



imon
international

PRESENTATION FOR INVESTORS

December 2021

IMON INTERNATIONAL AT-A-GLANCE

- The largest microfinance institution in Tajikistan with over \$120M of assets
- #3 credit organization in Tajikistan by number of borrowers
- #4 credit organization in Tajikistan by total assets and total equity
- Potential systemically credit organization according to the regulator's classification for 2022

Services

- Retail and MSME lending
- Deposits and current accounts
- Money remittance
- Business banking / settlement and cash services
- Exchange operations and other services
- Debit cards and mobile banking



131 offices



1 499 employees



49 ATMs



197 POS terminals



169 payment terminals
“IMON – Pay”

- Over **110 000** active borrowers
- Over **48 000** active users of digital channels (Mobile banking app and Internet banking)

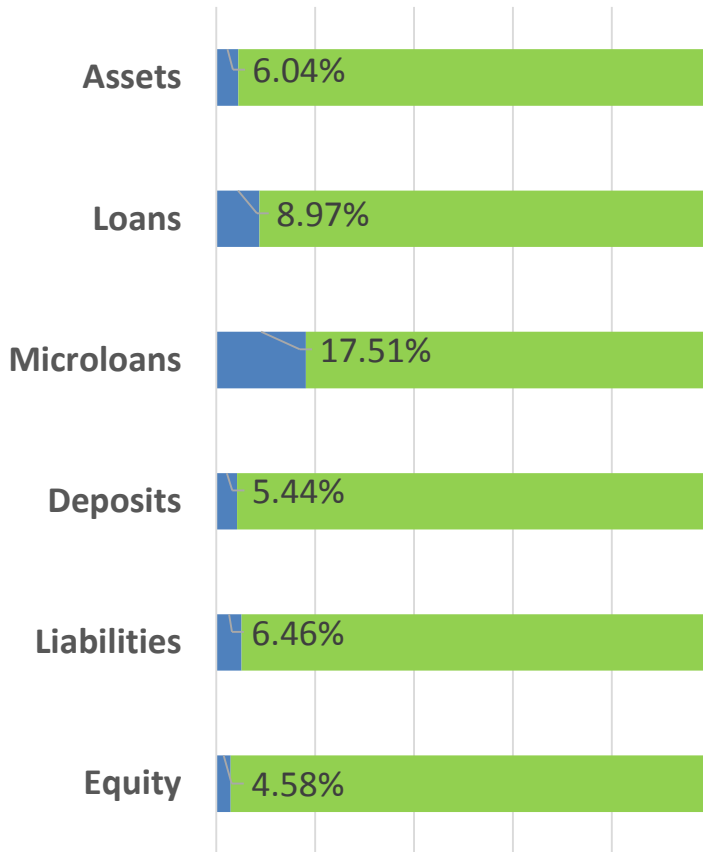
MISSION AND VALUES

- The mission statement of IMON: ***“To provide competitive financial services to micro and small business entrepreneurs thereby promoting economic development in Tajikistan and improving the quality of life of the population.”***
- The mission is based on the values and principles of the organization's work, which are:
 - honesty and reliability;
 - practicality and efficiency;
 - readiness for dialogue and development;
 - professionalism and competence;
 - caring for clients.
- IMON is a double bottom line institution, which means it has both commercial and social goals to be achieved. The board and shareholders expect IMON to strive towards excellency on both of the bottom lines.



MARKET SHARE AND RATING

Market share



Institutional rating

- Grade: **A-** Medium
- Rating committee date: November 2021
- Agency: MFR

Social rating

- Grade: **A-**
- Rating committee date: December 2021
- Agency: MFR

SMART certified as of May 2021

Next CPP certification date – Feb 2022

BRIEF HISTORY OF IMON INTERNATIONAL

The company was founded as a micro-lending project to support women in 1999 by National Association of Business Women of Tajikistan (NABWT) in partnership with Mercy Corps. In 2005 the project was transformed into Microcredit Fund "IMON" and then in 2008 into a commercial micro-lending organization "IMON International". The Company acquired deposit taking license in 2012 and was subsequently reorganized as a Microfinance Deposit-taking Organization (MDO). Since then, it offers almost full variety of conventional banking products (loans, deposit and current accounts, money transfer and FX transactions) to MSMEs, sole entrepreneurs and retail clients with primary focus on underserved, economically active segments of Tajik population.

1999 - Project "Microloans in Tajikistan" was implemented by the National Association of Business Women of Tajikistan in partnership with Mercy Corps

2005 - After introduction of the Law on Microfinance, a non-profit organization MCF "IMON" was established on the base of the project.

2008 - A commercial micro-lending organization "IMON International" was established by MCF "IMON"

2013 – LLC MLO "IMON International" was transformed into Closed Joint Stock Company Microcredit Deposit-taking Organization

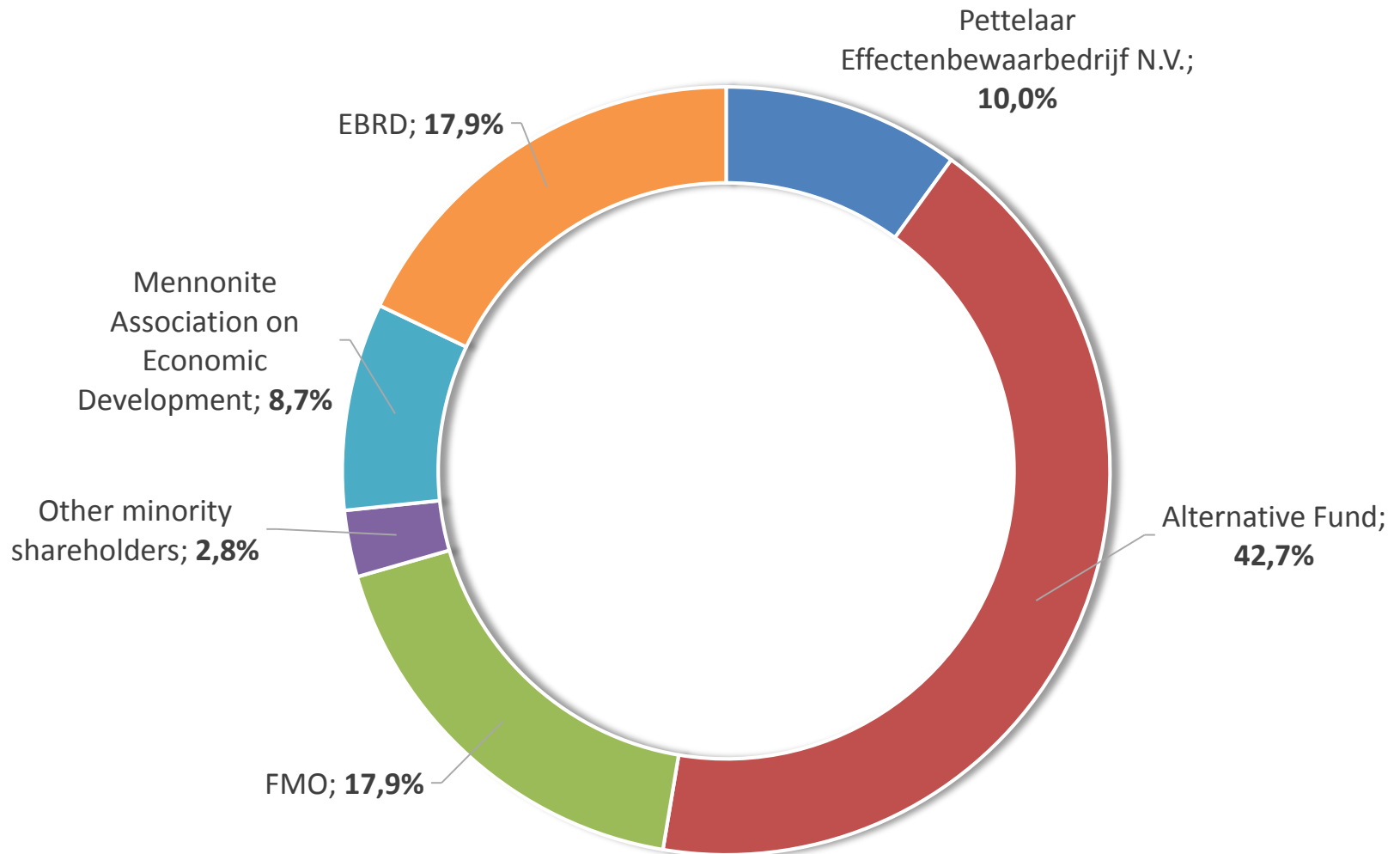
2013 – EBRD and FMO acquired a share in the capital of CJSC MDO "IMON International"

2017 – Alternative (Mikro Kapital) acquired a share in the capital of CJSC MDO "IMON International"

2021 – Share dealing between MCF "IMON", Alternative (Mikro Kapital), EBRD and FMO, as a result of which Alternative (Mikro Kapital) became a major shareholder of IMON International.

**Main
corporate
events**

SHAREHOLDERS STRUCTURE



SUPERVISORY BOARD



Alexander Eryomin

Chair of Supervisory Board / Chairman of Management Board of Mikro Kapital Management S.A., Luxemburg and Supervisory Board Member at UkrInCom, Kiev, Ukraine.



Malkhaz Dzadzua

Member of Supervisory Board / Over 20 years of management experience in development finance, including 15 years as a CEO of leading Microfinance Institution in Georgia.



Giorgio Parola

Member of Supervisory Board / First Vice President of Mikro Kapital sarl., Luxemburg, CEO of National Leasing Company, Russia and Board member at Mikro Leasing, (Belarus) Mikro Kapital (Italy) and others.



Anton Eruntsov

Member of Supervisory Board / Extensive experience in financial & IT sectors, including senior IT and managerial positions at Asset Management Company "Russian Investment Organization", Compaq, Hewlett-Packard.



Vano Baliashvili

Member of Supervisory Board / Over 20 years of professional banking experience. Consultant in international projects at TBC Bank Group PLC; Greenfield Bank Launching Project in Uzbekistan.



Joyce Bontrager Lehman

Member of Supervisory Board. Over 20 years of international experience as a consultant. Former COO at Microfinance Investment Support Facility for Afghanistan.



Stefan Queck

Member of Supervisory Board / Over 25 years of experience in international finance development and access to finance themes. Board member at Financiera FAMA (Nicaragua), Bank Kompanion (Kyrgyzstan).



Michael Hoffmann

Independent Member of Supervisory Board / Former head of EBRD Volga Federal District Office (Russian Federation), CEO at AccessBank Azerbaijan. Currently an Investment Advisor at Zeebrug Advisory

EXECUTIVE MANAGEMENT BOARD



Andriy Palka

Chair of
Management Board

Over 18 years of
managerial
experience in
financial sector in
Ukraine & Russia.
Former Chairman of
Board at DVBank
and managing
director at
International
Investment Partners.



Bahodur Akbarov

Member of
Management Board
Chief Operations
Officer (COO)

Over 20 years of
professional
experience in
microfinance sector.
Former Deputy CEO
and acting Chair of
Management Board
at MDO IMON
International.



Gairat Ibragimov

Member of
Management Board
Chief Financial
Officer (CFO)

Over 20 years of
financial experience,
out of which 16
years in
microfinance.
Academic
background in
accounting & law.
Former Chief
Accountant at IMON
International



Nazirjon Mulloboev

Member of
Management Board
Chief Business
Officer (CBO)

Over 12 years of
professional
experience in
microfinance sector.
Former head of
banking operations
development
division at MDO
IMON International.



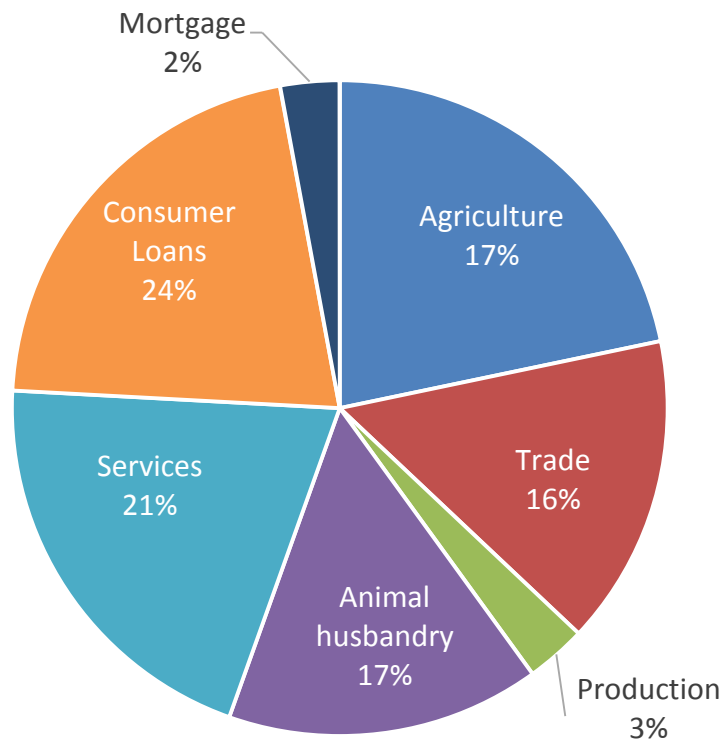
Umed Yusupov

Member of
Management Board
Chief Risk Officer
(CRO)

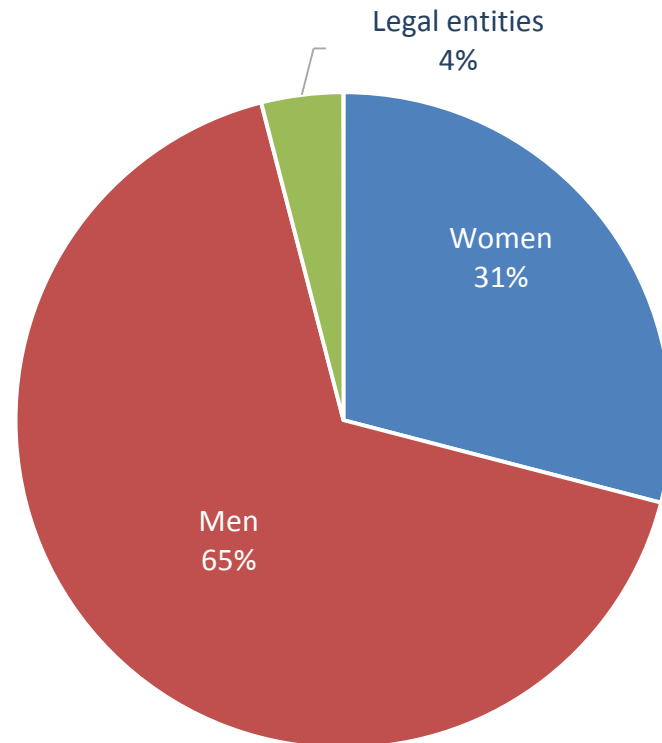
Over 20 years of
experience in
microfinance sector,
out of which 10
years in risk
management. MBA
in International
Marketing (Steinbeis
Hochschule Berlin
SHB)

STRUCTURE OF LOAN PORTFOLIO (1)

By sectors

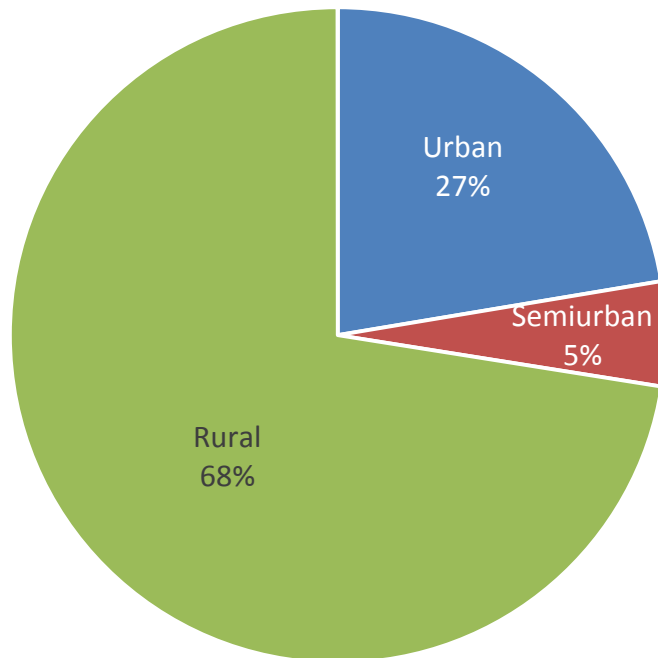


By gender

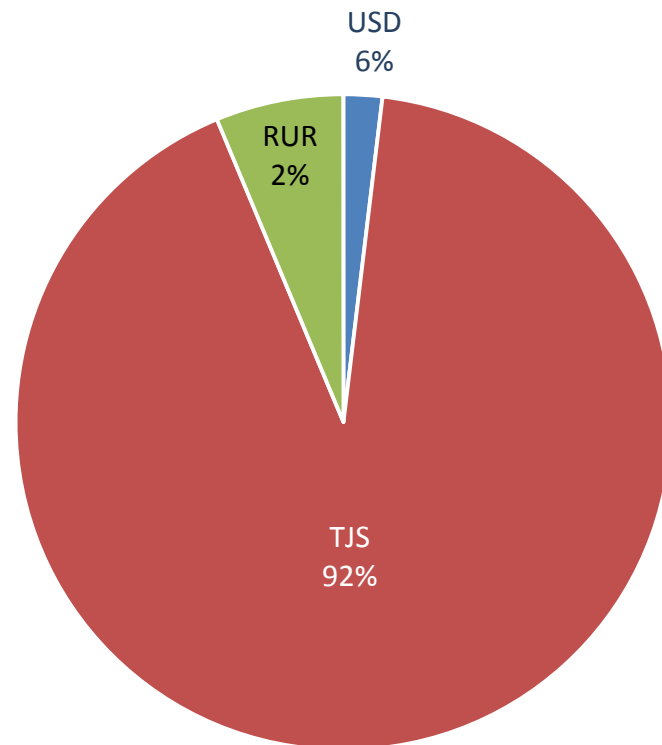


STRUCTURE OF LOAN PORTFOLIO (2)

By administrative area

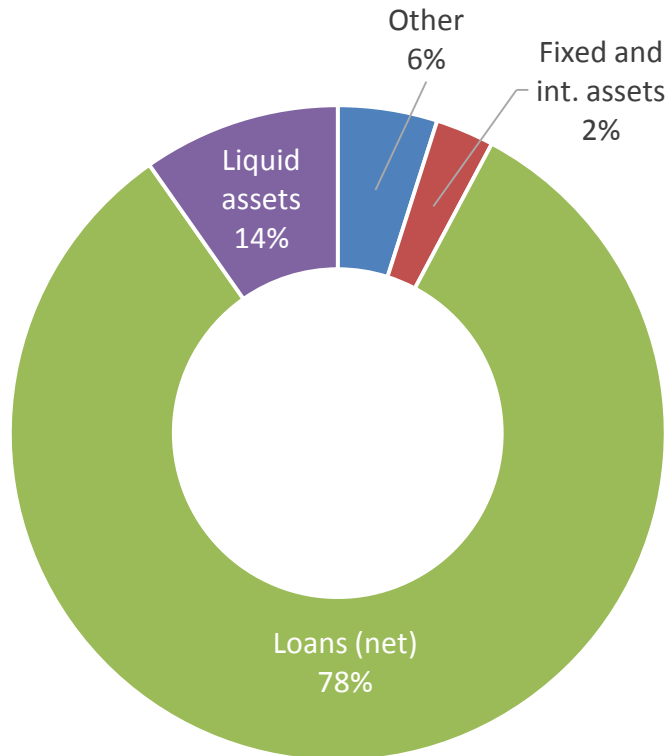


By currency

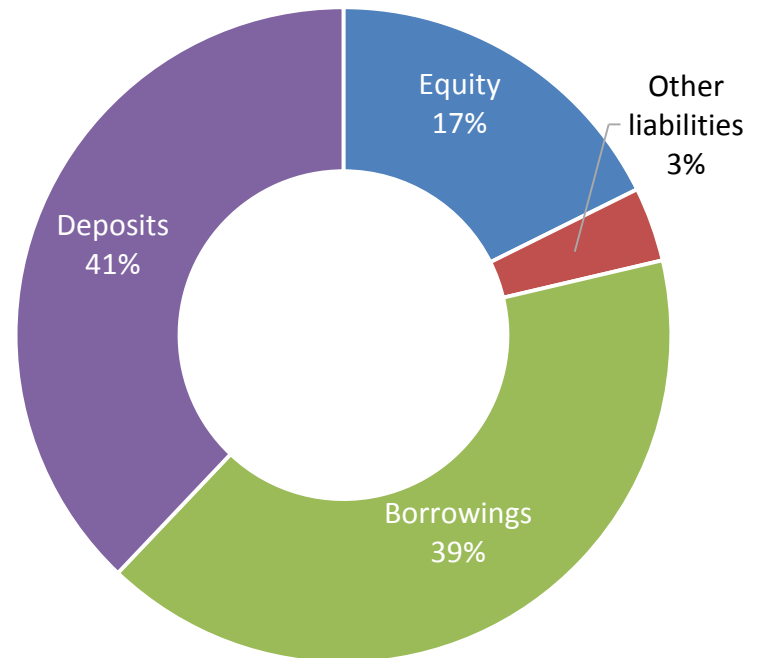


STRUCTURE OF BALANCE

Assets

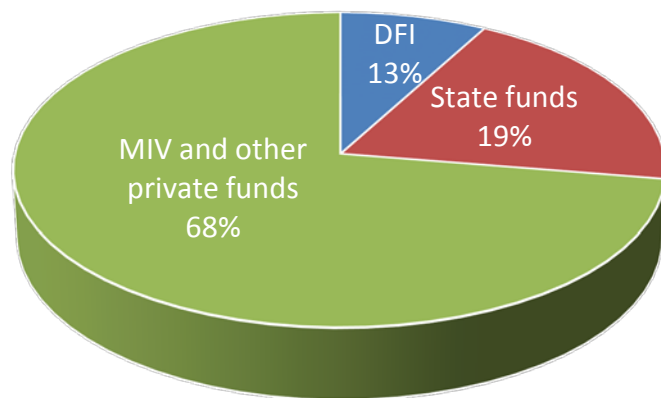


Liabilities and Equity

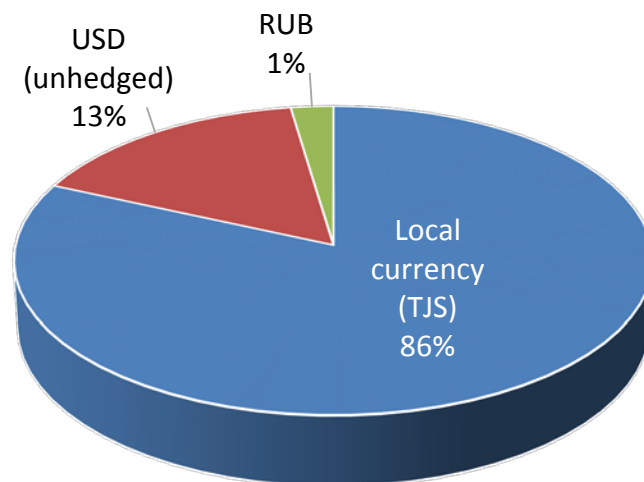


STRUCTURE OF BORROWED FUNDS

By type of lenders



By currency



STATEMENT OF PROFIT AND LOSS

Interest income	280 721 537
Interest expenses	-132 711 330
Net interest income	148 010 207
Net fee and commission income	6 686 328
Net result from FX revaluation and trading	3 872 552
Net financial income before provisions	158 569 088
Provisioning expenses	-2 230 338
Other operating income	20 859 723
Operating income	177 198 473
Operating expense	-145 139 234
Operating result	32 059 239
Income tax	-9 181 437
Profit or loss after tax	22 877 802

As of December 31, 2021
In Tajik Somoni

MAIN FINANCIAL RATIOS

As of December 31, 2021

CAR
17,35%

Cost-to-income
80,9%

Return on assets
1,9%

Return on equity
10,3%

PAR>30+RL
1,8%

Credit risk coverage
95,7%

LATEST AUDITED FINANCIAL DATA: BALANCE SHEET

In thousands of Tajik Somoni (TJS)

	Notes	December 31, 2020	December 31, 2019 (restated)
ASSETS			
Cash and cash equivalents	13	70,595	81,967
Due from banks	14	144,351	82,812
Restricted funds	15	7,335	13,839
Financial instruments at fair value through profit or loss	16	3,296	32
Loans to customers	17	869,094	894,374
Investment securities	18	416	416
Property and equipment	19	28,024	31,909
Intangible assets	20	9,937	11,558
Right of use of assets	21	31,947	27,226
Long-term assets held for sale	22	4,548	7,279
Deferred tax assets	12	1,638	1,400
Other assets	23	21,503	26,806
TOTAL ASSETS		1,192,684	1,179,618
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and financial institutions	24	530	1,896
Customer accounts	25	434,591	369,879
Borrowings	26	503,062	558,724
Lease liabilities	21	35,278	28,698
Other liabilities	27	9,875	21,914
		983,336	981,111
EQUITY			
Share capital	28	111,111	111,111
Additional paid-in capital		6,255	6,255
General reserves		80,035	54,462
Retained earnings		11,947	26,679
		209,348	198,507
TOTAL LIABILITIES AND EQUITY		1,192,684	1,179,618

LATEST AUDITED FINANCIAL DATA: STATEMENT OF PROFIT AND LOSS

In thousands of Tajik Somoni (TJS)

	Notes	For the year ended December 31, 2020	For the year ended December 31, 2019 <i>(restated)</i>
Interest income	5	267,525	269,653
Interest expenses	5	<u>(127,017)</u>	<u>(125,961)</u>
NET INTEREST INCOME BEFORE ACCRUAL OF ALLOWANCE FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS		<u>140,508</u>	<u>143,692</u>
(Accrual) of allowance for impairment losses on interest bearing assets	17	<u>(16,111)</u>	<u>(10,401)</u>
NET INTEREST INCOME		<u>124,397</u>	<u>133,291</u>
Commission income	6	8,016	7,749
Commission expenses	6	(6,313)	(5,269)
Net gain/(loss) on operations with financial instruments	7	1,009	(2,903)
Net (loss)/gain on foreign exchange transactions	8	(1,885)	7,806
Recovery/(accrual) of allowance for impairment losses on other assets	9	143	(338)
Other income, net	10	<u>8,442</u>	<u>9,803</u>
NET NON - INTEREST INCOME		<u>9,412</u>	<u>16,848</u>
Operating expenses	11	<u>(117,119)</u>	<u>(116,225)</u>
PROFIT BEFORE INCOME TAX		<u>16,690</u>	<u>33,914</u>
Income tax expenses	12	<u>(5,849)</u>	<u>(10,023)</u>
NET PROFIT		<u>10,841</u>	<u>23,891</u>
Other comprehensive income:		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>10,841</u>	<u>23,891</u>

SOCIAL ACTIVITY

Society & Environment

- Concessional loans for education and health
- Financial support of sport teams and activities
- Support of women: specialized loan products and free financial literacy training
- Concessional loans for energy-saving technologies, building resilience and adaptation to climate change
- Financial support of victims of natural disasters and disabled

Clients & Staff

- Free agricultural training for clients
- Free consulting on house construction and renovation in rural areas
- Compliance with client protection principles
- Paid annual and sick leaves for staff
- Flexible work schedule for female employees with infants
- Support of staff in capacity building and professional development

ACCOMPLISHMENTS AND AWARDS



Financial transparency award from CGAP in 2005 and 2006 for achieving a high level of compliance with international standards for financial reporting.



Mix Market has certified MDO IMON INTERNATIONAL as a **socially responsible and transparent organization** in 2013. This award was presented to the organization based on reports on social aspects of operations.



By decision of the Tax Committee under the Government of the Republic of Tajikistan, MDO IMON INTERNATIONAL was awarded as the "Best Taxpayer of the Year" in 2013.



MDO IMON International was awarded as the "Best taxpayer of the Year" in 2018 by the regional department of Tax Committee in Sughd region



IMON INTERNATIONAL has been named the **best brand in 2017 and 2019** among microfinance organizations in the national contest organized by the Ministry of Economic Development and Trade.

RATINGS AND CERTIFICATIONS



DEDICATED STAFF – MAIN ASSETS OF THE COMPANY



SUCCESS OF OUR CLIENTS – OUR PRIORITY



OUR PARTNERS

Triodos 
Investment
Management

 **BlueOrchard** | Member of the
Impact Investment Managers Schrodgers Group

kiva

 **SOCIAL CAPITAL**

 **European Bank**
for Reconstruction and Development

 **Proparco**
GROUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT

FRONTIERA
CAPITAL

OBVIAM
INVESTING
FOR
IMPACT


**AGENTS
FOR
IMPACT**


WATEREQUITY

responsAbility

KFW

 **IDA**

MFR

 **mfx** currency
risk solutions


БАНК ЭСХАТА

 **WU**

 **СБЕР БАНК**


ТИНЬКОФФ

 **tkb**

 **CONTRACT**

 **symbiotics**

 **МТС Банк**

 **ЮНИСТРИМ**

CONTACT INFORMATION

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Email: andriy.palka@imon.tj

Website: www.imon.tj



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