

# Group Presentation

MARCH 2019



# About equin

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- **equin** (formerly 4C Capital) is a Cyprus-based fast-growing digital consumer lender with operational presence in three countries
- **Established in March 2012** as a licensed microfinance institution in Georgia
- Commenced online lending operations in 2014
- **Expanded** to Ukraine in 2016 and Spain in 2017
- In Q3 2018, incorporated a **Danish** subsidiary and filed FSA application
- Mainly focuses on **online payday loans**
- Operates **CC Loan** and **MisterCash** brands



# Key Strengths

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- Liquid balance sheet
  - Experienced management team
  - Automated risk management system
  - Disciplined financial accounting & audit by big four companies
  - Deep expertise in scoring clients with limited or no credit history
  - Strong client retention
- Regulated by central banks or supervisory agencies
  - IFRS 9 adoption completed
  - Fully collateralized offline loan portfolio
  - 2018 financials audited by EY
  - Proprietary, in-house developed cloud-based software
  - Best customer service practice

# Achievements so far



**2.3 Million**  
Online Applications Received



**1 Million**  
Online Loans Issued



**1 Million**  
Registered Clients



**Gained Access**  
To Crowdfunding Platform  
(CrowdCredit)



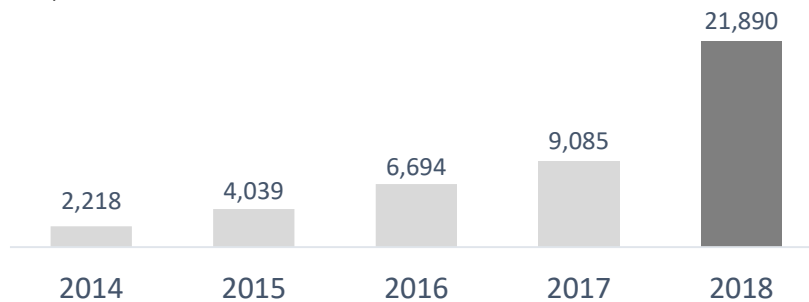
**77%**  
Returning Client Business



**3**  
Countries of Operation

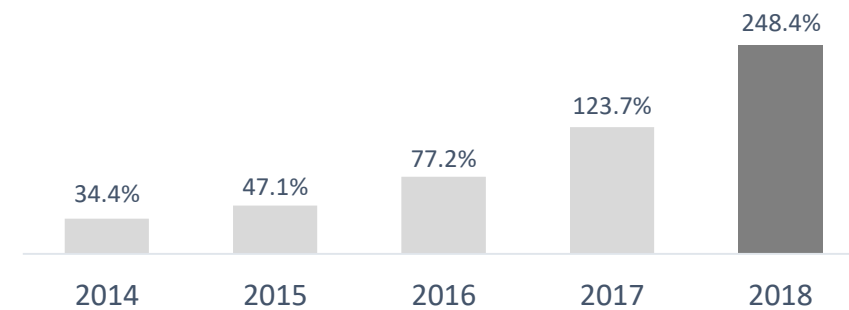
## Group Revenue

US\$ '000s



*Note: Group revenue is a sum of the revenue of all subsidiaries in Georgia, Ukraine and Spain*

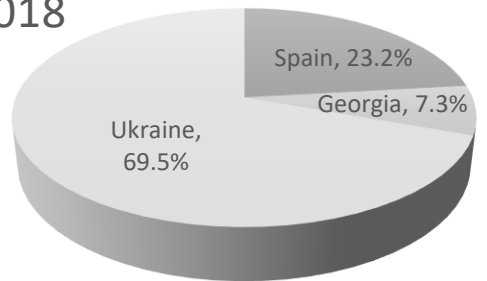
## Group Loan Yield



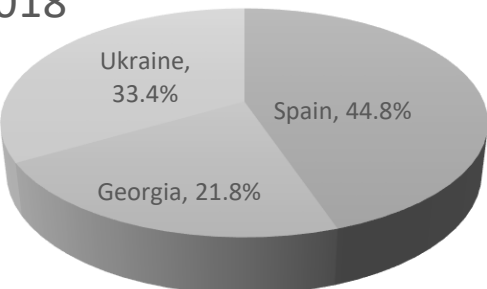
*Note: Group loan yield equals gross revenue of the group for the period divided by average net loans of the group for the period*

# Revenue vs. Loan Book Contributions, Liquidity & Credit Quality

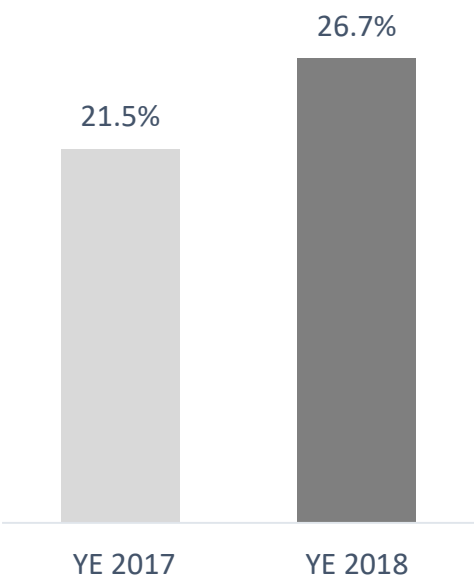
**Gross Revenue By Country  
FY 2018**



**Gross Loans By Country  
YE 2018**

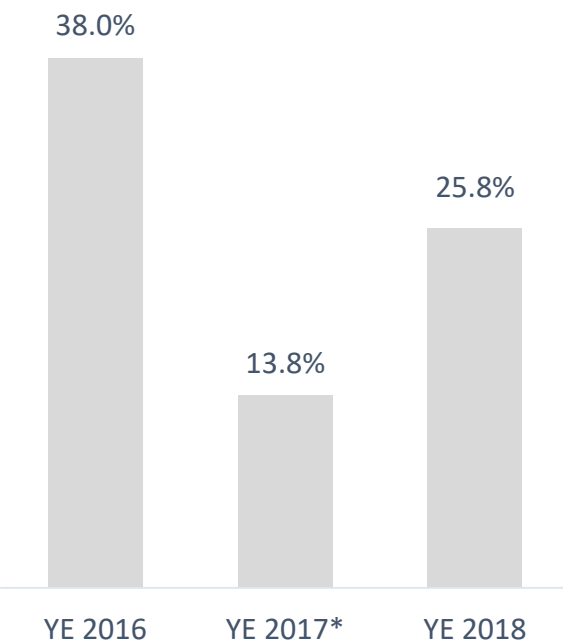


**Borrowed Funds  
Coverage Ratio\***



*Note: \*available cash vs. total borrowed funds*

**NPL Ratio**

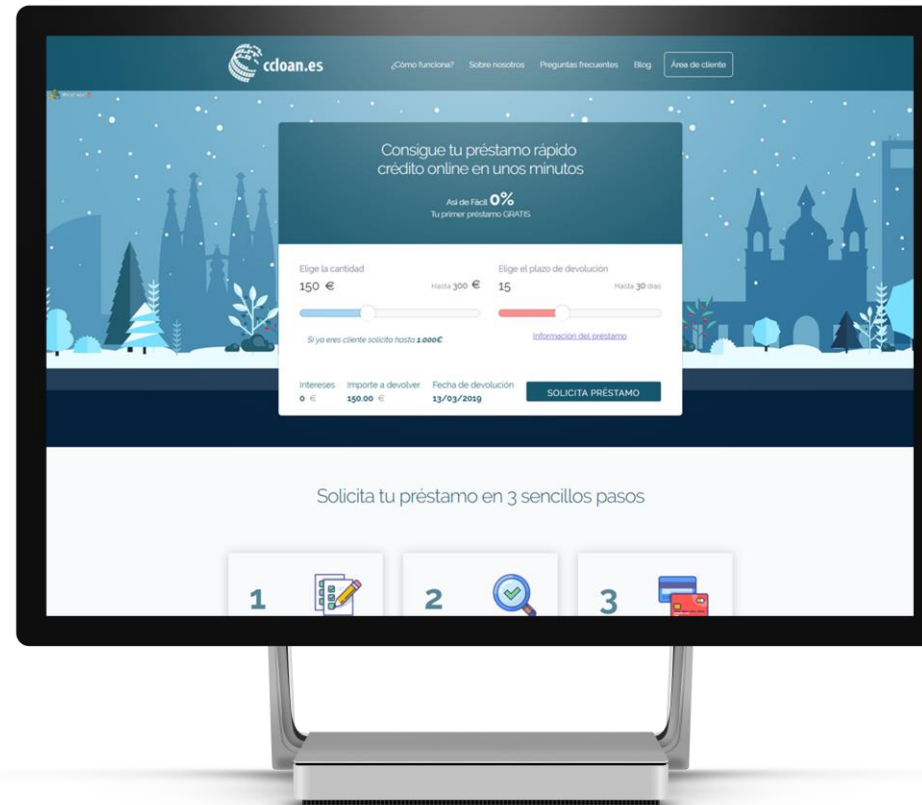


*Note: NPL ratio equals loans overdue by more than 90 days divided by gross loans outstanding*

*\*Decrease in NPL ratio in 2017 is a result of the sale of a significant portion of bad debt portfolio in Georgia*

# equin Spain

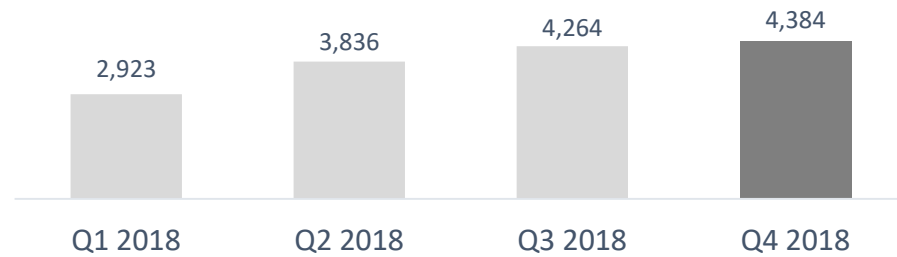
- Established in August 2017
- Offers online payday loans
- Operates under CC Loan Spain brand name
- Over 16,000 active borrowers
- US\$ 15 million worth of loans disbursed in 2018
- Net loan book size of US\$ 2.6 million
- Monthly loan yield of 21.6%
- Average payday loan size of ca. US\$ 320



# equin Spain

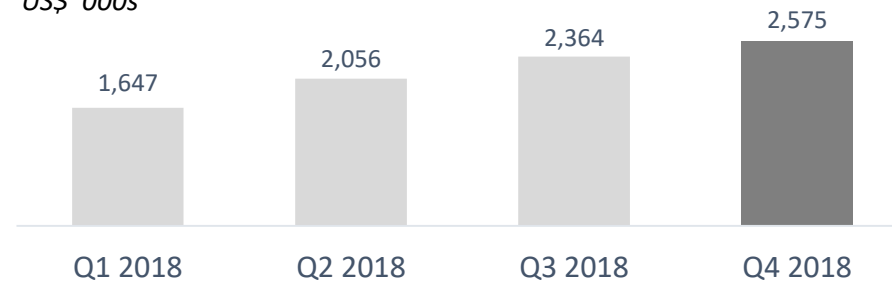
## Loans Issued

US\$ '000s



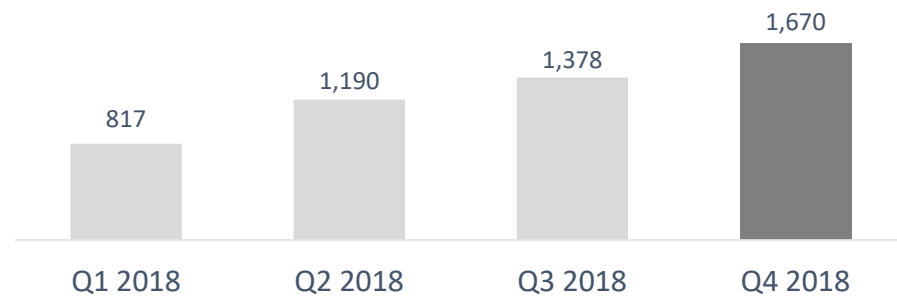
## Net Loan Portfolio

US\$ '000s

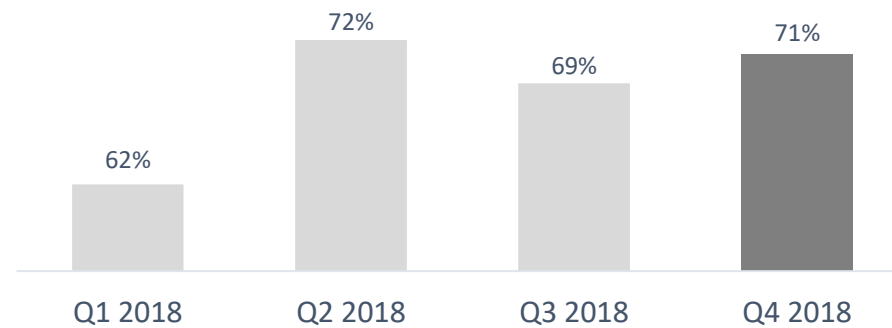


## Interest Income

US\$ '000s



## Quarterly Loan Yield



*Note: loan yield equals gross revenue for the period divided by net loans for the period*

# equfin Ukraine

- Established in March 2016
- Regulated by the National Securities & Stock Exchange Commission of Ukraine
- Offers online payday loans
- Operates under CC Loan Ukraine brand name
- Over 37,000 active borrowers
- US\$ 25 million worth of loans disbursed in 2018
- Net loan book size of US\$ 3.8 million
- Monthly loan yield of 28.0%
- Average payday loan size of ca. US\$ 97

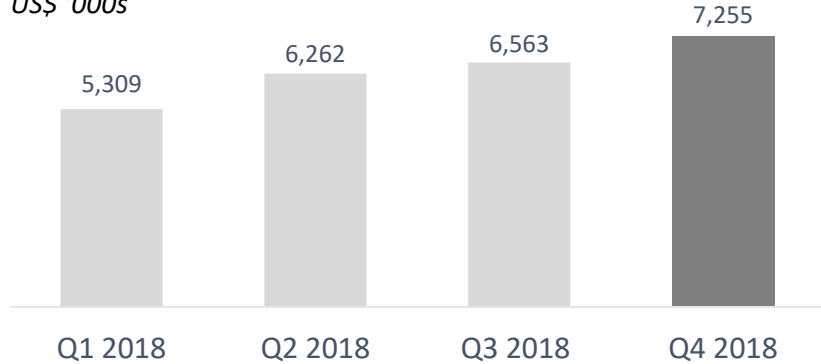




# equfin Ukraine

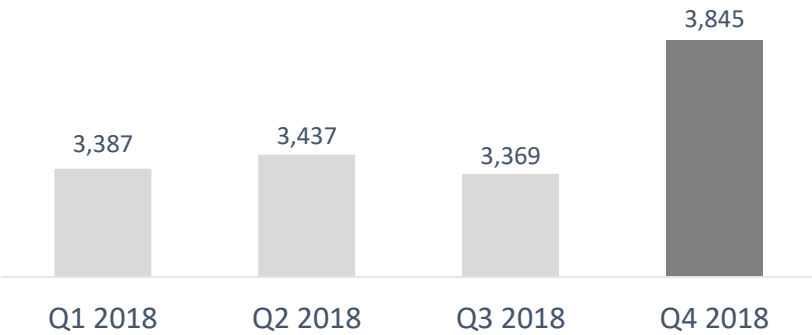
## Loans Issued

US\$ '000s



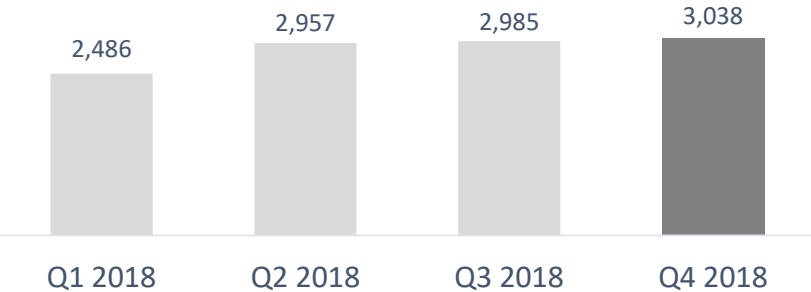
## Net Loan Portfolio

US\$ '000s

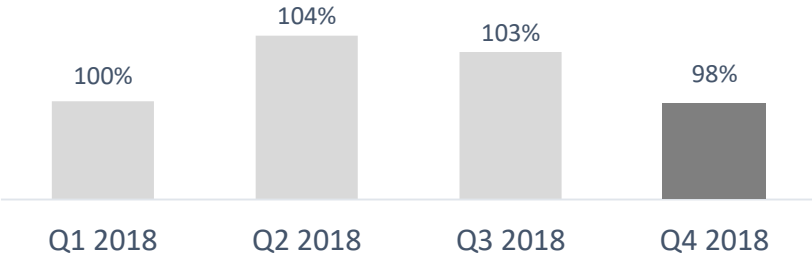


## Interest Income

US\$ '000s



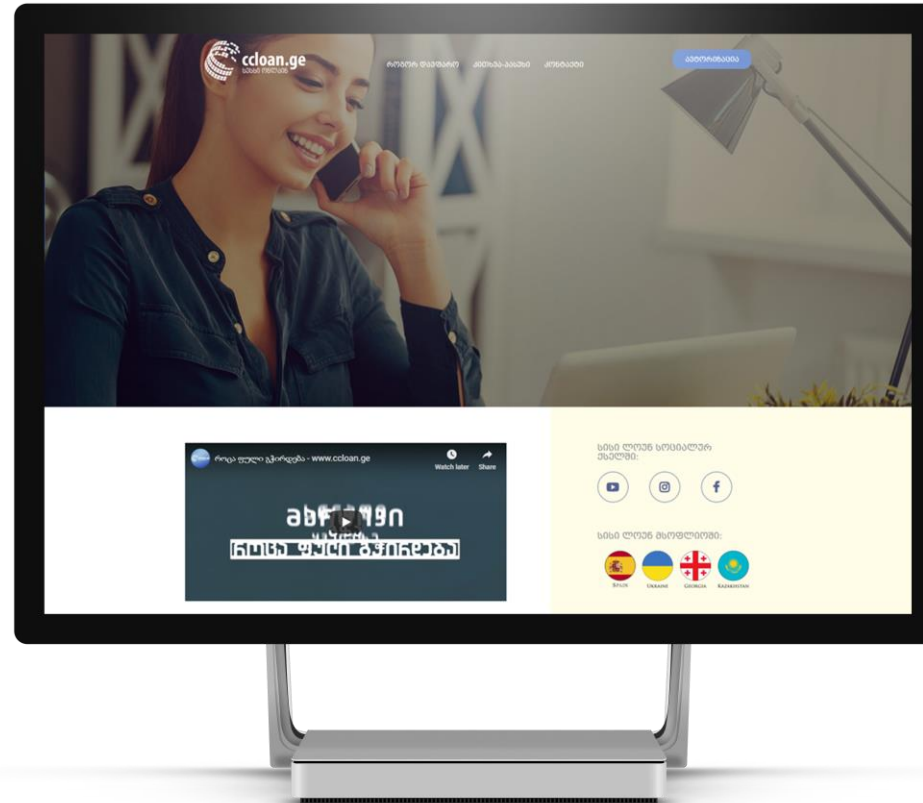
## Quarterly Loan Yield



Note: loan yield equals gross revenue for the period divided by net loans for the period

# equin Georgia

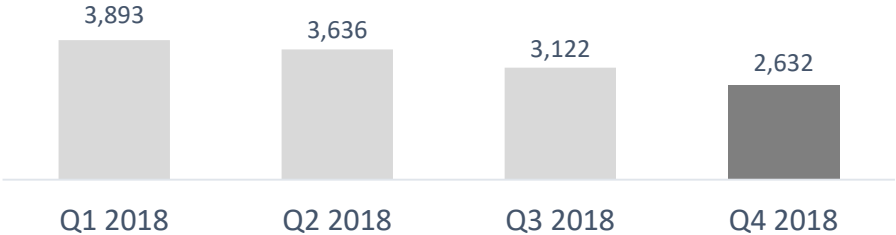
- Established in March 2012
- Regulated by the National Bank of Georgia
- Online payday loan disbursement was suspended in early 2018 due to regulatory changes
- 400k registered clients
- US\$ 900k offline consumer loans disbursed in 2018
- Net loan book size of US\$ 2.0 million
- Monthly loan yield of 4.8%
- Average offline consumer loan size US\$ 1,500



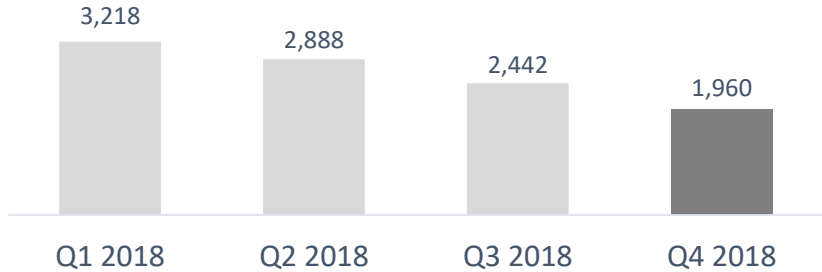
# equin Georgia

(New loan issuance suspended, early 2018)

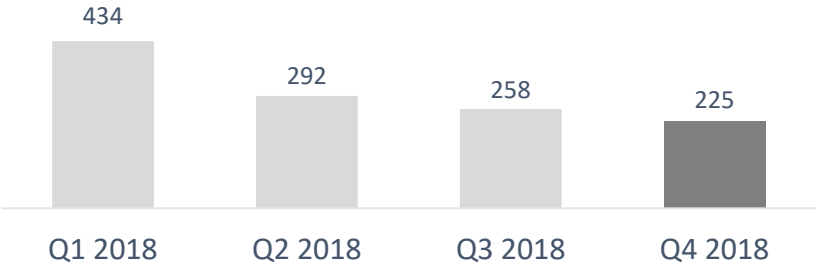
## Gross Loan Portfolio US\$ '000s



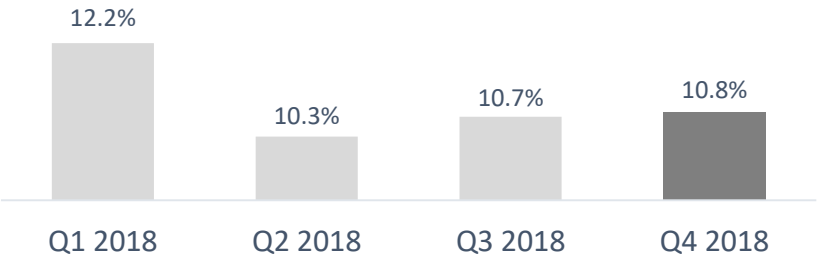
## Net Loan Portfolio US\$ '000s



## Interest Income US\$ '000s



## Quarterly Loan Yield



*Note: loan yield equals gross revenue for the period divided by net loans for the period*

# Strategic Objectives

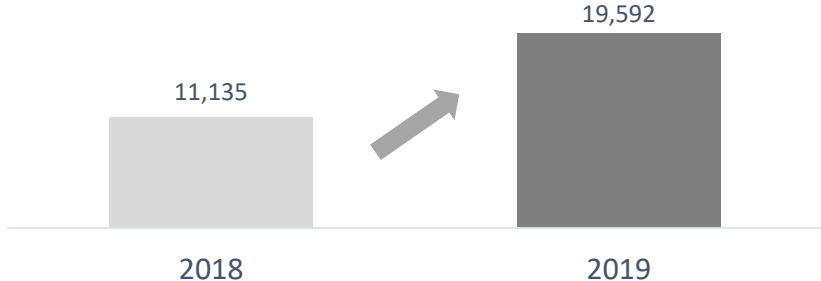
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- Strengthen positions in the core markets
  - Further develop the operating platform
  - Decrease the share of short-term funding
  - Improve corporate governance
  - Expand the product range (installment loan, payroll lending, etc.)
- Diversify funding sources
  - Minimize currency risk
  - Focus on growth vis-a-vis profitability
  - Identify new markets for potential expansion
  - Become a fully fledged licensed financial institution

# equfin 2019 Targets

## Gross Loan Portfolio

US\$ '000s



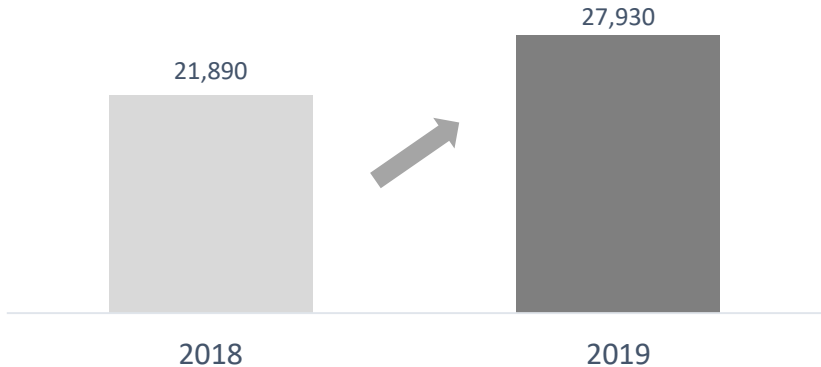
## Net Loan Portfolio

US\$ '000s

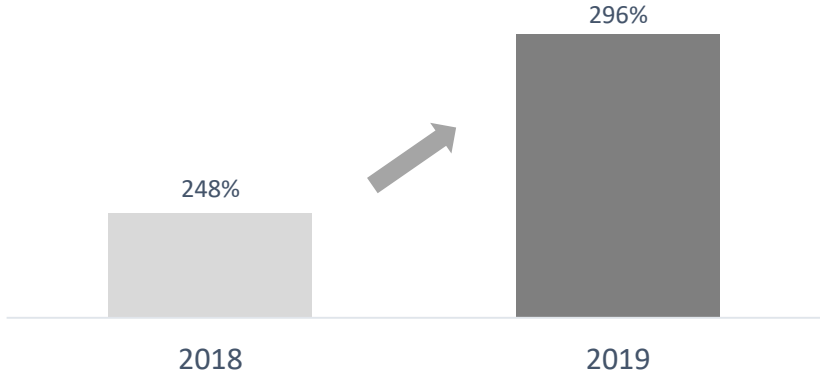


## Group Revenue

US\$ '000s



## Group Loan Yield



Note: loan yield equals gross revenue for the period divided by net loans for the period

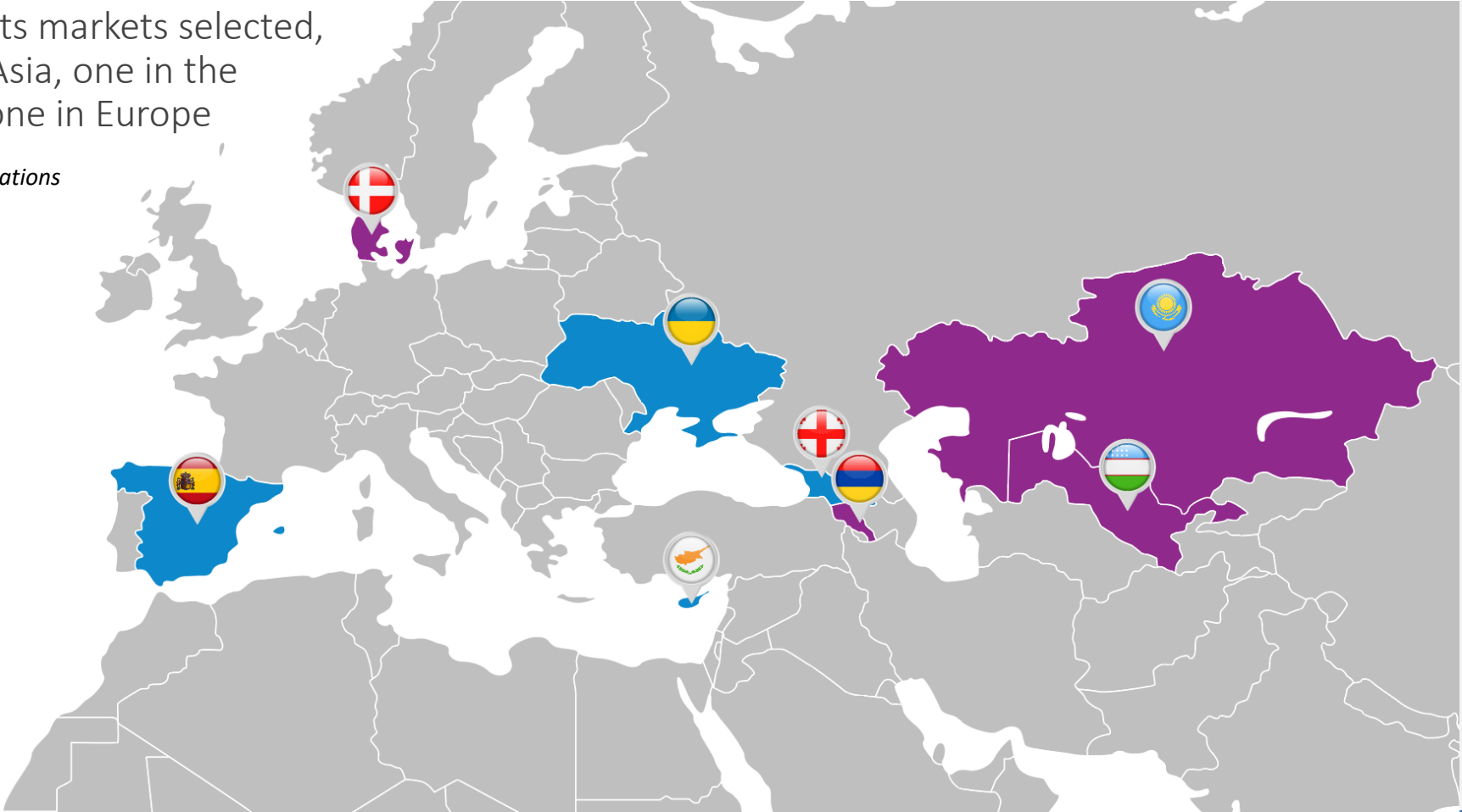
# Equfin Further Expansion & Growth Plans

Four new target markets selected, two in central Asia, one in the Caucasus and one in Europe

Existing Markets & Operations



New target Markets



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