

Bond Issue DIRECT 6.75/29



Investment teaser



The basic prospectus of the bond issuance programme has been issued for the offered bonds, which has been approved by the Czech National Bank and published on the Issuer's website <https://www.direct.cz/investice-do-directu>. The approval of this basic prospectus by the Czech National Bank should not be understood as an endorsement of the bonds by the Czech National Bank.

We encourage all potential investors to read the Base Prospectus in its entirety before making any investment decision in order to fully understand the potential risks and rewards associated with a decision to invest in the Offered Bonds and to read the legal disclaimer on the last page of this presentation.

REASONS TO INVEST

- **Bond Issue DIRECT 6.75/29 („Bonds“)** with an attractive annual coupon rate of **6.75 % p.a.** paid semi-annually.
- **Secured Bonds.** The bond issue is primarily secured by 100 % shares in **Direct Pojišťovna, a.s („Direct Pojišťovna“)**.⁽¹⁾
- **Senior Bonds.** Neither the Direct Financing s.r.o. („Issuer“) nor Direct Pojišťovna have any debt outstanding – other than bonds (i.e. all current bond issues). Bonds are thereby effectively **senior in the capital structure and first in line for any distributions**. When viewed in combination with the first ranking pledge over the shares of Direct Pojišťovna, **the security of these Bonds is comparable to that of bonds if they had been issued by Direct Pojišťovna itself**.
- **Direct Pojišťovna is a modern 21st-century insurance company operating in the attractive Czech insurance market in the non-life insurance sector.** It is built for clients on a paperless, automated, and self-service platform that supports scalability and touch-free operations. The Direct Pojišťovna brand is being developed as a "love brand," and brand awareness is currently comparable to medium-sized insurers in the market.
- **Strong growth** and solid performance across all key metrics. Direct Pojišťovna is establishing a strong position in the market — since its inception, it has more than quintupled its client base to the current 589 000, and in 2024 it achieved a net profit of CZK 175.5 million.
- **Regulatory oversight.** Insurance companies in the Czech Republic, including Direct Pojišťovna, are subject to regulation and supervision by the Czech National Bank, aiming to ensure sector stability and consumer protection.
- **Stability.** Profitability in the non-life insurance market **is generally not subject to economic cycles**, naturally reducing exposure to economic crises.
- The **pro forma loan-to-value („LTV“)** ratio amounts to **41.7 %**, assuming the conditions described in note below. ⁽³⁾

CORE INFORMATION ABOUT THE ISSUER

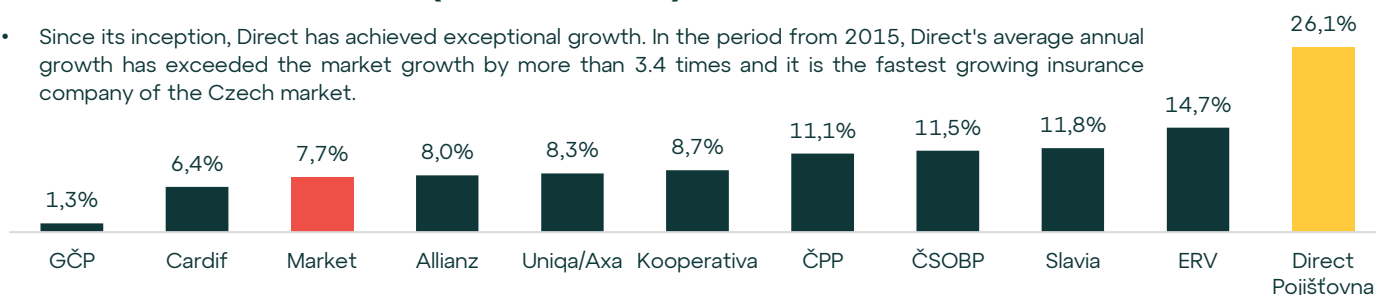
- The Issuer is **a part of the DIRECT group, whose main asset is Direct Pojišťovna a.s.**
- The Bonds have a **maturity of 4 years** and are offered in the volume of CZK 200 million, with the issuer's option to increase the bond issue size up to a maximum of CZK 300 million.
- This bond issue is part of a bond programme, with the total nominal value of all issued and outstanding Bonds having a maximum limit of CZK 2.5 billion.
- **The proceeds from the Bonds will be used to increase the capital of Direct Insurance Company**, in connection with financing its growth and acquisition objectives.

TIMELINE



AVERAGE ANNUAL GROWTH RATE OF INSURANCE PREMIUM GROWTH BY INSURANCE COMPANY (2015 - 2024)⁽²⁾

- Since its inception, Direct has achieved exceptional growth. In the period from 2015, Direct's average annual growth has exceeded the market growth by more than 3.4 times and it is the fastest growing insurance company of the Czech market.



(1) The Bonds are further secured by the first lien on i) 100% of shares in VIGO Finance, a.s. (Direct's co-owner), ii) 100% of the ownership in the Issuer, iii) the intercompany loans receivable with VIGO Finance a.s. if any bond issue proceeds have been used this way, iv) all relevant trade marks related to Direct Pojišťovna and all activities of any entity in the bond perimeter (as defined in the full investor deck) realized under the trade mark "Direct".

(2) <https://www.cap.cz/statistiky-prognozy-analyzy/vyvoj-pojistneho-trhu>

(3) The pro forma LTV calculation is based on the valuation as of 31 December 2024 and includes the valuation of Direct Pojišťovna, increased by the valuation of the Polish insurance portfolio acquired by Direct Pojišťovna in March 2025. It provides information on the overall level of indebtedness, i.e., including the additional debt resulting from the new bond issue DIRECT 6.75/29 (ISIN CZ0003578338). Assuming that the new bond issue DIRECT 6.75/29 is issued in the base amount of CZK 200 million, the above-mentioned pro forma LTV amounts to approximately 41.7%. Assuming that the new bond issue DIRECT 6.75/29 is issued in the maximum amount of CZK 300 million, the above-mentioned pro forma LTV amounts to approximately 43.9%.

KEY PARAMETERS OF THE BOND ISSUE

Bond name	DIRECT 6.75/29
Issuer	Direct Financing s.r.o.
ISIN	CZ0003578338
Lead Manager	WOOD & Company Financial Services, a.s.
Bond Programme	Bond are being issued as part of the bond program with a 2 500 000 000 CZK maximum nominal value of outstanding bond issued combined
Issuance volume	CZK 200 000 000 , with the option to increase the volume to up to CZK 300 000 000
Nominal value	1 CZK
Coupon	6.75 % p.a.
Coupon payments	Semi-annually (June 16 th and December 16 th); the first payment due on June 16 th 2025
Issue date	December 16 th 2025
Tenor	4 years (December 16 th 2029) The Issuer has the right to repay the bond issue in full or in part at any time prior to maturity. If an early repayment occurs, the investor is entitled to receive at least an equivalent of a 24-month (2 years) return.
Collateral	The bonds are senior and secured (please see the Base Prospectus for more information)
Issue Price as of the Issue Date	100 % nominal value
Issue Price	Issue Price = Issue Rate (in CZK) + interest accrued until the trade date (accrued interest as of the issue date is CZK 0)
Detailed information available at:	www.direct.cz/investice-do-directu (The Issuer website) https://www.direct.cz/o-nas/povinne-zverejnovane-informace (The Direct Pojišťovna website)

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