



Presentation of Everest Finance Group

17.05.2021

Everest Finanse Group:

- Everest Finanse Group has been operating in the non-bank loan market since 2000.
- Initially, the Company ran its operations in the Greater Poland region and successively expanded its coverage. In mid 2014, the Company started operating nationwide.
- The group so far has granted over **1.9 million loans** of the total value of about **4.7 billion PLN**.
- At the end of 2020 the Company's revenues from its core business operations reached **280 million PLN** with EBITDA of **40.3 million PLN** (EBITDA accounts for 14.4% of revenue).
- Based on current BIK data, in the non-bank sector Everest Finanse is the second company by number and value of non-bank loans granted.
- In October 2017 Everest Finanse S.A. completed the purchase transaction of 100% of shares of Tempo Finanse Sp. z o. o. (the first M&A transaction in the Polish loan market). The total value of the transaction **amounted to 57 million PLN**.

Everest Finanse S.A.:

- Everest Finanse S.A. is a provider of money-loan products and services for individual and institutional clients under the **Bocian Pożyczki** brand.
- The Company's core business operation is selling money loans in the traditional home credit model.
- Everest Finanse S.A. sells loans under the **"Bocian Pożyczki"** brand, mainly by serving customers at their homes through Advisors who are also responsible for servicing these loans (collecting installments from borrowers).
- Vast majority of loans are granted for **35 - 66 weeks** in the amount of **1,000 - 4,000 PLN**.

- At the moment, the Company employs **1,859 people** including **1,419 mobile Advisors** providing services to the Company under service provision contracts.
- Additionally, the Company owns a chain of **26 branch offices** in major Polish cities.
- Everest Finanse S.A. also offers the “**Home Lawyer**” **Package** managed by Avalio. The package includes legal consulting related to private life as well as tax consulting. The company also offers the “**IT Advisor**” **Package** which is managed by BZ Group. The package includes IT consulting services for our customers. The Company also offers in cooperation with AXA: „**Safe Home**” **Package**, „**Legal Insurance**” **Package**, **Package „Help Health”**, „**Cancer Aid**” **Package** and „**Safe Health**” **Package**, insurance „**Telemedicine assistance**”, and „**Care after the accident**”.

Everest Finanse Sp. z o.o. Sp. k.:

- Since 15.05.2020 the Company has been granting sale-and-leaseback to customers.
- Everest Finanse Sp. z o. o. Sp. k. is the only entity on the Polish market offering sale-and-leaseback to individuals.
- The consumer lease-back is offered for **35 - 66 weeks** up to **3000.00 PLN**.
- Until 31.12.2020, the Company has granted Sale-and-leaseback to 28 784 customers. The total value of the Sale-and-leaseback objects is 39.4 million PLN as of 31.12.2020

Everest Capital Sp. z o.o.:

- A company whose main objective is to obtain financing on the capital markets.

Company's timeline

Number of customers and value of operational portfolio



2001

Number of customers
(in thousands)
Operational portfolio value
(in millions PLN)

2008

25

45



2011

45

65

2012

62

98



2013

69

135

2014

80

189



2015

83

303

2019

117

515

2020

113

457



Owners



Piotr Śledź

- The initiator and founder of Everest Finance, the author of its strategy for development and geographical expansion.
- Has 19 years' experience in the financial services industry and is the mastermind behind numerous property, hotel and catering-related projects.



Artur Hawryluk

- The first Managing Director (2000-2009), the co-author of the development strategy.
- Active in the loan industry for 19 years
- Graduated from the International Relations Department at the Higher School of Humanities and Journalism in Poznan (now Collegium DaVinci).

Management Board



Zbyszko Pawlak – President of the Board, Managing Director

- Started working for the Company in 2009 – under his direction the Company has increased the sales of loans by over 300%.
- Has over 20 years' experience in managing companies operating nationwide.
- Majored in Economic Theory and Journalism at Poznań University of Economics and Business.



Andrzej Dworczak – Vice-President of the Board, Finance Director

- Joined the Company in 2007, the initiator and manager of the IT system implementation project.
- Gained experience as a finance director at a leading European producer of aluminium joinery and as an employee at a leading Polish bank.
- Graduated from the faculty of Management and Marketing at Poznań University of Economics and Business.

LENDING MARKET IN POLAND



Value of loan companies' active portfolio in Poland

— as at 10 March 2021

PLN 6 142 965 k

1.7 million loans / 948 k customers



FORUM
WIARYGODNEJ
WYMIANY
INFORMACJI



PLATFORMA
WYMIANY
INFORMACJI
POŻYCZKOWEJ



Today the Credit Check platform provides access to the largest amount of credit data on the non-bank sector customers in Poland.

Reliable Information Exchange Forum



Founders:



Members:



CRIF Services Sp. z o.o. in cooperation with lending institutions and Krajowe Biuro Informacji Gospodarczej S.A. (National Economic Information Bureau) implemented a platform for reliable information exchange and applications submitted by consumers called **Forum Wiarygodnej Wymiany Informacji, FWWI (Reliable Information Exchange Forum)**. This new solution, allowing reliable assessment of credit risk, was granted patronage by Związek Przedsiębiorstw Finansowych, ZPF, (Union of Financial Companies) considering it as a tool for further improvement of lending institutions' loan portfolio which at the same time contributes to the prevention of over-indebtedness.

The solution does not generate a new database, but serves as a technical platform to exchange information between the users of FWWI. Moreover, it is dedicated to the lending industry. The new solution is already available to the lending market participants. Right at the outset of this initiative, thanks to the commitment of such entities as **Provident Polska S.A.** and the ZPF members, **Everest Finanse S.A.** and **TAKTO Sp. z o.o. Sp. j.**, the database contained information on 1 million borrowers including their 3-year credit records.

Foundation for Financial Market Development



Fundacja Rozwoju
Rynku Finansowego



**President of the Management
Board Agnieszka Wachnicka**

Fundacja Rozwoju Rynku Finansowego (Foundation for Financial Market Development) was established in 2016 to represent major lending institutions in Poland. Its aim is to ensure sustainable development of the financial sector while increasing consumer safety.

FOUNDERS:



MEMBERS:



Union of Financial Companies



**President of the
Management Board
Marcin Czuga**

Związek Przedsiębiorstw Finansowych (Union of Financial Companies) was established on 27 October 1999 and it brings together several dozen key companies from the financial sector in Poland and its mission is to build social capital in the financial sector in Poland.

SELECTED MEMBERS:





We are a member of Business Center Club and as a member of this prestigious club we acknowledge the by-laws of the organization which oblige us to represent high ethical standards, observe the principles of the Commercial Code and act in accordance with the idea of corporate social responsibility.

President of the Management Board of EVEREST FINANSE S.A. Zbyszko Pawlak is the Vice President of the Board of BCC and the Chancellor of the Wielkopolska Lodge.

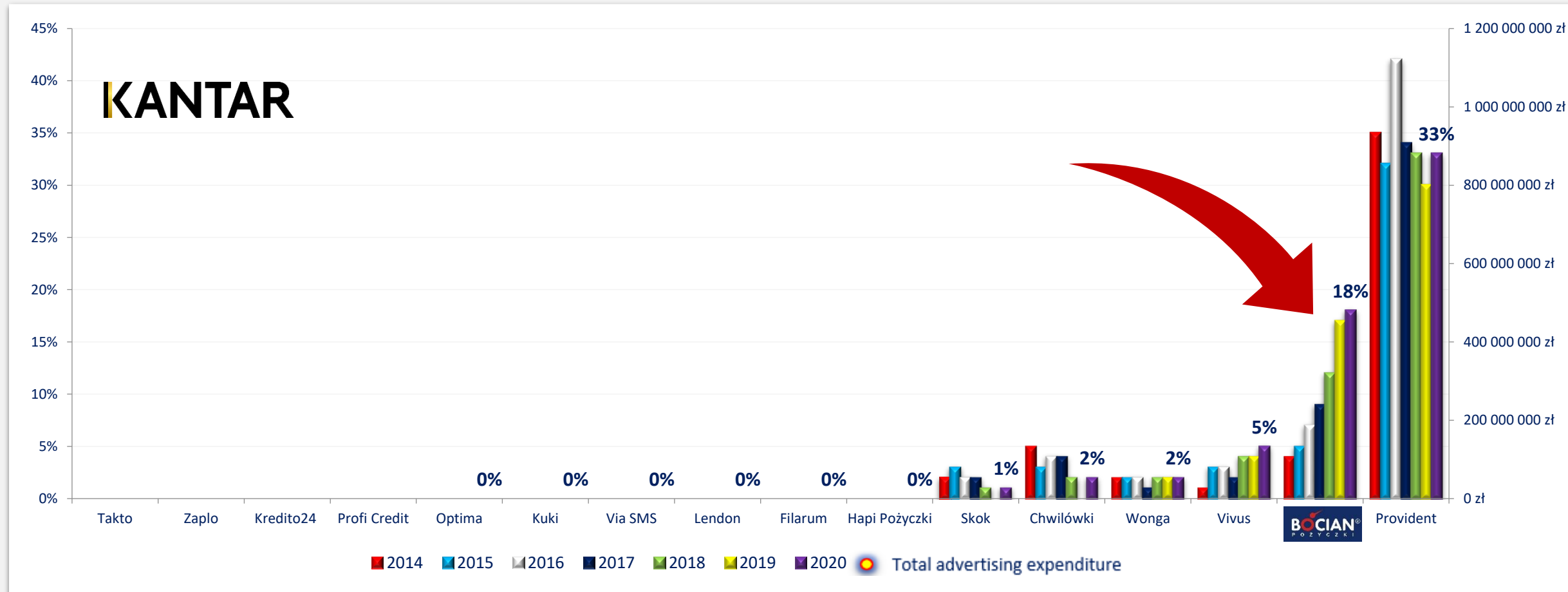
BOCIAN BRAND RECOGNITION



We are a well-known and valued brand

first indication in surveys

WE ARE THE SECOND MOST RECOGNIZED LOAN BRAND IN POLAND

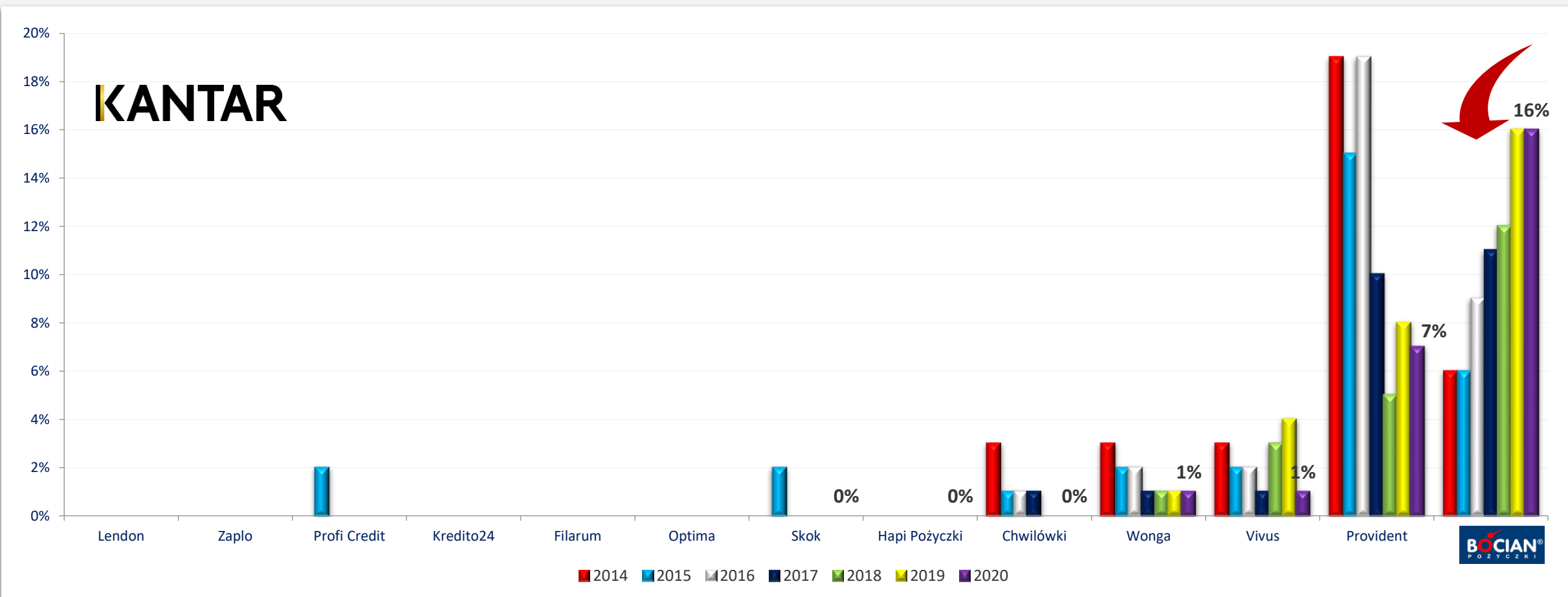


Source:
Awareness of brands / KANTAR Polska, Omnibus, representative sample 15+; data from 2014-2020; sample size: 2014 - 1000 people, 2015 - 1013 people, 2016 - 1066 people, 2017 - 1051 people, 2018 - 1058 people, 2019 - 1002 people, 2020 - 1012 people

We are a well-known and valued brand

Which non-banking companies advertisements have you come across recently?

WE HAVE THE MOST RECOGNIZABLE ADVERTISING AMONG LOAN COMPANIES IN POLAND



Source:
Awareness of brands / KANTAR Polska, Omnibus, representative sample 15+; data from 2014-2020; sample size: 2014 - 1000 people, 2015 - 1013 people, 2016 - 1066 people, 2017 - 1051 people, 2018 - 1058 people, 2019 - 1002 people, 2020 - 1012 people

CUSTOMER SERVICE



Loan granting proces for a new client



- A customer makes contact through a phone call (call center/Advisor), SMS or website

- A phone call with a call center, Advisor presents an offer

- The customer contacts the operations department to provide the basic information

- Accepting an application, defining offer criteria and communicating them to the Advisor

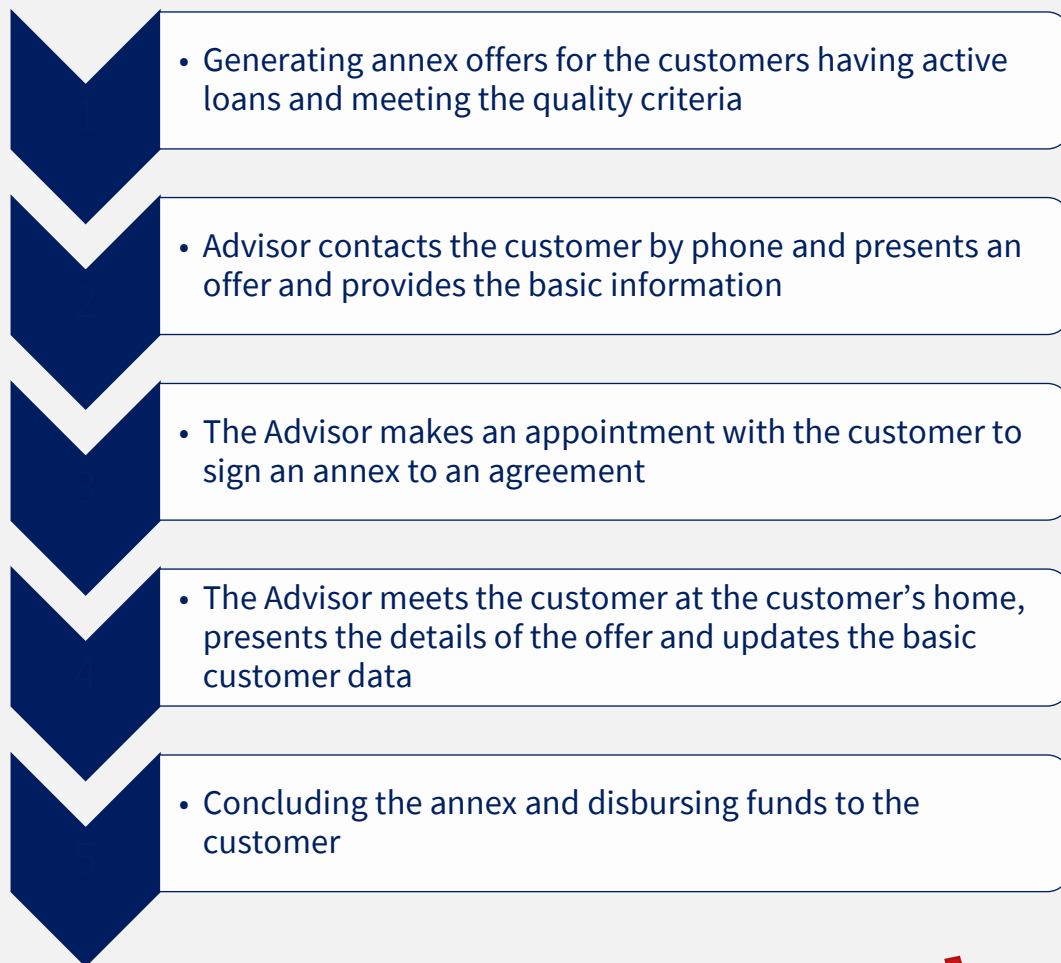
- The Advisor contacts the customer by phone to arrange a meeting

- Meeting at the customer's home. Presenting the loan offer and analyzing the customer's situation

- Concluding an agreement and disbursing funds by transferring credit to a pre-paid card issued by Everest Finanse S.A.

Loan granting proces for existing customer

Everest Finanse S.A.



Everest Finanse SP. Z O.O. SP. K.

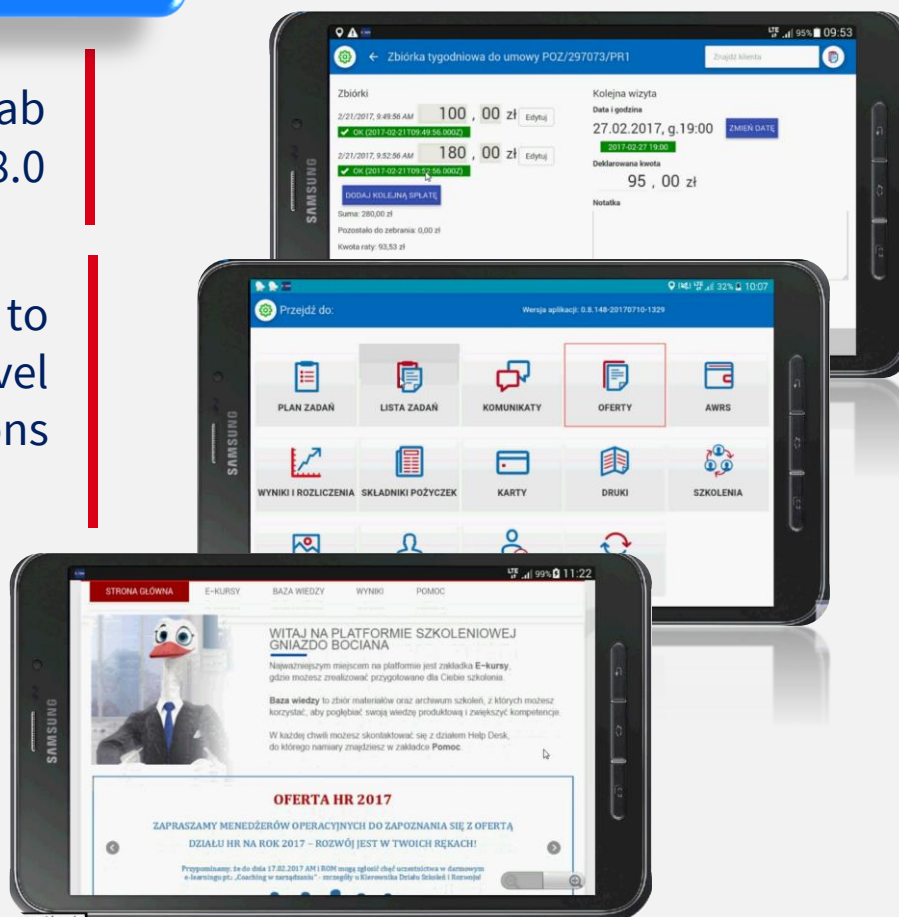


Integration of customer service management

Since May 2017 all Advisors
have been using tablets

Samsung Galaxy Tab
Active 8.0

Using an IT system to
manage basic level
operations

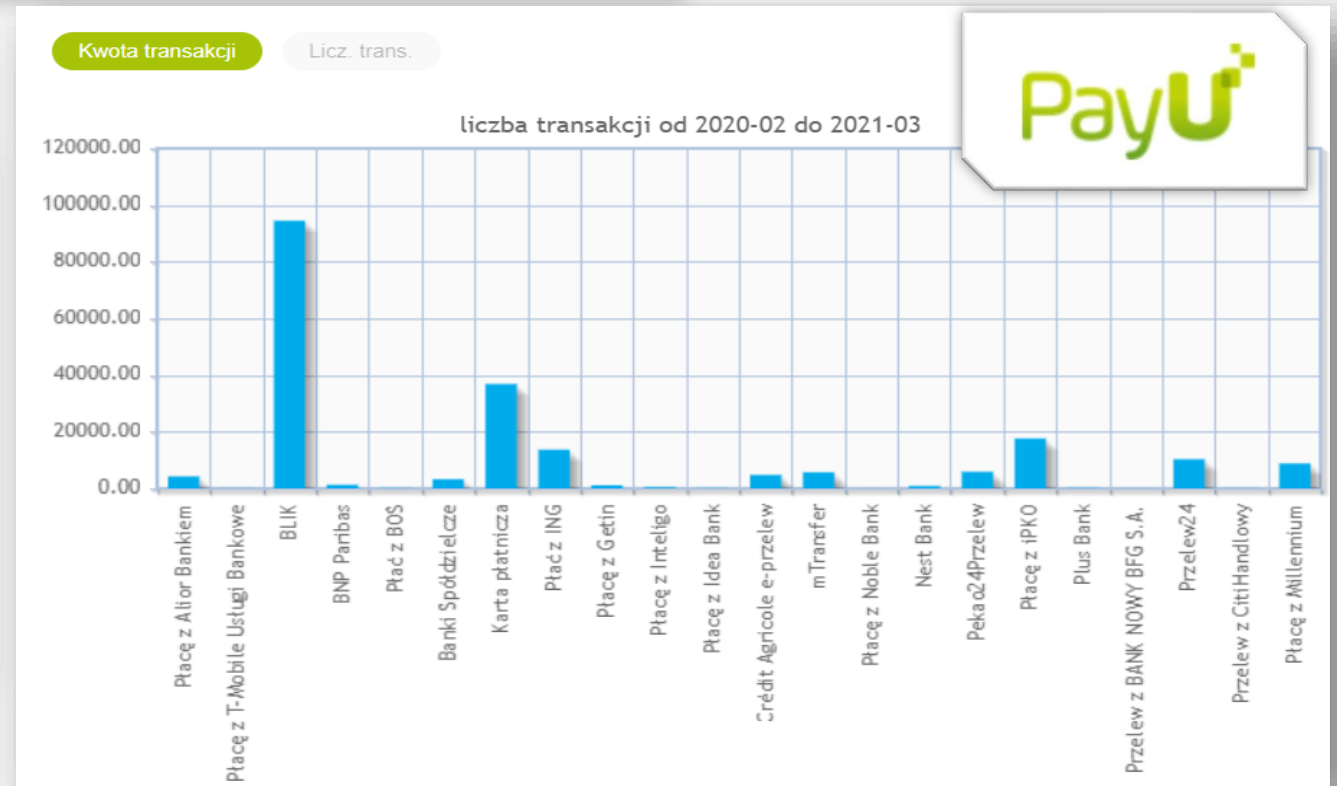


- Eliminating paper documents from the sales process and after-sales customer service
- Increasing the performance of the staff managing Advisors
- Familiarizing customers with the sales of e-products
- Obtaining new management information for the operations executives and controlling department
- Obtaining additional information used for creditworthiness assessment
- Increasing flexibility in terms of product and documentation modification
- Eliminating errors in documentation

Allowing customers to pay instalments remotely

Remote payment of the instalment - a functionality that allows us to keep the cash collection at a constant level.

The image displays three overlapping screenshots of the PayU payment interface. The top-left screenshot shows the 'Karta' (Card) payment method with fields for card number, expiration date, CVV, and email address, followed by a 'Zapłać 1 000,00 zł' button. The bottom-left screenshot shows the 'Przelew' (Bank Transfer) section with a grid of bank logos including PKO, ING, Santander, Bank Pekao, Millennium, Powszechna Kasa Oszczędności, Inteligo, and others. The right screenshot shows the 'Wybierz płatność' (Choose payment) section with options for Przelew (bank transfer), Karta (card), BLIK, Apple Pay, Google Pay, Raty (installments), and Płać później (pay later).

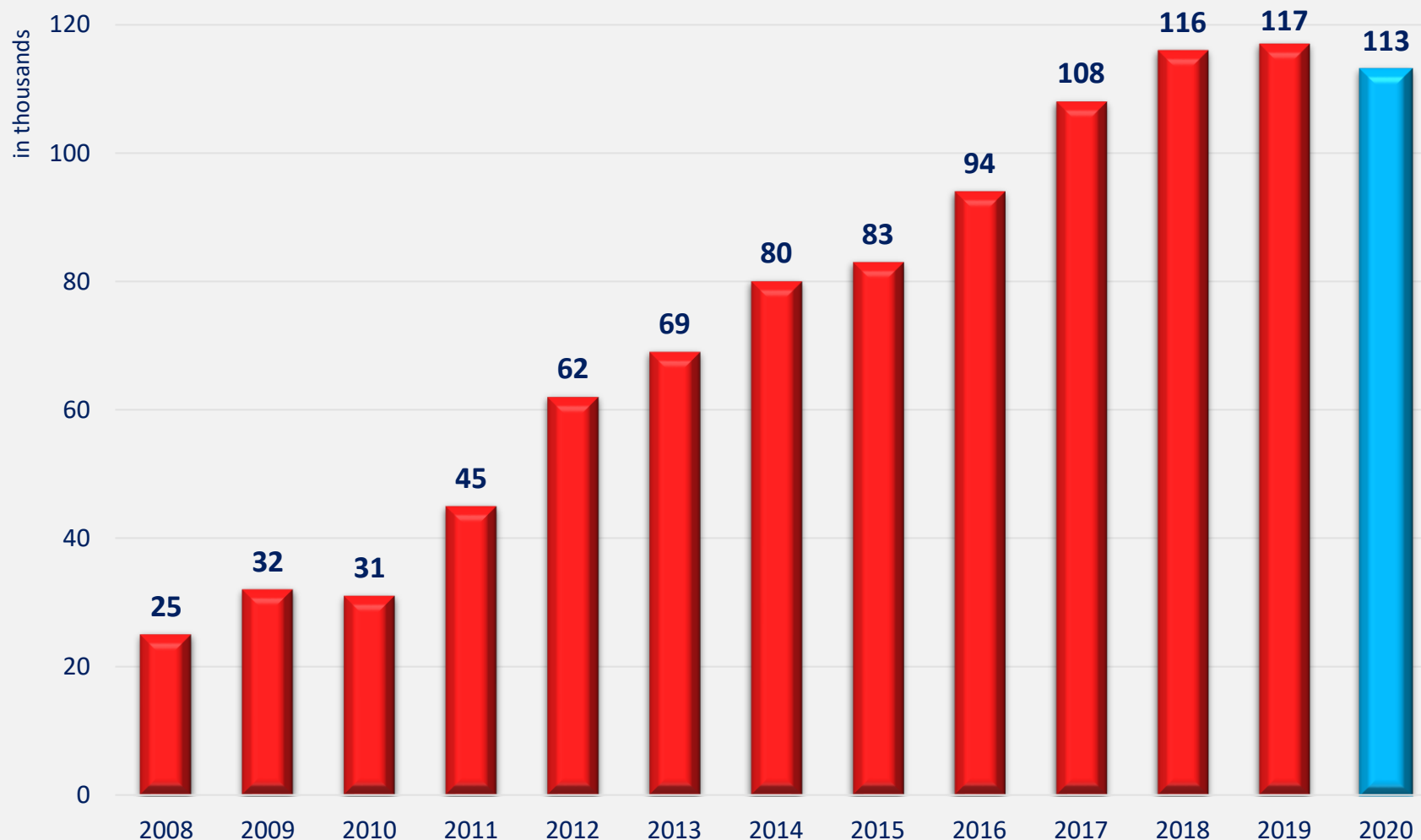


OPERATIONAL DATA



Number of customers serviced in operations

In years 2008 – 2020



For many years the Group has more than 110 ths. of customers in operational portfolio.

In December 2020, 16% more new clients were added to the portfolio compared to December 2019.

AT THE END OF 4Q 2020

113 K CUSTOMERS

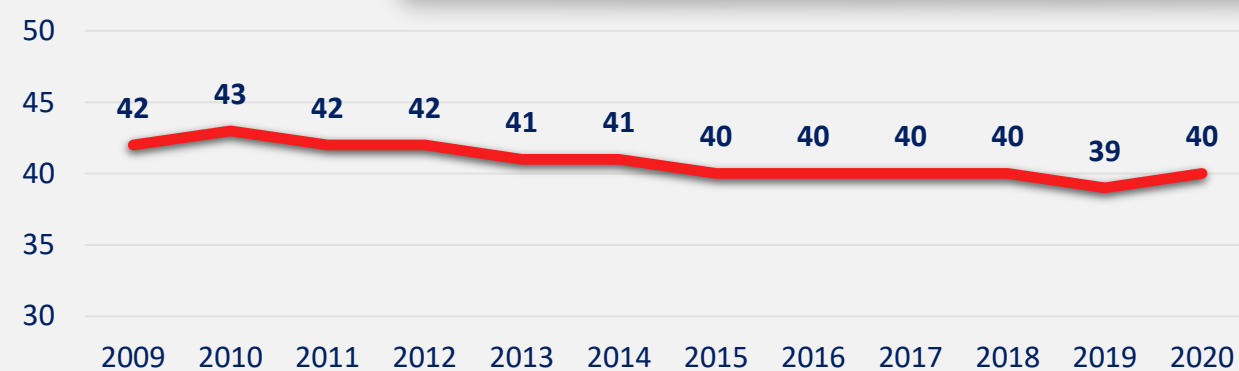
SERVICED IN OPERATIONS

(UNIQUE CUSTOMERS)

Age of new customers

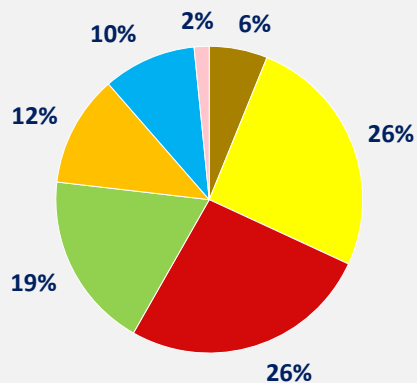
in years 2009 – 2020

Young people constitute the largest percentage of new customers.
In 2020, we had the most new customers aged 21-30 and 31-40

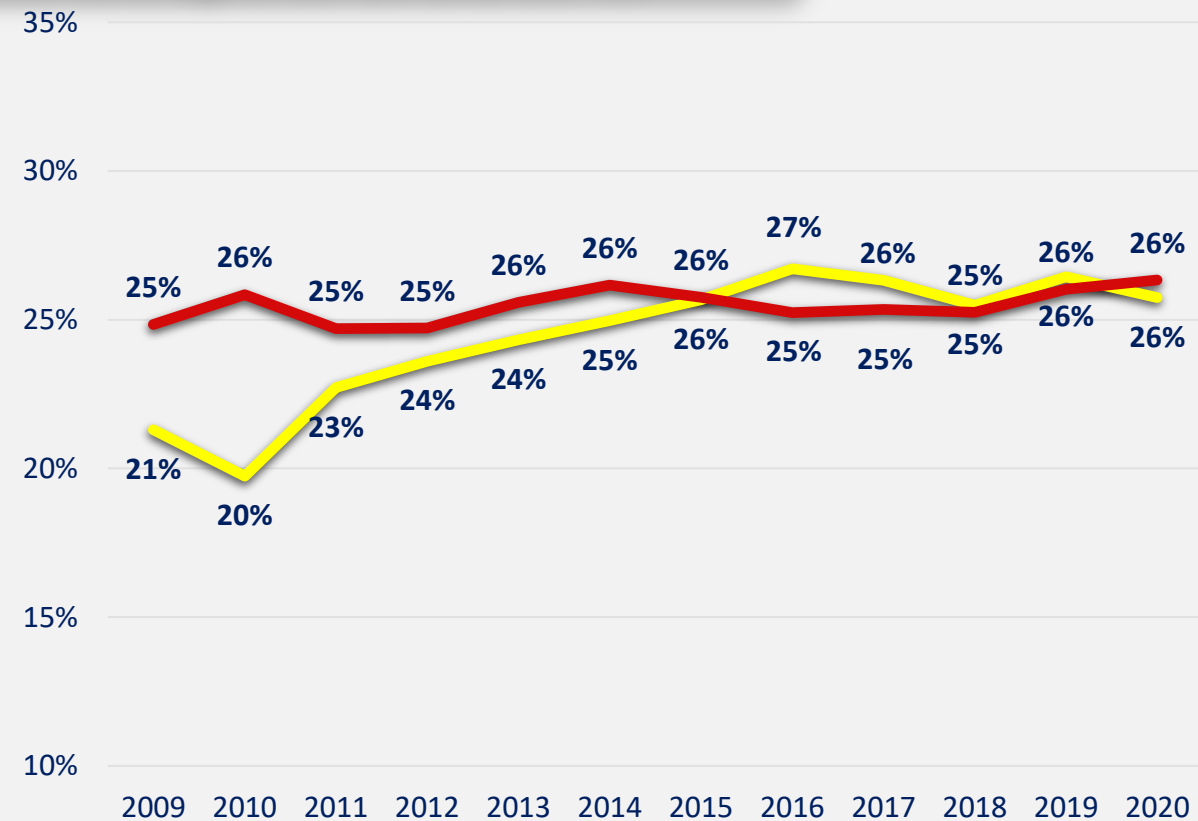


— Average customer age

Age of new customers in 2020



■ 18-20 y.o. ■ 21-30 y.o. ■ 31-40 y.o. ■ 41-50 y.o. ■ 51-60 y.o. ■ 61-70 y.o. ■ 71 y.o. and over

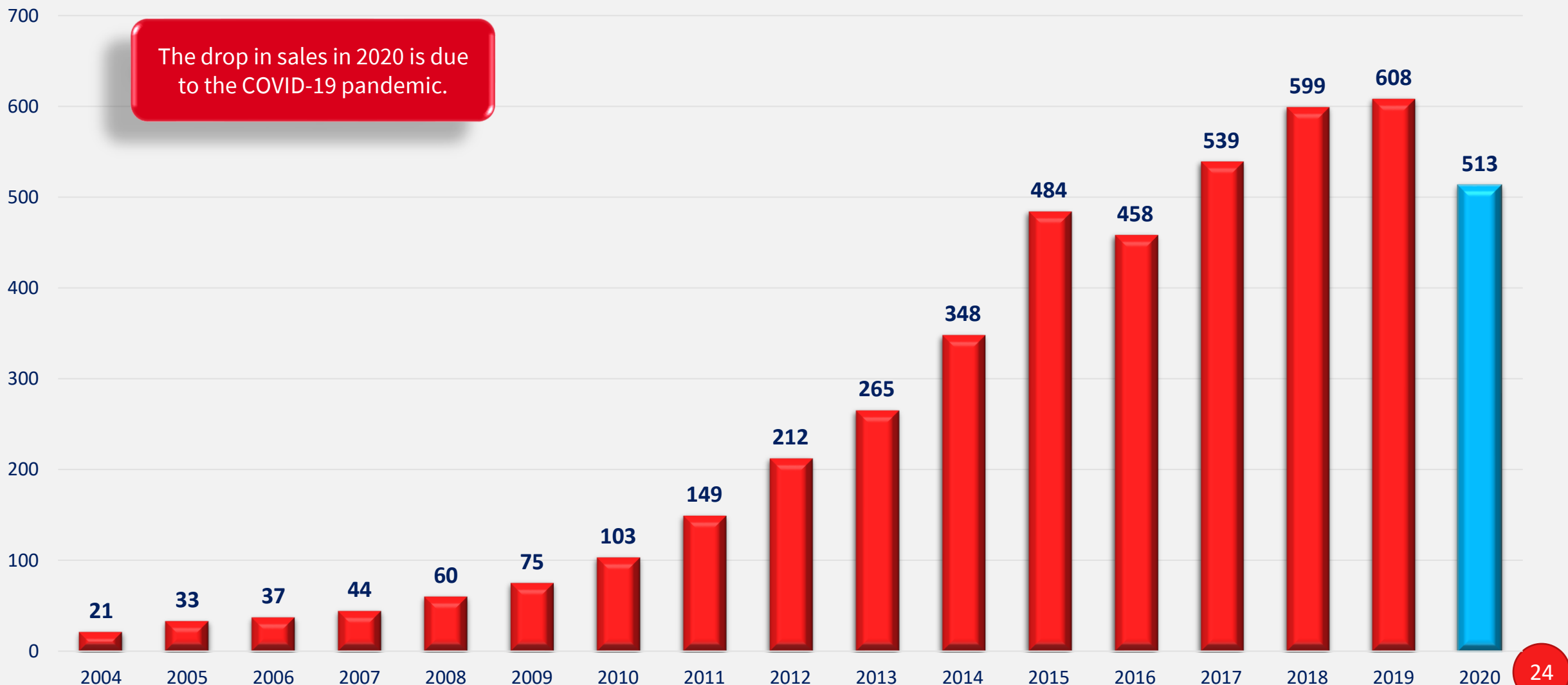


— 21-30 y.o. — 31-40 y.o.

LOAN PORTFOLIO



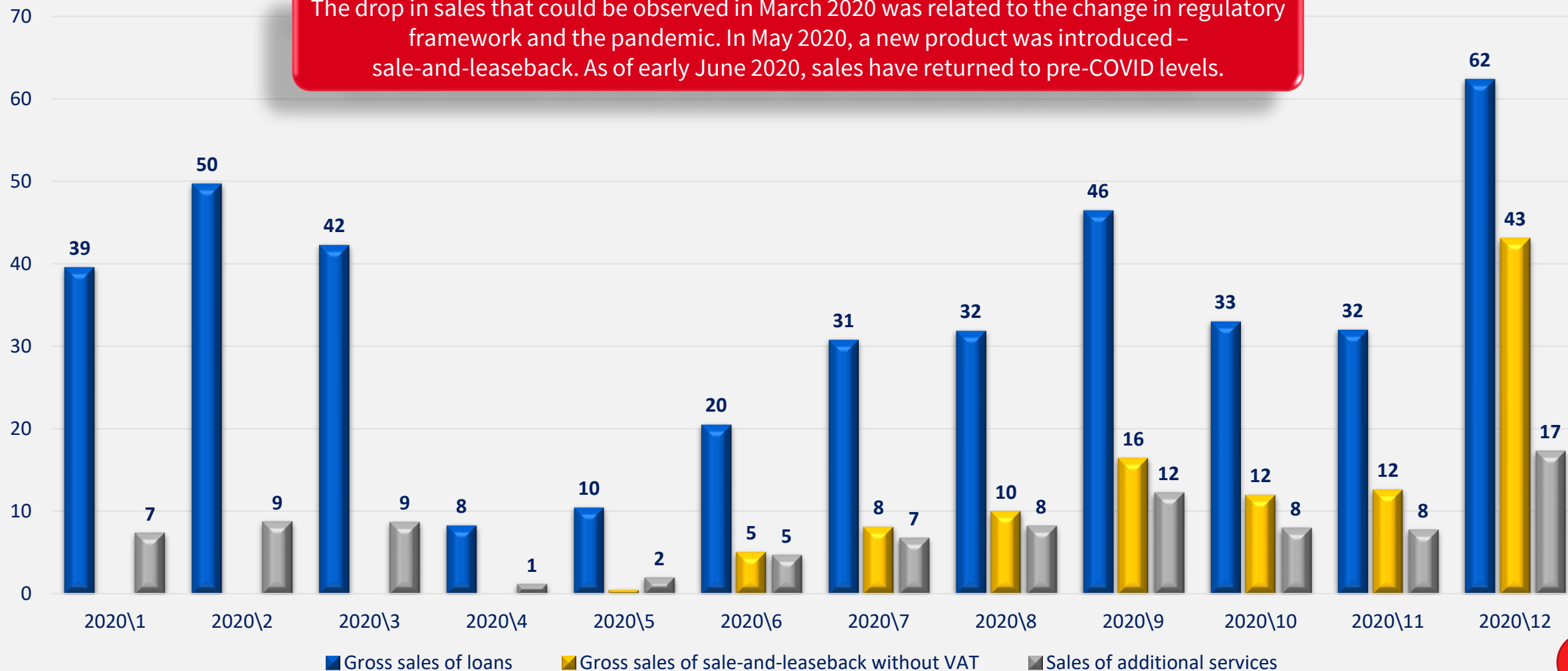
Gross value of granted loans including annexes and sale-and-leaseback in years 2004 – 2020 (in millions PLN)



Gross sales 2020

in millions PLN

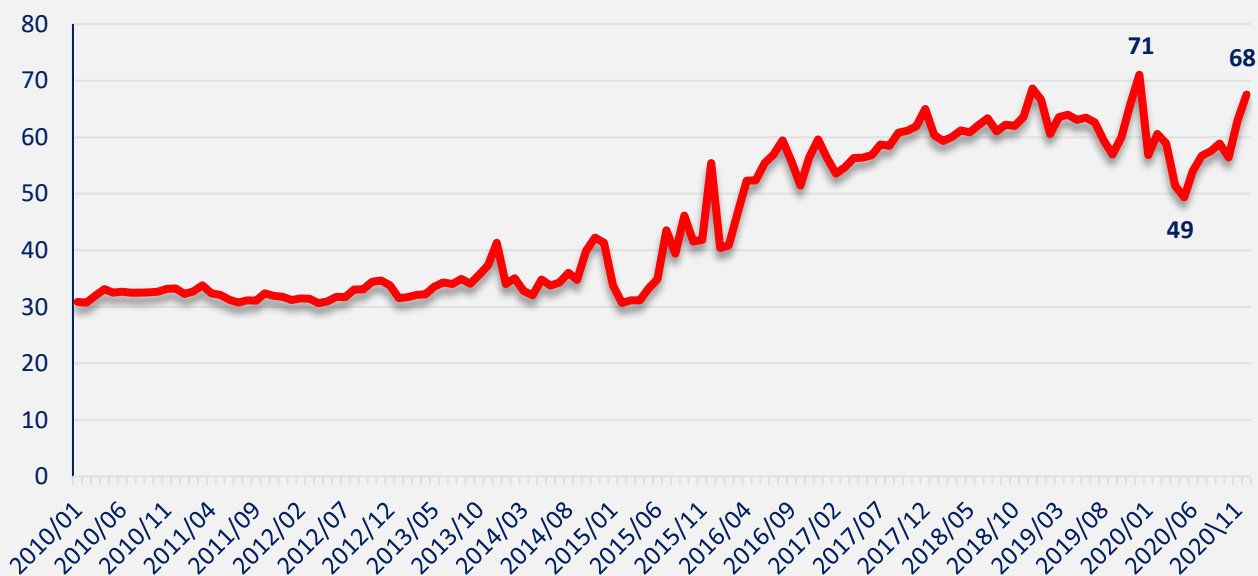
The drop in sales that could be observed in March 2020 was related to the change in regulatory framework and the pandemic. In May 2020, a new product was introduced – sale-and-leaseback. As of early June 2020, sales have returned to pre-COVID levels.



Average duration of products in weeks

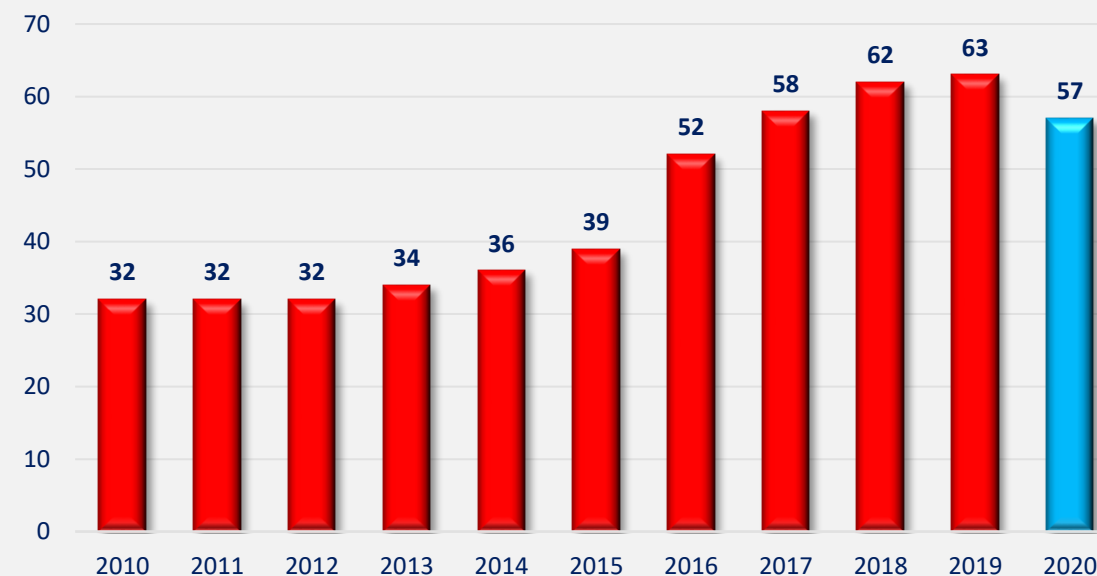
in years 2010 – 2020

Avarage duration on a monthly basis



Decrease in average duration
in 2Q-3Q2020 is due to a reduction in the duration of loans to
new customers during the pandemic.
In 4Q2020, the duration of loans to new customers was
increased to 44 weeks.

Avarage duration on a yearly basis



Existing customers, good quality ones, have the
possibility to sign an annex up to 66 weeks.

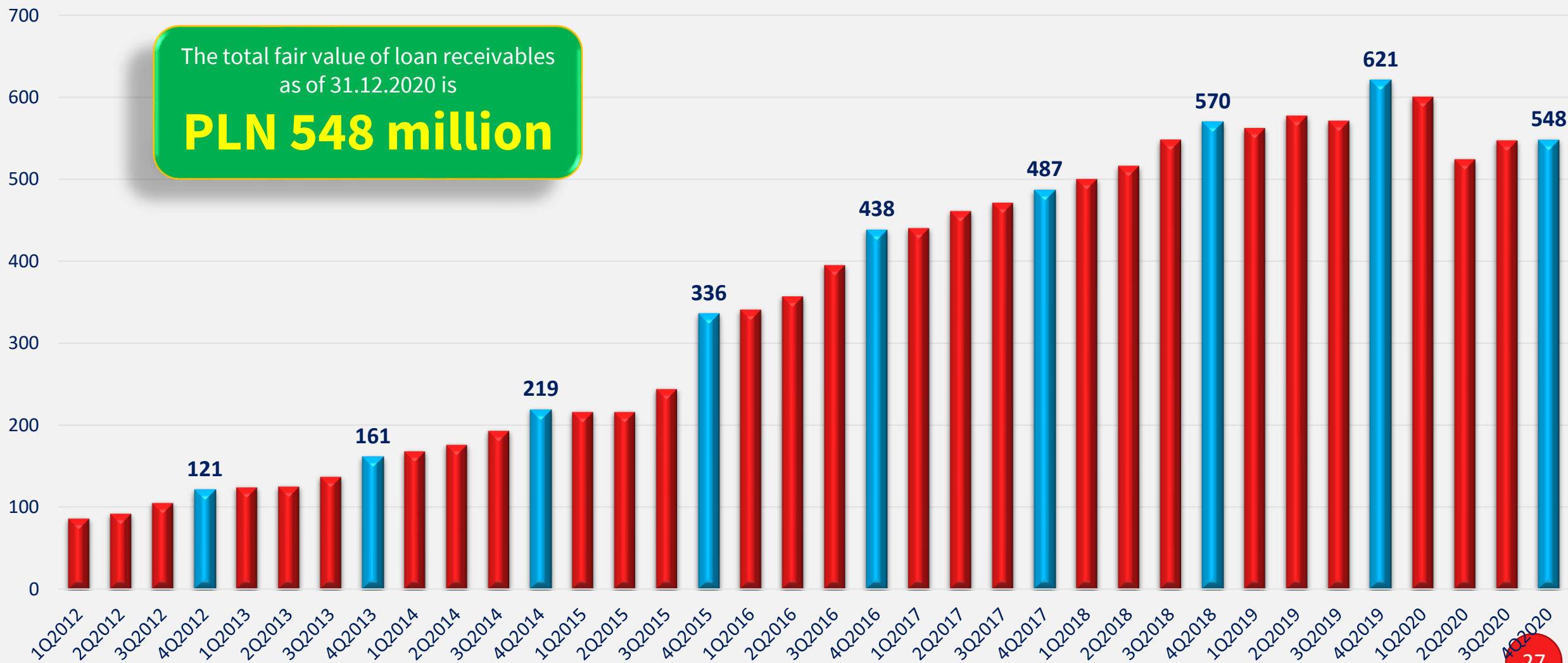
Fair value of the loan portfolio

1Q2012 – 4Q2020 (in PLN million)



The total fair value of loan receivables
as of 31.12.2020 is

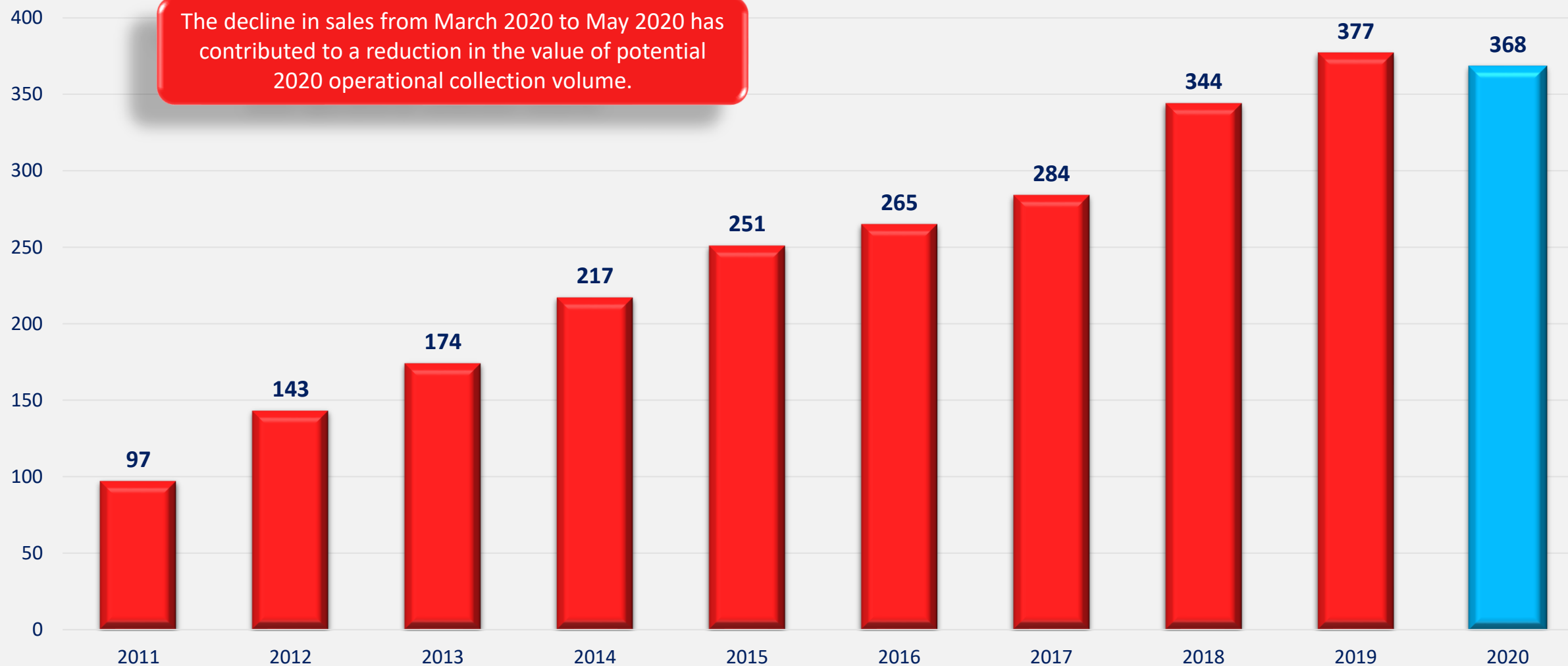
PLN 548 million



Operational collection volume

in years 2011 – 2020 (in millions PLN)

The decline in sales from March 2020 to May 2020 has contributed to a reduction in the value of potential 2020 operational collection volume.



FINANCIALS AND STRATEGY



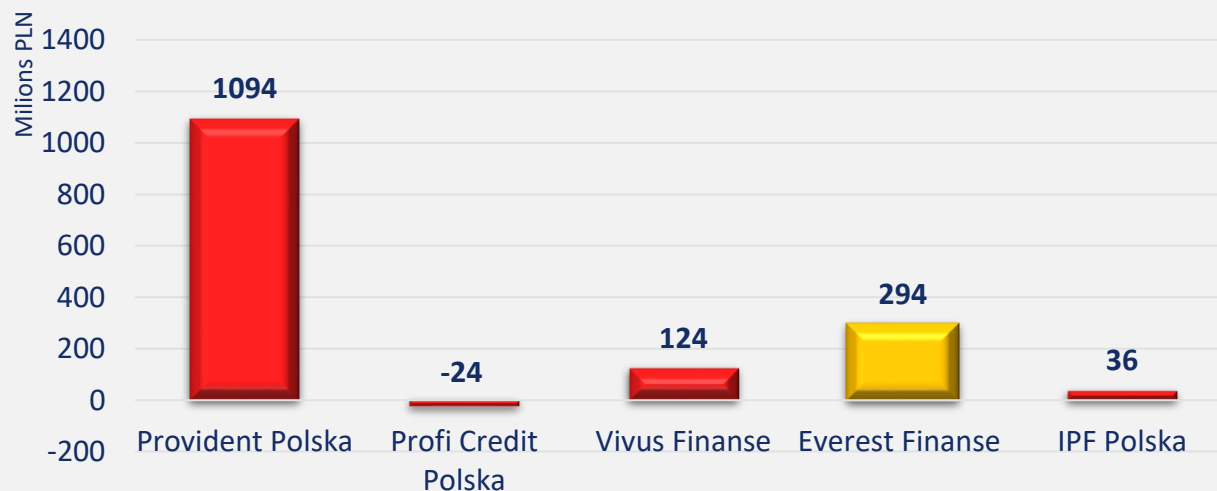
Share of equity in the balance sheet total

Average share of equity in the balance sheet total as at 31.12.2019

Top five entities in the lending sector *

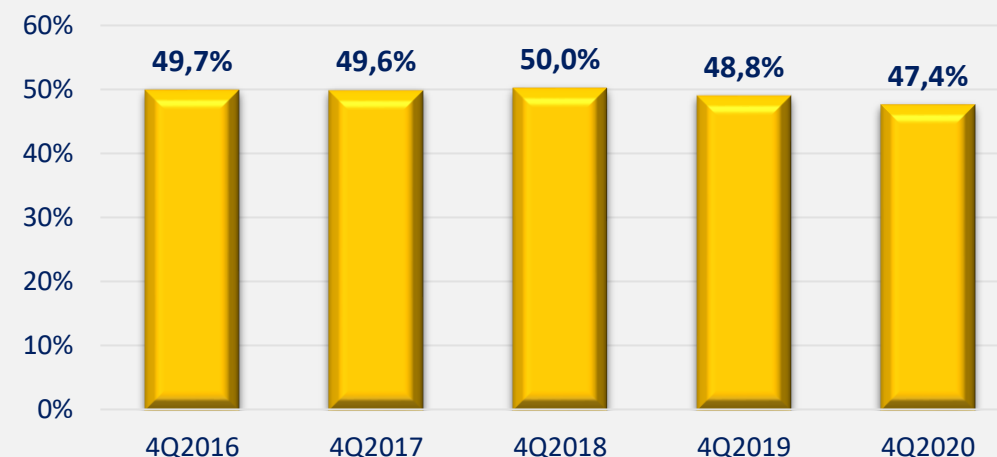
33.76%

Equity as of 31.12.2019



* - based on total sales in 2019

Share of equity in Everest Finanse balance sheet total



Debt ratio as at 31.12.2020

1.11

product portfolio

- Maintaining the current product portfolio and extending it with additional services and products sold during the visits of the Customer Advisor
- Introducing a cheaper product for the customers that paid the total balance and did not sign any new contract, assuming obtaining appropriate financing

geographic diversification

- Increasing the market share based on the possessed field structures
- No foreign expansion

investing in human resources

- Increasing the quality of employees through an appropriate training system
- Taking over Customer Advisors from competitors

customer acquisition

- Marketing activities focused on the presence on television and the Internet
- Continuation of activities in the field of affiliate networks
- Obtaining customer bases from companies exit the market, etc.

IT systems

- Further expansion of the IT system with new functionalities
- Launching an application for clients that allows concluding credit transactions and making remote payments
- Transferring all documentation, if possible, to electronic solutions

Cross - selling

- Use of the field structure to sell various types of additional services
- Use of the field structure to sell consumer goods (perfumes, household appliances etc.)

This document was prepared by Everest Finanse S.A exclusively for presentation purposes. This presentation does not attempt to provide exhaustive information required by investors for the purpose of evaluation or other addressees of this document. This document contains information about anticipated and predicted economic growth of the company and the company´s future prosperity. The compilation is subject to protection resulting from the Copyright and Related Rights Act. Reproduction, publication or distribution requires the consent of Everest Finanse S.A.



© 2016 Everest Finanse Spółka Akcyjna with its registered office in Poznań, ul. Stary Rynek 88, 61-772 Poznań, entered into the register of entrepreneurs of the National Court Register kept by the District Court Poznań Nowe Miasto i Wilda in Poznań, 8th Commercial Division of the National Court Register (KRS), entry number: 0000541824, taxpayer identification number (NIP): 7831722320.