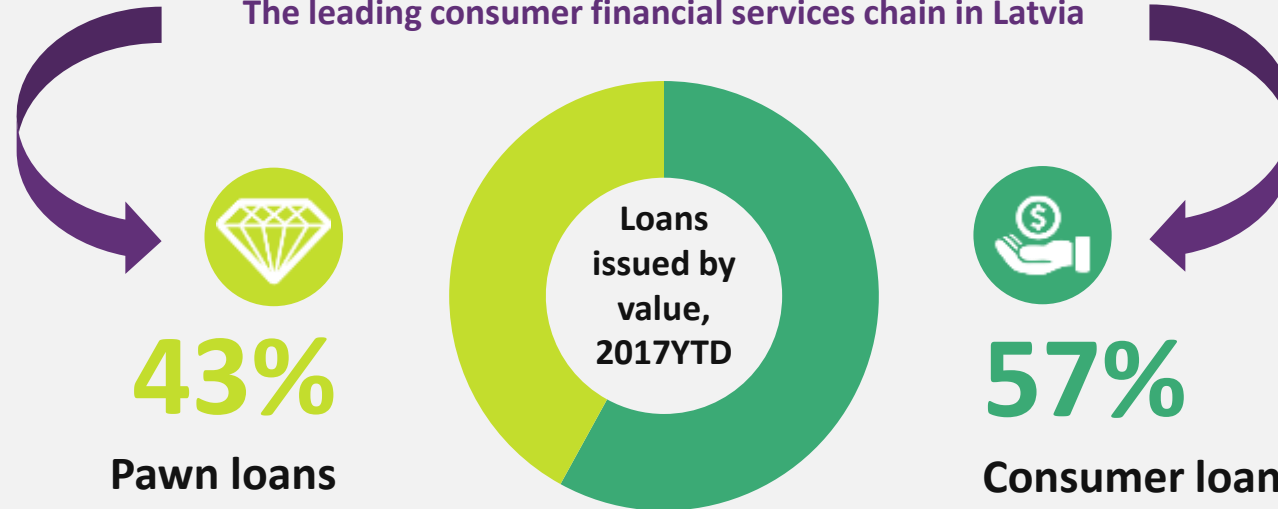
Banknote

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


 **279**
Employees, 30 September 2017

 **EUR 16.5m**
Net loan portfolio, 30 September 2017

 **67%**
Growth in net loans y-o-y, 2017Q3

 **2,500,000+**
Total number of loans issue transactions

 **92**
Branches, 30 September 2017

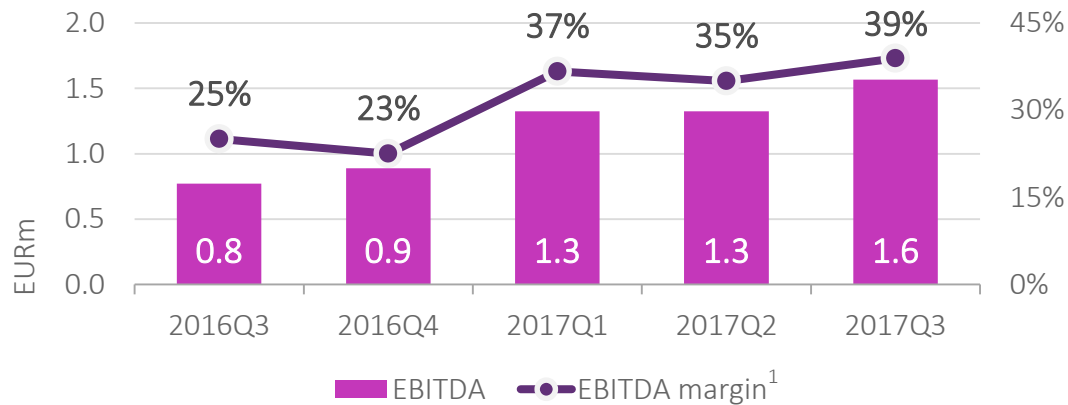
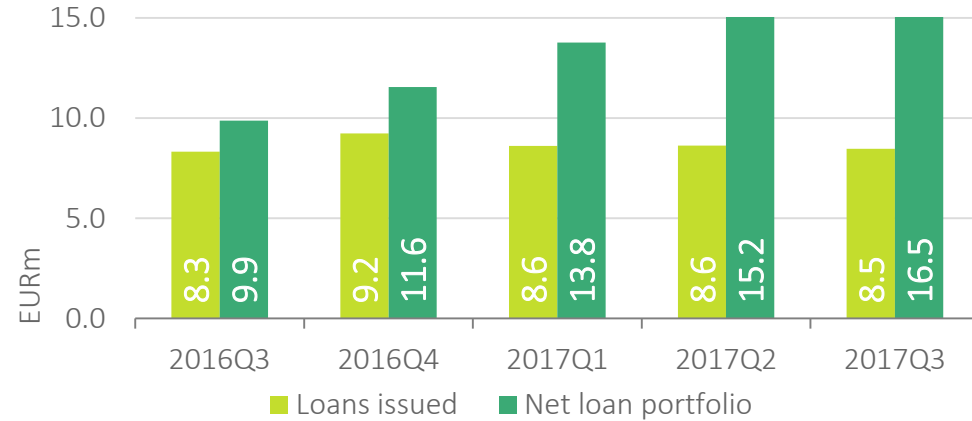
 **EUR 17.2m**
Value of loans issued, 2017YTD

 **EUR 4.2m**
EBITDA, 2017YTD



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

2017Q3 highlights



Agreement signed for **scoring and data analytics** for consumer lending **upgrade**



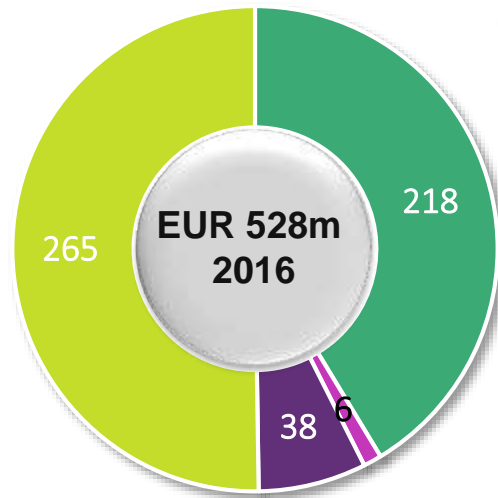
Initiated and in October concluded process of **management quality certification** under **ISO 9001:2015** and **ISO 50000:2012** standards



More stringent application rules introduced for consumer loans reaching **acceptance rates of 26% for new clients** and **82% for repeat customers**

2017Q3 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
- ◆ 4% market share¹

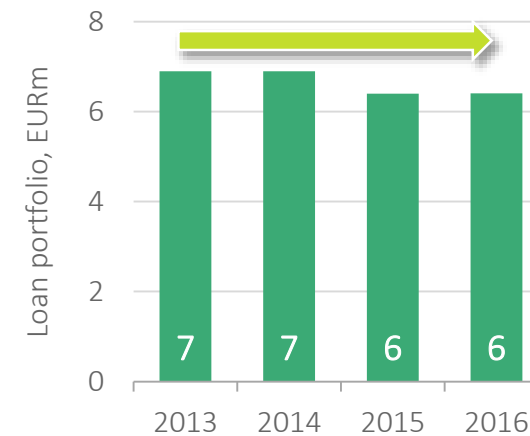
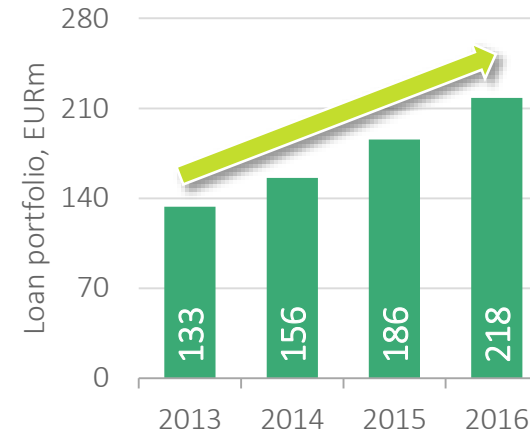


Pawn loans

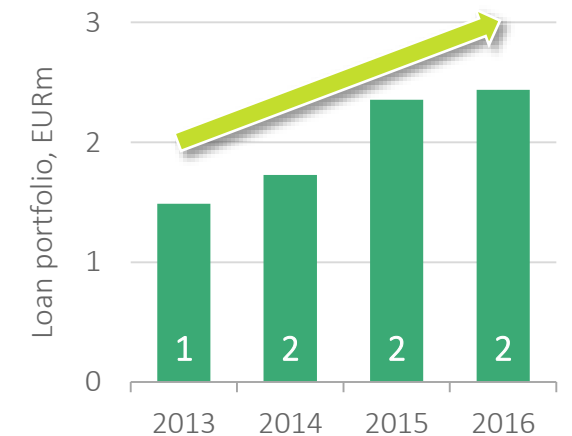
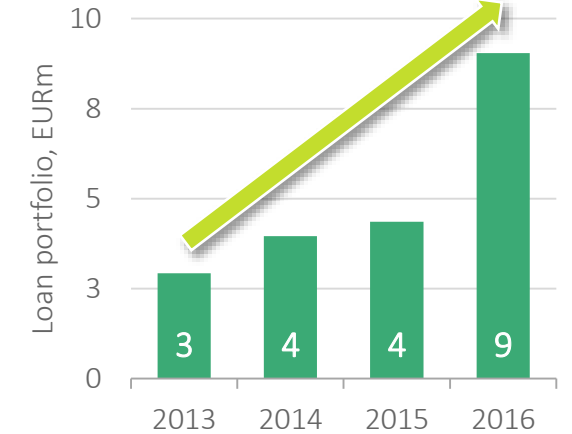
- ◆ Stable segment
- ◆ Banknote is the leading player
- ◆ 38% market share¹



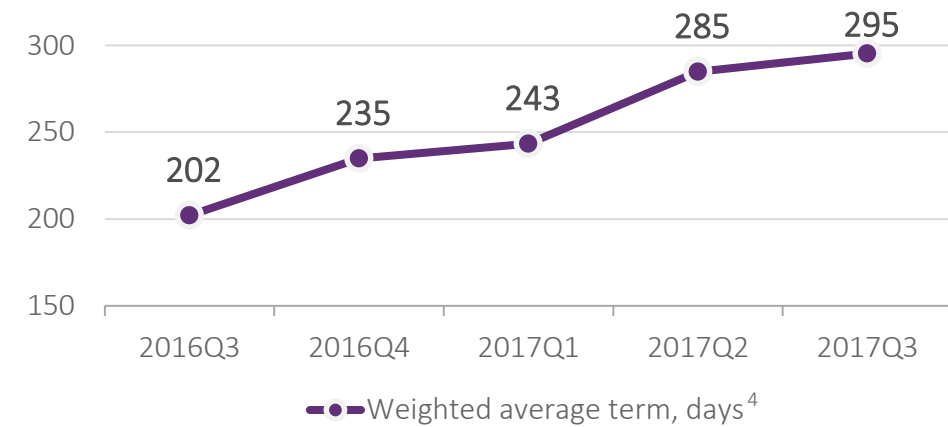
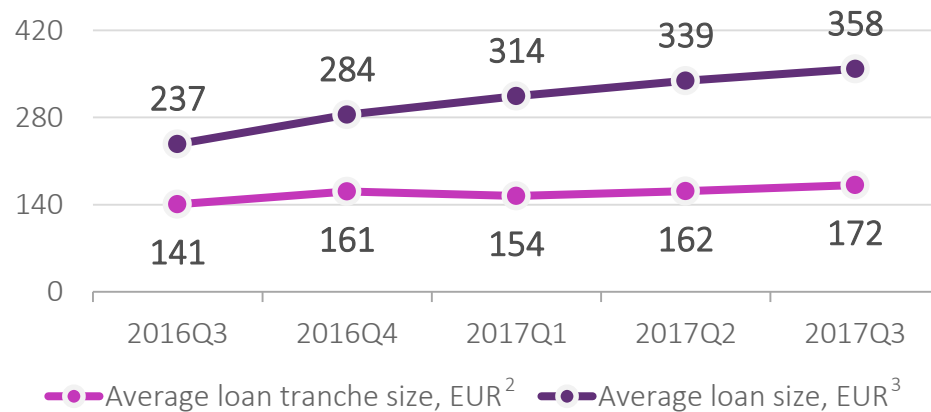
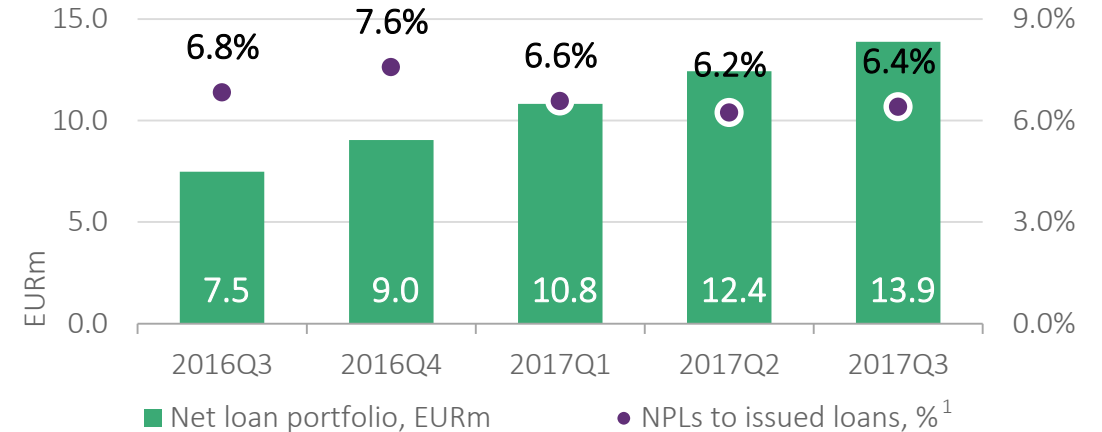
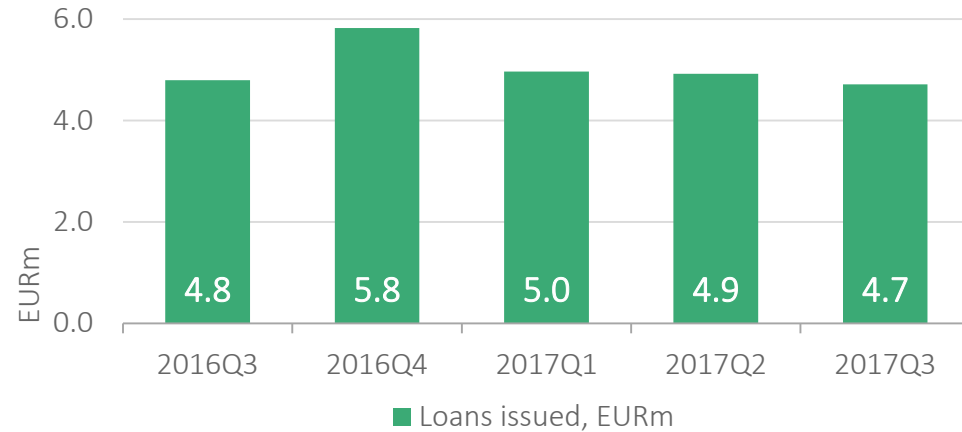
Industry



ExpressCredit²

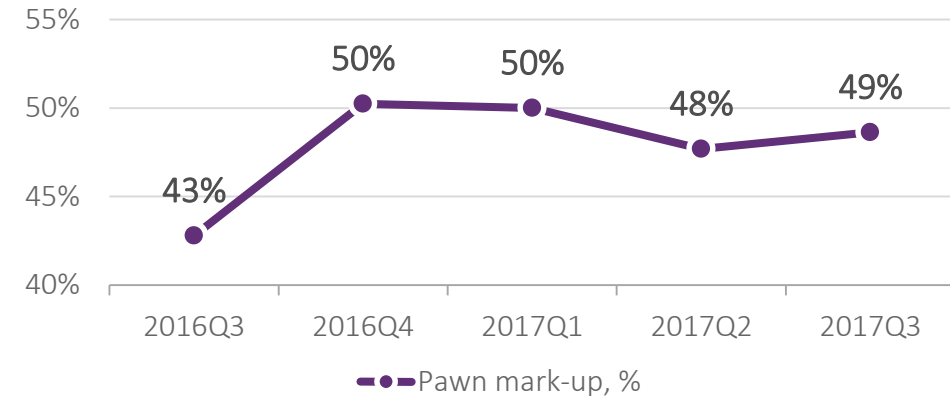
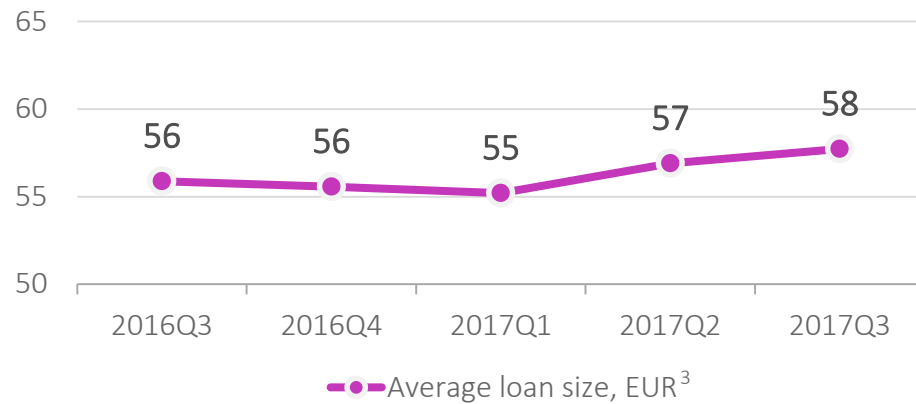
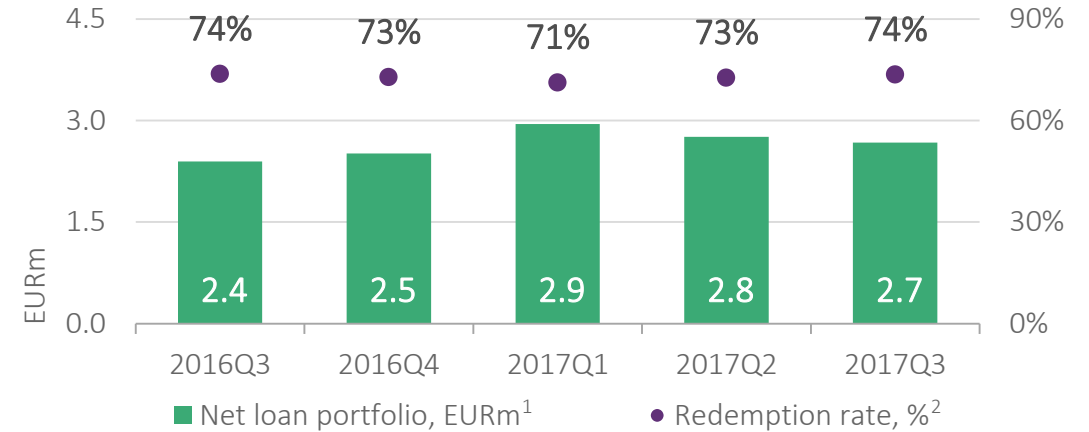
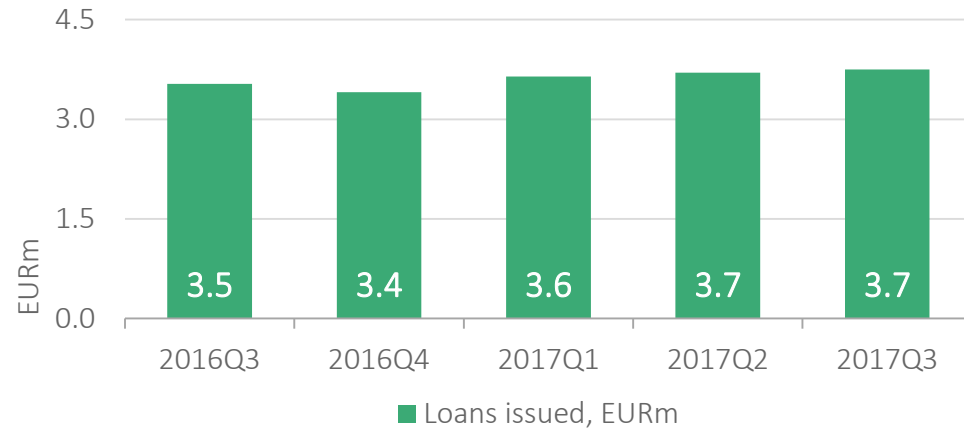


2017Q3 highlights: Consumer loans



- 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
- 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

2017Q3 highlights: Pawn loans

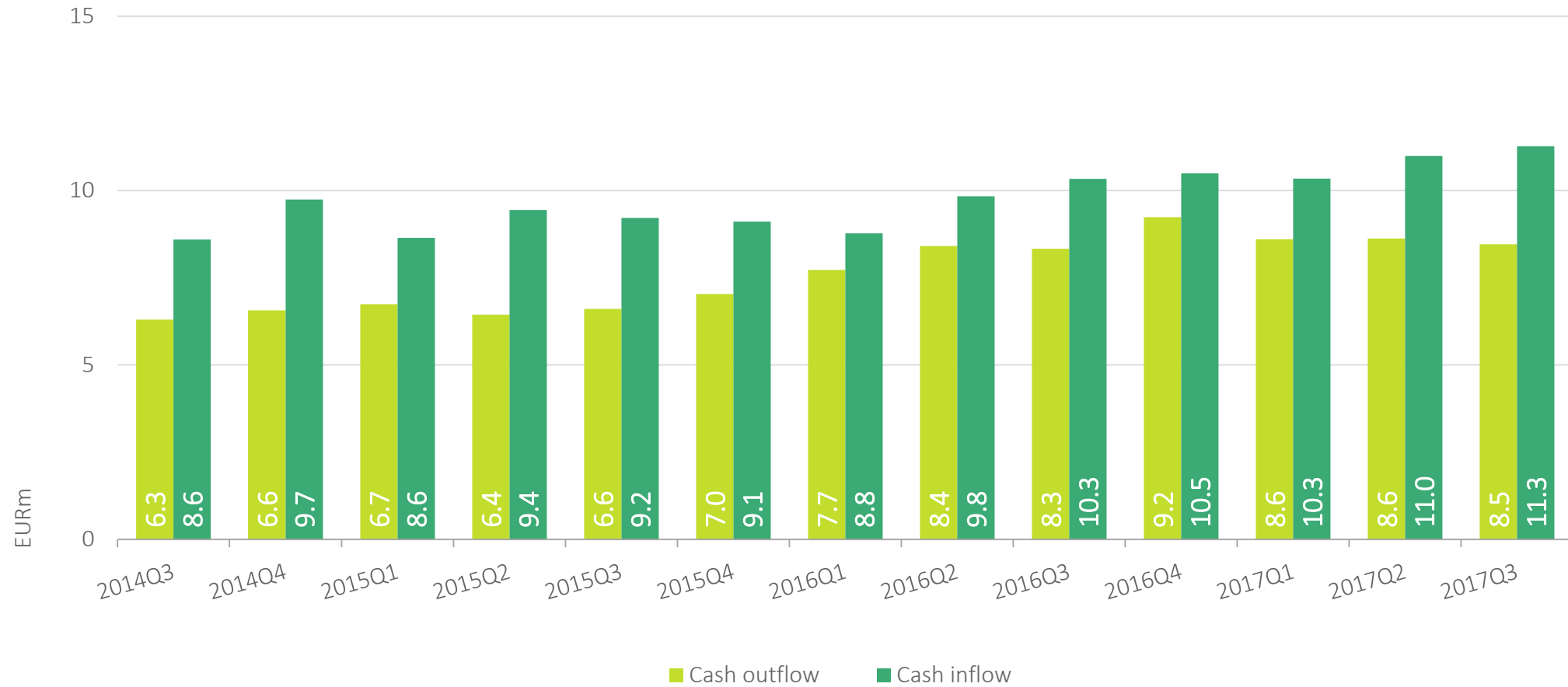


1) Includes car title loan and mortgage loan legacy portfolios

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	2017Q2 ¹ , EUR'000	2017Q3 ¹ , EUR'000	Interest rate, %	Maturity
◆ Secured bonds	1,500	1,250	14.0%	11.2018
◆ Unsecured bonds	3,200	3,423	15.0%	12.2020
◆ Unsecured notes	1,574	2,326	14.0%	10.2021
◆ Peer-to-peer lending platform	5,800	7,770	11.0%-13.5%	Mimicking term structure of underlying loans
◆ Private loans	1,500	1,500	12.9%-14.0%	Up to 05.2018
◆ Leases	140	126	3.5%+EURIBOR	Up to 3 years
◆ Accrued interest and bonds commissions	(17)	0		
TOTAL	13,697	16,396		

Key financials

Income statement, EUR'000	2016Q3 ¹	2017Q3 ¹	%, y-o-y
Interest and similar income	2,491	3,384	35.9%
Gross profit from sale of goods ²	589	644	9.5%
Gross profit	3,079	4,029	30.8%
Selling expense	(1,602)	(1,781)	11.2%
Administrative expense	(560)	(619)	10.4%
Net other income / (expense)	(147)	(61)	(58.5%)
EBITDA	771	1,568	103.5%
Depreciation	(46)	(36)	(22.6%)
Interest and similar expense	(340)	(480)	41.0%
Taxes	(61)	(255)	314.5%
NET PROFIT	323	798	147.2%

Balance sheet, EUR'000	2016Q3	2017Q3	%, y-o-y
Fixed and intangible assets	586	567	(3.2%)
Loans to related parties	1,294	1,238	(4.4%)
Net loan portfolio	9,879	16,545	67.5%
Inventory and scrap	1,092	709	(35.1%)
Other assets	849	484	(42.9%)
Cash	445	3,119	601.5%
TOTAL ASSETS	14,144	22,663	60.2%
Share capital and reserves	427	1,500	251.4%
Retained earnings	1,200	1,306	8.8%
Profit/loss for the current year	657	2,241	240.9%
Equity	2,284	5,047	120.9%
Interest-bearing debt	11,106	16,396	47.6%
Trade payables and other liabilities	754	1,220	61.8%
Liabilities	11,860	17,616	48.5%
TOTAL EQUITY AND LIABILITIES	14,144	22,663	60.2%

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

2) Sale of foreclosed items