



**FIRST PRIME  
PEER-TO-PEER  
LENDING PLATFORM  
IN CEE**



# THE PROBLEM

Big spread between  
loan rates and  
deposit returns

**PRIME SEGMENT = SERVED BY BANKS**

LOANS

**11%**

**1%**

DEPOSITS

NO  
TRANSPARENCY



# OUR MISSION

TO CREATE  
A SAFE PLACE  
FOR PEOPLE  
TO INTERACT  
WITH FINANCE



# KLEAR SOLUTION TO THE PROBLEM

## PEER-TO-PEER LENDING

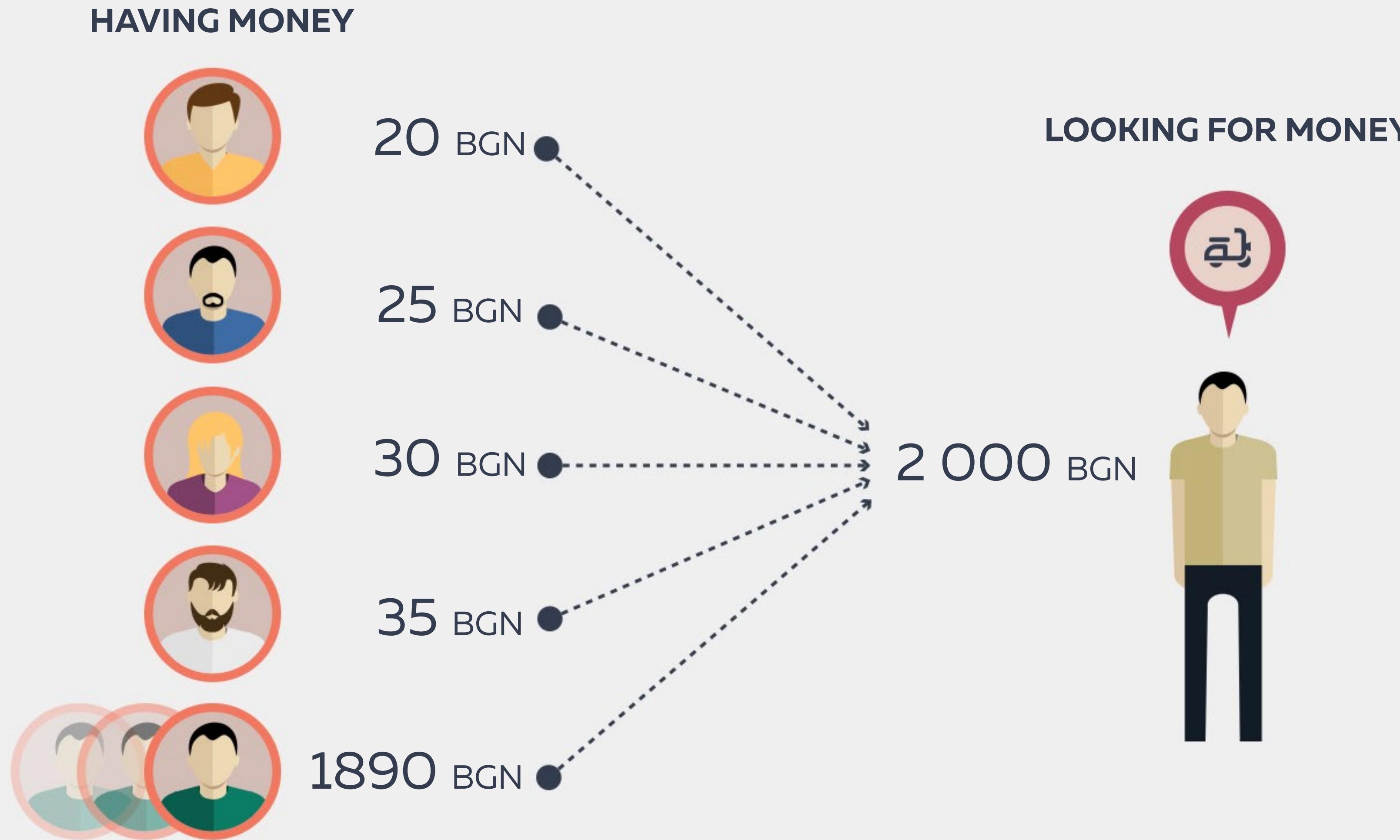
### FOR BORROWERS:

- ◆ Competitive rates for Prime (often better than in banks)
- ◆ Simple and clear conditions
- ◆ Full online process
- ◆ Free financial education for rejected credit applicants

### FOR LENDERS:

- ◆ Higher returns for savings
- ◆ With a measured risk

# HOW IT WORKS



A borrower is funded by many investors

# HOW IT WORKS



Investors diversify their risk by lending small amounts to many borrowers

# ANOTHER PEER-TO-PEER LENDING PLATFORM?

There are many subprime Peer-to-Peer lending platforms

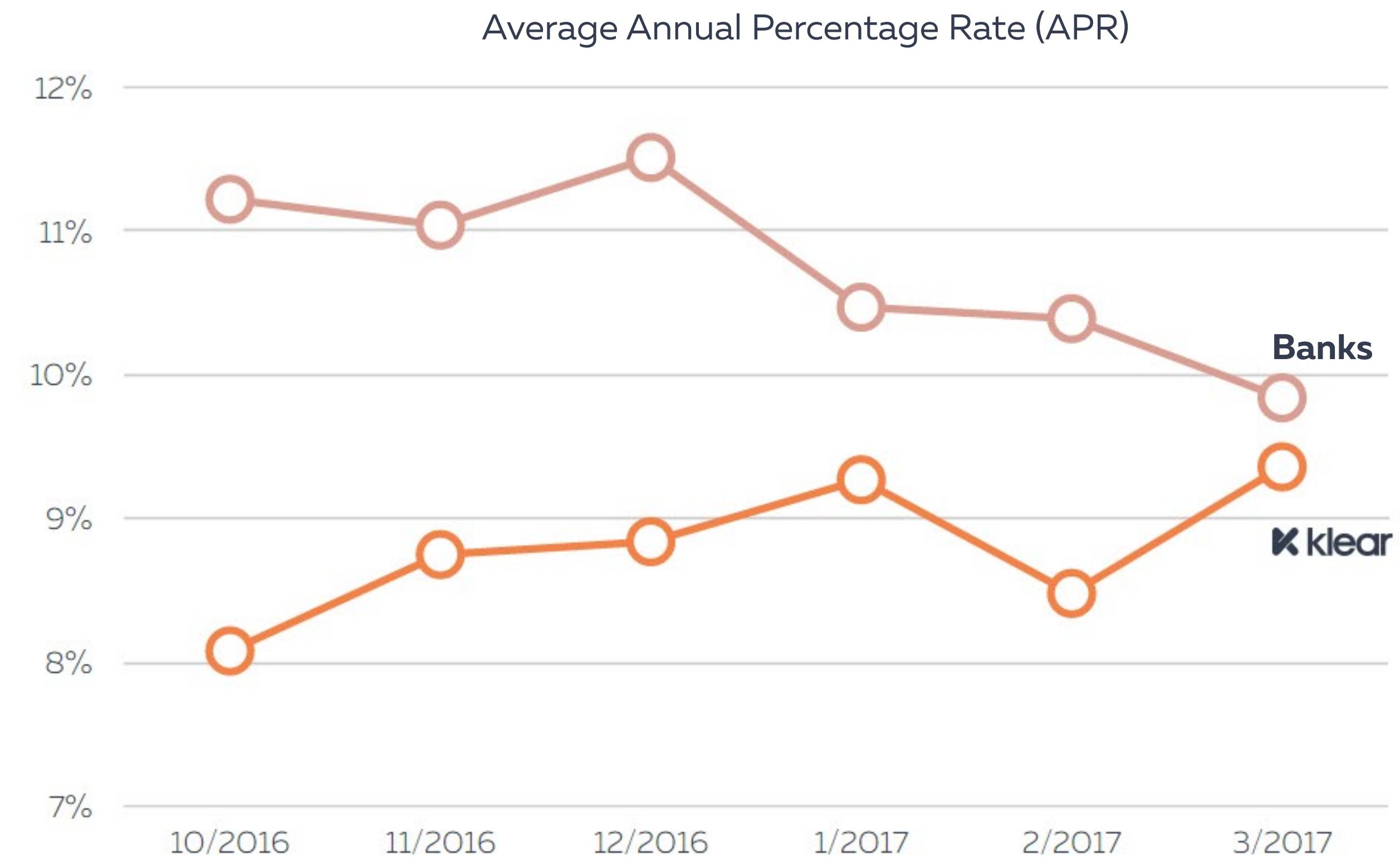
- ◆ They are riskier for investors
- ◆ They are not sustainable (regulation)
- ◆ We, founders, do not like predatory lending

We focus on Prime which is a virgin field in CEE



# PRODUCTION OF CONSUMER CREDITS

We are often  
much cheaper  
than Banks



# BUSINESS MODEL

A single fee of 2% of the loan amount, paid:

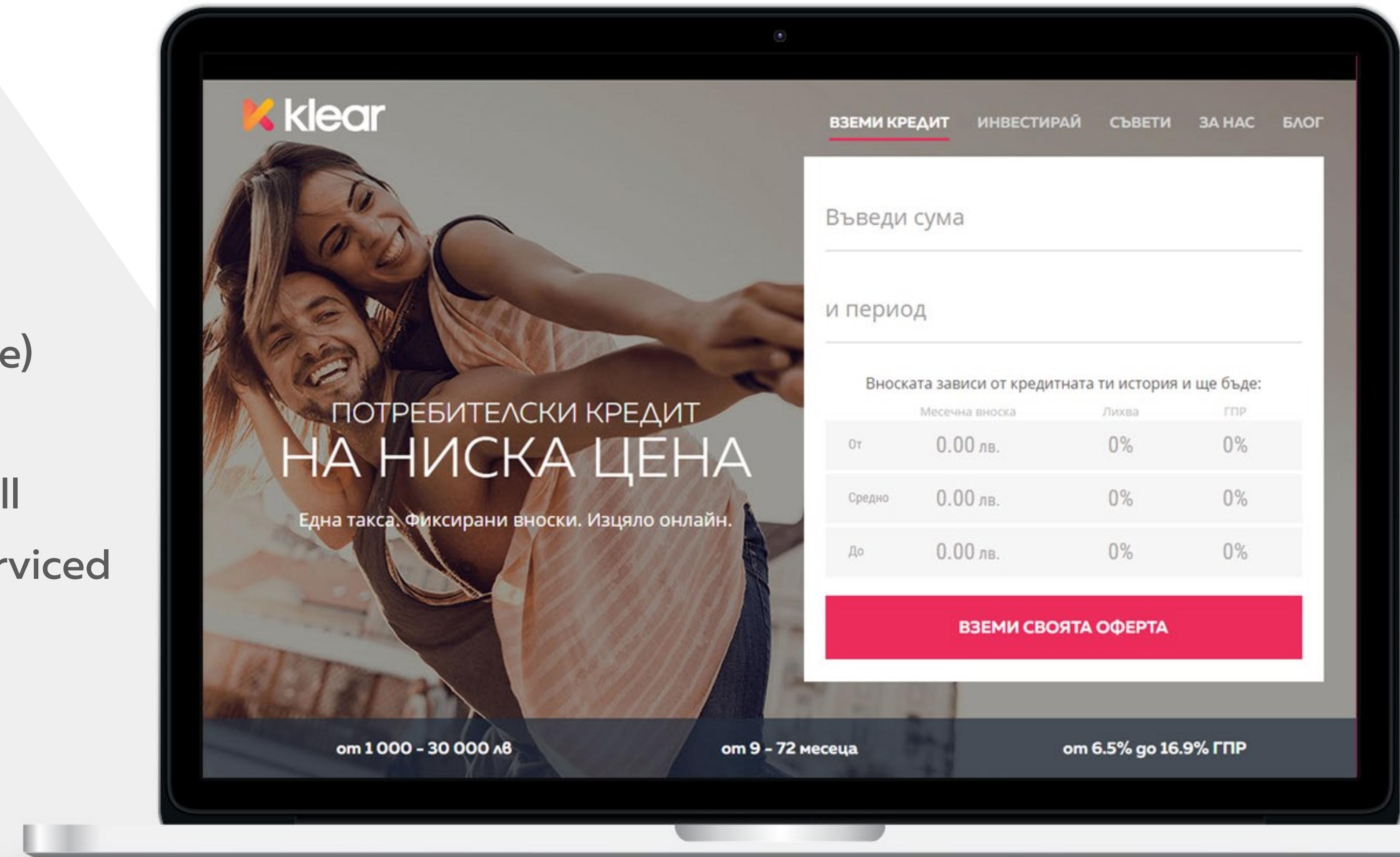
- ◆ Upfront
- ◆ By the borrower

No fees for investors



# CREDIT SIDE - FULL ONLINE PROCESS

- ◆ Applying online (electronic signature)
- ◆ Individual offer using external DBs
- ◆ Verification through Skype video call
- ◆ All aftersales actions can be self-serviced



# EXPECTED RETURNS FOR INVESTORS

## RISK OF NON REPAYMENT IS BORNE BY THE INVESTORS

We calculate an estimated loss per segment to provide a net expected return after risk

Risk segments	A	B	C	D	
Interest	5.9%	8.0%	10.8%	14.0%	<b>5.5%</b>
Loss	1.2%	2.3%	4.1%	6.3%	
Return	4.7%	5.7%	6.7%	7.7%	Average return

# HOW DOES THE MARKETPLACE LOOK LIKE?

The image shows a tablet screen displaying a digital marketplace interface. The top navigation bar includes tabs for Dashboard, Primary Market (which is currently selected), Secondary Market, Portfolio, Deposit, Withdraw, and Transactions. Below the navigation is a search bar with fields for Loan ID, Segment, Interest, Expected return, Term, and Amount, followed by a large red "INVEST IN ALL" button. The main content area lists seven loan offerings, each with a unique ID, date, segment (A, B, or C), interest rate, expected return, term, and listing statistics (Listed and Available). Each listing also features a "INVEST" button.

Loan ID	Segment	Interest	Expected return	Term	Listed	Available	Action
9952 24.01.2017	A	6.0%	4.7%	12 (0) m	1 523	1 119	INVEST
9360 23.01.2017	B	7.9%	5.7%	48 (0) m	11 225	10 773	INVEST
9244 20.01.2017	B	8.0%	5.7%	72 (0) m	16 848	16 357	INVEST
9303 20.01.2017	A	5.8%	4.7%	60 (0) m	11 174	10 706	INVEST
9126 19.01.2017	A	5.9%	4.7%	36 (0) m	6 096	5 581	INVESTED
7055 19.01.2017	C	10.9%	6.7%	48 (0) m	5 134	4 485	INVEST
9090 19.01.2017	A	6.0%	4.7%	36 (0) m	5 080	4 565	INVEST



## ONE TEAM, ONE MISSION

Team has extensive experience, having occupied  
C-Executive positions in the European leader of consumer credit

Business analyst, BO developer, Risk, IT architect, FO developer, Marketing, Designer,  
FO developer, CEO, Finance,  
Customer Service, Customer Service, FO developer.

# ABOUT KLEAR

A STARTUP SPIRIT...  
... WITH A SOLID BACKGROUND

1 M EUR capital coming from the founders

100 K EUR investment from a FinTech accelerator  
(The Spot)

Registered credit institution in the Bulgarian National Bank

We plan to expand in Central and Eastern European  
countries



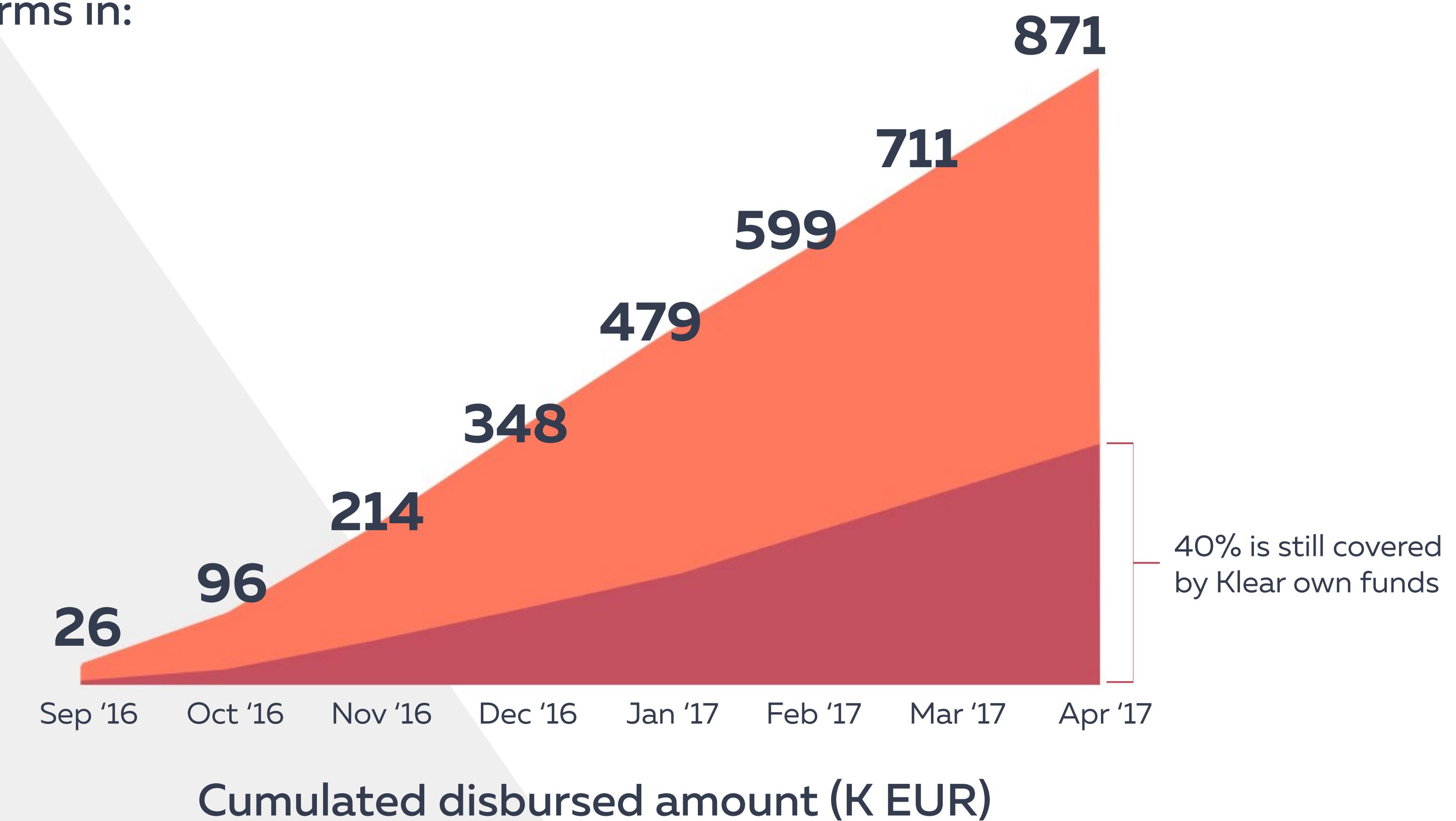
# TRACTION

## 0.1% MARKET SHARE IN BULGARIA

For comparison, market shares of all personal loans Peer-to-Peer platforms in:

UK: 1.4%    PL: 0.04%

Loans are prefunded by KLEAR



# TRACTION

## EXCELLENT RISK

As a purely prime player we are selective: rejection rate is 92%.

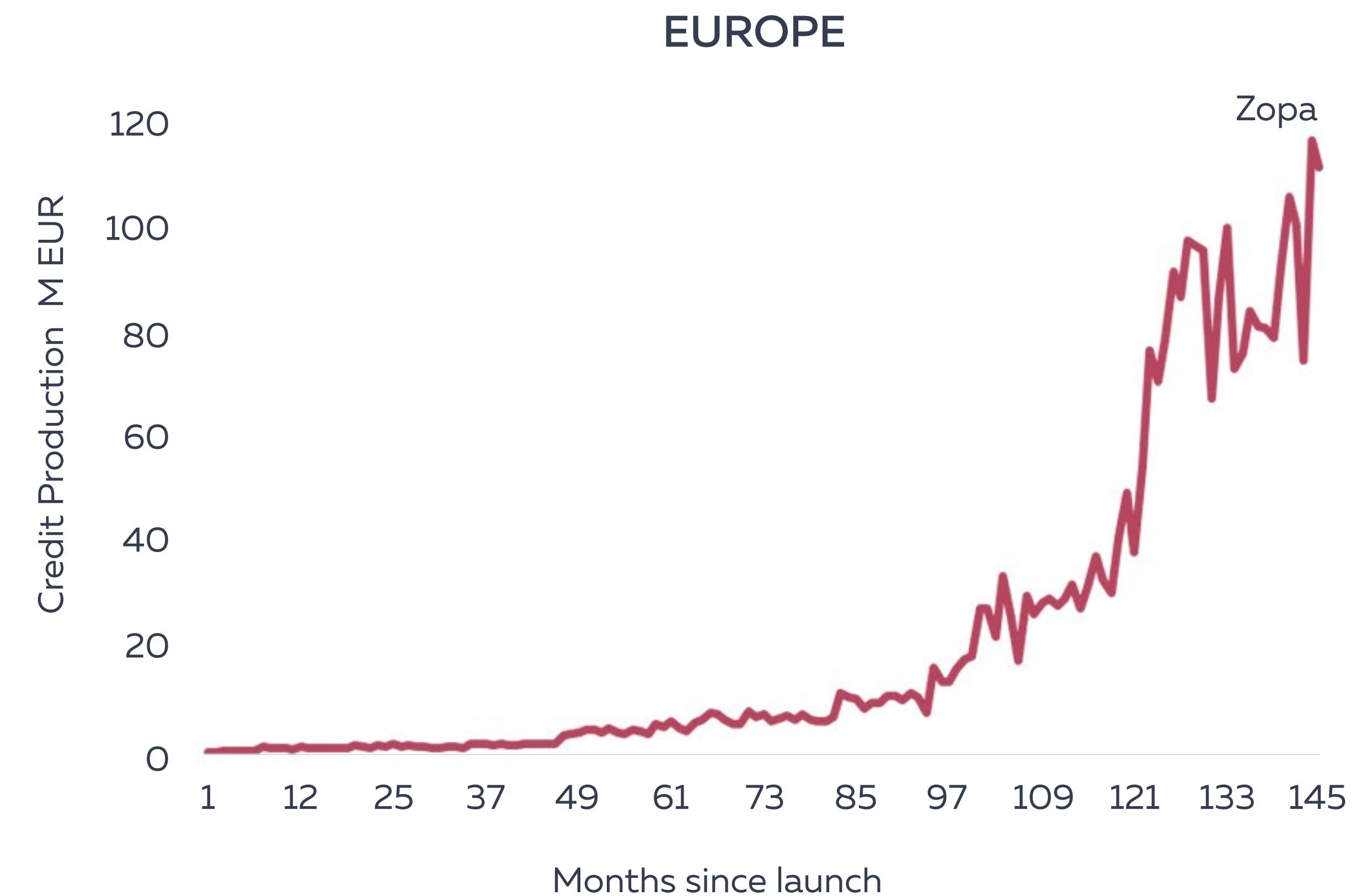
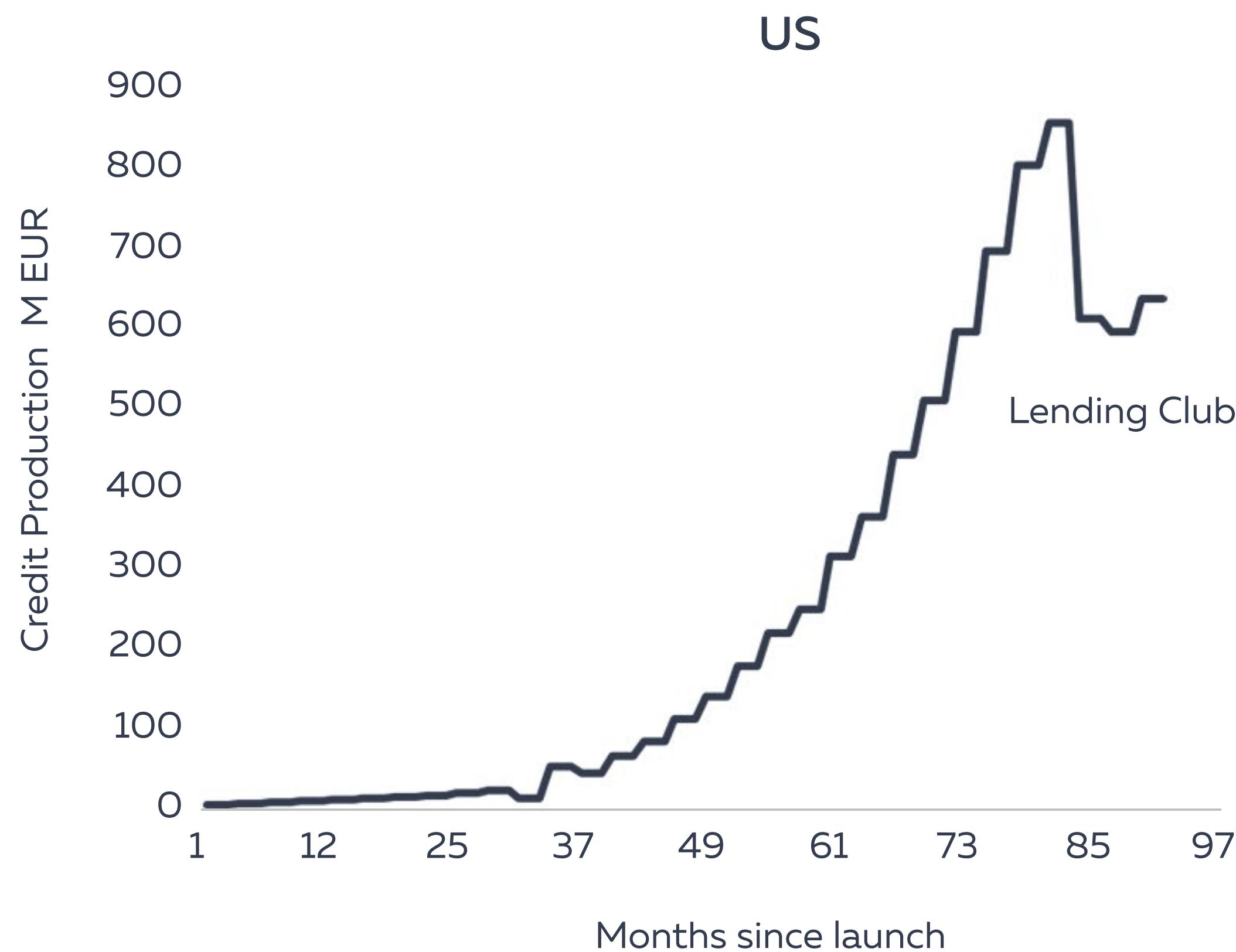
That keeps risk under control.

Loan portfolio by delay (K BGN)

	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17
NO DELAY	189	418	672	877	1101	1238	1485
POSTPONED	0	0	0	0	0	10	10
10 DAYS DELAY	0	0	0	22	0	3	0
30 DAYS DELAY	0	0	0	0	10	0	6
60 DAYS DELAY		0	0	0	0	0	0
90 DAYS DELAY		0	0	0	0	0	0
>120 DAYS DELAY		0	0	0	0	0	0

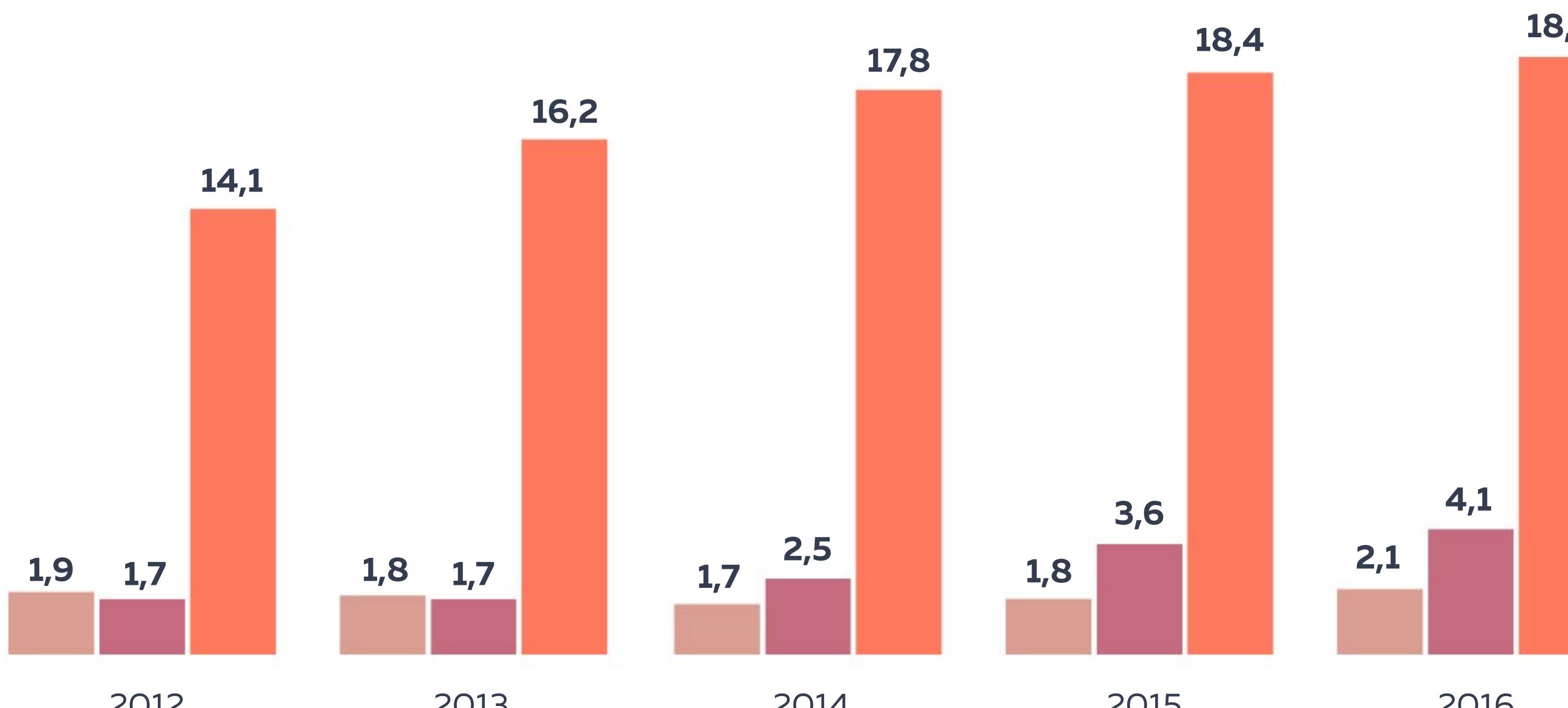
For example, at the end of Jan 2017, 877 K BGN was the outstanding with no delay and 22 K BGN was the outstanding in delay with less than 10 days

# PUBERTY PERIOD OF PRIME PLAYERS IS HARD...



# OUR AMBITION: TO BECOME THE ZOPA OF CEE

## COMPETING WITH BANKS, FOR THE 25 BN PRIME MARKET



- ◆ We have tested the Tech. It is something scalable
- ◆ One of the founders is Polish – KLEAR will go in his country in 2017
- ◆ Business teams in CEE countries. Technology team in BG

Prime Market Production Potential (Billions EUR)

Bulgaria

Romania

Poland

# WHY KLEAR WOULD BE SUCCESSFUL IN POLAND?

Big spread (11%) between bank loan rates and deposit returns

Peer-to-Peer is not new (500 K accounts), but all Polish Peer-to-Peer lending platforms were focused on subprime (4% of the market) and building awful products

Online activity in Poland is much more advanced:

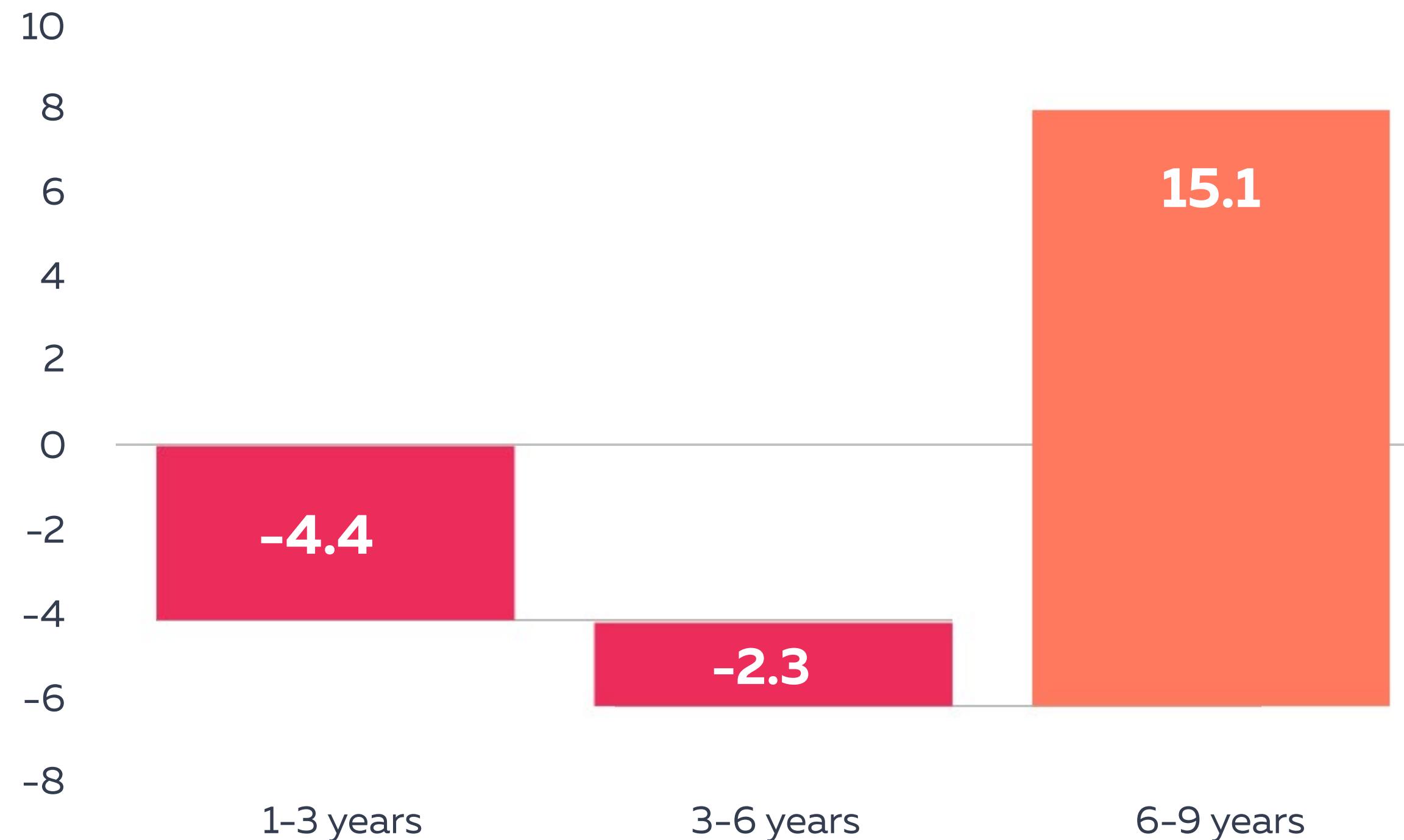
- ◆ Applying on-line possible in half of the banks
- ◆ Financial bloggers with 1,5M visitors
- ◆ Online credit forum with 500K visitors
- ◆ 50 credit comparison engines (1 in BG)



# BREAK-EVEN AFTER 6 YEARS?

## SNOWBALL ROLLS SLOWLY, BUT IT IS A KILLER

Klear's projected profit (not cumulated) BG + PL + RO (M EUR)



### Year 1 – 5

Time needed to establish a brand on prime borrowers and lenders side (sequentially on 3 markets)

### Year 4

Marketing expenses decrease as the model starts to work on recommendation

### Year 6

Oversupply of lenders allows to decrease their returns (Zopa 6% - > 3,9%). The free spread is shared between borrowers and the platform, boosting the profitability of the platform

# WE ARE RAISING 1.5 M EUR

	2018 (M EUR)
To cover, till end 2018:	<b>16,0</b>
<b>◆ Investments in 3 countries</b>	
BG (19 employees)	0.6
PL (12 employees)	0.4
RO (1 employee)	0.1
<b>TOTAL INVESTMENT</b>	<b>1.1</b>
<b>◆ Liquidity to prefund loans</b>	
<b>TOTAL FUNDS RAISED</b>	<b>1.5</b>
<b>INVESTMENT NEEDED</b>	
<b>LIQUIDITY NEEDED</b>	<b>0.4</b>

# CONTACTS



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