

NordCard statement

FY 2021 SUMMARY OF PERFORMANCE

The 2021 financial year was full of improvements and challenges. In 2021, the economy continued to be affected by the restrictions of the Covid-19 pandemic affecting Latvian population solvency. In order to stabilize loan repayment rates and interest income, the policy of issuing new loans and recovering debts was improved, as a result of which, in 2021, the Company continued to show strong financial indicators. The Company's total revenue, including other operating income and other interest income, amounted to 906,885 euros. The Company has improved its profitability and reduced its losses for the reporting year. This year, the Company's losses were most affected by the non-bank lending license fee of EUR 55,000, which was significantly increased in 2021.

FIRST-QUARTER OF 2022

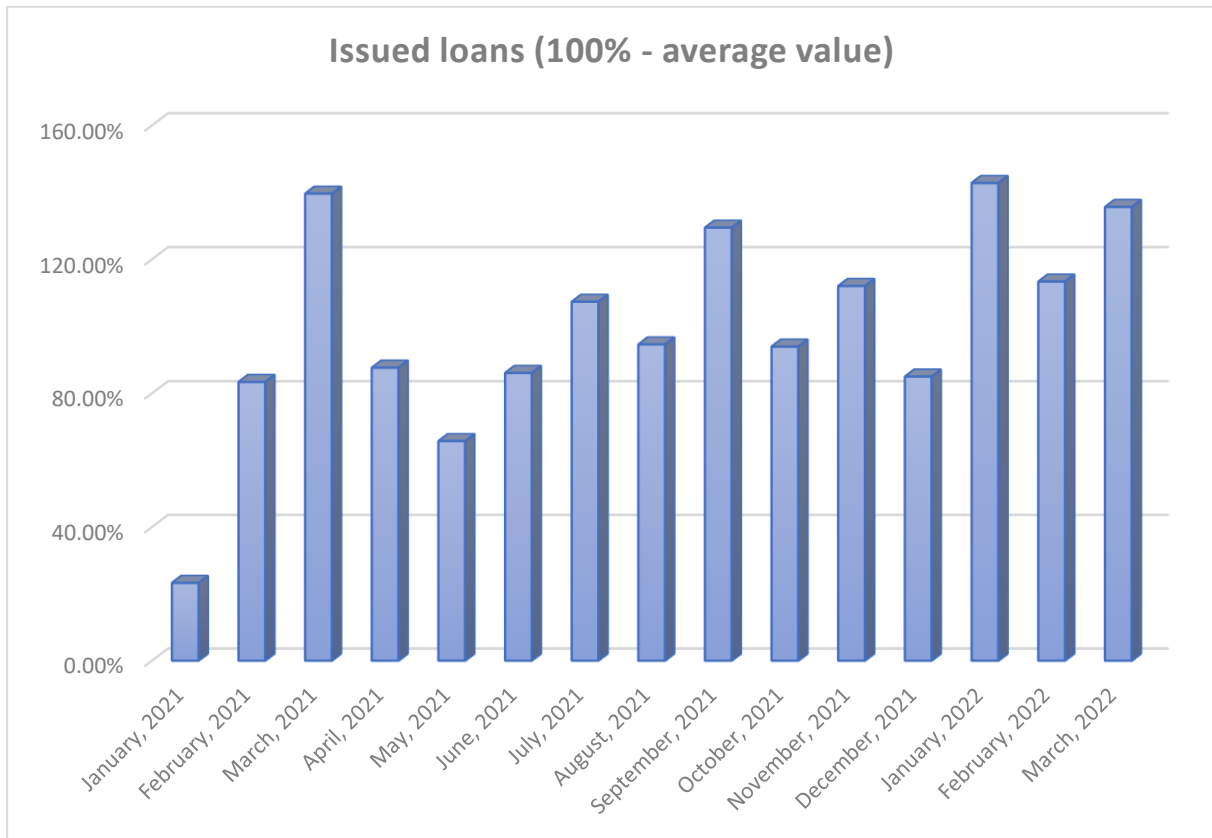
During the first quarter of 2022, we diversified our marketing channels, reviewed their use and reduced administration costs by approximately 13%. The Company's costs are still stable, while revenues grow quite rapidly. By partnering with IUVO-GROUP, we are steadily growing our portfolio and increasing our revenue.

RUSSIA-UKRAINE CRISIS IMPACT

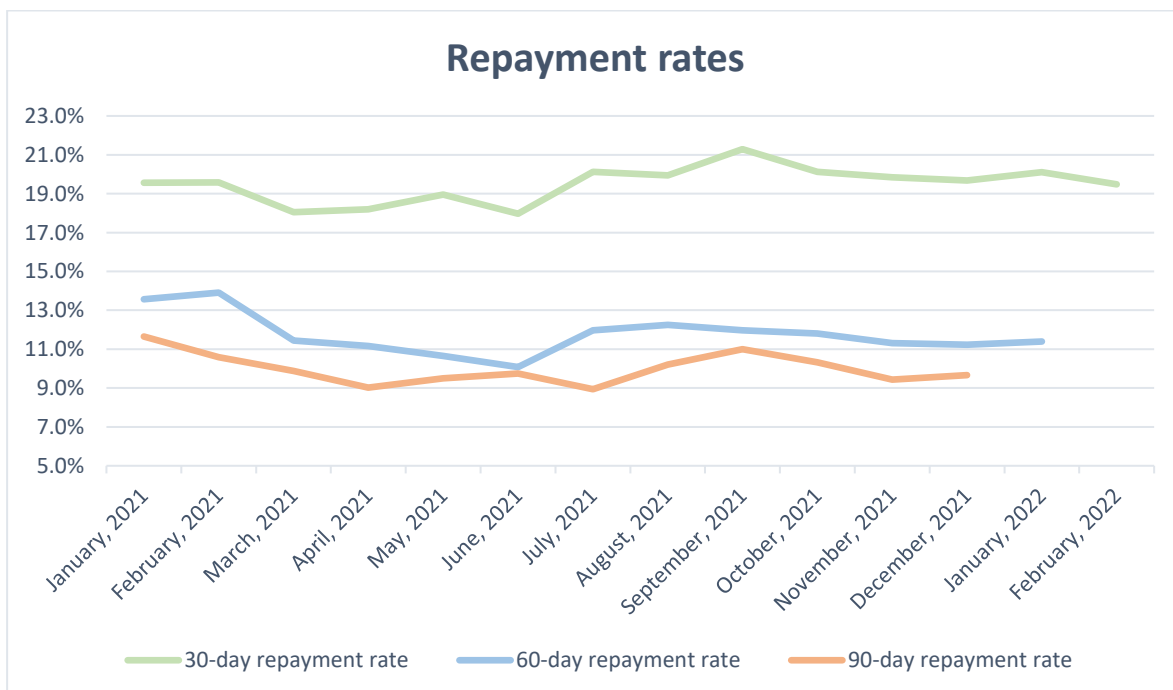
NordCard did not face any new risks and concerns regarding the Russia-Ukraine war compared to the previous statement. NordCard still does not cooperate with partners from Russia, Ukraine (and even Belarus), as well as the raised capital is obtained from Latvia or co-financing platforms, such as Iuvo. The Company's board and shareholders are only from Latvia and have not been affected by sanctions or political decisions related to the crisis. Also, the Company's customers are only residents of Latvia, as the Company itself operates only in Latvia. As a result, NordCard is not affected by the crisis, and the Company's management does not anticipate any adverse effects soon.

STATISTICS

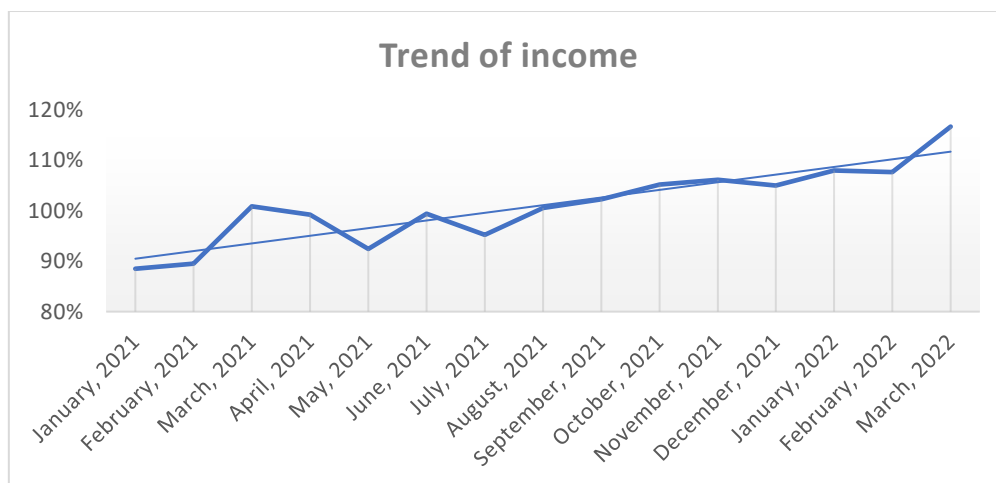
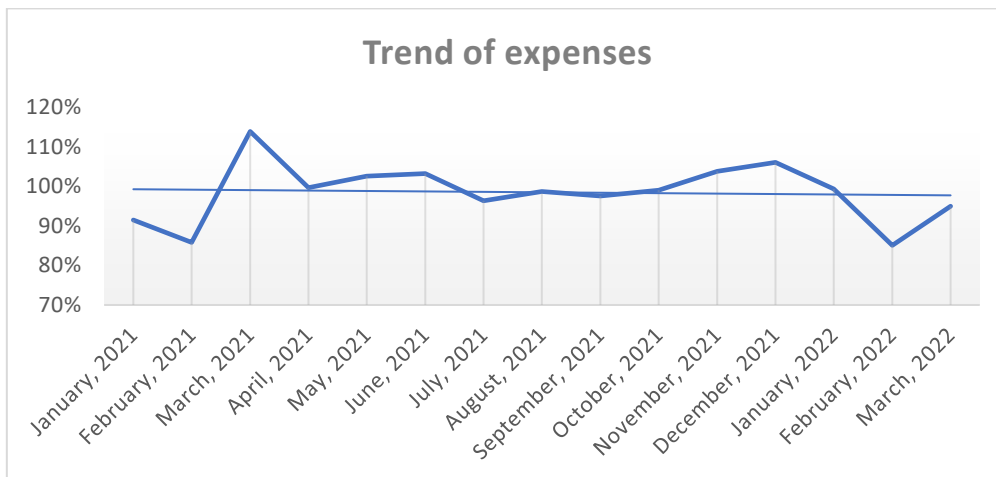
Due to the Russia-Ukraine crisis and the ongoing Covid-19 pandemic, NordCard is not experiencing any reduction in lending. On the contrary, the beginning of 2022 has been very stable and has large issuance volumes. NordCard has reached 3.1 M's total gross portfolio so far, and this growth is also having a positive impact on the Company's profitability, starting this year's first quarter with a profit.



In addition, we do not see any significant changes in our repayment rates. Both 1- and 2- and 3-month repayment rates are sufficiently stable and relatively unchanged over the past year. The NordCard team is working hard to improve repayment rates, but much has already been achieved compared to 3 years ago (an improvement of about 30%).



The Company optimized various cost positions and reached very low costs in February. Although the costs in March were higher than in February, this is due mainly to higher volumes issued and more active involvement of marketing channels in the last month. The cost trend is stable but slightly negative, thus allowing for higher profitability. Income is significantly increasing, and there is a positive trend as more and more new loans are issued. In addition, the Company received a very high income already in 2022 because of the increase in issued loans. So far, March 2022 was the best month in NordCard history as it ensured the highest income from clients.



We are confident that the actions taken will be sufficient to strengthen the Company's position in the market in the long term. We are closely following the information available on the crisis and the political decisions in Latvia to reduce the impact of the crisis on NordCard. We believe that with the help of the Iuvo platform, we will be able to develop our business and improve profitability by increasing our total portfolio even in these difficult times.

CEO of NordCard

Daniels Jukna