

A stylized illustration of a robotic hand holding a smartphone. The hand is rendered in a light purple color with visible joints and segments. The smartphone screen displays a white shield icon, symbolizing security or protection. The background is a solid, darker purple.

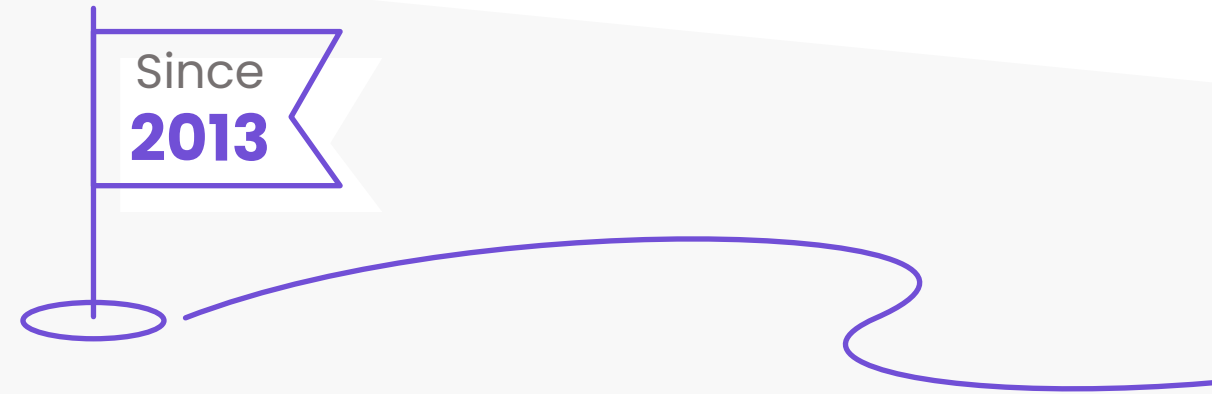
stikcredit

smart data. instant loans.

The Company

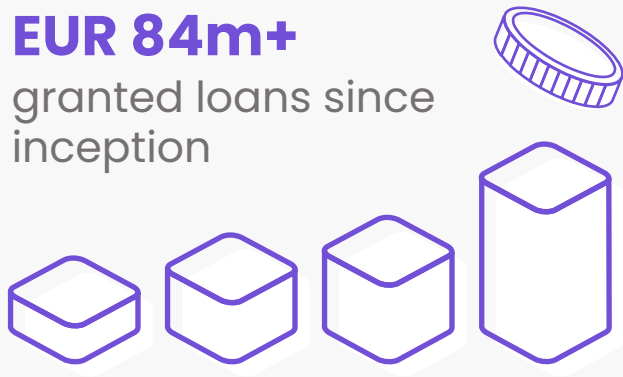
Who we are

Stikcredit is a European FinTech company underwriting short-term consumer loans online.



EUR 84m+

granted loans since inception



What we do

We lend money where traditional banks don't and we are on a mission to make consumer credit as easily accessible as 1 click on any device.

HIGHLIGHTS

- ✓ Regulated by a European Banking and Financial Services regulator
- ✓ Proprietary IT platform incorporating latest FinTech innovations
- ✓ In 2021 we launched afranga.com – a peer-to-peer marketplace for investing in loans

afranga

We built a marketplace for investing in loans – creating an efficient link between retail investors and lending companies. Afranga unlocks an asset class previously only reserved for institutional investors.

- ✓ In 2021 we launched our own p2p platform – Afranga which attracts investors from entire Europe.
- ✓ People can access the marketplace with as low as 10 EUR and take advantage of the high yield opportunities.
- ✓ Afranga became an immediate success due to the excellent reputation of Stikcredit as a loan originating company on the international market which guaranteed investors' safety and security.



Achievements

**> 18m EUR
investments**

only 12 months after
the start of the project.

**> 2 000
investors**

from all over
Europe.

**Fastest growing
p2p platform**

in February 2022 by P2P
Market Data.

**“Top 25 FinTech
Companies”**

in Bulgaria by
BestStartup.eu

Trusted partners and regulatory institutions

Stikcredit adheres to the highest regulatory requirements and has been strictly supervised by the Bulgarian National Bank since inception. We have also formed a network of valuable partnerships with many local and international players.



Stikcredit is being registered with the BNB and is under supervision as a non-banking financial institutions.



Partnering with the leader in electronic payment services in Bulgaria – our customers can receive and repay their loans in an instant.



Proud member of the association and an active supporter of the fintech ecosystem.



Stikcredit joined the Bulgarian Startup Association and will work to support our common aims.



Stikcredit partnered with Kilde to raise funds for more consumer finance loans.

mintos



viventor

P2P lending companies – The company is part of the global FinTech community and has partnered with all leading European peer-to-peer marketplaces: Mintos, Viventor and Bondster.



Affiliates – we have established various business partnerships with offline affiliates through which our products and services are offered in more than 220 offices throughout Bulgaria.

Simple Products

Simple yet robust product mix supported by the most innovative solutions in the FinTech space.

The product range and loan terms are perfectly aligned with the customers' needs.

Payday Loans

- ✓ Single payment loans with short maturity of up to 30 days and maximum amount of 400 EUR
- ✓ 0% interest for new customers
- ✓ Processed in seconds

€ EUR 50 to 400

5 to 30 days

Installment Loans

- ✓ Installment loans repaid at equal monthly installments
- ✓ Maturity of up to 24 months
- ✓ Maximum amount of 2 500 EUR

€ EUR 100 to 2 500

3 to 24 months



Secure

Every new customer undergoes strict identity verification procedure.



Simple & Quick

Loan documentation is signed electronically.



Powerful Sales Tactics

All new customers receive 30 days grace period on their first payday loan.

Technology & Profitability

Stikcredit leverages existing innovations in FinTech to underwrite short-term consumer loans entirely online.

We operate a lean FinTech business model which does not require the use of physical locations. Users submit applications online and our automated scoring algorithm makes an instant decision to approve or reject a loan. Money is advanced via an electronic payment transfer.



**Profitable Track
Record**



**Scalable Business
Model**



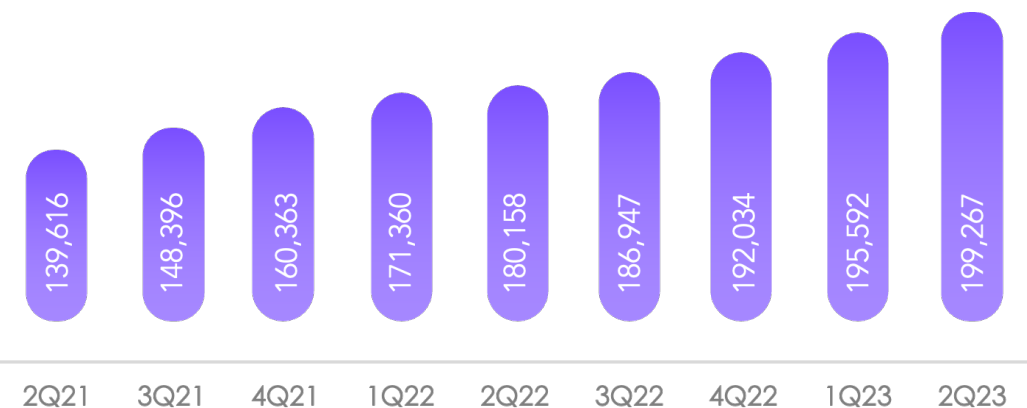
**Proprietary IT
Platform**



**Machine
Learning**

Strong customer engagement and user growth. The company has over 26 000 active customers and 70% returning customers.

Unique registered customers (cumulative)



- ✓ The number of unique customers has grown on average by **over 8,000 customers** per quarter for the past 24 months. Stikcredit has almost 200k unique applicants and over **26k active clients**.
- ✓ We've had a significant growth in our loan issuance rate. Between 2018 and 2021 we **tripled the number of loans** issued from c. 4,000 loans per quarter to almost 16,000 loans per quarter. Our **customer loyalty** remains very strong and the **share of returning customers has increased to c. 70%**.
- ✓ Tailored promotional activities and enhanced sales tactics place Stikcredit ahead of its competitors. The company **granted over 66,000 loans** in 2022 – an impressive growth of 18% over the 2021 results in a challenging environment. The management remains cautious in environment of economic and military conflicts. In 2023 the company is on track to grant 56k loan.



Target Client Profile

Private Individual

20 to 45 years old

Regular Income

Tech Savvy

Good or No Credit History

Little or No Savings

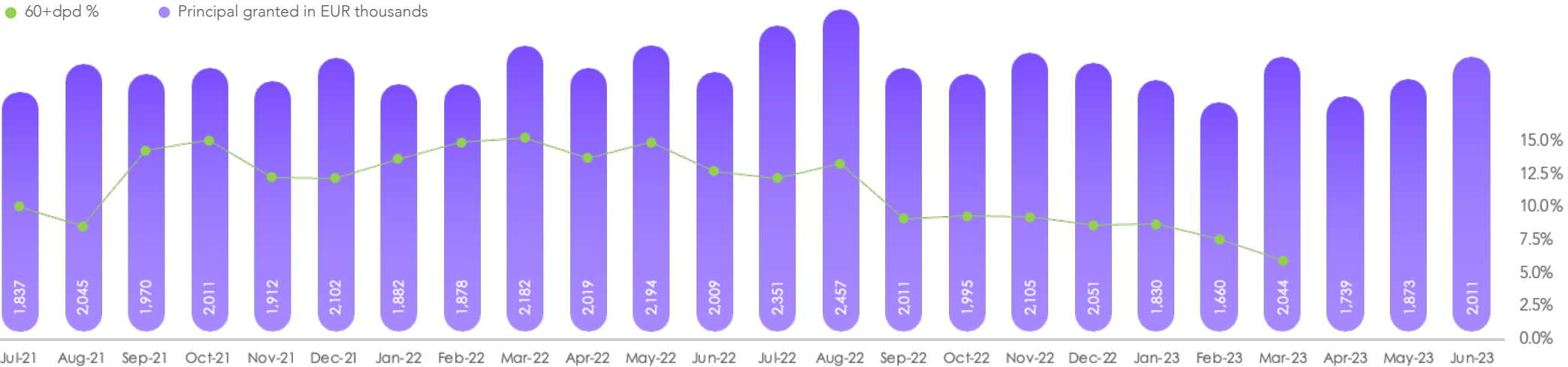
Strong portfolio performance: ~10% NPL

The portfolio shows strong results in an environment of high inflation and military conflicts in the region

- Our proprietary scoring model and the company’s robust risk management framework have allowed Stikcredit to react adequately and swiftly to today’s challenges. The management adopted a conservative lending policy in 2022 which is carried over in 2023.
- Our focus for 2023 continues to be stability and strong cash generation from our existing business. The management does not envision strong growth in the lending volumes until the end of 2023 as the company focus is on maintaining the current level of business and generating maximum cash flow from operations.
- As a result lending volumes have slightly decreased, but the company generates **strong positive cash flow** from lending operations. NPL rates on a vintage basis declined from the 13-15% region to below 10% from the issued volume.

Thousands

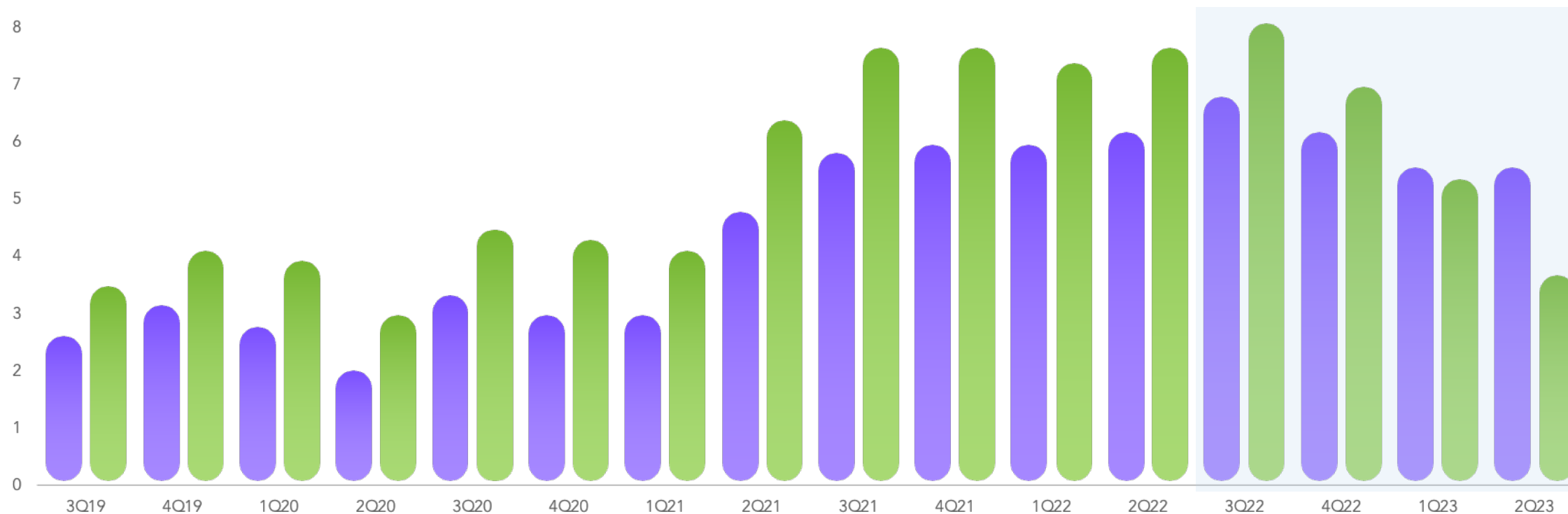
Principal issuance rate and delinquency



Strong portfolio performance: 134% average payoff

Cash collection from issued loans

million EUR ● outgoing cash ● incoming cash



- The cash collection rates remain on par with previous years and we don't observe any deviations from the normal. In 2022 we had a record year, issuing 25m EUR of loans to our customers in Bulgaria. Quarterly issuance volumes have decreased since the beginning of 4Q22 and they have now reached an equilibrium levels at c. 5.5m EUR per quarter.

- The decrease in the loan issuance volumes is the result of a carefully crafted plan to reduce the growth rate of the business and bring it to a level where it generates strong cash flow from operations which makes it less reliant on external funding. As a result the company has been able to accumulate solid cash cushion **with c. 3.5m EUR in cash and cash equivalents** on its Balance sheet as at end of 1Q23

Profit and Loss Summary

Stikcredit continues to maintain strong balance sheet and excellent financial results

We have proven our capability to steer our company towards the most profitable path not only in good times, but also in turbulent ones. **Our company has once again maintained it's stability in difficult times – high inflation and military conflict in the region. We have proven our resilience and ability to respond to crises.**

The strict financial policy and robust risk management framework allow the company to maintain strong financial and operating health:

- We have kept our customer acquisition costs within our desired targets;
- In 2021 we have made a sizeable investment into human capital and IT infrastructure which will support the company's growth for the next several years.
- In 4Q22 we undertook a cost optimization programme, reducing significantly the expenditure on marketing activities and applying a lean approach to our personnel. We expect to end 2023 with a net profit increase of c. 60% yoy.

BGN, '000	FY20	FY21	FY22	1Q23
Income from interest and charges	10 046	15 918	24 612	6 244
Interest expense	(518)	(966)	(1626)	(461)
Net income from interest	9 528	14 952	22 986	5 783
Other income, net	148	133	312	64
Financial income	80	132	175	41
Financial expenses	(112)	224	(302)	(55)
Personnel expenses	(1 168)	4 582	(5 624)	(1 244)
Losses from impairment of loans	(1 244)	(1 562)	(9 103)	(2 030)
Total administrative expenses	(2 205)	3 162	(4 036)	(796)
Profit before tax	5 027	5 687	4 408	1 763
Corporate income tax	(453)	(590)	(455)	453
Net profit for the year	4 574	5 097	3 953	1 581

- All figures are in thousand of EUR.
- Stikcredit prepares its financial statements in accordance with International Financial Reporting Standards.
- Figures presented for FY20, FY21 and FY22 are audited. Figures for 1Q23 are preliminary and unaudited.
- Financial assets are presented according to IFRS 9.

Balance Sheet

Healthy balance sheet with an equity ratio of 55% as of 1Q23

- Our net loan portfolio remains relatively unchanged for the last several period. This is in line with the management's policy for moderate growth.
- As part of the conservative financial policy, the company has accumulated a solid cash buffer of c. 3.5m EUR which equates to 50% of the outstanding debt.
- All generated profits are reinvested back into the business to support its strong growth and maintain low levels of financial leverage.
- We maintain a very healthy shareholder equity ratio of c. 55%.
- Figures provided for FY20, FY21 and FY22 are audited. Figures provided 1Q23 are unaudited.

BGN, '000	Dec-20	Dec-21	Dec-22	Mar-23
Assets				
Cash and cash equivalents	3 218	3 859	5 672	7 040
Loans to customers	12 286	21 532	22 913	22 380
Receivables from related parties	1 180	1 953	7 179	7 299
Other current assets	360	543	742	874
Land, machinery and equipment	568	896	731	952
TOTAL ASSETS	17 612	28 783	37 237	38 545
LIABILITIES AND EQUITY				
Liabilities				
Short-term loans	4 460	10 589	15 500	14 981
Long-term loans	-	-	-	-
Liabilities to related parties	70	74	-	-
Trade and other payables	244	320	230	189
Short-term lease	124	228	183	207
Current tax liabilities	388	647	383	540
Other current liabilities	146	686	741	659
Long-term lease	319	337	345	532
Total liabilities	5 751	12 881	17 382	17 108
Equity				
Share capital	1 008	1 008	1 008	1 008
Reserves	51	101	101	101
Retained earnings	6 228	9 696	14 793	18 747
Profit for the financial year	4 574	5 097	3 953	1 581
Total equity	11 861	15 902	19 855	21 437
TOTAL EQUITY AND LIABILITIES	17 612	28 783	37 237	38 545

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We are happy to address all your questions and requests.

 investors@stikcredit.bg

 stikcredit.bg

 linkedin.com/company/stikcredit/

 twitter.com/stikcredit

Marketplace: afranga.com