

LIDION BANK BOND ISSUANCE



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BOND STRUCTURE & TERMS

SIZE
INITIAL TRANCHE

€5M

TOTAL
OFFERING

€10M

MATURITY

5→10YRS

MINIMUM
INVESTMENT

€10,000

INTEREST
RATE

6%

PAYMENT
SCHEDULE

Annual Interest
Payments

SECURITY

Unsecured,
Subordinated Debt

WHY THIS BOND?

Lidion Bank has experienced rapid growth by strategically refocusing on lending, factoring, and payments, driving strong profitability and market expansion. With a proven model and increasing demand, the only constraint on further growth is capital—this bond directly addresses that need.

ISSUER OVERVIEW

STRONG LOCAL ROOTS & MALTA BASED

Established in 2012 and rebranded as Lidion Bank in 2023, the Bank is deeply rooted in Malta's financial system. Led by a seasoned local team and supported by over 45 professionals, it seamlessly combines strong local foundations with international expertise to deliver tailored banking solutions.

FULLY REGULATED & SECURE

Lidion Bank operates under the supervision of the Malta Financial Services Authority (MFSA), adhering to the highest regulatory standards to ensure full compliance with banking regulations.

BUSINESS MODEL

Specialising in B2B financial services for Europe-based corporates, Lidion Bank provides factoring, lending, and cash management solutions tailored to the needs of high-growth digital businesses, helping them manage liquidity, finance operations, and scale effectively.

RISING DEMAND OUTPACES CAPACITY

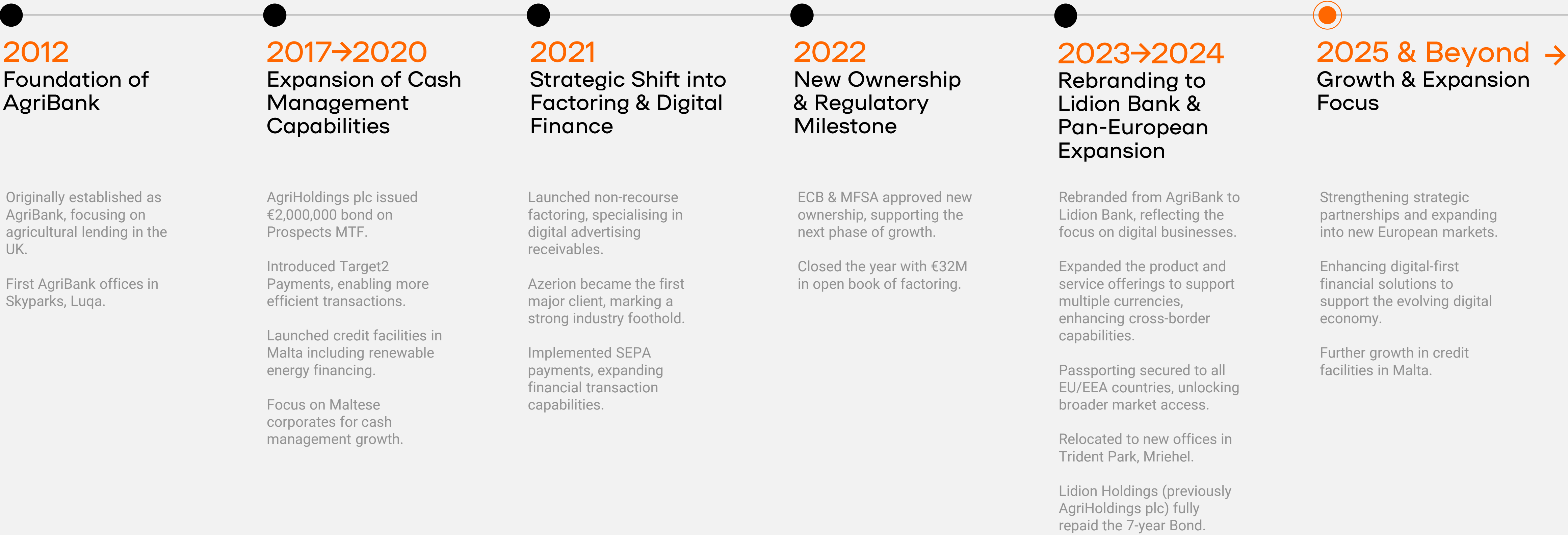
Lidion Bank is experiencing strong demand for its core services, with lending demand now exceeding current capital limits, making increased Tier 2 capital essential to support further growth and meet the needs of its expanding client base.

TRACK RECORD

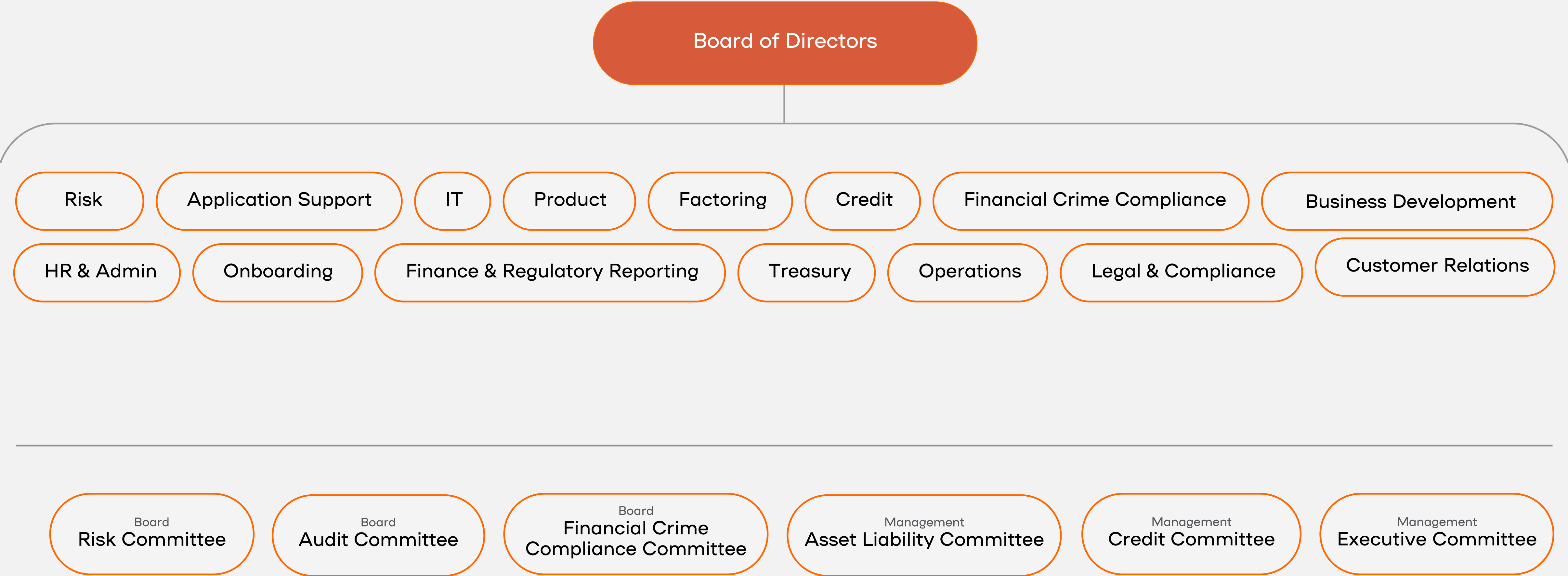
The Group has successfully issued and fully repaid a 7-year bond on Prospects MTF under Lidion Holdings (formerly AgriHoldings), demonstrating a robust track record in bond financing.

Timeline

LIDION BANK



ORGANISATIONAL STRUCTURE



The Team

BOARD OF DIRECTORS WITH EXTENSIVE EXPERIENCE SPANNING MANY YEARS IN BANKING



Trond Dale
Chairman

30+ years of experience in the financial sector.

Held senior executive positions such as Managing Director and Head of Capital Markets.

Worked at several international banks, including Chemical Bank (Oslo), Goldman Sachs (London), & Credit Agricole (Stockholm).



Stephen Muscat
Board Member

Certified Public Accountant, Authorized Corporate Service Provider with an Advisory practice.

Serves as Independent Non-Executive director on Licensed, Public Bond Issuers, Holding and Trading companies.



Mehmet Zafer Karatas
Board Member

Seasoned expert in business management, mergers and acquisitions, reorganizations, and financial audit.

Holds key positions in prominent organisations, showcasing his extensive industry knowledge and leadership skills. Sits on the board of a company listed in the Netherlands.



Frank J Sekula II
Board Member

30+ years of expertise in financial services, lending, risk management, capital markets, and restructuring across Europe, the US, and Asia.

Held roles at PaineWebber, CS First Boston, Bankers Trust, Barclays, Kaupthing Bank, and Jefferies International.



Dr Desiree Cassar
Board Member

Managing & Tax Partner at DC-Tax Advocates (Malta).

Leading tax lawyer specialising in private wealth planning and advising high-profile international clients.

Responsible for ESG initiatives.



Jonathan Bellizzi
Board Director

With 19 years of experience in the financial sector covering various roles including operations, product, project, relationship management, and business development.

Proven top performer in launching new B2B and B2C products across EU/EEA.

The Team

A **LEADERSHIP TEAM** WITH A DEMONSTRATED HISTORY OF SUCCESS IN BANKING.



Jonathan Bellizzi
Chief Executive Officer

With 19 years of experience in the financial sector covering various roles including operations, product, project, relationship management, and business development.

Proven top performer in launching new B2B and B2C products across EU/EEA.



Luke Calleja
Chief Financial Officer

17 years of financial leadership within high-growth challenger banks and fintech startups, driving value through growth and profitability.

Specialised in strategic financial management, capital planning, and effective risk oversight.



Dr Francesca Briffa Polidano
Chief Legal & Compliance Officer,
Company Secretary

7+ years of experience in the banking industry, holding roles within legal & compliance departments.

Warranted lawyer by profession, with expertise in regulatory compliance, ensuring adherence to evolving requirements within credit institutions and financial entities.



Pinar Kurekci
Chief Technology Officer

29 years of experience in the information technology and software development industry with 24+ years of experience managing teams.

Demonstrated expertise in optimising and ensuring the reliability of ICT and business operations.



Stephen Said Sarreo
Head of Risk

17 years of experience in the banking industry, holding roles in credit and risk management functions, including extensive leadership of risk teams.

Specialises in the design and implementation of risk management frameworks, driving effective risk mitigation and ensuring regulatory compliance to support the bank's strategic objectives.



Charmaine Calleja
Head of Financial Crime Compliance, MLRO

Over 12 years' experience in both Financial Crime Compliance and AML/CFT, holding roles within international CSPs, forex companies, as well as acquiring banks.

Expertise in identifying, assessing, and mitigating financial crime risks having the required specific investigative skills and an analytic approach to combating financial crime.

LIDION BANK SUPPORTS DIGITAL BUSINESSES IN HIGH-GROWTH SECTORS ACROSS THE EU/EEA

BUSINESS MODEL AND REVENUE STREAMS

01

Cash Management A Key Revenue Engine

Lidion Bank helps businesses manage their payments, transactions, and liquidity efficiently, earning revenue from transaction fees and interest on deposits.

€4.6m

Net Operating Income in 2024

02

Factoring A Core Growth Driver

Factoring allows businesses to get paid upfront for their invoices, improving cash flow while Lidion Bank handles collections and assumes the risk, backed by top-tier insurers.

€3.7m

Net Operating Income in 2024

03

Lending Secure, Collateral-Backed Loans

Lidion Bank provides short-to-medium-term business loans, ensuring security by requiring valuable assets like property as collateral, reducing risk for both the bank and borrowers.

€1.5m

Net Operating Income in 2024

FACTORING EXPLAINED

LIDION BANK'S FACTORING SERVICE EXPLAINED

For businesses in the digital advertising and technology sectors, long payment cycles can create cash flow challenges. Lidion Bank's factoring service eliminates this hurdle by providing immediate access to funds tied up in unpaid invoices.

Invoices purchased are insured by top-tier insurers such as Allianz Trade and Atradius, ensuring minimal credit risk. Unlike traditional factoring, our approach offers businesses the liquidity they need to scale confidently without financial bottlenecks.

Lidion Bank's revenue model is built on factoring fees and interest, creating a stable and low-risk income stream while empowering clients to grow without cash flow constraints.

INDUSTRY POSITIONING

Traditional banks offer factoring but often lack the flexibility and specialised approach required by digital businesses dealing with high invoice volumes and long payment cycles. Their processes typically involve stricter collateral requirements and slower approvals, making access to liquidity more challenging.

Lidion Bank bridges this gap with specialised, insured factoring, delivering fast settlements, reduced default risk, and immediate working capital—empowering high-growth companies to scale without financial bottlenecks.

DRIVEN BY INDUSTRY-LEADING CLIENTS, & A STRATEGIC PARTNERSHIP WITH INDUSTRY GIANT, AZERION

STRATEGIC PARTNERSHIP WITH AZERION

- 01 Azerion is a leading digital media platform with €515M in revenue and 1,100+ employees. The company is listed on Euronext Amsterdam, the main stock exchange in the Netherlands.
- 02 Lidion Bank and Azerion, which share common shareholders, have a strong financial partnership in the digital advertising industry.
- 03 Azerion is Lidion Bank's largest factoring client and uses factoring services to optimise cash flow for itself and its subsidiaries.
- 04 In 2024, €279M of Azerion's receivables were factored through Lidion Bank.

SPECIALISATION IN DIGITAL ADVERTISING

- 01 High-growth market – The digital advertising industry is valued at €900 billion and is expanding at 15% annually.
- 02 Strategic positioning – Lidion Bank's close ties to Azerion, a major player in digital media, provide direct access to key industry clients.

Specialised factoring service

DRIVEN BY INDUSTRY-LEADING CLIENTS, & A STRATEGIC PARTNERSHIP WITH INDUSTRY GIANT, AZERION

LIDION BANK'S RECEIVABLES PORTFOLIO INCLUDES SEVERAL PROMINENT COMPANIES IN THE DIGITAL ADVERTISING INDUSTRY.

RECEIVABLE A	Google	TOTAL INVOICES	21%
RECEIVABLE B	PUBLICIS GROUPE	TOTAL INVOICES	5%
RECEIVABLE C	WPP	TOTAL INVOICES	5%
RECEIVABLE D	xandr	TOTAL INVOICES	5%
RECEIVABLE E	dentsu	TOTAL INVOICES	5%

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AD LIFECYCLE

DEMAND FOR INVENTORY

ADVERTISERS

Want to display their advertising

- BMW
- Mercedes
- Nestle
- British Airways

MEDIA AGENCIES

Manage media budgets for advertisers

- Havas
- GroupM
- Publicis

DEMAND-SIDE PLATFORM (DSP)

Enable the purchase of advertising impressions and offer tracking tools

- Hawk
- Adform

PROGRAMMATIC AUCTIONS OR DIRECT SALES

SUPPLY OF INVENTORY

SUPPLY-SIDE PLATFORM (SSP)

Enable publishers to sell ads to be displayed on their media and to track performance in real-time.

- Azerion Tech
- Magnite

PUBLISHERS

Sell and display Ads

Websites

- [theguardian.com](https://www.theguardian.com)
- Games
- Other media

- 01 BMW wants to run a campaign for the Full Electric BMW iX. BMW engages Havas to run the campaign.
- 02 Havas sets the campaign parameters with the DSP. These parameters include location, interest, age group amongst a vast number of others.
- 03 Mr Smith goes to www.theguardian.com. The information gathered through the cookies are sent to the DSPs via the SSPs. A real-time auction occurs, Havas (on behalf of BMW) wins the auction, and the banner is displayed on the website.
- 04 The auction happens in less than a second.

LENDING

LIDION BANK'S LENDING SERVICE EXPLAINED

- 01 Lidion Bank provides short-to-medium-term, loans (primarily collateral-backed).
- 02 Loans are generally secured against immovable property, receivables, or financial assets, ensuring low-risk exposure.
- 03 Custom lending solutions help businesses bridge payment gaps, finance growth, and stabilise operations.

INDUSTRY POSITIONING

Lidion Bank offers primarily specialist, collateral-backed lending tailored to businesses that require fast and flexible financing—something traditional banks often struggle to provide due to rigid lending criteria, slow approval processes, and limited appetite for niche sectors. Unlike conventional lenders, Lidion Bank prioritises speed, to provide rapid access to capital while maintaining a strong risk framework, making this a low-risk, high-quality revenue stream.

CASE STUDY CROSS-BORDER PROPERTY FINANCING: BRIDGING THE LENDING GAP

An individual who owns a property in Germany may wish to purchase a property in the Netherlands before selling their existing one. However, Dutch banks may be reluctant to lend to a foreign buyer, while German banks may not finance property purchases outside of Germany. Lidion Bank bridges this gap by offering short-term financing, enabling the purchase to move forward seamlessly.

CASH MANAGEMENT

LIDION BANK'S CASH MANAGEMENT SERVICE EXPLAINED

Lidion Bank provides comprehensive cash management services designed to enhance liquidity, streamline payments, and support businesses operating across multiple jurisdictions.

Key Features:

- 01 Multi-Currency Accounts
- 02 Efficient Payment Solutions
- 03 Seamless Global Payments
- 04 Foreign Exchange Services
- 05 Interest-Earning Accounts

CASE STUDY SAFEGUARDING ACCOUNTS FOR EMIS

Electronic Money Institutions (EMIs) must maintain safeguarding accounts to protect customer funds and comply with regulations. However, traditional banks often impose slow onboarding, rigid compliance, and limited appetite for such industries. Lidion Bank provides dedicated safeguarding accounts with:

- 01 Multi-currency accounts for seamless fund management
- 02 Fast onboarding with EMI-specific industry knowledge
- 03 Direct access to SEPA, SWIFT, and Faster Payments for rapid settlements
- 04 Segregated accounts to ensure full regulatory compliance
- 05 Competitive interest rates

INDUSTRY POSITIONING

Unlike traditional banks that often lack agility, Lidion Bank delivers fast, tailored financial solutions with direct access to decision-makers. Our boutique approach ensures personalised service, enabling businesses to manage their cash flow efficiently, securely, and cost-effectively in an increasingly global market.

BALANCE SHEET



TOTAL ASSETS



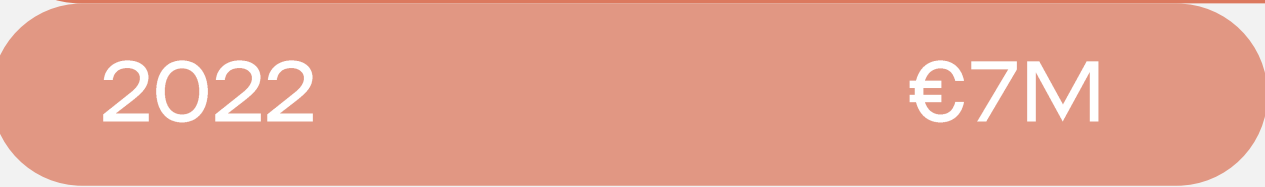
FACTORING FINANCED AMOUNT

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024	2024	2023
	EUR 000	EUR 000
Balance with Central Bank of Malta, and cash and cash equivalents	169,449	77,037
Investments measured at amortised cost	2,458	2,491
Finance lease receivable	1,686	3,228
Loans to customers	34,261	24,727
Factored receivables	68,156	42,643
Assets held for realisation	23	297
Intangible assets	1,178	457
Property, plant and equipment	421	63
Deferred tax	61	406
Right of use assets	240	21
Other assets	2,801	767
Prepayments and accrued income	1,441	2,534
Total Assets	282,175	154,672
Amounts owed to customers	255,332	135,772
Other liabilities	1,039	1,012
Accruals	2,476	2,464
Lease Liabilities	255	22
Subordinated liabilities	-	1,684
Total Liabilities	259,102	140,955
Share capital	8,616	8,616
Shareholder advance	13,118	6,458
Currency translation reserve	(433)	(433)
Retained earnings / (accumulated losses)	1,772	(923)
Total Equity	23,073	13,718
Total Liabilities and Equity	282,175	154,672
Memorandum Items		
Total Commitments	4,084	214
Contingent Liabilities	7,622	6,507

BALANCE SHEET

TIER 1 CAPITAL		€21.8M
TIER 1 CAPITAL RATIO	(12.8% OVERALL CAPITAL REQUIREMENT)	22.5%
TOTAL CAPITAL RATIO	(15.9% OVERALL CAPITAL REQUIREMENT)	22.5%
LIQUIDITY COVERAGE RATIO	(100% LCR REQUIREMENT)	340%
NET STABLE FUNDING RATIO	(100% NSFR REQUIREMENT)	352%

INCOME STATEMENT



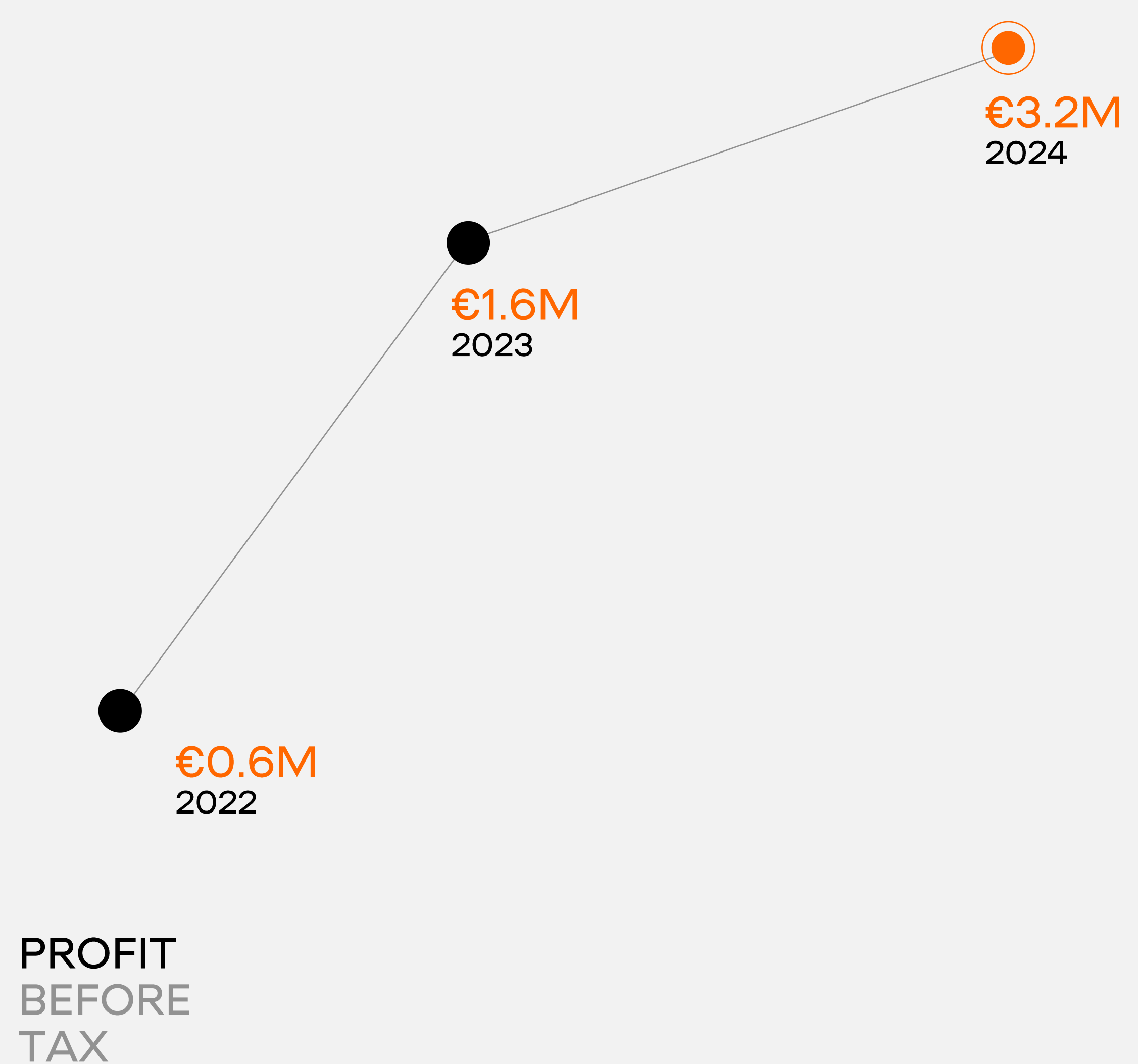
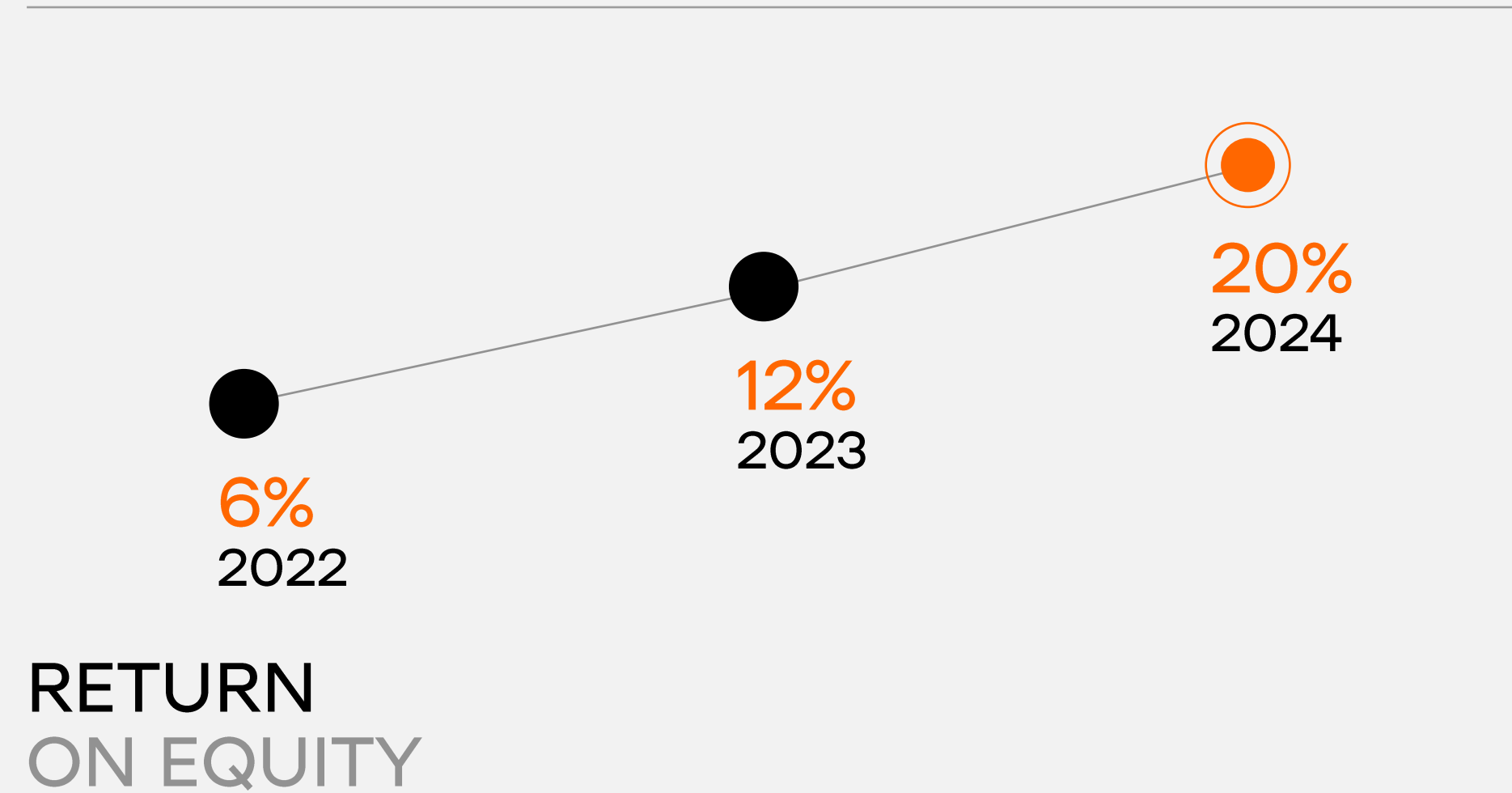
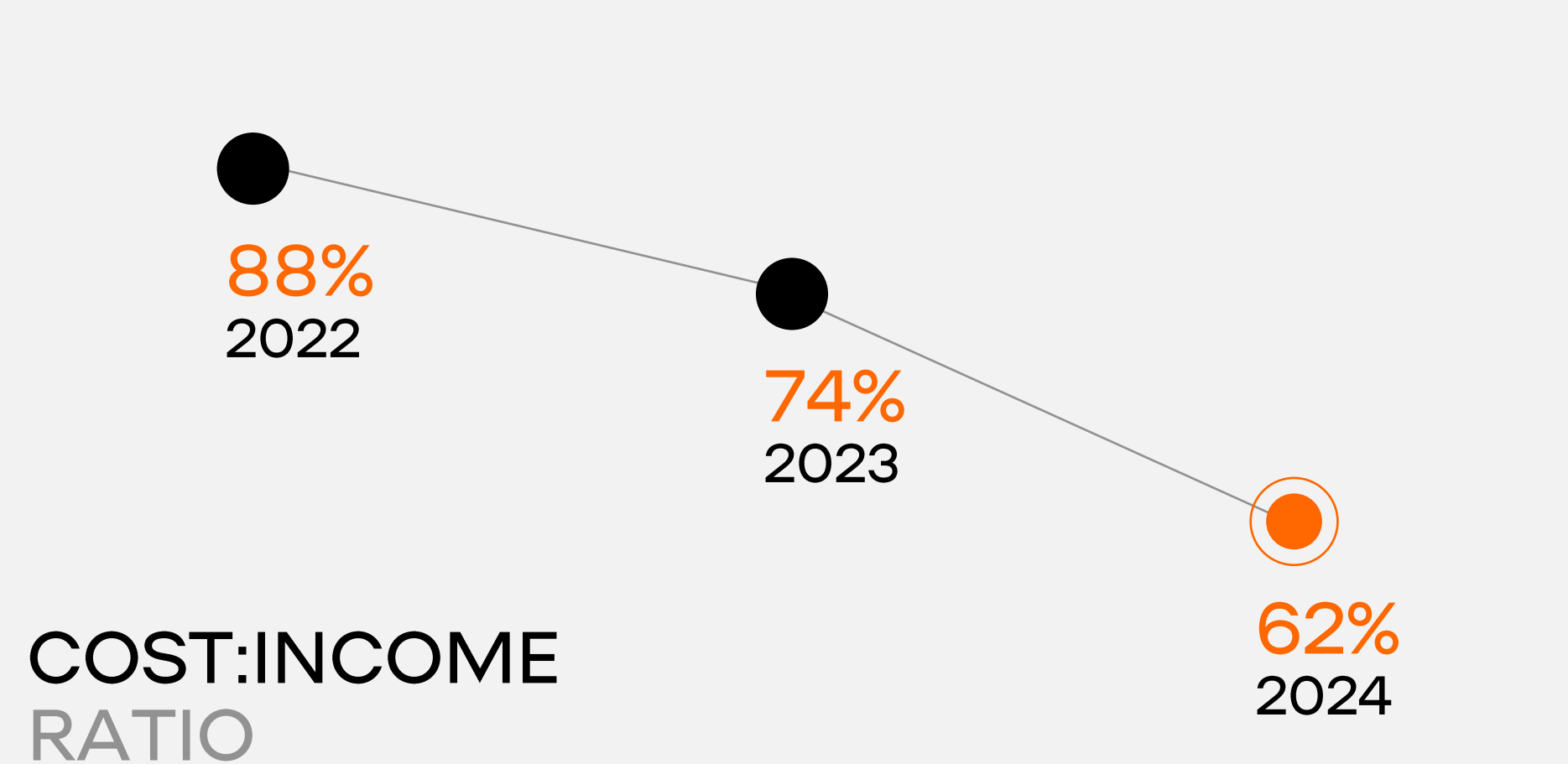
TOTAL REVENUE



PROFIT BEFORE TAX

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024			2024	2023
	EUR 000		EUR 000	
Revenue				
Interest income	11,932		8,089	
Interest expense	(3,353)		(2,084)	
Net interest income	8,579		6,005	
Fee and commission income	2,970		1,859	
Fee and commission expense	(982)		(651)	
Net fee and commission income	1,988		1,208	
Net operating income before net impairment losses	10,566		7,213	
Net impairment losses	(855)		(279)	
Net operating income	9,711		6,934	
Factoring related expenses	548		726	
Employee compensation and benefits	3,427		2,625	
General administrative expenses	2,150		1,795	
Depreciation of property, plant and equipment	51		25	
Amortisation of intangible assets	188		74	
Depreciation of right of use assets	151		73	
Total expense	6,515		5,318	
Profit before tax	3,196		1,615	
Income tax charge	(501)		(565)	
Total comprehensive income for the year	2,695		1,050	

KEY FINANCIAL METRICS



Looking Ahead

OUR STRATEGY FOR 2025 AND BEYOND

2025 MARKS A PIVOTAL INFLECTION POINT—FUELLED BY A STRONGER CAPITAL BASE, LIDION BANK IS POISED TO ACCELERATE GROWTH AND SCALE ITS OPERATIONS IN LENDING, FACTORING, & CASH MANAGEMENT.

SCALING OUR DIGITAL-FIRST PLATFORM

We are investing in smarter, more agile infrastructure to deliver fully digital, client-first banking experiences that meet the demands of modern, fast-moving businesses.

ENHANCING ACCESSIBILITY, SECURITY, AND EFFICIENCY

We're streamlining how clients engage with us—making services easier to use, more secure, and more responsive through ongoing product and platform enhancements.

DRIVING INNOVATION THROUGH CULTURE

We're building a culture that rewards creativity and collaboration, enabling our teams to push boundaries and develop bold, client-centred solutions.

STRENGTHENING OUR SECOND LINE OF DEFENCE

We're reinforcing our risk and compliance functions with upgraded frameworks and tools that support resilience, regulatory alignment, and operational continuity.

EXPANDING IN HIGH-MARGIN GROWTH AREAS

We're focused on scaling our most profitable segments—factoring and cash management—where demand is strong and our specialist edge delivers consistent returns.

EMBEDDING SUSTAINABILITY AND TRANSPARENCY

Our growth strategy prioritises long-term responsibility, with ESG principles at the core of how we operate, measure success, and build trust.

INVESTING IN TALENT AND LEADERSHIP

Our people drive our success. We're growing our team with top talent and deepening our commitment to development, leadership, and long-term retention.

ADVISORS AND AUDITORS

LIDION BANK'S NETWORK OF TRUSTED ADVISORS AND AUDITORS REINFORCES ITS COMMITMENT TO FINANCIAL STRENGTH, REGULATORY ADHERENCE, AND LONG-TERM STABILITY.

ADVISORS

Lidion Bank is supported by **top-tier legal and financial advisors**, ensuring strong governance, compliance, and financial integrity.



Legal Counsel

Sponsor, Manager and Registrar



Ad-hoc Advisory Services

AUDITORS

Lidion Bank maintains **transparent and rigorous financial oversight** with leading audit firms.



External Auditors

Internal Auditors

OUR CONTACT INFORMATION

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Lidion Bank plc is a credit institution licensed by the Malta Financial Services Authority to undertake the business of banking under the Banking Act Chapter 371 of the Laws of Malta.

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