



Webinar - Improving Risk Management Frameworks of NBFIs Scaling Up to Serve SMEs

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IFC Risk Management Advisory Services

RISK MANAGEMENT (RM) REQUIRES A HOLISTIC APPROACH

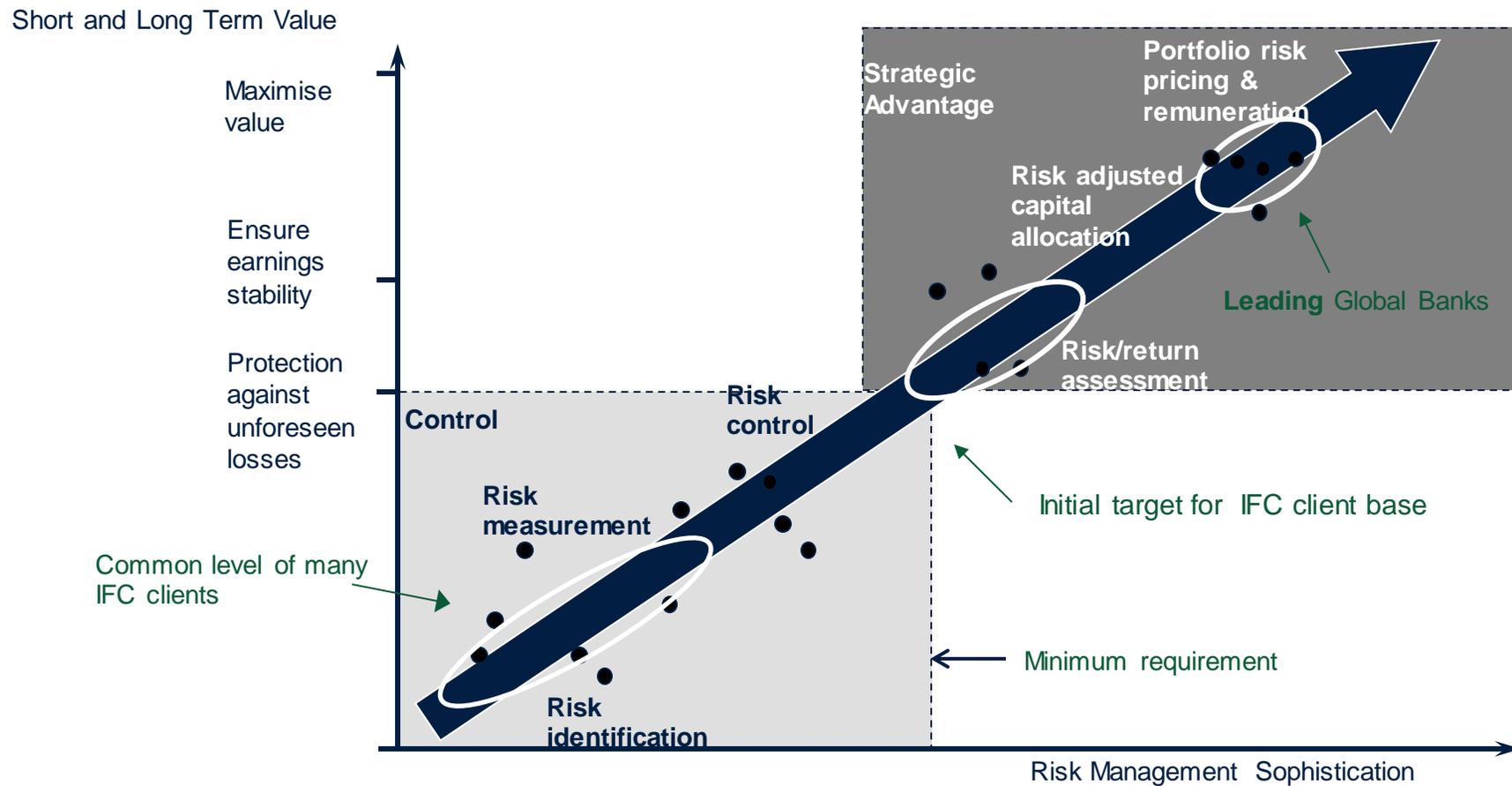


The Journey of Scaling Up...

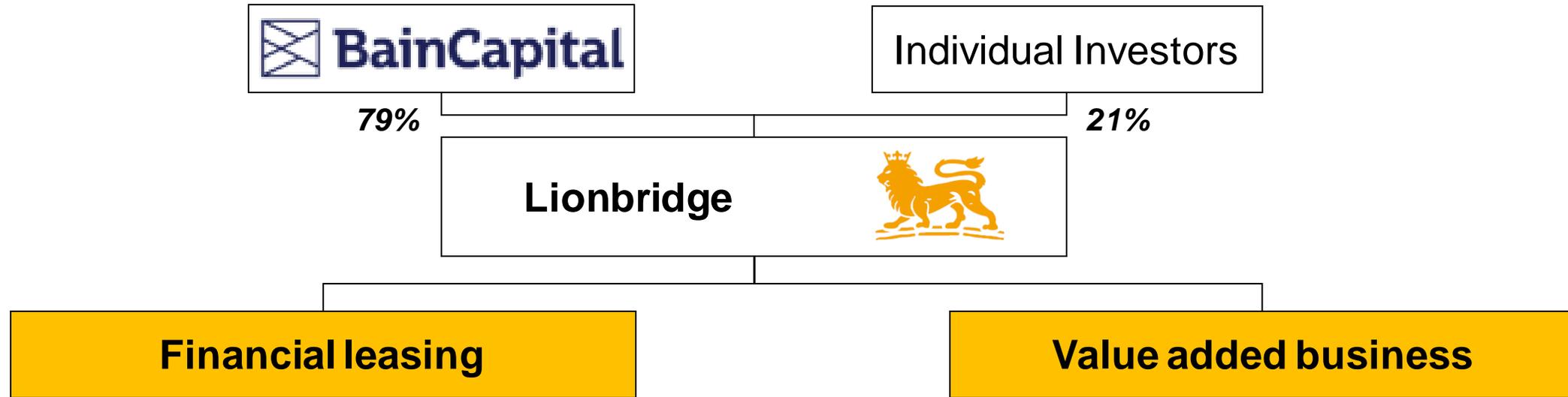
...Story of Lionbridge

THE PATH TO “BEST PRACTICE”

Achieving a more sophisticated risk management model is a progressive transformation that requires incremental effort.



Lionbridge - the largest 3rd party ...truck financing company in China



 Since 2014, have financed over 10k trucks bought by 80k individual drivers and small fleet companies, 20% market share

 Lending 2.5B USD in four years, in equipment financial leasing and working capital loan

 170 branches and 600+ sales across China

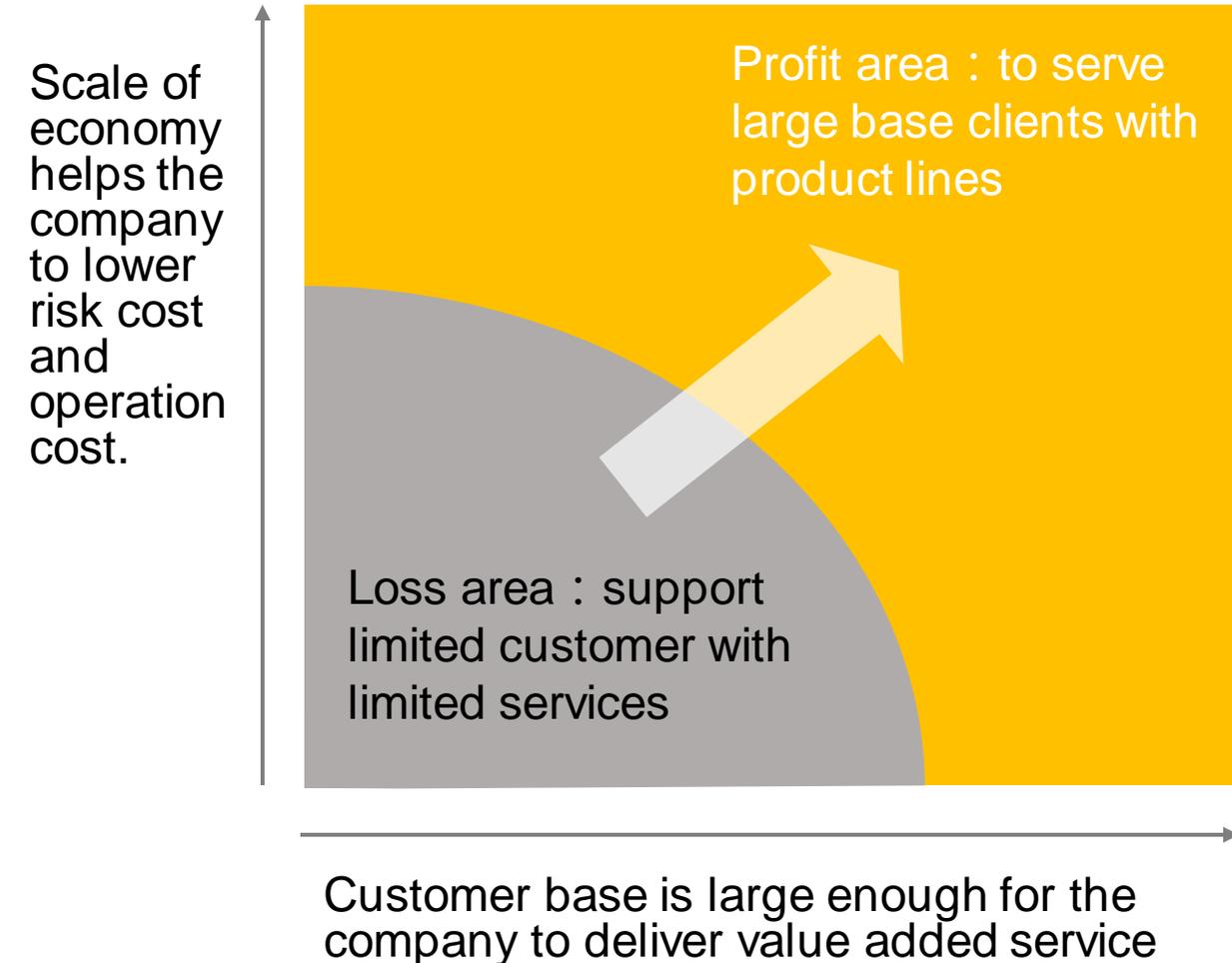
 Partner with offline 6000+ truck dealer, and is building online channel (APP, social network, etc.)

- Provide transportation orders to our lessee customers, supported by Lionbridge being a top 3 logistics company in China
- Sell trucks, fuel card, highway toll card, truck insurance to our lessee customers in lower cost supported by our centralized procurement advantages

Credit to support our SME business model



SME business model



Key steps to build up our capabilities

✓ Focus on truck sector only to accumulate industry knowhow, for best product design and credit criteria.

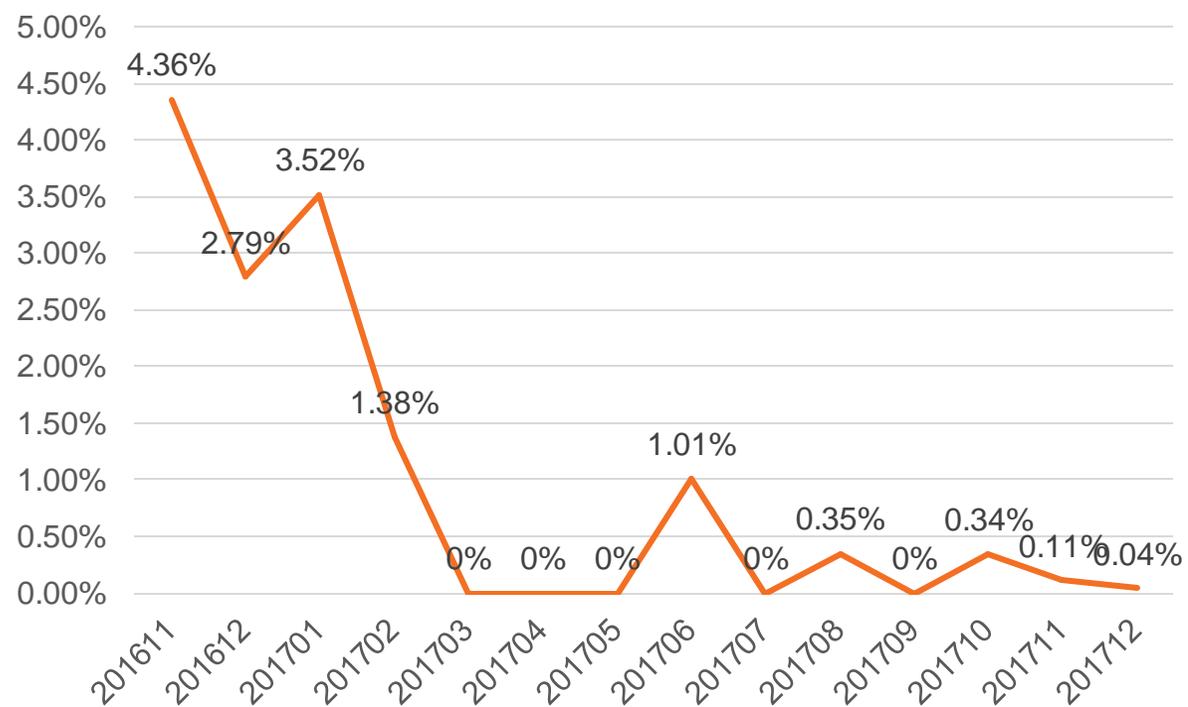
✓ Set up offline onsite sales force and online channel to acquire clients

✓ Centralized underwriting center supported by scorecard and big data for fast process and controlled loss ratio

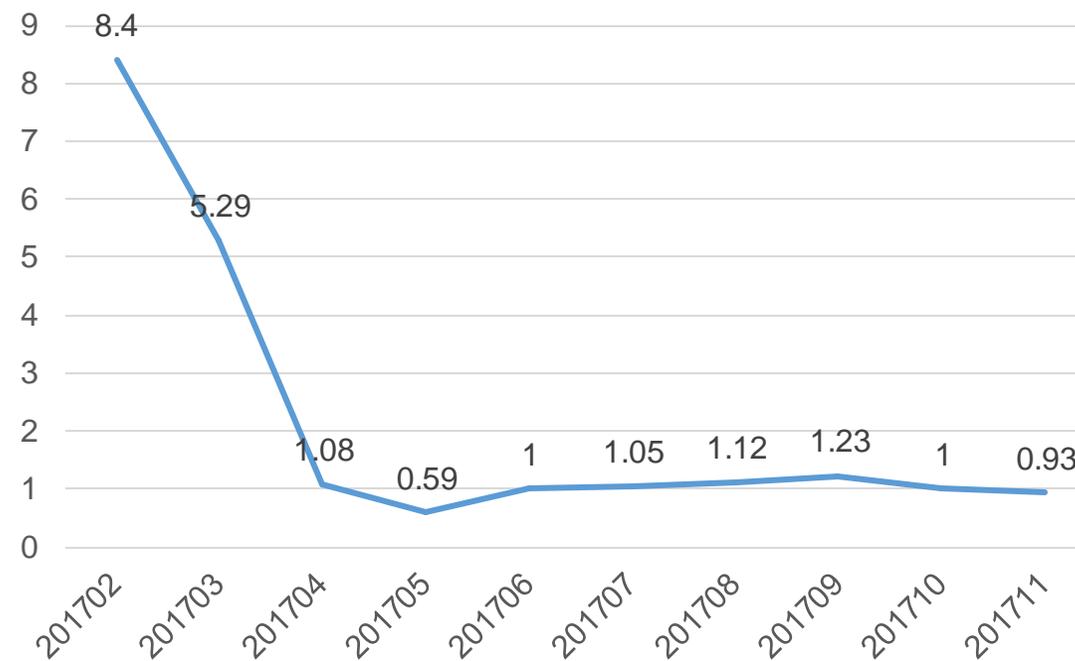
Big data (credit bureau, fraud black list, and social network data, etc.) helped to prevent fraud and speed up our approval process



% of overdue in the first payment of a product



Time used per deal in approval (hours)



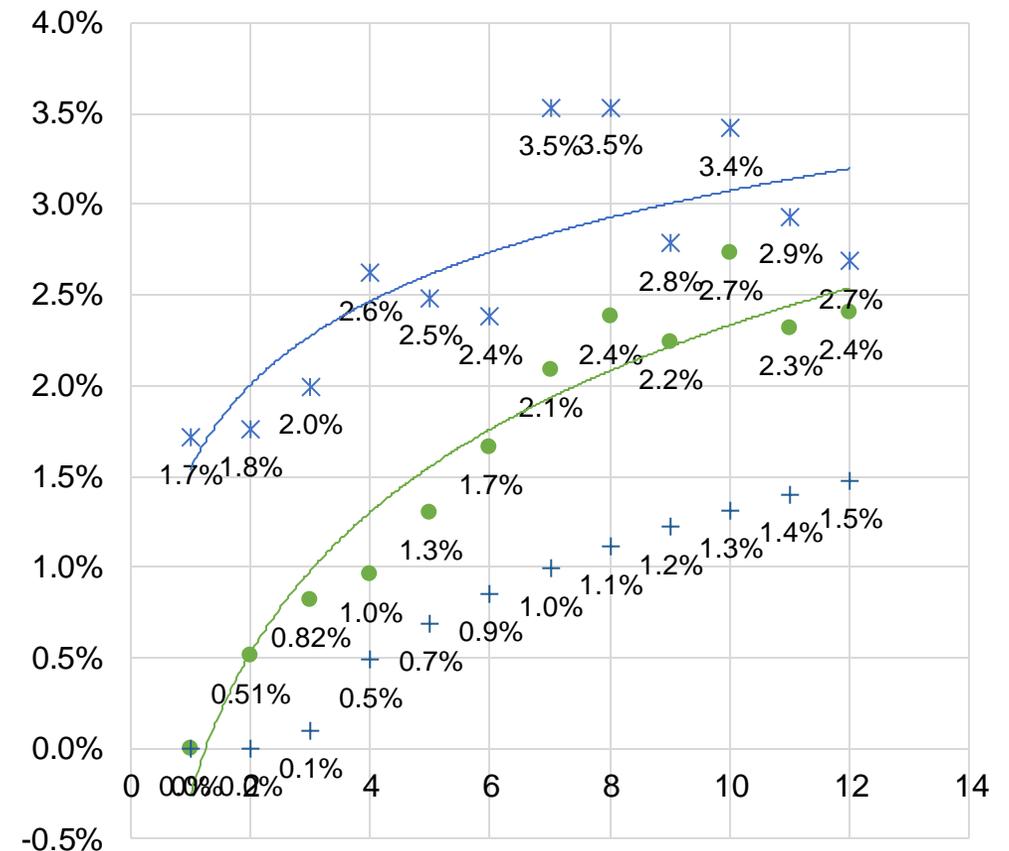
Application scorecard helps our team to be more efficient with NPL ratio dropped



Process has been streamlined

- 40~50% onsite visits are waived for high quality customers, while previously 100% deals needed home visit in Lionbridge
- 7~10% deals of high risk score are rejected automatically
- 25% deals of medium risk score are approved under stringent terms like higher down-payment or more guarantor
- About 60% deals of low risk score are approved in fast track

NPL ratio is projected to be 1 percentage lower in twelve months



Behavior scorecard helps to sell online lending to our existed customers, with more mining of GPS track data is underway



随借 拿去用 随还

狮桥老客户“拿去用”上线啦!
资金需求不用愁 狮桥给你“拿去用”

低价格
无保证金, 无手续费, 日息万分之3-6

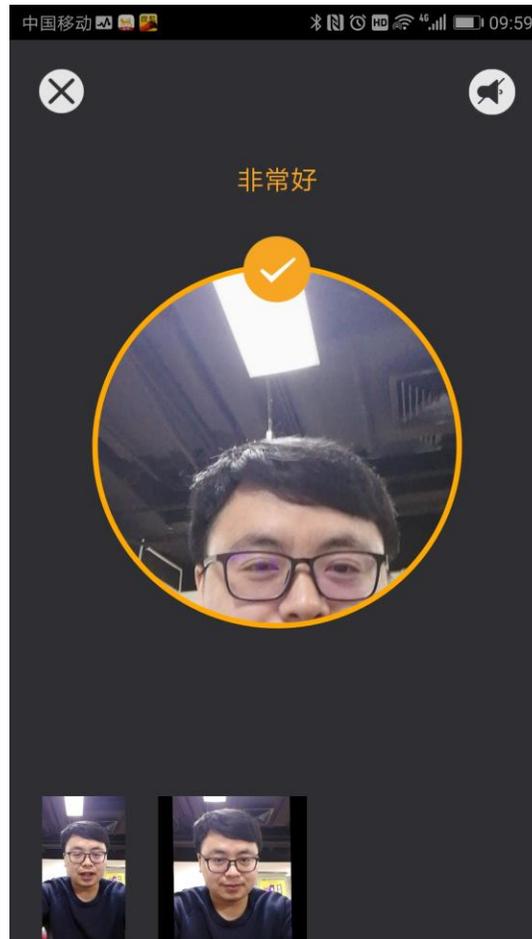
快速度
系统授信, 额度内即时到账

更便捷
无抵押, 无人工审核, 无需提供任何资料

特灵活
可随借随还, 可分期还款

24小时节假日无休放款
详情咨询: 400-066-5656
狮桥在线App二维码

Borrow and payback in any time, any where and in any amount



APP verify clients by compare their face with government's ID database

- Scored our existed 80K+ clients based on their payment record in Lionbridge, GPS track, and credit bureau record, etc.
- More than 30k clients can borrow money on Lionbridge APP with credit limit set in advance.
- The whole process is within two minutes supported by digital contract, facial recognition and online payment techniques.



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