

Finbee performance report

2024 Q2



finbee 

Finbee CEO insights



We ended the second quarter of this year with particularly important news for both us and the Finbee investor community - Finbee Business attracted **35 million EUR** investment from the London-based Pollen Street Capital investment management company.

We are **one of the first** alternative lenders in Lithuania to attract an institutional investor of this scale. The capital raised will allow us to finance small businesses operating in Lithuania in better conditions, finance loans faster and thus ensure the further growth of Finbee.

Darius Noreika, CFA

Tendencies of financing



During the first half of the year, the amount of disbursed consumer loans reached **14.7 million euros** and was 29 percent higher than in the same period last year, while the issuance of business loans grew by 31 percent and reached **16.4 million euros**.

We ended the quarter with the best collection of instalments this year. As many as **86 percent** of customers paid their consumer loan installments without **a single day's delay**.

And the share of consumer loans overdue for more than 90 days in the portfolio has been steadily decreasing all these years and fell to the **lowest level in the last 4 years** at the end of June.

Since June, we have again started offering long-term loans to clients with a maximum term of up to 120 months. These loans are only offered to **low-risk customers**.

Of the 74 long-term loans issued in January-February, **none** is currently more than 30 days late.

Long-term loans are a great opportunity for investors to lock in an interest rate for a long period of time and thus increase investment returns.

Updates for the investors



Last quarter, we presented the following updates to investors:

- **Invite a friend program.** The number of new registrations doubled between May and June, and the number of new foreign investors increased by as much as 8 times during these two months.
- **Automatic approval of new investors:** most new investors will be able to invest even faster.
- **Statistics:** updated the display of portfolio default statistics.
- We have updated the data of the [best P2P calculator ever](#). Are your lending settings still the most efficient?

In the first half of this year, we will focus more on investors, making the changes most investors want:

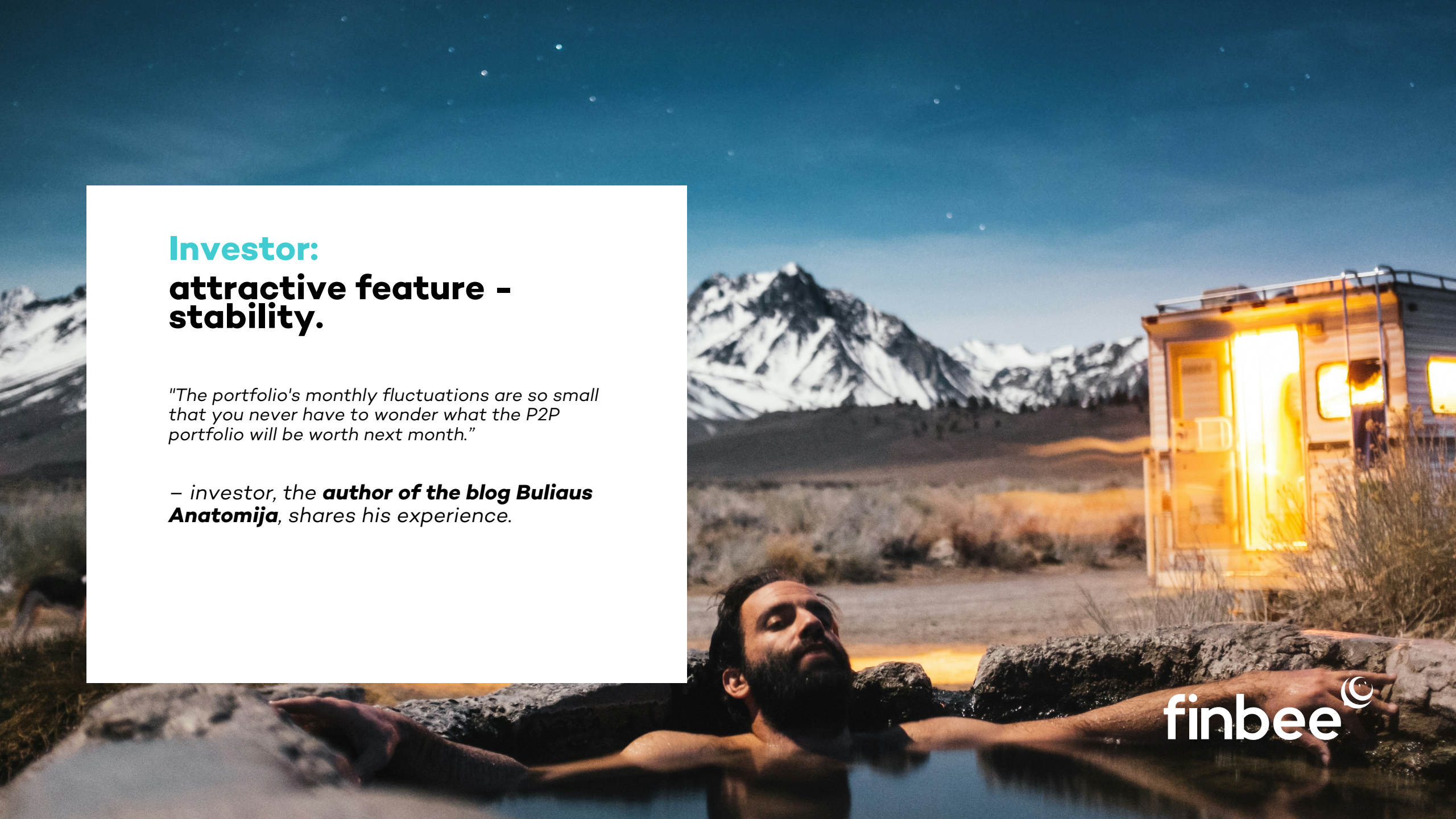
- We will **shorten the loading time of the account statement**, because especially for those who have invested for a long time or have a large amount of loans in their portfolio, generating the account statement may take a long time;
- We will work to **optimize other slower platform windows**, such as the monthly income graph and overview window.





Our investors

finbee[©]

A man with a beard is relaxing in a hot spring at night. In the background, there is a brightly lit cabin and snow-capped mountains under a starry sky.

Investor:
**attractive feature -
stability.**

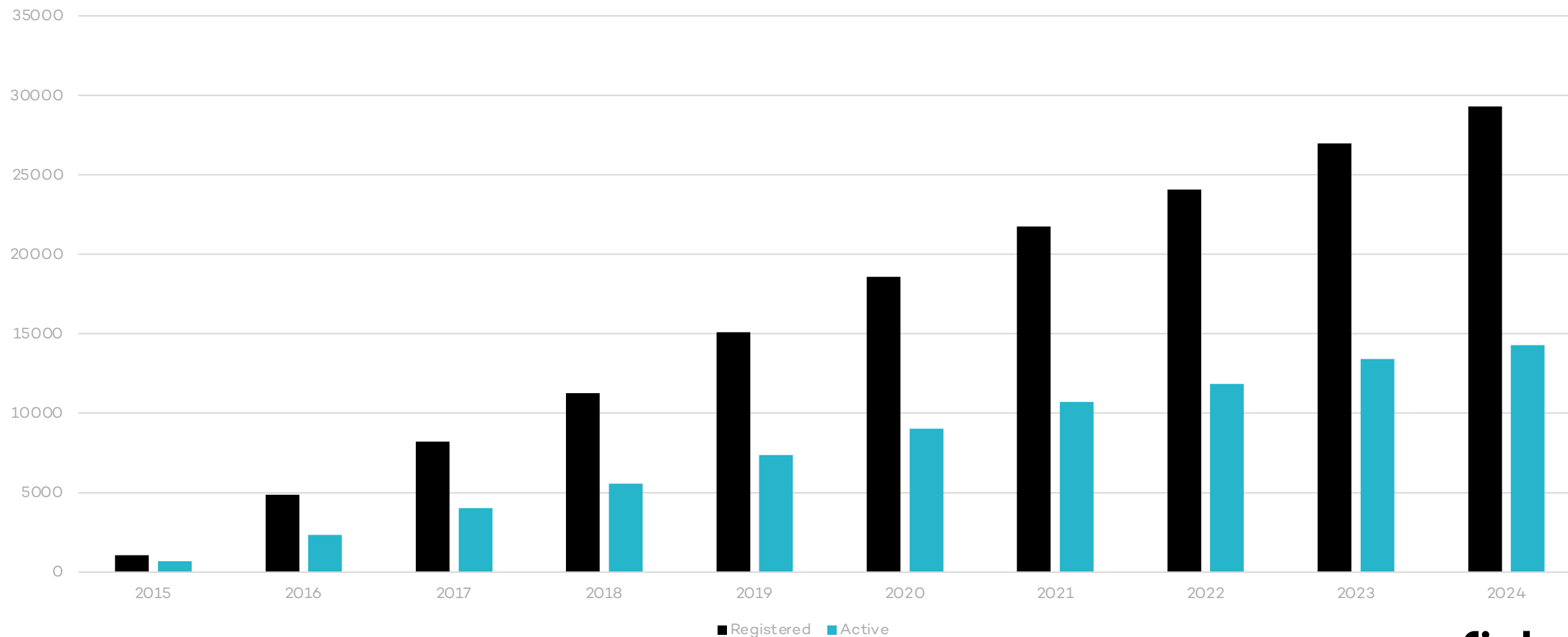
"The portfolio's monthly fluctuations are so small that you never have to wonder what the P2P portfolio will be worth next month."

– investor, the **author of the blog Buliaus Anatomija**, shares his experience.

Our investors

29.294

Number of investors in 2024.06.30 More than **14.286** of our investors have made at least one investment



Where do you rank?

Which place do you rank in terms of portfolio size?

Place	Portfolio size	Q1
TOP legal entity	6.071.761 Eur	-32%
TOP private investor	549.806 Eur	+1%
Top 10% active*	7.942 Eur	-4%
Top 50% active*	800 Eur	-15%

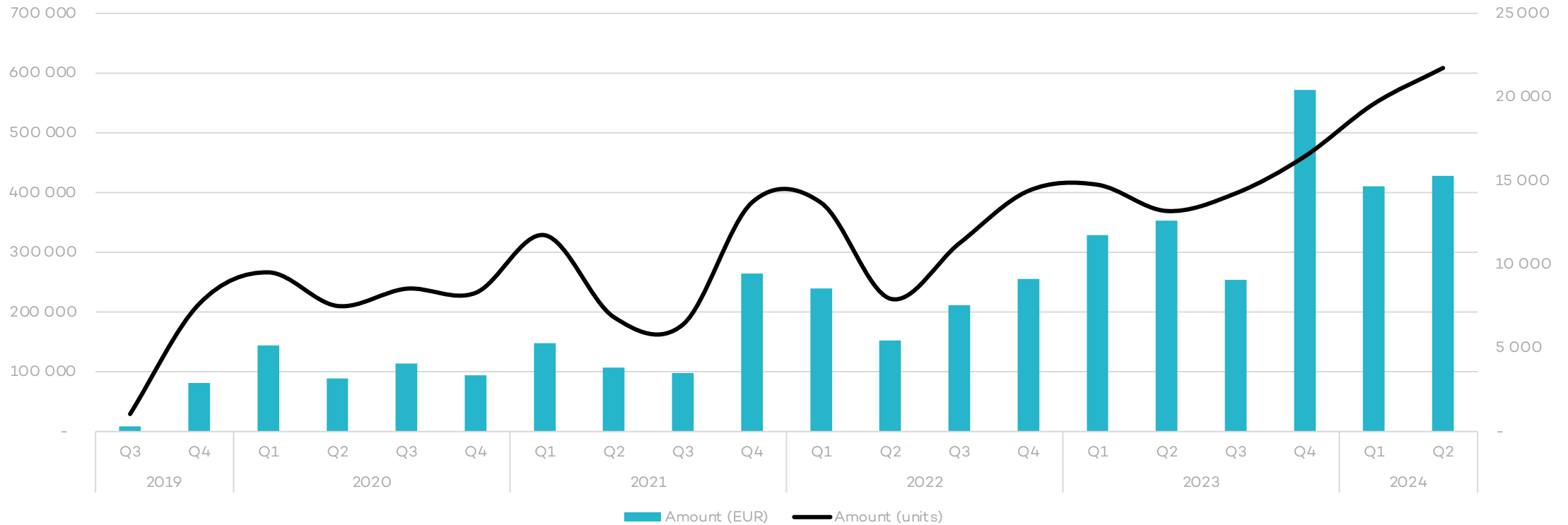
*Among those who invested in at least one loan in 2024

Secondary market statistics

428.291 Eur

That many loans were bought on the secondary market in 2024 Q2. This is the **second-best** quarterly record by amount, and the best by volume.

High liquidity



Finbee co-financing

In 2024 Q2 together with you we financed:



1,39 M EUR
to business loans

47%

*



1,74 M EUR
to consumer loans

21%

*



8,86 M EUR
active portfolio

28%

*

We know that we
generate good returns
for the whole hive and
invest together!

*Compared to 2024.03.31



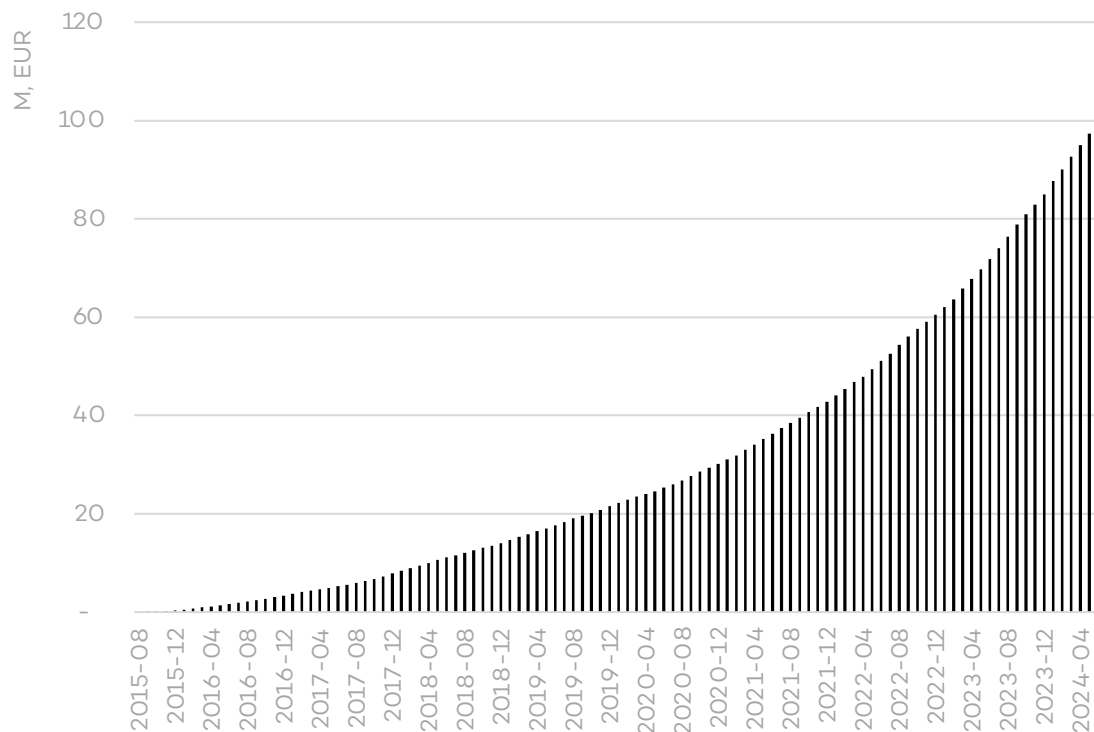
Consumer loans

finbee[©]

Consumer loans

35%

YoY growth



9 years

in the market

36.858 units

loans issued

8%

99,7M EUR

loans issued in total

8%

2.705 EUR

average loan amount

0%

15,3M EUR

interest paid out to the investors

7%

*Compared to 2024.03.31

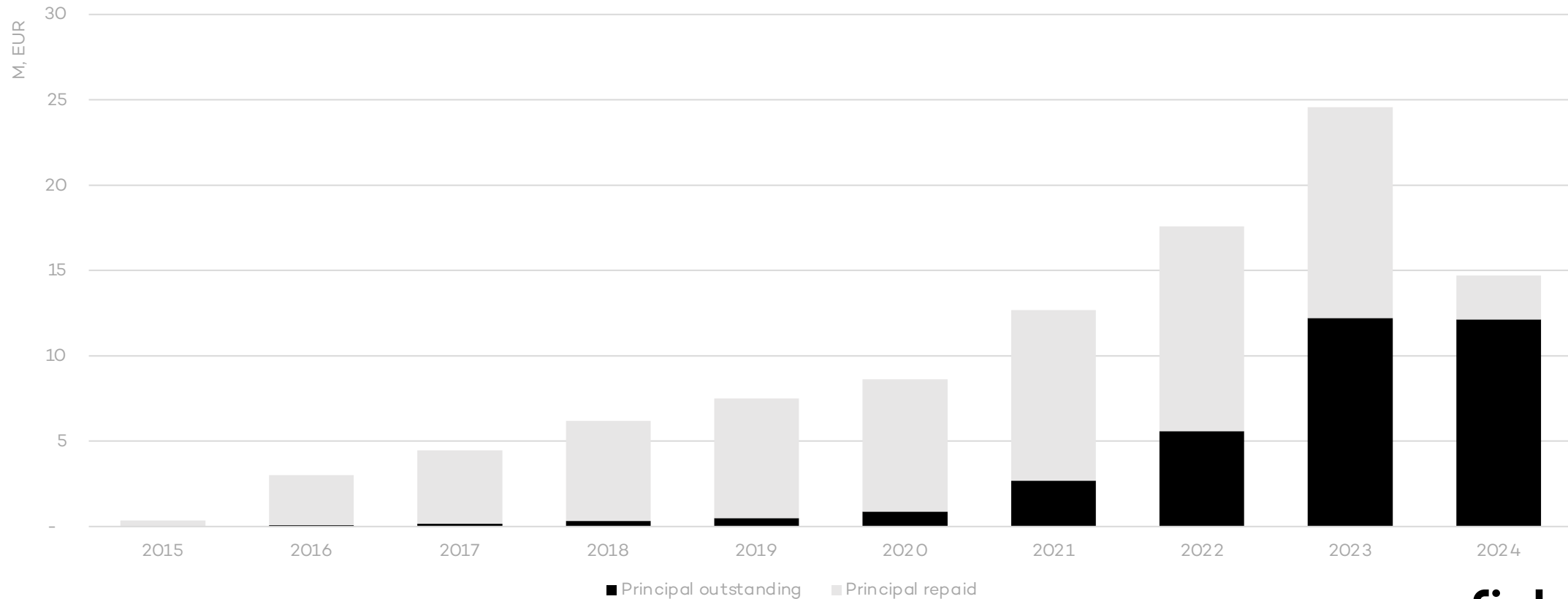
Loans issued

34,6M EUR



50% of the loans issued in 2023 have already been repaid

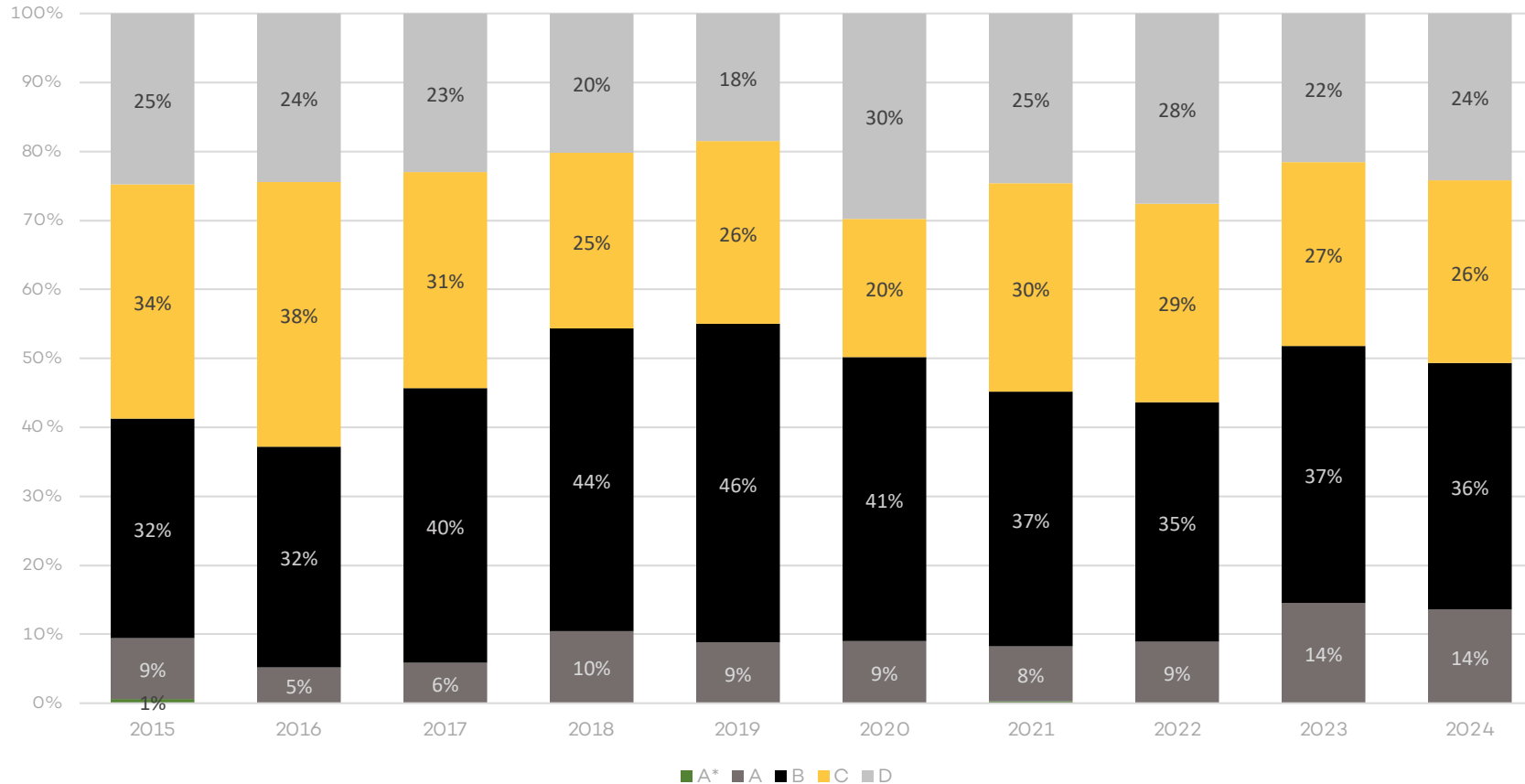
active loan portfolio at 2024.06.30
30 months average loan duration



*Compared to 2024.03.31

Distribution of loans by ratings, %

Thanks to Klix loans*, the share of customers with the lowest risk has increased significantly



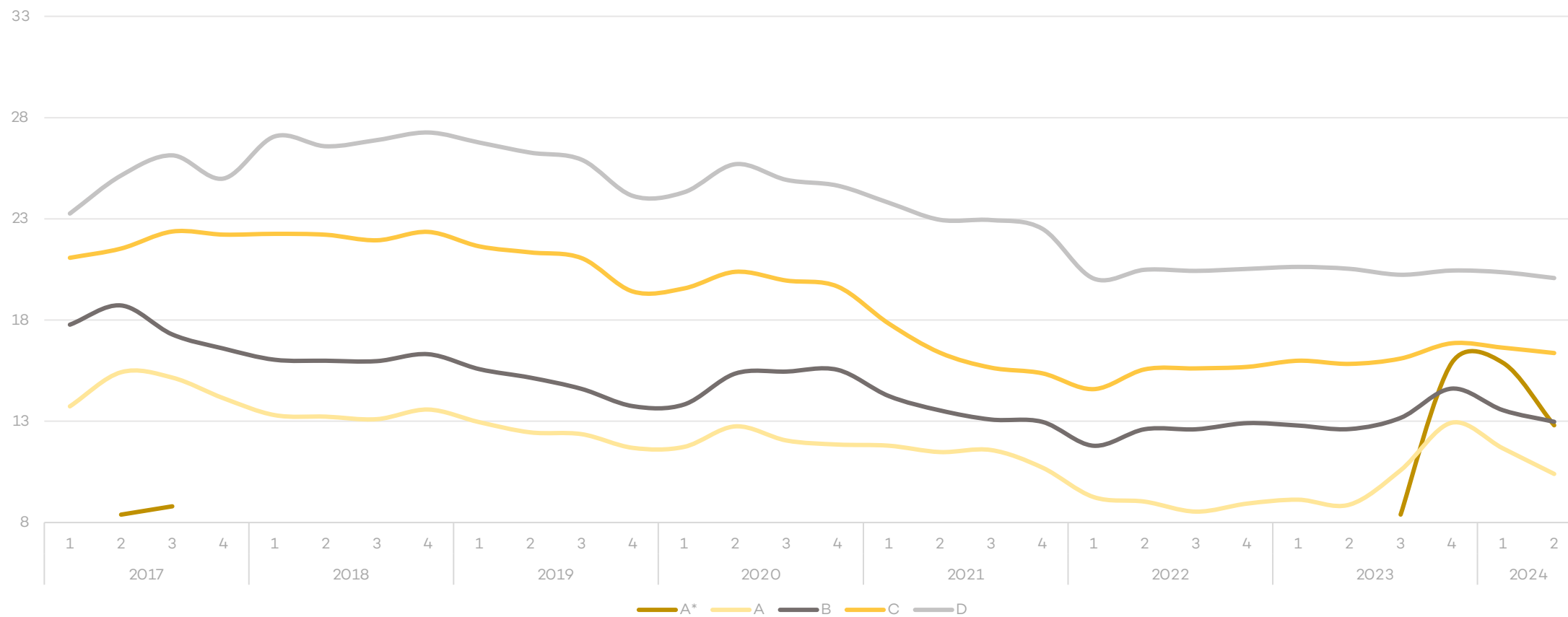
- A*** - lowest risk customers. Minimal chance of delays. Very low interest rate paid by customers.
- A** - very low risk customers. Low probability of default.
- B** - low risk customers. Small delays are likely, but offset by a higher interest rate.
- C** - medium risk customers. Higher delays and defaults are likely. This is compensated by customers paying a higher interest rate.
- D** - High risk customers. High likelihood of solvency problems for the customer, but the risk is compensated by a high interest rate. Historically generates the highest returns for investors.

*Loans when buying goods in partner e-stores.

Interest rate, %

15,34%

effective interest rate at
2024.06.30



Active debt prevention

In Q2:

Recovery

How do we deal with late borrowers?



Sent **134.946** (+34%*) emails and **64.235** (+63%*) SMS to the borrowers



Terminated **153** (-7%*) loan contracts



Made **4.669** (+3%*) calls to the late borrowers

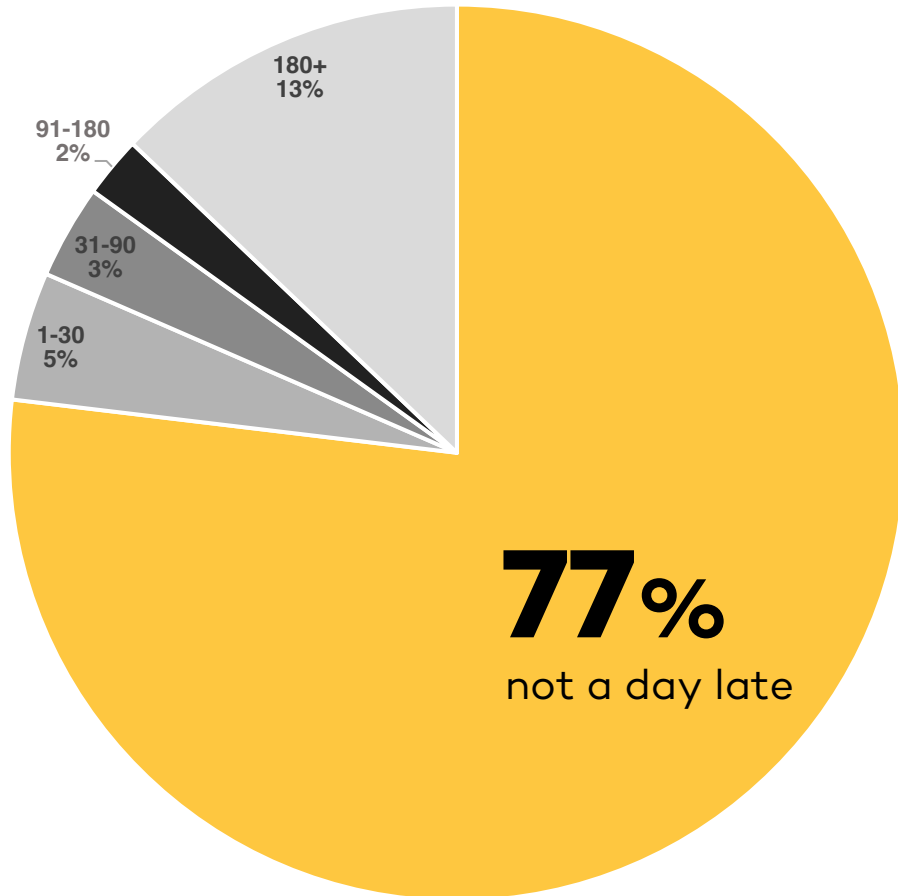


152 (+12%*) borrowers put to the court

* Compared to 2024.03.31

Portfolio composition

by days late, units



88,3%

of customers made a payment in the last 30 days

5,08%

of loans issued in 2023 defaulted

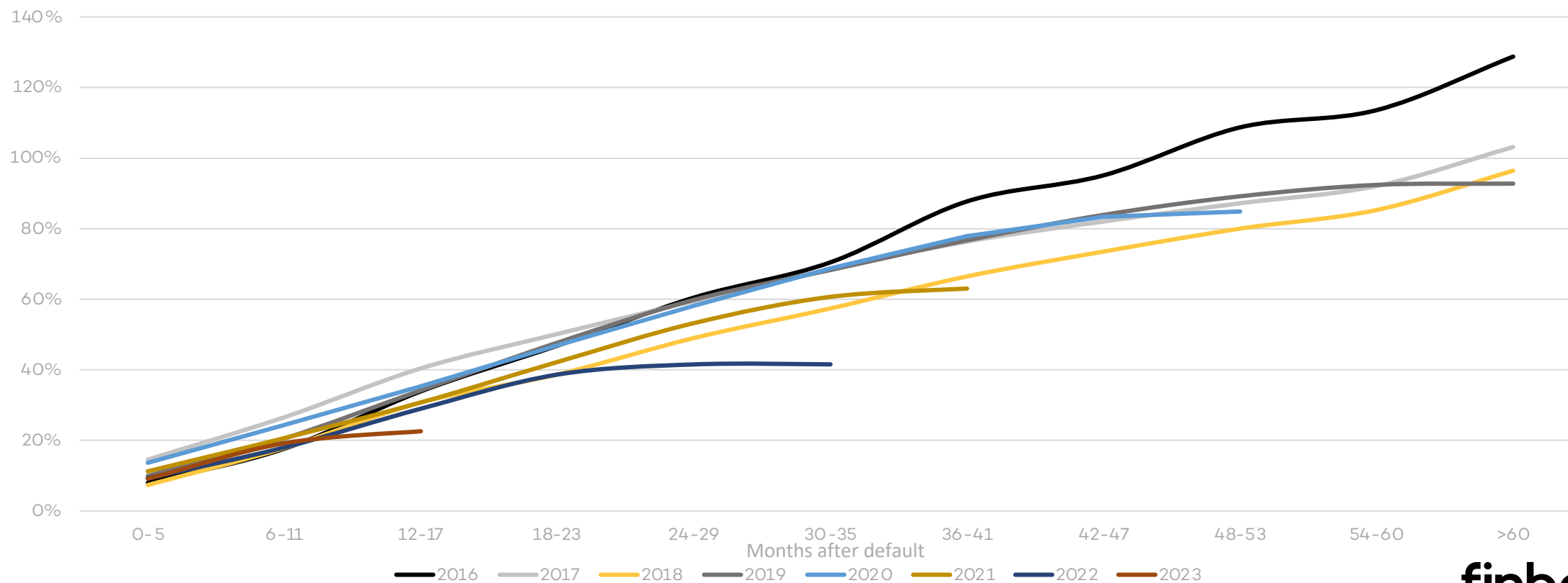
* Compared to 2024.03.31

Loans recovered

A recovery of more than 100% means that we have recovered not only the loan principal but also the interest

5-6 years

Historical duration until defaulted principal is fully recovered

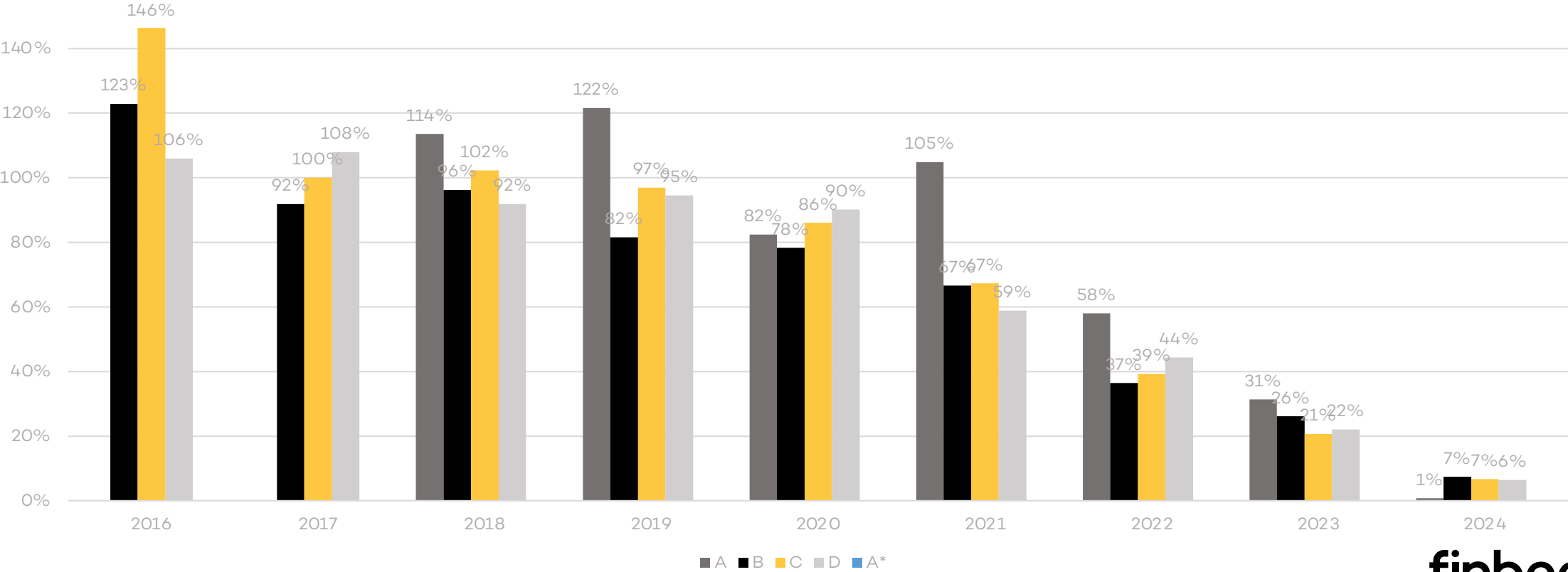


Debt collection performance, by rating

Debt collected, % of outstanding principal at default

A rated

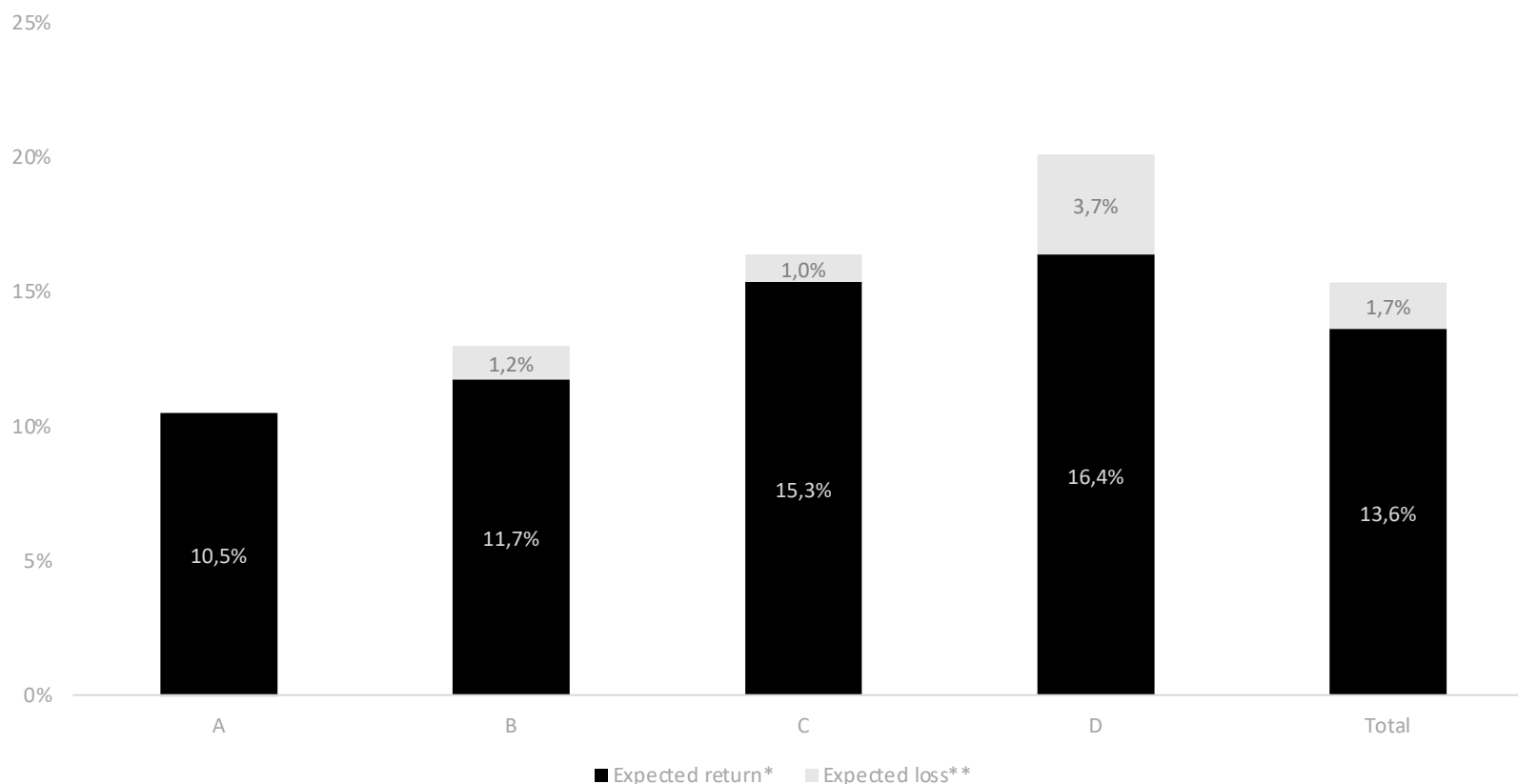
customers have the **best collection performance**, therefore low-risk customers pay lower interest on loans



Return on loan portfolio

13,6%

Return on consumer loan portfolio



*** The expected return is calculated as :**

Weighted average interest rate (%) – expected loss (%) on the original loan amount

**** Expected loss (%) = PDw x EAD x (1- RR)**

PDw: Probability of default (%) = Number of defaulted loans at origination / Number of total loans originated

EAD: Loan balance at the date of the first default moment (%) = Loan balance at the time of default / Loan amount at origination

RR: Recovery rate, the proportion (%), that is recovered on the loan balance at the time of default = Amount recovered after default events / EAD



Business loans

finbee[©]
verslui

Finbee Verslui CEO insights



We became one of the first alternative lenders in Lithuania that attracted **a large-scale institutional investor**. The well-known European investor Pollen Street Capital - an independent alternative investment management company founded in 2013 - invested in the growth of our business loan portfolio. This investment allows us to provide business loans to more than one thousand Lithuanian companies and to finance them faster and on more favorable terms than before.

Lithuanian small and medium enterprises demonstrate their ability to adapt to various situations and prosper. Hundreds of businesses are successfully growing and are looking for solutions to replenish working capital or finance investments. In the first half of this year, we granted **16.4 million EUR** business loans - 31 percent more than in the same period last year.

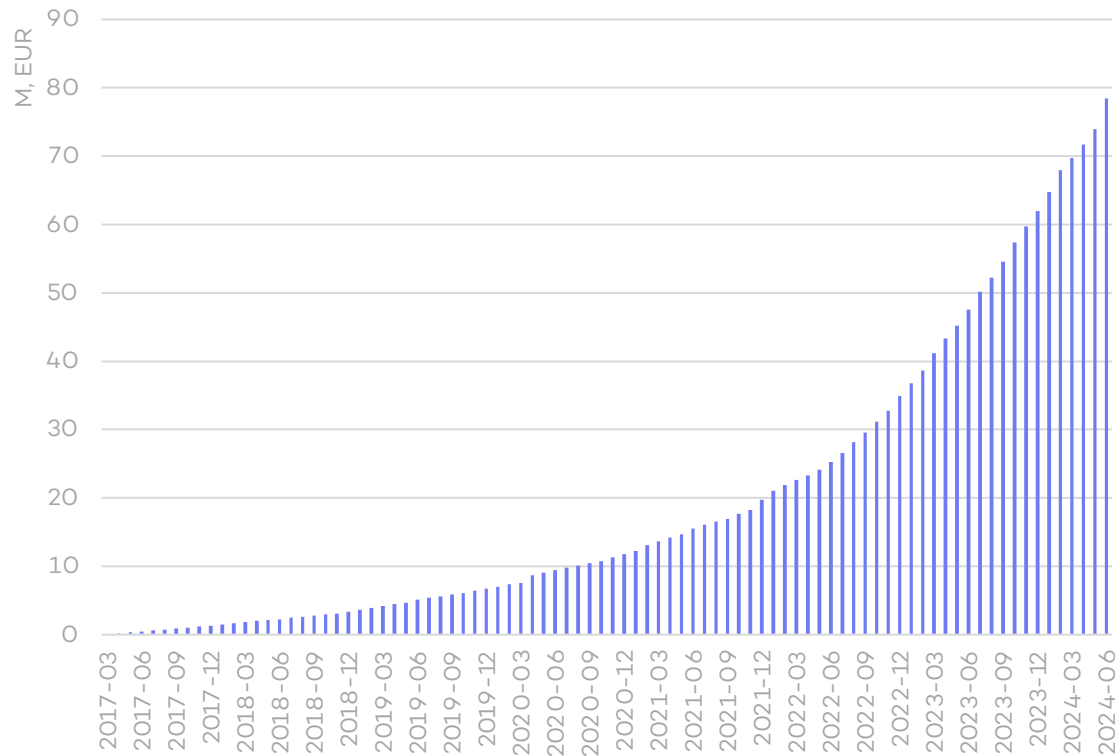
Tomas Mačiulaitis, CEO



Finbee business loans

63%

YoY growth

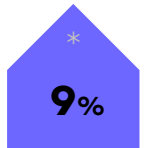


8 years

in the market

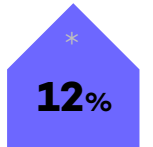
4.797 units

loans issued



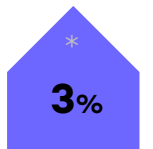
78,4M EUR

loans issued



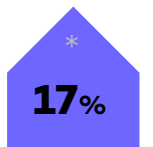
16.343 EUR

average loan amount



7,16M EUR

interest paid out to the investors



*Compared to 2024.03.31

Loan volume

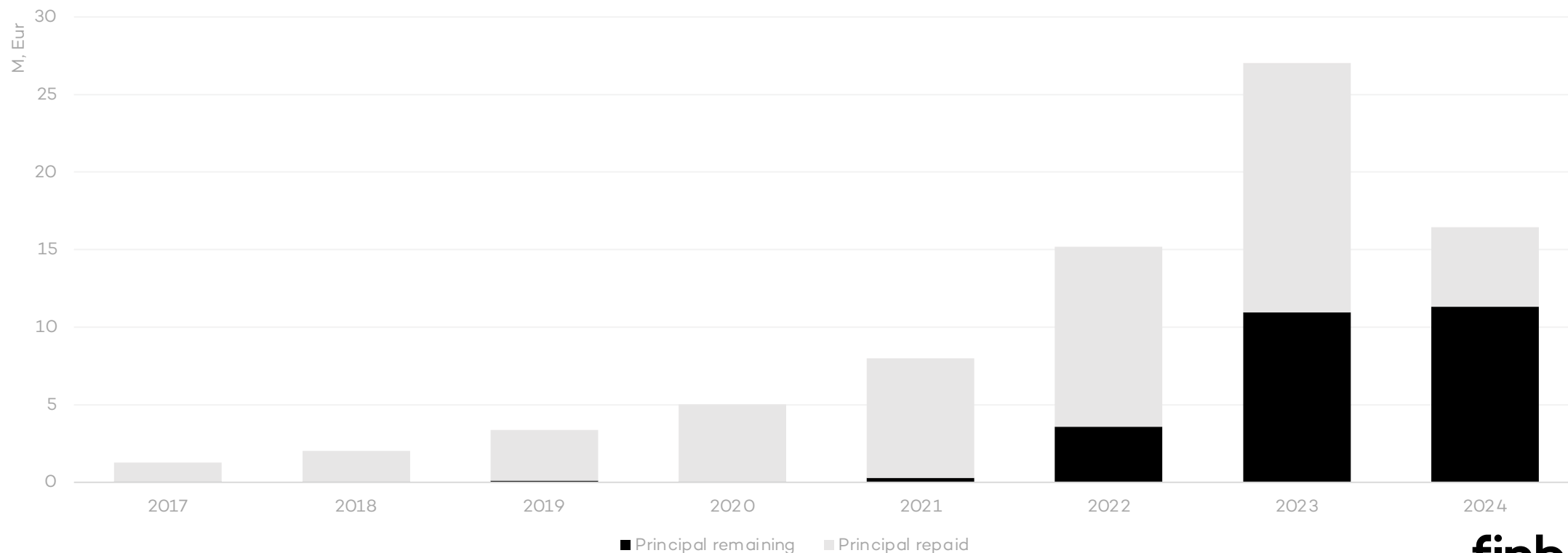
Already 60% of the loans issued in 2023 have been repaid

26,3M EUR

10%
*

active loan portfolio at 2024.06.30

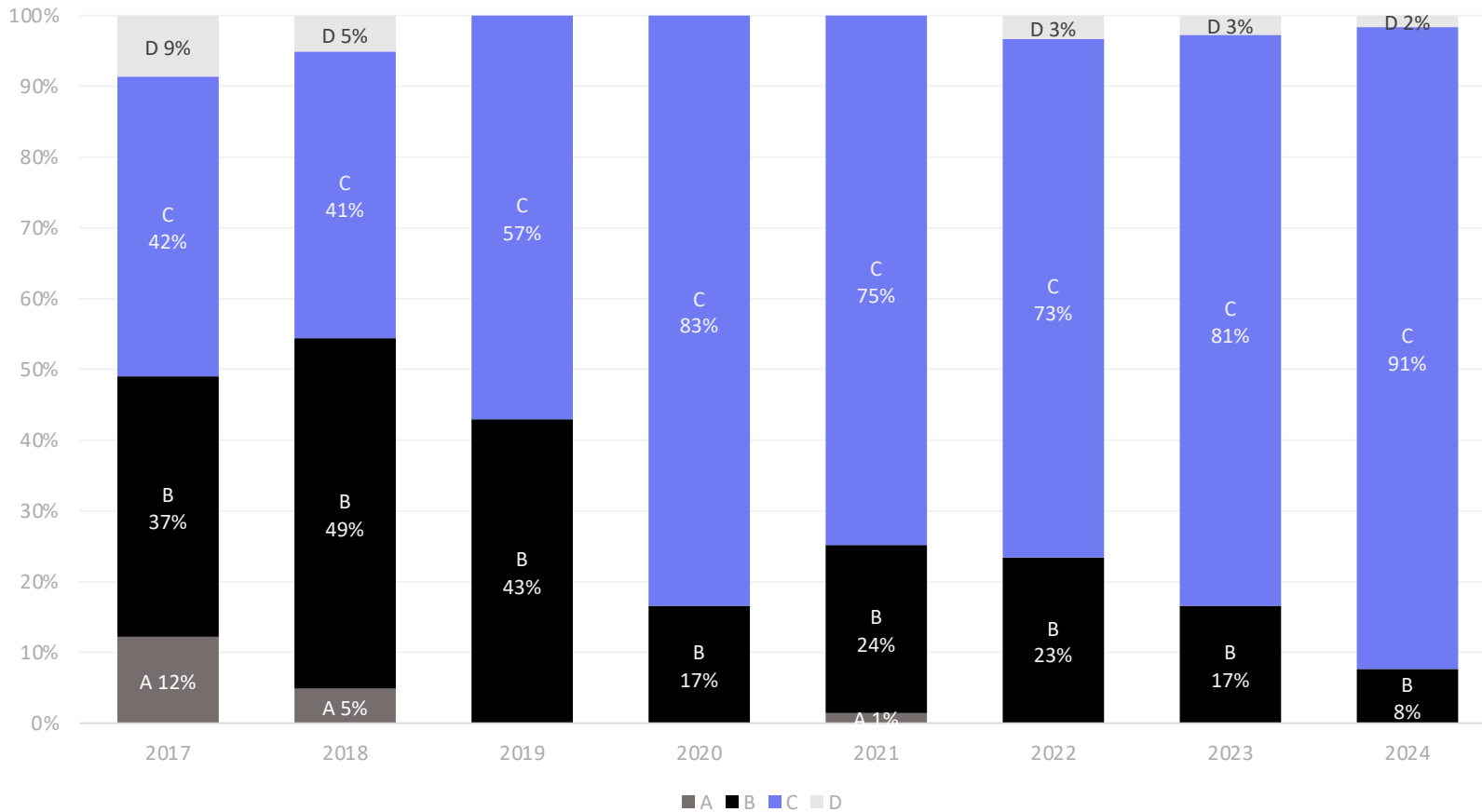
21 months average loans duration



*Compared to 2024.03.31

Business loans by rating, %

A reduction in B-rated loans due to customer demand for amounts exceeding our funding capabilities

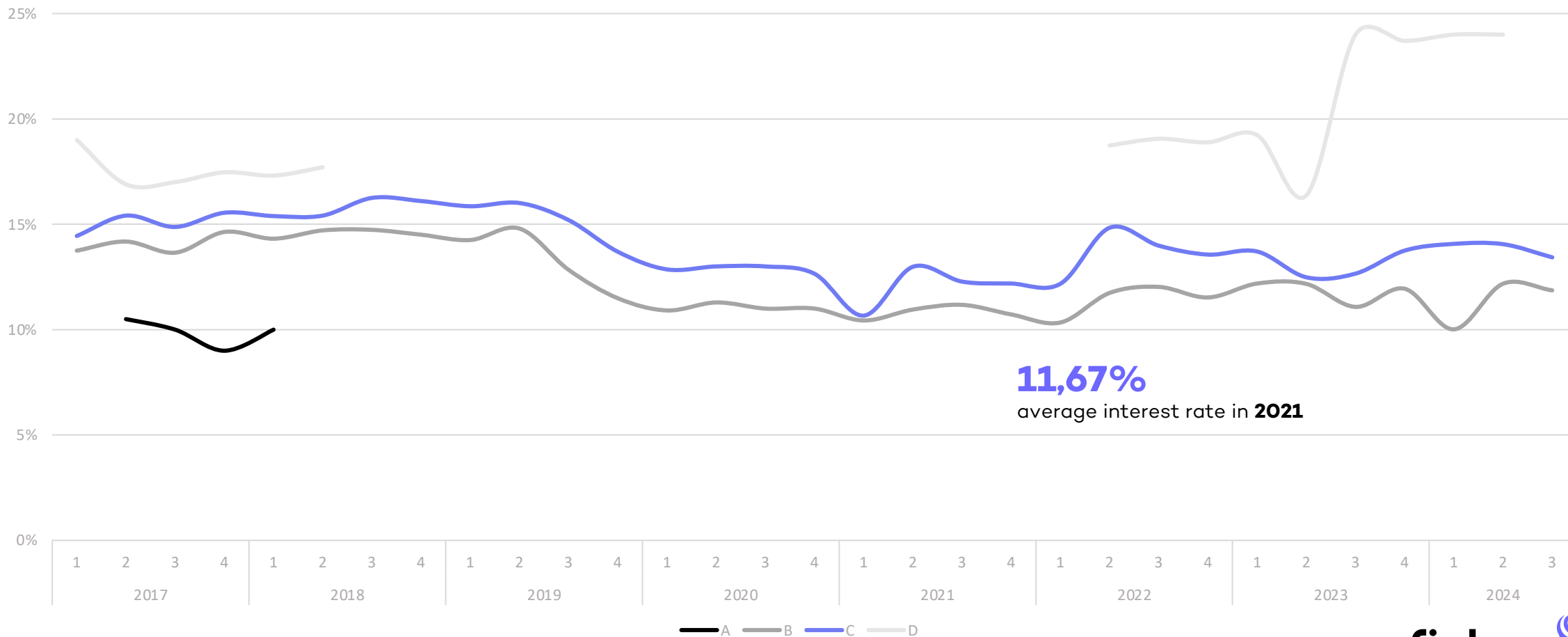


A* - žemiausios rizikos klientai. Vėlavimo tikimybė minimali. Labai žema klientų mokama palūkanų norma.
A - labai žemos rizikos klientai. Vėlavimo tikimybė maža.
B - žemos rizikos klientai. Tikėtini nedideli vėlavimai, tačiau juos kompensuoja didesnė palūkanų norma.
C - vidutinės rizikos klientai. Tikėtini didesni vėlavimai ir įsipareigojimų nevykdymo atvejai. Tai kompensuojama klientams mokant didesnę palūkanų normą.
D - aukštos rizikos klientai. Didelė tikimybė klientui susidurti su mokumo problemomis, tačiau rizika kompensuojama taikant aukštą palūkanų normą. Istoriskai generuojama didžiausia grąža investuotojams.

Interest rate, %

13,95%

average interest rate at **2024.06.30**



Active loan prevention

In Q2:

Recovery

How do we deal with late borrowers?



We sent **32.291** (+19%*) emails and **10.472** (+16%*) text messages to the borrowers



Terminated **83** (+18%*) loan contracts



Made **1.232** (-57%*) calls to late borrowers



Put **56** (-33%*) borrowers to court

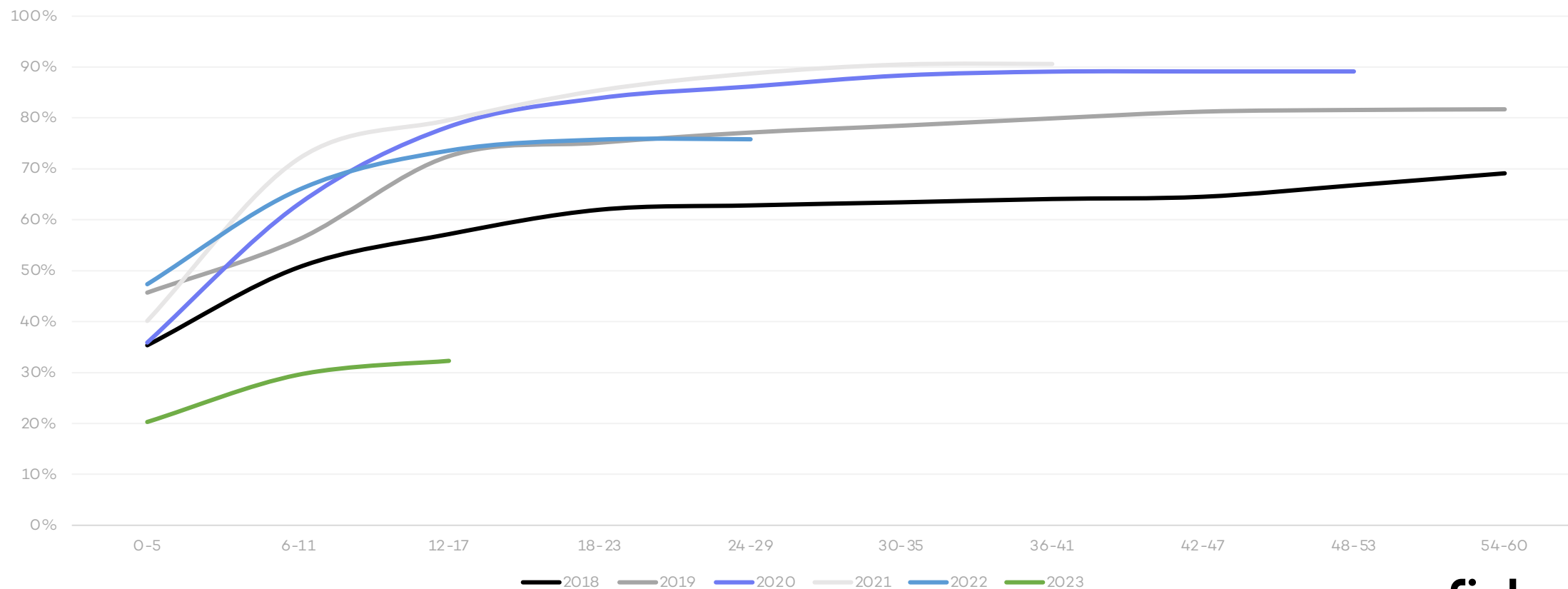
*Compared to 2024.03.31

Loans recovered

during equal number of months after the start of recovery, % of outstanding principal at default

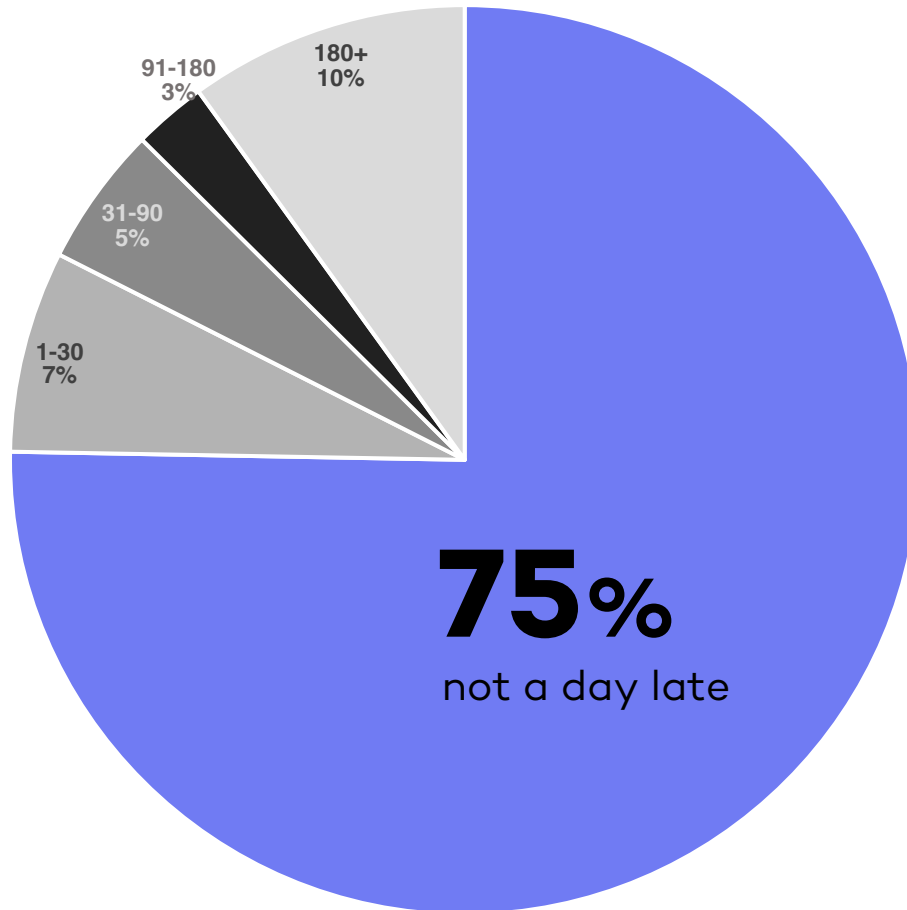
91%

of outstanding principal recovered of loans that defaulted in 2021



Portfolio composition

By days late, units



81,9%

borrowers made a payment in the last 30 days

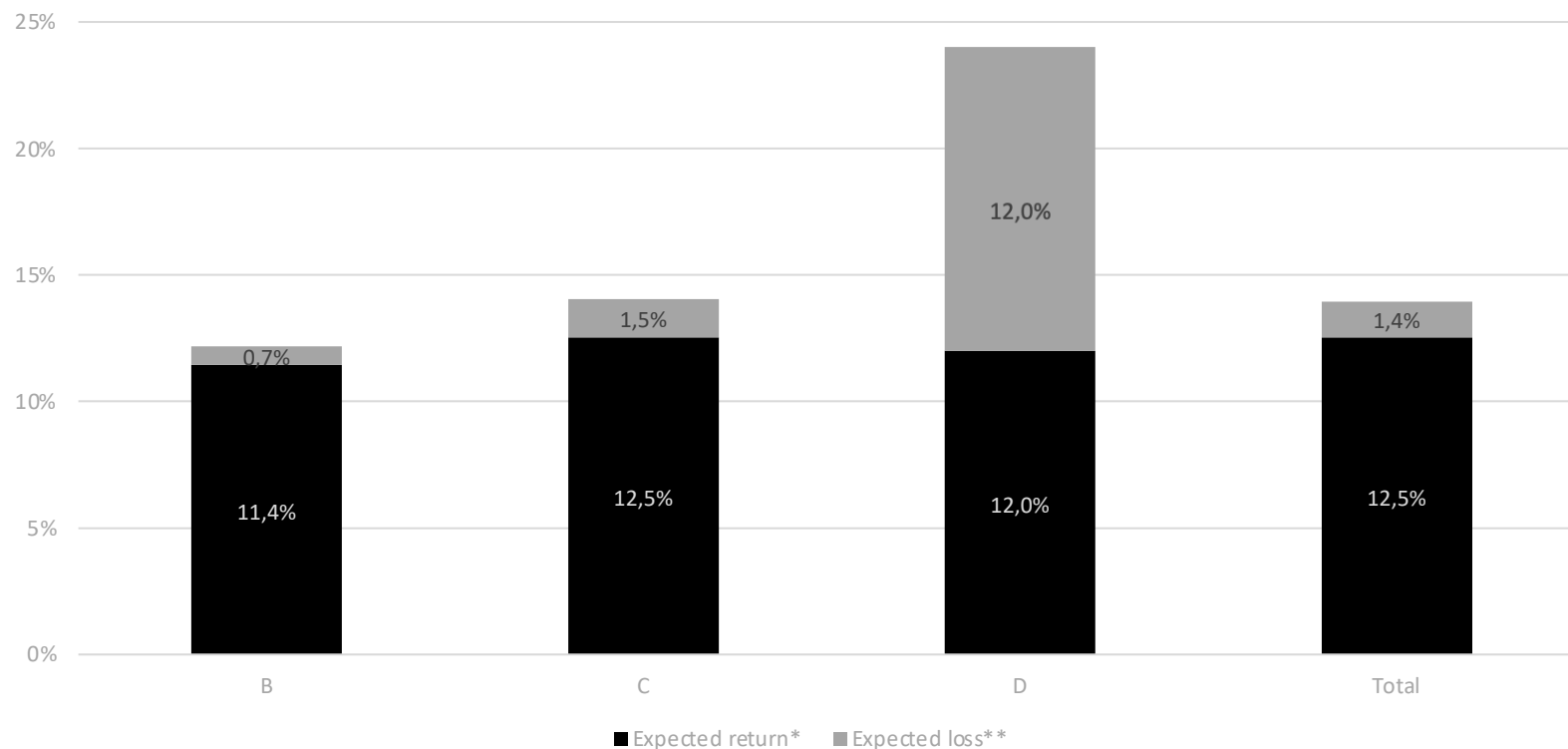
9,7%

loans originated in 2023 have defaulted

Return on loan portfolio

12,5%

Business loans return



* **The expected return is calculated as :**
Weighted average interest rate (%) – expected loss (%) on the original loan amount

** **Expected loss (%) = PDw x EAD x (1-RR)**

PDw: Probability of default (%) = Number of defaulted loans at origination / Number of total loans originated

EAD: Loan balance at the date of the first default moment (%) = Loan balance at the time of default / Loan amount at origination

RR: Recovery rate, the proportion (%), that is recovered on the loan balance at the time of default = Amount recovered after default events / EAD

Important!

Investing through crowdfunding platform, as well as investing in other financial instruments, involves risk taking. Therefore, before you start investing in loans, you must properly assess your financial situation, as well as financial situation of your family or your business, your investment experience and knowledge of risks associated with investing. If you think you do not understand the potential risks associated with the financing transaction you are making, consider contacting specialists.

Investments made through the platform are not covered by the law of deposits and liabilities to investors of Lithuanian Republic, nor is it guaranteed that the client to whom you borrowed the money will properly fulfil its financial obligations, therefore each investor assumes the risks associated with the investment when making a financing transaction on the platform, including partial or full loss of all invested funds, loss of expected profit as well as limited or no liquidity.

Finbee and Finbee Verslui does not assume any liability for losses incurred by investors but seeks to ensure the security of invested funds and the return on investment in every possible way.

**Thank you for your
friendship!**

investuok@finbee.it
www.finbee.it



finbee 

The word "finbee" in a bold, black, sans-serif font, followed by a small teal circular icon containing a white smile-like curve, located in the bottom right corner.