

---

TRU | FIN

**Investor H1-18 update**

*September 2018*

# TruFin H1-18 results

---

## Financial highlights

- Revenues: £3.6m (+139% over Jun-17)
- Group loan book: £74m (+548% over Jun-17)  
c.£89m at Aug-18 (+170% over Dec-17)
- Oxygen's clients' total procurement spend reached £15.7bn (+39% over Dec-17)
- Zopa investment revalued upwards by £8.0m to £44.5m (£315m pre-money valuation)

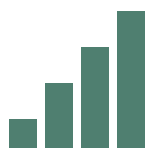
## Operational highlights

- DFC's application for a UK banking licence was submitted to the PRA and FCA on 28 June 2018

# Key Messages: TruFin H1-18 performance

---

## Delivering growth



- 170% loan book growth (Dec-17 to Aug-18)
- Growing pipeline
- Currently capital constrained

## Bank licences



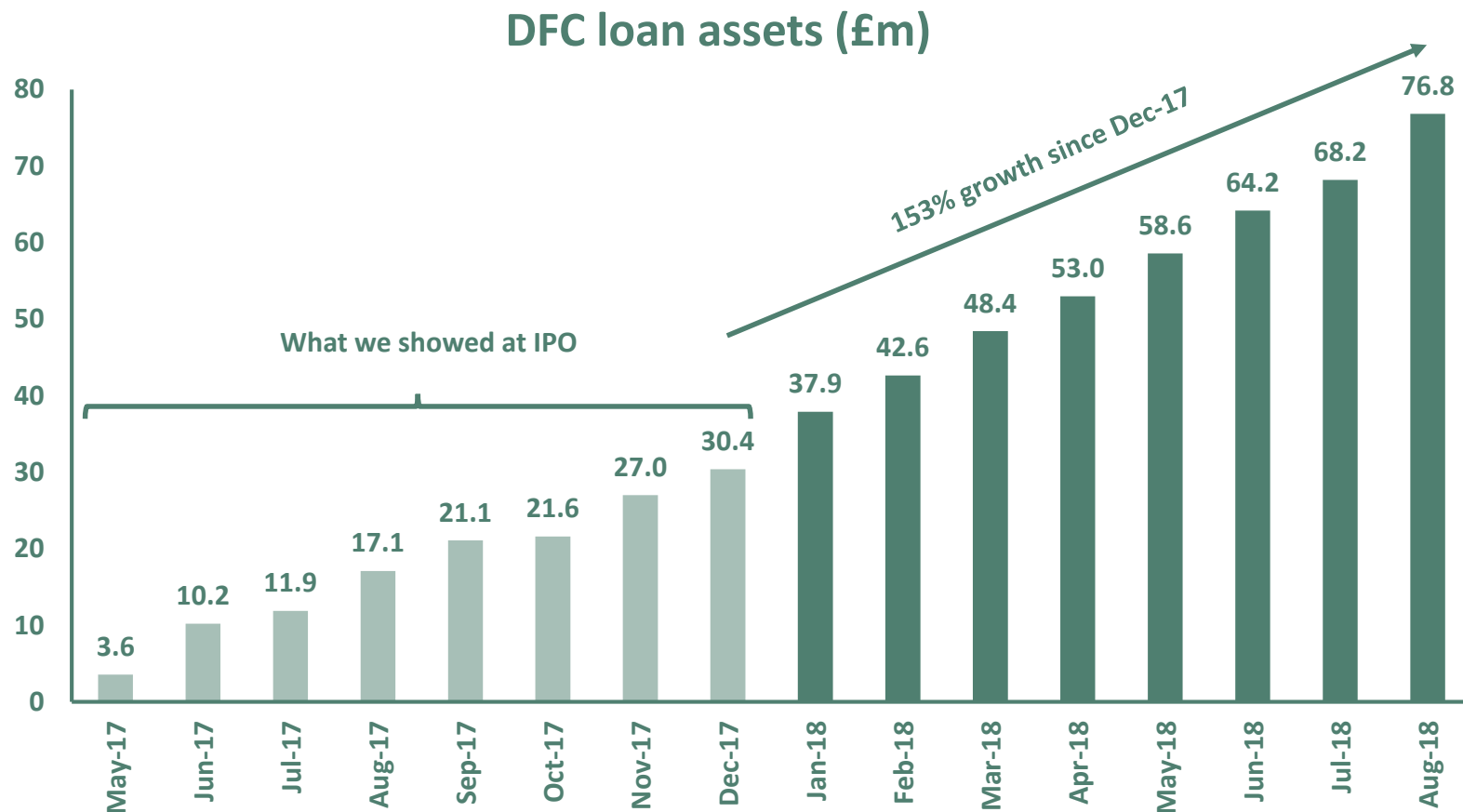
- DFC bank licence application submitted
- Successful Zopa fundraise – now capitalised for bank licence

## Opportunity set driving investment



- DFC – strong manufacturer relationships offering wider mandates
- Satago – partnership pipeline justifies increased investment

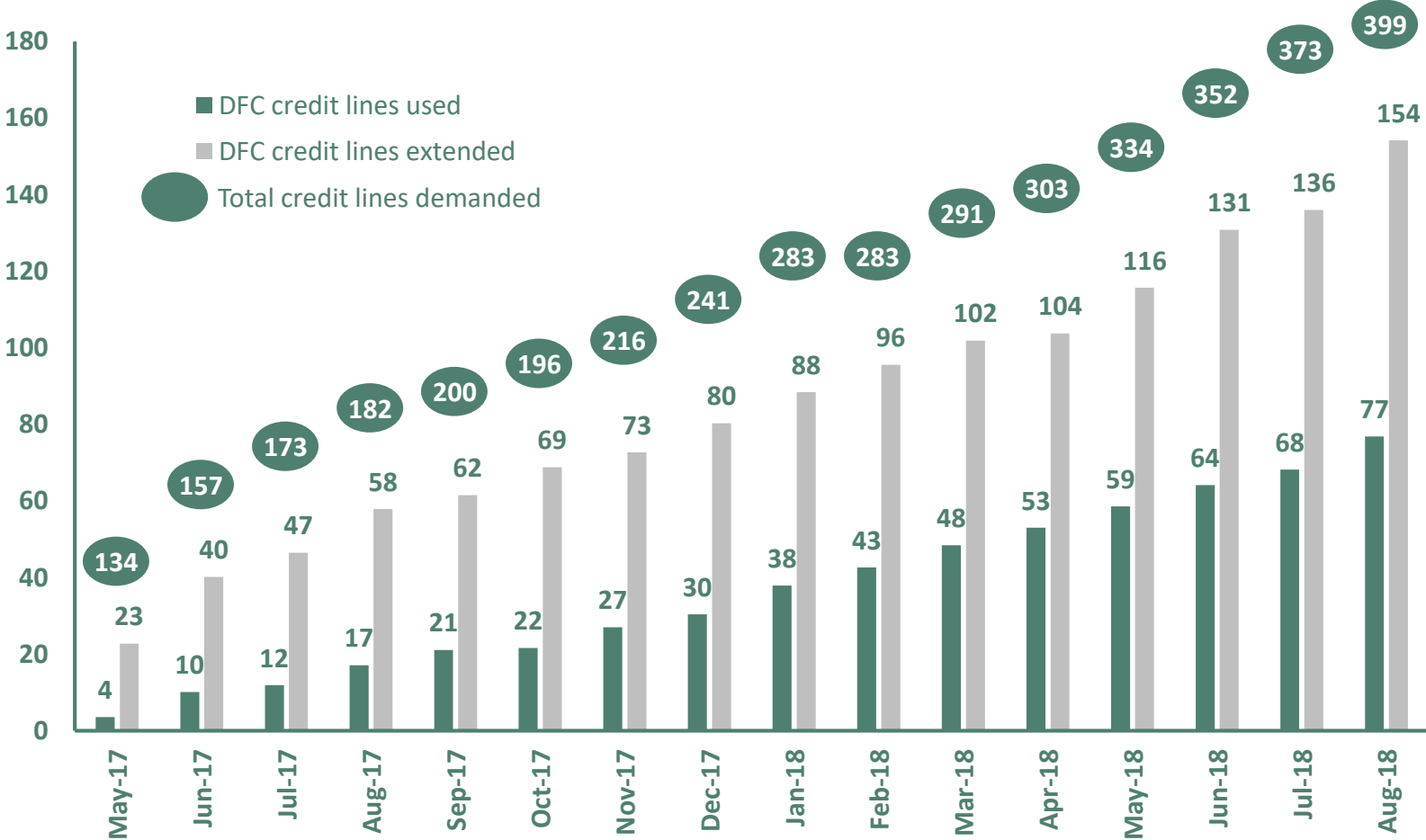
# DFC growing as expected...



...with average H1-18 annualised yields of 8.3% and no actual credit losses

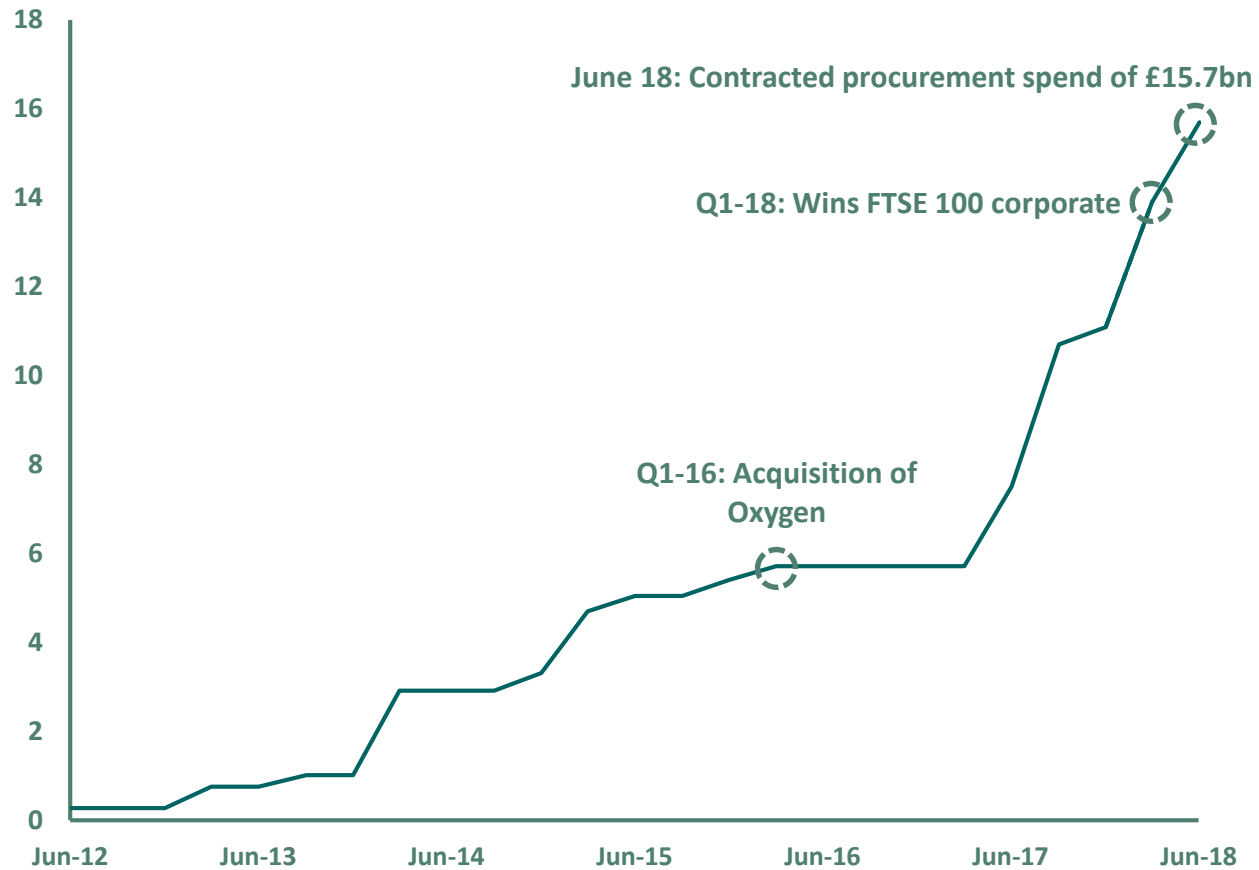
# DFC demand increasing

## Credit needs of DFC client base (£m)

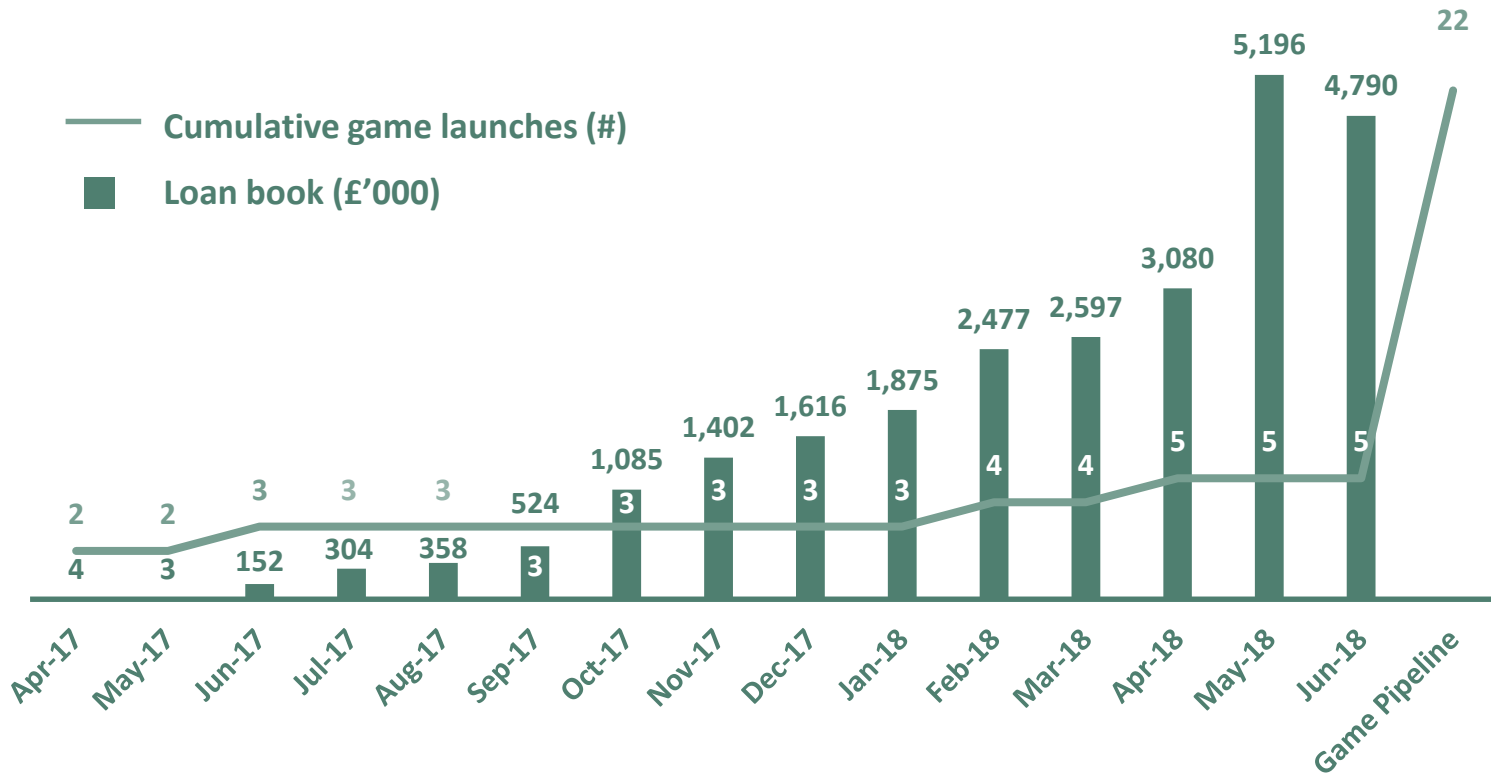


# Demand continues to build for Oxygen

## Oxygen contracted procurement spend (£bn)



# Satago-PlayStack partnership scaling...



...with signed pipeline driving future growth

---

# Observations



# Observation 1: DFC winning larger corporates

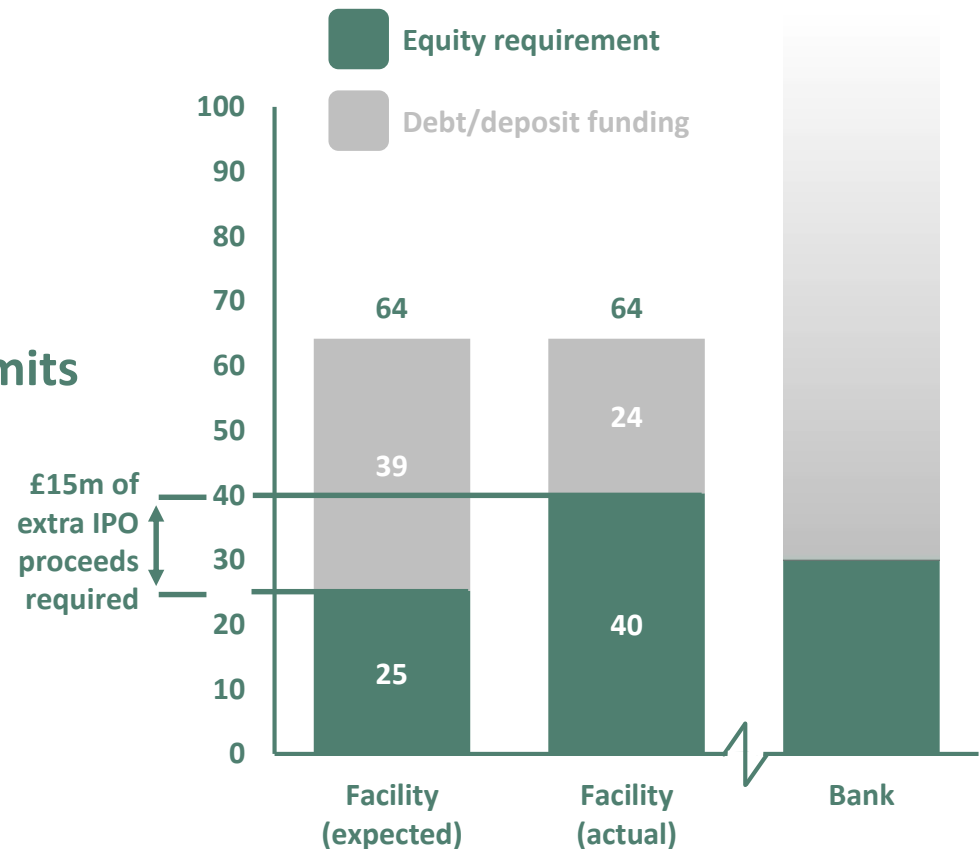
## Larger corporates

- Require credit lines of £800k+
- Better credit
- DFC has won double the number of larger corporates than expected

## Exceed existing concentration limits

- More of the IPO proceeds than expected required to serve these clients
  - Constraining loan book
- Less relevant post bank licence

DFC loan book at the end of June (£m)



# Observation 2: DFC pricing is resilient....

## Driver of yield

### Pricing terms

- Rate / fees
- Size
- LTV
- Tenor
- Rebates
- Credit rating
- Programme
- Credit policy
- New/used
- Repayment terms

### Sector mix

### Funding

### Credit line utilisation

### Duration

### Timing of funding

### Seasonality

**In our control,  
under control  
and stable**

**Currently  
constrained**

**Customer  
behaviour  
causing short  
term volatility**

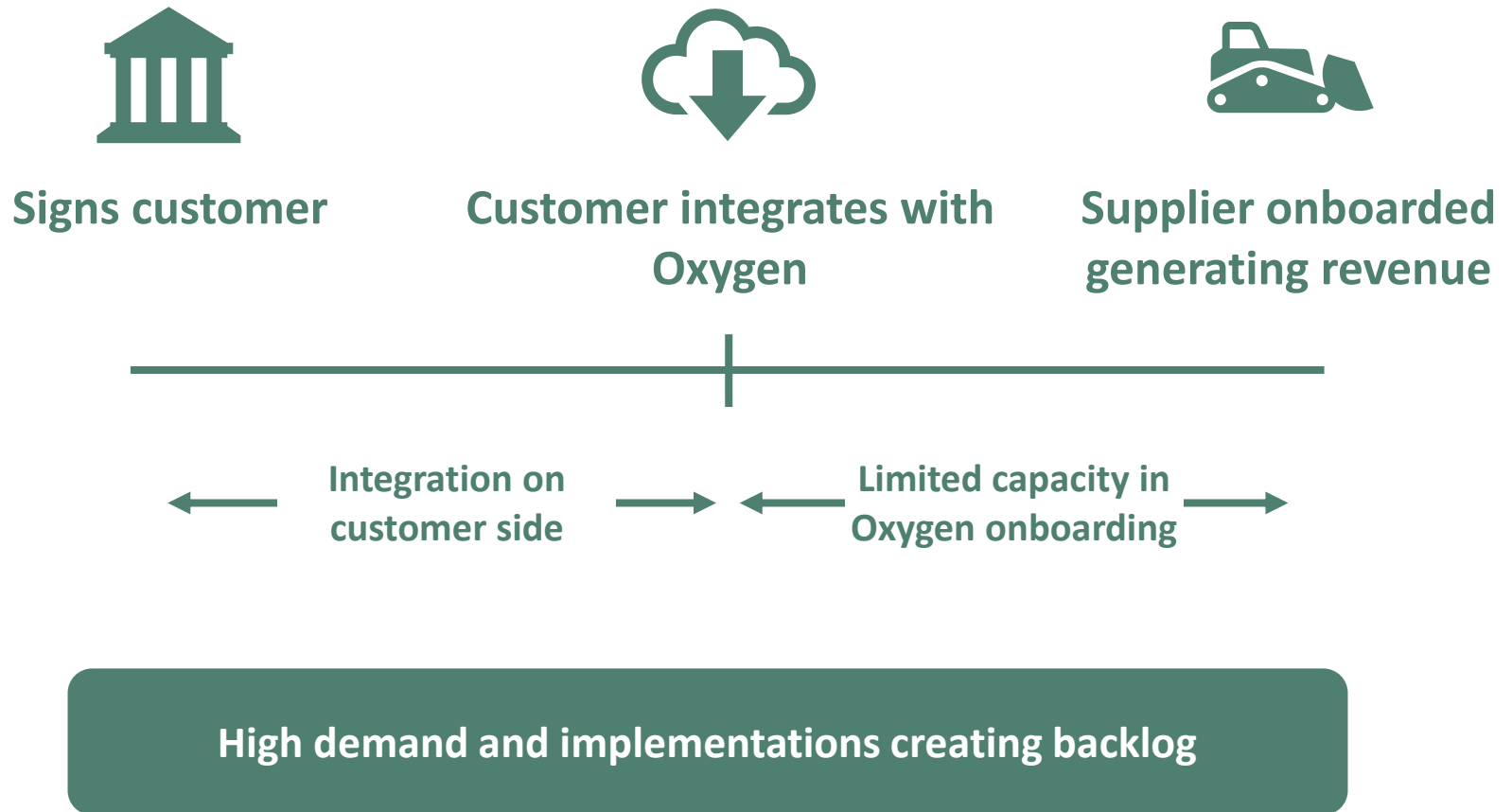
## Drivers in the short term

## Drivers in the long term



**...but customer behaviour lowering yield temporarily**

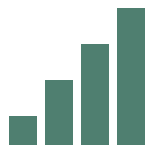
# Observation 3: Oxygen managing the growth phase



# Summary

---

## High-growth businesses



- Loan book growing rapidly
- Pipeline secured

## Bank licences



- Two UK bank licence applications submitted
- Both Zopa and DFC capitalised

## Investing in the future



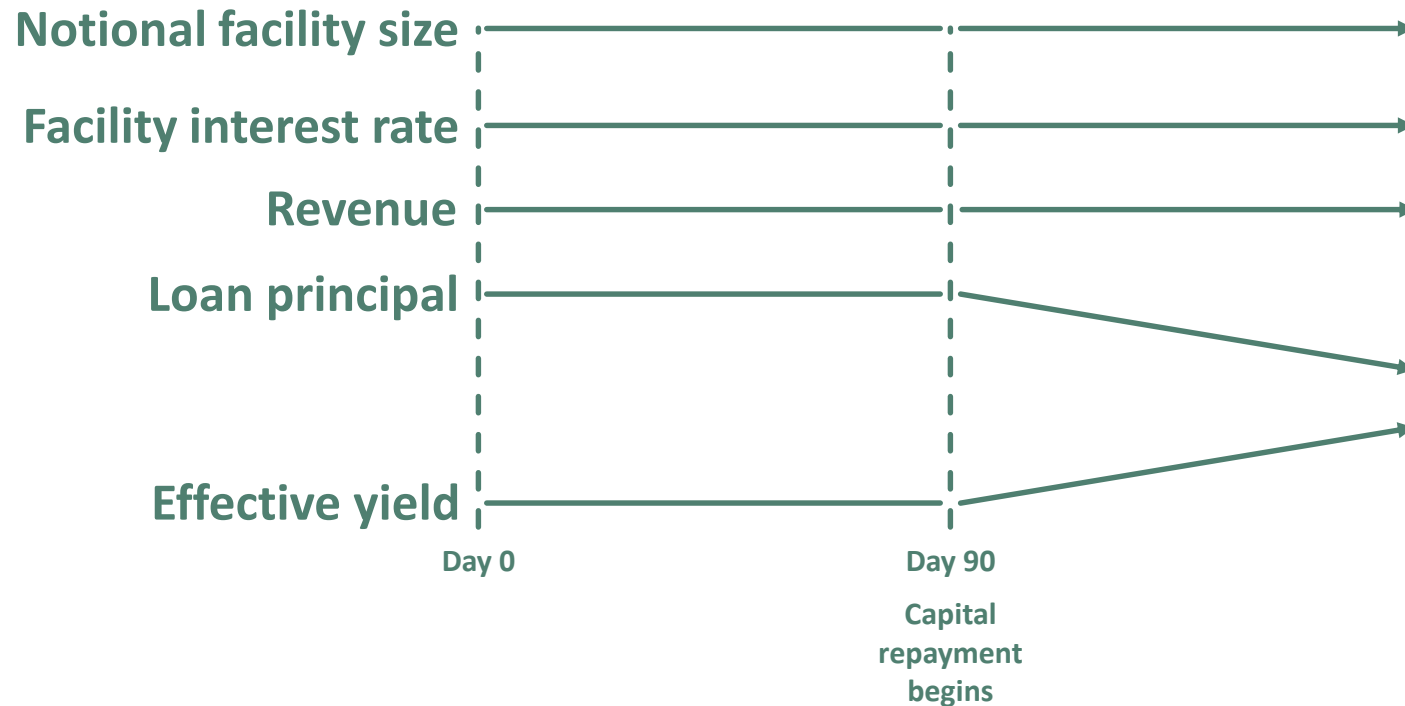
- Opportunity to secure large partnerships and strengthen existing relationships

---

# Appendix

# Programme yield is dependent on duration

Interest is charged on the notional facility size and £ charges are constant as capital repayment begins. Therefore, effective yield rises as capital repayment begins.



# Disclaimer

---

This document is a private and confidential communication of TruFin plc. This document is being made available only to officers, employees and professional advisers of TruFin plc and is not intended for distribution to any third party or to the public. No representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by TruFin plc or any of TruFin plc's subsidiaries or by any of their respective officers, employees or agents, in relation to the adequacy, accuracy, completeness or reasonableness of this document. This document does not constitute an offer, invitation or promise and no information set out or referred to in this document shall form the basis of any contract. This document does not constitute an offer to sell or an invitation to purchase shares in TruFin plc. By reading or accepting this document, the recipient agrees to be bound by the foregoing limitations. If you have not received this document directly from TruFin plc, your receipt is unauthorised and you must not read, copy, distribute, discuss or take any action in reliance on it, and you should please return this document to TruFin plc immediately.