

IDF EURASIA

Management presentation



Carbon
Neutral
Organisation

Section 1

IDF Eurasia – largest credit intelligence platform

The Leading Credit Intelligence Platform in Eurasia

IDF

What we do

Our platform provides affordable, transparent and convenient digital financing solutions to individuals, SMEs and corporates



Data-driven approach

We invest in data. We understand data. We trust and rely on data when making decisions



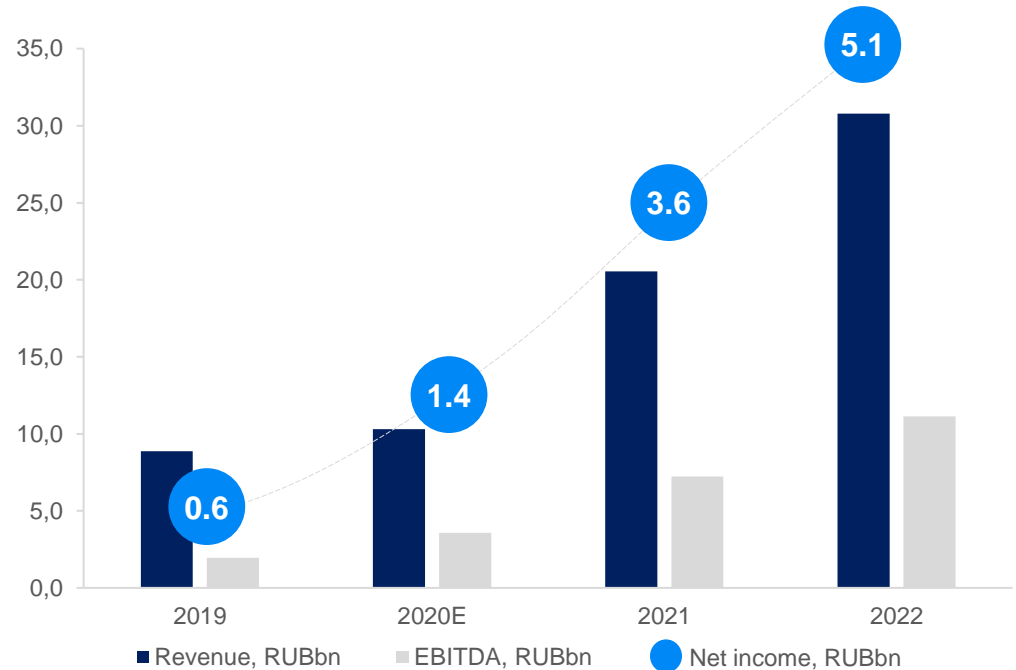
Market leaders

We are pioneers in the FinTech transformation of Eurasia

What makes us different



- ✓ robust **data science and credit scoring** capabilities based on artificial intelligence and machine learning, proven by 9+ years of working in challenging markets
- ✓ proprietary **state-of-the-art IT platform** with fully dedicated in-house teams, which allows us to quickly react on changing environment
- ✓ combination of **deep local market knowledge** with **global best practices** pave the way for a successful execution



2 countries



460+ employees



10m+

unique registered users

Fascinating Track Record Achieved So Far... And We've Only Just Started

2012-2014

- 2012: Launch of Moneyman online lending startup in Russia
- Moneyman named best MFI brand in Russia by Global Brands Magazine
- 2014: Launch of Moneyman brand in Kazakhstan



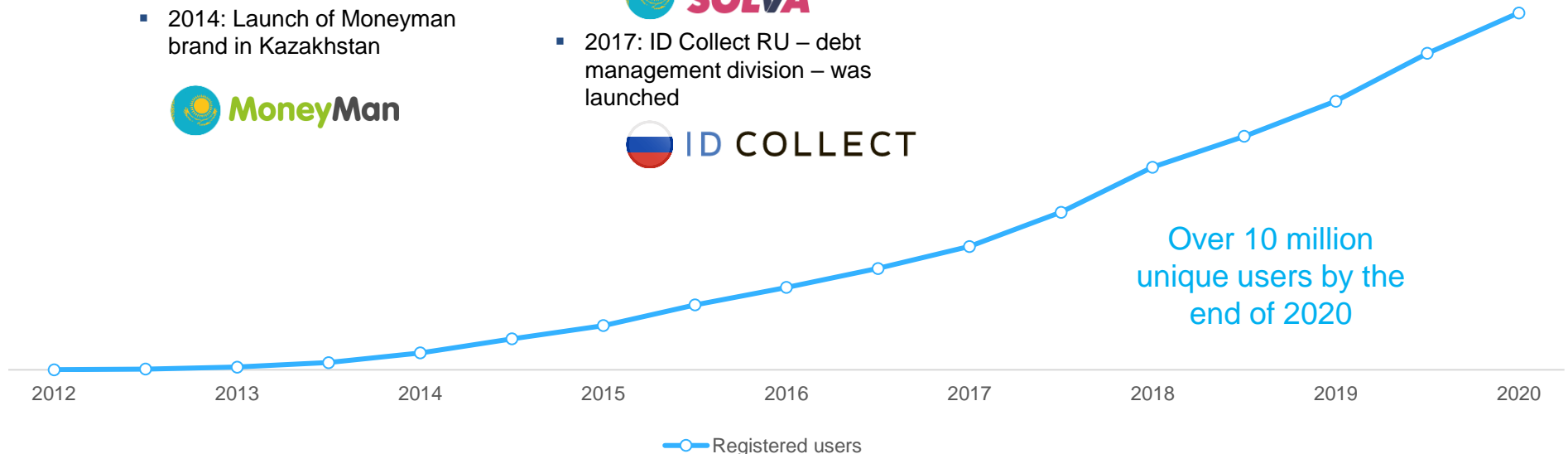
2015-2017

- More equity investment raised from venture firm and business angel
- Moneyman issues bonds totaling RUB 500 mln on the Moscow Interbank Currency Exchange
- 2017: Launch of Solva long-term loan service in Kazakhstan
- 2017: ID Collect RU – debt management division – was launched



2018-2020

- Bonds issuance in Kazakhstan in amount of USD 11.5 mln and USD 15.9 mln in Russia
- 2020: IDMSB – secured lending platform for SME was founded
- 2020: Launch of claims management platform in Kazakhstan




Working Responsibly For A Sustainable Future



Environment



- IDF Eurasia has become **the first carbon neutral Fintech** in Russia and Kazakhstan
- IDF Eurasia has started cooperation with **World Wildlife Fund**  to help in preserving Russian forest, protecting wild animals, and participating in other environmental campaigns



Social



- IDF Eurasia provided support to **volunteer teams and medical professionals** in fight with pandemic
- Financial literacy seminars are being organized by IDF Eurasia to **provide people with the basic knowledge of personal finance**



Corporate responsibility



- **Financial inclusion:** we are able to offer financial products to those who otherwise cannot receive funds from traditional financial institutions
- **Responsible lending:** we believe that lenders should not use intrusive marketing by offering consumers what they don't need or what they cannot afford

Section 2

Expertise in credit risk management

Highly Efficient Scoring Models Developed Fully In-House

Being constantly tested and improved for 9+ years across 7 countries



- Customer selects product
- Customer completes basic information:
 - personal data
 - employment
 - bank account information

- Name Surname vs internal DB
- Name Surname vs external DB identity
- Client ID
- Bank Account validation

- Minimal requirements
- Functional list (Sanctions & Terrorist lists)
- AntiFraud internal and external sources
- Collect data from external databases and use behaviour stats
- Split clients into several groups
- Run several score models using all available info
- We have in-house verification team assessing client identity and data correctness

- Disbursement on bank account



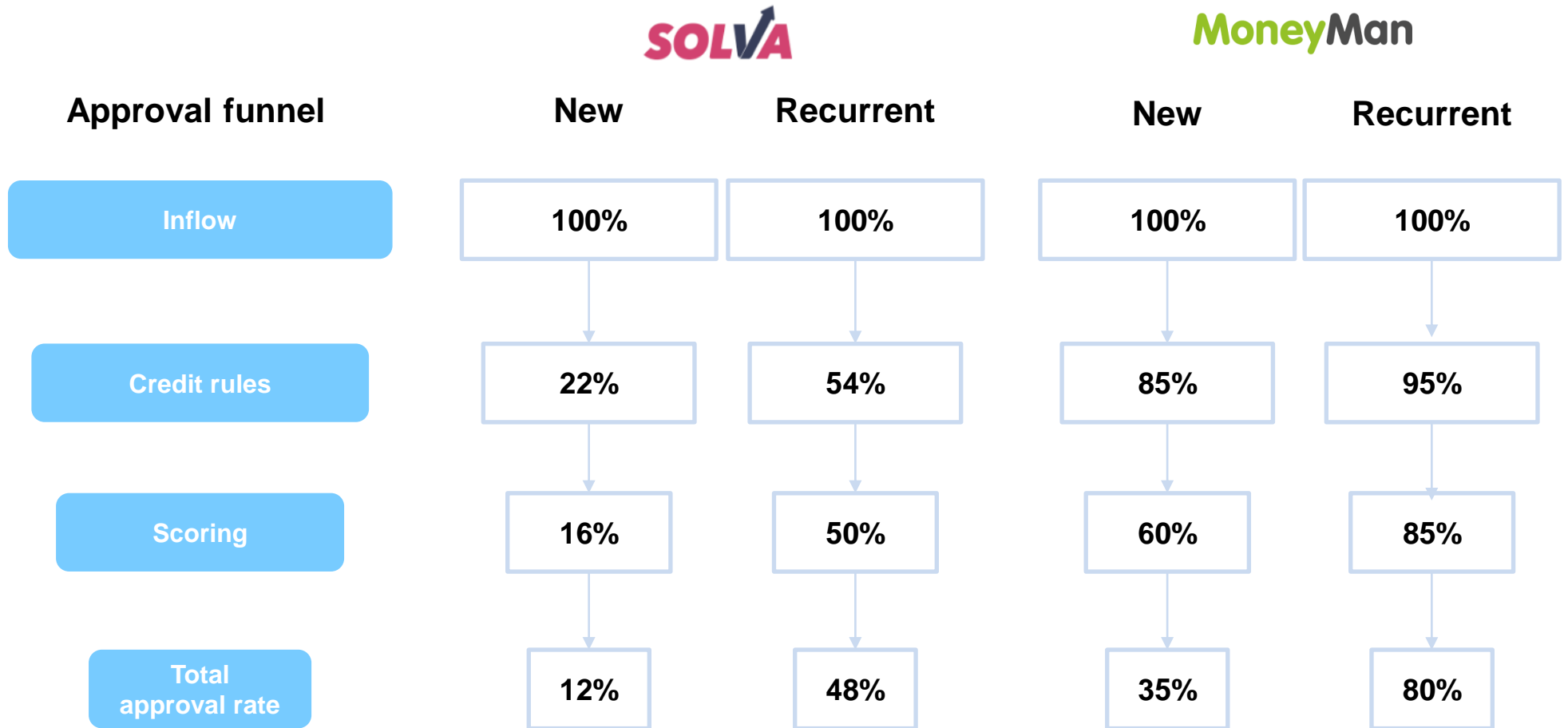
Advanced scoring process

>7 data sources are used
c.10 000 data points
 analysed in time

90%+ applications are
 automatically processed

2-3 min
 from application to disbursement
 for automatic decisions

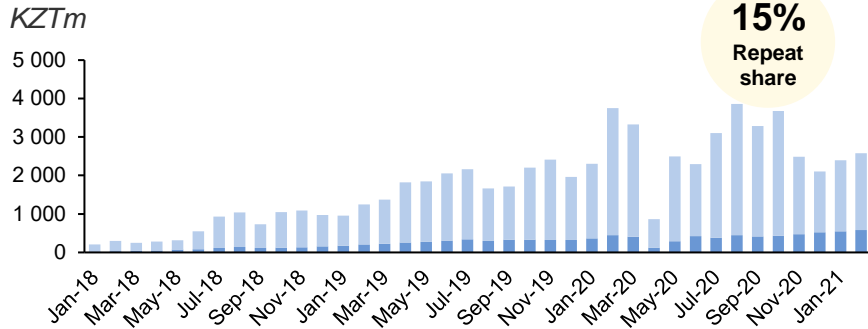
Automated Process Allows For Making Credit Decision Within Minutes



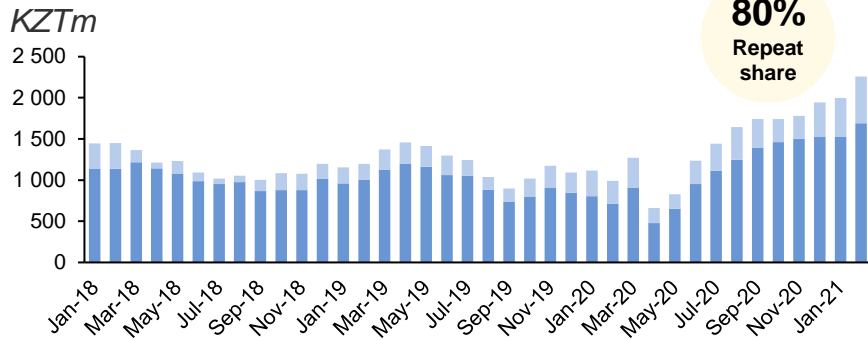
Best-In-Class Risk Expertise Drives Improving Portfolio Quality While Scaling Fast

Loans issuance

Solva Kazakhstan

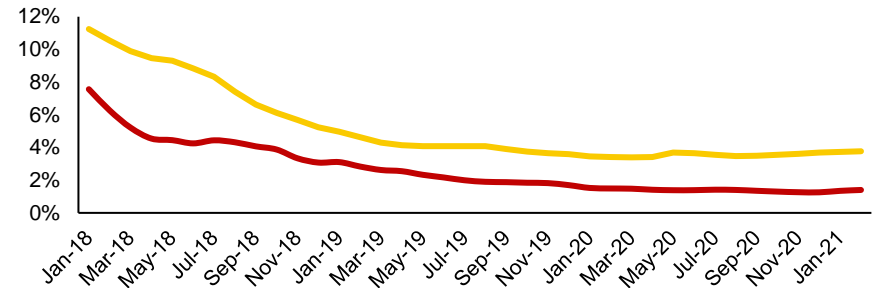


MoneyMan Kazakhstan

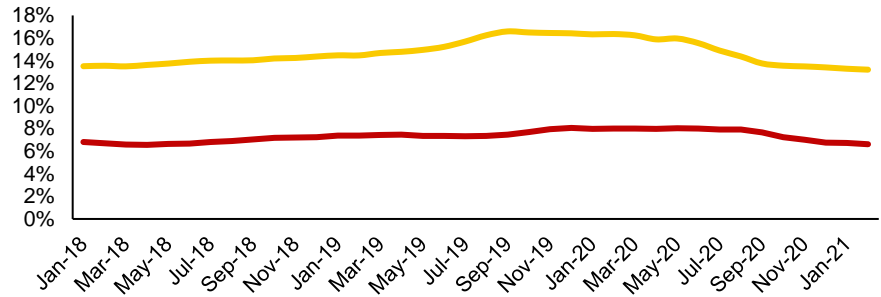


Portfolio quality by vintage

Solva Kazakhstan



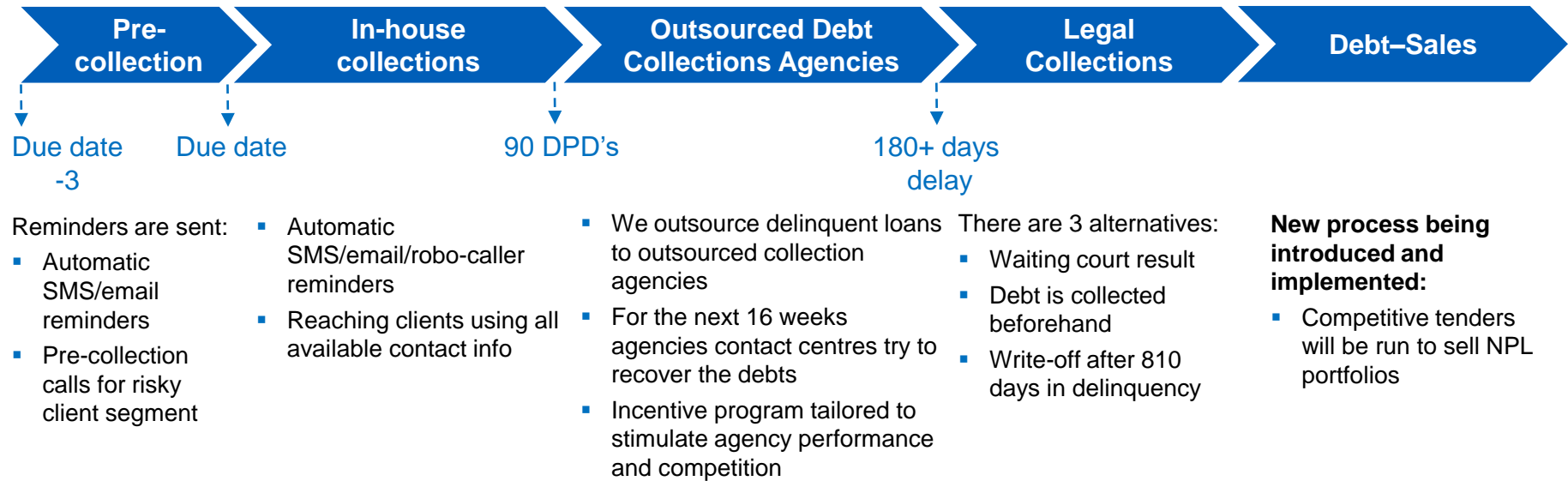
MoneyMan Kazakhstan



* For Jan.2020-Jan.2021 total repeat loans share

Efficient Debt Collection Process Results In High Recovery Rates

Collection stages



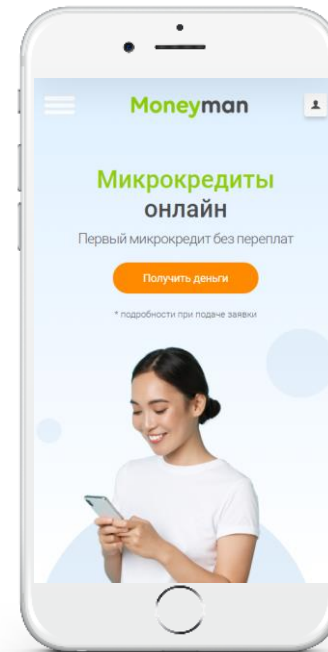
Section 3

Kazakhstan: digital consumer finance

In-demand Online Loan Products For The Mass Market

MoneyMan

- Focus on **solving short-term cash flow needs** of our customer
- Fully automated lending service operating **online 24/7**
- Fast and convenient financial services **via web and mobile platforms**
- Customized product for clients who use **alternative financial services**
- **Proprietary IT infrastructure and scoring** using alternative data sources



Loan size



Up to 145k KZT

Term



av. 25 days

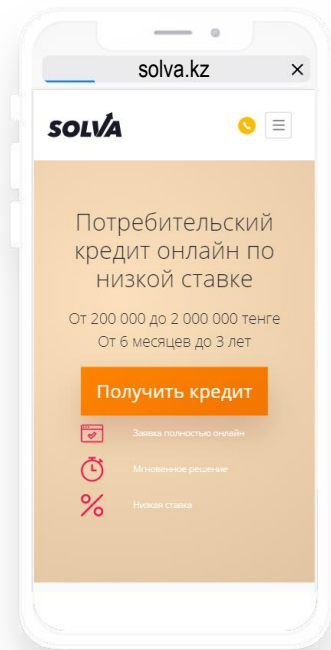
Client base






individuals

Product Range Is Tailored To The Clients Needs

- **Long-term loans** for SME, entrepreneurs, individuals without access to banking lending but with almost instant approve
- **Fast and convenient online registration process** via web and mobile phone
- **Own proprietary IT-infrastructure and scoring system** with use of alternative data sources





	Consumer loans	Micro SME loans	SME Working capital loans
Loan size 	KZT2 mln	KZT4 mln	KZT10 mln
Term 	<36 months	<36 months	<12 months
Client base 	Entrepreneurs, individuals	Entrepreneurs, SMEs (near-prime)	SMEs (near-prime)


Target clients

MoneyMan


Consumer

 20 - 45 years old

 In line with average salaries in Kazakhstan


 Loan users / clients without credit history


 Tech-savvy


 Demand convenience


SOLVA


Consumer

 25-50 years old

 In line with average salaries in Kazakhstan


 Good credit history
Not a pdl-borrower


 Tech savvy (online user) /
Not a frequent user of online tools. Requires «live assistant» (offline user)


 Look for quick and easy solution. Do not tend to overpay


SOLVA


Entrepreneurs


 30-50 years old

 In line with average salaries in Kazakhstan

 Good credit history
Not a pdl-borrower

 Industries: retail, production, services, logistics

 Look for quick loan process without pledge and multiple documentations

 Use of proceeds:
- to cover cash shortage
- working capital

Efficient Multi-Channel Customer Acquisition



Omnichannel marketing provides seamless customer experience across all channels, across multiple touch points



Well-diversified strategy of marketing

- **CPA (Cost-per-action)** – global relationship with key affiliates
- **PPC (Pay-per-click)** – continuous optimization of acquisition costs via Google and Facebook
- **Organic and mobile** – important acquisition channels which provide the most loyal clients with the lowest CAC, while mobile app driven marketing increases retention rate
- **Direct Marketing** – the most important channel to generate repeat business. Continuous “dialogue” with clients and propensity scoring insures high CLV
- **Offline-to-online** – Solva is leveraging the wide offline network of the 3rd parties to promote products, while the credit process is originated fully online



Dedicated team per each marketing channel



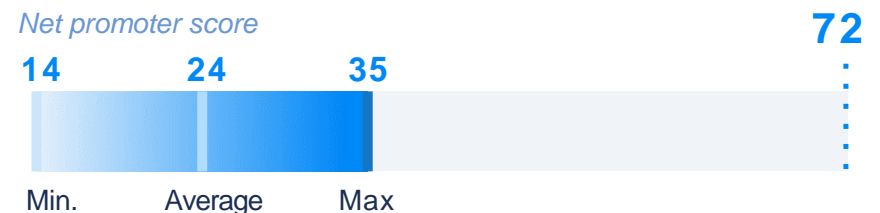
Clear KPIs for marketing split, cost and retention

Balanced mix of online and offline channels



Loyal customer base with high retention rate

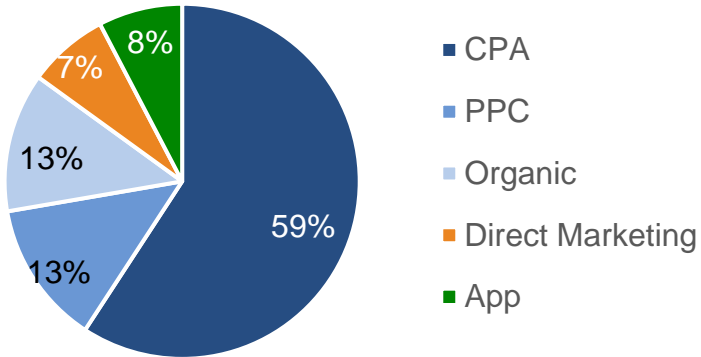
 **90%** Retention rate  **72** NPS above peers



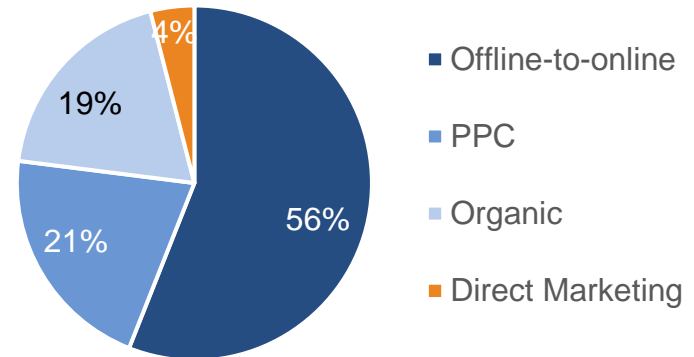
Source: 4Service Group

Well Balanced Mix Of Marketing Channels To Acquire The Best Clients

Marketing channels **MoneyMan KZ**
(% of new loans issued)



Marketing channels **SOLVA**
(% of new loans issued)



- **Organic** – SEO-optimisation, SMM, SERM
- **Direct Marketing** – SMS / email / web-push communication with clients
- **CPA** – key affiliates (Banki.ru, Leadgid, LeadsSU etc.)
- **PPC (pay per click)** – context and banner ads (Google, Яндекс), social networks (Instagram, FB, VK, OK, TikTok), OLV (YouTube)
- **App** – Mobile Application (ASO at Google Play)
- **Offline-to-online** – the 3rd parties promoting products offline, while the credit process is originated fully online

Solva financial statements

Income statement*

\$'000	2020	2019
Issuance	81,662	55,992
Revenue	39,838	14,457
Net impairment losses	(13,402)	(4,552)
Interest expenses	(10,409)	(4,049)
Net interest income	16,028	5,855
Operating expenses	(4,696)	(942)
Operating profit	11,332	4,913
G&A expenses	(3,070)	(526)
Other expenses	(368)	(600)
Profit before tax	7,893	3,787
Tax	(1,932)	(702)
Net Income	5,961	3,085

KPIs

Revenue growth, %	175.6%	187.1%
Operating margin, %	28.4%	34.0%
PBT margin, %	19.8%	26.2%
Net income margin, %	15.0%	21.3%

Results



175.6% revenue growth vs 2019



High profitability of **15%**



Although clients quality have not deteriorated through 2020, we maintain conservative approach to provisioning due to market uncertainty



Net profit of \$5.96 mln in 2020

Solva is audited since 2020 by



* Financial indicators for 2019-2020 - in accordance with IFRS, audited by E&Y

IDF EURASIA

Thank you!



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