



Supplement No.1

dated 10 March 2023

to the Prospectus of

IuteCredit Finance S.à r.l.

Luxembourg

dated 1 March 2023

Up to EUR 50,000,000

11 % Senior Secured Bonds 2021/2026 (the “New Bonds”)

to be consolidated and form a single series with the Existing Bonds

with a Term from 6 October 2021 until 6 October 2026

International Securities Identification Number (ISIN): XS2378483494

Common Code: 237848349

This document constitutes a supplement (the “**Supplement**”) for the purposes of Art. 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the “**Prospectus Regulation**”) to the prospectus of IuteCredit Finance S.à r.l. (the “**Issuer**”), a private limited liability company (*société à responsabilité limitée*), incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 16, Rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 234678 dated 1 March 2023 (the “**Prospectus**”) for the issue of up to EUR 50,000,000.00 11% senior secured bonds due 6 October 2026 (the “**New Bonds**”) by the Issuer, to be immediately consolidated on the Issue Date and form a single series with the EUR 75,000,000, 11% senior secured bonds due 2026 (the “**Existing Bonds**”).

This Supplement has been approved by the Luxembourg Commission for the Supervision of the Financial Sector (*Commission de Surveillance du Secteur Financier* – “**CSSF**”) which is the Luxembourg competent authority for the purposes of the approval of the Prospectus under the Prospectus Regulation. The Issuer has requested the CSSF to provide the competent authorities in Estonia, Latvia, Lithuania and Germany, i.e. to the Estonian Financial Supervisory Authority (Finantsinspektsioon – “**EFSA**”), to the Financial and Capital Market Commission of

Latvia (Finanšu un kapitāla tirgus komisija – “**FCMC**”), to the Bank of Lithuania (Lietuvos Bankas) and to the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – “**BaFin**”) with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Regulation. The Issuer may request the CSSF to provide competent authorities in additional host member states within the European Economic Area with such notification.

Copies of this Supplement together with the Prospectus and all documents which are incorporated therein by reference will be available free of charge from the specified offices of the Issuer.

This Supplement together with the Prospectus will be published on the website of the Luxembourg Stock Exchange (www.luxse.com), the Nasdaq Tallinn Stock Exchange (<http://www.nasdaqbaltic.com>), the Frankfurt Stock Exchange (www.boerse-frankfurt.de) and the Issuer’s website (<https://iutecredit.com/prospectus/>).

This Supplement is supplemental to and should be read in conjunction with the Prospectus. Terms defined in the Prospectus have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information given in this Supplement. The Issuer hereby declares that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement for which it is responsible, is in accordance with the facts and that this Supplement makes no omission likely to affect its import.

Neither the Sales Agents nor any person mentioned in the Prospectus or this Supplement, excluding the Issuer, is responsible for the information contained in the Prospectus or this Supplement, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents. To the extent that there is any inconsistency between any statement included in this Supplement and any statement included or incorporated by reference in the Prospectus, the statements in this Supplement will prevail.

RIGHT TO WITHDRAW

In accordance with Art. 23(2)(a) of the Prospectus Regulation, investors who have already agreed to purchase or subscribe for the securities before this Supplement was published shall have the right, exercisable within two business days after the publication of this Supplement, to withdraw their acceptances, provided that the significant new factor arose or was noted before the closing of the offer period or the delivery of the securities. The final date for the right of withdrawal will be 14 March 2023 (close of business).

Investors may contact luteCredit Finance S.à r.l. at its registered office should they wish to exercise the right of withdrawal.

I. CIRCUMSTANCES REQUIRING A SUPPLEMENT

The purpose of this Supplement is to incorporate the audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2022 into the Prospectus.

Save as disclosed on pages 4 – 25 of this Supplement, there has been no other significant new factor, material mistake or material inaccuracy since the publication of the Prospectus.

II. AMENDMENTS TO THE PROSPECTUS

The Issuer announces the following changes with regard to the Prospectus:

1. Summary

The paragraphs relating to the financial information of AS luteCredit Europe of “**Section 3 – The Securities**”, “***Is there a guarantee attached to the securities ?***”, “***Key financial information regarding the Guarantors***” on pages 11 to 12 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The tables below present key selected consolidated financial information for AS luteCredit Europe as at and for the financial years ended 31 December 2022, 31 December 2021 and 31 December 2020. This information has been derived from ~~AS luteCredit Europe’s unaudited consolidated interim report as at and for the financial year ended 31 December 2022 and~~ the audited consolidated financial statements as at and for the financial years ended 31 December 2022, 31 December 2021 and 31 December 2020. Such consolidated financial statements of AS luteCredit Europe have been prepared in accordance with IFRS.

The independent auditor’s report issued by Audiitorühing KPMG Baltics OÜ on the consolidated financial statements of Holdco and its subsidiaries as of and for the financial year ended 31 December 2022 incorporated by reference in this Prospectus is qualified as described in the basis for qualified opinion with respect to the fair value of luteCredit Kosovo J.S.C due to no access to reliable evidence to support management’s assumptions in the estimation of the fair value and future cash flows of the equity investment as well as uncertainty associated with liquidation process of luteCredit Kosovo J.S.C following the revocation of its microfinance license by the Central Bank of Kosovo in December 2019. Please see “Documents incorporated by reference”.

The independent auditor’s report issued by Audiitorühing KPMG Baltics OÜ on the consolidated financial statements of Holdco and its subsidiaries as of and for the financial year ended 31 December 2021 incorporated by reference in this Prospectus is qualified as described in the basis for qualified opinion with respect to the fair value of luteCredit Kosovo J.S.C due to no access to reliable evidence to support management’s assumptions in the estimation of the fair value and future cash flows of the equity investment as well as uncertainty associated with liquidation process of luteCredit Kosovo J.S.C following the revocation of its microfinance license by the Central Bank of Kosovo in December 2019. Please see “Documents incorporated by reference”.

The independent auditor’s report issued by Audiitorühing KPMG Baltics OÜ on the consolidated financial statements of Holdco and its subsidiaries as of and for the financial year ended 31 December 2020 incorporated by reference in this Prospectus is qualified as described in the basis for qualified opinion with respect to the fair value of luteCredit Kosovo J.S.C due to no access to reliable evidence to support management’s assumptions in the estimation of the fair value and future cash flows of the equity investment as well as uncertainty associated with liquidation process of luteCredit Kosovo J.S.C following the revocation of its microfinance license by the Central Bank of Kosovo in December 2019. Please see “Documents incorporated by reference”.

Selected statement of comprehensive income data of AS luteCredit Europe (in Million EUR)

EUR	01.01.2022- 31.12.2022 (unaudited <u>audited</u>)	01.01.2021- 31.12.2021 (audited)	01.01.2020- 31.12.2020 (audited)
Total comprehensive income for the year/period	19.7	7.2	3.5

Selected statement of financial position data of AS luteCredit Europe (in Million EUR)

EUR	01.01.2022- 31.12.2022 (unaudited <u>audited</u>)	01.01.2021- 31.12.2021 (audited)	01.01.2020- 31.12.2020 (audited)
Total liabilities	266.2	141.2	95.1
Total liabilities and equity	322.3	166.8	116.6

Selected statement of cash flows data of AS luteCredit Europe (in Million EUR)

EUR	01.01.2022- 31.12.2022 (unaudited <u>audited</u>)	01.01.2021- 31.12.2021 (audited)	01.01.2020- 31.12.2020 (audited)
Net cash flows from operating activities	(20.5) <u>(30.8)</u>	(3.2)	18.9
Net cash flows from financing activities	3.9 <u>4.0</u>	25.8	(5.4)
Net cash flows from investing activities	35.8 <u>33.6</u>	4.0	(0.3)

2. General Information

The section “**10. Presentation of Financial Information**” on pages 57 to 58 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The financial information with respect to the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows set forth herein, has, unless otherwise indicated, been taken or derived from ~~the unaudited consolidated interim report of Holdco as of and for the financial year ended 31 December 2022 and~~ the audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2022 (including comparative financial information as of and for the financial year ended 31 December 2021), which have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as adopted by the European Union (“IFRS”).

Following the acquisition of Energbank, the Group has decided to make changes to the presentation of the financial information in its audited consolidated financial

statements as of and for the financial year ended 31 December 2022, namely the presentation of (i) consolidated statement of comprehensive income and (ii) consolidated statement of financial position. The changes have been made to provide a more accurate presentation in line with the common practices in reporting by companies operating in the financial industry, as further described in Note 31 to the audited consolidated financial statements as of and for the financial year ended 31 December 2022. The changes of presentation did not have any impact on the Group's consolidated assets and consolidated liabilities as at 31 December 2021 or on the consolidated results of the financial year ended 31 December 2021.

The preliminary unaudited financial figures for the financial year ending on 31 December 2022 have been compiled and prepared on a basis which is both comparable with the historical financial information and consistent with Holdco's accounting policies.

The financial information with respect to net debt and the key financial parameters set forth herein, has, unless otherwise indicated, been derived from management report included in Holdco's audited annual reports of 2022 and 2021, Holdco's internal accounting reporting system and Holdco's unconsolidated financial statements, prepared in accordance with the Accounting Act of the Republic of Estonia, and have been calculated based on financial information from the aforementioned sources.

Where financial information in the tables in the Prospectus is labeled "audited", this means that it has been taken from the above mentioned audited consolidated financial statements. The label "unaudited" is used in the tables in the Prospectus to indicate financial information that was not taken from the above mentioned audited consolidated financial statements but has been taken either from the ~~above mentioned~~ unaudited consolidated interim report of Holdco as of and for the financial year ended 31 December 2022, or is based on calculations of financial information of the above mentioned sources as well as Holdco's unconsolidated financial statements.

Certain stated figures, financial information and market data (including percentages) given in this Prospectus had been rounded up or down pursuant to generally applicable commercial and business standards. It is therefore possible that not all total amounts (total sums or interim totals, differences or figures used as reference) contained within this Prospectus coincide completely with the underlying (non-rounded) individual amounts contained in other places or in documents incorporated by reference in this Prospectus. In addition, it is possible that these rounded figures in tables do not add up precisely to form the overall total sums in the respective tables.

The first paragraph of section "**13. Documents available for Inspection**" on pages 59 to 60 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

For at least 10 years after the publication of this Prospectus, copies of the following may be inspected at the head office of the Issuer (as of the date of this Prospectus, 16, Rue Eugène Ruppert, L-2453 Luxembourg), on weekdays from 9:00 am to 4:00 pm and will be available on the Issuer's website (<https://iutecredit.com/>):

- the Prospectus (<https://iutecredit.com/prospectus/>);

- the Issuer’s up to date articles of association (<https://iutecredit.com/articles-of-association/>);
- the Guarantors’ up to date articles of association (<https://iutecredit.com/articles-of-association/>);
- the audited consolidated financial statements of Holdco as of and for the financial years ended 31 December 2022, 31 December 2021 and 31 December 2020 (<https://iutecredit.com/reports/>);
- the unaudited consolidated interim report of Holdco as of and for the financial year ended 31 December 2022 (<https://iutecredit.com/reports/>);
- the audited financial statements of the Issuer as of and for the financial years ended 31 December 2021 and 31 December 2020 (<https://iutecredit.com/reports/>);
- the unaudited financial statements of the Issuer for 6M/2022 (<https://iutecredit.com/reports/>);
- the audited financial statements of the Subsidiary Guarantor as of and for the financial years ended 31 December 2021 and 31 December 2022 (<https://iutecredit.com/reports/>);
- the Luxembourg Guarantee Agreement (<https://iutecredit.com/#about>).

3. Capitalization

The section on pages 62 to 63 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The table below sets forth our consolidated capitalization of the Group as of 31 December 2022 and 31 December 2021 on an actual historical basis. This table should be read in conjunction with “Use of Net Proceeds”, “Material Agreements”, “Loans from Related Parties” and the audited consolidated financial statements of Holdco as of and for the financial years ended 31 December 2022 and 31 December 2021 incorporated by reference in this Prospectus.

	As of 31 December 2022 (unaudited) <u>(audited)</u>	As of 31 December 2021 (audited)
(in Million EUR)		
Cash and bank accounts	65.6	46.3
Debt		
Current loans from non-related parties and banks	71.4	3.1
Bonds	123.6	119.5

Long-term loan from non-related parties and banks	36.3	6.2
Accrued interest for loans/bonds from non-related parties	5.3	4.2
Non-current financing received from/through Mintos	8.0 <u>8.2</u>	0.7
Current financing received from/through Mintos	6.6 <u>6.4</u>	0.2
Accrued interest for financing received from/through Mintos	0.1	0.0
Lease liabilities	2.1	1.8
Total debt¹	253.4	135.7
Equity		
Share capital	10.0	10.0
Legal reserve	1.0	0.8
Reserves	0.4	(0.5)
Retained earnings	40.2	15.3
Minority share in equity	4.5	0
Total equity	56.1	25.6
Total capitalization²	309.5	161.3

There have been no material changes in the Group's consolidated capitalization or indebtedness since 31 December 2022.

4. Selected Financial Information and Operating Data

The paragraphs on page 64 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

As at the date of this Prospectus, the parent company of the Group is Holdco.

¹ For the purposes of this Prospectus, the Total debt is the sum of (i) Total loans and bonds from investors (including lease liabilities) with a residual maturity over 1 years (as of 31 December 2022: EUR 120.6 million; as of 31 December 2021: EUR 127.3 million;) and (ii) Total loans and bonds from investors (including lease liabilities) with a residual maturity up to 1 year (as of 31 December 2022: EUR 132.8 million; as of 31 December 2021: EUR 8.4 million) as presented in Holdco's consolidated financial statements.

² For the purposes of this Prospectus, the Total capitalization is the sum of (i) Total loans and bonds from investors (including lease liabilities) with a residual maturity over 1 year (as of 31 December 2022: EUR 120.6 million; as of 31 December 2021: EUR 127.3 million), (ii) Total loans and bonds from investors (including lease liabilities) with a residual maturity up to 1 year (as of 31 December 2022: EUR 132.8 million; as of 31 December 2021: EUR 8.4 million) and (iii) Total equity (as of 31 December 2022: EUR 56.1 million; as of 31 December 2021: EUR 25.6 million) as presented in Holdco's consolidated financial statements.

The selected consolidated financial information set forth below should be read in conjunction with the respective documents incorporated by reference in this Prospectus.

The tables below present key selected consolidated financial information for the Group and key selected financial information of Holdco as of and for the financial years ended 31 December 2022 and 31 December 2021. The financial information with respect to the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows has been taken or derived from ~~the unaudited consolidated interim report of Holdco as of and for the financial year ended 31 December 2022, and~~ the audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2022 (including comparative financial information as of and for the financial year ended 31 December 2021). The unaudited consolidated interim report of Holdco as of and for the financial year ended 31 December 2022, ~~and~~ the audited consolidated financial statements of Holdco as of and for the financial ~~year-years~~ ended 31 December 2022 and 31 December 2021 were prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as adopted by the European Union (“IFRS”).

Following the acquisition of Energbank, the Group has decided to make changes to the presentation of the financial information in its audited consolidated financial statements as of and for the financial year ended 31 December 2022, namely the presentation of (i) consolidated statement of comprehensive income and (ii) consolidated statement of financial position. The changes have been made to provide a more accurate presentation in line with the common practices in reporting by companies operating in the financial industry, as further described in Note 31 to the audited consolidated financial statements as of and for the financial year ended 31 December 2022. The changes of presentation did not have any impact on the Group's consolidated assets and consolidated liabilities as at 31 December 2021 or on the consolidated results of the financial year ended 31 December 2021.

The financial information with respect to net debt and the key financial parameters set forth herein, has, unless otherwise indicated, been derived from the management report included in Holdco's audited annual reports of 2022 and 2021, Holdco's internal accounting reporting system and Holdco's unconsolidated financial statements, prepared in accordance with the Accounting Act of the Republic of Estonia, and have been calculated based on financial information from the aforementioned sources.

Where financial information in the following tables is labeled “audited”, this means that it has been taken from the above mentioned audited consolidated financial statements. The label “unaudited” is used in the following tables to indicate financial information that was not taken from the above mentioned audited consolidated financial statements but has been taken either from the above mentioned unaudited consolidated interim financial information or Holdco's internal accounting reporting system, or is based on calculations of financial information of the above mentioned sources as well as Holdco's unconsolidated financial statements.

The section “**1. Consolidated statement of comprehensive income**” on pages 64 to 65 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

	Year ended 31 December 2022 (unaudited <u>audited</u>)	Year ended 31 December 2021 (audited)
	(in Million EUR)	
Interest and similar income	78.6	48.3
Interest expense and similar expense	(20.2)	(14.4)
Net interest income	58.4	33.9
Other fees and penalties	7.3	8.2
Total other fee income	7.3	8.2
Other income	3.3 <u>4.9</u>	4.7
<u>Other expenses</u>	<u>(1.6)</u>	<u>0</u>
<u>Net other income</u>	<u>3.3</u>	<u>4.7</u>
Allowances for loan impairment	(19.3)	(16.3)
<u>Net gains/losses from financial assets measured at fair value</u>	<u>0</u>	<u>0.8</u>
<u>Net gains/losses from financial investments</u>	<u>10.0</u>	<u>0</u>
<u>Foreign exchange gains/losses</u>	<u>1.7</u>	<u>1.2</u>
<u>Net Total operating income</u>	<u>49.7</u> <u>11.7</u>	<u>30.5</u> <u>2.0</u>
<u>Net income</u>	<u>80.6</u>	<u>48.9</u>
Personnel expenses	(17.5)	(9.0)
Depreciation/amortization charge	(4.1)	(2.6)
Other operating expenses	(18.9)	(13.1)
Total operating expenses	(40.5)	(24.7)
<u>Profit before impairment losses</u>	<u>40.1</u>	<u>24.2</u>
Net gains/losses from financial assets measured at fair value	0	0.8
Net gains/losses from financial investments	10.0	0
Foreign exchange gains/losses	1.6	1.2
Total finance income	11.6	2.0
<u>Net allowances for loan impairment</u>	<u>(19.3)</u>	<u>(16.3)</u>
Profit before tax	20.8	7.8
Income tax expense	(1.2)	(1.8)
<u>Net Profit for the reporting period</u>	<u>19.6</u>	<u>6.0</u>
Other comprehensive income		

	Year ended 31 December 2022 (unaudited) <u>(audited)</u>	Year ended 31 December 2021 (audited)
	(in Million EUR)	
Interest and similar income	78.6	48.3
Other comprehensive income to be classified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	0.2	1.2
Total comprehensive income	0.2	1.2
Total comprehensive income attributable to:	19.8	7.2
Equity Holders of the parent	19.3	7.2
Equity Holders of the minority	0.5	0

The section “**2. Consolidated statement of financial position**” on pages 65 to 66 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

	As of 31 December 2022 (unaudited) <u>(audited)</u>	As of 31 December 2021 (audited)
	(in Million EUR)	
Assets		
Cash and bank accounts	65.6	46.3
Loans to customers	193.9	105.4
Prepayments	1.9	0.7
Trade and other receivables	4.3	3.1
<u>Other Assets</u>	<u>4.1</u>	<u>3.1</u>
<u>Assets held for sale</u>	<u>0.2</u>	<u>0</u>
Other financial investments	38.6	2.7
Property, plant and equipment	7.0	1.1
Right-of-use assets	2.1	1.6
Intangible assets	8.9	5.9
Total assets	322.3	166.8
Liabilities and equity		
Liabilities		

	As of 31 December 2022	As of 31 December 2021
	(unaudited <u>audited</u>)	(audited)
	(in Million EUR)	
Deposits from customers	86.1	0
Loans and bonds from investors	167.3 <u>165.1</u>	135.7 <u>133.9</u>
<u>Lease liabilities</u>	<u>2.1</u>	<u>1.8</u>
Trade and other payables	1.5	1.4
Current income tax liabilities	0.2	0.6
Deferred <u>Other</u> tax liabilities	0.9	0.9
Other liabilities	10.2 <u>11.8</u>	2.6 <u>4.0</u>
Total liabilities	266.2	141.2
Equity		
Share capital	10.0	10.0
Legal reserve	1.0	0.8
Unrealized foreign exchange differences	0.4	(0.5)
<u>Reserves</u>	<u>0.4</u>	<u>(0.5)</u>
Retained earnings	40.2	15.3
Minority share in equity	4.5	0
Total equity	56.1	25.6
Total equity and liabilities	322.3	166.8

The section “3. Consolidated statement of cash flows” on pages 66 to 67 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

	Year ended 31 December 2022	Year ended 31 December 2021
	(unaudited <u>audited</u>)	(audited)
	(in Million EUR)	
Prepayments to partners for issuance of loans	(27.7)	(26.0)
Received pre- and overpayments from customers	47.9 <u>46.9</u>	33.4
Paid trade payables	(25.0) <u>(18.5)</u>	(18.2)
Received debts from buyers and received other claims	2.8 <u>2.3</u>	2.4

	Year ended 31 December 2022	Year ended 31 December 2021
	(unaudited <u>audited</u>)	(audited)
	(in Million EUR)	
Received from collection companies	31.2	27.8
Paid net salaries	(11.8)	(6.7)
Paid tax liabilities, exc. CIT	(6.2)	(4.9)
Corporate income tax paid (CIT)	(2.8) <u>(2.9)</u>	(1.4)
Paid out to customers	(218.5) <u>(193.6)</u>	(67.6)
Change in MasterCard (MC) settlement account	(14.8)	(17.3)
Principal repayments from customers	138.3 <u>97.9</u>	41.6
Loan principal repayments from customers related to MC	21.5	12.6
Interest, commission and other fees	44.6 <u>44.9</u>	21.1
Net cash flows from operating activities	(20.5) <u>(30.8)</u>	(3.2)
Purchase of fixed assets	(6.2) <u>(7.4)</u>	(1.9)
Net cash flow from acquisition of subsidiaries	41.9 <u>32.6</u>	0
Payments for other financial investments	(17.7)	(0.0)
Receipts from other financial investments	17.9 <u>26.1</u>	5.9
Net cash flows from investing activities	35.9 <u>33.6</u>	4.0
Loans received from investors	33.6	111.5
Repaid loans to investors	(10.5)	(74.3)
Change in overdraft	0.5	1.8
Principal payments of lease contracts	(1.3) <u>(1.2)</u>	(1.0)
Paid interests	(18.4)	(8.9)
Paid dividends	0	(3.2)
Net cash flows from financing activities	3.9 <u>4.0</u>	25.9
Change In cash and cash equivalents	19.3 <u>6.7</u>	26.7
Cash and cash equivalents at the beginning of the year	46.3	19.5
Change in cash and cash equivalents	19.3 <u>6.7</u>	26.7
Net foreign exchange difference	0 <u>(0.5)</u>	0.1
Cash and cash equivalents at the end of the year	65.6 <u>52.6</u>	46.3

The section “4. Net debt” on page 68 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

	As of 31 December 2022 (unaudited) <u>(audited)</u>	As of 31 December 2021 (unaudited) <u>(audited)</u>
	(in Million EUR)	
Cash and bank accounts	65.6	46.3
Bonds	123.6	119.5
Current loan from non-related parties	0.2	0.9
Long-term loan from non-related parties	7.3	2.7
Accrued interest for loans/bonds from non-related parties	5.2 <u>5.3</u>	4.2
Non-current financing received from/through Mintos	8.2	0.7
Current financing received from/through Mintos	6.4	0.2
Accrued interest for financing received from/through Mintos	0.1	0.0
Loan from bank	10.7	5.7
Accrued interest for loan from banks	0.0	0.0
Current deposits from customers	64.6	0.0
Non-current deposits from customers	21.3	0.0
Loans from government	3.6	0.0
Lease liabilities	2.2 <u>2.1</u>	1.8
Net debt³	187.8	89.4

³ For the purposes of this Prospectus, the Net debt represents the sum of (i) Total loans and bonds from investors (including lease liabilities) with a residual maturity over 1 year (as of 31 December 2022: EUR 120.6 million; as of 31 December 2021: EUR 127.3 million) and (ii) Total loans and bonds from investors (including lease liabilities) with a residual maturity up to 1 year (as of 31 December 2022: EUR 132.8 million; as of 31 December 2021: EUR 8.4 million) less (iii) Cash and bank accounts (as of 31 December 2022: EUR 65.6 million; as of 31 December 2021: EUR 46.3 million) as presented in the Holdco’s consolidated financial statements.

The section “5. Key financial parameters” on pages 69 to 70 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The Group believes that the following key financial parameters are a useful way of understanding trends in the performance of the business of the Group over time.

a. EBITDA and Adjusted EBITDA

The abbreviation “EBITDA” stands for: “Earnings Before Interest, Taxes, Depreciation and Amortization”.

EBITDA is defined as profit for the reporting period plus income tax expense, plus interest and similar expense, plus depreciation and amortization charge and is derived with respect to the financial years ended 31 December 2022 and 31 December 2021, from the financial information produced with the ~~unaudited consolidated interim report~~ audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2022 and the audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2021, as shown in the table below.

Adjusted EBITDA is defined as EBITDA adjusted for income/loss from discontinued operations, non-cash gains and losses attributable to movement in the mark-to-market valuation of hedging obligations under IFRS, goodwill write-offs and certain other one-off or non-cash items.

The Group believes these metrics are a useful indicator of its capacity to pay interest on its borrowings.

EBITDA and Adjusted EBITDA:	Year ended 31 December 2022 (unaudited <u>audited,</u> <u>unless otherwise</u> <u>indicated</u>)	Year ended 31 December 2021 (audited, unless otherwise indicated)
(in Million EUR)		
Profit for the reporting period	19.6	6.0
Income tax expense	1.2	1.8
Interest and similar expense	20.2	14.4
Depreciation /amortization charge	4.1	2.6
EBITDA (<u>unaudited</u>)	45.1	24.8
Adjustments (unaudited)	11.7 <u>8.5</u>	2.0

Adjusted EBITDA (<u>unaudited</u>) ⁴	33.4 <u>36.6</u>	22.8
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b. Consolidated key financial parameters

	Year ended 31 December 2022 (unaudited)	Year ended 31 December 2021 (audited <u>unaudited</u>)
Net loan portfolio (in million EUR) ⁵	193.9	105.3
Capitalization ratio (equity/net loan portfolio) ⁶	28.9%	24.3%
Net profit margin ⁷	22%	10%
ROA (profit for the reporting period/total assets)	6.08%	3.64%
ROE (profit for the reporting period/total equity)	34.94%	23.72%
Assets/equity ratio	5.75	6.52
Leverage ratio ⁸	4.2	3.6
Equity per share (total equity/number of outstanding shares)	5.61	2.56
Earnings per share (profit for the reporting period/number of outstanding shares)	1.96	0.60
Dividends paid per share (dividends paid/number of outstanding shares)	0.00	0.31

c. Key parameters based on Holdco's unconsolidated financials statements

	Year ended 31 December 2022 (unaudited)	Year ended 31 December 2021 (audited <u>unaudited</u>)
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⁴ The metric "Adjusted EBITDA" is used in the management report for 2022 of Holdco, published with the unaudited consolidated interim report as of and for the financial year ended 31 December 2022 in Holdco's annual report 2022. For ease of readability, the metric is simply referred to as "EBITDA". The metric of "Adjusted ~~EBITDA~~ EBITDA" is identified as ~~EBITDA~~ EBITDA adjusted with foreign exchange gains and losses of the period (as of 31 December 2022: gain EUR 1.7 million; as of 31 December 2021: gain EUR 1.2 million) ~~and~~ with net gains and losses from financial investments (as of 31 December 2022: gain EUR 10.0 million; as of 31 December 2021: gain EUR 0.8 million) ~~and with one-time expenses not attributable to operations (as of 31 December 2022: loss EUR 3.2 million; as of 31 December 2021 EUR 0 million).~~

⁵ Gross loan portfolio (including accrued interests) deducted by provisions for loan impairments

⁶ Capitalization ratio = total equity / net loan portfolio

⁷ Net profit margin = profit for the reporting period / income

⁸ Leverage ratio = Net debt (loans and bonds from investors (including lease liabilities– cash and bank accounts) / EBITDA

ROA (profit for the reporting period/total assets)	6.08% <u>10.56%</u>	3.64% <u>4.59%</u>
ROE (profit the reporting period/total equity)	34.94% <u>44.03%</u>	23.72% <u>27.53%</u>
Assets/equity ratio	5.75 <u>4.17</u>	6.52 <u>6.0</u>
Equity per share (total equity/number of outstanding shares)	5.61 <u>4.31</u>	2.6 <u>2.4</u>
Earnings per share (profit the reporting period/number of outstanding shares)	1.96 <u>1.90</u>	0.6 <u>0.66</u>
Dividends paid per share (dividends paid/number of outstanding shares)	0 <u>0.00</u>	0.31

The section “**6. Independent Auditors**” on pages 71 to 72 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The statutory auditors of the audited consolidated financial statements of Holdco and its subsidiaries as of and for the financial year ended 31 December 2021 and the ~~unaudited, for the time being,~~ consolidated financial statements of Holdco and its subsidiaries as of and for the financial year ended 31 December 2022, prepared in accordance with IFRS and incorporated by reference in this Prospectus, was Audiitorühing KPMG Baltics OÜ, incorporated under laws of Estonia with its registered office at Narva mnt 5, 10117 Tallinn, Estonia and companies register under number 10096082 and Audit Company’s Registration number 17.

Audiitorühing KPMG Baltics OÜ is a member of the Estonian Auditors’ Association.

The independent auditor’s ~~report~~reports issued by Audiitorühing KPMG Baltics OÜ on the consolidated financial statements of Holdco and its subsidiaries as of and for the financial ~~year~~years ended 31 December 2021 and 31 December 2022 incorporated by reference in this Prospectus ~~is~~are qualified as described in the basis for qualified opinion with respect to the fair value of the investment in ICK in the consolidated statement of financial position, and related adjustments in the consolidated statement of comprehensive income due to inability to obtain sufficient reliable audit evidence to support management’s assumptions in the estimation of the fair value of and future cash flows from the investment as well as the significant uncertainty associated with liquidation process of ICK following the revocation of its microfinance license by the Central Bank of Kosovo in December 2019.

The qualified opinion of Audiitorühing KPMG Baltics OÜ on the consolidated financial statements of Holdco and for the financial year ended 31 December 2021, reads as follows:

“Qualified Opinion

We have audited the consolidated financial statements of AS luteCredit Europe (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the

year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements presented on pages 12 to 60, present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted in the European Union.

Basis for Qualified Opinion

The Group's investment in luteCredit Kosovo JSC, a former foreign subsidiary, accounted for under the fair value method, is carried at EUR 2,529 thousand on the consolidated statement of financial position as at 31 December 2021 (EUR 6,999 thousand as at 31 December 2020). As described in Note 27 to the accompanying consolidated financial statements, on 6 December 2019 luteCredit Kosovo JSC received a notice from the Central Bank of Kosovo that its microfinance licence had been revoked with immediate effect and a liquidator was appointed to close the business in Kosovo. The event resulted in the Group losing control over the subsidiary and accordingly, the Group derecognised the assets and liabilities of the subsidiary from consolidation and recognised the retained investment as a financial asset at fair value through profit or loss.

Due to the fact that we were unable to obtain sufficient reliable audit evidence to support management's assumptions used in the estimation of the fair value of and future cash flows from the investment as well as the significant uncertainty associated with the liquidation process of luteCredit Kosovo JSC, we are unable to express our opinion on the fair value of the investment in luteCredit Kosovo JSC in the consolidated statement of financial position, and related adjustments in the consolidated statement of comprehensive income. We were also not able to satisfy ourselves as to the amount by which the recoverable amount of the investment is lower than its carrying amount and the amount in which an impairment loss should have been recognised by alternative means. Accordingly, we are unable to conclude whether and to what extent the Group's consolidated comprehensive income for the reporting period and the comparative period may be overstated and the Group's consolidated assets and equity as at 31 December 2021, 31 December 2020 and 31 December 2019 may be overstated for the above reason.

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Estonia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion."

Please see "Documents incorporated by reference".

[The qualified opinion of Audiitorühing KPMG Baltics OÜ on the consolidated financial statements of Holdco and for the financial year ended 31 December 2022, reads as follows:](#)

"Qualified Opinion

We have audited the consolidated financial statements of AS luteCredit Europe and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements presented on pages 19-31, 33-38 and 40-75, present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Qualified Opinion

The Group's investment in luteCredit Kosovo JSC, a former foreign subsidiary, accounted for under the fair value method, is carried at EUR 1,829 thousand on the consolidated statement of financial position as at 31 December 2022 (EUR 2,529 thousand as at 31 December 2021). As described in Note 29 to the accompanying consolidated financial statements, on 6 December 2019 luteCredit Kosovo JSC received a notice from the Central Bank of Kosovo that its microfinance licence had been revoked with immediate effect and a liquidator was appointed to close the business in Kosovo. The event resulted in the Group losing control over the subsidiary and accordingly, the Group derecognised the assets and liabilities of the subsidiary from consolidation and recognised the retained investment as a financial asset at fair value through profit or loss.

Due to the fact that we were unable to obtain sufficient reliable audit evidence to support management's assumptions used in the estimation of the fair value of and future cash flows from the investment as well as the significant uncertainty associated with the liquidation process of luteCredit Kosovo JSC, we are unable to express our opinion on the fair value of the investment in luteCredit Kosovo JSC in the consolidated statement of financial position, and related adjustments in the consolidated statement of comprehensive income. We were also not able to satisfy ourselves as to the amount by which the recoverable amount of the investment is lower than its carrying amount and the amount in which an impairment loss should have been recognised by alternative means. Accordingly, we are unable to conclude whether and to what extent the Group's consolidated comprehensive income for the reporting period and the comparative period may be overstated and the Group's consolidated assets and equity as at 31 December 2022 and 31 December 2021 may be overstated for the above reason.

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion."

Please see "Documents incorporated by reference".

5. Selected Portfolio Information

The section on page 73 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The selected consolidated information on our operating data and our loan portfolios and ratios for the periods indicated set forth below should be read in conjunction with the audited consolidated financial statements of Holdco as of and for the financial years ended 31 December 2022 and 31 December 2021, which are incorporated by reference in this Prospectus. The information in the following section is of statistical nature and based on Holdco's internal reporting system.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year end stage classification as of 31 December 2022 and 31 December 2021. The amounts presented are in million euros and gross of impairment allowances.

31 December 2022	Stage 1	Stage 2	Stage 3	Total
According to IFRS 9				
Gross loans to customers	169.0	2.7	26.4	198.1
Accrued interest from loans	12.9	0.4	4.0 <u>4.1</u>	17.4
Allowances for loan impairment	(5.2)	(0.7)	(15.7)	(21.6)
TOTAL	176.6	2.4	14.9	193.9
31 December 2021	Stage 1	Stage 2	Stage 3	Total
According to IFRS 9				
Gross loans to customers	86.9	2.3	16.8	106.0
Accrued interest from loans	9.1	0.3	4.9	14.4
Allowances for loan impairment	(4.7)	(0.5)	(9.8)	(15.0)
TOTAL	91.4	2.1	11.9	105.4

The expected credit loss model follows a “three-stage” approach based on changes in the credit quality of the financial instruments since their initial recognition. The Group used the next classification into stages:

- Stage 1 – all non-defaulted loans with DPD≤30 (DPD - Days Past Due)
- Stage 2 – all non-defaulted loans with DPD>30 ≤50
- Stage 3 – all defaulted loans (DPD>50)

The Group divides its operating activities in segment according to its geographic location. The income of reported segments do not contain transactions between the segments.

6. Documents Incorporated by Reference

The section on pages 240 to 243 of the Prospectus shall be modified as follows, whereby words in blue and underlined are added and words marked in ~~red and strikethrough~~ are deleted:

The following documents have been incorporated by reference in this Prospectus in order to comply with Section 11 of Annex 6 of the Commission Delegated Regulation (EU) 2019/980. They are published on Holdco's website at <https://iutecredit.com/>. The information not listed in the cross-reference list is not incorporated by reference as it is either not relevant for investors or covered elsewhere in the Prospectus.

1. Audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2020, prepared in accordance with IFRS, and the independent auditor's report thereon contained in Holdco's 2020 Annual Report.

Link:

<https://iutecredit.com/wp-content/uploads/2021/08/ICE-Annual-report-2020.pdf>

- Consolidated statement of comprehensive income 2020 Annual Report page 12
- Consolidated statement of financial position 2020 Annual Report page 13
- Consolidated statement of changes in equity 2020 Annual Report page 14
- Consolidated statement of cash flows 2020 Annual Report page 15
- Notes to the consolidated financial statements 2020 Annual Report pages 16 to 64
- Independent auditor's report 2020 Annual Report pages 65 to 67 of the .pdf document

2. Audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2021, prepared in accordance with IFRS, and the independent auditor's report thereon contained in Holdco's 2021 Annual Report.

Link:

<https://iutecredit.com/wp-content/uploads/2022/08/IUTECREDIT-ANNUAL-REPORT-2021.pdf>

- Consolidated statement of comprehensive income 2021 Annual Report page 12

- Consolidated statement of financial position 2021 Annual Report page 13
- Consolidated statement of changes in equity 2021 Annual Report page 14
- Consolidated statement of cash flows 2021 Annual Report page 15
- Notes to the consolidated financial statements 2021 Annual Report pages 16 to 62
- Independent auditor's report 2021 Annual Report pages 63 to 65 of the .pdf document

3. Audited consolidated financial statements of Holdco as of and for the financial year ended 31 December 2022, prepared in accordance with IFRS, and the independent auditor's report thereon contained in Holdco's 2022 Annual Report.

Link:

https://iutecredit.com/wp-content/uploads/2023/03/AS-luteCredit-Europe-consolidated-report-2022-with-Independent-Auditors-Report_SIGNED.pdf

- [Consolidated statement of comprehensive income](#) [2022 Annual Report page 19](#)
- [Consolidated statement of financial position](#) [2022 Annual Report page 20](#)
- [Consolidated statement of changes in equity](#) [2022 Annual Report page 21](#)
- [Consolidated statement of cash flows](#) [2022 Annual Report page 22](#)
- [Notes to the consolidated financial statements](#) [2022 Annual Report pages 23 to 75](#)
- [Independent auditor's report](#) [2022 Annual Report pages 79 to 81 of the .pdf document](#)

3.4. Unaudited consolidated interim report of Holdco as of and for the financial year ended 31 December 2022, prepared in accordance with IFRS.

Link:

https://iutecredit.com/wp-content/uploads/2023/02/230221_ICE_Report-12M22-2.pdf

- Consolidated statement of comprehensive income Interim Report 2022 pages 20 to 22
- Consolidated statement of financial position Interim Report 2022 pages 23 to 25
- Consolidated statement of changes in equity Interim Report 2022 page 27

- Consolidated statement of cash flows Interim Report 2022 page 26
- Notes to the consolidated financial statements Interim Report 2022 pages 5 to 19

~~4.~~5. Audited financial statements of the Issuer as of and for the financial year ended 31 December 2020, prepared in accordance with IFRS, and the independent auditor's report thereon contained in the Issuer's 2020 Annual Report.

Link:

<https://iutecredit.com/wp-content/uploads/2021/05/IuteCredit-Finance-S.a-r.l.-FS-31.12.2020-PDF-SIGNED.pdf>

- Statement of comprehensive income 2020 Annual Report page 7
- Statement of financial position 2020 Annual Report page 8
- Statement of changes in equity 2020 Annual Report page 9
- Statement of cash flows 2020 Annual Report page 10
- Notes to the financial statements 2020 Annual Report pages 11 to 30
- Independent auditor's report 2020 Annual Report pages 31 to 34 of the .pdf document

~~5.~~6. Audited financial statements of the Issuer as of and for the financial year ended 31 December 2021, prepared in accordance with IFRS, and the independent auditor's report thereon contained in the Issuer's 2021 Annual Report.

Link:

<https://iutecredit.com/wp-content/uploads/2023/01/IuteCredit-Finance-S.a-r.l.-FS-31.12.2021-PDF-SIGNED-1-1.pdf>

- Statement of comprehensive income 2021 Annual Report page 7
- Statement of financial position 2021 Annual Report page 8
- Statement of changes in equity 2021 Annual Report page 9
- Statement of cash flows 2021 Annual Report page 10
- Notes to the financial statements 2021 Annual Report pages 11 to 32
- Independent auditor's report 2021 Annual Report pages 33 to 37 of the .pdf document

~~6.~~7. Interim Report 2022 containing the interim financial statements of the Issuer as of and for the six-month period ended 30 June 2022. The interim financial statements are unaudited, prepared in accordance with IFRS, and consists of the statement of financial position as at 30 June 2022 and the related condensed statement of comprehensive income, the cash flow statement and notes for the six-month period ended 30 June 2022.

Link:

https://iutecredit.com/wp-content/uploads/2022/08/luteCredit-Finance_FS2022_06-interim.pdf

- Statement of comprehensive income Interim Report 2022 page 7
- Statement of financial position Interim Report 2022 page 8
- Statement of changes in equity Interim Report 2022 page 9
- Statement of cash flows Interim Report 2022 page 10
- Accounting policies and explanatory notes Interim Report 2022 pages 11 to 23

~~7.~~8. Audited financial statements of luteCredit Albania SH.A as of and for the financial year ended 31 December 2021, prepared in accordance with International Financial Reporting Standards, and the independent auditor's report thereon contained in luteCredit Albania SH.A's 2021 Annual Report.

Link:

<https://iutecredit.com/wp-content/uploads/2023/02/2021-IUTECREDIT-ALBANIA-ANNUAL-REPORT.pdf>

- Statement of comprehensive income 2021 Annual Report page 7
- Statement of financial position 2021 Annual Report page 6
- Statement of changes in equity 2021 Annual Report page 8
- Statement of cash flows 2021 Annual Report page 9
- Notes to the financial statements 2021 Annual Report pages 10 to 33
- Independent auditor's report 2021 Annual Report pages 3 to 5

~~8.~~9. Audited financial statements of luteCredit Albania SH.A as of and for the financial year ended 31 December 2022, prepared in accordance with International Financial Reporting Standards, and the independent auditor's report thereon contained in luteCredit Albania SH.A's 2022 Annual Report.

Link:

<https://iutecredit.com/wp-content/uploads/2023/02/2022-IUTECREDIT-ALBANIA-ANNUAL-REPORT.pdf>

- Statement of comprehensive income 2022 Annual Report page 2
- Statement of financial position 2022 Annual Report page 1
- Statement of changes in equity 2022 Annual Report page 3
- Statement of cash flows 2022 Annual Report page 4
- Notes to the financial statements 2022 Annual Report pages 5 to 25

- Independent auditor's report

2022 Annual Report pages i to
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