



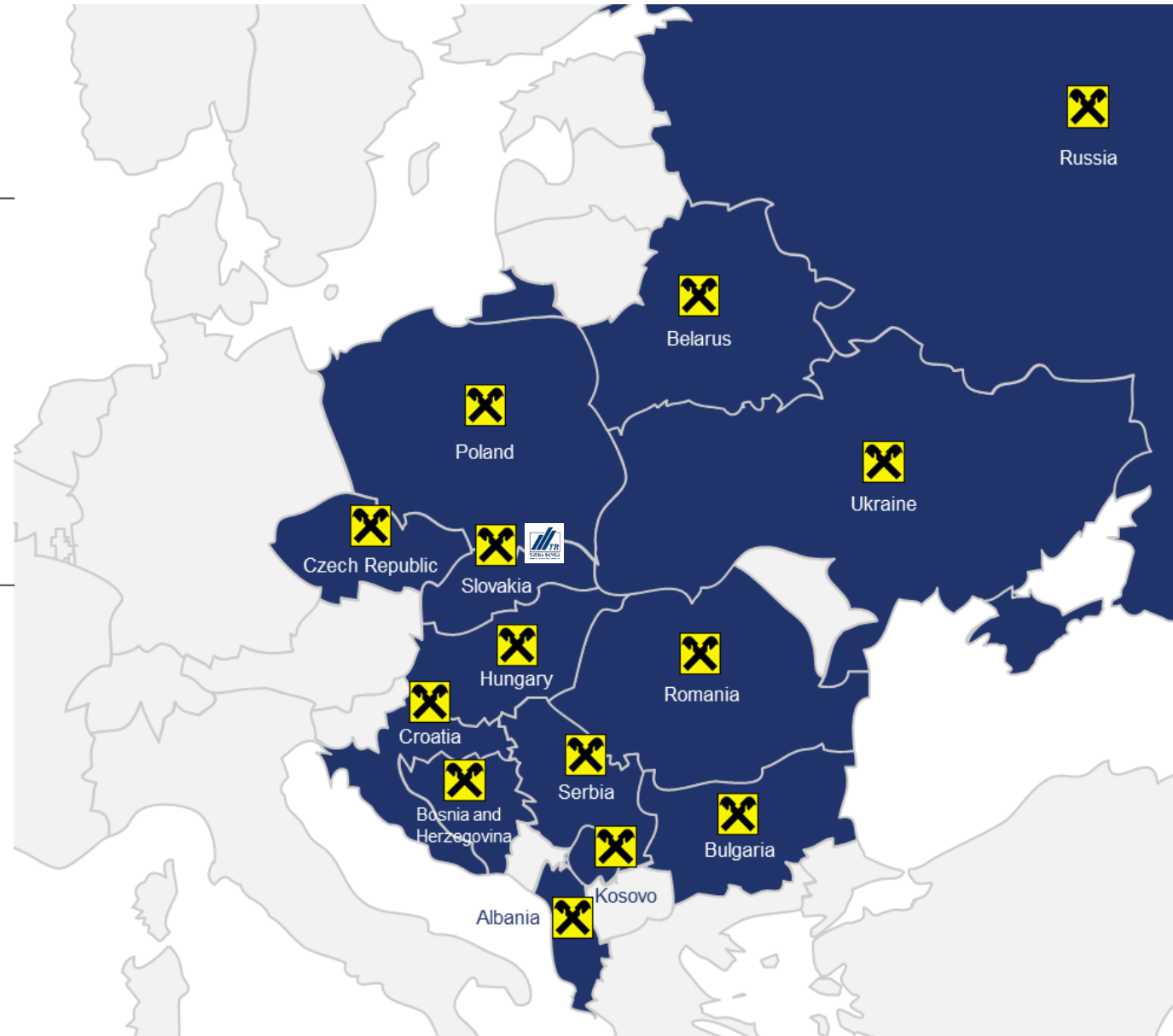
Digitization of SME Finance

Berlin, 3.11.2017



- 1. Customer's behaviour/environment change**
- 2. SME digital priorities base on the customer change**
 - **Expected user experience**
 - **End to end processes for C/A and loans**
 - **Ecosystem, value adding services**

Who we are?



SME segment definition

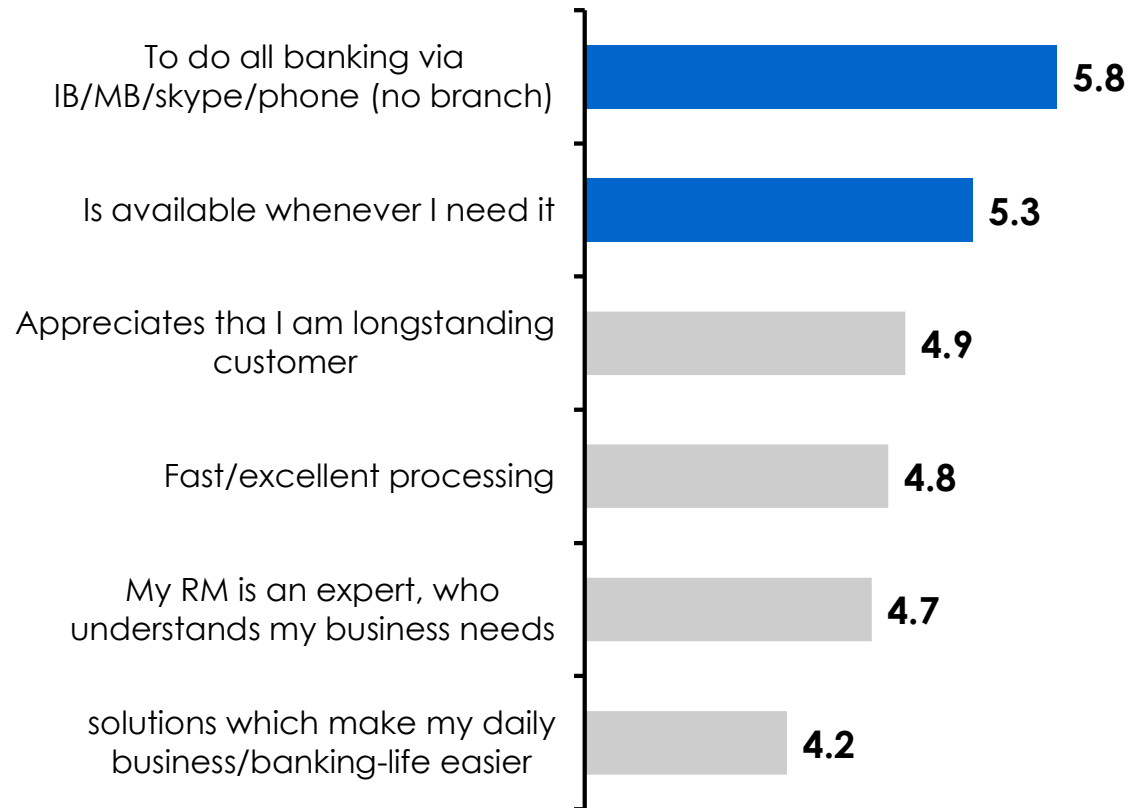
- 0-5 mn turnover
- 0-1,5 mn exposure

SME achievements

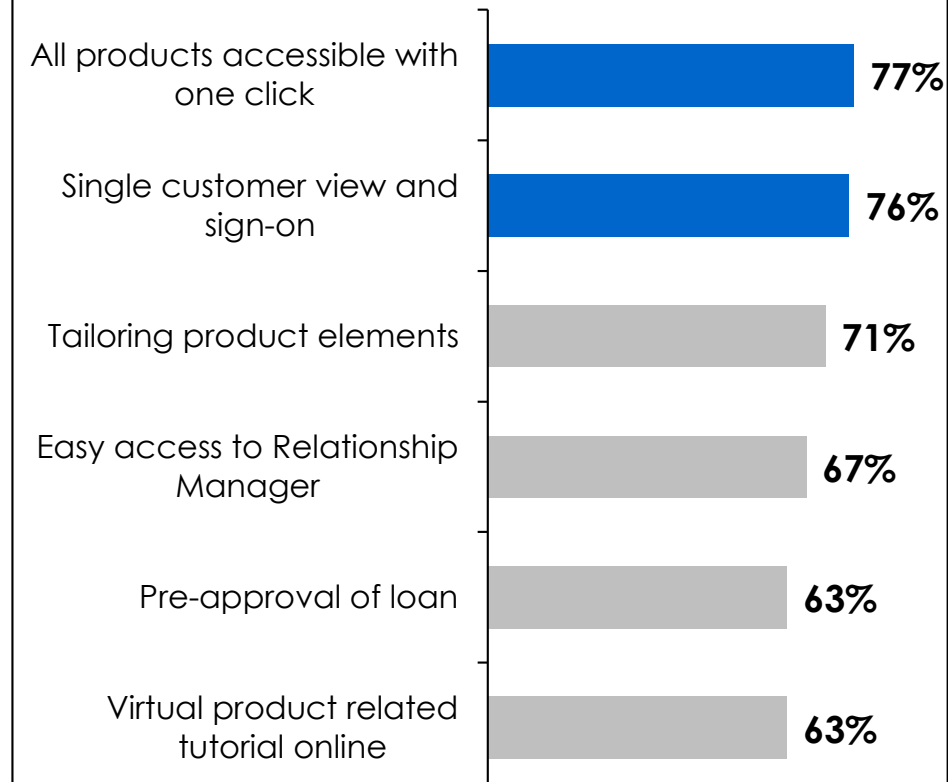
- 14 countries
- 900.000 customers
- EUR 4 bn assets
- EUR 9 bn liabilities

Needs of SME customers

Buying criteria for SME customers*



Needs for digital solutions**



1. SME customers need digital solutions

2. SME customer wants the same platform what they have on PI side

*source: Brand Perception and Positioning of RBI 2017 survey

** source: Net Promoter Score survey of RBI 2016

E-2-E online SME customer on-boarding



Step 1

Digital marketing



Step 2

Filling the form

Create a business account

Email address

Password

Business name

Select a business type

Website (optional)

Creating an account means you're okay with Pinterest's Business Terms of Service and Privacy Policy.

Create account

15 seconds to sign up (free!)

Step 3

Scan & upload of documents



Step 4

Photo/video of ID and authorized person



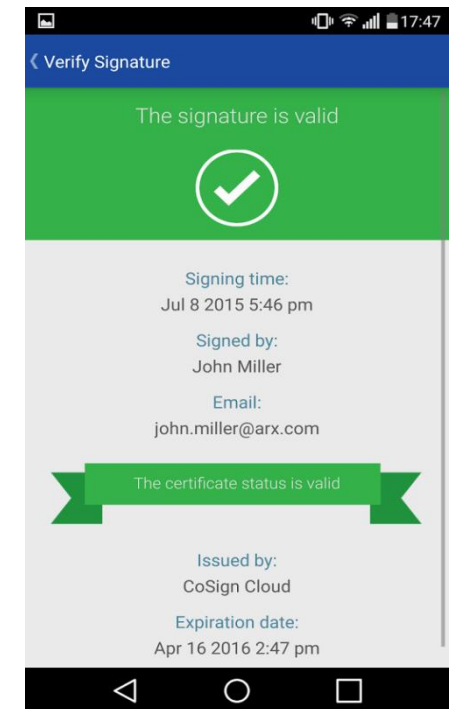
Step 5

Verification of authorized person in company register



Step 6

Verification of electronic signature



E-2-E lending even to new to bank SMEs

Main challenges

- Predictive power of risk models for new to bank customers
- Subjective assessment of credit risk by SME advisor or by risk manager
- Complex & cost heavy processes
- Customer use loans with other banks due to our risk appetite

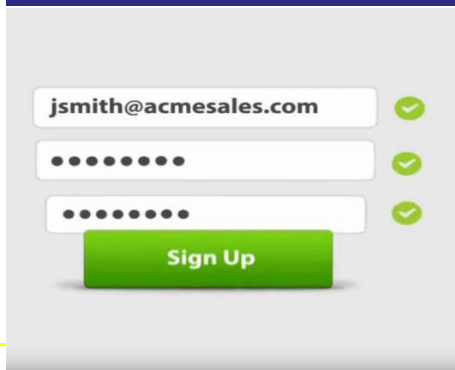
Solution approach

- Using advanced analytics and new (more recent) data sources for risk modelling
- Decision engine
- Limited data input (10-20 input fields)
- Loan syndication with PI investors (e.g. Rabo bank, Creditshelf Germany)

Impact

- Control over risk and increased volumes
- Control over risk and costs
- Better customer experience and lower costs
- Reduced RWA and keeping full side business => increased RoRAC

Sign up



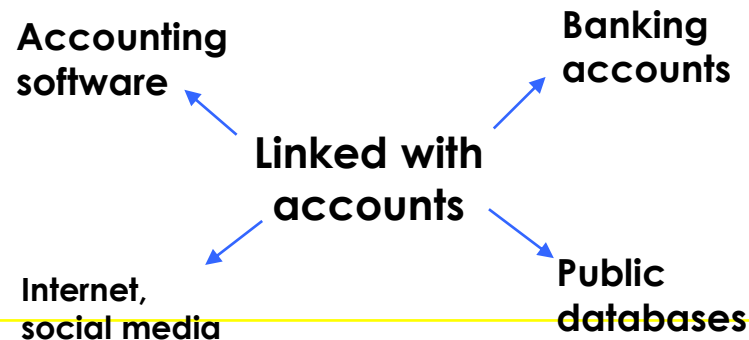
jsmith@acmesales.com ✓

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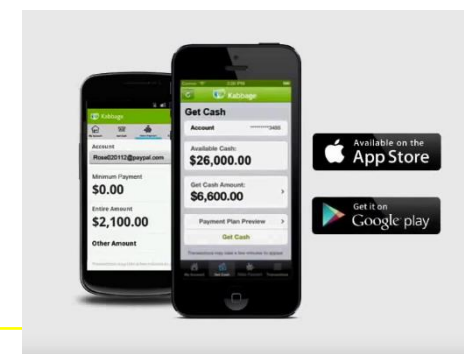
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Sign Up

Risk models based on external data



Offer in 10 minutes



Potential value adding services

- Cash flow planning tool
- Tax advisory services
- Community management
- Accounting software
- Invoicing software
- Business development

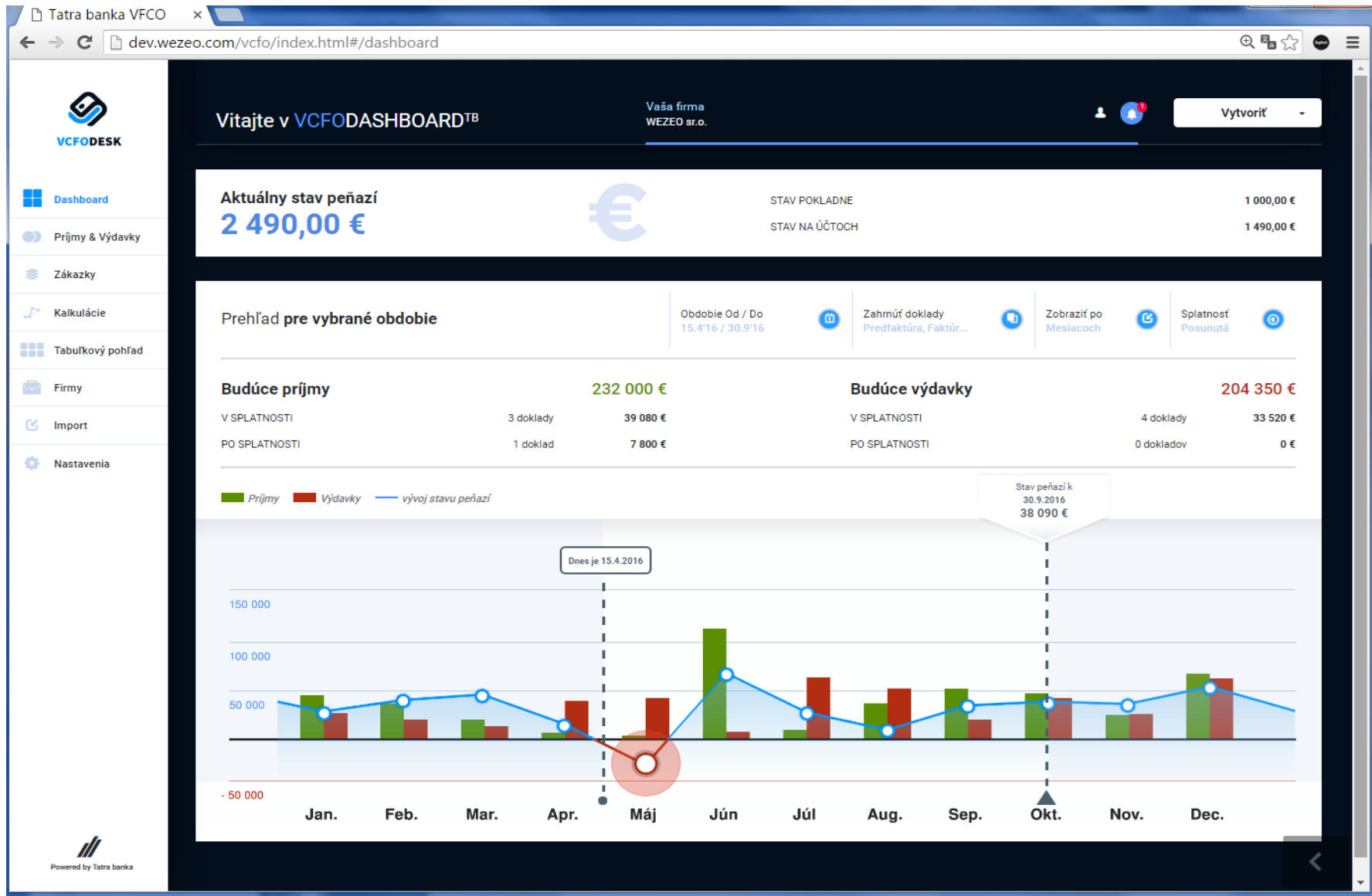
Why do we focus on cash flow managing solutions?*

- Managing cashflow is important to 80-90% of owners of SMEs
- 70% of owners manage cash-flow personally
- 40% of owners are using excel sheets to manage cash-flow
- Apx 40-50% is willing to change their solution
- Apx 30% declare willingness to pay more for a better solution



Example 1

Virtual CFO – Meniga/Slovakia



Managing cash flow is one of the most important jobs to be done, where a bank can have a significant impact in reducing customer pain points

Example 2

Smart Cash Flow – Asteria/Sweden



An engine based on accounting+banking transactions , which helps SME customers manage their over and under-liquidity.