



Company presentation

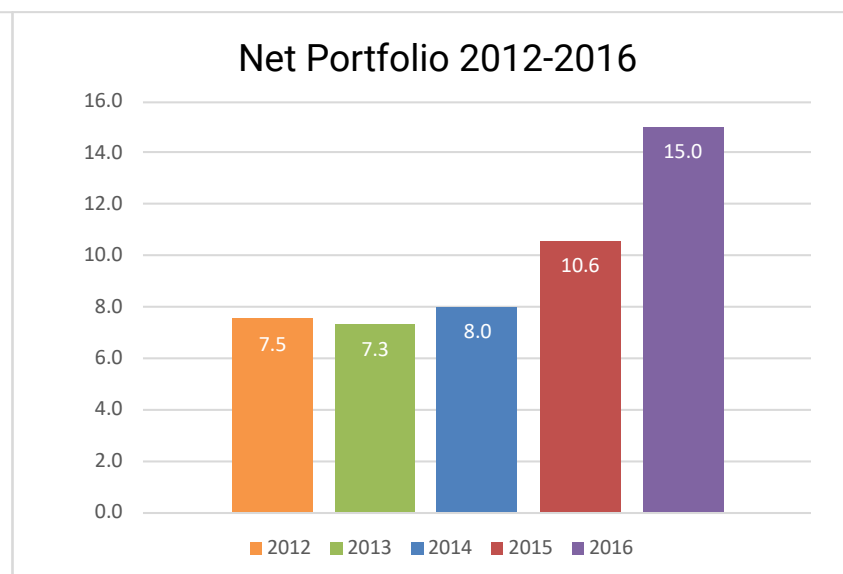
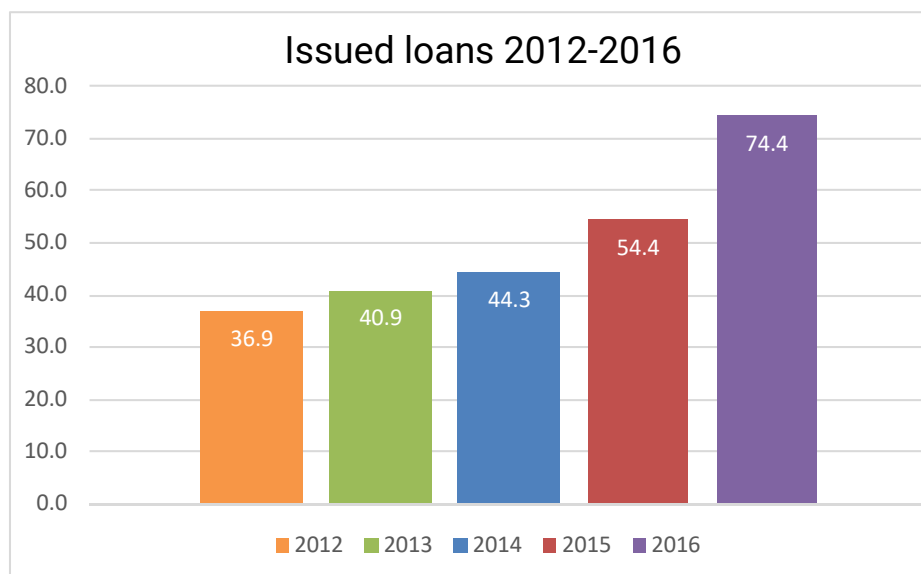
March 2017

Executive summary



EUR 000	2010	2011	2012	2013	2014	2015	2016*
Value of portfolio	658	4,059	7,513	7,314	8,005	10,568	16,229
Total revenues	586	3,595	10,554	14,576	11,535	13,574	16,466
EBITDA - TOTAL	105	-909	-900	2,991	3,133	2,911	4,232
Profit margin %	18%	-25%	-9%	21%	27%	21%	26%
Net profit	64	-1,380	-2,001	702	1,588	1,519	2,438
Profit margin %	11%	-38%	-19%	5%	14%	11%	15%

- VIA SMS Group, founded in 2009 is the second largest online lender of small unsecured loans to private persons in Eastern Europe
- VIA SMS Group provides fast online loans in Latvia, Czech Republic, Poland, Sweden and Spain
- The borrowing process is fully automated and provided online
- VIA SMS Group provides 2 products:
 - Short term loans till 30 days - Latvia, Czech Republic, Poland, Sweden and Spain
 - Long term loans from 3-12 months - Latvia and Sweden
- VIA SMS is a well established brand name
- In Sweden and Spain VIA SMS Group operates under brand name ViaConto
- VIA SMS Group has internally built and highly developed IT and CRM systems
- VIA SMS Group had a total of 130 employees split between it offices in Riga, Warsaw, Prague, Stockholm and Barcelona



Countries of operation

Currently we operate in:

Latvia /since December 2009
www.viasms.lv, www.viacredit.lv

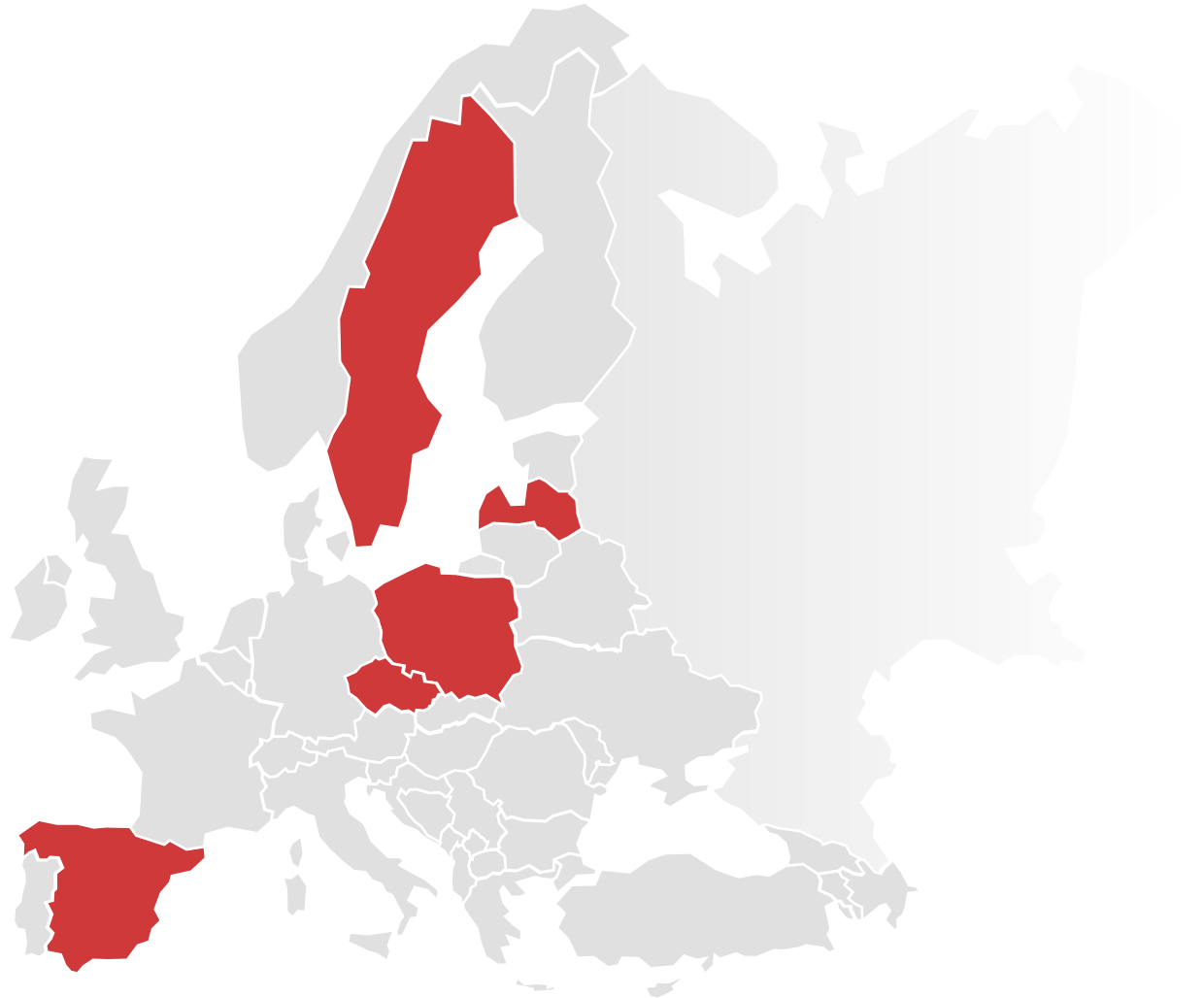
Czech Republic /since January 2011
www.viasms.cz

Poland /since April 2011
www.viasms.pl

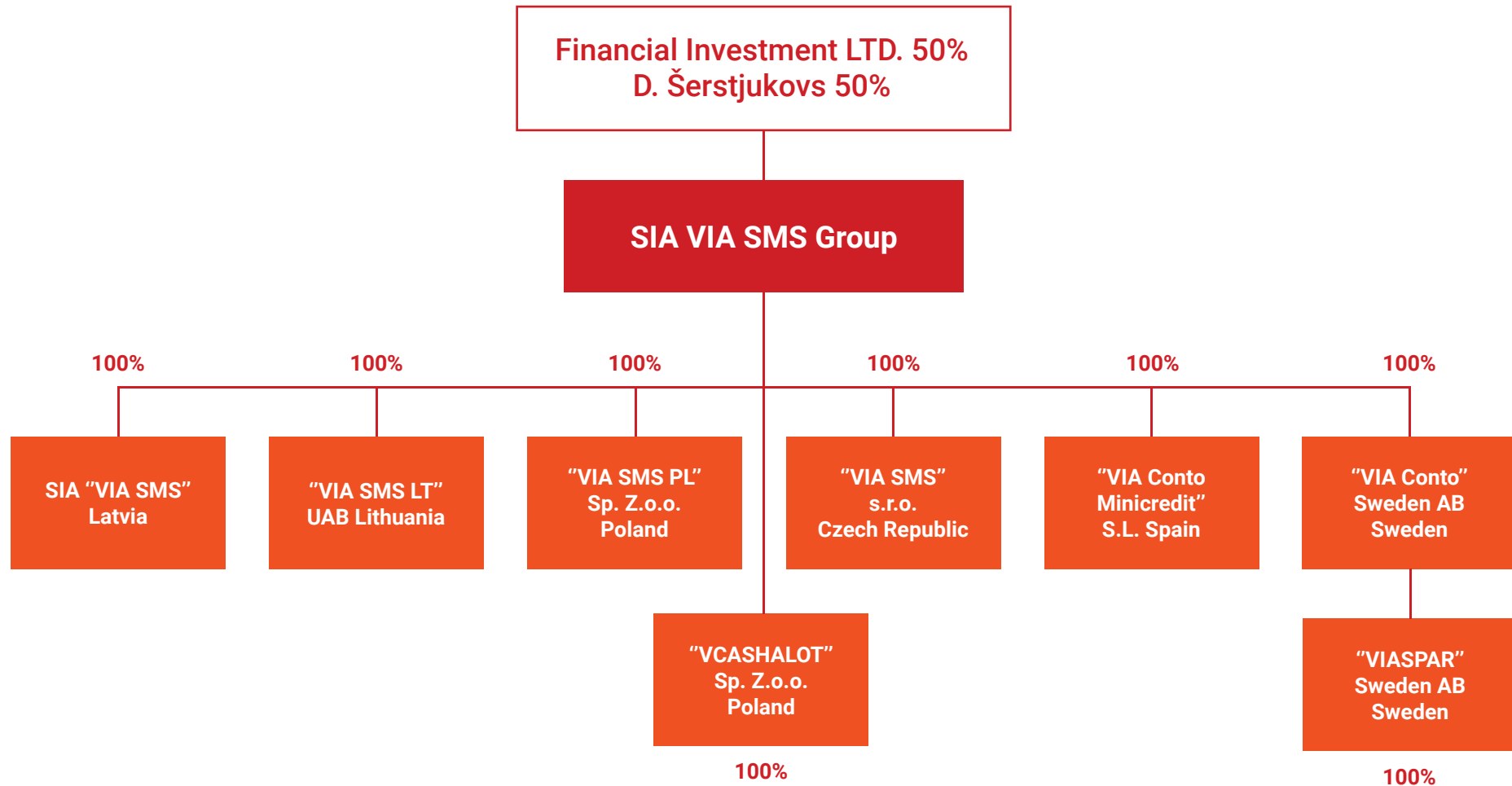
Sweden /since October 2011
www.viaconto.se, www.viaspar.se,
www.viakredit.se

Spain /since May 2015
www.viaconto.es

P2P lending platform /since November 2016
www.viainvest.com



Legal structure



VIA SMS Group Management Team



VIA SMS Group Board of Directors



Eduards Iapkoviskis

Board member since 2010

- Operations management
- 8 years of experience in banking
- Led the development of operations in Latvia, Lithuania, Czech Republic and Poland



Deniss Šerstjukovs

Board member 2007-2009 and since 2012

- Experience in finance
- Managing director in "Coffee Nation" network, later sold to Coffee Heaven (Whitbread Group)
- Deputy Head of Riga City Council Finance Department

VIA SMS Group management



Jelena Antipova

CTO since 2014

- Work experience on all levels of loan issuing process in various companies
- Masters degree in Computer Science



Daiga Muižniece

Head of Legal Department since 2015

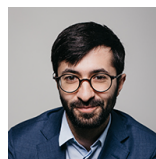
- 10 years experience in legal advisory, including consultations for BIG4 clients, in the fields of finance, civil and commercial law
- Industry experience: banking, investment and finance services, real estate, mass media
- LLM The University of Leicester, EU Commercial Law



Dmitrijs Ļvovs

Head of Risk Management Department

- Experience in risk department: 3 years
- Accenture, BI track lead, Russian state research institute researcher, VIA SMS Group Risk analyst; Risk Manager;
- Education: PhD

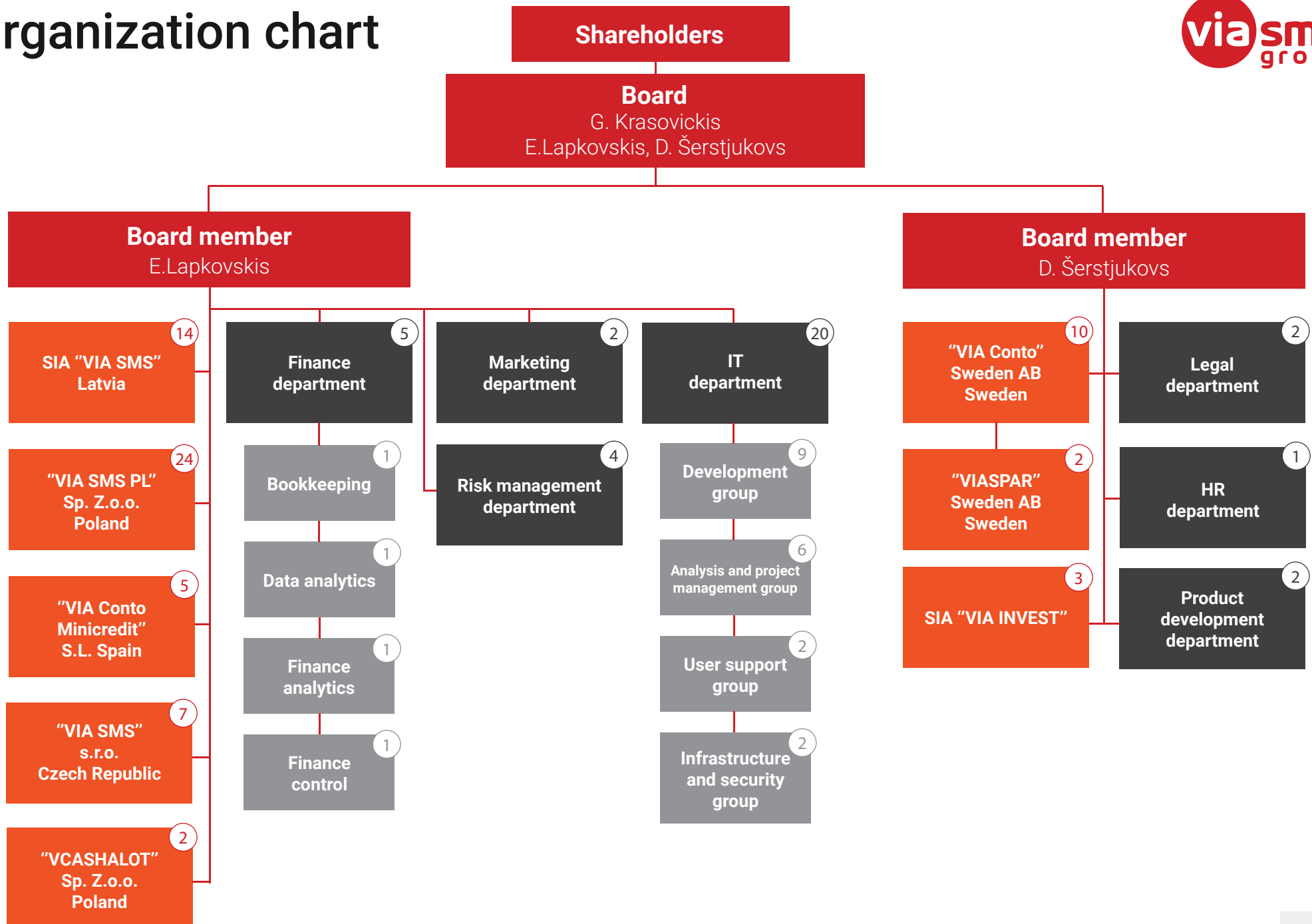


Mark Krasovickis

Head of Marketing Department since 2013

- 6 years of experience of marketing, including consumer lending in Group markets, IBM marketing communications, e-commerce, entertainment industry
- Industry experience: financial services, technology consulting, digital marketing
- Bsc University of Birmingham, Business Management

Organization chart



Products structure



	Single payment loan	Instalment loan	Line of credit	Credit Card
Loan amount	EUR 30 - 700	EUR 500 - 1500	EUR 2150	Max. EUR 1500
Term	Up to 30 days	Up to 12 months	Revolving creditline	Open-end credit
Interest rate	Monthly interest rate: 8% - 35%	Nominal annual interest rate: 55%	Monthly interest rate: 7%	Monthly interest rate: 7%
Extension	<ul style="list-style-type: none"> • Option to extend up to 30 days • Extension fee payable before extension 	<ul style="list-style-type: none"> • Option to reset scheduled repayment by a month • Extension fee payable before extension • Top up for initial amount available when criteria are met 	-N/A	-N/A
Markets	Latvia, Sweden, Spain, Czech Republic, Poland	Latvia	Sweden	Latvia

Customer care & profile

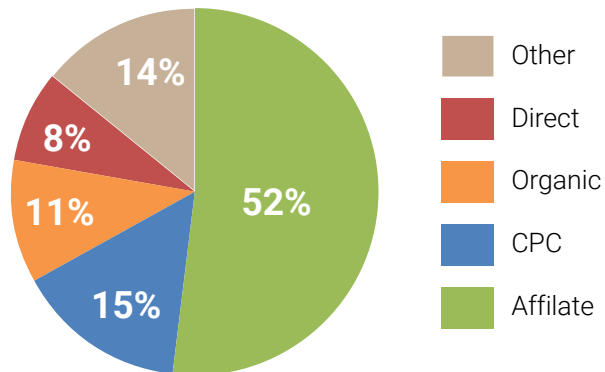
High level client service is distinguished by:

- Trained and customer friendly front office
- Creating user's profile
(A special social-network-type private space on web where the client can view all of his data, his current and past status with the company)
- Loyalty program for frequent clients

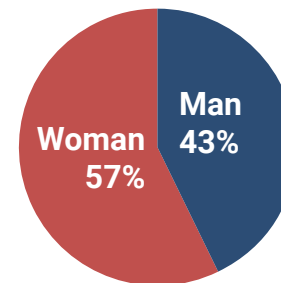
The typical client of the company:

- With permanent occupation
- Middle and low income
- Place of residence in densely populated cities

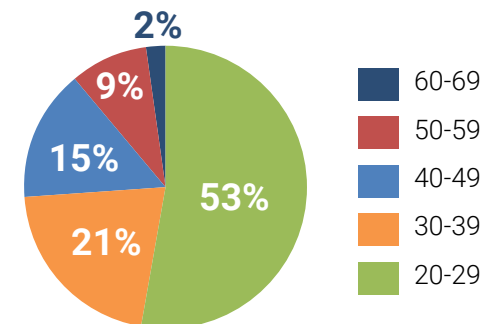
Applications by source



Gender split



Age split



- Total marketing expenses amounted to 13% of revenues in 2015:

A 43% drop from the 24% expense to revenue share in 2014.

- A 52% share of marketing expenses are accounted for affiliate marketing, which has proven to be the most cost effective method of new user acquisition.

- Consistent emphasis on SEO ensured high retention rates, brand awareness and brand recognition

- Data analytics are an integral part of all marketing activities Integration of all marketing activities with a custom designed data warehouse gave way to advanced user behavior analysis permitting the use of advanced targeting technologies

- Other, organic and direct channels are stimulated with SEO and Traditional Media to retain the existing user base for repeat purchase

- The consumer lending Marketing Mix consists of market specific campaigns primarily targeted at new user acquisition and retention of user base.

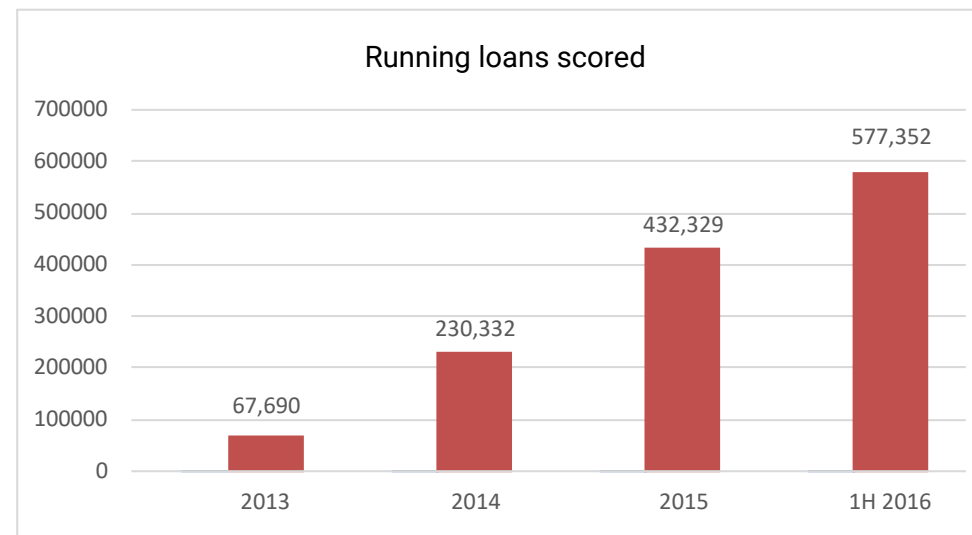
Credit scoring

Accurate: Models are based on application, behaviour, and external provider data. Best in class analytical algorithms, that are used to win data mining competitions;

Efficient: 15 automated and semi-automated Credit scoring, fraud scoring, identity-related scoring models, each individual model can be updated in a day's time;

Safe: Model parameters such as performance and stability are constantly monitored, backed by fail-safe architecture;

Evolving: currently the 3rd generation of models is used;

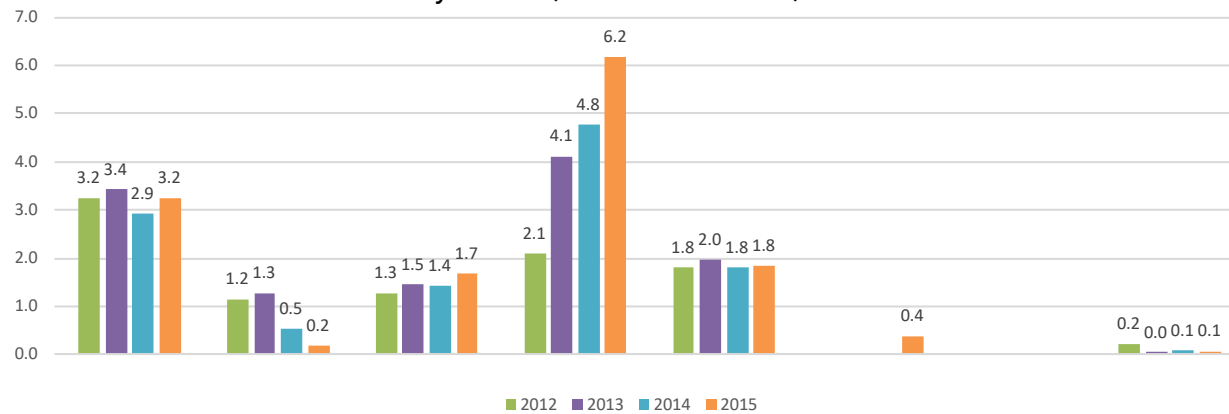


- **The debt collection process is automated:**
 - On a certain date CRM system generates automatic reminders and sends them to the client by e-mail;
 - Clients with large amounts of debt are offered the possibility to pay the debt in instalments;
 - If the borrower has delayed the loan repayment more than 30 days (varies depending on the country), his case transferred to VIA SMS partners - collection companies.
- **Affiliated debt collection companies in Latvia and Poland**

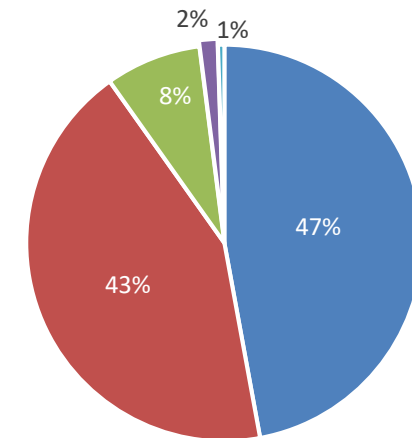
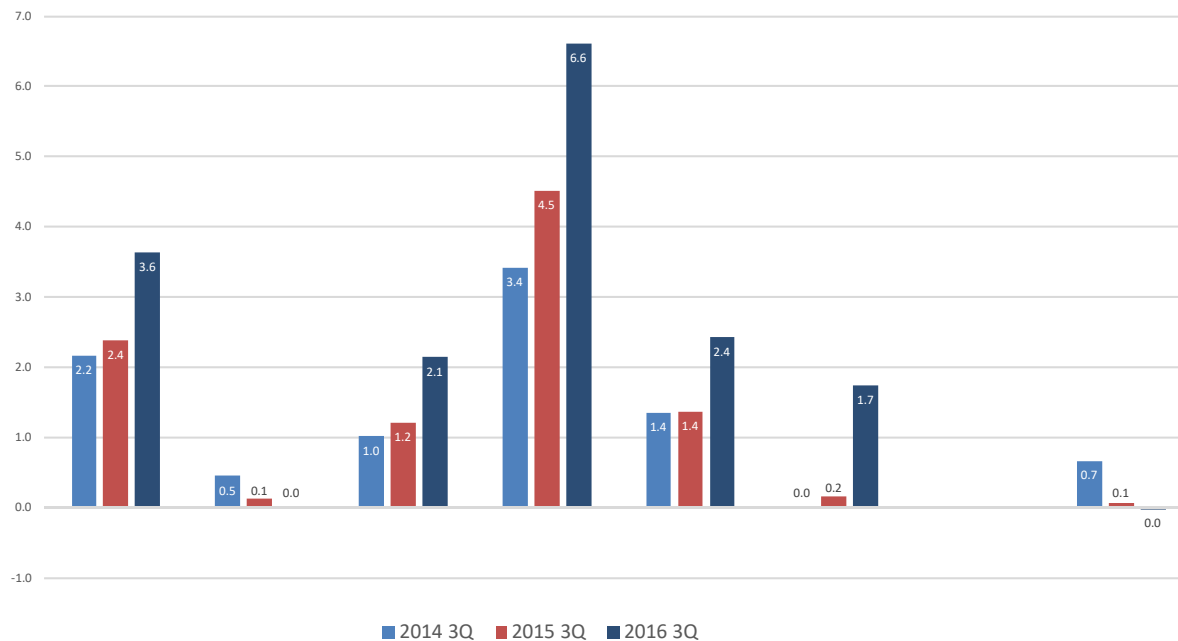


Revenue dynamics

Revenue dynamics, Year 2012-2015, EUR million



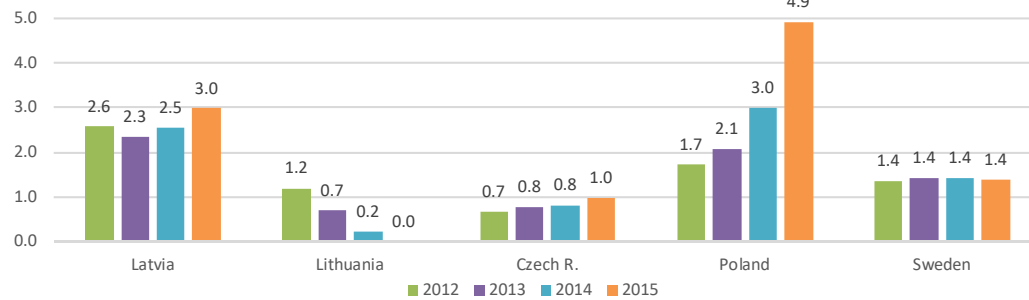
Revenue dynamics, Year 2014-2016 3Q, EUR million



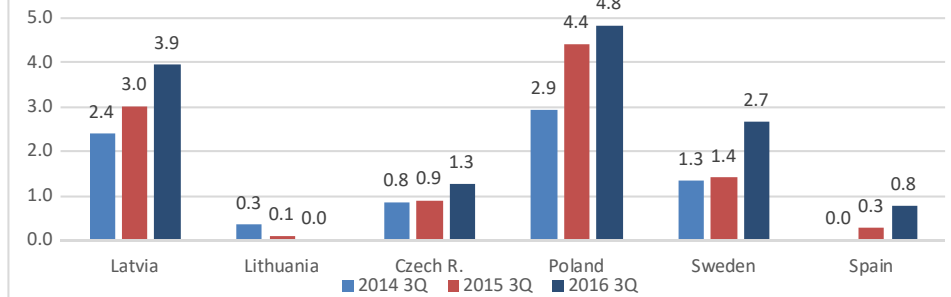
■ Loan fees ■ Extension fees ■ Penalties ■ Other fee ■ Other income

Portfolio dynamics

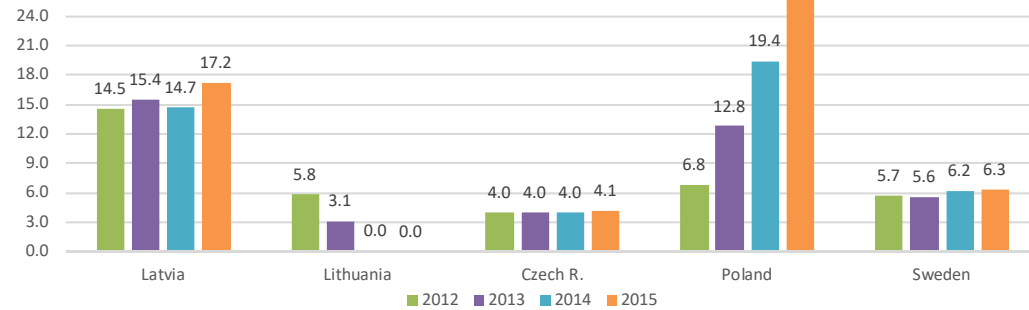
Net Portfolio dynamics, Year 2012-2015



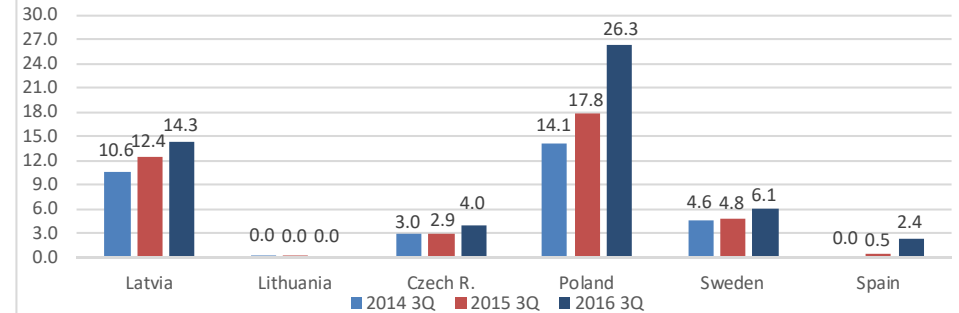
Net Portfolio dynamics, Year 2014-2016, 3Q



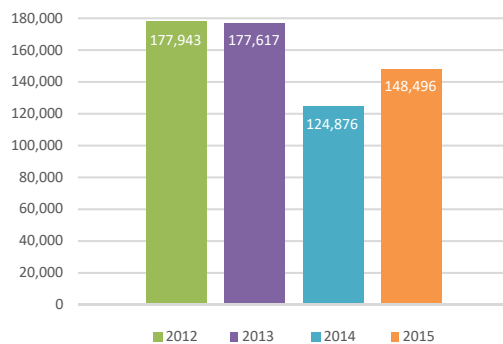
Issued loans, Year 2012-2015



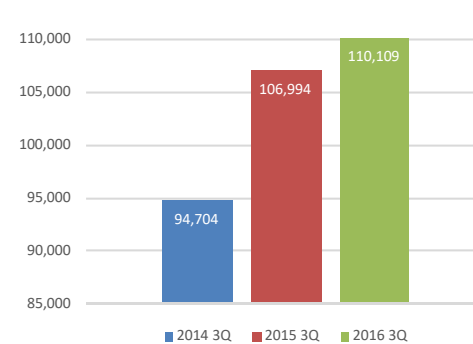
Issued loans amount, Year 2014-2016, 3Q



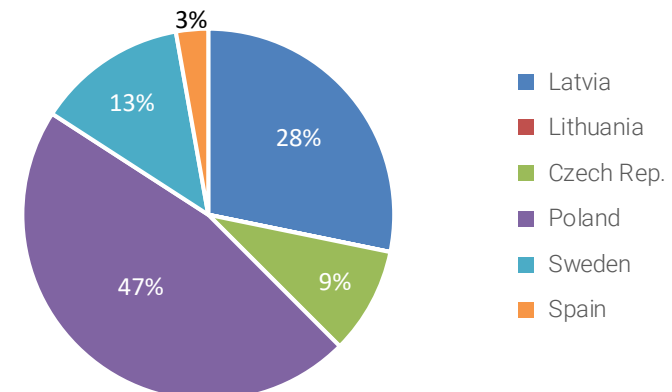
Registered clients, Year 2012-2015



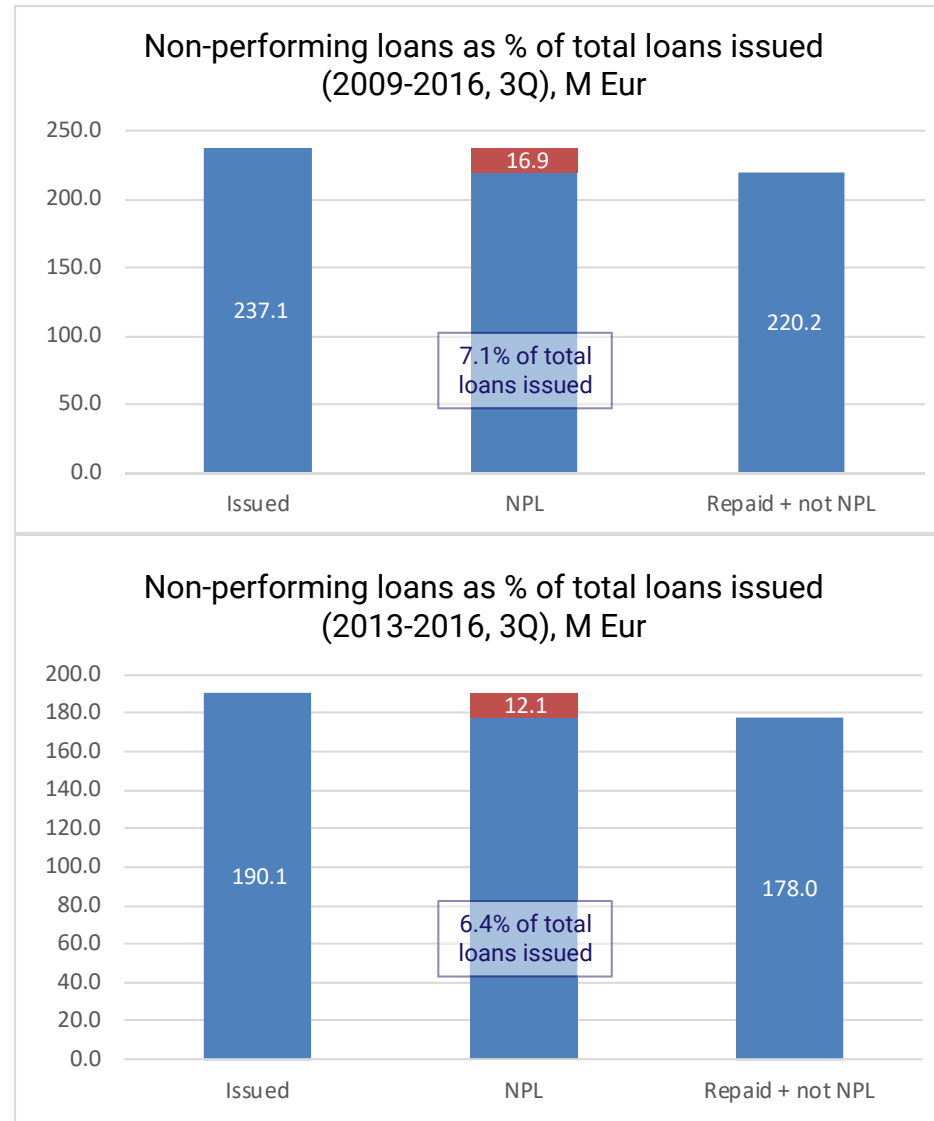
Registered clients, Year 2014-2016, 3Q



Value of Net Portfolio split by country, Year 2015



Non-performing loans



*Loans that are overdue more than 90 days or sold are considered as non-performing loans (NPL)



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