



Disclaimer

The information provided herein is not investment advice nor a proposal. This is only general information about the intention and plans of AS DelfinGroup in connection with the possible IPO process. All investment decisions must be based on a prospectus approved by the Financial and Capital Market Commission and professional assessment or advice.

DELFINGROUP ANNOUNCEMENT ON 23 MARCH 2021

DelfinGroup is planning to go public on the Nasdaq Riga Stock Exchange with an initial public offering of shares (IPO)

Who is DelfinGroup?

A leading technology-based financial company in the Baltics, offering consumer lending and pawn broking services, as well as the sale of pre-owned goods in 91 branches throughout Latvia and online. DelfinGroup stands out from its competitors with the highest standards of corporate governance, regular dividends and with a track record of successful bond listings on the Nasdaq Riga Stock Exchange.

What is an IPO?

The initial sale of shares on the stock exchange, which allows everyone to become a shareholder of the company, provides the possibility to earn from a rising stock price when the company successfully grows as well as receive dividends. DelfinGroup's dividend policy provides dividend payout 4x per year.

IPO CHARACTERISTICS

Sign up for more news about the IPO at delfingroup.lv

When?

During 2021.

Where?

On the Baltic Main
List of Nasdaq Riga
(regulated market).

Why?

DelfinGroup intends to raise additional capital to improve competitiveness in the consumer lending segment in Latvia. The increase in equity will allow DelfinGroup to provide enhanced services and lower the cost of financing. With purposeful IT investments, DelfinGroup will be in a better position to continue stable growth and increase the company's value in the long term.

How many?

The number and price of shares to be issued will be announced the IPO and highlighted in the prospectus (available when registered).

How?

To list the shares on the Nasdaq Riga stock exchange, DelfinGroup collaborates with recognized capital market consultants LHV and Eversheds Sutherland Bitāns.



THE MOST IMPORTANT INFORMATION ABOUT DELFINGROUP

Brands

Banknote

VIZIA



Services

- Consumer lending
- Pawn broking
- Sale of pre-owned goods

91 branches

In 38 cities

More than 338 thousand customers served so far*

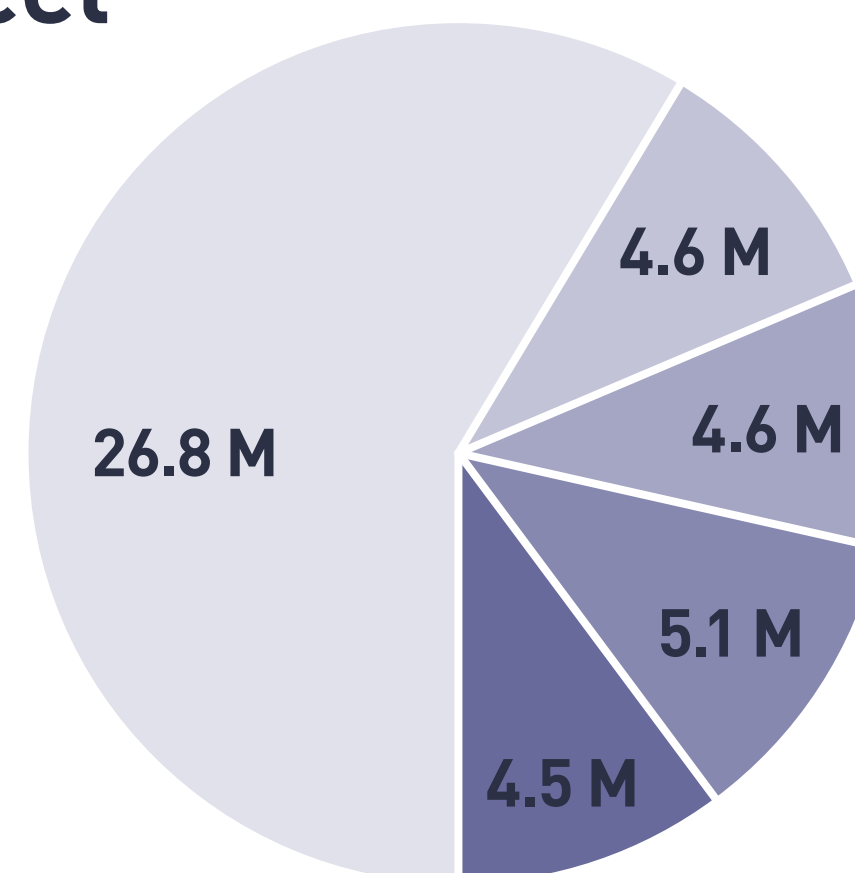
270 employees

Revenue in 2020 **EUR 24 million**

On average **35 000** loans per month, including **18 000** in the amount up to **EUR 50**

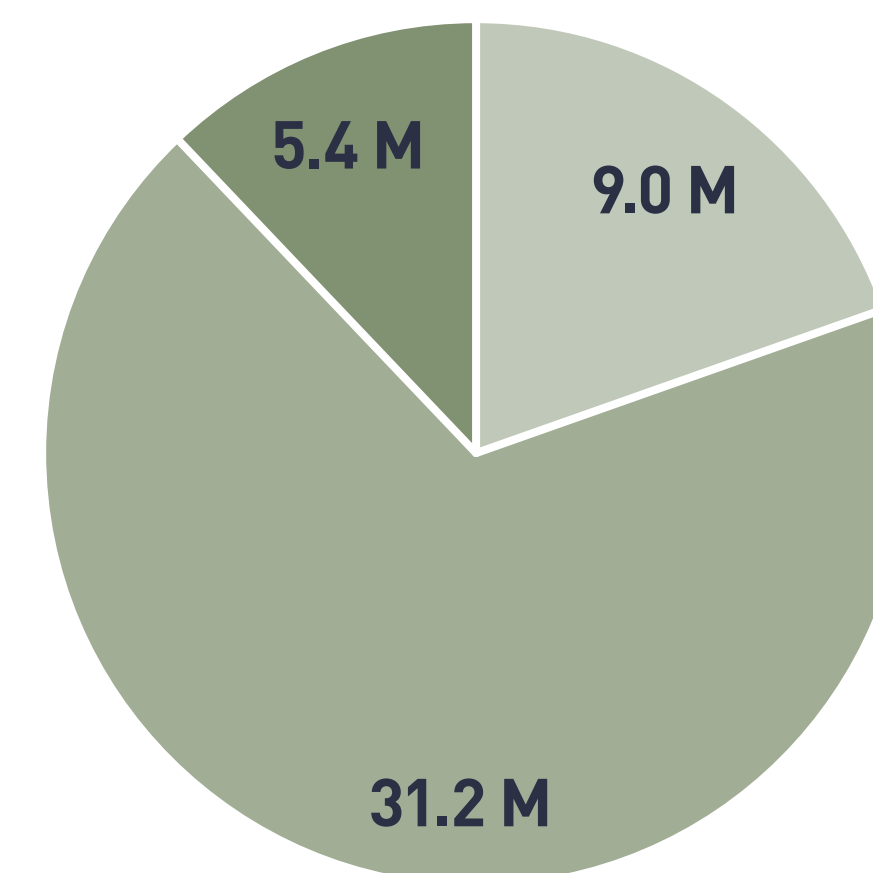
Balance sheet

- Consumer lending segment (Banknote Seniori, Banknote, Vizia, Banknote Pirkumiem (buy now, pay later [BNPL] product))
- Other loans
- Pawn broking segment
- Fixed assets and other assets, including right-of-use assets
- Cash and bank



Total Assets: **EUR 45.6 million**

- Equity
- Already raised funding (peer-to-peer lending platform loan and bonds)
- Other liabilities, including lease obligations for right-of-use assets



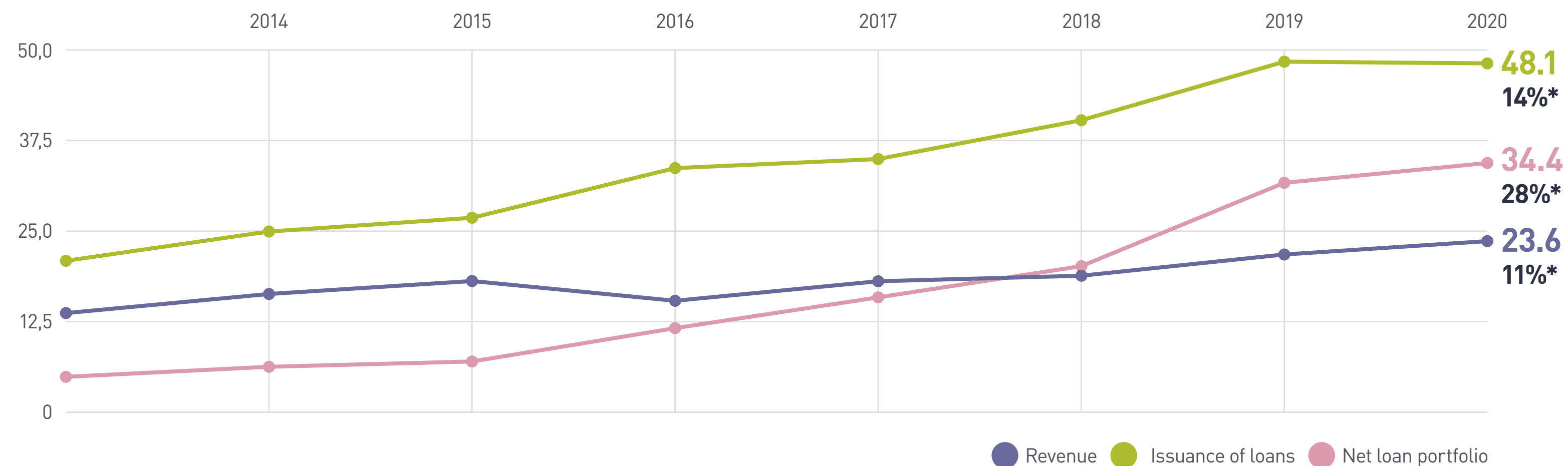
Equity and Liabilities: **EUR 45.6 million**

Based on AS DelfinGroup audited consolidated financial statements (2013-2019) and unaudited financial statements for the year 2020.

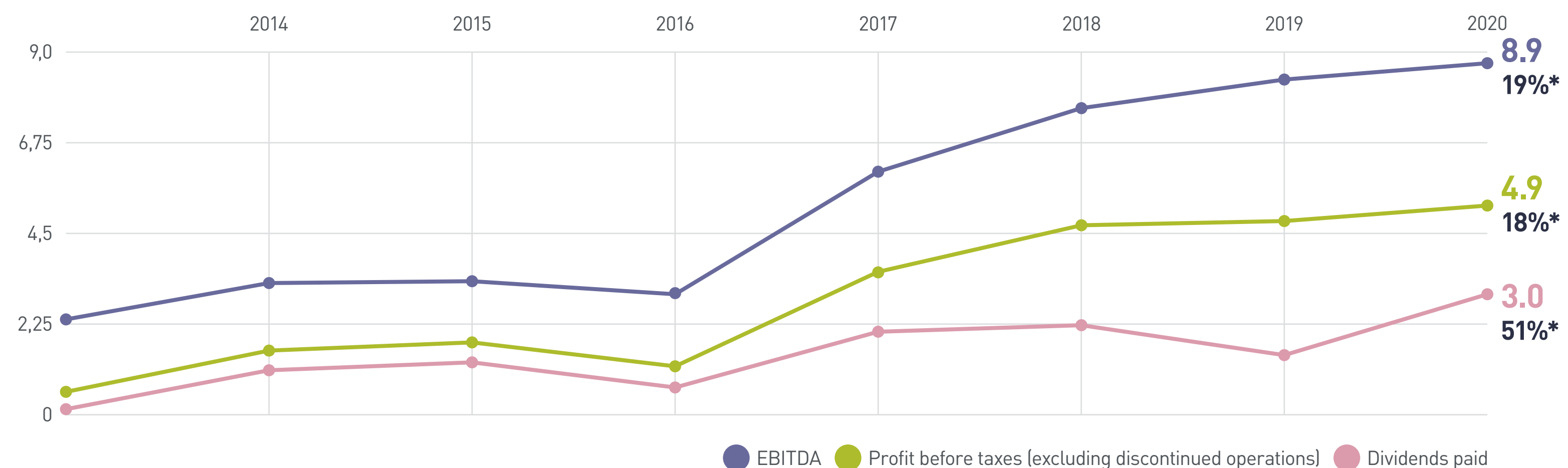
*Excluding shop customers.

THE RESULTS SPEAK FOR THEMSELVES

Dynamic growth in business indicators (million EUR)



Stable and growing historical profit and regular dividends (million EUR)



Based on the AS DelfinGroup audited consolidated financial statements (2013-2019) and unaudited financial statements for the year 2020. Additional information is available at www.delfingroup.lv

*Compound annual growth rate (CAGR) for years 2013-2020.

SUSTAINABILITY AND ESG (ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE)

DelfinGroup strategy's sustainability aspects

Inclusion of broad groups in society

DelfinGroup ensures the availability of financial services to seniors, to people in regions and to other under-served groups of society in 91 branches throughout Latvia and online.

Pawnshops promote the circular economy

DelfinGroup promotes the lifecycle extension of goods: pre-owned goods are examined and prepared for subsequent sale in branches and on the internet.

Responsible and compliant lending

DelfinGroup evaluates customers' solvency according to strict criteria. Only official income is taken into account when issuing consumer loans. Company pays special attention to preventing the risk of fraud in our financial services.

The highest standards of corporate governance

DelfinGroup ensures the transparency of our operations with the information and reports provided on Nasdaq Riga for our bonds. The forthcoming appointment of independent supervisory board members reflects practices in line with the highest principles of corporate governance. The company is a Gold level participant in the State Revenue Service's in-depth cooperation programme. DelfinGroup is an inclusive and non-discriminating workplace.

Technology, innovation and big data

DelfinGroup services are based on in-house developed proprietary data analysis and IT infrastructure, which is constantly improved. The Company invests knowledge and resources to make services more convenient and accessible.

Thinking green

DelfinGroup's concern for the environment is based on certified ISO quality management (9001) and energy management (50001) systems. Pre-owned goods are sold in accordance with the principles of minimum or zero packaging.

Social responsibility

DelfinGroup's social responsibility guidelines aim to provide support to organizations that promote societal development, inclusion, diversity and growth. In cooperation with the Latvian Association of Senior Communities, we help the elderly to acquire skills in the use of modern technologies and better financial literacy.

Relevant UN sustainability goals



INVESTMENT IN A SUSTAINABLE COMPANY THAT PROVIDES IMPORTANT SERVICES TO A BROAD PART OF SOCIETY

Who will benefit from DelfinGroup's initial public offering (IPO)?

New and existing shareholders

Shares of a steadily growing, well-managed and sustainable company with planned dividend payout 4× per year.

[\(DelfinGroup dividend policy\)](#)

AS DelfinGroup

An opportunity to develop and offer even better innovative consumer lending products throughout Latvia. Being able to implement a growth strategy and achieve the set business goals. Attracted equity capital will strengthen the balance sheet and that is expected to increase profitability by reducing the amount and cost of debt.

Economy of Latvia

A more competitive financial sector and a stronger capital market. New jobs and tax revenues based on local investments in a Latvian company.

Our customers

Even better, more convenient, more useful and more accessible services throughout Latvia. Further development of a Buy Now and Pay Later (BNPL) financial product.

Other companies

Inspiration and example of how to attract financing in the capital market with long-term thinking and by creating exemplary investor relations and implementing robust corporate governance practices.

Baltic capital markets

Newly listed company on the Baltic Main list of the Nasdaq Riga Stock Exchange. The recognition of the common Baltic capital market will be promoted, investors from across the Baltics will be able to diversify their investments.



WHAT IS THE BASIS FOR DELFINGROUP'S GROWTH?

FinTech, information technology, branches and a motivated team

Excellent Efficiency

Significant scale of operations, well-trained employees, smart and comprehensive use of big data and information technology.

Leadership position

DelfinGroup provides necessary and valuable financial services to very broad groups of society. This includes near prime, underserved by banks, as well as customers in regions of Latvia, plus seniors.

Accessibility

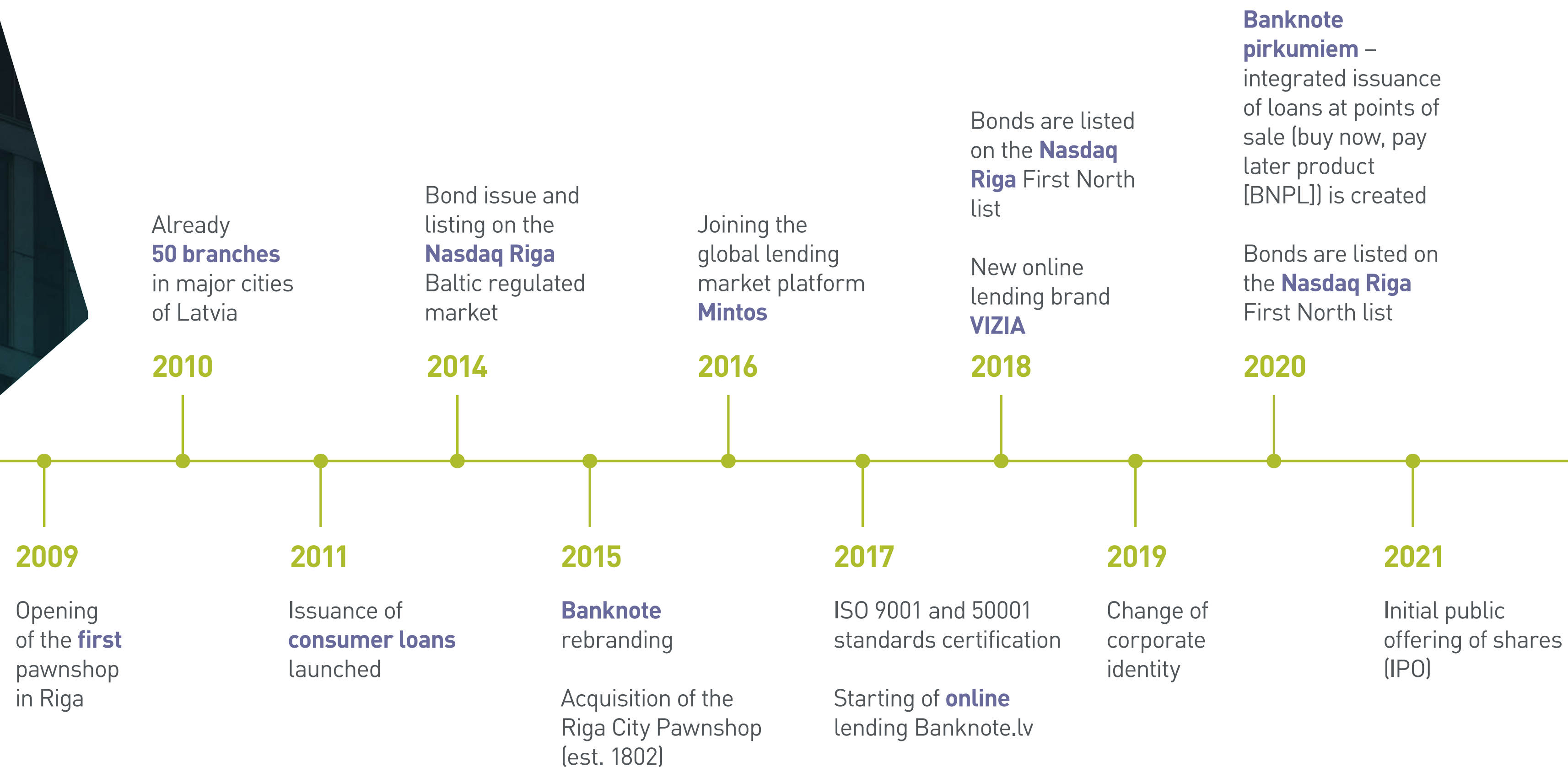
An important offline and online financial services provider. A significant trader of jewellery, electronics, power tools and other goods in all cities and towns of Latvia.

Reputation

Recognition from investors, public authorities and other third parties. Customer loyalty and impeccable service. Demand for DelfinGroup's listed bonds on Nasdaq Riga Stock Exchange.

VALUES AND AMBITIONS – THE DRIVING FORCE OF OUR SUCCESS FOR OVER TWELVE YEARS

Our road to excellence



BRIEFLY ON THE MOST IMPORTANT POINTS

Sign up for news
about the IPO at
delfingroup.lv

7 main reasons to invest in DelfinGroup

Stable growth

Highly competitive and strictly regulated industry, while maintaining a robust reputation and adapting to changing conditions.

Leadership position

The largest branch network and expertise in the Baltics in a unique market segment with several broad groups of customers for whom other types of financial services are not so convenient and easily accessible.

Dividends

Regular earnings stream in addition to changes in the market value of shares.

Sustainability focus

High-class corporate governance and responsibility to the environment and society.

Reputation

Historical issuer of multiple debt securities on the Nasdaq Riga Baltic bond market, and investor demand for the issued bonds.

Innovation and technology (FinTech)

High IT capacity to introduce modern financial services with strong digital and data science components.

Targeted strategy

Maintaining of the existing leadership positions and increasing market share in the consumer lending segment.



Join DelfinGroup's growth story!



EVERSHEDS
SUTHERLAND
BITĀNS



Nasdaq



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