



**CARION**

FINANSZÍROZÁSI CENTRUM ZRT.

# **EaSI Workshop**

## **Carion Financial Centre Plc. (CFC)**

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# CARION FINANCIAL CENTRE

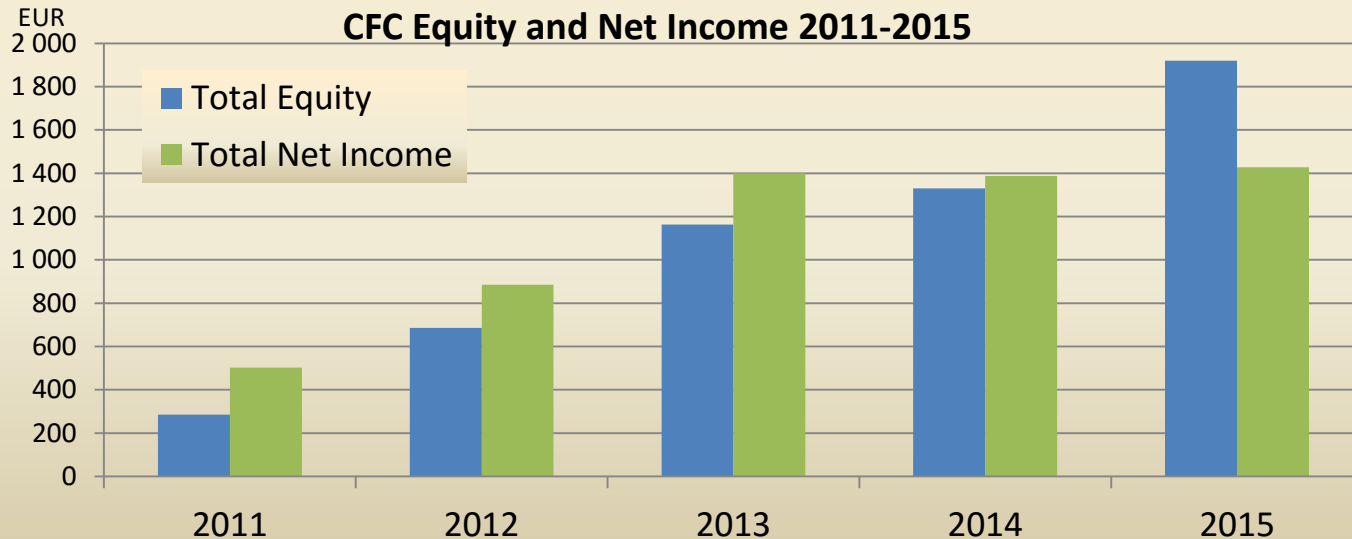
- Member of the Carion Group (established in 1994, active in 5 countries)
- CFC established in 2007
- Legal form: Public Limited Company, owned 95% by Carion Holding
- Operating under the licence and supervision of the Hungarian National Bank, Type: Financial Enterprise
- Contracted for refinancing by 3 commercial banks and MFB
- First and so far only Hungarian partner of EIF
- Number of employees: 12
- Founding member of the Venture Finance Association

# CFC in figures (2011-2015)

all data in '000 EUR

Years	2011	2012	2013	2014	2015
Total Equity	285	686	1 162	1 330	1 919
Total Net Income	502	885	1 399	1 388	1 427
Total Assets	5 608	16 993	21 331	23 794	25 786

FX 300 HUF/EUR



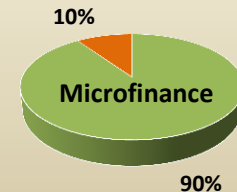
# Total disbursement of CFC

Microfinance	Disbursement data amount in EUR	
2011	2 044 876	
2012	10 314 703	
2013	6 295 852	
2014	5 840 211	
2015	5 520 395	
<b>Number of contracts and total amount:</b>	<b>596</b>	<b>30 016 038</b>
<b>Average contract value: 50 363 EUR / 15 M Ft</b>		

Almost 10 billion HUF (33,2 M EUR) disbursed. 90% of the clients are Micro and SME firms. (Proportion is 94% to 6% for the Micro enterprises.)

<b>Total disbursement amount (EUR):</b>	<b>33 194 330</b>	<b>100%</b>
<i>Microfinance</i>	30 016 038	90%
<i>Mortgage-based loan</i>	3 178 292	10%

Proportion of total disbursement



# EIF application process



Feb 2014 --> First contact

Sep 2014 --> Application from CFC to EIF

Okt 2014 --> Term Sheet from EIF

Nov 2014 --> Due Diligence Meeting

Jan 2015 --> EIF positive decision

Mar 2015 --> Signing of contract

Jun 2015 --> Drawdown



( Disbursement )



( Monitoring )



( Reporting )

# Carion Start Microfinancing – funded by EPMF

- Final beneficiaries: Micro entrepreneurs, included self-employed entrepreneurs, start-up companies, etc. (max. 9 person, Max. 2M EUR Net Income)
- Help for socially disadvantaged class and companies in least favoured regions.
- Continuing of CFC's practice: providing loan for clients not financed by the banking sector. This has a positive social impact.
- Value added: helping clients in getting the loan, follow-up

# Products and services offered within the EPMF/Carion Start funding

- Investment or current asset loans and pre-financing of tenders
- Up to 25 000 EUR
- Maturity 1 to 5 years
- Pricing: around 6,5%
- Disbursement fee: around 2%
- Collateral: mainly real estate, mortgage on assets
- No obligatory level for own funds
- No regional restrictions – lack of financing in Central Region of Hungary

# Experiences

## Positive experiences:

- The purpose of the financing is flexible
- There are no restricted geographical areas

## Suggestions:

- Pricing of the senior loan agreement should take the Social Impact into account
- Extended maturity date
- Higher threshold amount to the final beneficiaries



# Description of the market

Market niche in the micro entrepreneurs financing in Hungary

- Financing micro enterprises is out of focus of Hungarian commercial banks
- Mostly „boxed” products, lack of customized conditions (loans under 100M HUF)
- Micro enterprises are generally underfunded – in the Central Hungary region as well

Thank you for your attention!