

luteCredit Finance S.à r.l.
14, rue Edward Steichen
L-2540 Luxembourg
Grand Duchy of Luxembourg
(the „Company“)

Greenmarck Restructuring Solutions GmbH (Germany)
(the “**HOLDERS’ AGENT AND SECURITY AGENT**”)

21.10.2021

Re: luteCredit
ISIN: XS2033386603
Common Code: 203338660
EUR 40,000,000
13.00 per cent. Bonds due 2023
and
ISIN: XS2378483494
Common Code: 2378483494
EUR 75,000,000
11.00 per cent. Bonds due 2026
(the “**Bonds**”)

REQUEST FOR APPROVAL/INCURRENCE TEST

The Company is hereby turning to you with a request to approve the payment of dividends to the shareholders of luteCredit Europe AS (registry code 11551447, registered address Maakri Str. 19/1, Tallinn, Estonia), i.e. the sole shareholder of the Company, in accordance with the terms and conditions of the Bonds.

The Company has performed the required financial testing with a positive result, i.e. the result of the testing is in accordance with the financial covenants established in clause 12.1 of the Bond’s terms and conditions.

The amount that the Company is planning to distribute as dividends is up to 450 000 EUR of which:

246 500 EUR would be paid from the 2021 6M earnings. 2021 6M net profit was 3 026 000 EUR, from which 25% can be paid out as dividends. Total amount of dividends paid for 2021 6M could be 756 500 EUR.

The financial covenant computations with the presumption of dividend payment in the amount of 450 000 EUR are as follows:

Financial and Other Covenants	Computation inputs and value	Compliance (Yes/No)
So far as it is, the Company is aware no Event of Default is continuing.	-	YES
The financial covenants set out in Condition 12.1 (<i>Financial Conditions</i>) are met – Interest	2.02	YES

Coverage Ratio as at 30.06.2021*		
The financial covenants set out in Condition 12.1 (<i>Financial Conditions</i>) are met - Capitalisation ratio as at 30.06.2021	26,1%	YES

* The financial covenant "Interest coverage ratio" is measured by dividing interest expenses (as of 30 June 2021: 11 885 047 euros) with adjusted EBIDTA. The metric of "Adjusted EBIDTA" is identified as EBIDTA (as of 30 June 2021: 22 563 825 euros) adjusted with foreign exchange gains and losses of the period (as of 30 June 2021: loss 1 387 843 euros).

In addition to the performed financial covenants computations, please find below the pro forma balance sheet and income statement:

Condensed statement of profit and loss	Period 01.07.2020- 30.06.2021	2020	2019	2018
	EUR	EUR	EUR	EUR
Interest and similar income	45 533 820	44 477 377	46 993 705	22 602 298
Interest and similar expense	-11 885 047	-10 996 676	-8 967 908	-3 854 657
Net interest and commission fee income	33 648 773	33 480 701	38 025 797	18 747 641
Other fees and penalties	9 198 208	8 391 469	3 041 417	9 440 309
Total other fee income	9 198 208	8 391 469	3 041 417	9 440 309
Other income	3 394 042	3 151 723	749 404	346 730
Allowances for loan impairment	-15 509 649	-18 755 977	-10 936 855	-10 376 484
Net operating income	30 731 374	26 267 916	30 879 763	18 158 197
Personnel expenses	-8 333 944	-8 089 253	-6 295 676	-3 885 403
Depreciation/amortization charge	-2 227 224	-1 741 813	-1 239 337	-219 609
Other operating expenses	-10 330 809	-8 302 226	-14 206 414	-5 214 795
Total operating expenses	-20 891 977	-18 133 292	-21 741 427	-9 319 807
Net gains/losses from financial assets measured at fair value	0	0	963 743	0
Foreign exchange gains/losses	-1 387 843	-1 958 211	364 690	661 644
Total finance income	-1 387 843	-1 958 211	1 328 434	661 644
Profit before tax	8 451 554	6 176 413	10 466 770	9 500 033
Income tax expense	212 728	-933 363	-2 095 754	-2 243 722
Profit for the reporting period	8 664 282	5 243 050	8 371 016	7 256 311
Other comprehensive income				

Other comprehensive income to be classified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	-1 591 855	-1 760 966	-306 195	504 787
Total comprehensive income	7 072 427	3 482 084	8 064 821	7 761 098
Profit attributable to:				
Equity holders	7 072 427	3 482 084	8 064 821	7 761 098
Total comprehensive income attributable to:				
Equity holders	7 072 427	3 482 084	8 064 821	7 761 098
Condensed statement of financial position	30.06.2021	31.12.2020	31.12.2019	31.12.2018
	EUR	EUR	EUR	EUR
Assets				
Cash and bank accounts	14 927 189	19 453 123	6 733 706	2 627 643
Loans to customers	88 115 174	79 187 011	79 004 512	48 050 771
Prepayments	2 583 558	1 296 671	913 380	250 697
Trade and other receivables	4 008 170	2 702 165	2 488 887	1 282 780
Assets held for sale	0	0	4 732	386 582
Other financial investments	5 962 523	7 195 624	9 908 342	1 455 646
Property, plant and equipment	1 107 384	978 183	1 024 546	496 334
Right-of-use assets	2 053 110	2 113 300	2 849 687	0
Intangible assets	4 973 341	3 692 777	3 326 413	739 644
Total assets	123 730 449	116 618 854	106 254 206	55 290 097
Liabilities and equity				
Liabilities				
Loans and bonds from investors	97 563 009	91 433 839	84 073 064	39 178 464
Trade and other payables	1 035 690	1 051 322	1 031 291	618 027
Current income tax liabilities	4 628	237 766	454 790	1 358 519
Deferred tax liabilities	395 109	655 161	288 813	489 481
Other liabilities	1 776 083	1 753 103	1 900 669	955 438
Total liabilities	100 774 519	95 131 191	87 748 626	42 599 929
Equity				
Share capital	10 000 000	10 000 000	10 000 000	10 000 000
Legal reserve	536 767	536 737	398 269	27 520
Unrealized foreign exchange differences	-1 746 905	-1 688 912	72 055	378 250
Retained earnings	14 166 068	12 639 838	8 035 256	2 284 397
Total equity	22 955 930	21 487 663	18 505 580	12 690 167
Total liabilities and equity	123 730 449	116 618 854	106 254 206	55 290 097

Taking into consideration that the dividend payment in the amount of up to 450 000 EUR would not cause any Event of Default as per the terms and conditions of the Bonds, the Company hereby request for your approval to the dividend payment described above.

IuteCredit Finance S.à r.l.



By: Kristel Kurvits
Class A Manager



By:
Class B Manager