

Mellenu Holding investor call on recent developments

Thursday, 4th June 2026

Participants:

Kieran Donnelly – Chairman of the Board

Nick Philpott - CEO

Ivo Zvirbulis – CFO

Nick Philpott: Thank you very much. Good afternoon, everybody, and welcome to the first investor presentation by Mellenu Holding S.A. Although some of the company's businesses and indeed faces may be familiar, my name is Nick Philpott, I'm delighted to be joining you here as Chief Executive Officer. I'm here with Kieran Donnelly, our chairman, and Ivo Zvirbulis, our new CFO, and we want to take you through recent developments as well as the Q1 financials. Understandably, there's been a lot of interest in our announcement of 29th May. So, we will focus on that first. And for that, I will hand over to Kieran.

Kieran Donnelly: Thanks, Nick. Welcome, everybody. Thank you for taking the time to dial in. So just want to give a little background before we go into the announcement summary, because many things have happened, starting with the sale of TBI Bank. If you recall, that process took quite a while from when we first announced the sale to Advent to the actual closing. And during that time, we put a lot of effort into focusing on what we were going to do with the proceeds, where we were going forward, the team, and indeed the shareholder structure that we had. And there was very lengthy negotiations around all those points, and they started to fall into place over time. When we closed the transaction with TBI Bank, that was in the end of February, and then we received the proceeds, we called the bond that was maturing in October 2026. We called that bond and paid that out at the end of April. So a large portion of the proceeds from the bank sale went towards paying off that debt, which left us with only €135 million of debt outstanding, which is the 2028 bond. We then, during this time, were working on establishing and setting up a new holding company. The reason why we needed a new holding company was in the negotiations around bringing in new shareholders. And this kind of shareholder, what we're calling a management-led buyout / restructuring of the shareholding structure, is that we wanted a fresh new holding company, and particularly the new investors wanted a new holding company in the business. So we set up this business. And we have, just as of the end of May, moved operating subsidiaries, cash, other assets moved from 4finance to Mellenu. And importantly, we moved the bonds as well. So all the assets and liabilities, everything has been moved over to Mellenu. Non-

operating entities with no value have been left behind, some kind of corporate house cleaning was done on that side. So the new company, Mellenu Holding, is the guarantor of the 2028 bonds, all the operating subsidiaries that were guarantors before are still guarantors of the 2028 bonds, the cash proceeds that were left after we paid down the bond, those have moved across to Mellenu. And at this time, we also took advantage of the moment to make some changes in the management of the company. So I had previously, one role combining chairman and CEO roles. We thought it was better corporate governance and also to have better focus on strategically where we're going forward to separate these roles between a chairman and CEO. Kind of a little difficult reporting to myself the past few years. So now we have kind of a more normalized separation between chairman role and the CEO role. And I'm very happy that Nick has agreed to take this role. Nick has vast experience and brings a lot to the table in that position for us. And in moving Nick, we had an opening in the CFO role, which we're happy that Ivo accepted the offer to come join us. He also brings a lot of experience to the table. And I think this puts us in a very good position with the rest of the management team that we had before. So all the country managers that were in place, our chief operating officer, everyone moved across with the company. Resigned, they canceled their contracts with 4finance and moved and signed new contracts with Mellenu. So I'm happy that the team came along with this important part when I said it moved all the assets. That included the team as well. So that's what we've done.

That was the first step, setting up Mellenu, moving those companies over. Now the second step is the actual settlement of this management-led buyout and shareholder restructuring. So what we had before was a group of individual shareholders in the company, including members of management that owned small percentages separately, directly into the holding company. We've now restructured that and what we will have is three groups. A company where all the management shares will be held collectively, and it'll be about 25% of the company. In that we actually have two people that were not strictly part of management, but were very active in helping run the company. One is a director in a lot of our subsidiary companies and very helpful with just day-to-day decisions, operations. So he's taken his shares and put them into the management company. And another one who's very instrumental in corporate finance and deals who helped us a great deal on the TBI transaction. So he has agreed and he moved his shares into the management company. So we have a separate company set up, a management company. All the managers plus these two people have put their shares into this company and it will own directly then into Mellenu. Some of the shareholders that were before are leaving, about 35% are remaining. But what we negotiated with them was, and this is really for making a streamlined decision process, a streamlined information process, and also add a level of professionalism into the shareholder structure, is that the existing shareholders are moving their shares into a fund

which will be managed by a professional fund manager. The third group that we'll have are new shareholders, individual shareholders coming in. But again, we, the management team, didn't want individual shareholders. And that was part of this whole negotiation. We want to institutionalize this structure. And so new shareholders coming in are also going into a separate fund. And they will be represented in their interests and the management will be done by a professional portfolio manager. So we will have three groups, a management company and two regulated funds that will own the company. No single group has control. 60% of the shareholders are existing shareholders or were shareholders in the 4finance structure. Only 40% are new shareholders coming in.

So this is what we've done. We've done this to bring in those 40%, also to turn a page. This is an important change since the sale of TBI Bank. The time was right to do this. And we want to focus our business where we have our core European business, which is generating cash, it's growing, but it grows at a European rate of growth. And on top of that, we want to build out more in the outside of Europe, more in the emerging markets where we have higher growth, younger populations, larger populations, more where you can kind of leapfrog into the digital part of the economy and where the consumers are much more at ease in doing their financial transactions online. So it's more growth. It's newer markets, and this is where we're focusing going forward, and that's what we've tried to establish and set ourselves up to be more successful in these areas.

So this is just a depiction of that. So we have those three groups owning the new Holdco, which is Norden Star, that holds Mellenu, and then we have our operating subsidiaries, which we moved over. So again, there was the first step, which was establishing Mellenu, moving other companies. That's still in the same ownership structure right now. But over the next course of the next couple of months, we will be closing what has already been agreed. And we've already signed an agreement, but now we need to execute on that and settle that transaction, which will take approximately 6 to 12 weeks. And that's what we're working on. Of course, it's summertime, 6 to 12 weeks in Europe in the summer. That could be extended, but not because we wanted to, but just we have a lot of service providers that we're dependent on to close the transaction. So we're pushing them as fast as we can. With that, I think we've covered, we go back to turn over back to you, Nick.

Nick Philpott: Yes. And this one just ask Ivo to go through some of the business highlights in the usual fashion from Q1.

Ivo Zvirbulis: Good afternoon. On main highlights, well, Adjusted EBITDA grew year on year, reflecting continued core business improvement and operational efficiency gains. Net profit declined primarily due to non-cash goodwill impairment charge related to our Philippines business. If excluding this from non-recurring item, the underlying business trajectory

remains positive. On cost side, we continue to exercise strong discipline. Overall cost base remained broadly stable. We are very deliberate about where we direct our investment with clear focus on unit economics. As you would expect, there is natural mix at play, ongoing efficiency gains in our more-matured markets, offset with some early-stage costs from our newer ventures. Cost efficiency is deeply embedded how we operate as a group. We continuously challenge ourselves to find smarter ways of working.

Moving on to revenues, this is across our active markets with UK joint venture including, which sits outside the consolidated group, but is included here to give you a sense of scale. The business remains well diversified both geographically and across return structure and product types. On like-for-like basis, if comparing the same perimeter as Q1 last year, revenues are slightly lower year-on-year as we have prioritized asset quality over revenue growth.

Moving on to portfolio, this gives you breakdown of our loan book by market. The mix here looks somewhat different to income picture reflecting varying yield profiles, risk return characteristics and average tenors across our product types. As example here would be our Spanish and Lithuanian businesses. First one has short term revenue intensive model, while second one has longer term product, resulting in higher share in portfolio but lower revenue yield. Overall, our portfolio is well diversified, reflecting our strategic presence across multiple markets and product types.

Moving on to next slide. Well, slide speaks itself. On all ratios we are in strong and comfortable position with all ratios trending in right direction. With this, I'm handing over to Nick.

Nick Philpott: Thanks, Ivo. Okay, just taking it forward a bit. Ivo's gone through some of the usual ratios and the position for the first quarter. But as we can see at the 31 March from the sort of yellow and blue bar chart on the left at the bottom, we had €250 million of cash as well as our €200 million of assets. And Kieran mentioned it earlier and you'll be aware of it. So of that cash, we deployed €139 [million] at the end of April, leaving us with obviously still significant cash and assets greatly in excess of what is now our net bond debt of €131 million being the 2028 bond.

So to summarise all that, before we get to our questions, our core business, diversified, continues to do well. We have a strong cash position as we've just shown on the last slide in particular, and we have lower debt. The transfer to Mellenu facilitates the upcoming shareholder changes and the other areas in which we wish to grow. And we usually mention our plans in relation to new markets. So I'll just update you here on where we are. It was also noted earlier that Uzbekistan and South Africa both started lending in the quarter and have

started to draw down extra cash as they're growing their early-stage portfolio. Georgia is growing well ahead of budget, that's the auto business in Georgia.

We previously explained in the last call back in November that we were looking at different market opportunities in Mexico. I'm pleased to say we've now started funding participations in portfolios of a growing consumer lender there in which we own 15% of the equity. We've also got an option to acquire more in the future if we wish to. Investing in this manner which is a method that Kieran has talked about on previous calls allows us to earn an immediate return but also look very closely at the product and the business that we're funding before we're actually committing to any further equity investment. So Mexico is a new opportunity for us.

We continue to seek the optimal structure for entry into India. There have been a number of potential opportunities, but they've not been right for us. So none has been completed. But this remains an important target market.

And finally, our first last bullet point here, which repeats the point made earlier, but so many of the questions so far we've had have been about this. Just to repeat that there's not been a change of control under the 2028 bonds, nor will there be as a result of the planned shareholder changes and everything for the bondholders is basically as it was before we moved to Mellenu. So with that, I will wrap up and ask for the questions, please.

Frank Oliver Lehmann: Yeah, it's Frank. Hi, Kieran. Hi, Nick. Hi, Ivo. First of all, congratulations to the restructuring of the capital side. And also congratulations to selling the bank and collecting the money and for paying down the bond. I have always been investing with the management teams who have in the past borrowed and paid down their bonds and paid interest and treated us as bondholders as well. All you have outstanding right now is just that 2028 bond. You have a lot of cash on the books. Any opportunity for us to get involved again in a new bond? Any thoughts forward or is this it for the next six months where you basically will deploy the cash? Thank you.

Nick Philpott: I've never known us to sit still for six months, but I'll, I'll turn that one to Kieran.

Kieran Donnelly: Hey, Frank. Nice to hear from you. So we had €250 million that came in, we did pay back the other bond, and right now we have some €75-78 million in cash. The bond is €135 million that we have outstanding. We've been in the capital markets since 2013. And we really appreciate the support we've had from people like yourselves and the other bondholders through many different situations, right? So we've been through a lot together as a group, whether it's the COVID, wars, the many, different things. And, I think it's been a good partnership and we would like to continue that partnership going forward. So, this bond right now we have outstanding... we have big hopes for the future. We are taking I think

modest steps to do those, so we don't want to rush out and do things, but we believe that we have opportunities that will require the support of the capital markets going forward. And so this relationship is important to us and we want to maintain it. And so we're not looking right now to say, okay, let's take this bond out. I think we have a lot of opportunities to work together going forward.

Frank Oliver Lehmann: Right. Excellent. Best of luck to the team and best of luck with your expansion, et cetera. Thank you very much.

Ferdinand Bardoly-Küzmös: Yes, good afternoon. My name is Ferdinand Bardoly-Küzmös calling you from Zurich, Switzerland. It's a great pleasure to have you all at the ConfCo this afternoon and also from my part, congratulations to the encouraging and promising moves and corporate action. I have been also for my family, but also for our investors, a bondholder for a long time since 2015 or 2016, the first time when you launched your first bond at the market. It's 10 years time that we are together. As you mentioned and your chairman just mentioned that we had difficult times. You managed it with great value to come over the challenges. I much appreciated it. The reason why you have been always glad to prolong each time the existing bond to the new maturity. We are very happy to be a bondholder with you guys also in the future. We will be glad to welcome you maybe one day in Zurich to elaborate a little bit and to understand a little bit better the future steps of the company. That's my point one and point two is, could you please say some words regarding how this impact the credit rating concerning the company as a group and how could impact the credit rating of the still existing outstanding bond with maturity 2028, and whether you would like to prolong us still, we are close, we are already mid of June 2026, so maturity 2028, what is your plan regarding the current bond? Thank you very much.

Nick Philpott: Okay. Well, I think if I take the second question, the credit ratings first, and then in relation to the bond stuff, as Kieran was talking about it earlier, maybe he can add a few words. On the credit ratings, we currently have two ratings. We have Moody's and we have Fitch. Now, both of those after the TBI sale, they both issued that they were maintaining the ratings that we have, which is B2 in one case and B in another. Moody's retained us as a stable outlook because they considered that they'd been anticipating the sale of the bank. With Fitch, they moved their outlook to positive because of the sale of the bank and the restructuring of the balance sheet as a result with the other bond going. So one sort of notch up in terms of outlook from Fitch, but otherwise the ratings have remained the same. Kieran, a few more words on the prospects for the 2028s perhaps?

Kieran Donnelly: Yeah, in one way, well, thanks for your question and thanks for the years of support and certainly on our next trip to Zurich, we'd love to see you. In one way, May 2028 is a long way off, but things are moving quickly and developing and time goes by. So we

certainly will be engaging with the market to see what our needs are, what investors are looking for. And I think we would be happy to start these conversations soon. Right now, we've been so focused on this transaction and getting this closed. It's taken an incredible amount of time and effort but I think now, with this settled down, we're happy to engage with bondholders and start that conversation and see where we end up and get something that makes sense for Mellenu and makes sense for the investors going forward. But as I said, our plans are such that we will need the support of the capital markets. Right now, we're in a position that we're very much under-leveraged, under-g geared. But going forward, we would like to get to a proper ratio of leverage and one that sustains, is sustainable and that's responsible and that we continue for many years to come.

Ferdinand Bardoly-Küzmös: Thank you very much.

Moderator: Thank you for the question. There is a question in the chat that however was very similar to the question just asked. So with this, a quick reminder to all the participants, if there are still open topics you would like to clarify, please feel free to just raise your hands or write the questions down in the chat.

Since there are no further questions, this is the final call for questions that you might have. And other than that, since there are no further questions coming in, we therefore come to an end of today's investors' call. And I thank you very much for joining, listening and for your questions. And a big thank you also to the gentleman for answering the questions. And should further questions arise at a later time, please feel free to contact Investor Relations. I wish you all a lovely remaining week. And I hand over again to Nick for some final remarks.

Nick Philpott: Yeah. Well, thank you very much to everybody for coming along and for the questions. And I said, obviously, if there is anything else, get in touch with any of us or with Liene in Investor Relations and we'll obviously see what we can do. So thank you everyone today and wishing you a good afternoon.

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