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# MK Kredit Romania

## Impact Report 2025

Reporting period: 1 Jan – 31 Dec 2025

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# MK Kredit Romania at a glance

**€49.6 m**
Gross loan portfolio

**2,395**
Active end-borrowers

**14**
Branches

**89**
Employees

**1,218**
Loans disbursed

**8**
Regions covered

# Who we are

## MK Kredit IFN S.A. – Company Overview (2025)

**Foundation:** Established in 2016, headquartered in Iași, Romania, regulated NBFI, supervised by the National Bank of Romania (Special Register).

**Business:** Provides financing to micro, small and medium-sized enterprises on agriculture, trade, transport, manufacturing and services, particularly underserved businesses outside traditional bank financing.

**Market position:** One of Romania's leading microfinance institutions, operating a nationwide branch network and maintaining a strong presence in rural and agricultural lending.

**Key 2025 developments:**

- Rebranded from Mikro Kapital IFN S.A. to MK Kredit IFN S.A., reflecting a modernized corporate identity and digital strategy.
- Continued leadership under CEO Andrei Alexandru Bostaca.
- Expanded national branch network and lending portfolio.
- Strengthened digital lending capabilities and customer experience.
- Continued diversification of funding through international development finance institutions, commercial banks and the Romanian capital market (including listed corporate bonds).

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OUR PHILOSOPHY

# People-centred finance: our seven principles

Behind every number are people and families who need support. These seven actions, shared across the ALTERNATIVE portfolio, guide how we work.

1. Put people first in every decision
2. Make credit accessible to everyone
3. Keep the human touch in our digital services
4. Teach clients financial skills
5. Make profit work with fairness
6. Support the communities we serve
7. Let solidarity guide our choices

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# The market we serve

## Market and client need

- Romania has **over 880,000 active SMEs, representing 99.7% of all enterprises**, with microenterprises accounting for approximately 90% of the business population.
- Despite their economic importance, **access to finance remains one of the main constraints to SME growth**. Traditional banks typically focus on larger, well-established businesses, while microenterprises, farmers and rural entrepreneurs often lack sufficient support, financial history or the loan size required for standard bank products.
- As a result, **only around 8.6% of Romanian microenterprises have bank financing**, highlighting a significant financial inclusion gap.
- MK Kredit IFN SA bridges this gap by **providing relationship based, fast and flexible financing tailored to underserved SME’s**, with particular expertise in agriculture, trade, transport, manufacturing and services.
- Through its nationwide branch network and local credit expertise, the company **enables entrepreneurs to access financing for working capital and investment**, supporting business growth, employment and economic development across Romania.

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# Client diversification

**Business focus**: 100% SME lending, with financing primarily for working capital, investment loans, agricultural inputs, equipment, vehicles, and business development. Well-diversified portfolio across key sectors of the Romanian economy while maintaining strong expertise in agriculture.

**Portfolio composition (2025):**

- Agriculture: 62.9%
- Services: 22.6%
- Trade: 9.9%
- Production & Manufacturing: 4.6%

**The agricultural portfolio has gradually increased from approximately 56% to 63%** over recent years, reflecting both growing demand from Romanian farmers and the company's long-standing specialization in rural finance.

No exposure to consumer lending or housing finance, maintaining a clear focus on productive business financing.

# Our end-borrower impact in 2025

**64%**
Income increased

**78%**
Quality of life improved

**29%**
Home spending increased

**68%**
Financial management improved

**+0.4**
Net new jobs per client

**51%**
First-time borrowers

**24%**
Meals quality improved

**78**
NPS (−100 to +100)

Based on an internal client survey conducted in late 2025, 153 respondents.

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# Financial inclusion

**23%**

Female clients

**69%**

Rural clients

**16%**

Clients under 30 y.o.

**€ 17,397**

Average loan size

We extend finance to those formal lenders overlook — women, rural households, and first-time borrowers — with loan sizes small enough to keep us focused on the genuinely underserved.

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# Our team and workplace

**89**

Total employees

**65%**

Female employees

**62%**

Women in management

**25%**

Employees below 30 y.o.

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# People highlights in 2025

- **90 employees at year-end**, supporting continued business and branch network expansion.
- Continued **investment in risk management, portfolio monitoring and operational functions**, strengthening internal expertise**.**
- **Low staff turnover**, with approximately 74% of employees (66 of 89) having more than one year of service, reflecting a stable and experienced workforce.
- **Ongoing professional training and certification programs**, including regulatory compliance, AML/KYC, credit underwriting, risk management and leadership development.
- **Competitive employee benefits**, including private medical insurance, meal vouchers, parental leave in accordance with Romanian legislation.
- **Commitment to equal opportunities, employee well-being and continuous professional development**, fostering a collaborative and inclusive working environment.

# Innovation and digital transformation

**95%**

Clients served via digital channels

**AI- early collection support**

New digital products / features in 2025

**1.39 Days**

Application-to-decision / delivery time

**Innovation highlights**

MK Kredit IFN SA – Romania - continues to invest in digital lending solutions through its project mobile application, paperless loan applications and remote client servicing. Automated workflows and AI-supported portfolio monitoring contribute to faster processing times and a more efficient customer experience. These innovations improve access to finance, particularly for rural and underserved entrepreneurs, while supporting a seamless and fully digital lending process.

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# Our community contribution

**Financial literacy support provided to all clients**

**Supporting rural businesses, women entrepreneurs and the Roma community through financial inclusion**

**Promoting entrepreneurship and responsible finance among broader community**

## Community and client support

MK Kredit IFN SA Romania - complements its financing activities by promoting financial literacy and responsible borrowing for all clients. The company supports financial inclusion by improving access to finance for rural businesses, women entrepreneurs and the Roma community, while providing tailored assistance.

# Environmental impact

**9.22%**

Green share of portfolio

**107**

Green deals financed (EV / solar / efficient equipment)

## Green initiatives

MK Kredit Romania offers dedicated green financing solutions for energy efficiency, renewable energy and sustainable agriculture. These products support rural SMEs and agricultural entrepreneurs in improving resource efficiency, reducing environmental impact and building long-term business resilience.

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# Governance and user protection

### ESG policy

*Yes - implemented in 2023*

### Code of Conduct

*Valid as of December 2025*

### Complaints mechanism

*0 complaints received in 2025*

### Exclusion list

*Standard for all financing decisions*

### Data privacy and cybersecurity policy

*Yes – within our IT implemented policy*

### Whistleblowing channel

*Yes*

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# What we do not finance:

| | | | | |
|---|---|---|---|---|
| Illegal activities | Weapons and arms | Alcohol and tobacco* | Gambling | Radioactive materials** |
| Asbestos | Drift-net fishing | Biodiversity-harmful activities | Hazardous shipments | Unauthorised trade |

**excluding beer and wine*
***except medical equipment, quality control, or equipment where IFC considers radioactive sources to be minor and adequately shielded*

# Selected SDGs

# SC CRYS FUNGHI CONCEPT S.R.L.

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## Pitești, Romania

SC CRYS FUNGHI CONCEPT S.R.L. is a Romanian company that has been collaborating with MK Kredit since 2021. Its main activity is the collection of non-wood forest products from spontaneous flora, particularly wild mushrooms and forest fruits. The company collects mushrooms and berries from the counties of Argeș, Brașov, Covasna, and Harghita.

The main clients for mushrooms are restaurants and pizzerias from Italy, Switzerland, Germany, France, and Austria, as well as pizzerias in Bucharest.

For forest fruits, one of their clients has been Profructta Câmpulung (Profructta produces and sells 100% natural juices and lemonades, made from cold-pressed fruits, without added sugar, preservatives, or food additives, bottled in glass) and Magiun de Topoloveni for wild strawberries, and starting this year, for honey mushrooms as well.

The client has benefited from a total of 8 loans so far: three loans in 2021, two in 2022, one in 2023, one in 2024, and one loan in 2025 amounting to 210,000 lei, which was used to refinance the 3 active loans at that time.

Currently, only the 2025 loan remains active.

# Show Time Event S.R.L.

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**Show Time Event S.R.L. – Revitalizing Entertainment in Sighetu Marmației**

Show Time Event S.R.L. is a Romanian company operating in the entertainment sector, managing Cinema Mara, a private cinema located in a historic building in the center of Sighetu Marmației. The business plays an important cultural and social role in the city, offering residents access to modern cinema experiences within a heritage space.

In order to diversify its services and increase customer engagement, the company partnered with MK Kredit (Baia Mare branch) to finance the development of a multi-functional arcade and leisure area, strategically positioned at the entrance of the cinema.
The investment included: arcade gaming consoles, ping pong tables, billiard tables, darts and interactive entertainment equipment.

This new space was designed not only as an extension of the cinema experience but also as an independent attraction, appealing to a broader audience.
As a result, Show Time Event S.R.L. successfully transformed its business model from a traditional cinema operator into a hybrid entertainment hub, capable of hosting children's parties and private events.

With the support of MK Kredit, the company has strengthened its position in the local market, contributing to the revitalization of urban leisure infrastructure in Sighetu Marmației and offering a modern, dynamic alternative for entertainment in the region.

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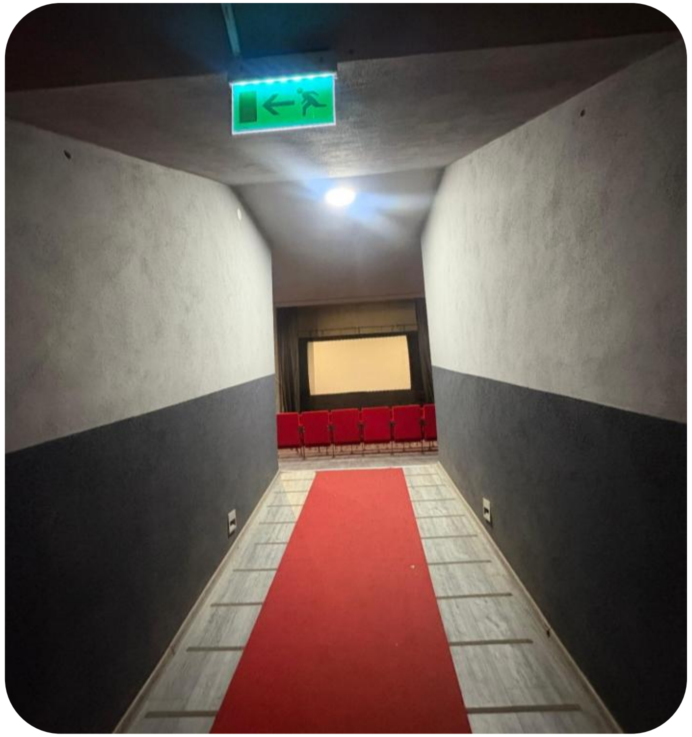

# Ezra & Luca Pharmacy SRL

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Ezra & Luca Pharmacy SRL, operating under the Simbio brand, is a pharmaceutical startup founded in 2022 in Suceava, which has grown steadily and later expanded with a second branch in Iași. Beyond its core pharmacy operations and the sale of medicines from suppliers, the company also runs an in-house laboratory where it prepares magistral and officinal medicines — an essential service for patients requiring customized formulations.

In July 2025, Ezra & Luca Pharmacy obtained financing from MK Kredit, enabling the modernization of its laboratory with advanced equipment and new glassware, significantly improving quality and safety standards. The funding also supported the completion of a dedicated vaccination area, addressing an increasing community need.

The investment further allowed the pharmacy to strengthen its merchandise stocks and acquire the raw materials necessary for producing medicines in its own laboratory. Additionally, part of the financing was allocated to marketing and promotion, helping the business increase visibility and reach more clients. Today, Ezra & Luca Pharmacy SRL stands as a strong example of responsible entrepreneurship, combining modern pharmaceutical services with specialized laboratory expertise, and offering patients access to safe, reliable, and personalized medical solutions.



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# 2025 highlights and 2026 priorities

## 2025 highlights

- **EUR 49.6 million Gross Loan Portfolio** at year-end 2025.
- **14 operational branches** and continued expansion of lending to Romanian micro and small enterprises.
- **Strengthened ESG framework** through international partnerships and client protection initiatives.
- **Sustained resilient portfolio quality** supported by disciplined risk management and centralized credit decision-making.

## 2026 priorities

- **Sustain profitable portfolio growth** while preserving strong asset quality.
- **Accelerate AI-driven digital transformation** and process automation.
- **Diversify funding** through new international and local strategic partnerships.
- **Advance ESG integration**, impact reporting and client protection standards.

# Important partnerships

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MK Kredit maintains strong partnerships with international organizations, financial institutions, regulators and capital market participants that support responsible finance, institutional development and sustainable growth.

**Institutional partnerships**

- MicroFinanza Rating (MFR) – Independent institutional, governance and ESG assessments.
- AFISAR – Sustainability and impact assessment supporting ESG and SDG alignment.
- European Code of Good Conduct for Microcredit Provision – Certification of responsible lending and governance practices.
- Client Protection Pathway (CERISE+SPTF) – Commitment to internationally recognized client protection standards.

**International funding partners**

- European Investment Fund (EIF)
- SIA Mintos Finance
- Bank im Bistum Essen (BIB Sustainable Finance)
- KCD Mikrofinanzfonds (FIS)
- responsAbility
- BlueOrchardFSFS UK Ltd
- INECOBANK
- REDI Fund

**Romanian funding partners**

- First Bank (now INTESA SANPAOLO ROMANIA)
- Garanti BBVA Romania
- TBI Bank

**Regulatory partnerships**

- National Bank of Romania (BNR) –Regulator supervising MK Kredit as a registered NBFI in the Special Register of BNR.

**Capital markets**

- Bucharest Stock Exchange (BVB) – Listing venue for MK Kredit's corporate bonds.
- Financial Supervisory Authority (ASF) – Capital market regulator overseeing the bond issuance framework.
- Depozitarul Central – Central securities depository providing settlement and registry services.
- Goldring – Authorized intermediary and broker for MK Kredit's corporate bond issuances.

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Responsible finance in service of people, communities and a more sustainable world.

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