



Microlending for automobile purchasing purposes

Financial performance and investment attractiveness



September 2022



Established in 2019, **Rangeld Finance** is aimed to become **the best financial organization in Kazakhstan** that provides **open, suitable, and technologically developed** financial services for the purposes of automobile purchasing and its further comfortable exploitation.

OUR MISSION

Provision of **high-quality financial products and services** that bring the impact towards better life conditions of Rangeld Finance clients and the whole society.



OUR TEAM

Major departments



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COMPANY OVERVIEW

Operations and key measures

RANGELD FINANCE provides microlending to individuals for the purpose of automobile purchasing



AUTO-LOAN FINANCING



INSURANCE



ROADSIDE ASSISTANCE

897

of clients received financing

KZT3.1 mn

average amount of loans provided

24%

average income on loan portfolio per year

153%

of loans are secured by collateral

6.4%

overdue loans of > 30 days

* Data for December 31, 2021



BUSINESS STRUCTURE

Services and partners



MICROLENDING

Provision of loans and valuation of collateral are done by **Rangeld Finance**

Dealer partners:

- Aster Auto
- Tamerlan Motors
- Avtodom Pavlodar
- Auto Start
- Tulpar Q4
- Batyr Auto

INSURANCE

Voluntary insurance services from our partners:

Life insurance



KASKO insurance*



amanat

ROADSIDE ASSISTANCE

Main partner



* Motor hull insurance



OVERVIEW OF OPERATIONS



GEOGRAPHICAL PRESENCE

Client base and loan portfolio



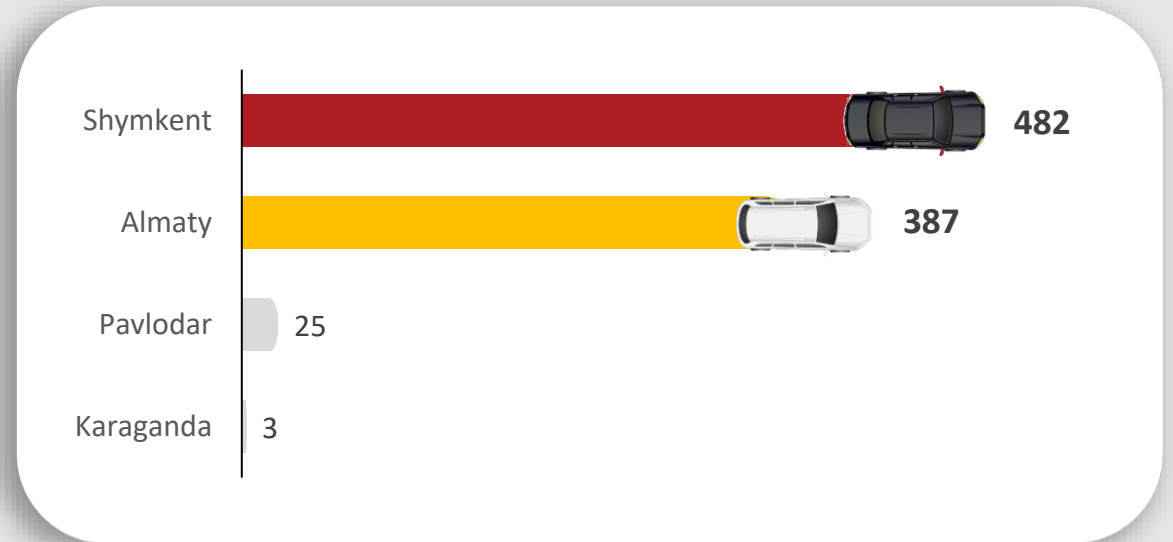
TOTAL LOANS PROVIDED

2.8 bn tenge

REVENUE

930 mn tenge

CLIENT BASE BY CITY





HISTORY OF COMPANY DEVELOPMENT

Highlights

2019

2020

2021

September 2019

Established the entity

November 2019

Provided the first loan

October 2020

Received line of credit for
KZT2.1 bn

February 2021

Received the license from ARDFM

March 2021

Loan portfolio reached KZT1 bn

June 2021

Loan portfolio reached **KZT2 bn**





MFO MARKET

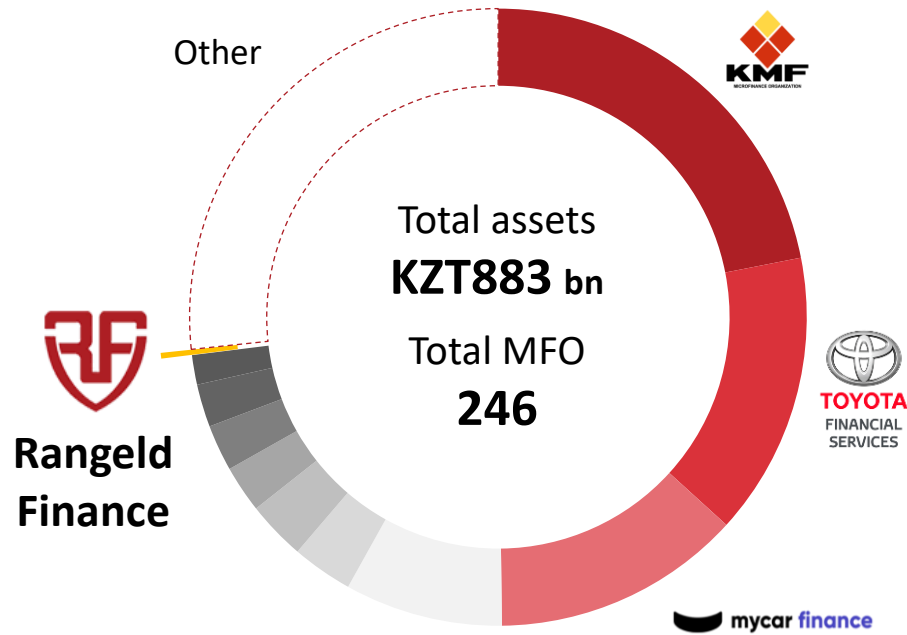
Company's position on the market and its main competitors

#11

among MFO which provide auto-loans

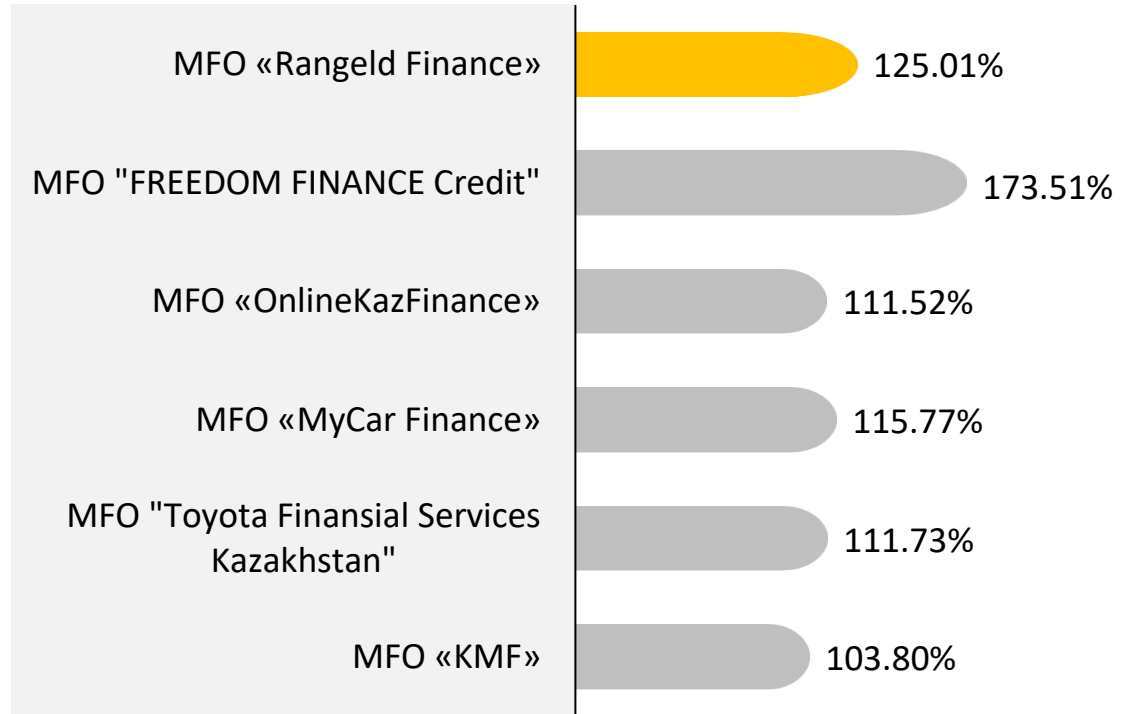
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among all MFO in Kazakhstan by the size of the assets




PERSPECTIVE GROWTH

The growth of Rangeld Finance loan portfolio from 2021 to 2022 is one of the fastest on the MFO market which stands for the trust to Company's services.



Source: NBRK



FINANCIAL RESULTS



FINANCIAL RESULTS

Income Statement

<i>In thousands of tenge</i>	2019	2020	2021	6M2022 (unaudited)	6M2021 (unaudited)
Interest income	912	109 310	591 304	354 365	199 639
Interest expense	(423)	(23 427)	(226 003)	(132 113)	(74 478)
Net interest income	489	85 883	365 301	222 252	125 161
Expected credit loss expense	(503)	(14 256)	(31 613)	(42 993)	(43 587)
Net interest income after the expense on expected credit losses	(14)	71 627	333 688	179 259	81 574
General and administrative expense	(26 612)	(85 499)	(168 911)	(115 909)	(93 051)
Foreign exchange income, net	(2 075)	8 046	7	566	-
Other income	4 188	18 597	124 739	13 515	96 769
Other expenses	(156)	(1 834)	-	(1 821)	(378)
Income before tax	(24 669)	10 937	289 523	75 610	84 914
Expense/benefit on income tax	-	457	(58 202)	-	936
Net income	(24 669)	11 394	231 321	75 610	85 850



FINANCIAL RESULTS

Balance sheet

<i>In thousands of tenge</i>	2019	2020	2021	6M2022 (unaudited)
ASSETS				
Cash and cash equivalents	110 367	117 253	261 160	25 080
Loans provided	43 453	621 520	2 448 662	2 426 305
PP&E	5 258	5 454	35 933	35 976
Other assets	5 416	3 992	12 988	22 010
Total assets	164 494	748 219	2 758 743	2 509 371
LIABILITIES				
Debt	44 900	397 887	2 099 045	1 798 457
Financial leasing liabilities	-	-	6 408	4 806
Other liabilities	3 517	10 402	82 039	59 247
Total liabilities	48 417	408 289	2 187 492	1 862 510
EQUITY				
Capital stock	136 090	348 549	348 549	348 549
Retained earnings	(20 013)	(8 619)	222 702	298 312
Total equity	116 077	339 930	571 251	646 861



FINANCIAL RESULTS

Cash flow statement

<i>In thousands of tenge</i>	2019	2020	2021	6M2022 (unaudited)	6M2021 (unaudited)
OPERATING ACTIVITIES					
Income from interest received	673	99 915	557 024	368 425	205 958
Expense from interest paid	-	(14 995)	(197 110)	(133 034)	(47 898)
Loans provided	(43 718)	(582 929)	(1 826 810)	28 885	(1 972 626)
Other	(24 225)	(58 947)	(34 724)	(138 010)	5 871
Cash from operating activities	(67 270)	(556 956)	(1 501 620)	126 266	(1 808 695)
INVESTING ACTIVITIES					
Purchase of PP&E	(5 512)	(1 218)	(10 175)	(7 267)	(5 564)
Sell of PP&E	-	-	4 486	-	-
Cash from investing activities	(5 512)	(1 218)	(5 689)	(7 267)	(5 564)
FINANCING ACTIVITIES					
Loans received	49 133	464 691	1 994 490	-	1 800 800
Principal paid	-	(120 136)	(342 457)	(298 066)	(78 041)
Investments in capital stock	135 871	212 459	-		
Cash from financing activities	185 004	557 014	1 652 033	(298 066)	1 722 759
Effect of foreign exchange	(2 075)	8 046	7	(57 013)	-
Reserves for expected credit losses	-	-	(824)	-	-
Net change in cash for the period	110 147	6 886	143 907	(236 080)	(91 500)
Beginning cash balance	220	110 367	117 253	261 160	117 253
Ending cash balance	110 367	117 253	261 160	25 080	25 753

An aerial view of a multi-lane highway with heavy traffic, showing cars in various lanes and a curved ramp on the right side. The image is overlaid with a dark, semi-transparent filter.

FINANCIAL PERFORMANCE ANALYSIS



FINANCIAL PERFORMANCE ANALYSIS

Loan portfolio profitability

KEY GROWTH INDICATORS



97% of Rangeld Finance assets is the loan portfolio, meaning that company effectively and efficiently utilizes available resources.

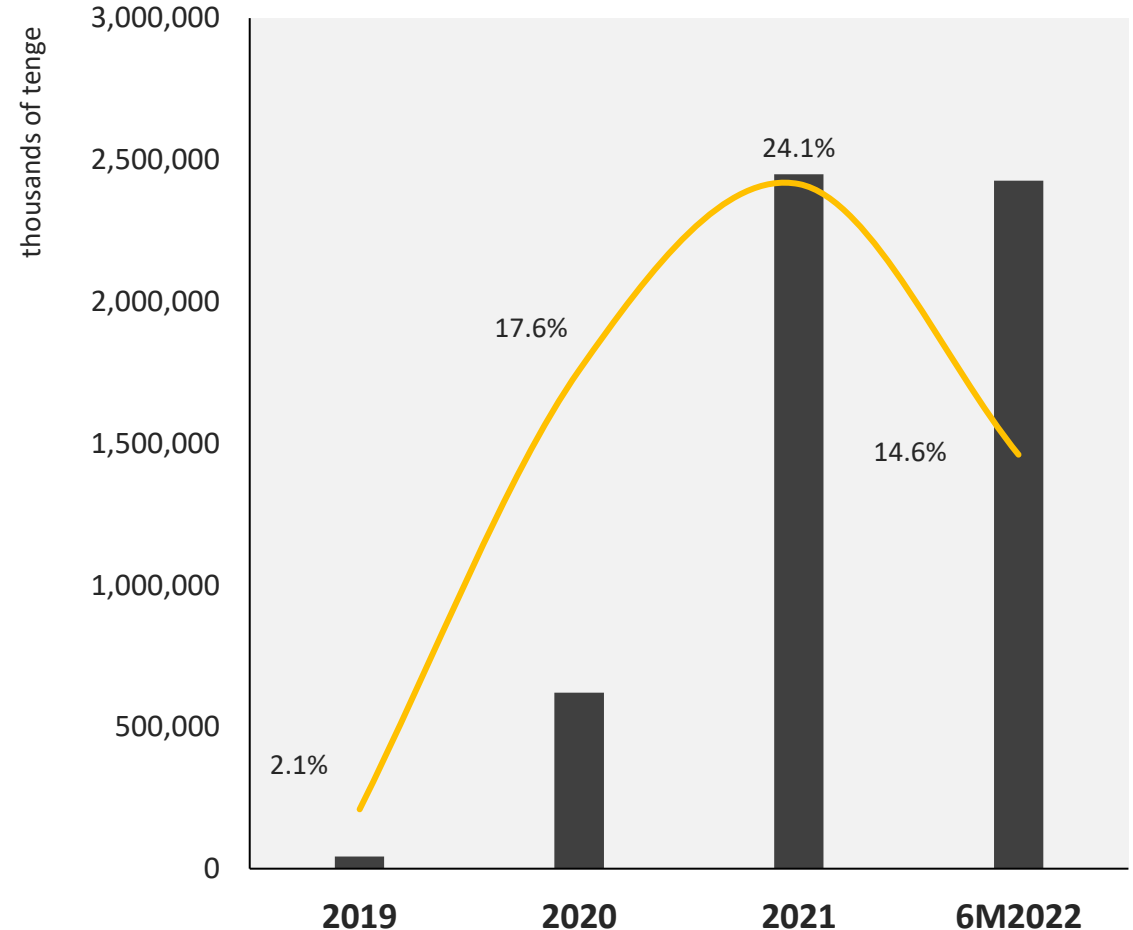
Portfolio profitability

Through 2019-2021 the profitability of loan portfolio increased by 22 percentage points, demonstrating 24.1% in 2021.

Portfolio volume

Due to receive of new funding loan portfolio increased x4 in 2021 reaching KZT2.5 bn.

SIZE AND PROFITABILITY OF LOAN PORTFOLIO

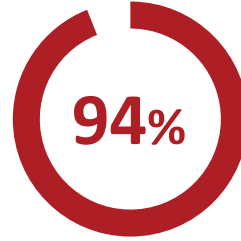
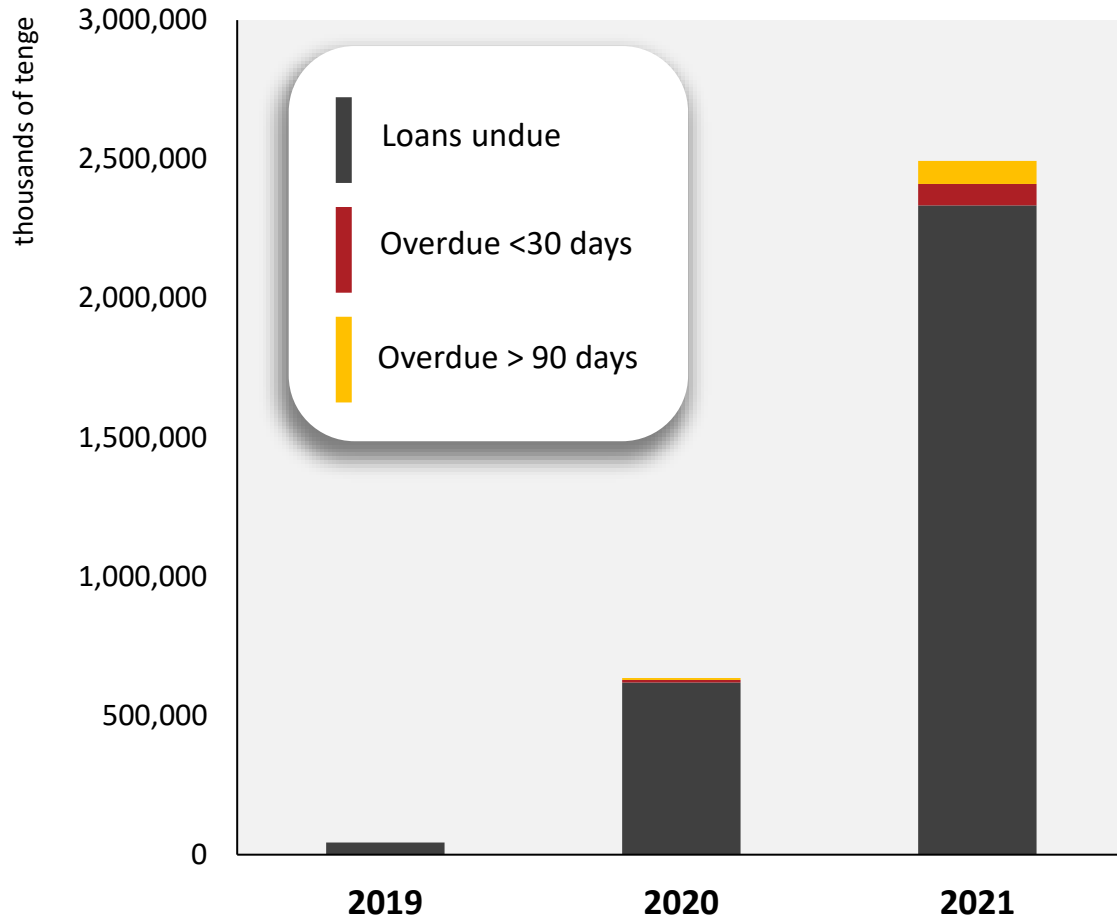




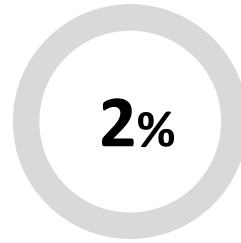
FINANCIAL PERFORMANCE ANALYSIS

Loan portfolio structure and risks assessment

PORTFOLIO QUALITY



94% of portfolio bring regular income, while only 6% are overdue. This ratio stands for **high quality of the loan portfolio**.



2% Reserves for the expected losses are negligible in compare with the total portfolio volume. That indicates stable historical and expected portfolio profitability.



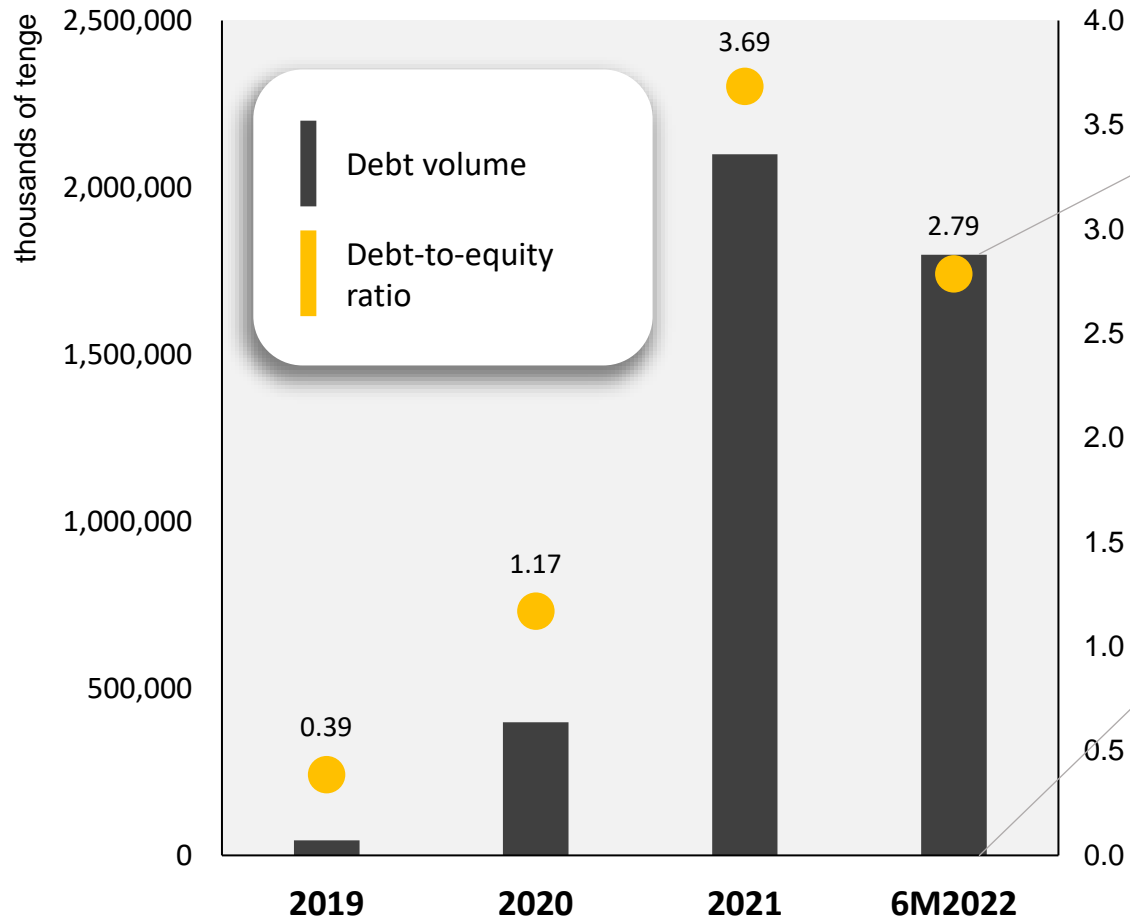
59% of loans due less than 30 days are secured by the reserves. Company effectively increases the amount of reserves creating safety risk coverage. The left portion will be covered by the collateral and prepayment amount.



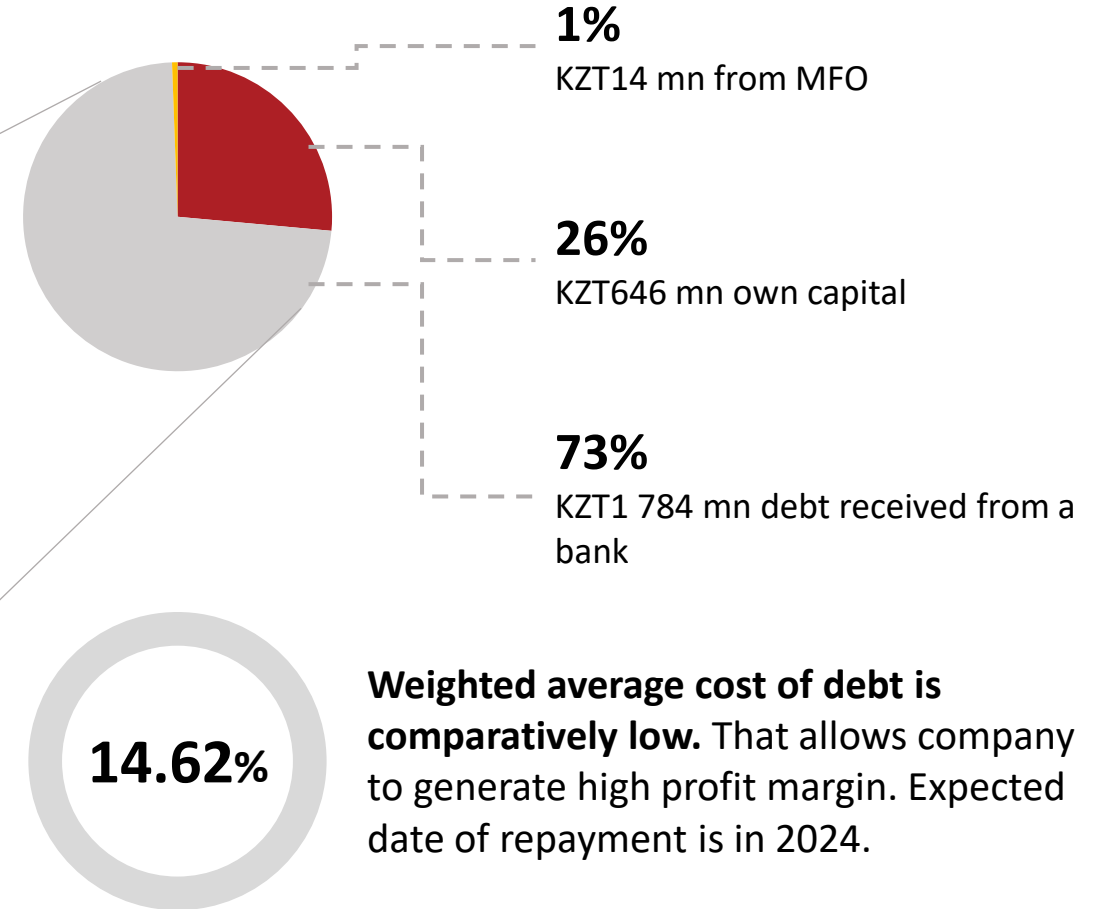
FINANCIAL PERFORMANCE ANALYSIS

Financial leverage and capital structure

FINANCIAL LEVERAGE



STRUCTURE OF FUNDING



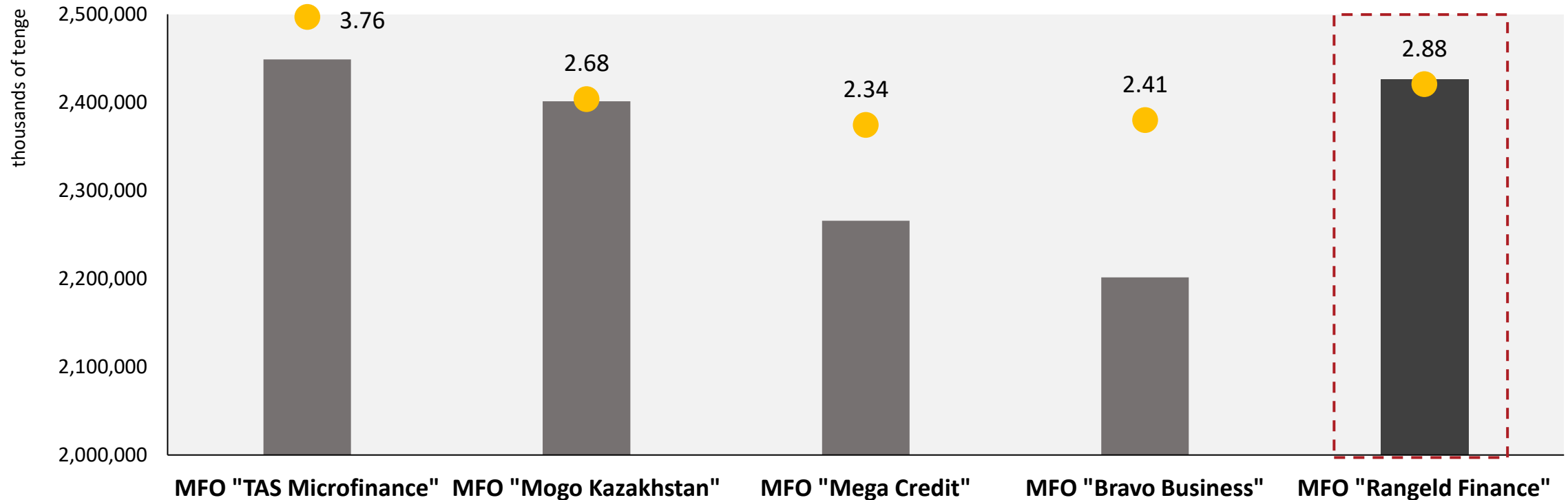


FINANCIAL PERFORMANCE ANALYSIS

Financial leverage among competitors

- Debt-to-Equity ratio
- Size of the loan portfolio

CONSERVATIVE LEVERAGE – debt-to-equity ratio is on the same level as for Company’s peers on the MFO market, whilst the received funding is fully applied in the operations.





STRATEGIC DEVELOPMENT OF THE COMPANY

Plans on fund raising

k1 – capital adequacy	k3 - leverage	Loan portfolio, KZT th	New funding, KZT th
0.20	3.83	2,448,662	0
0.13	6.97	4,848,662	2,400,000
0.11	7.85	5,448,662	3,000,000
0.10	8.57	5,948,662	3,500,000
0.09	9.28	6,448,662	4,000,000

KZT2.4 bn

planned raising of funds
in 2022.

Operating model of the Company allows effectively serve new funding **up to KZT4 bn**, taking into account prudential norms* according to the regulations and level of capitalization.

* κ1 coefficient should be not less than 0.1
κ3 should be not more than 10

The background is a high-angle, top-down view of a multi-lane highway completely clogged with cars, illustrating a traffic jam. The scene is dimly lit, possibly at dusk or dawn, with a dark, moody atmosphere. The cars are packed closely together, filling all lanes and extending far into the distance. The overall color palette is dark, with muted blues, greys, and blacks, punctuated by the white text and a red vertical bar.

SUSTAINABLE DEVELOPMENT PROGRAM



CORPORATE SOCIAL RESPONSIBILITY

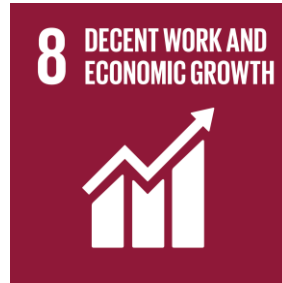
Sustainable development goals

Rangeld Finance successfully implements **5 out of 17 UN sustainable development goals** by creating the following principals of corporate social responsibility:



8 hours of training per employee on **technical and professional topics.**

4 hours of training per employee on **sustainable development topics.**



10%

Average salary increase per year

₹100млн

Funding of SME for business development purposes

90%

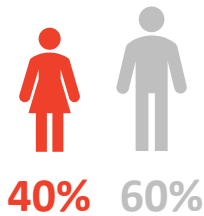
Employees working full-day



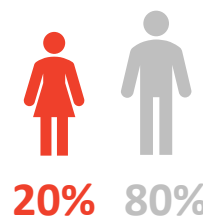
Average salary is higher than nominal income per capita within a country



All employees

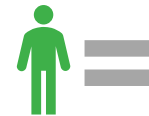


Top-management



0%

Difference between payroll for men and women



Tree planting program

20%

electronic document flow

100%

of accumulators are processed to recycling



DIGITALIZATION

Mobile app



Rangeld Finance **mobile app**:

- ✓ Outstanding amount of principal and interest
- ✓ Payment history and calendar
- ✓ Repayment options



Fast. Open. Transparent.

