

AS Sun Finance Group

Unaudited results
3M 2024



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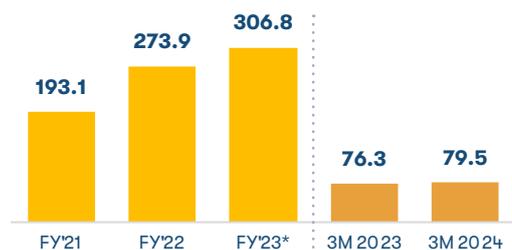
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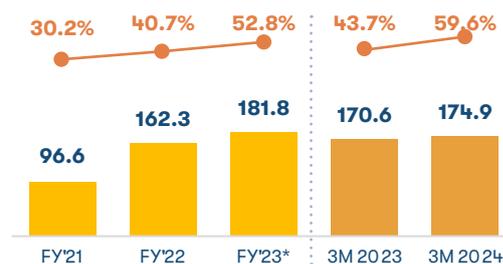
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3M 2024 HIGHLIGHTS

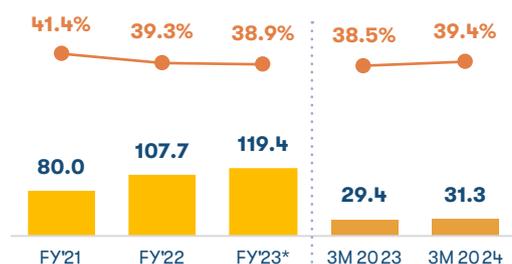
Interest income (€M)



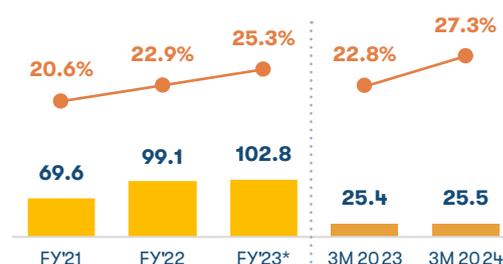
Net Portfolio (€M) (Capitalisation ratio, %)



EBITDA (€M) (EBITDA margin, %)



Operating profit (€M) (Cost/income ratio, %)



*unaudited results

Interest income

€79.5m

↑ 4.2% PoP

The Group's revenue reached **€79.5m** in 3M 2024, a 4.2% increase compared to **€76.3m** in 3M 2023. The growth has been driven by the strong customer demand across our operational markets and new market scaling.

Net portfolio

174.9m

↑ 2.5% PoP

Our net portfolio has reached **€174.9m**, being an increase by **€4.3m** (+2.5%) vs 3M 2023, supported by the growing loan sales and continuous portfolio quality improvements. A slight decline of **€7.1m** (-3.9%) since the end of FY'23 has been a result of strategic plan to decrease the exposure in Central Asia market, resulting in a modest loan portfolio reduction.

Cost/income

27.3%

↑ 452 bps PoP

Cost/income ratio reached **27.3% for the period**, an increase by 452 bps compared to 3M 2023 (22.8%). The increase in the ratio has been primarily influenced by new product and market scaling, as well as business process improvement projects carried out during the period.

EBITDA

€31.3m

39.4% margin

EBITDA of **€31.3m** was delivered during the period (**margin of 39.4%**), an increase by 6.8% compared to 3M 2023, the main driver being the revenue growth and healthy portfolio dynamics.

3M 2024 HIGHLIGHTS

Key financial metrics & ratios

	3M 2024	3M 2023
Interest income	79.5	76.3
EBITDA	31.3	29.4
EBITDA margin (%)	39.4%	38.5%
Net loan portfolio	174.9	170.6
Capitalization ratio (%) ¹	59.6%	43.7%
Interest coverage ratio ²	6.3x	8.5x
Unencumbered receivables ratio ³	2.0x	2.1x
Cost/Income Ratio (%) ⁴	27.5%	22.8%

¹ Capitalization ratio equals Total Shareholders' Equity at the end of period divided by Net loan portfolio at the end of the same period

² Interest coverage ratio equals trailing 12-month EBITDA divided by trailing 12-month Interest expense

³ Unencumbered receivables ratio equals Net unencumbered loan portfolio divided by Total unsecured financial indebtedness

⁴ Cost / Income ratio is calculated by dividing Operating costs with Operating income

Throughout the period, the Group sustained solid financial performance, achieving growth in key financial metrics compared to the same period last year.

At the period end, the Group's financial results provided sufficient headroom to fulfill bond covenants.

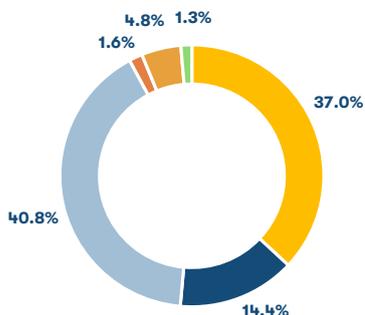
In March, the Group's 3.5-year senior unsecured bonds (LV0000802692), with a coupon rate of 11% + 3M EURIBOR and maturity in November 2026, were admitted to trading on the Nasdaq First North market.

To refinance the Group's 3-year €20m bonds maturing on 30 June 2024, as well as to support new product development and further geographic expansion, the Group registered a new senior unsecured bond issue of up to €40m at the end of May 2024. The new bond issue, maturing in November 2027, is organized as a private placement with an 11% coupon rate, paid monthly.

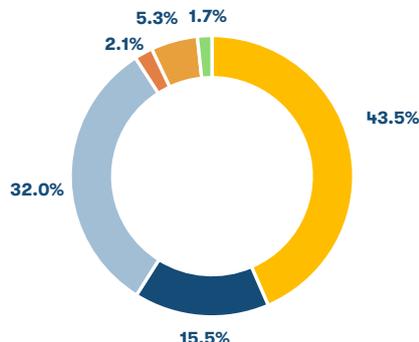
PORTFOLIO ANALYSIS – GROUP & REGIONS

Portfolio dynamics

31.12.2023

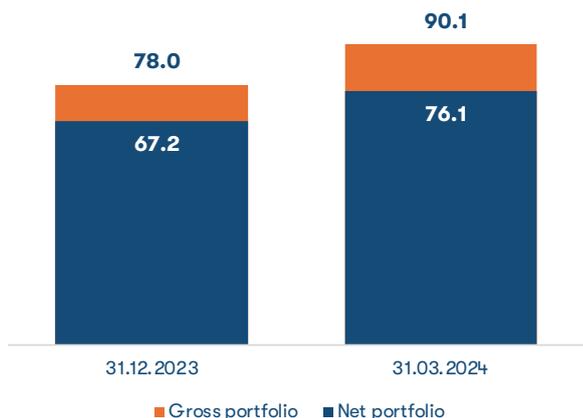


31.03.2024



● Europe HUB ● Scandinavian HUB ● Central Asia HUB ● South East Asia HUB ● Latin America HUB ● Africa HUB

Portfolio – Europe HUB (€M)



- Despite being the Group's most mature and stable market in terms of operations and industry development stage, the European HUB has demonstrated continuous growth
- The portfolio quality has been consistently preserved at a high level
- In Q4'23, the Group started loan issuance in Spain, furthermore contributing to the loan portfolio growth

Portfolio – Scandinavia HUB (€M)



- The Scandinavian HUB continued to deliver strong performance in terms of loan sales, revenue and profitability
- The customer demand remains strong in the region, facilitating the upward trend in the growth of the loan portfolio

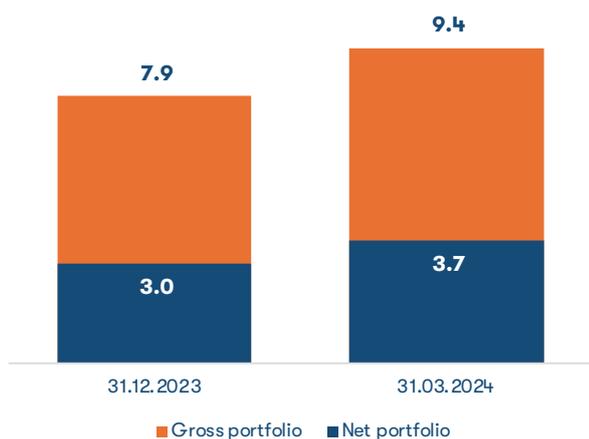
PORTFOLIO ANALYSIS – GROUP & REGIONS

Portfolio – Central Asia HUB (€M)



- During the period, the Group maintained focus on its long term strategic plan on exposure decrease in Central Asia HUB, resulting in a slight portfolio decrease
- Nevertheless, the market continued to deliver solid financial results in terms of interest income and profitability

Portfolio – South East Asia HUB (€M)



- The Philippines demonstrates steady growth in loan issuance volumes, revenues and profitability
- We continue to review new geographies in the region for potential new product launches in the upcoming periods

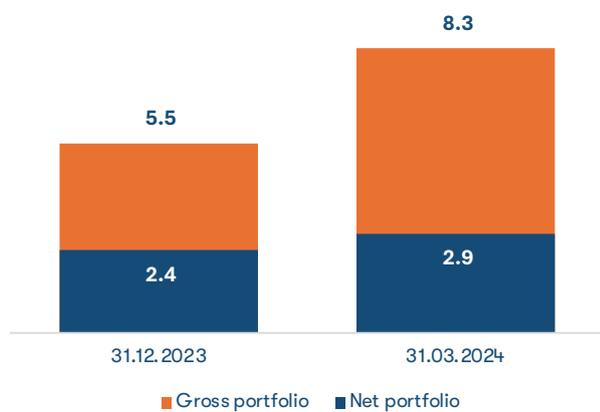
Portfolio – Latin America HUB (€M)



- During the period, a notable improvement in profitability was delivered, largely attributed to enhanced customer dynamics and portfolio structure
- We continue to closely monitor customer dynamics to uphold a healthy portfolio quality

PORTFOLIO ANALYSIS – GROUP & REGIONS

Portfolio – Africa HUB (€M)



- At the beginning of Q3'23, the Group entered the African lending market by acquiring AS Zenka Group, an online lending company operating in Kenya
- The new market has consistently demonstrated growth in terms of business volumes and profitability
- At the end of 2023, a non-performing portfolio write-off was completed, reducing the gross portfolio amount

FINANCIAL PERFORMANCE

Consolidated Statement of Comprehensive Income

	Notes	3M 2024 (€M)	3M 2023 (€M)
Interest income		79.5	76.3
Interest expense		(4.8)	(4.0)
Net interest income		74.7	72.3
Impairment and write-off expense		(32.0)	(32.7)
Operating costs	1	(23.6)	(18.5)
Other operating income		7.5	5.9
Other operating expense		(0.5)	(2.1)
Net foreign exchange result		4.7	1.1
Profit before tax		30.8	26.0
Corporate income tax for the reporting period		(6.7)	(6.5)
PROFIT FOR THE PERIOD		24.1	19.5

(1) Operating costs

	3M 2024 (€M)	3M 2023 (€M)
Direct costs	8.2	5.3
Personnel costs	5.7	5.2
Indirect costs	5.4	3.9
Marketing and sponsorship	3.8	3.6
Amortisation and depreciation	0.4	0.4
Other costs	0.1	0.1
TOTAL	23.6	18.5

FINANCIAL PERFORMANCE

Consolidated Statement of Financial Position

	Notes	31.03.2024 (€M)	31.12.2023 (€M)
Tangible and Intangible assets		18.1	17.8
Other non-current assets		3.1	3.1
Loans and advances to customers	2	174.9	181.8
Cash and cash equivalents		35.7	22.6
Other receivables	3	33.7	29.5
TOTAL ASSETS		265.6	254.9
Share capital and Share premium		0.4	0.4
Reserves		1.5	1.5
Retained earnings		102.5	95.1
Currency translation reserve		(0.2)	(1.0)
Total equity		104.2	96.0
Loans and borrowings	4	127.0	126.4
Taxes payable		14.9	14.3
Trade and other payables		11.3	8.1
Prepayments and other payments received from clients		4.7	6.4
Other liabilities		3.4	3.7
Total liabilities		161.3	158.9
TOTAL EQUITY AND LIABILITIES		265.6	254.9

(2) Loans and advances to customers

	31.03.2024 (€M)	31.12.2023 (€M)
Gross receivables	272.8	253.4
Allowance for doubtful debts	(97.9)	(71.6)
NET RECEIVABLES	174.9	181.8

(3) Other receivables include receivables from sold portfolio, tax advance payments and other prepaid expense.

FINANCIAL PERFORMANCE: INCOME STATEMENT

(4) Loans and borrowings

	31.03.2024 (€M)	31.12.2023 (€M)
Unsecured bonds	81.3	81.8
Loan marketplace (P2P)	9.9	21.9
Other loans	35.9	22.7
TOTAL	127.0	126.4



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