



Fastest growing SME lender in Estonia

*Financial products for micro- and
small enterprises*



Problem

SME-s, especially micro- and small enterprises are underserved in most countries when it comes to financial products. This is because both customer acquisition and credit evaluation are considered to be more difficult than in consumer finance.

Solution

HOOVI combines technology and automation with standardized processes and human touch to achieve a lending process that is both fast and automated in the background, but personalized and human centric on the front office side.



Hoovi - a provider of innovative financial services designed for SME-s.

Our customers love us and this has already led to double-digit monthly growth.

Here are the main reasons micro and small businesses turn to us with their financing needs.



Risk-based pricing

We have a very wide interest rate range and focus heavily on credit scoring



Personal communication

Entrepreneurs prefer negotiating the loan conditions with a real person



Premature repayment

Free and easy premature repayments are important to small businesses



Products



Purchase Credit / BNPL



Subscription Revenue Factoring



Credit Line



Rental Contract Factoring



Invoice Factoring



Business Loan



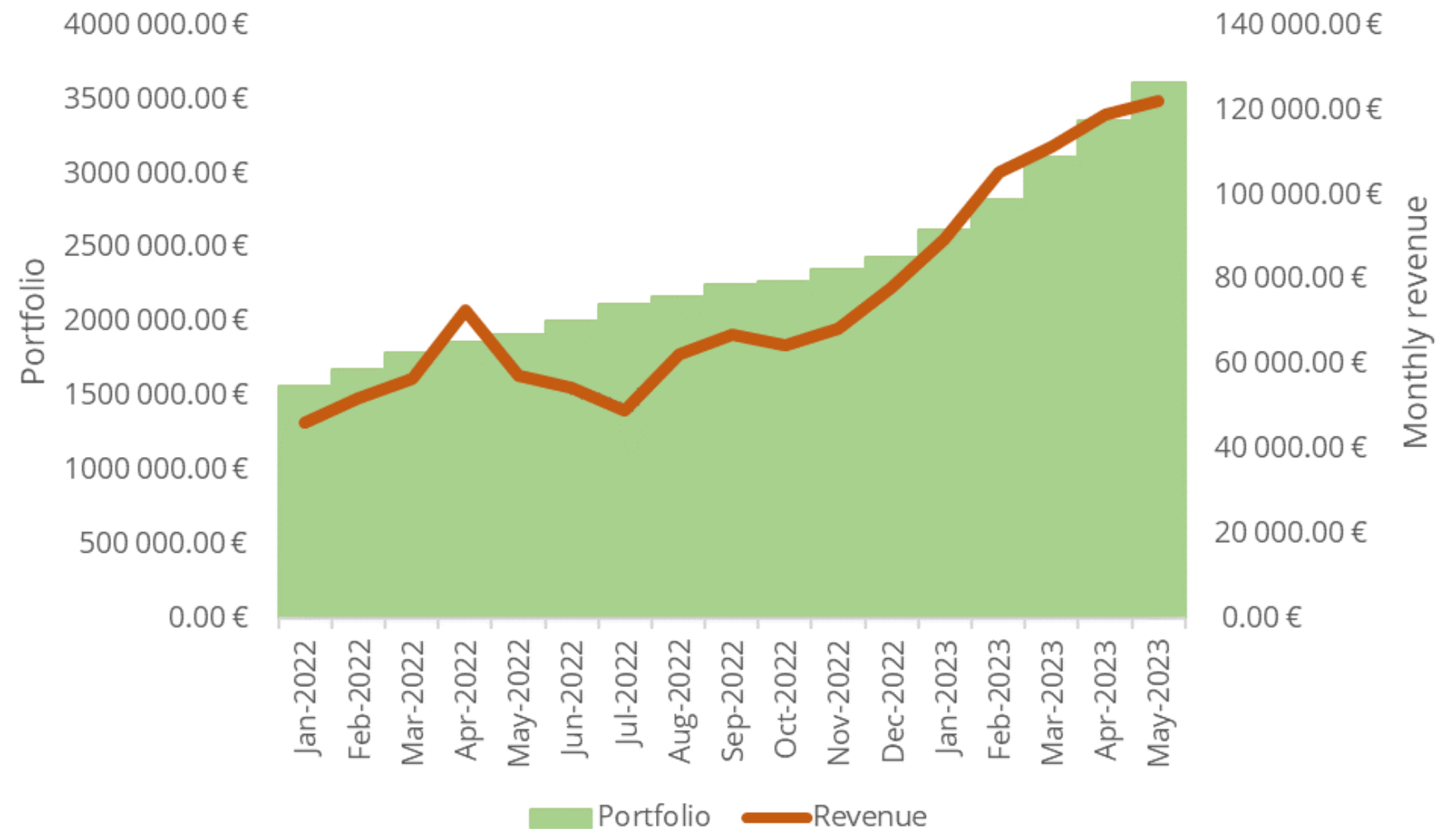
Our Secret Recipe

Our secret sauce is the technology and the data. The founding team has a strong tech and data science background and as such we recognize the technical challenges in our business model - especially the need for predictive analytics and automation. Because of the multitude of risk factors that need to be assessed we have already invested heavily in machine learning and apply a data-first principle to everything we do.



Hoovi in numbers

In Q2 of 2023 the balance sheet reached **3 500 000€**. The portfolio target for 2023 is **5 000 000€** and revenue target **1 250 000€**. We expect to close 2023 with a profit of **208 000€** and reach an interest coverage ratio of **1.5** in the beginning of 2024.



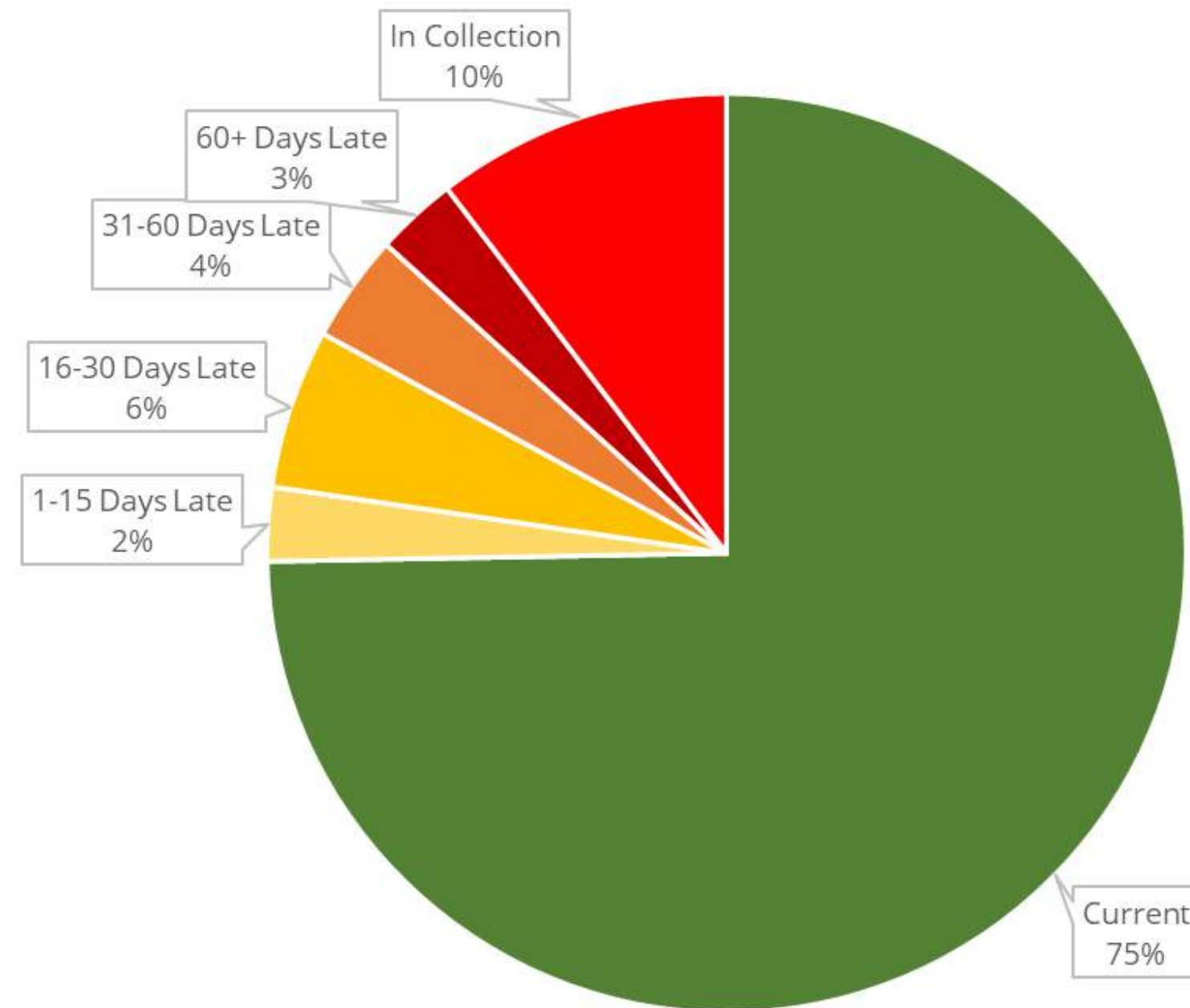
YTD results

	Loans issued	Portfolio	Revenue	Net profit/loss
JAN	184 136 €	2 616 483 €	89 560 €	-5 454 €
FEB	214 363 €	2 830 846 €	105 366 €	25 504 €
MAR	281 524 €	3 112 370 €	111 277 €	16 220 €
APR	243 538 €	3 355 908 €	118 981 €	18 848 €



Portfolio Quality

Our goal is to maintain a long term portfolio split of 80% current and 20% late (excluding collections portfolio) which ensures an optimal balance between growth and risk.

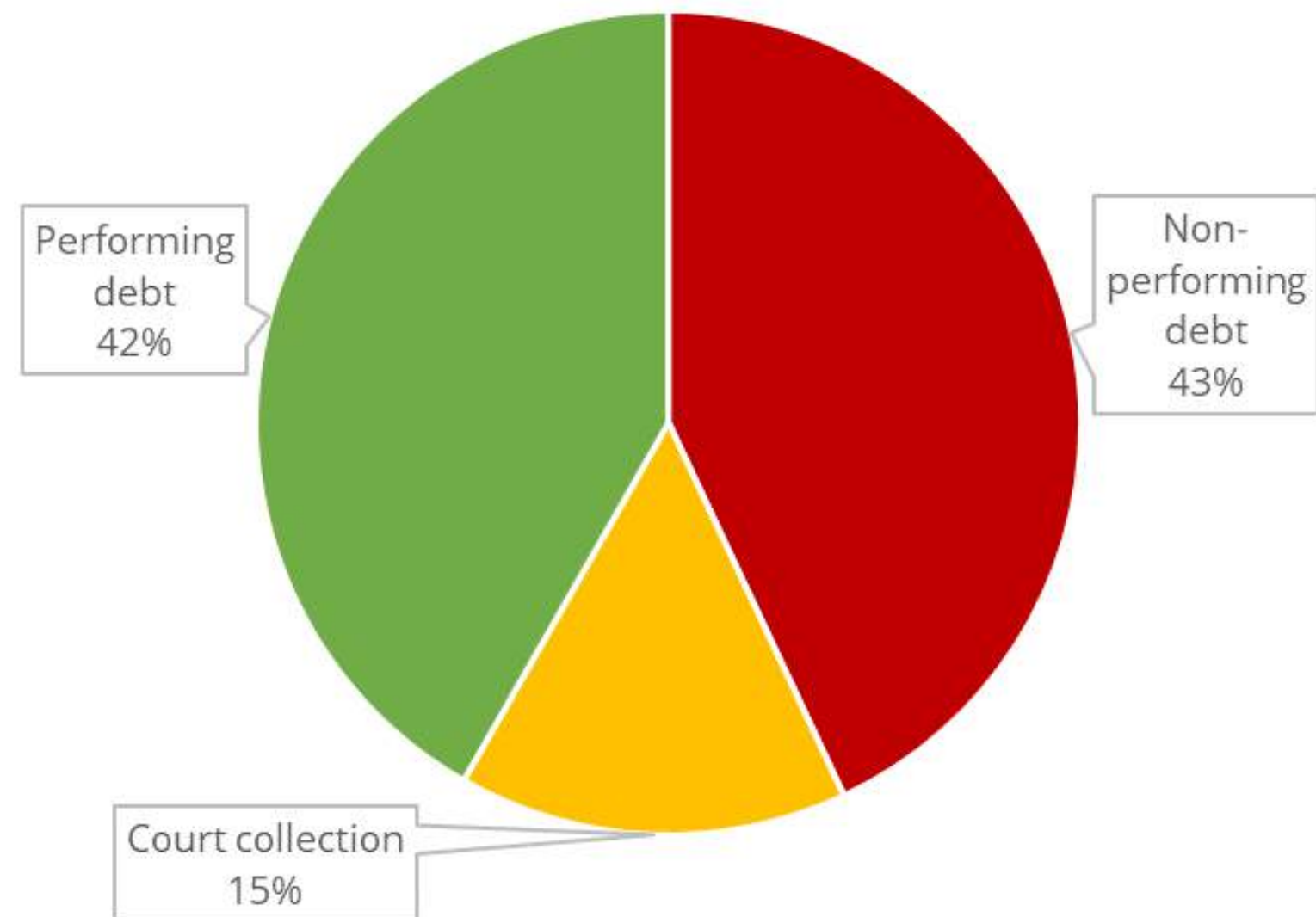


Current	2 445 029.30 €	74.72%
1-15 Days Late	84 933.68 €	2.60%
16-30 Days Late	183 735.13 €	5.61%
31-60 Days Late	124 260.26 €	3.80%
60+ Days Late	93 827.21 €	2.87%
In Collection	340 670.78 €	10.41%

Breakdown of Collections Portfolio

Debt Collection

We have an experienced in-house collection team and the collection portfolio has historically generated 2/3 of the returns as compared to the regular portfolio.

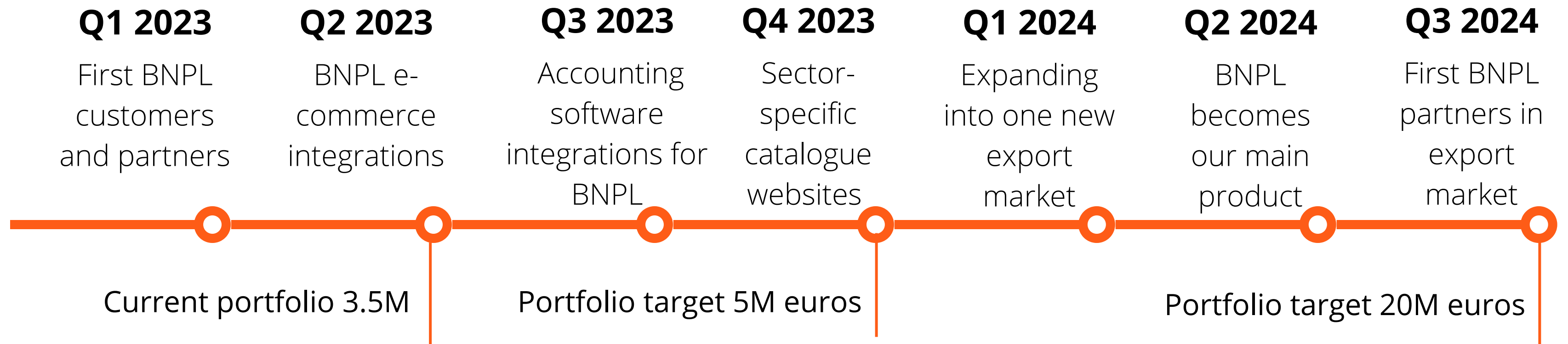
**Group:**

Performing debt
Court collection
Non-performing debt

Forecasted recovery:

Principal + Interest + Penalty
Principal
48% of Principal

Business development milestones for 2023 - 2024



Size of the Estonian SME lending market

There are almost 50 000 active companies in Estonia that fit the parameters of Hoovi customers: annual sales up to 500 000€ and no more than 7 employees. If our average loan ticket is 5500€ and we issue loans to 10% of the companies in our target segment then we can maintain a portfolio of 27M € in the Estonian market.



Competitor landscape in Estonia

Our goal is to position ourselves between the banks and fast loan providers by having the widest pricing range on the market.



TIER 1 - OWNERS' EQUITY

The owners have committed 2.5 million euros out of their own pockets. These funds have been used towards initial investment in the technology and marketing and building up the portfolio.

TIER 2 - BANKS OR FAMILY OFFICES

Ongoing negotiations with Citadele bank and a number of family offices to find a long-term partner willing to invest up to 50 million euros in tranches over several years.

TIER 3 - P2P PLATFORMS

Onboarding is underway with three P2P platforms - GetIncome, Lendermarket and Swapper to provide a fast and flexible means of managing our cash flows.

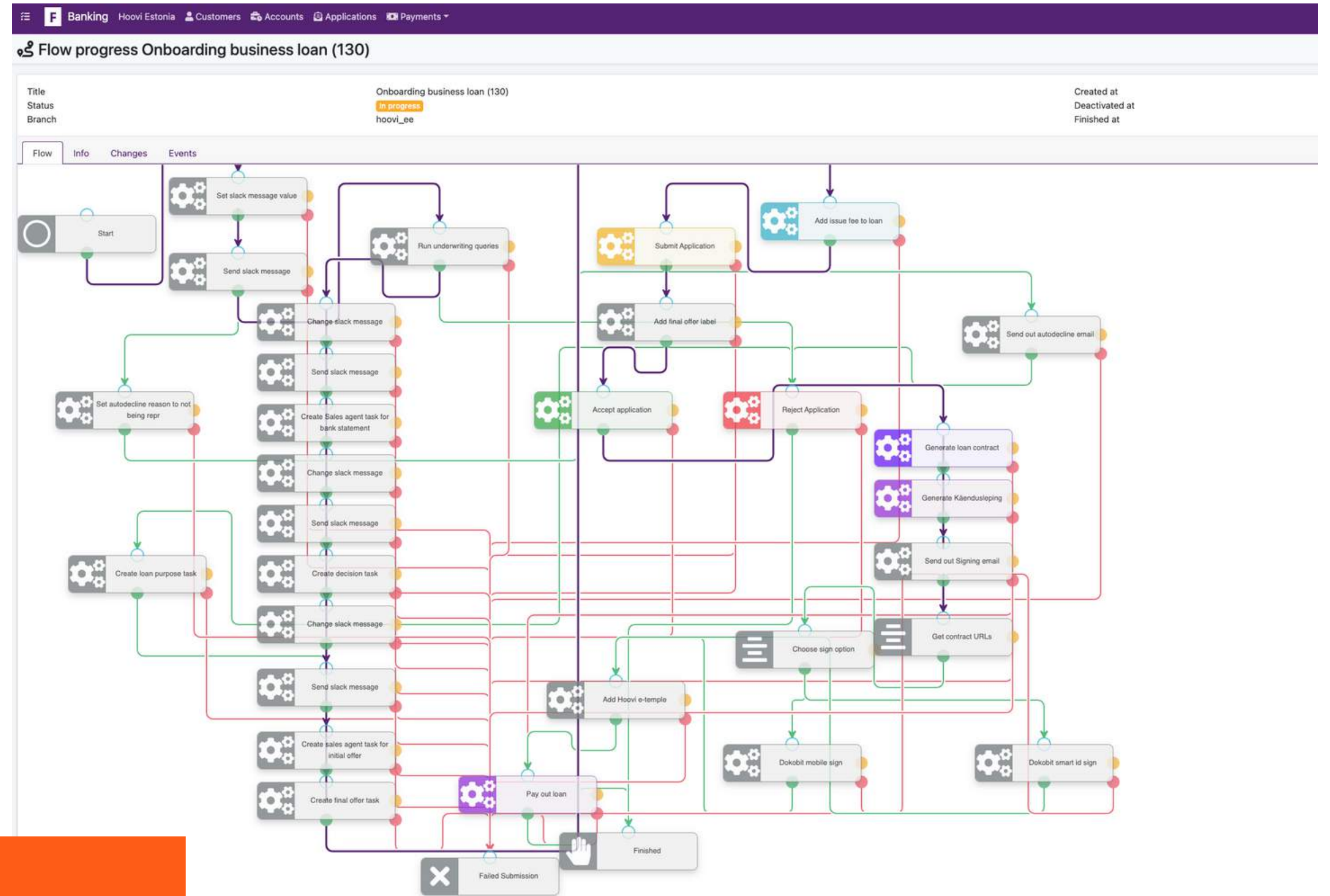
Three-tier financing model



Automation

Our existing IT platform allows us to configure and automate almost all the aspects of the loan underwriting, administration and collection processes.

Pictured is our automated loan underwriting process configuration. This can be created and modified in the UI.



The founders



**MIKK
LAOS**

COO

Mikk has extensive hands-on experience with building software for traditional financial institutions as well as cryptocurrency platforms.



**KARL
MÄRKA**

CEO

Karl has been responsible for credit risk model development and underwriting in international lending companies and in an international credit bureau.



**EGERT
METSANDI**

CTO

Egert has an extensive technology background with experience in cloud technologies, data and software development.



The team



KEVIN OMELIN

Account Manager



MARGE RAITMA

Account Manager



CARMEN WANG

Credit Risk Analyst



ANNA-MARIA URBAS

Collection Specialist



Backstory

HOOVI started out as Securebadger in 2018 when it was founded by a group of professionals from the finance and real estate sectors. For the first years the company offered tenant background checks, but in 2020 the original team splintered over differing views on how to achieve higher revenues and the remaining three founders decided to leverage the technology they had developed and the experience they had in risk assessment to start offering financial products instead. After securing a seed investment of 1.5M € in the end of 2020 and rebranding to HOOVI a new SME lender was born.



Our mission is simple

**HELP SMALL BUSINESSES SECURE THE BEST
FINANCING POSSIBLE.**



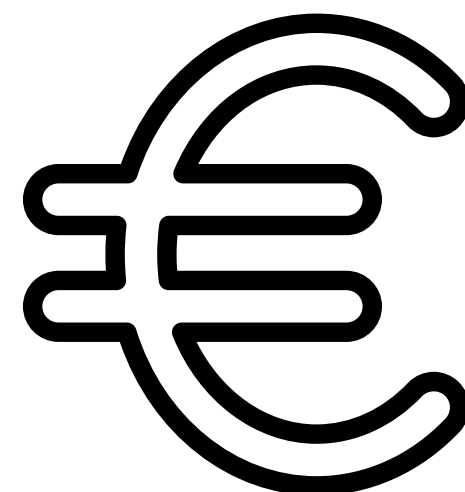


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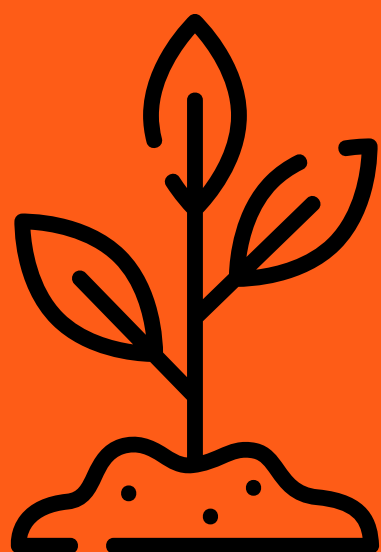
HOOVI operates with its own license, sales & marketing channels, capital, backoffice and debt collection know-how.

CASH FLOW POSITIVE

The investments into technology and market exploration have already been done and HOOVI can now cover its operating expenses from revenue. Additional investment goes directly into expansion.



Why invest in HOOVI?



SOLID GROWTH

HOOVI has already achieved significant month-to-month growth in the small Estonian market and numbers show there is still more demand left. The same strategies can be used to achieve explosive growth in larger markets.



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