



UAB NEO Finance

Sales report 2018Q1

Vilnius

2018-04-11

Events



Social events

- **February**
Training sessions for investors: beginners and experts in P2P lending in Vilnius
- **March**
Training sessions for investors - beginners in P2P lending in Kaunas

- Share premium and shareholder equity was reduced by 1.7M covering losses and shareholder equity increased by 170K. Total amount invested in company's capital exceeds 2.72M;
- New alternative for customers identification introduced in February;
- neofinance.com launched in March for international investors;
- Internal audit completed;
- Referral program for investors - „Invite Your Friend“ introduced in February;
- New chief employee - Head of Customer Service Department;

Management accounts



The vast majority of revenues related to P2P lending activities are distributed throughout the loan period. Management accounts represent future broker fee income as the result of specific month loans issued amount.

	2018 Q1	2017 Q4	Δ, %	2017 Q1	Δ, %
Loans issued, K EUR	2,990	2,870	4%	1,807	65%
Broker fee income, K EUR*	234	223	5%	157	49%
Other income, K EUR	128	107	20%	52	145%
Total income, K EUR	362	330	10%	209	73%

At the end of 2018 Q1 receivable broker fee amounted to **1.5 mln. EUR**

* Broker fee income in the table is represented as a result of the loans issued at the same month, which will be received throughout the loan period. E.g. 234 thousand EUR is a result of 2,990 thousand EUR issued, and will be received throughout 60 months.

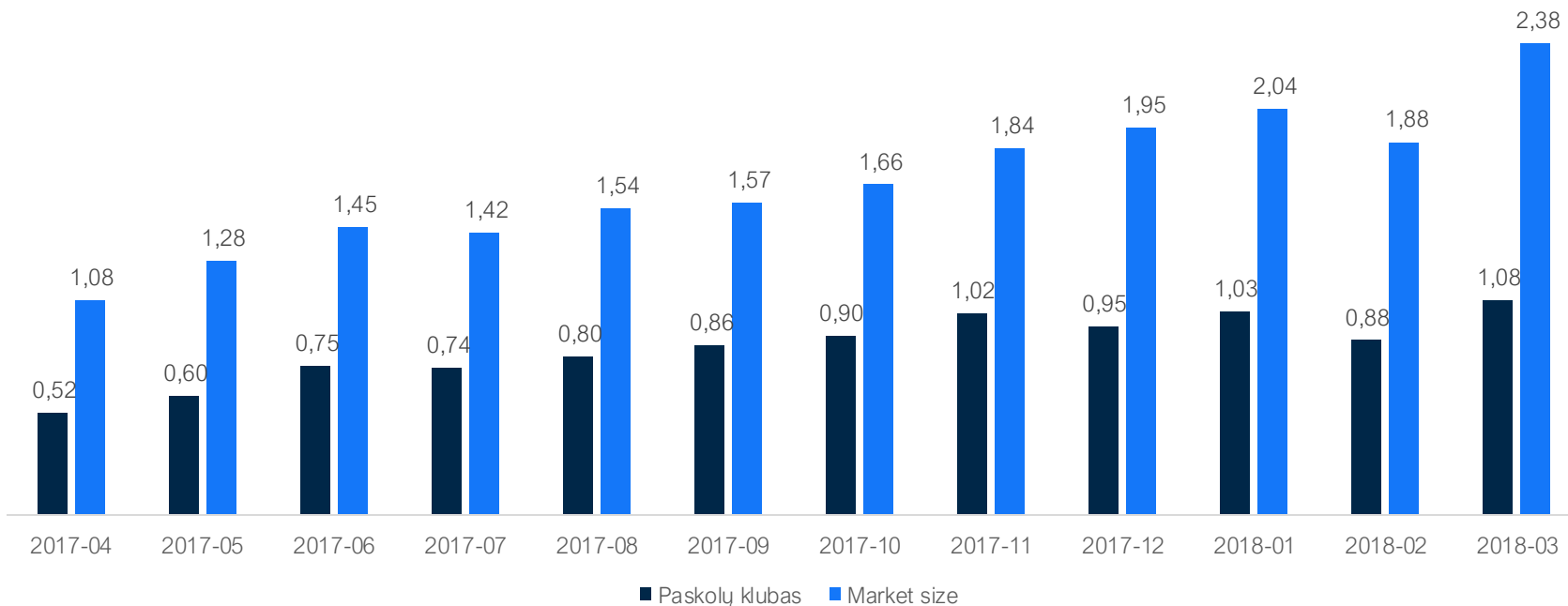
P2P consumer loan market in Lithuania



In 2018 Q1 P2P consumer loan market size reached **6.30 million EUR**. Compared to 2017 Q1 year on year the issued loans volume grew by **61%** from **3.92 million EUR**. **“Paskolų klubas”** market share during 2018 Q1 was **48%** with **2.99 million EUR** of loans issued.

Monthly amount of issued consumer loans through all Lithuanian platforms reached a peak of **2.38 million EUR** in March. The same month **“Paskolų klubas”** reached a record of **1.08 million EUR** financed. Compared to the same month in 2017, **“Paskolų klubas”** issued loans volume grew by **62%**.

P2P consumer market, loans issued, million EUR



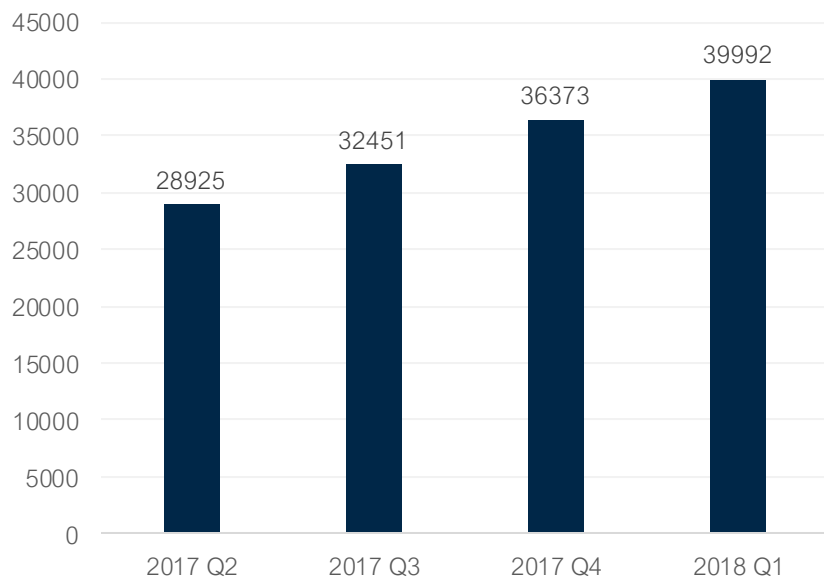
Borrowers



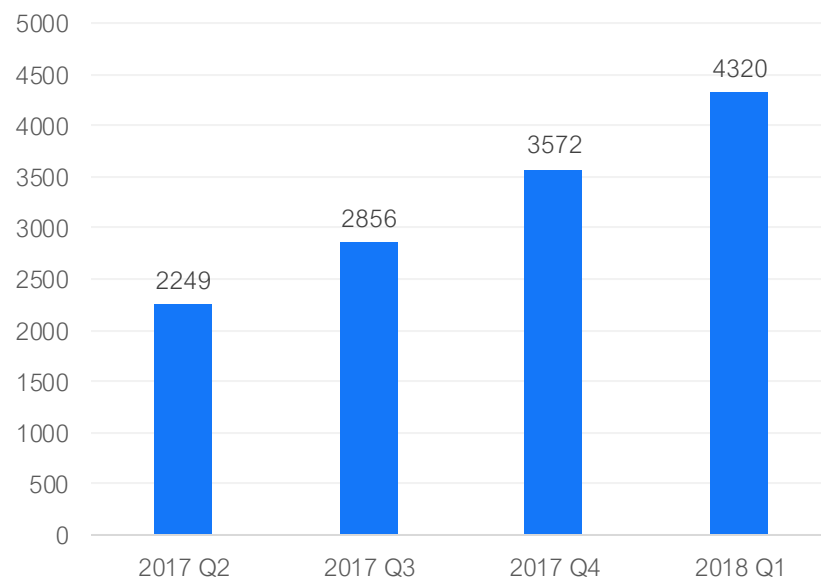
In 2018 Q1 low fees and brand growth attracted **3 619 new registered borrowers**. At the end of 2018 Q1 the number of registered borrowers grew to a total of **39 992**. Compared to 2017 Q1, the number of registered borrowers grew by **59%**.

In 2018 Q1 the number of active borrowers grew by **748 users**. At the end of 2018 Q1 the number of active borrowers reached a total of **4 320**. Compared to 2017 Q1, the number of active borrowers grew by **159%**.

Registered borrowers



Active borrowers



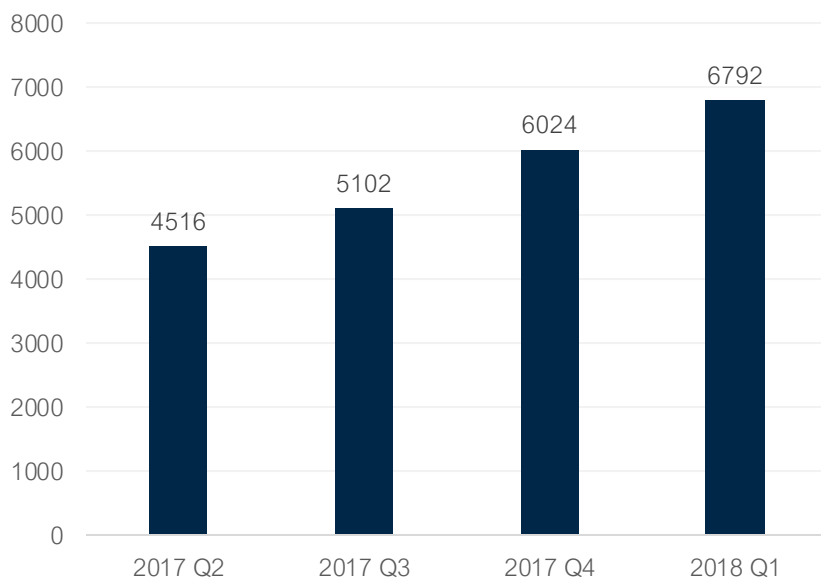
Investors



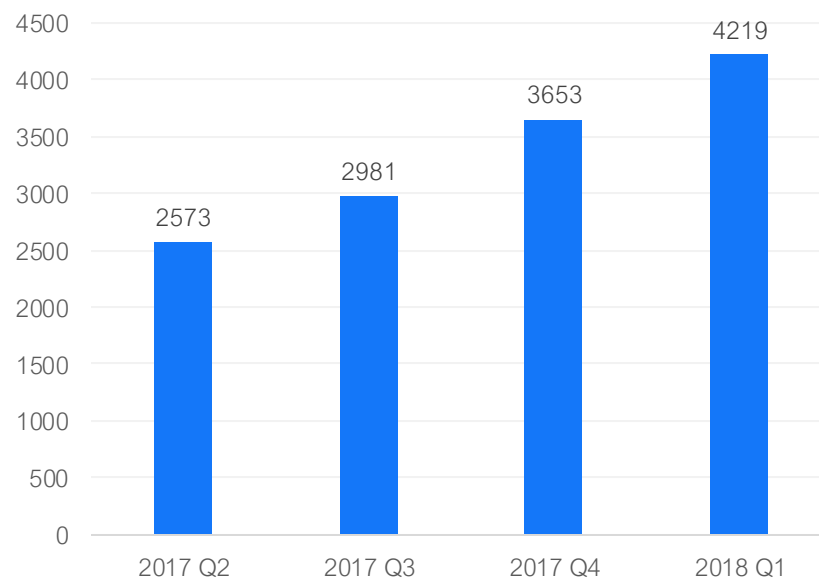
In 2018 Q1 investors' trust, stable returns and transparent communication attracted **768 new registered investors** to a total of **6 792**. Compared to 2017 Q1, the number of registered investors grew by **74%**.

In 2018 Q1 the number of active investors grew by **566**. At the end of 2018 Q1 the number of active investors reached a total of **4 219**. Compared to 2017 Q1, the number of active investors grew by **104%**.

Registered investors



Active investors



Investors have already earned 1.4 million EUR in returns.

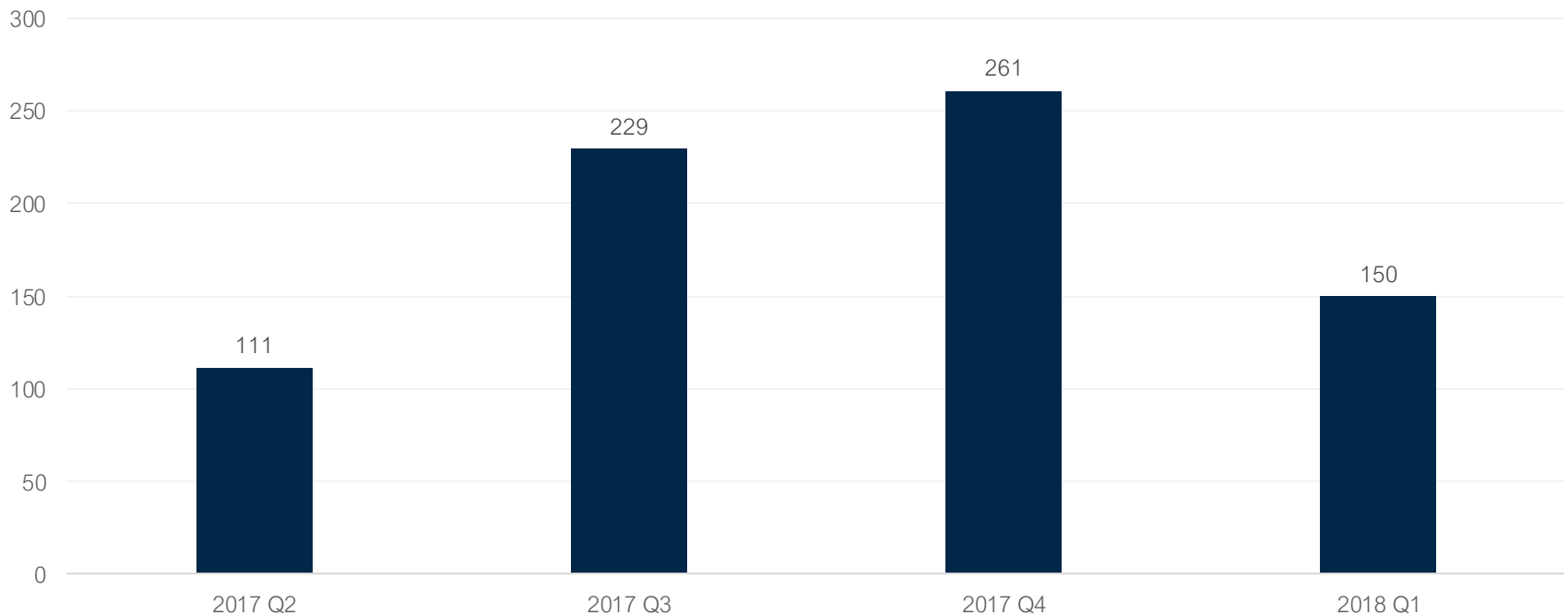
UAB NEO Finance investments



UAB NEO Finance, as a consumer credit provider, co-invests into loans together with investors. A policy of avoiding conflicts of interest is provided to every investor. In 2018 Q1 **UAB NEO Finance** invested **150 thousand EUR**.

Since the launch in December, 2015 **UAB NEO Finance** investments into loans reached **1.04 million EUR**.

NEO Finance investments, K EUR



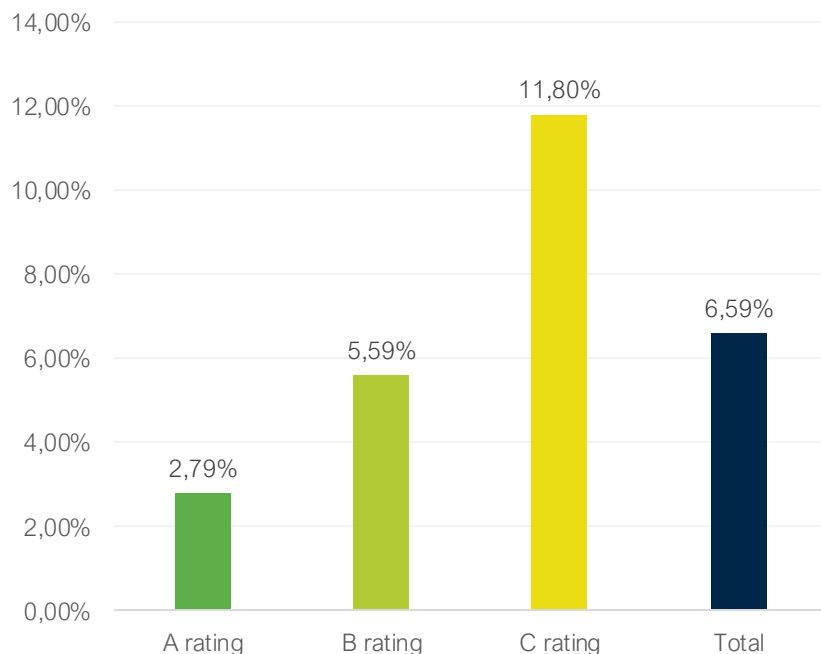
Overdue loans



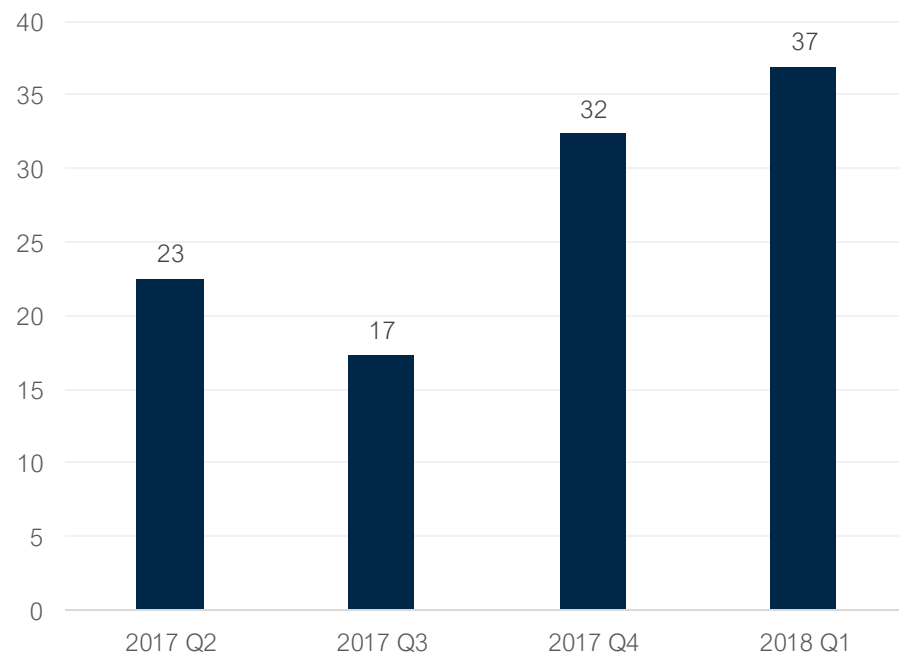
At the end of 2018 Q1 out of **5826 issued loans** - **395 loans**, or **6.78%**, were overdue for more than 90 consecutive days. Respectively, out of **14.5 million EUR** financed – **955 thousand EUR** or **6.59%** were overdue more than 90 days.

“**Paskolų klubas**” is highly concerned about loan repayments, therefore great effort was put in a recovery of payments from terminated loans. During 2018 Q1 a total of **37 thousand EUR** were recovered and distributed to investors.

EUR, overdue >90 days, %.



Amount recovered, K EUR

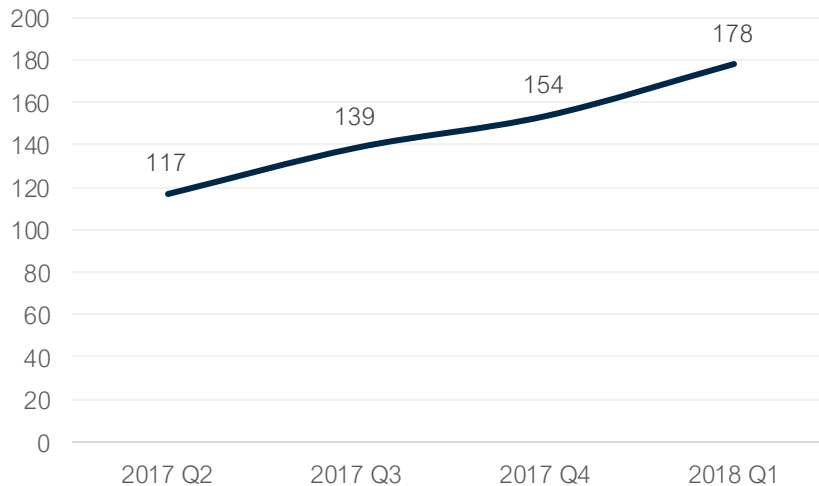


Provision fund

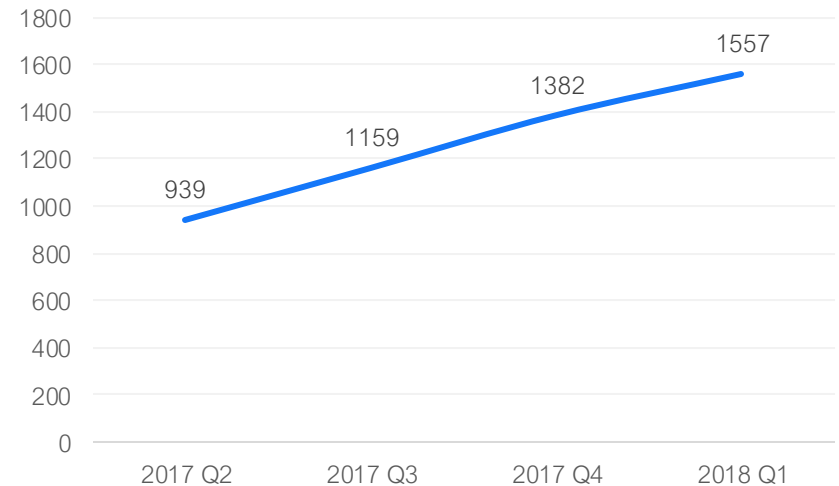
“Paskolų klubas” offers a „Provision Fund” service, which allows investors to reduce their investment risk. If a loan defaults – “Paskolų klubas” guarantees to repay the investor with all of the assets. During 2018 Q1 the service covered **73 141 EUR**.

For liquidity risk management, “Paskolų klubas” calculates the sufficiency of funds to cover liabilities under “Provision fund” and holds these funds in a separate bank account. The purpose of this account is to ensure the company's internal cash flow management. In order to fulfill its obligations to investors, the company may, if necessary, use other assets of the company. The fund's growth amounted to **24 369 EUR**. At the end of 2018 Q1 there were **177 974 EUR** of accumulated funds, and the total guaranteed amount was **1 556 946 EUR**, resulting in **11%** coverage ratio.

Provision fund, K EUR

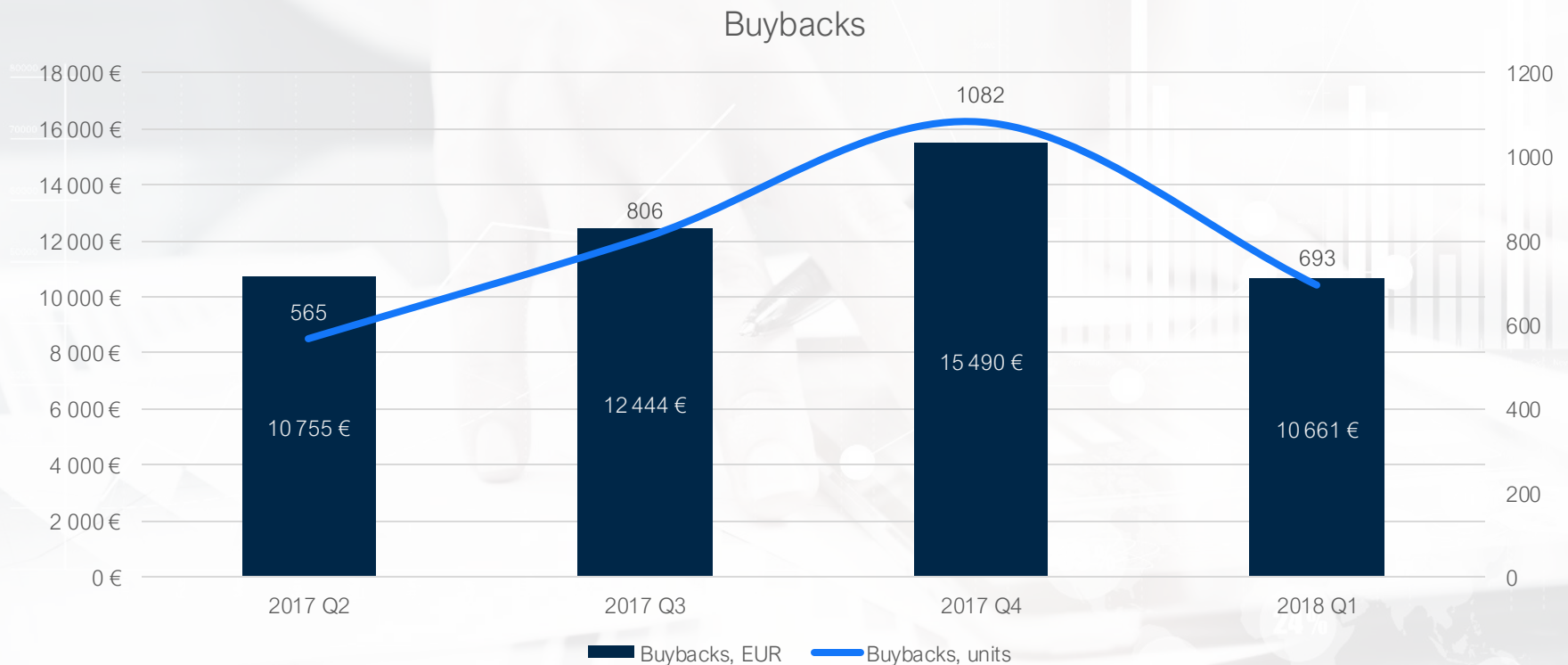


Guaranteed amount, K EUR



Buybacks

“Paskolų klubas” offers a buyback service. When an agreement with a borrower is terminated, investors have an option to sell their investment for **50-80%** of it's face value to “Paskolų klubas”. In 2018 Q1 investors sold **693 investments for 10 661 EUR**.



Secondary market

Secondary market is a feature where investors can sell or buy investments. It allows investors to adjust their risk exposure in pursuit of aggressive returns, or sell a nonperforming investment. It also provides liquidity when an investor feels the need to cash out. During 2018 Q1 secondary market turnover reached **118 408 EUR**. Average transaction was **26.28 EUR**.



Main statistics

Since launch till the end of 2018

Q1

4219

Active investors

3,422 €

Average amount
invested

1,388,147 €

Interest received

14,503,169 €

Issued loans

424,893 €

Investments sold in
secondary market

10,646,202 €

Outstanding principal