INTRODUCTION

Lendify

THE FINANCIAL INDUSTRY HAS A MUCH LARGER PROFIT POOL THAN RECENTLY DISRUPTED INDUSTRIES

▶ **2015 global profits by industry, USD trillion**

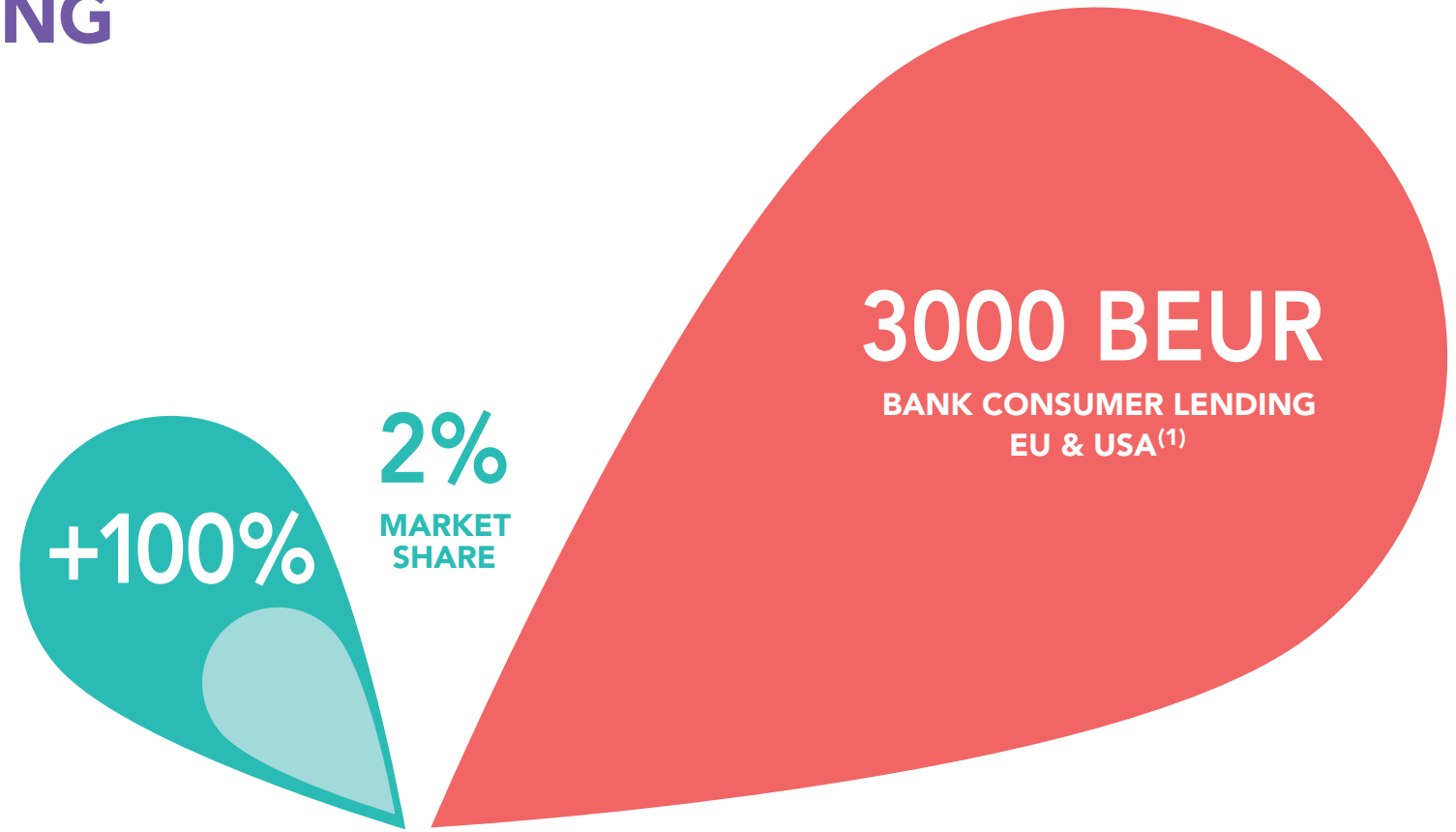
Source: The Bank of the Future, Miklos Dietz, McKinsey

(1) Excluding motor vehicles
(2) Transmission of sound, images, data or other information via cables, broadcasting, relay or satellite.

MARKETPLACE LENDING IS A MASSIVE GLOBAL TREND BUT STILL ONLY REPRESENTS 2 % OF BANK CONSUMER LENDING

60 BEUR
MARKETPLACE CONSUMER LENDING (1)
EU & USA 2016 (2)

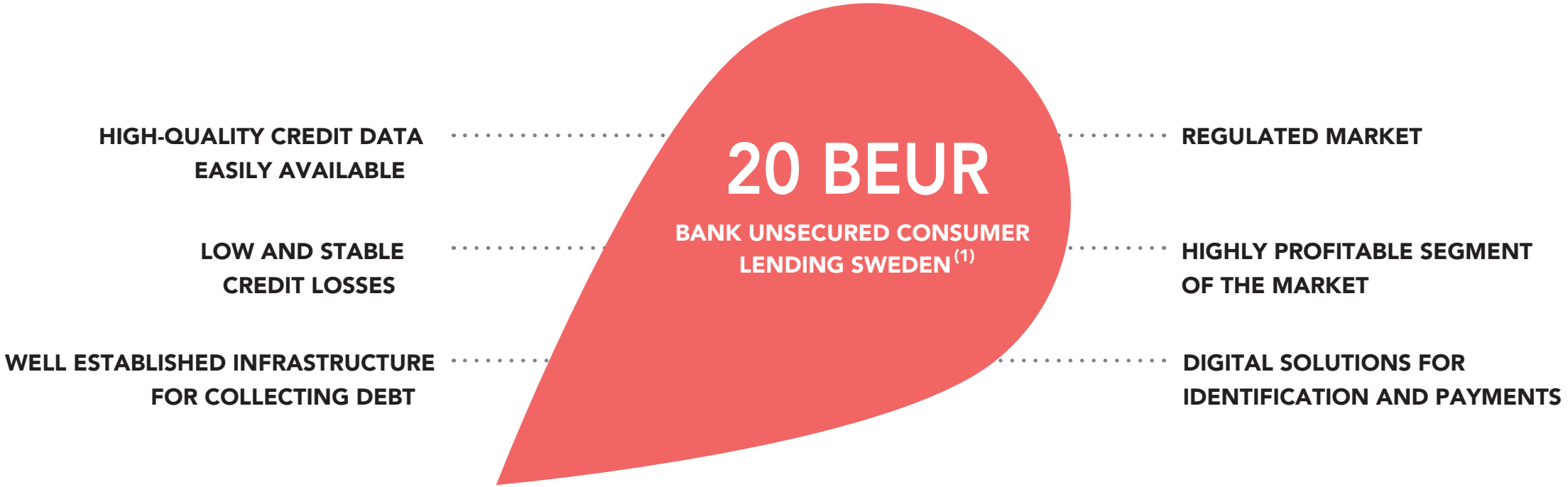
30 BEUR
MARKETPLACE CONSUMER LENDING (1)
EU & USA 2015 (2)



(1) Unsecured Consumer Loans (2) Includes the top 5 platforms in EU and USA respectively (estimation of outstanding balances)

BANK CONSUMER LENDING IS VIRTUALLY UNTOUCHED BY MARKETPLACE LENDING IN SWEDEN…

…but the requisites for its success are very strong



1) Unsecured Consumer Lending

WHAT IS LENDIFY?

THE LEADING
ONLINE MARKETPLACE LENDING PLATFORM
IN SWEDEN

CONNECTS BORROWERS WITH INVESTORS

WELL CAPITALIZED COMPANY:
100 MSEK
IN TOTAL EQUITY FUNDING

LICENSED
BY THE
SWEDISH FSA
(SW. FINANSINSPEKTIONEN)

30
EMPLOYEES

UNSECURED CONSUMER LOANS TO PRIME SEGMENT
(LOW RISK)

4250
ACTIVE INVESTORS
GROWTH (LTM): **241 %**
NET RETURN (LTM): **6 %**

491 MSEK
LENT TO BORROWERS
GROWTH (LTM): **1587 %**
INTEREST RATE (LTM): **9 %**

ACCESS TO:
INSTITUTIONAL CAPITAL

PAID OUT LOANS

2014 – 2017, MONTHLY CUMULATIVE

2014

- Soft launch of platform.
- Seed-round of SEK 20M completed valuation approx. SEK 60M

2015

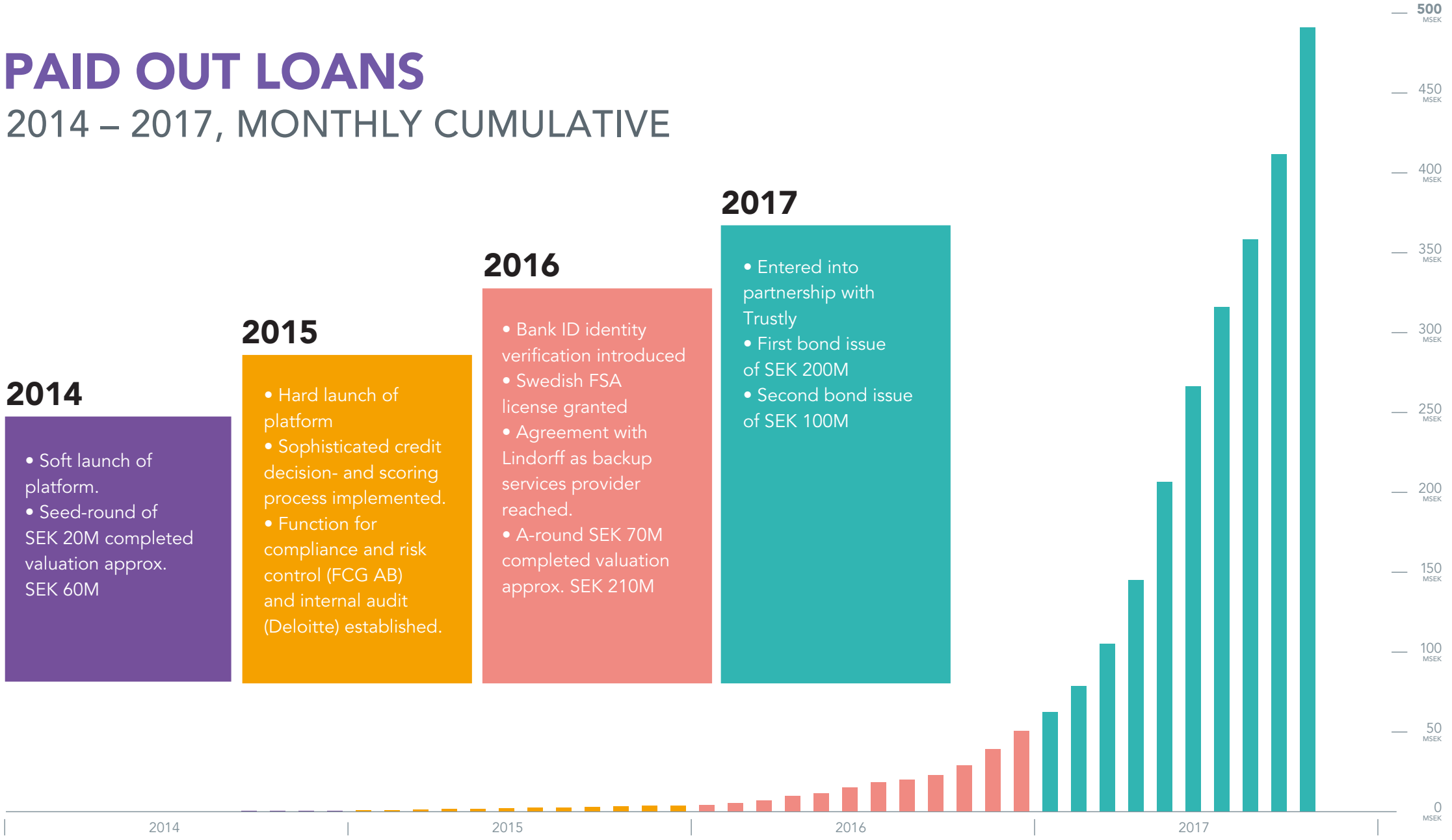
- Hard launch of platform
- Sophisticated credit decision- and scoring process implemented.
- Function for compliance and risk control (FCG AB) and internal audit (Deloitte) established.

2016

- Bank ID identity verification introduced
- Swedish FSA license granted
- Agreement with Lindorff as backup services provider reached.
- A-round SEK 70M completed valuation approx. SEK 210M

2017

- Entered into partnership with Trustly
- First bond issue of SEK 200M
- Second bond issue of SEK 100M



HOW DOES IT WORK?

BANK

- Marketing
- Credit Assessment
- Contracts
- Payments
- Customer Service
- Debt Collection
- Compliance, Risk Control & Internal Audit

LOAN FUNDING (BALANCE SHEET)

LENDIFY

- Marketing
- Credit Assessment
- Contracts
- Payments
- Customer Service
- Debt Collection
- Compliance, Risk Control & Internal Audit

LOAN FUNDING ("PEERS")

Bank | Retail investors | Institutional investors

LENDIFY´S TRANSPARENT ONLINE PLATFORM

TRANSPARENT ONLINE PLATFORM FOR INVESTORS

LIQUIDITY AND INVESTED CAPITAL

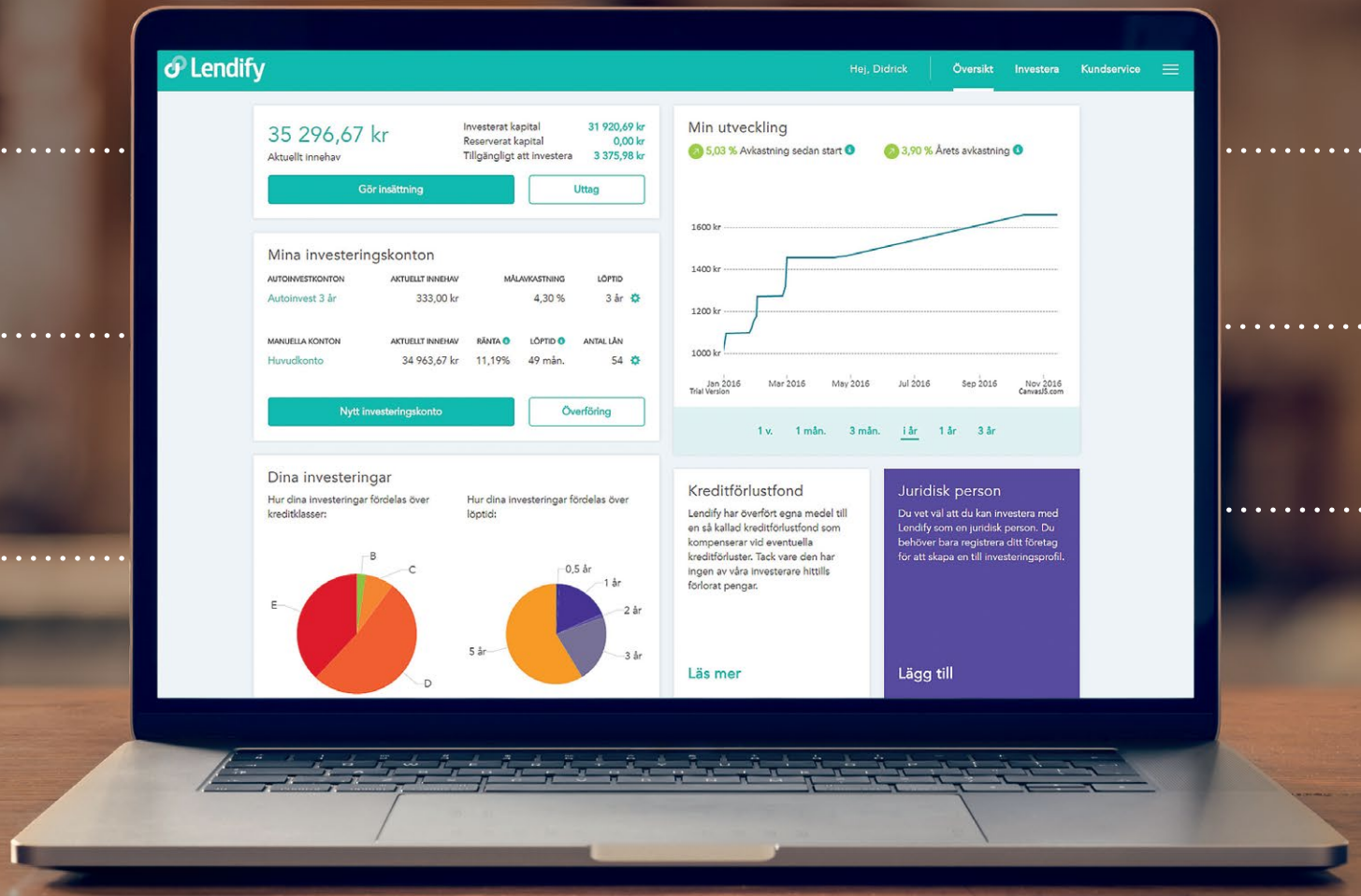
ACCOUNTS AND INVESTMENTS

LOAN PORTFOLIO DATA (DURATION, RISK ETC.)

INVESTMENT RETURN OVER TIME

CASH FLOW PLAN

SUPPORTING SERVICES



STRINGENT CREDIT DECISIONS PROCESS

1. **BANK ID VERIFICATION**
2. **DATA COLLECTION**
3. **CREDIT CHECK**
4. **VERIFICATION OF COLLECTED DATA**
5. **LEFT TO LIVE ON CALCULATION**

~10%

Current
Approval Rate

Minimum Criteria for Borrowers

- At least **18 years old** and resident in Sweden
- **No** payment **remarks**
- No **outstanding debt** with the Swedish Debt Enforcement Authority
- **Stable** annual income of at least **SEK 180 000**
- **Swedish** bank account and Bank ID

Target approval rate to be reach by OPTIMIZATION of the channel mix and FINE-TUNING of internal processes.

AVERAGE BORROWER AND LOAN CHARACTERISTICS

44
YEARS OF AGE

SIZE
120000 SEK

CAR PURCHASE
HOME IMPROVEMENT
DEBT CONSOLIDATION

INCOME
400000
SEK P.A.

INTEREST
9%

DURATION
7 YEARS

MARRIED
/COMMON LAWS

LIVES IN
RURAL AREAS

EMPLOYMENT
PERMANENT JOB

ASSET CLASS CHARACTERISTICS

"OLD" ASSET CLASS
WITH DECADES OF TRACK RECORD

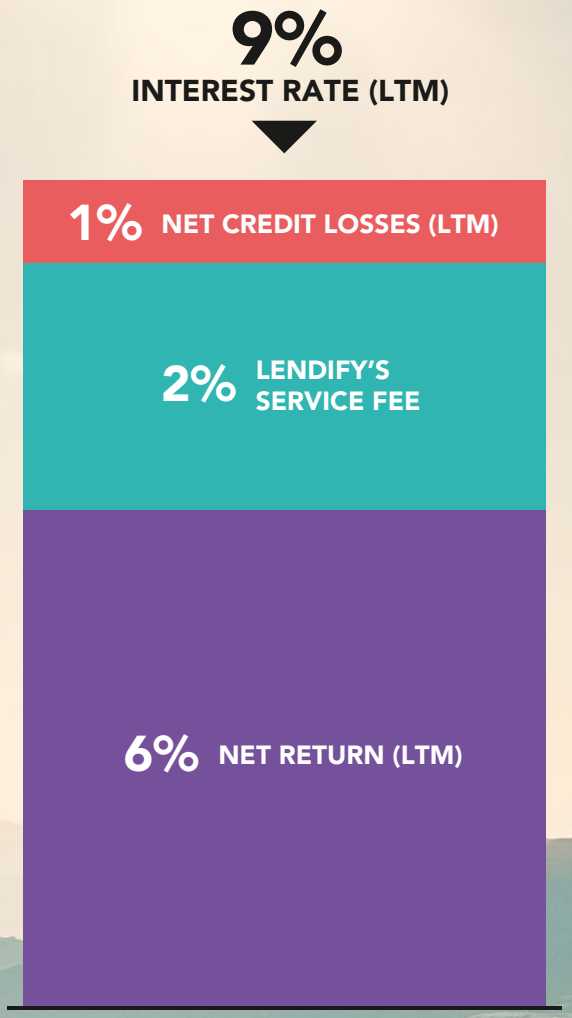
BANKS' EXPOSURE TO ASSET CLASS
≈ 200 BSEK

CAPITAL PROTECTED BY
LENDIFY'S PROVISIONAL FUND

MONTHLY CASH FLOW
(PRINCIPAL + INTEREST)

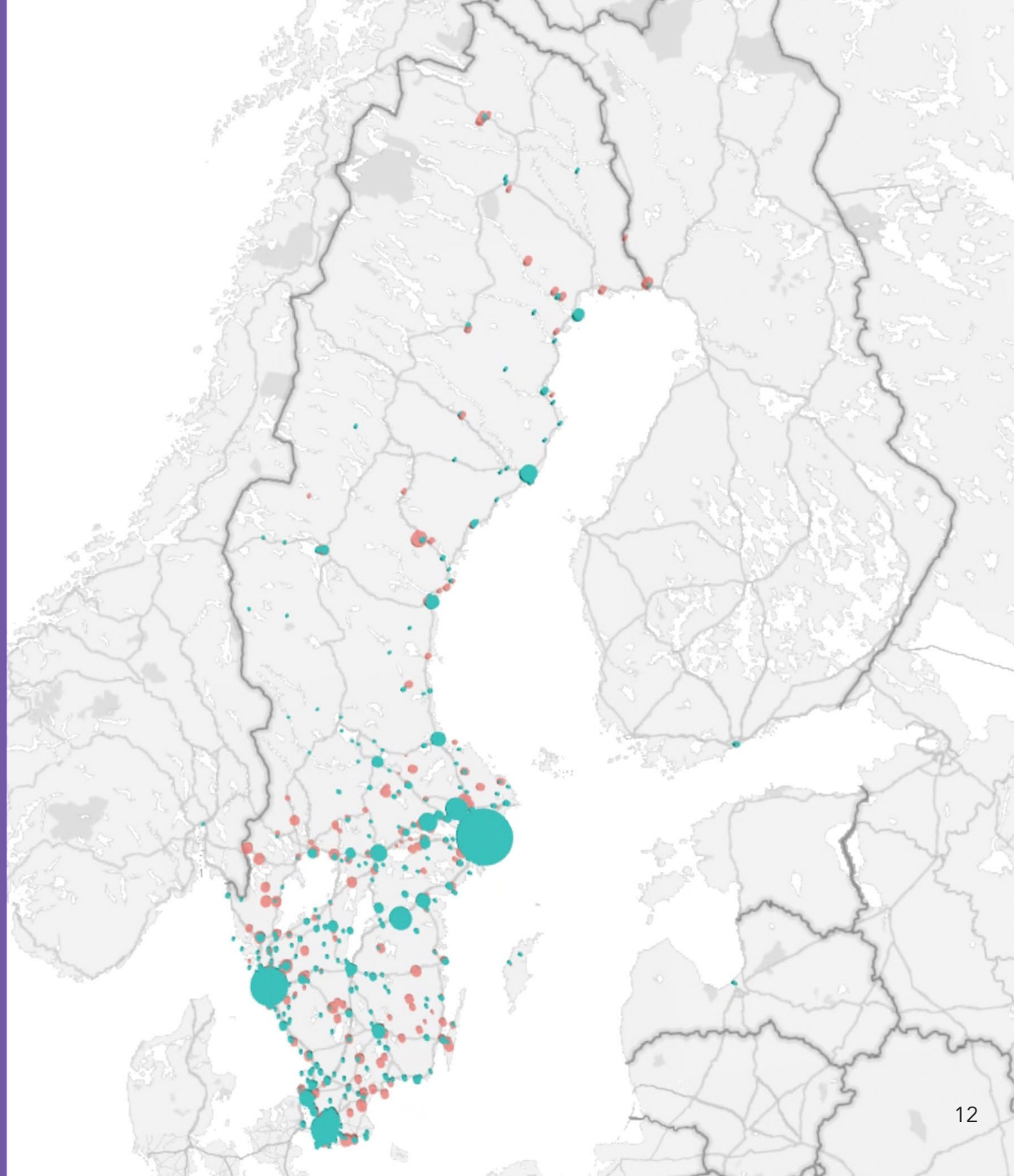
UNCORRELATED WITH THE **STOCK MARKET**

VARIABLE INTEREST RATE
ON UNDERLYING LOANS



DISTRIBUTION OF:

- INVESTORS
- BORROWERS



WHAT DO WE WANT TO ACHIEVE?

MARKETPLACE
WITH 5% (20 BSEK)
OF THE NORDIC
UNSECURED LOANS
MARKET

< 5 YEARS

A **HUB** THAT OFFERS
MULTIPLE TYPES OF LOANS
AND CATERS FOR SEVERAL
TYPES OF INVESTORS

< 10 YEARS

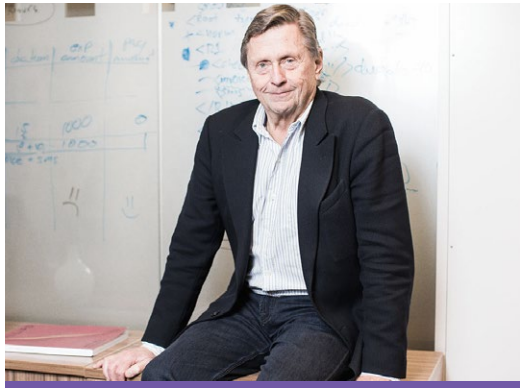
WHO ARE THE PEOPLE BEHIND LENDIFY?
BOARD OF DIRECTORS

ERLING GUSTAFSSON (Chairman)

STEN SCHRÖDER

JOHN-CHRISTIAN ERIKSSON (Founder)

MATTIAS LINDROTH



HANS WESTIN

FREDRIK WALLENBERG

WHO ARE THE PEOPLE BEHIND LENDIFY?
MANAGEMENT TEAM

NICHOLAS SUNDÉN-CULLBERG (CEO)
Morgan Stanley / Stockholm School of Economics

ERIK WIKANDER (CMO)
eDreams ODIGEO, PwC / University of Stockholm

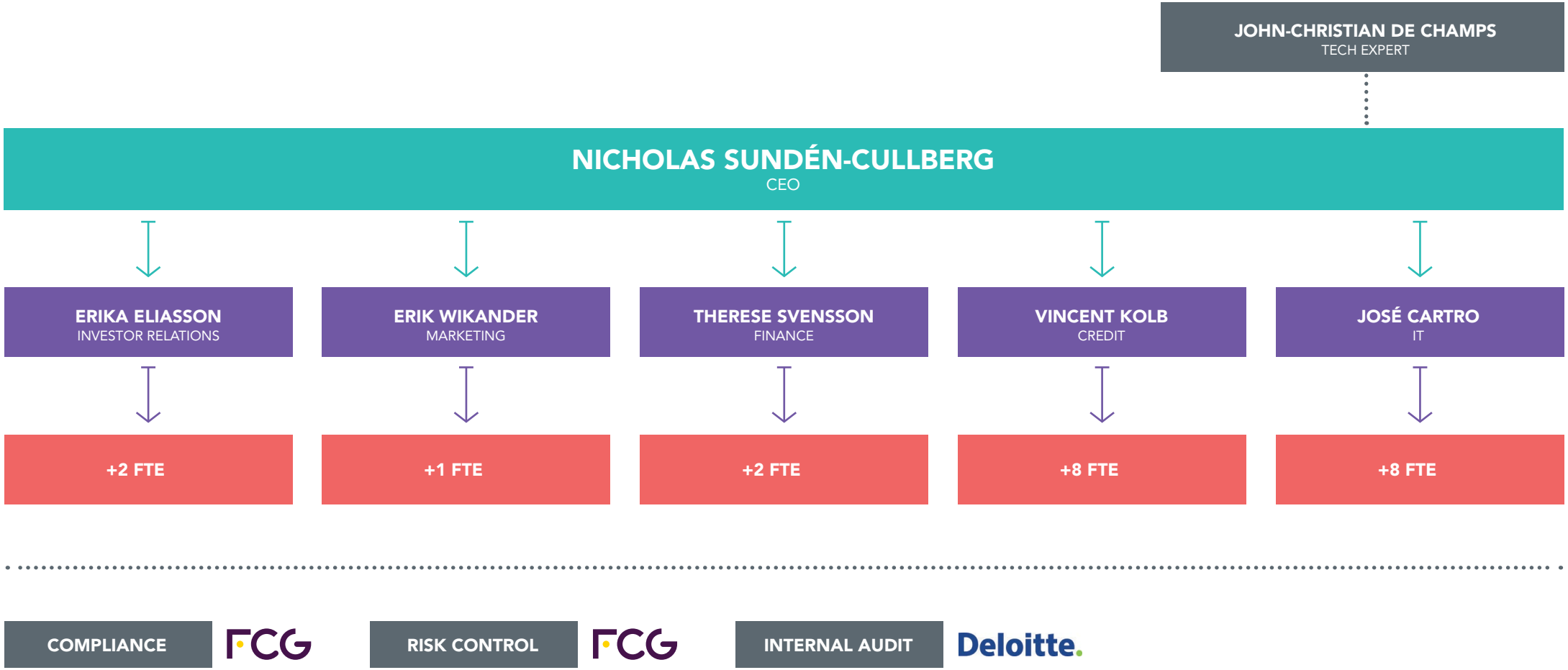
JOSÉ CARTRO (CTO)
Nordax / Royal Institute of Technology

ERIKA ELIASSON (CIRO)
Erik Penser / University of Uppsala

VINCENT KOLB (CCO)
Citibank, Marginalen/Stockholm School of Economics

THERESE SVENSSON (CFO)
Qliro, PwC / Stockholm School of economics

WHO ARE THE PEOPLE BEHIND LENDIFY?
ORGANIZATION



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