International Personal Finance plc

July 2024

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1. Company overview

Building a better world through financial inclusion

IPF overview

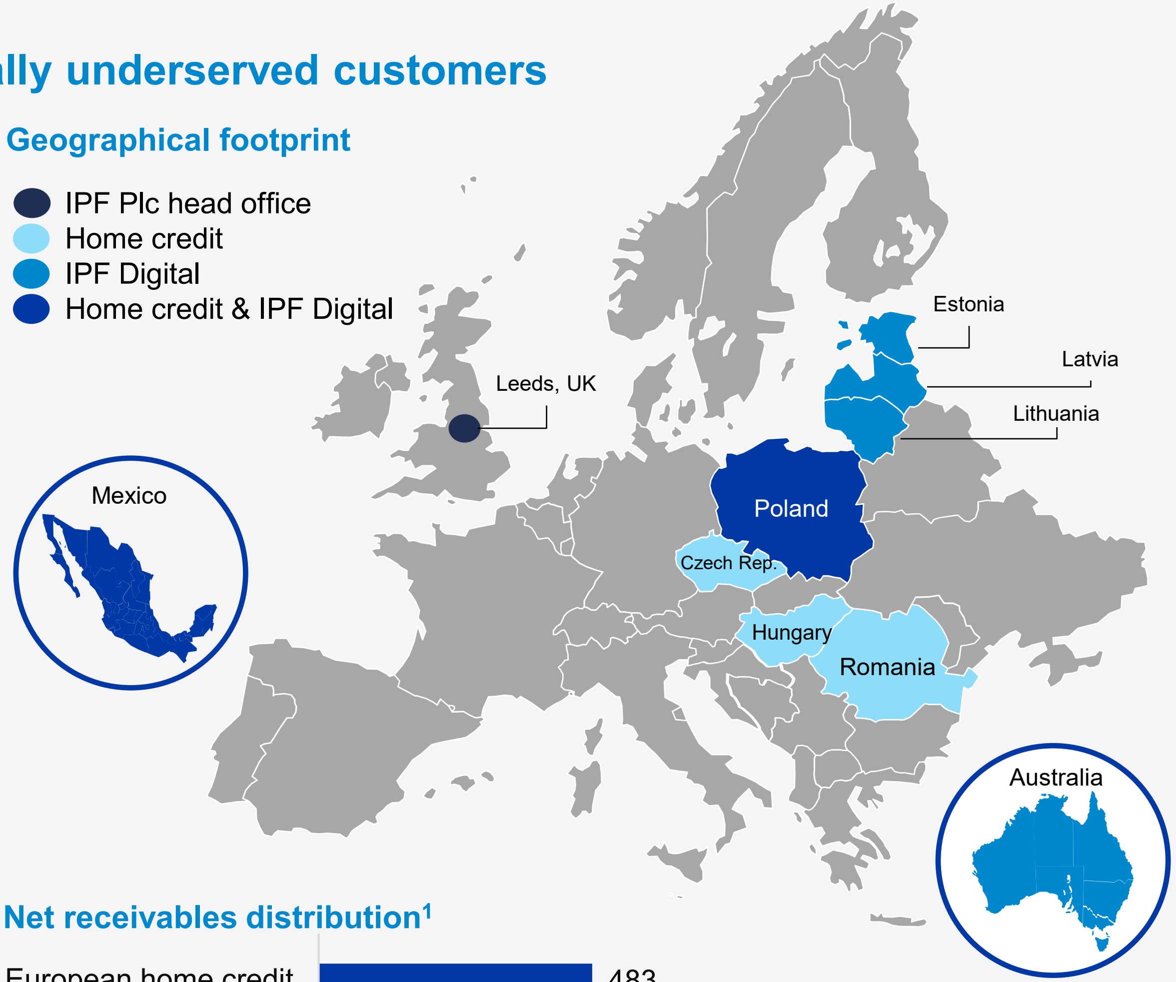
A global financial services operator, aimed at helping financially underserved customers

- UK-based global financial services provider offering a **broad suite of affordable and innovative** credit products
- **Market leading positions** across key segments and geographies
- **Variety of products** including instalment loans, credit lines, credit card, revolving credit line, mobile wallet and medical and life insurance
- **Well-diversified business** with 3 key segments: European home credit, Mexico home credit and IPF Digital
- **Resilient performance**, profitability and cash generation through the cycle underpinned by a **robust balance sheet**
- **Listed** on the London Stock Exchange since 2007 and a constituent of the FTSE Small Cap Index

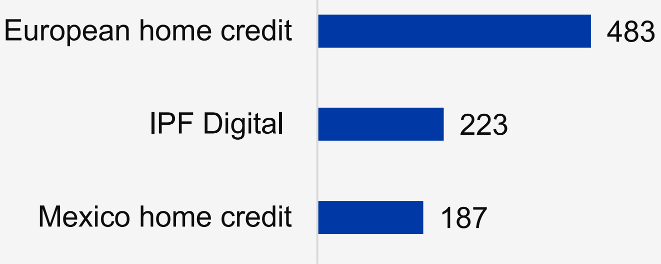
Key figures (as of FY23)

- **9** markets
- ***1.7m*** *customers*
- **c.15m** customers served
- ***26 years*** *in business*
- **£1bn+** profit since 2007
- ***£893m*** *closing net receivables*
- ***12.2%*** *impairment rate*
- ***21,000*** *colleagues*
- ***56%*** *equity to receivables*
- ***£83.9m*** *profit before tax*

Geographical footprint



Net receivables distribution[1]



1. As of FY23

IPF's products and services

Affordable solutions catering for all customers' needs

Small sum, **unsecured** consumer credit and insurance products

Evolving suite of products to meet customers' **changing needs** and help build a credit history

Products offered based on **assessment of each customer's individual needs, affordability, and credit profile**

More diversified suite of products available to customers as they build **better credit with us**

Multiple channels: customer representative model, digital offering, hybrid, retail partnerships and mobile wallet

Instalment loans and revolving credit, supplemented with **value-added services** such as insurance

Data driven, technology enabled and always with a human touch

Home credit instalment loans

Hybrid loans

Credit card

Digital instalment loans

Revolving credit line

Mobile wallet

Credit profile and customer preference

IPF's brands

Credit24 Provident creditea

Value-added services including medical and life insurances

Customer journey

European home credit

- Well-established, cash generative business
- Increasingly digitised and expanding product offering
- Delivering target returns of c. 20%
- Typical loan size of £865 with average term of 83 weeks

£483m net receivables[1] (54%)

Home credit | Hybrid loans | Credit card | Value-added services | Retail credit

Mexico home credit

- Significant growth prospects, expanding geographic coverage
- Digitising to improve customer experience
- Delivering target returns of c. 20% while investing in growth
- Typical loan size of £360 with average term of 46 weeks

£187m net receivables[1] (21%)

Home credit | Hybrid loans | Value-added services | Retail credit

IPF Digital

- Strong brands, great growth potential, building scale
- Single hub serving multiple countries
- Focus on delivering target returns
- Credit line average principal outstanding of £1,200 and instalment loan average lending value of £800

£223m net receivables[1] (25%)

Revolving credit line | Mobile wallet | Digital instalment loans | Value-added services

1. As of FY23

IPF's Next Gen strategy

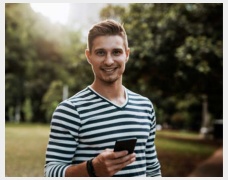
Building a better world through financial inclusion

IPF's Next Gen strategy…

A new vision → We aim to be the leading provider of financial services for underserved communities around the world, data driven, technology enabled and always with a human touch

3 strategic pillars →

Financial inclusion



- Deploy product family
- Delivering more value for customers
- Build distribution channels through partnerships
- Expand geographic footprint

Organisation

- Be a greater place to work
- Upgrade productivity
- Be purposeful and support our communities
- Upgrade external credentials

Technology & Data

- Optimise and standardise processes
- Flexible open architecture
- Use data to drive decision making
- Leverage new tech

Driven by our purpose and guided by our financial model → We are driven by our purpose to build a better world through financial inclusion and guided by our financial model in balancing the needs of our stakeholders

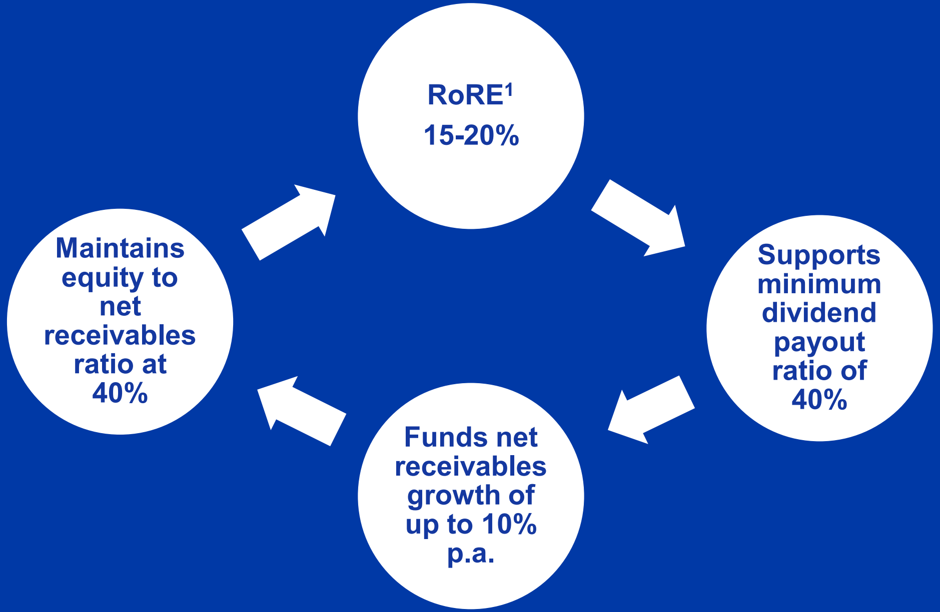
Supported by our values → Responsible | Respectful | Straightforward

…generates value across key stakeholder groups

Customers | Investors | Colleagues | Regulators | Communities

IPF's target financial model

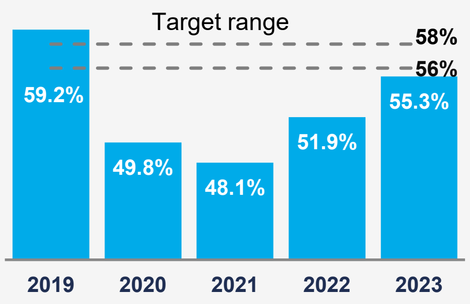
Sustainable returns to meet stakeholders needs…



- All investment decisions based on delivering 15-20% RoRE
- Financial model is supported by rigorous focus on:
  - Revenue yield
  - Impairment rate
  - Cost-income ratio
- Financial model and target returns balance the needs of all stakeholders, focusing on a RoRE that enables fair, affordable customer pricing and care for communities
- Financial model ensures significant cash generation during normal course of business, providing liquidity to grow receivable portfolio

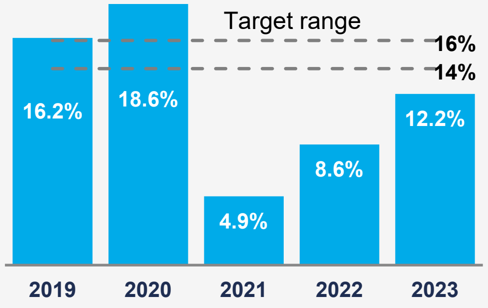
…supported by strong progression of targets

Revenue yield[2] (%)



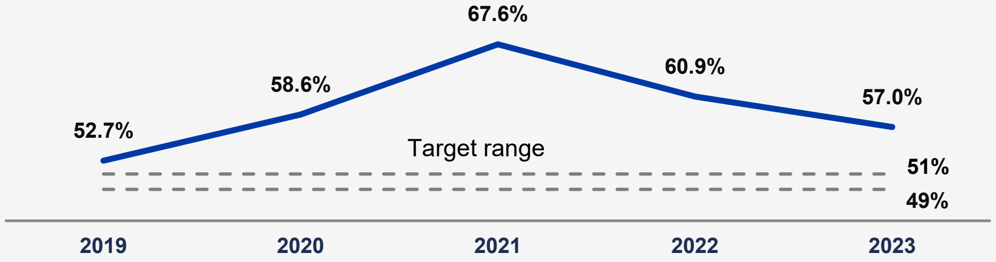
Revenue yield has continued to strengthen due to lower levels of promotional activity since 2022 and price increases in certain markets

Impairment rate[3] (%)



Customer repayments are robust and portfolio quality has remained strong, allowing to remain well inside the target 14-16% range

Cost-income ratio[4] (%)



Ongoing cost actions initiated to become more efficient through technology, process improvements and structural efficiencies alongside growing scale working towards delivering target of 49-51%

1. Return on Required Equity, with Required Equity being the equity such that equity to net receivables equals 40%
2. Revenue as a % of average gross receivables before impairment provision
3. Impairment as a % of average gross receivables before impairment provision
4. Direct expenses of running the business including customer representatives' commissions as a % of revenue

Environmental, social and governance

Financial inclusion and ESG principles deeply embedded within strategy and operations

Striving to have a positive impact on all stakeholders

E

- Climate risk incorporated as a key risk in the group's risk management framework, with an established environment oversight group
- Gradually replacing diesel and petrol company car fleet with lower emission LPG vehicles

2050 net zero
Target approved

25% reduction
In emissions since 2019

S

- Enabling financial inclusion, supporting community initiatives and providing career opportunities
- "Next Gen" financial inclusion as one of three strategic priorities
- New gender-focused recruitment practices

£893k
Invested in communities in 2023

80% female
Global workforce

G

- Responded to regulatory change in Poland and evolved strategy and products to reflect new environment
- Invested in technology to support innovation, improve customer journeys
- Increased access to development opportunities for employees

500+
Training programs delivered in 2023

16k customers reps
Attended Learning Academies

Governance – The Board is responsible for purpose, values and strategy

- Transparency
- Leadership and corporate governance
- Corporate culture
- Board diversity

Social – Building a better world through financial inclusion

Customers	Colleagues	Investors	Communities
Access to affordable and flexible credit, helping to build credit history	Human rights, diversity & inclusion underpinned by labour standards	A force for good in society whilst delivering fair & sustainable returns	Community support for underprivileged and excluded people
Regulators	**Governments**	**NGOs**	**Suppliers and Partners**
Helping to shape financially inclusive regulation	Providing valuable service, government inclusion strategies	Providing funding & support	2,700 suppliers globally

Meeting customers' needs

- **Affordability -** Stringent credit procedures and affordability checks are made every time credit is granted
- **Personal service -** Personal face-to-face relationships with home credit customers distinguishes IPF from other financial services providers
- **Forbearance flexibility -** Economic model does not rely on penalty fees & late interest charges (<3% of revenue)
- **Tailored products and services -** Offering ranges from traditional instalment loans to digital and card-based credit lines, value-added services such as insurance and a mobile wallet

Highly experienced management team

Proven track record of delivering profitable growth

Gerard Ryan,
Chief Executive Officer

- Joined in 2012
- Over 30 years of multi-country experience in consumer financial services businesses

Gary Thompson,
Chief Financial Offer

- Joined in April 2022
- Over 25 years of banking and finance experience in both the accounting and corporate sectors

Kris Adamski,
Group Treasurer

- Joined in 2000
- Held multi-country finance leadership roles with expertise in funding / financial risk management

Sarah Dawson,
Chief Human Resources Officer

- Joining in July 2024
- Over 30 years' experience delivering organisational excellence through people

Tom Crane,
Chief Legal Officer

- Joined in 2022
- Over 20 years of legal experience gained in-house and in private practice

John Williams,
Group Credit Risk Director

- Joined in 2005
- Over 23 years of experience working for leading financial services and retail organisations

Doug Kleppen,
Director of Strategy & Planning

- Joined in 2007
- Diverse background of leadership roles across finance, IT, credit and programme delivery

Gergely Mikola,
Group Corporate Affairs Director

- Joined in 2014
- Over two decades leading stakeholder engagement programmes in financial services

Stephen Miller,
Chief Information Officer

- Joined in 2023
- Customer-focused tech leader and IT strategist; 20 years of experience in financial services

Tom Allder,
Chief Marketing Officer

- Joined 2023
- Track record in financial services specifically credit cards, lending, insurance, mortgage, etc.,.

Povilas Girčys,
General Manager, IPF Digital

- Joined MCB Finance (now IPF Digital) in 2014
- Extensive experience of leading / managing an expanding, international digital lending business

David Parkinson,
General Manager, Mexico

- Joined in 1986
- More than 25 years' multi-country experience in consumer financial services businesses

Joanna Izdebska,
Strategic Partnerships Director

- Joined in 2015
- More than 20 years of experience in international financial institutions

Botond Szirmák,
General Manager, European home credit

- Joined in 2002
- Appointed Country Manager of Hungary in 2008 and Regional Manager of Europe in 2019

Agnieszka Kłos,
Country Manager, Poland

- Joined in 2012 – appointed Manager in 2018
- Senior leadership roles in finance, business development, sales and service

Marcin Żuchowski,
Country Manager, Czech Republic

- Joined in 2011 – appointed Manager in 2024
- Senior leadership roles across international finance institutions, particularly in credit

Viktor Boczán,
Country Manager, Hungary

- Joined in 2001 – appointed Manager in 2024
- Extensive experience of leading home credit operations

Florin Balcan,
Country Manager, Romania

- Joined in 2015 – appointed Manager in 2019
- Over 22 years' experience in accounting, retail, risk management and financial services

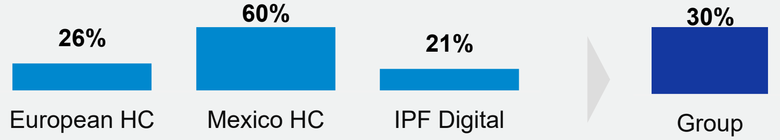
2. Key credit highlights

Building a better world through financial inclusion

Key credit highlights

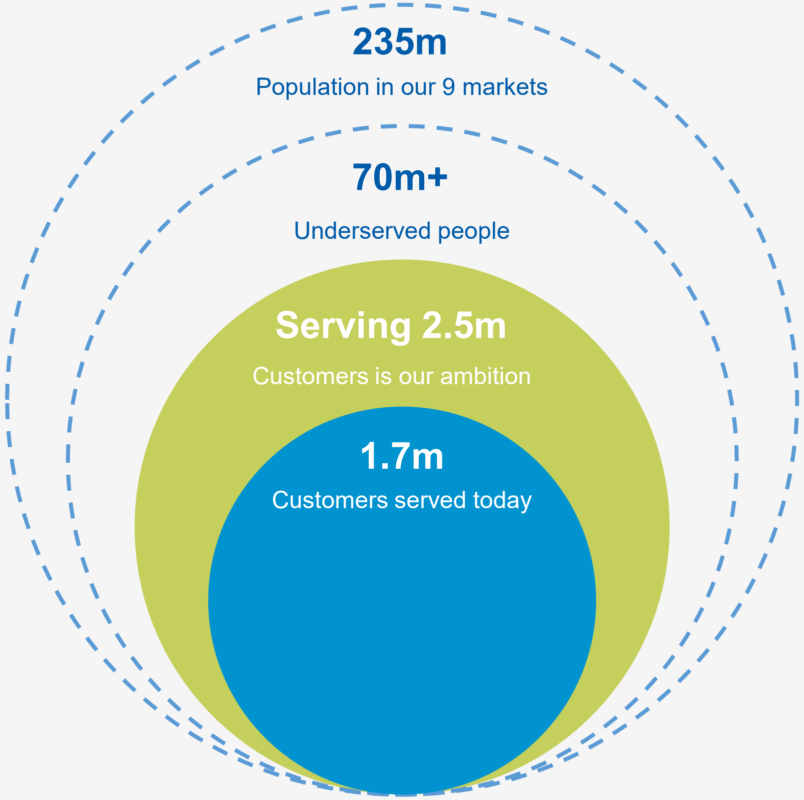
#	Highlight	Key figures
1	**Strong demand for affordable credit from underserved consumers**	**>70m** Underserved customers in target markets; **1.7m → 2.5m** Targeted increase in customers from current levels
2	**Comprehensive, multi-channel product offering catering for customers' needs across their entire finance journey**	Home credit; Hybrid loans; Credit card; Value-added services; Retail credit; Revolving credit lines; Mobile wallet; Digital instalment loans
3	**Demonstrated sustainable historical growth across 9 key markets, increasing diversification, scale and footprint**	Growth in net receivables from 2020-23 (CER)
4	**Effective risk management framework ensuring robust asset quality with sustainable returns**	**>45m** # loans supporting credit scoring databases; **12.2%** Impairment rate (Dec-23, target 14%-16%)
5	**Conservative balance sheet management, funding model and strong capital position**	**£174m** Headroom (undrawn facilities, non-operational cash, Mar-24); **56%** Equity/receivables (Dec-23)
6	**Strong and resilient cash generation fuelling portfolio growth including through adverse market conditions**	**£0.5bn** Net borrowings; **£1.7bn** Outstanding customer repayments; *Pre/post pandemic normalised cash flows*: **£193m** FY23 cash generated; **£148m** 2016-19 avg cash generated p.a.

Growth in net receivables from 2020-23 (CER)



1 Strong demand for affordable credit from underserved consumers (1/2)

Significant growth opportunities in target market



Our total addressable market

Competitively positioned in highly regulated, underserved markets

- Substantial **under-penetration** in target segments
- **Rate caps and affordability** regulations in most markets
- Operating in **highly regulated sector and markets**
- Competitive **barriers to entry** and **high level of repeat business**
- Minimal **home credit copycat** businesses
- **EU digital sector** dominated by 3 businesses

Our place in the market

Banks

Non-bank financial institutions

Credit unions | Home credit | Digital lenders | Buy now, pay later

Payday lenders

Grey market | Family and friends | Unregulated lenders

1 Strong demand for affordable credit from underserved consumers (2/2)

Offerings tailored for customers underserved by traditional lenders

Typical customer profile

- Borrow and budget very carefully
- Have average to below average income
- 60% female
- Typically 30 - 50 years old
- Underserved by other lenders
- Limited credit history
- Socio economic groups C/D
- Employed full-time

Ambition to serve **2.5 million active customers**

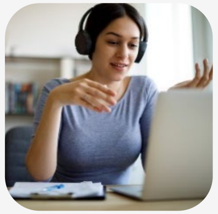
Target consumer segment

- **Lower socio-economic consumers** underserved by mainstream credit providers with limited credit history
- Want to borrow **smaller sums quickly** for unexpected expenses, celebrations, household goods and travel

Home credit customers

- **Limited** credit history
- Most customers and agents are **female**
- Agents important to credit management
- Manage finances **carefully**
- Seek **flexibility**

IPF Digital customers



- Like to **shop and borrow online**
- High **smartphone** ownership
- Existing credit history
- Seek **flexibility**

Customers by segment

European home credit **761,000**

Mexico home credit **716,000**

IPF Digital **223,000**

Serving **1.7 million active customers**

2 Comprehensive, multi-channel product offering catering for customers' needs across their entire finance journey (1/2)

Extensive, multi-purpose product offering…

Addressing core borrowing needs
- Instalment loans
- Credit line
- Credit card

130k new credit cards issued in Poland

2/3 customers have never had a credit card

Increasing convenience
- ProviGo
- Mobile wallet
- WhatsApp
- Live chat

2 million WhatsApp conversations in Mexico in 2023

Financial and personal resilience
- Health and medical insurance
- Education benefits
- Life insurance
- Income protection

9,000+ language classes sold in Poland

1,200+ customers in Mexico took eye wear benefits

… reaching customers via multi-channel distribution

Core customer representative channel

17,000 Customer representatives

70m+ visits made to customers in their homes every year

- Customer representatives live and work in the same communities as customers – and often a customer previously
- Take a sympathetic, flexible approach to those facing repayment difficulties
- Rewarded primarily based on customer repayments made
- More prudent than our centralised credit scoring

Retail partnerships

160+ retail stores

- Expanding distribution following successful concept tests
- New partnerships with leading retailers in Romania
- Pay Later product launched in Mexico

Digital channel

- Providigital app improved loan approval times from two days to around 15 to 20 minutes
- Creditea mobile wallet saw 3x growth in users in 2023

2 Comprehensive, multi-channel product offering catering for customers' needs across their entire finance journey (2/2)

Significant growth opportunities from rolling out all additional products across IPF's segments

European home credit

- Well established, cash generative business

Home credit
Hybrid loans
Credit card
Value added services
Retail credit
Mobile app

Mexico home credit

- Significant growth prospects and expanding geographic coverage

Home credit
Hybrid loans
Value added services
Retail credit
Mobile app

IPF Digital

- Strong brands, great growth potential and rebuilding scale

Revolving credit line
Mobile wallet
Instalment loans
Value added services
Retail credit

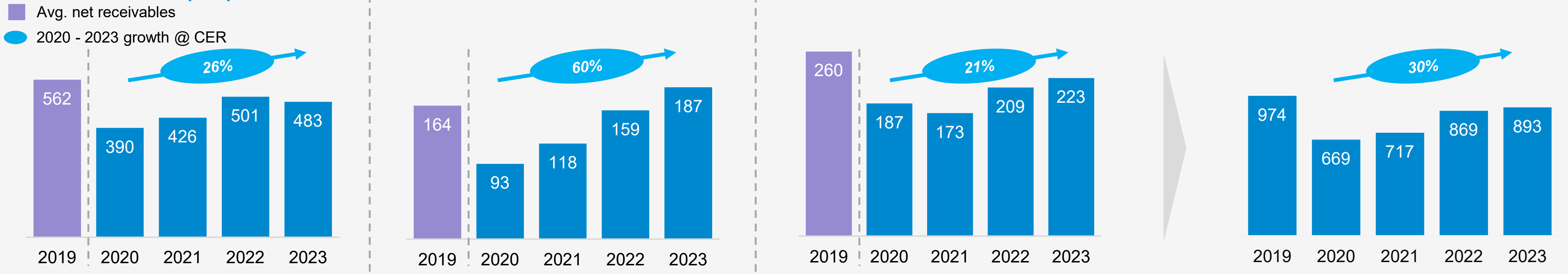
Existing offering
Opportunities
Opportunities to expand offering across the full division

3 Demonstrated sustainable historical growth across 9 key markets, increasing diversification, scale and footprint

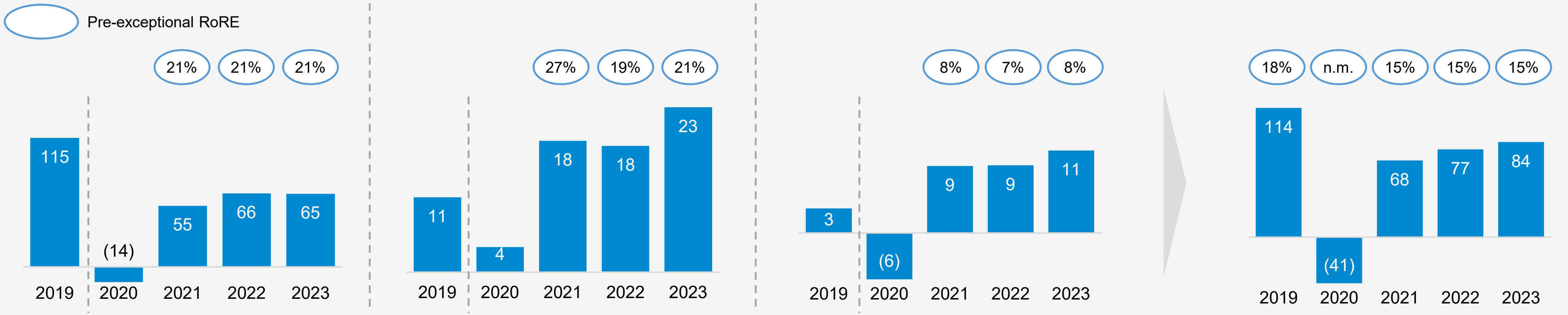
Strong historical receivables growth whilst maintaining strict credit standards and double digits returns

European home credit[1]	Mexico home credit[1]	IPF Digital[1]	Group[1]

Net receivables (£m)



Profit before tax[2] (£m)



1. All growth rates are at constant exchange rates
2. Including exceptionals

4 Effective risk management framework ensuring robust asset quality with sustainable returns (1/4)

Robust framework for identification, evaluation and management of key risks

Risk management roles and responsibilities

Board of Directors
Determines the nature and extent of risks the Board is willing to take to achieve strategic objectives

Audit and Risk Committee (ARC)
Reviews processes for the management of risks and internal control systems on behalf of the Board; makes recommendations to the Board on Group risk appetite, group risk profile, and the effectiveness of the risk management system

Risk Advisory Group (RAG)
Supports the ARC in reviewing risk exposure levels against risk appetite; provides the ARC and the Board with an overall view of the group's risk position

Local risk committees
Supports the RAG in reviewing the risk profiles of the markets

Assurance through three lines of defense

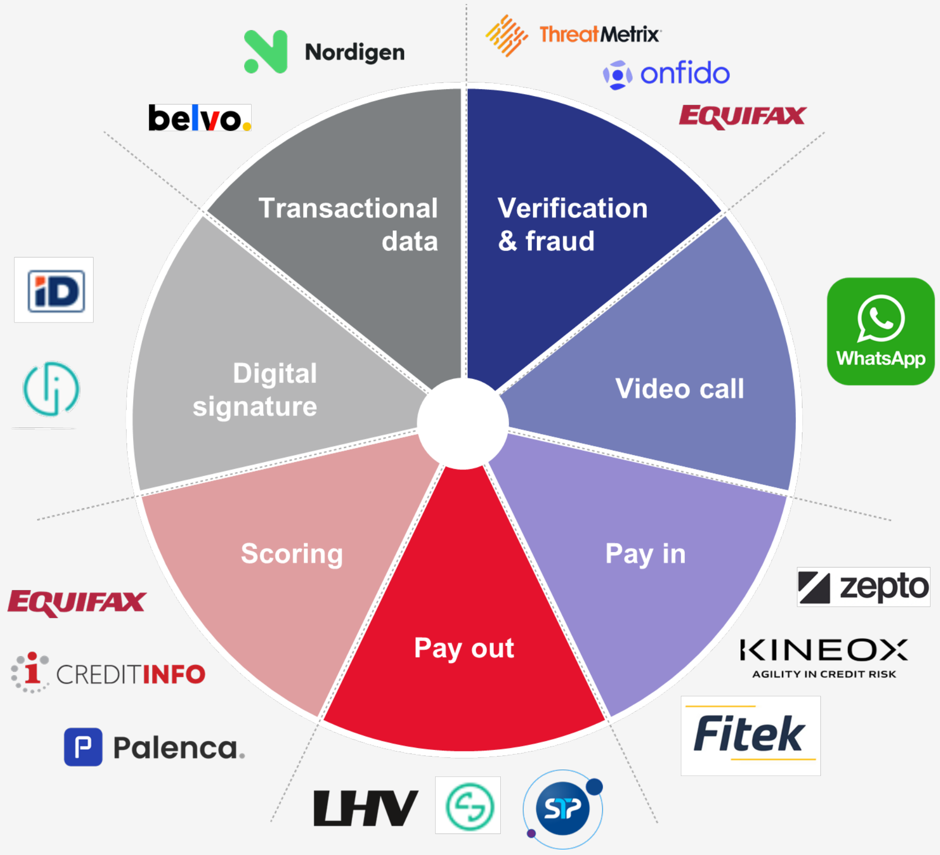
1 Operational management
Executes business processes, delivers products or services, manages day-to-day risks by executing risk control measures

2 Risk management
ERM function, compliance and other control functions provide oversight, guidance, and monitoring of risks and control

3 Internal audit
Provides an objective and independent assessment of the adequacy and effectiveness of risk management and internal control systems

4 Effective risk management framework ensuring robust asset quality with sustainable returns (2/4)

Technologies used in on-boarding customers[1]



Robust credit scoring and approval processes

- Centralised business unit, credit management systems and credit professionals
- Credit governance via Global Credit Committee
- Application & behavioural credit score in each market including credit bureau data
- Scoring models from database of over 45 million loans
- Scorecards and credit policy promptly adjusted to reflect outlook
- 'Low and grow' approach
- Centralised arrears strategy
- Face-to-face business model improves risk outcome

Home credit

- Customer risk assessed through mathematical models and scorecards which are quickly adjusted depending on outlook and risk tolerance
- Models leverage both credit bureau and demographic data
- New home credit customers assessed through the likes of credit bureau
- Customer representatives cannot override rules to give offers higher than what is generated by the system

IPF Digital

- Reliance on data sources and technology, particularly fraud tools like ThreatMetrix and Onfido
- Models constantly refreshed to account for new data
- New customers vetted through an application scorecard leveraging data from application process, credit bureau, state databases and other market specific publicly or commercially available sources

1. All third-party trademarks owners are used for illustrative purposes only and remain the property of the relevant trademark owners

4 Effective risk management framework ensuring robust asset quality with sustainable returns (3/4)

Proactive engagement with regulators helping to navigate periodical changes

Active risk management

Regulatory risk management strategy

- Close regular monitoring of all relevant regulatory proposals
- Investing in proactively building relationships and co-operation with regulators, political decision makers, NGO's, media and opinion formers
- Building and nurturing the sector's reputation and influencing capabilities by creating or actively participating in industry association in all markets
- Proactive engagement in regulatory discussions via associations or directly

Successful track record of working with regulations

- Actively work with regulators at both EU / national level
- Proposed regulations often reflect IPF input
- Regular review of EU Consumer Credit Directive underway, actively contributing and monitoring closely

Regulatory reality and futures

- Regulatory changes present challenges but also opportunities from lower competition and material barrier to entry
- Regulation and supervision for the non-banking sector is expected to converge to those of the banking sector

Regulatory update

European Union

- EU Consumer Credit Directive (CCD), published in 2023, requires changes to pre-contractual information, creditworthiness assessments, training and consumer protection rules

IPF's response

- ✓ Conducted an internal review of the potential impacts of the updated CCD legislation – well placed to make any changes necessary in the business

Romania

- Proposed total cost of credit cap expected to be enacted – no material impact
- Draft law has been accepted by the Parliament and is now undergoing a review by the Constitutional Court – expected to be concluded in the near future

Poland

- Polish financial supervision authority, KNF, issued guidance to all credit card issuers
- KNF expects:
  - credit card charges to be subject to limits on non-interest costs
  - issuers to differentiate between costs subject to caps and those that are not
  - the approach to calculation and assessment of fees not subject to caps to be clear and proportionate

IPF's response

- ✓ New pricing structure for all new credit cards in March 2024
- ✓ Continuing to adapt the business to ensure group's target returns of 15%-20%
- ✓ Continuing to engage with the KNF on the application for a full payment institution licence

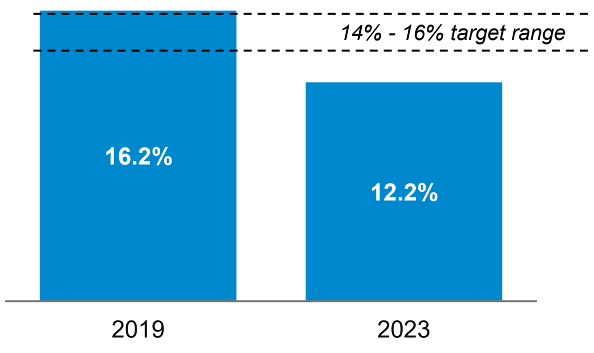
4 Effective risk management framework ensuring robust asset quality with sustainable returns (4/4)

Highly diversified portfolio with strong asset quality supporting sustainable profitability targets

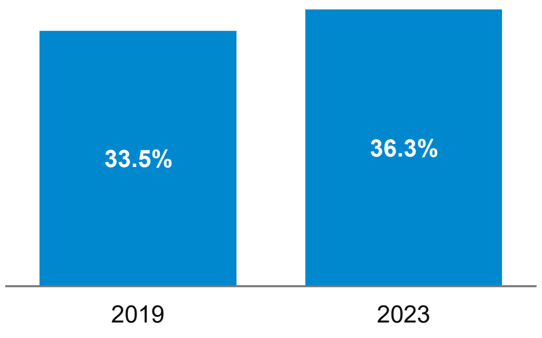
As of Dec-23	European home credit	Mexico home credit	IPF Digital	IPF group
Customers # (k)	761	716	223	1,700
Customer lending (£m)	617	303	231	1,151
Net receivables (£m)	483	187	223	893
PBT (£m)	65	23	11	84

- Robust portfolio quality with P&L impairment rate[1] of 12.2% and impairment coverage[2] of 36.3%
- Group RoRE[3] of 14.8% close to targeted range of 15%-20%, with home credit (European and Mexico) above target at c.20.5%
- Diversified portfolio with no single currency taking up more than 30% of the receivables split
- Conservative balance sheet with 36.3% impairment coverage ratio at 31 Dec 2023 despite excellent credit quality

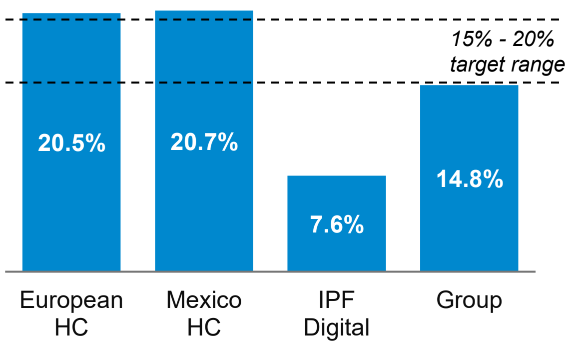
Impairment rate[1]



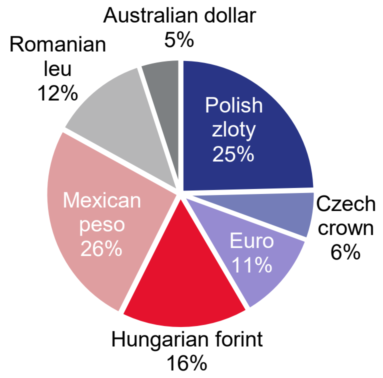
Impairment coverage ratio[2]



RoRE[3] by division (Dec-23, %)



Receivable portfolio split by currency (Dec-23, %)



1. Impairment as a % of average gross receivables before impairment provision
2. Loss allowance as a % of gross receivables before impairment provision
3. Pre-exceptional Return on Required Equity, with Required Equity being the equity such that equity to net receivables equals 40%

5 Conservative balance sheet management, funding model and strong capital position

As of March 2024

£430m
Bonds

£630m
Total debt facilities

£200m
Banks

£174m
Headroom[1]

56%
Equity to receivables[2]

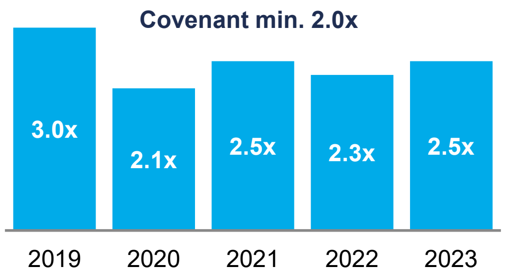
Borrow long – lend short model
2.0y | 1.1y
Debt | receivables maturity[2]

MOODY'S
Long Term Issuer Rating
Ba3
(Stable Outlook)

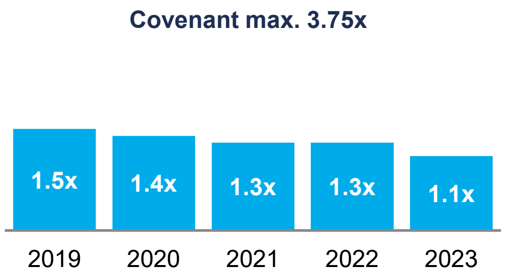
FitchRatings
Long Term Issuer Rating
BB-
(Stable Outlook)

- Successfully **raised and extended £146m of debt facilities** in 2023 and **£26m** in Q1-24
- £170m+ of facilities maturing beyond 2025
- **Funding cost of 14.0% in 2023** (2022: 13.3%)
- Equity to receivables ratio up to 56% (2022: 51%) due to **strong capital generation** and favourable FX
- 5 bonds issued under EMTN programme in EUR, GBP, SEK and PLN
- 18 partner banks in 7 jurisdictions, mix of large international institutions and local banks, providing bilateral debt facilities in local currencies
- "Borrow long – lend short" business model optimising asset & liability management
- Adequate headroom on covenants, interest cover and gearing supported by continued increase in receivables and a consistent repayment of borrowings
- **Natural balance sheet hedging** through funding of receivables portfolios with local currency borrowings. Policy to **selectively swap £ / € borrowings into local currencies**

Interest cover[3] (x)



Gearing[4] (x)



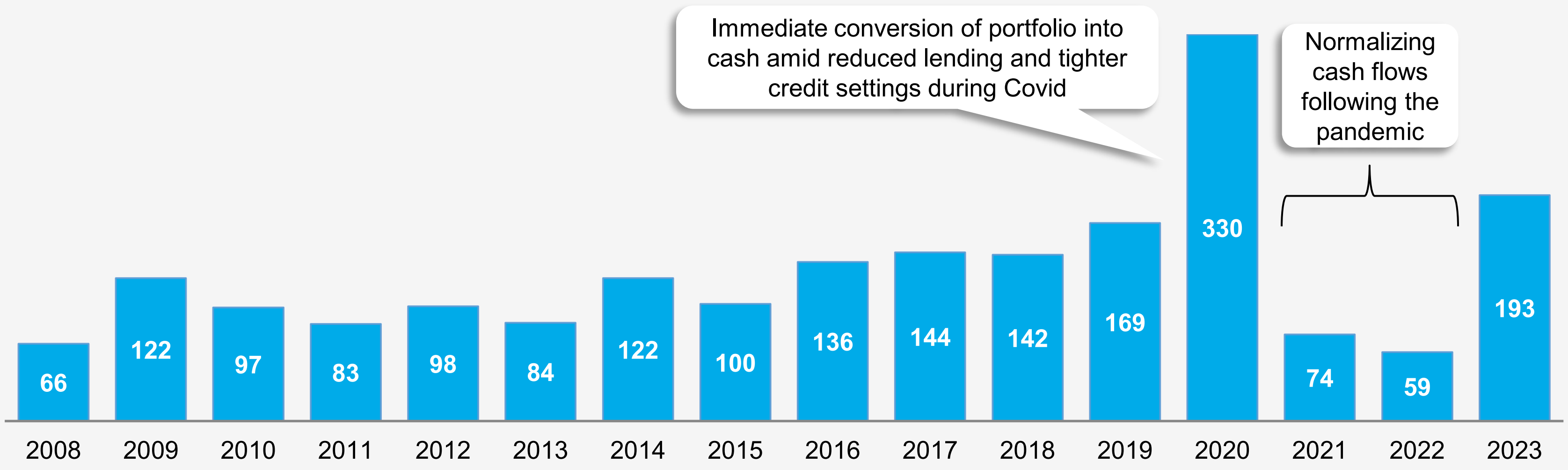
1. Includes headroom against debt facilities comprising a range of bonds and bank facilities and non-operational cash balances
2. As of December 2023
3. Consolidated EBITDA to interest expense
4. Borrowings to adjusted net assets (consolidated net worth). Borrowings adjusted for lease liabilities, unamortised arrangement fees and issue discount. Net assets adjusted for pension assets and derivative financial instruments, in accordance with the debt funding covenant definitions (consolidated net worth)

6 Strong and resilient cash generation fuelling portfolio growth including through adverse market conditions (1/2)

Through-the-cycle profitability reflected in stable cash generation despite periods of market volatility

Cash generated from operating activities (£m)

PBT[1] (£m)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	70	62	92	101	95	118	124	116	96	97	109	114	(29)	68	77	84



- Stable cash generation since 2008 due to continuous expansion of product offering alongside expansion into new geographies
- Particularly robust cash flow generation during Covid due to high repayments given limited new lending and tighter credit parameters to preserve liquidity

- Covid slowdown led to a decrease in lending activity and strong focus on customer repayments
- Due to short nature of receivables, this generated exceptional cash flow of £330m (close to 100% increase from 2019)
- Excess cash used to repay borrowings, resulting in a greater proportion of equity as a % of net receivables

Collect-out scenarios

- Previously withdrawn operations from Slovakia in European home credit and Finland and Spain in IPF Digital

2 to 3 years
To collect-out

Close to net receivables value
Cash recoveries (net of costs)

Cash recoveries of 1.7x – 2.0x
Value of the debt funding supporting the receivables

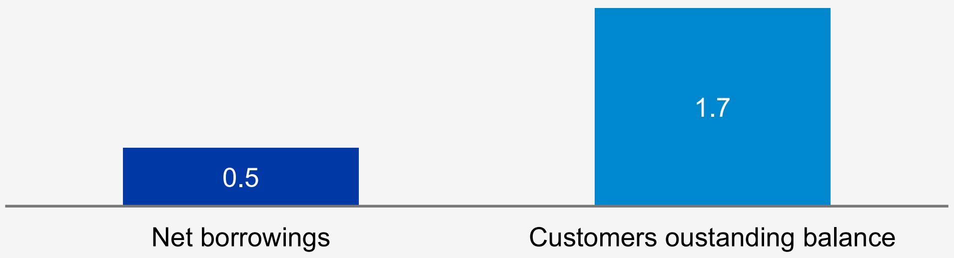
1. From ordinary operations, excluding exceptionals

6 Strong and resilient cash generation fuelling portfolio growth including through adverse market conditions (2/2)

Illustrative cash flow and balance sheet - based on single cohort of lending[1]

- **Customer lending:** principal value of loans advanced to customers
  - Charges: total cost of credit to customers including interest & non-interest charges
- **Amount repayable by customer:** total amount payable by customers including cost of credit & principal
- **Gross carrying amount:** present value of the portfolio before the loss allowance provision is deducted
  - IFRS 9 Discount: accounting adjustment to measure receivables at amortised cost under IFRS 9 standards
- **Net receivables:** gross carrying amount net of loss allowance
  - Loss allowance: expected credit losses
- **Total cash amount collected:** total amount of cash collected from the customer

Cashflows materially exceed debt (£bn)



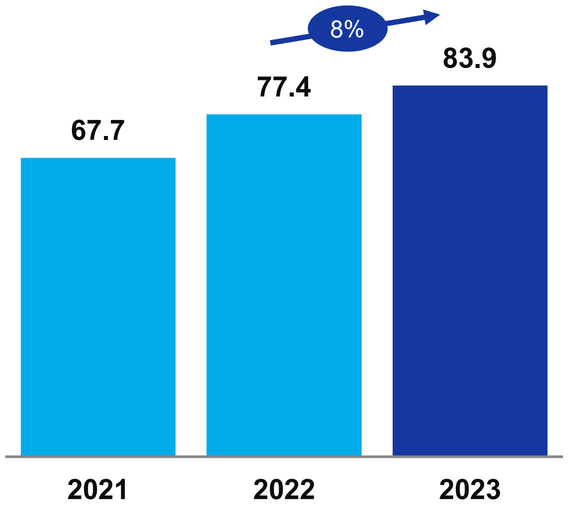
1. Items from the balance sheet

3. Financial overview

Building a better world through financial inclusion

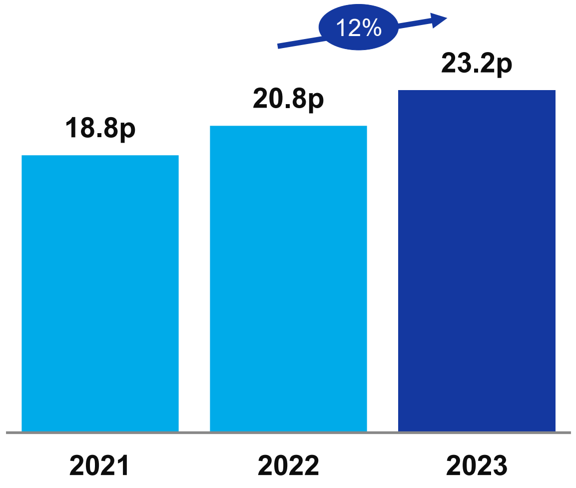
Strong profitability amply supports IPF's dividend policy

Profit before tax[1] (£m)



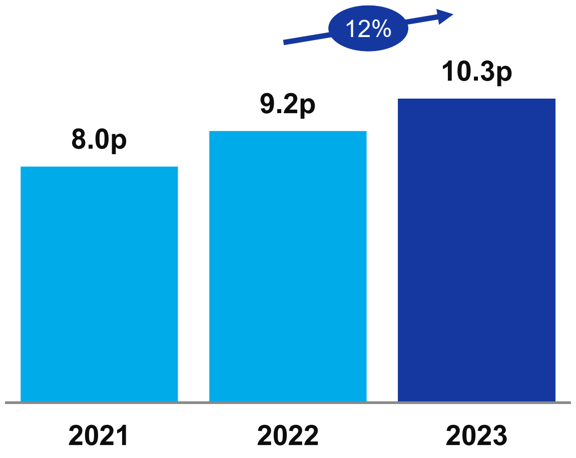
- Profit growth of 8% significantly ahead of original plan
- Good operational execution and favourable FX movements
- Ongoing profits could be up to £10m lower than previous estimates as we continue to transition our Polish business

Pre-exceptional earnings per share (EPS)



- 12% growth in EPS compared with 8% growth in PBT
- Effective tax rate of 38% (FY-22: 40%)
- Reported EPS of 21.5p includes exceptional tax charge of £4m in relation to Hungary

Dividend per share

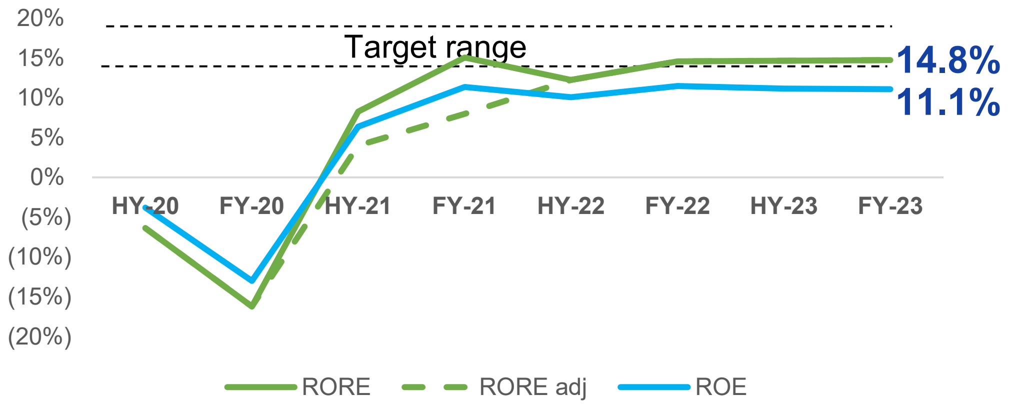


- Proposed final dividend of 7.2p per share, up 10.8%
- Dividend consistent with progressive policy
- Payout ratio of 44%, above target of 40%
- Reflects confidence in executing Next Gen strategy and long-term growth potential

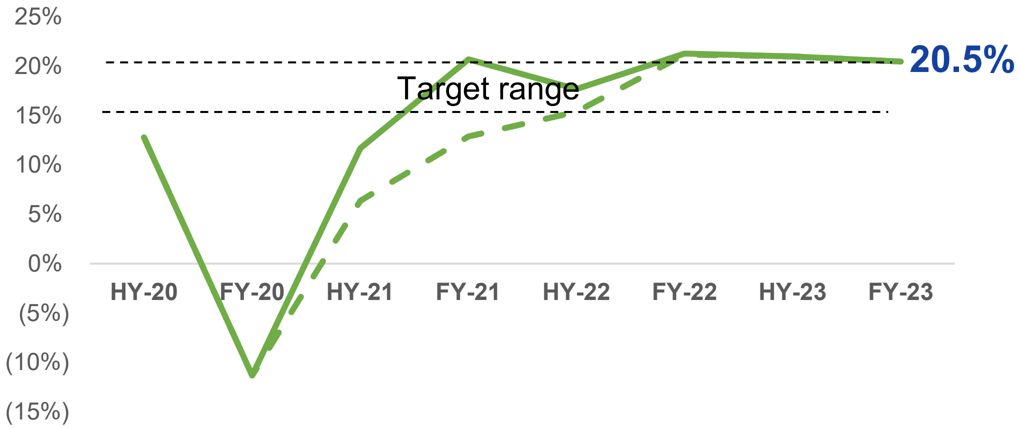
1. Including exceptionals

Rebuilding returns towards group target of 15% to 20%

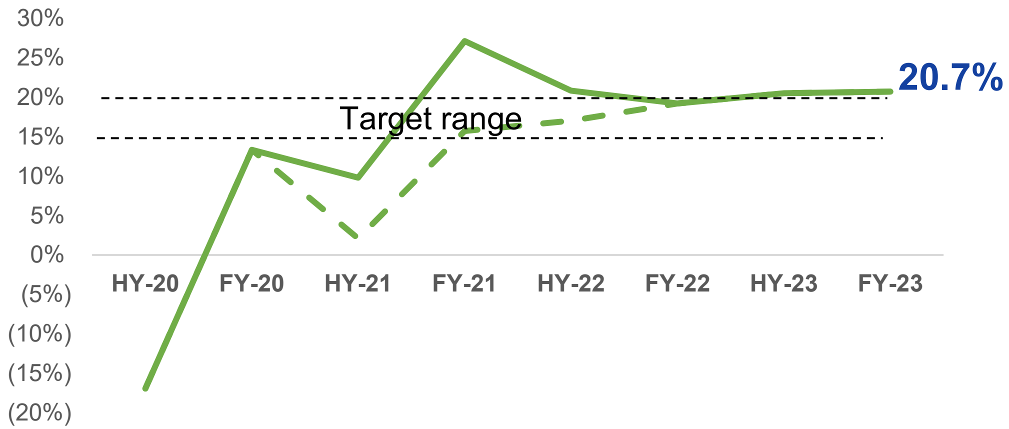
Group



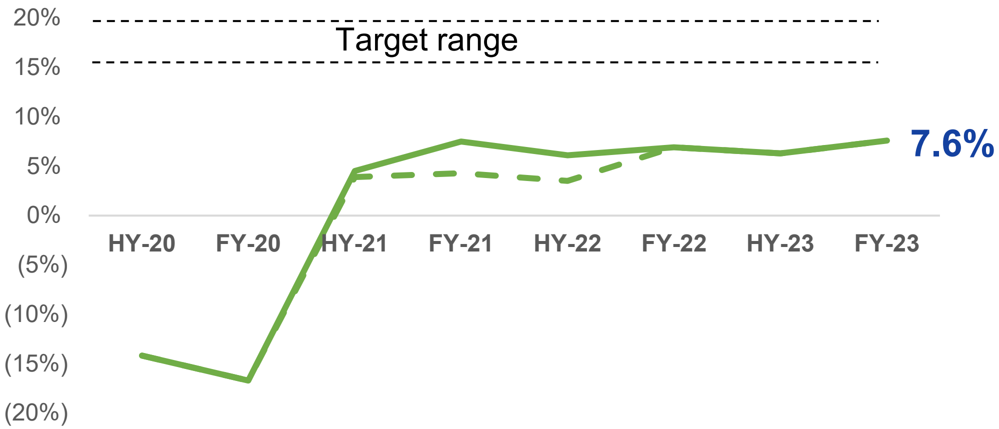
European home credit



Mexico home credit



IPF Digital



Pre-exceptional RoRE (based on 40% equity to receivables ratio)
Pre-exceptional RoRE excluding Covid-19 impairment provision releases in 2021
Pre-exceptional RoE (Group only – based on actual equity)

Q1-24 current trading

Good start to 2024 and progressing well against financial plan

	Q1-24	Q1-23	*Change at CER (%)*
Closing net receivables (£m)	**865**	**883**	*(2.7%)*
European home credit	*440*	*503*	*(11.0%)*
Mexico home credit	*194*	*169*	*8.2%*
IPF Digital	*232*	*211*	*7.2%*

Key ratios	Q1-24	Q1-23
Annualised revenue yield	*55.2%*	*53.4%*
Annualised impairment rate	*11.4%*	*10.5%*
Annualised cost-income ratio	*58.0%*	*58.8%*

- The group made a strong start to 2024, customer lending growth of 5% and net receivables growth of 11%, both excluding Poland that adapts to evolving regulatory landscape (including Poland both lending and net receivables reduced 3% y-o-y at constant exchange rates (CER)). Polish business saw a reduction in lending and receivables by 21% and 32% respectively as it adapted to changed regulatory requirements
- Robust customer repayment performance and excellent credit quality supports the Group's plans for stronger lending growth through the remainder of the year
- Closing net receivables at £865m with increased momentum in lending also shown into April
- This was facilitated by the strong and continued progression of the group's strategy and improvement in demand of affordable financial services across key markets
- Revenue yield strengthened by 1.8 ppts to 55.2% y-o-y with continued positive trajectory to the target range of 56-58%
- Impairment rate of 11.4% in Q1-24 tracking better than financial plan, providing a very strong foundation for increasing lending growth as the year progresses
- Due to the strict focus on efficiency and cost control, the group's cost-income ratio improved by 0.8 ppt y-o-y to 58.0%
- In the quarter, the group successfully secured £26m of debt facilities including £23m of bank facilities and the issuance of the remaining £3m of retail bonds held in treasury

Key credit highlights – summary

1 Strong demand for affordable credit from underserved consumers

>70m Underserved customers in target markets

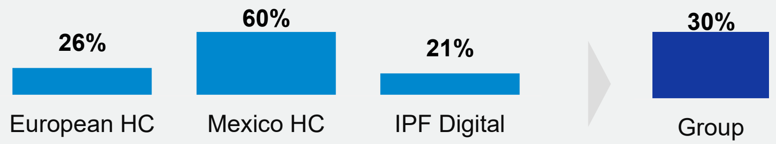
1.7m → 2.5m Targeted increase in customers from current levels

2 Comprehensive, multi-channel product offering catering for customers' needs across their entire finance journey

Home credit · Hybrid loans · Credit card · Value-added services · Retail credit · Revolving credit lines · Mobile wallet · Digital instalment loans

3 Demonstrated sustainable historical growth across 9 key markets, increasing diversification, scale and footprint

Growth in net receivables from 2020-23 (CER)



4 Effective risk management framework ensuring robust asset quality with sustainable returns

>45m # loans supporting credit scoring databases

12.2% Impairment rate (Dec-23, target 14%-16%)

5 Conservative balance sheet management, funding model and strong capital position

£174m Headroom (undrawn facilities, non-operational cash, Mar-24)

56% Equity/receivables (Dec-23)

6 Strong and resilient cash generation fuelling portfolio growth including through adverse market conditions

£0.5bn Net borrowings

£1.7bn Outstanding customer repayments

Pre/post pandemic normalised cash flows

£193m FY23 cash generated

£148m 2016-19 avg cash generated p.a.


4. Appendix
Building a better world through financial inclusion

4.1. Home credit - Overview

Building a better world through financial inclusion

Home credit – Overview

Offering affordable credit to over 14m customers for the past 25 years

Products and services

- Instalment loans
- Hybrid loans
- Credit card
- Value-added services

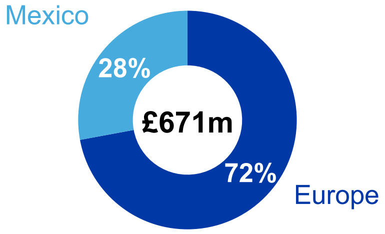
Customer attributes

Attributes
- Average to below average or fluctuating income
- Limited credit history
- Most customers and agents are female
- Agents important to credit management
- Manage finances carefully and seeks flexibility

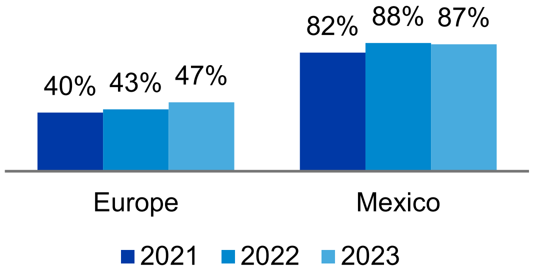
Usage of loans
- Managing unexpected expenses
- Education and school uniform
- Healthcare and medical expenses
- Home improvements
- Family celebrations

Business mix[1]

Net receivables



Revenue yield[2]



1. As at December 2023
2. Revenue divided by average gross receivables

Home credit geographical sub-divisions

European home credit

Poland, Czech Republic, Hungary, Romania

Typical loan size: £865
Avg. term: 83 weeks

Mexico home credit

Mexico

Typical loan size: £360
Avg. term: 46 weeks

How it works

Customers
- Average to below average or fluctuating income
- Limited credit history
- Prefer agent service
- Need to manage finances carefully
- Seek flexibility

Customer awareness
- Well recognized brand
- Targeted marketing
- World of mouth recos.
- Repeat offers to existing customer

Loan request
- Simple and straightforward
- Online decision in principle is not available in all markets
- Initial credit vetting - call center and/or agent is supplemented now with the underwriting team in most EHC markets
- Repeat lending offers to existing good paying customers

Credit scoring

New customers
- Application scorecard
- Credit bureau
- Agent judgement
- "Low and grow" strategy

Existing customer
- Behavioural scorecard
- Credit bureau
- Agent judgement

If required by customer, less than **48 hours** from application to receipt of loan with agent service

Loan issued

Agent home service: Cash loan delivered to customer's home

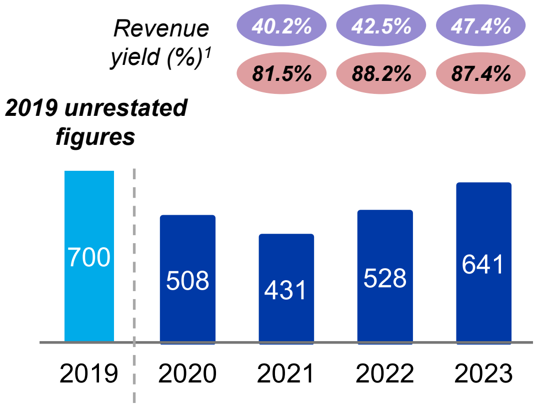
Money transfer: Loan delivered to customer's bank account

Incentives: Agents paid commission primary on collections

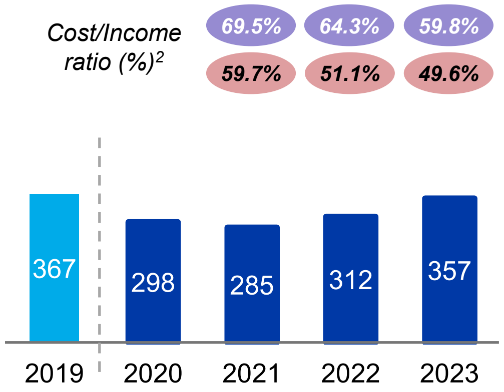
Collections and repayment made
- Agent-customer relationship support repayment
- Flexible approach
- Centralised arrears management
- Sale of impaired receivables to external debt recovery operations

Home credit – Key performance indicators

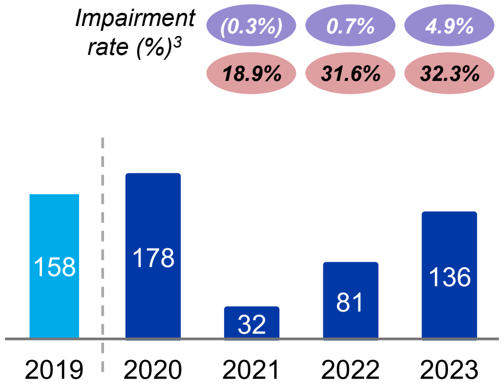
Revenue (£m)



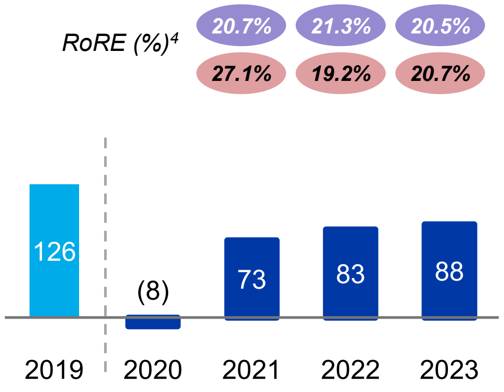
Operating costs (£m)



Impairment (£m)

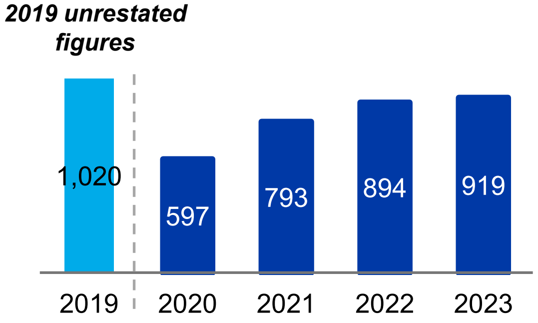


Profit before tax (£m)

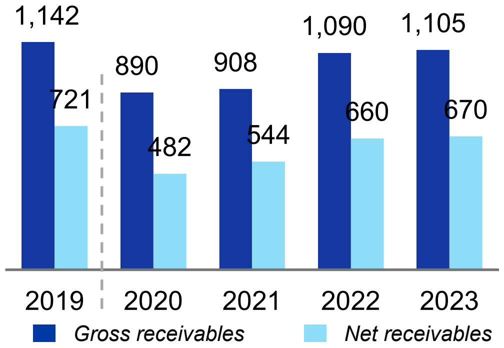


European home credit *Mexico home credit*

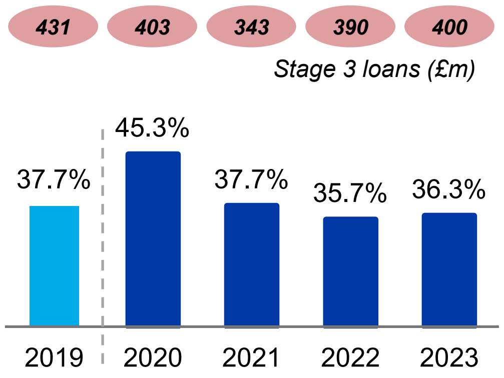
Customer lending (£m)



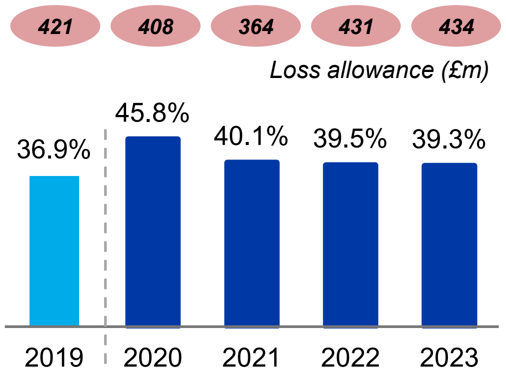
Gross receivables (£m)



Stage 3 loan ratio (%)[5]



Impairment coverage ratio (%)[6]



1. Revenue divided by average gross receivables before impairment provision
2. Direct expenses of running the business including customer representatives' commissions as a % of revenue
3. Impairment as a % of average gross receivables before impairment provision
4. Pre-exceptional profit after tax divided by average required equity of 40% of receivables
5. Stage 3 loans as a % of gross receivables
6. Loss allowance as a % of gross receivables before impairment provision

European home credit – Overview

Delivering strong returns with significant long-term growth opportunities

Business overview

- Leading provider of consumer lending
- **25+** years on the market
- Operates in **4** countries
- Served over **8.5 million** customers
- Strong brand awareness (Poland: 74%, Czech Republic: 79%, Hungary: 94%, Romania: 83%)
- Recognised award winning business

Customer profile

- 48-year average age
- 58% female
- 53% full-time employed
- 58% home-owner or co-owner
- Average to below average or fluctuating income with limited credit history
- Seek flexibility and need to manage finances carefully

Products and services

Individual consumer loans

- Extensive footprint across Europe
- **c. 2,500 employees**
- **c. 6,600 customer representatives**
- 761,000 customers
- Loan duration: 83 weeks
- Average loan size: £865

Key metrics (as of December 2023)

£802m average gross receivables	**£617m** customer lending	**761k** # customers
47.4% revenue yield	**4.9%** impairment rate	**59.8%** C/I ratio

Mexico home credit – Overview

Delivering strong returns with significant long-term growth opportunities

Business overview

- Leading provider of individual installment loans
- **20** years on the market
- Operates in **27** of 32 states
- Served over **5 million** customers
- **70%** brand awareness
- Recognised award-winning business

Customer profile

- Typically aged between 30 and 50, family with children
- 74% female, heads of family or contribute to family budget
- 36% live in rural communities
- Underserved or not served by traditional banks
- Average to below average incomes with limited credit history

Products and services

Individual consumer loans

- Extensive footprint across Mexico
- **c. 2,200 employees**
- **c. 9,400 customer representatives**
- 716,000 customers
- Loan duration: 46 weeks
- Loan value: £100 to £600
- Average loan size: £360

Key metrics (as of December 2023)

£299m average gross receivables	**£303m** customer lending	**716k** # customers
87.4% revenue yield	**32.3%** impairment rate	**49.6%** C/I ratio

4.2. IPF Digital - Overview

Building a better world through financial inclusion

IPF Digital – Overview

Profitable and fast growing consumer fintech

Business overview

- **1.1m unique customers**
- **223k active customers**
- **6 markets**
- **£211m lending portfolio**
- **400 FTEs**
- **66 NPS ratings**
- creditea, Credit24, Provident – **3 leading brands**
- SEB, NIMBLE, ING, nifty, inbank, creditea, Wandoo, Bondora, BBVA – **Key competitors**

Customer attributes

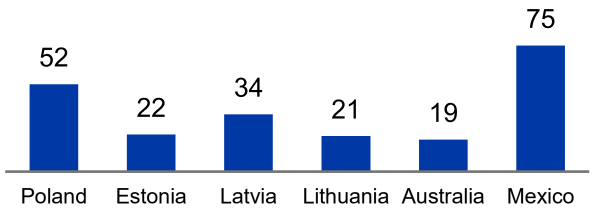
Attributes

- Average to below average income
- Secondary / vocational education
- Single
- Generally younger (44% customers are 18 – 35yrs)
- Pays rent
- Full-time workers
- Mostly located in large cities in target markets

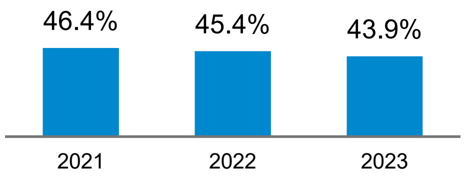
Core need: Extra finances to make ends meet or to cover unexpected expenses

Presence across 6 international markets

No. of customers (000s)



Revenue yield (%)



Products offered

30% of lending portfolio – Instalment loans

- Personal loan
- Fixed term from 3 – 48 months
- Average loan: £800
- Loan transferred to customer account
- Equal monthly repayments

Mobile wallet

70% of lending portfolio – Credit line

- Revolving, flexible digital credit, similar to a credit card
- Set credit limit with simple draw down
- Flexible monthly repayments
- Average principal outstanding: £1,200
- Limit: up to £6,000 and term from 14 – 60 months
- Interest rate: Europe & Australia (38-56%), Mexico (115%)

How it works

Loan request
- Generated online
- Simple, straightforward application process

Customer awareness
- Digital and above-the-line marketing and search engine optimisation
- Customer relationship management activities to generate repeat business

Customers
- Average to below average income
- Like to shop and borrow online
- High smartphone ownership
- Existing credit history

Credit scoring
- Rapid, centralised, digital credit scoring
- Credit bureau, internal database and statistical models
- "Low and grow" strategy
- Affordability checks prior to approval

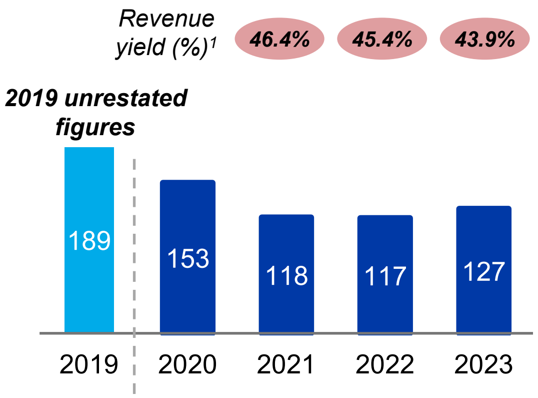
15 minutes from application to money transfer/receipt

Collections and repayment made
- Active communications process to facilitate repayment
- No refinancing or extension of delinquent loans
- Final written demand at around 60 days past due
- Sale of impaired receivables to external debt recovery operations

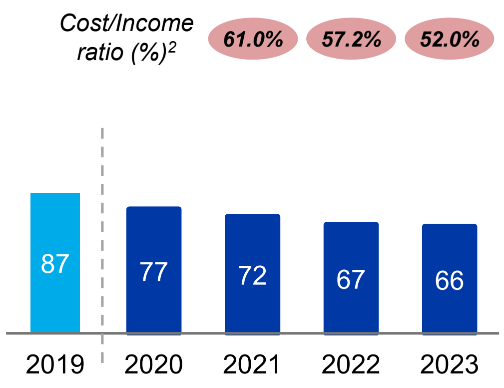
Loan issued
- Cash transferred to customer's bank account
- Customer notified by text on transfer

IPF Digital – Key performance indicators

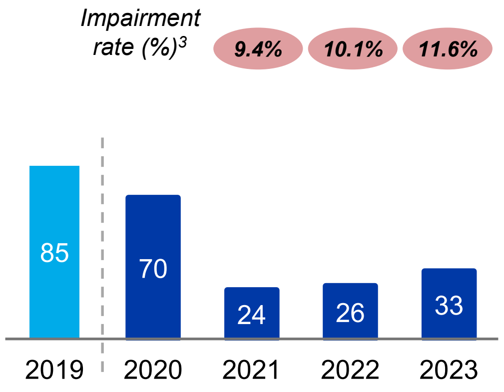
Revenue (£m)



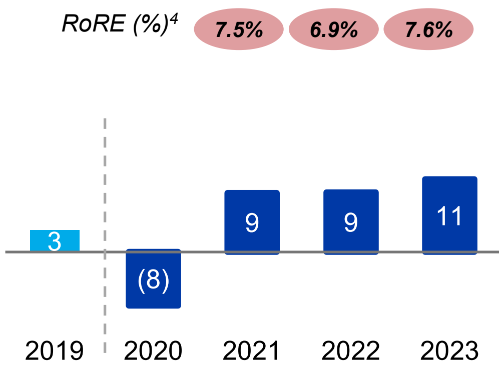
Operating costs (£m)



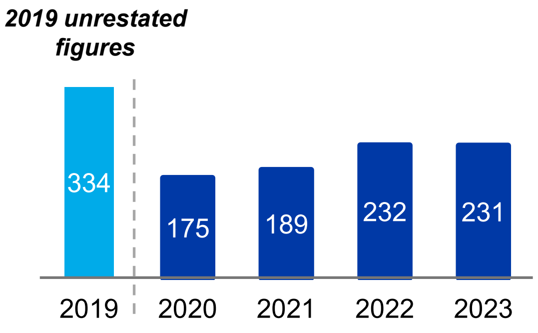
Impairment (£m)



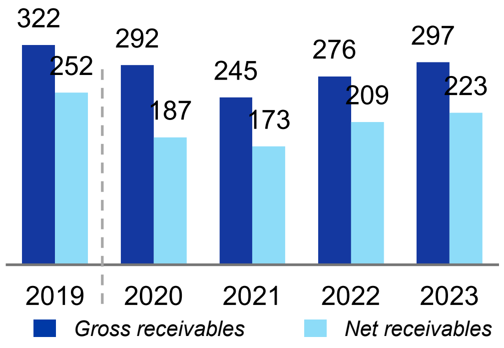
Profit before tax (£m)



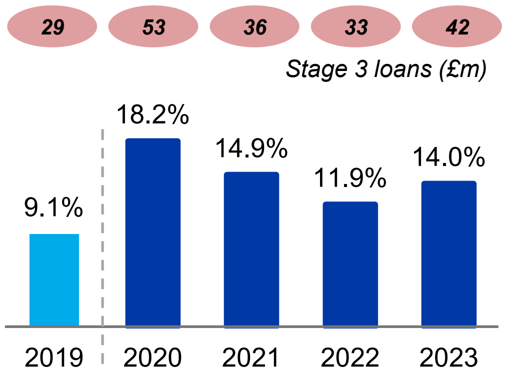
Customer lending (£m)



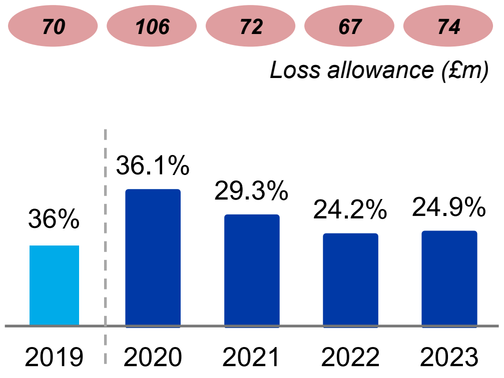
Gross receivables (£m)



Stage 3 loan ratio (%)[5]



Impairment coverage ratio (%)[6]



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4. Pre-exceptional profit after tax divided by average required equity of 40% of receivables
5. Stage 3 loans as a % of gross receivables
6. Loss allowance as a % of gross receivables before impairment provision

4.3. Financial overview

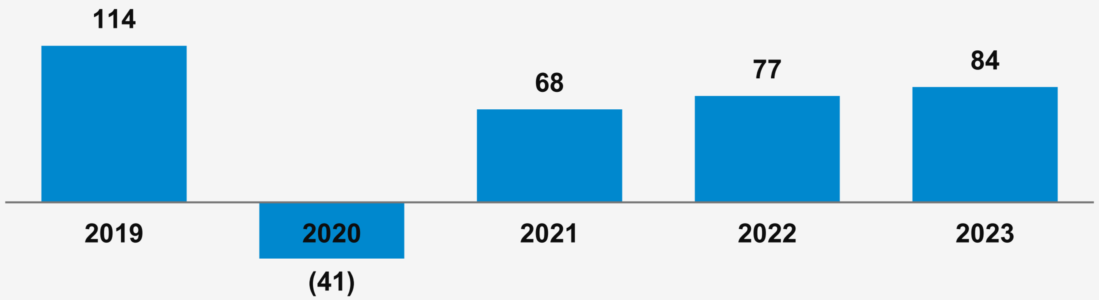
Building a better world through financial inclusion

Profit & loss

Strong through-the-cycle resilience and growth

£m | Y/E 31st December	2019	2020	2021	2022	2023
Customers (#) (k)	*2,109*	*1,682*	*1,727*	*1,733*	*1,700*
Customer lending	*1,353*	*772*	*982*	*1,126*	*1,151*
Closing net receivables	*974*	*669*	*717*	*869*	*893*
Revenue	**889**	**661**	**549**	**646**	**768**
Impairment	(244)	(250)	(56)	(107)	(169)
Revenue less impairment	**646**	**411**	**493**	**539**	**598**
Costs	(468)	(405)	(371)	(393)	(438)
Interest expense	(64)	(47)	(54)	(68)	(77)
Reported profit before taxation[1]	**114**	**(41)**	**68**	**77**	**84**
o/w European home credit	*115*	*(14)*	*55*	*66*	*65*
o/w Mexico home credit	*11*	*4*	*18*	*18*	*23*
o/w IPF Digital	*3*	*(6)*	*9*	*9*	*11*
o/w Central Costs	*(15)*	*(25)*	*(14)*	*(15)*	*(15)*
Reported profit before taxation margin (%)	***12.8%***	***n.m.***	***12.3%***	***12.0%***	***10.9%***

Reported profit before taxation[1]



- Strong operational performance in 2023, delivering a 8.4% growth in profit before tax to £84m in the period, well ahead of original plans driven by the consistent execution of the Next Gen strategy and favourable exchange rates
- Decline in Poland's lending and receivables as IPF adapts to new affordability regulations - as a result, overall Group customer lending reduced by 3.5% y-o-y and closing net receivables contracted by 0.2% (at CER)
- Loss before tax of £41m in 2020 due to higher levels of impairment provisions arising from Covid amid tighter credit settings, partially offset by the cost reduction programme

1. Including exceptionals

Strong balance sheet

Rebuild in receivables and equity since Covid

£m | Y/E 31st December	2019	2020	2021	2022	2023
Gross receivables	**1,464**	**1,183**	**1,153**	**1,367**	**1,401**
Loss allowances	(491)	(513)	(436)	(498)	(508)
Net receivables	**974**	**669**	**717**	**869**	**893**
Total assets	1,323	1,024	999	1,171	1,189
Gross borrowings[1]	676	499	478	554	517
Cash & cash equivalents	37	116	42	51	43
Equity	436	371	367	445	502

Key ratios	2019	2020	2021	2022	2023
Equity to net receivables	44.8%	55.4%	51.2%	51.2%	56.2%
Impairment rate	16.2%	18.6%	4.9%	8.6%	12.2%
Impairment coverage ratio	33.5%	43.4%	37.8%	36.4%	36.3%
Net receivables to net debt	1.5x	1.7x	1.6x	1.7x	1.9x

- Net receivables grew by a modest 2.8% in 2023 and contracted by 0.2% on a CER basis vs the prior year due to the Poland business where the group transitioned the business to meet new pricing and affordability legislation in the region
- The group continues to rebuild receivables since 2020 as they continue to execute their growth strategy
- Impairment rate increased by 3.6 ppts to 12.2% in 2023 vs 2022 as performance normalises post-pandemic and repayments remained strong
  - Impairment rate to deliberately rebuild towards 14-16% target range as the group expands its operations including in Mexico and the region becomes a larger proportion of receivables
- Reduced impairment rate in 2021 to 4.9% due to restricted credit issuance during the pandemic, resulting in a lower impairment charge in the period
- Robust balance sheet supported by an impairment coverage ratio of 36.3% in 2023 as the group rebuilds its portfolio, in line with 2022
- Robust net receivables to cover net debt throughout the historical years

1. Excluding lease liabilities

Cash flow statement

Robust cash generation including during Covid illustrating the “quick conversion to cash” nature of the portfolio

£m | Y/E 31st December	2019	2020	2021	2022	2023
(Loss)/profit after taxation from operations	72	(64)	42	57	48
Tax charge	42	24	26	21	36
Net interest expense	64	47	54	68	77
Share-based payment charge	2	1	(0)	2	3
D&A	32	43	29	27	29
Loss/(Profit) on disposal of PP&E	0.5	0.2	0.4	(0.1)	0.1
Impairment of right-of-use-assets	-	0.5	-	-	0.2
Short-term and low value lease costs	2.9	1.7	1.2	1.2	1.7
Changes in WC	(47)	277	(78)	(117)	(1)
Cash generated from operating activities	**169**	**330**	**74**	**59**	**193**
Net interest expense	(64)	(45)	(53)	(65)	(75)
Income tax paid	(41)	(1)	(46)	6	(33)
Net cash generated from operating activities	**64**	**284**	**(25)**	**(1)**	**86**
Purchases of PP&E	(10)	(4)	(5)	(9)	(5)
Proceeds from PP&E	0.2	0.4	0.2	0.3	-
Purchase of intangible assets	(21)	(12)	(10)	(15)	(18)
Net cash generated from investing activities	**(31)**	**(15)**	**(15)**	**(24)**	**(23)**
Proceeds from borrowings	120	311	49	99	48
Repayment of borrowings	(120)	(490)	(63)	(44)	(87)
Repayment of leases	(10)	(11)	(10)	(9)	(12)
Dividends paid	(27.7)	-	(5)	(19)	(22)
Shares acquired by employee trust	(2.1)	-	(4)	(0.4)	(0.4)
Cash received on options exercised	-	-	-	-	0.4
Net cash used in financing activities	**(40)**	**(190)**	**(32)**	**27**	**(73)**
Net increase/(decrease) in cash and cash equivalents	**(7)**	**79**	**(72)**	**3**	**(10)**
Cash and cash equiv. at beginning of year	**47**	**37**	**116**	**42**	**51**
Exchange losses on cash and cash equivalents	*(2)*	*-*	*(2)*	*6*	*1*
Cash and cash equivalents at end of year	**37**	**116**	**42**	**51**	**43**
Cash at bank and in hand	**37**	**116**	**42**	**51**	**43**

- Stable, long-term cash generation due to expansion of product offering and geographic footprint
- Robust cash flow generation during Covid pandemic as a result of limited new lending and tighter credit parameters to preserve liquidity, complemented by the short-term nature of the receivables book
- Rebound in lending in post-pandemic in 2021 impacted cash flows
- More favourable changes in working capital in 2023 following a more modest increase in receivables vs 2022 due to the reduction in Polish receivables amid new regulation introduced in the year. This resulted in exceptionally higher inflow of cash generated from operating activities in 2023
- Cash flows in 2023 were partially offset by higher funding costs amid significant step-up in interest rates across markets