Finbureau LLC Issuer Rating Report

B STABLE

Scope's credit view (summary)

The B issuer rating on Finbureau reflects the following credit rating considerations:

- Finbureau ranks among the largest debt purchase and collection companies in Georgia as well as one of the most important domestic loan issuing entities (LIEs) focused purely on unsecured loans. All the company's assets are domestic.
- The company's profitability metrics materially exceed the levels of other LIEs, microfinance organisations and commercial banks in Georgia. In 2021, profitability indicators worsened, driven by materially higher collection costs which could not be offset by increasing revenues. Nonetheless, due to strong volume growth and tight management of employee expenses, the return on average equity has remained above 28% since 2018.
- Solvency and liquidity metrics continue to be adequate. Although increasing, the company's equity multiplier ratio is low as of year-end 2021. This indicates prudent financial leverage, with the company not incurring excessive debt to finance assets. Nevertheless, LIEs are not as closely supervised as other financial institutions in the country. Scope considers the lack of minimum regulatory capital and liquidity ratios a material risk for the sector.
- As LIEs in Georgia are not authorised to collect deposits, Finbureau relies heavily on funding from large Georgian banks, which constitutes a potential funding risk. Foreign currency mismatch is limited, with 9% of total financial liabilities in US dollars compared to 6% of total financial assets as of September 2021.
- Finbureau continues to embrace changes in the areas of environmental, social and governance as well as digital transition (ESG factor), with developments being work in progress. Improving digital capabilities is a priority for the company.

Outlook and Rating change drivers

The Stable Outlook reflects Scope's view that Finbureau's credit profile will remain resilient in 2022, despite the economic uncertainty stemming from geopolitical tensions in Eastern Europe. Scope further expects the company's earnings to be sufficient to absorb potential credit losses.

What could move the rating up:

- Sustained strengthening of market position accompanied by more consistent levels of profitability
- Further growing the business with greater product diversification
- Expanding and diversifying the range of funding sources, providing the company with a more stable funding profile

What could move the rating down:

- Greater competition in the debt collection and management market which reduces profitability
- Pressure on profitability from increased funding costs. The country's larization plan has resulted in an increasing reliance on domestic currency funding provided by commercial banks, which is typically tied to the National Bank of Georgia's main refinancing rate.
- Material deterioration in the company's liquidity position leading to difficulties in meeting its financial obligations
- Economic spillover from the ongoing conflict in Eastern Europe which leads to a material deterioration in the company's operating environment. A worsening of the conflict could halt the domestic economic rebound which followed the lifting of Covid-19 measures.

Ratings & Outlook

Issuer rating	B
Outlook	Stable

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Issuer profile

Finbureau is one of the largest players in the debt purchase and collection business in Georgia founded in 2015. It was granted the status of LIE in May 2019 and is regulated by the National Bank of Georgia.

As of April 2022, the company had 17 branches and employed 822 people, of which 638 were working as loan officers and 86 were working in the legal department.

Domestic Georgian LIE focused on debt purchasing and collection

One of the largest companies in the debt purchase and collection business in Georgia

Finbureau focuses on debt purchases and collections in Georgia. It is one of the largest LIEs in the country, with a strong market position in its business niche and a growing asset base. Our business model assessment captures the company's narrow range of activities, lack of international diversification and cyclicality of the business.

Finbureau manages non-performing loan (NPL) portfolios that it buys at material discounts (75%-95%) from domestic banks, MFOs and online lending companies.

Finbureau's core activity is to convert non-performing assets acquired from banks and MFOs into performing assets and then collect the respective cash flows. It typically restructures them into new, longer (up to three years), cheaper and more flexible repayment schedules, according to each client's circumstances. Finbureau does not sell any loans.

Average maturity of its portfolio: 24-25 months

Finbureau has experienced rapid growth in its loan portfolio since its foundation, amounting to approximately GEL 32m (about EUR 10.5m) as of December 2021. The average maturity of the company's portfolio is 24-25 months.

The company uses two procedures for portfolio purchases: i) open tenders where domestic commercial banks and MFOs express their desire to sell assets; ii) direct communication with banks due to positive long-standing corporate relationships.

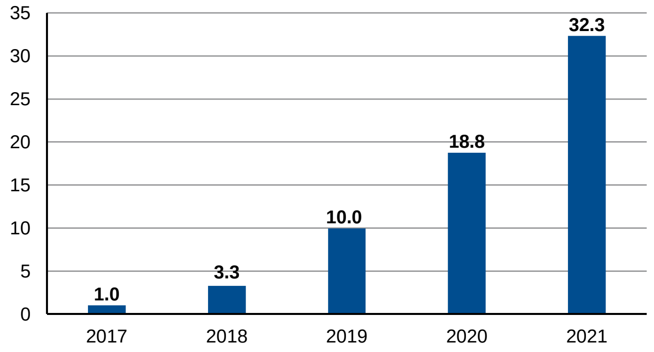
The business model is highly dependent on the company's ability to continuously acquire new portfolios. While we acknowledge Finbureau's strong track record and its solid relationships with major Georgian financial institutions (banks and MFOs), the lack of visibility over its future origination and revenue is a concern.

Finbureau's asset mix is mainly comprised of purchased loan portfolios. It does not have any investment securities or any other investment assets. Other assets include property, plant and equipment, intangible assets and cash at commercial banks.

Finbureau portfolio is made up of unsecured loans

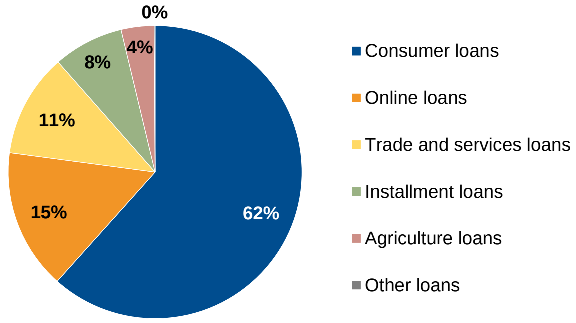
The company's portfolio is made up entirely of unsecured loans. However, Finbureau's intention is to start purchasing collateralised loan portfolios in the near future.

Figure 1: Finbureau's net loan book size (GEL m, 2017-2021)



Source: Company data, Scope Ratings

Figure 2: Gross loan portfolio breakdown by product type (April 2022)



Source: Company data, Scope Ratings

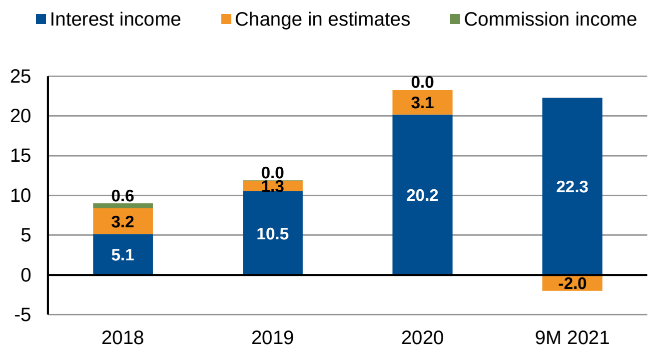
Finbureau originally started buying debt portfolios at very steep discounts, which meant lower quality portfolios. This trend, however, has changed in last few years as the company has been acquiring debt portfolios at lower discounts.

The majority of Finbureau's revenue stems from interest income, which is derived from the purchased loan portfolio. Just a minor fraction of interest income comes from deposits in commercial banks.

Other revenue sources include the change in recovery estimates and commission income that result from the service of issuing loan notice and from third party loan portfolio management services.

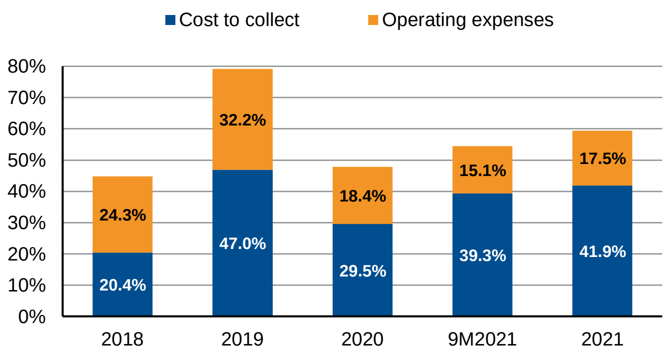
Finbureau's main operating expenses include i) direct collection costs of the loan portfolio, including cost of agent services related to collection and legal fees on court cases; ii) other operating expenses such as salaries (fixed remuneration, bonuses and other benefits), communication, office and other expenses.

Figure 3: Finbureau's revenue breakdown (GEL m, 2018-9M 2021)



Note: Information for 2021 revenue breakdown not available
Source: Company data, Scope Ratings

Figure 4: Finbureau's cost breakdown by type (2018-2021)



Note: Unaudited 2021 numbers
Source: Company data, Scope Ratings

The company's collection process involves three phases: i) an initial phase called pre-collection automated process where SMS and e-mails are sent to the clients as a reminder to pay the loans; ii) a soft collection phase where loan officers call clients to renegotiate and agree on a payment schedule; and iii) a final step called hard collection phase where a loan officer with specific personal skills training has communication with clients, does on-site visits (Drive collection) and makes legal collection with legal team support per needs.

Finbureau does not collect cash from its customers

Finbureau does not collect cash from customers nor does it have access to their bank accounts as clients pay Finbureau themselves or go through the largest Georgian bank's own payment services. The payments' process and status are monitored by Finbureau via its internal software.

Box A: Overview of LIEs in Georgia

Georgian LIEs have similar business models to MFOs. LIEs are mainly focused on pawn loans backed by gold, silver, other precious metals and antiques. Some LIEs also include currency auto loans, exchanges, consumer and mortgage loans.

LIEs play an important role in providing financial services to people traditionally excluded from conventional banking channels to help them prosper and gain access to the financial system.

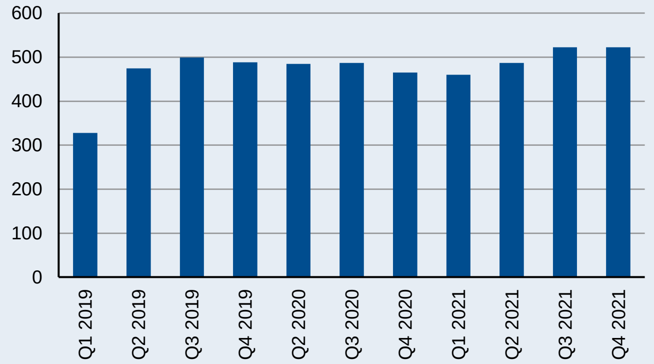
LIEs represent a very minor share in the Georgian financial system (under 1% as of December 2021). Nonetheless, the sector's total assets have grown by approximately 1.6x since Q1 2019, when the National Bank of Georgia's records started to include LIEs, amounting to GEL 523m as of December 2021.

Despite its continuous growth in the recent past, the LIE sector is still three times smaller than the other player in the domestic non-banking sector, MFOs, who are also LIEs' main competitors as both of them share similar target customers (individuals and non-bankable micro and SMEs) and business models.

Profitability in the Georgian LIE sector has improved materially since 2019 due to loan-loss reversals, higher net interest income driven by volume growth and larger commission income. Nevertheless, administrative costs remain a significant burden in the sector.

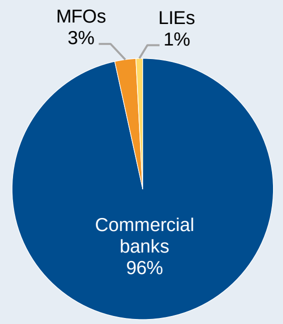
The Georgian LIE sector reported about GEL 51m (EUR 16.7m) net profit as of 2021 versus around GEL 8.6m losses in 2019.

Figure 5: Georgian LIE sector total assets (GEL m, 2019-2021)



Source: NBG, Scope Ratings

Figure 6: Georgian financial sector structure by total assets (2021)



Source: NBG, Scope Ratings

Box B: The economic and LIE operating environment in Georgia

Economic assessment - Key credit considerations

- Georgia is a small, open and emerging market economy with a GDP per capita of USD 5,015 as of December 2021. Georgia is a net importer, with Turkey as its largest trading partner (15% of total foreign trade turnover), followed by Russia (11.4%), China (10.3%), Azerbaijan (7.9%) and the US (5.7%) in 2020. Georgia's main exporting sectors were manufacturing (41%), wholesale and retail trade (22%), transportation and storage (21%) and mining (6%) as of February 2022.
- Georgia grew at an average pace of 3.9% over 2010-2020, higher than the average of geographically close countries and several South-eastern European states[1] (3%) mainly driven by the government's economic reforms tilted towards business-friendly policies such as low taxes and a free market economy, higher domestic consumption, higher exports and a significant rise in tourism.
- On the negative side, continuous domestic political tensions between the government and the opposition, structural unemployment, a highly dollarised banking system, material dependence on tourism and historical geopolitical tensions with Russia due to self-proclaimed independent regions of South Ossetia and Abkhazia should be seen as credit weaknesses.
- According to preliminary estimates published by Geostat, Georgia's real GDP growth amounted to 10.4% in 2021.
- Georgia's unemployment rate rose to 20.6% in 2021 from 17.6% in 2019 due to Covid-19 restrictions and lockdowns in 2020 and early 2021. Nonetheless, the job market has improved moderately in the last two consecutive quarters with the national unemployment rate decreasing to 19% in Q4 2021, lower than in 2010-2018.

Selected economic indicators	2018	2019	2020	2021E	2022F
GDP per Capita ($)	4,397	4,373	3,972	4,507	5,130
Real GDP Growth (%)	4.84	4.98	-6.76	10.60	1.00
Public Debt / GDP (%)	40.39	41.76	60.10	51.50	54.10
Current Account Balance / GDP (%)	-2.60	-3.39	-9.78	-7.30	-8.10
Consumer Prices Growth (%)	2.63	4.84	5.22	9.57	12.10

Source: SNL, Scope Ratings

Soundness of the Georgian financial sector - Key credit considerations

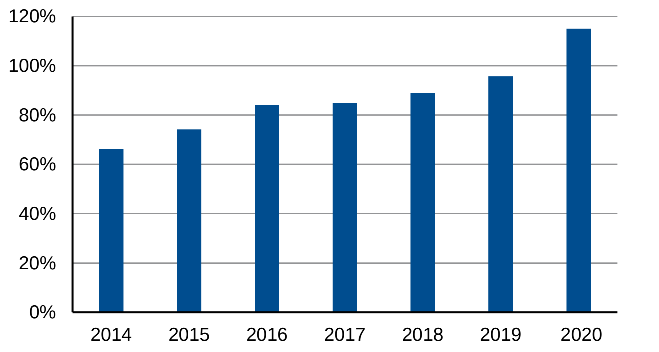
- Commercial banks in Georgia play a major role in the domestic financial sector as they held approximately 97% of total financial sector assets as of December 2021. Within the non-banking sector, MFOs represent the largest segment amounting to about 3% of total financial assets in 2021. LIEs' contribution to the domestic financial sector is still very limited (under 1% of total assets in 2021).
- There were 183 LIEs with around 2,500 employees in Georgia as of December 2021. This represents a 48% and 92% increase since the quarterly records began in Q1 2019, having plateaued since Q3 2020
- Within LIE's whole domestic market loan portfolio, Lombard loans and online loans remained the main two contributors, representing 30% of the total portfolio as of Q4 2021, followed by consumer loans (28%) and business loans (4%), with the remainder representing just 9% of the total loan portfolio. Consumer and online loans had increased eight-fold and seven-fold respectively in absolute terms from 2020 to Q1 2021, the height of the Covid-19 crisis .
- The Georgian LIE market reported losses of EUR 2.5m and EUR 1.1m in 2019 and 2020 respectively, mainly driven by high administrative costs, high loan-loss provisions and other non-interest expenses. 2021 represented a turning point for the sector as it reported an annual net profit of EUR 14.8m thanks to the gradual lifting of most Covid-19 restrictions, causing the economy to return to normal. Loan volumes grew by 22% YoY and there were some loan-loss reversals (EUR 141,000 versus EUR 8.2m booked in 2020).
- LIEs were largely unregulated until 2018, when the National Bank of Georgia approved Order 217/04 related to the registration, cancellation of registration and regulation of LIEs. This Order defines LIEs as entities or individuals who provide lending to 20 or more clients and can only perform the activities related to issuing, purchasing and collecting loans.
- LIEs are supervised by the National Bank of Georgia and required to submit consolidated reports to the central bank on a quarterly basis. They are also subject to payment-to-income and loan-to-value limits as obliged to issue loans up to GEL 200k in the domestic currency.

Banking system indicators	2017	2018	2019	2020	2021
ROAA (%)	2.82	2.66	2.85	1.35	2.98
ROAE (%)	19.84	18.57	20.26	10.14	21.73'
Net Interest Margin (%)	5.81	5.99	5.30	4.40	4.74
CET1 ratio (%)	9.46	13.89	13.27	12.53	14.22
Problem Loans/ Gross Customer Loans (%)	3.98	5.95	4.62	5.98	4.38

Source: SNL, Scope Ratings

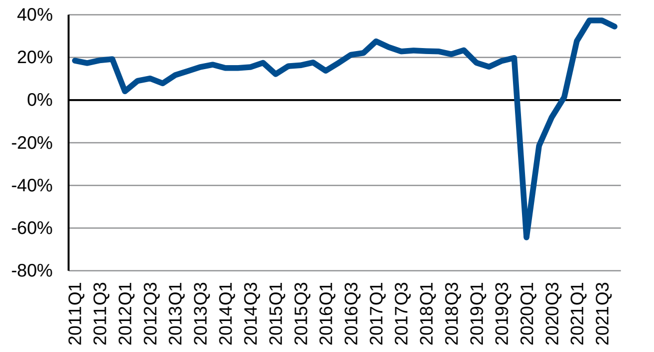
[1] Countries included in the sample: Albania, Armenia, Azerbaijan, Belarus, Bosnia & Herzegovina, Bulgaria, Georgia, Kazakhstan, North Macedonia, Russian Federation, Turkey, Turkmenistan, Ukraine and Uzbekistan

Figure 7: Georgian banking sector total assets, % of GDP (2014-2020)



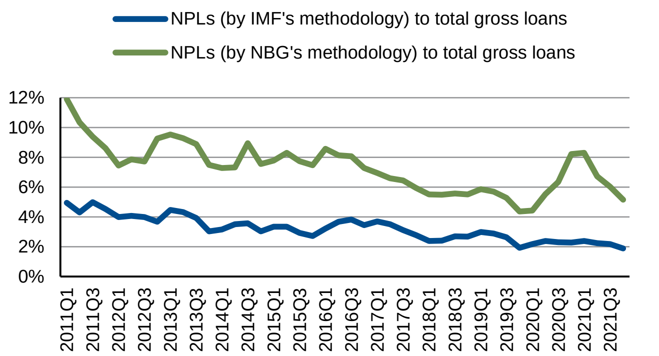
Source: NBG, Scope Ratings

Figure 8: Georgian commercial bank's RoE (Q1 2011-Q4 2021)



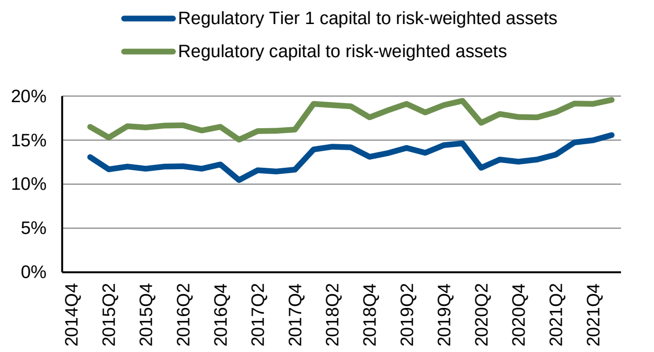
Source: NBG, Scope Ratings

Figure 9: Georgian commercial banks' NPLs (Q1 2011-Q4 2021)



Source: NBG, Scope Ratings

Figure 10: Georgian commercial banks' capital adequacy metrics (Q4 2014-Q4 2021)



Source: NBG, Scope Ratings

Gradual improvement steps in IT and digitalisation

We consider governance (G) and digital (D) transition to generally be the most relevant credit factors for financial institutions. Environmental (E) and social (S) factors are gaining momentum, with much more precise expectations for the E factor, in relation to climate risk.

Continuous improving steps in the company's digital transformation

Among LIEs, Finbureau is well positioned with respect to the digital factor. Finbureau has made relevant improvements in its digital transformation driven by increasing investments in new platforms, software, internet and mobile apps in recent years. However, Scope does not believe ESG-D factors currently provide an uplift to the credit profile.

In addition, Scope highlights the societal role played by LIEs, together with MFOs, to develop the domestic economy, empower local communities and improve financial inclusion.

Finbureau has not disclosed any information on specific environmental targets, processes and strategy. Scope deems this environmental information, alongside other ESG reporting and disclosures, to be relevant in the medium term given that the Georgian taxonomy regulation will enter into force in January 2023 for commercial banks, MFOs and other financial institutions.

Strong profitability compared with national and international peers

Finbureau has not reported any losses since 2018

In contrast with the losses reported by other LIEs in 2019 and 2020, Finbureau has been able to keep a solid profitability in the recent past, not reporting any loss since 2018, when the company started actively operating in the debt collection and management business.

Very strong profitability in recent years, outperforming main peers

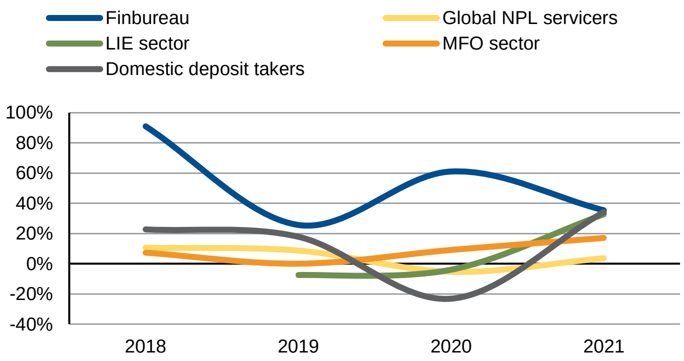
Finbureau has best-in-class profitability metrics compared to other LIEs, other domestic financial institutions (including banks) and international NPL servicers.

Since 2018 Finbureau has been delivered double-digit returns (RoE and RoA). Such strong results are due to several factors including rising revenue (that more than trebled over 2018-2021 due to volume growth) and tight control over employee expenses.

Net income declined in 2021 due to materially higher collection costs

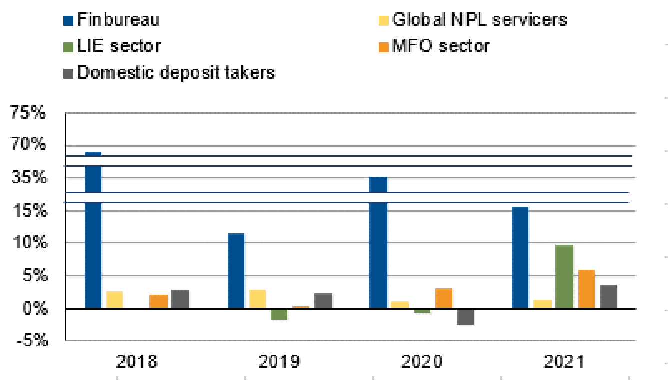
During 2021, the company's net income decreased by about 22% YoY to GEL 7.3m (EUR 2.4m) mainly driven by materially higher collection costs and higher finance expenses.

Figure 11: RoE of Finbureau vs global NPL servicers, LIEs, MFOs and domestic deposit takers (2018-2021)



Source: Company data, NBG, Scope Ratings

Figure 12: RoA of Finbureau vs global NPL servicers, LIEs, MFOs and domestic deposit takers (2018-2021)



Note: Global NPL servicers include Arrow Global, Lowell, Cabot Credit Management, Encore, PRA Group, Intrum, Hoist Finance, Axactor and EOS Solutions

Source: Company data, NBG, Scope Ratings

A certain level of asset risk is intrinsic to the business model, given the nature of the portfolio purchased. However, we believe this risk is mitigated by low purchasing prices, which are set taking into account expected recovery rates.

We highlight the risk that changing economic conditions may lead to lower or slower recovery rates compared to initial expectations (economic risk). Similarly, origination practices may change, which could also lead to discrepancies in expected vs actual recovery rates if such changes are not adequately tracked, understood and managed (origination risk).

Reflecting the highly concentrated structure of the Georgian banking sector, the company is significantly dependant on a few debt originators for a large portion of its business, which we flag as a relevant concentration risk. It would be a material challenge for the issuer if the originators' appetite for portfolio sales diminished.

Finally, changes in the domestic regulatory environment (e.g. insolvency law) might significantly impact the debt purchase and collection business, increasing its costs or halting business (regulatory risk).

Low leverage but heavy reliance on funding from large domestic commercial banks

As a LIE, Finbureau is not subject to regulatory capital and liquidity minimum requirements.

Stable leverage and high earnings retention, indicating conservative and prudent financial management

However, we deem its balance sheet leverage (total assets/total equity) to be conservatively managed. As of December 2021, leverage stood at 2.3x, meaning that almost half of its balance sheet is funded by equity. This ratio fluctuates over time but has been roughly stable since 2019 despite fast growth in assets. This was achieved through high profitability and high earnings retention over the years.

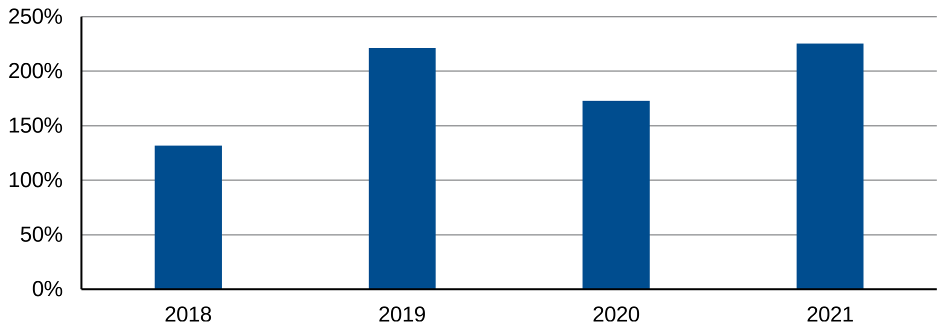
We note positively that Finbureau's leverage is significantly lower than international NPL servicers.

Finbureau's main source of funding is medium-term loans from main domestic banks

Finbureau's main source of funding is medium-term loans (one to three years) in domestic currency from main Georgian commercial banks. The company is planning to diversify its funding sources by issuing bonds and borrowing from international financial institutions.

82% of Finbureau's total funding is secured: the firm uses its deposits and its purchased loan portfolio as collateral for most of the borrowings from the domestic commercial banks. The company does not have any funding in foreign currencies although it has some lease liabilities in USD due to real estate premises.

Figure 13: Finbureau's leverage ratio, 2018-2021



Source: Company data, Scope Ratings

Small balance sheet mismatch on foreign currency (USD)

Finbureau's currency mismatch is limited and not an immediate credit concern. Due to the Georgian government's larisation programme since 2017, the share of foreign exchange loans in Finbureau's financial assets fell to 6% in September 2021 (down 400 bp YTD). Its balance sheet is now slightly mismatched, with 9% of total financial liabilities in foreign exchange as of September 2021 (foreign exchange representing 45% of total financial liabilities in 2018), with the associated foreign exchange risk.

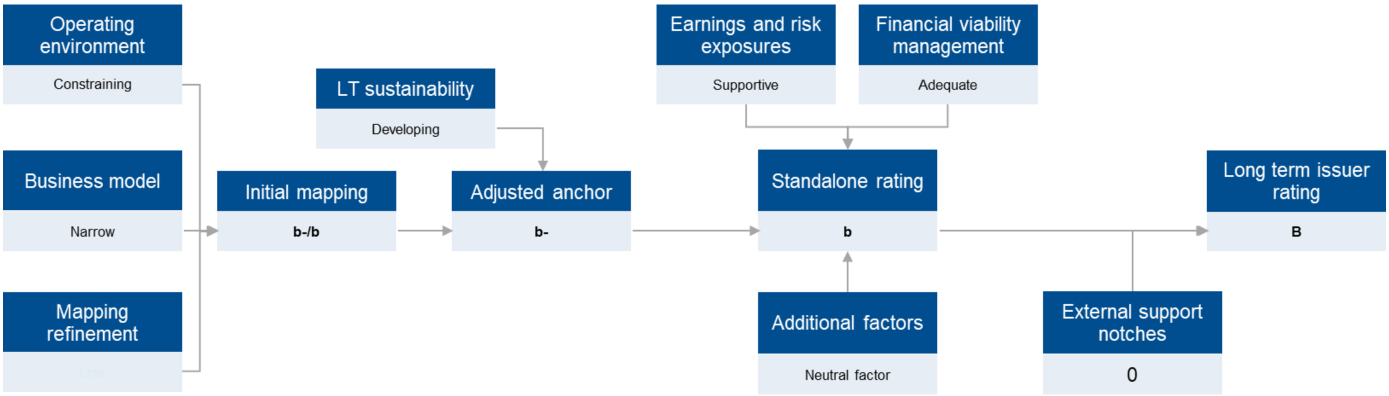
The possible impact linked to foreign exchange risk has improved since 2018, with the company decreasing its reliance on foreign exchange (down 36 pp on total financial liabilities since December 2018).

Figure 14: Finbureau's balance sheet split by currency (2018-9M 2021)

	Total financial assets		Total financial liabilities	
	GEL	Foreign exchange	GEL	Foreign exchange
2018	100%	0%	55%	45%
2019	97%	3%	83%	17%
2020	90%	10%	80%	20%
Jan-Sep 2021	94%	6%	91%	9%

Source: Company data, Scope Ratings.

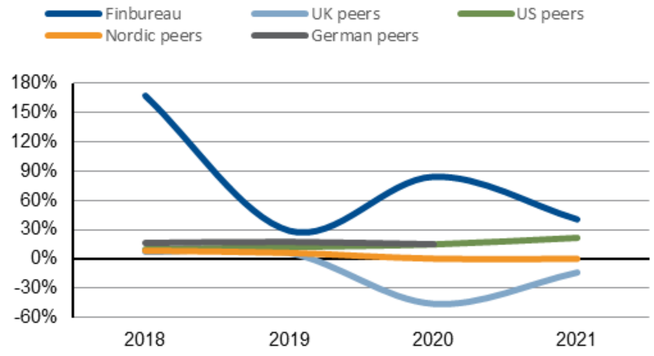
I. Appendix: Overview of the rating process



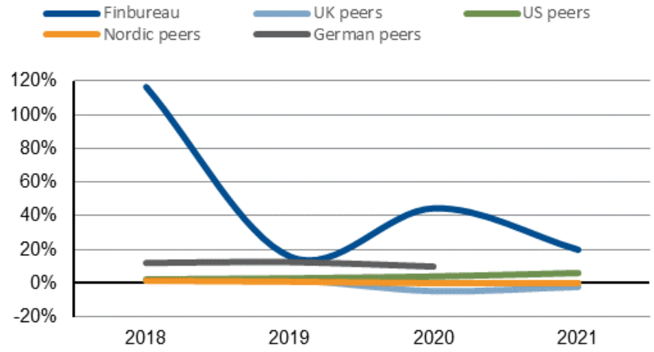
Step		Assessment	Summary rationale
STEP 1	Operating environment	Very supportive Supportive Moderately supportive **Constraining** Very constraining	• Small emerging market that still lags behind regional peers on most economic indicators, despite gradual improvements and reforms in past years • LIE market started to be regulated in 2018 and it is more loosely supervised than the MFO sector.
	Business model	Very resilient Resilient Consistent Focused **Narrow**	• One of the largest players in the debt management business in Georgia • High-risk and cyclical business model focused on debt collection and NPL management. Company's portfolio purely focused on unsecured loans. • Purely domestic activities
	Mapping refinement	High Low	• Not applicable
	Initial mapping	**b-/b**	
	Long-term sustainability	Best in class Advanced **Developing** Lagging	• Continuous improving steps in IT and digital transformation areas, but disclosure on environmental targets, process and strategy needed.
	Adjusted anchor	**b-**	
STEP 2	Earnings capacity & risk exposures	Very supportive **Supportive** Neutral Constraining Very constraining	• Very strong profitability metrics in past years, outperforming main domestic and international peers • Finbureau has not reported any loss since 2018, when the company started actively operating in the debt collection and management business.
	Financial viability management	Ample Comfortable **Adequate** Limited Stretched At risk	• Low equity multiplier ratio, indicating a conservative and prudential financial leverage • Finbureau relies heavily on funding coming from large domestic banks, which could lead to a potential funding risk. • Adequate liquidity levels
	Additional factors	Significant support factor Material support factor **Neutral** Material downside factor Significant downside factor	• No additional factor considered
	Standalone	**b**	
STEP 3	External support	Not applicable	
Issuer rating		**B**	

II. Appendix: Peer comparison

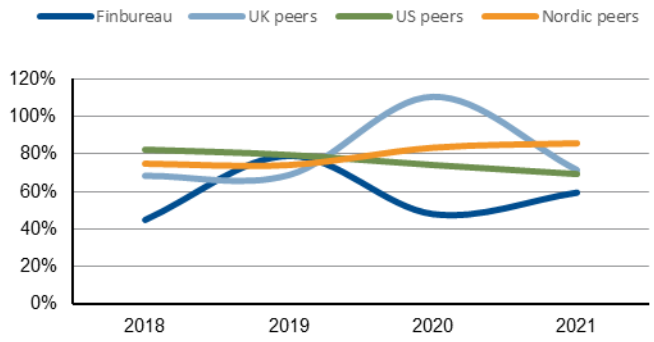
Return on average equity (%)



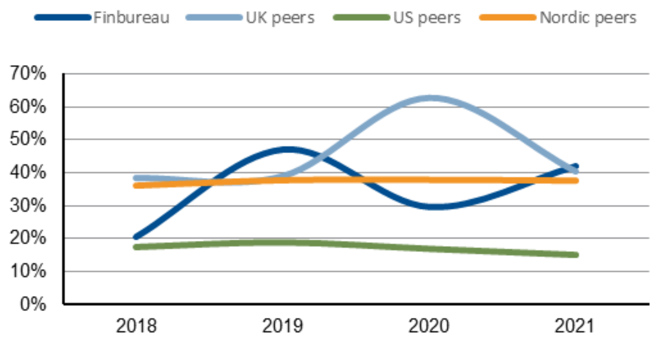
Return on average assets (%)



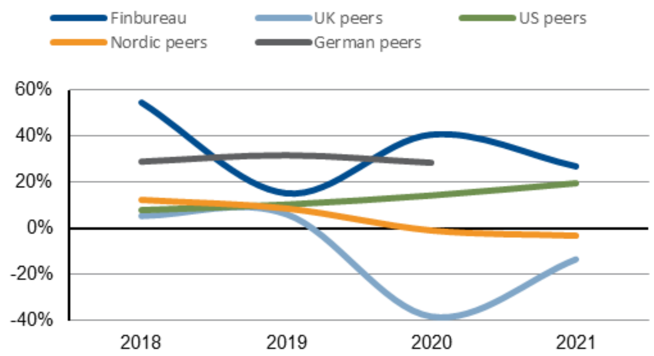
Cost-to-income (%)



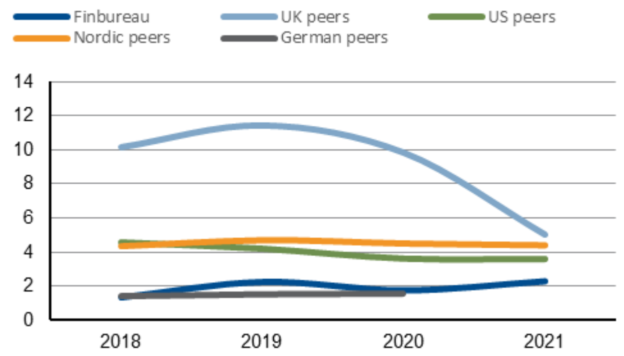
Collection costs/total income (%)



Net profit/total income (%)



Total assets/total equity (%)



*UK peers: Arrow Global, Cabot Credit Management, Lowell; US peers: Encore Capital, PRA Group; Nordic peers: Intrum, Axactor, Hoist Finance; German peers: EOS Solutions

Source: Company data

III. Appendix: Selected financial information – Finbureau LLC

Balance sheet

	2018Y	2019Y	2020Y	2021Y
Balance sheet summary (GEL)				
Assets				
Non-current assets	**2,862,175**	**10,703,271**	**20,754,053**	**26,243,106**
Property and equipment	322,808	654,875	832,632	951,781
Right-of-use assets	141,518	1,207,633	1,813,806	2,055,474
Intangible assets	23,890	38,118	47,537	46,138
Loans issued	0	0	0	422,349
Purchased loan portfolio	2,373,959	8,802,645	18,023,434	22,730,720
Deferred tax assets	0	0	36,644	36,644
Current assets	**4,196,449**	**4,719,908**	**5,860,798**	**20,587,022**
Inventories	0	9,911	57,615	8,142
Purchased loan portfolio	910,141	1,173,878	730,965	9,174,293
Trade and other receivables	54,922	53,303	11,323	845,293
Advances paid for loan portfolio	0	0	0	0
Amounts due from credit institutions	2,200,000	3,200,000	3,550,000	6,003,398
Cash and cash equivalents	1,031,386	282,816	1,510,895	4,555,896
Total assets	**7,058,624**	**15,423,179**	**26,614,851**	**46,830,128**
Liabilities				
Non-current liabilities	**442,629**	**991,588**	**1,245,344**	**1,437,753**
Borrowings	359,429	0	0	0
Lease liabilities	83,200	955,917	1,245,344	1,437,753
Deferred tax liability	0	35,671	0	0
Current liabilities	**1,253,421**	**7,460,965**	**9,973,065**	**24,613,703**
Trade and other payables	770,287	1,045,522	1,406,822	2,228,120
Borrowings	367,508	5,872,478	5,985,551	19,022,570
Lease liabilities	62,039	306,289	758,010	781,679
Deferred tax liability	53,587	236,676	1,822,682	2,581,334
Total liabilities	**1,696,050**	**8,452,553**	**11,218,409**	**26,051,456**
Total equity	**5,362,574**	**6,970,626**	**15,396,442**	**20,778,671**
Total liabilities and equity	**7,058,624**	**15,423,179**	**26,614,850**	**46,830,127**

Note: 2021 unaudited data

Source: Company data, Scope Ratings

IV. Appendix: Selected financial information – Finbureau LLC

Income statement

	2018Y	2019Y	2020Y	2021Y
Income statement summary (GEL)				
Revenue	**8,990,541**	**11,894,863**	**23,273,346**	**27,544,751**
Direct collection costs of loan portfolio	1,837,091	5,585,890	6,875,800	11,542,622
Employee expenses	1,616,802	3,023,702	2,993,185	2,934,526
Depreciation and amortisation	72,296	311,528	695,610	1,122,097
Other operating income/expenses net	570,931	810,464	1,280,193	1,894,595
Other income/(expenses)	0	0	0	0
Operating profit	**4,893,421**	**2,163,279**	**11,428,558**	**10,050,911**
Finance income	272	307,923	356,803	158,187
Finance expenses	36,820	331,920	833,772	1,468,707
Foreign exchange gain/(loss), net	15,394	-68,871	97,299	-105,471
Profit before income tax	**4,872,267**	**2,070,411**	**11,048,888**	**8,634,920**
Income tax expenses	0	288,675	1,664,679	1,297,814
Total comprehensive income	**4,872,267**	**1,781,736**	**9,384,209**	**7,337,106**

Note: 2021 unaudited data

Source: Company data, Scope Ratings

Financial ratios

Profitability	**2018**	**2019**	**2020**	**2021**
Net profit margin (%)	54.2%	15.0%	40.3%	26.6%
Return on equity (%)	90.9%	25.6%	61.0%	35.3%
Return on assets (%)	69.0%	11.6%	35.3%	15.7%
Liquidity	**2018**	**2019**	**2020**	**2021**
Current Ratio (%)	334.8%	63.3%	58.8%	83.6%
Cash ratio (%)	82.3%	3.8%	15.1%	18.5%
Leverage	**2018**	**2019**	**2020**	**2021**
Assets/Equity (%)	132.0%	221.0%	172.9%	225.4%
Liabilities/Equity (%)	32.0%	121.0%	72.9%	125.4%
Loans/Total Assets (%)	47.0%	65.0%	70.5%	68.1%
Operational efficiency	**2018**	**2019**	**2020**	**2021**
Cost/Income	44.8%	79.2%	47.9%	59.4%
Collection costs/Total income	20.4%	47.0%	29.5%	41.9%
Other operating expenses/Total income	24.3%	32.2%	18.4%	17.5%

Note: 2021 unaudited data

Source: Company data, Scope Ratings

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