

Wish Finance is a smart blockchain lender serving SMEs and fighting to solve a major problem in a vast global market. According to the World Economic Forum in Davos, the current state consumer and SME loan market is estimated at \$600 billion and will increase to \$3 trillion in the coming years. Globally, the SME lending industry has the same major pain points:

Underfinanced market

Inability of entrepreneurs and small businesses to gain the funds they need from regular lenders quickly and on fair terms.

Opaque industry

Unclear structure and shady practices of lending businesses, resulting in major frauds and scandals, such as Lending Club in 2016.

Punitive interest rates

The high risk of loans to SMEs (principally due to low payment discipline and poor financial literacy), results in rates of up to 50% p.a.

By leveraging a unique set of technologies - big data, neural networks and blockchain - together with lean business processes, Wish Finance can effectively address this cocktail of pain points. We connect to businesses' point-of-sale (POS) infrastructure to use real-time data for scoring, risk control and automatic loan repayment:

Big data + AI + Blockchain

Unique combination of technologies, first-in-class intelligent scoring mechanism dedicated to SMEs, automated lean loan processing and blockchain-level transparency.

Painless repayments

As Wish Finance connects to POS infrastructure used by the borrower SME, repayments are made automatically by deducting a small 3-5% fee from every POS transaction.

Low-risk SME lending

By controlling repayments Wish Finance already shows the lowest risk on the market. To reduce risk even further we insure each loan against default, while still maintaining high profitability.

The company was established in July 2016 in Singapore after extensive research of Southeast Asian markets to locate the best opportunities. Since then \$200,000 has been invested in development of our core technology. From November 2016 to May 2017 Wish Finance conducted a pilot lending project in Singapore, in which we chose 103 small companies from 1,000 SMEs applicants and issued 112 loans with a total portfolio of \$500,000. The pilot was a success with 0% default rate. The maximum repayment delay was 43 days, and the average interest rate was 24% p.a. Total revenues were \$120,000.

Before going for ICO with viable product in hands team of Wish Finance organized and successfully completed pilot lending project in Singapore:

Issued Nov 2016 - Feb 2017
Repaid Jan 2017 - May 2017
0 defaults

1000 SMEs as focus group
\$500 000 portfolio size
103 borrowers
112 loans issued

Loan size \$2 000 - \$15 000
Terms 2 - 6 months
97 of 112 repaid in time

24% p.a. average interest
Interest income \$120 000



Easy **Valuation Assumption = Annual income * Multiplier**
Annual income = Portfolio * Interest rate

Multipliers = 25x (first 3 years),
15x (until 10 years),
10x (after 10 years)

This should be accepted as fair multiplier for modern lending companies (pay attention to extremums like Funding Circle with 48x revenue multiplier)



Post-ICO valuations

1 year - valuation **\$12 000 000**

Borrowers 500 Portfolio \$2 000 000 Average interest rate (aIR) 24%

2 years - valuation **\$72 000 000**

Borrowers 2 500 Portfolio \$12 000 000 aIR 24%

3 years - valuation **\$180 000 000**

Borrowers 7 000 Portfolio \$30 000 000 aIR 24%

4 years - valuation **\$330 000 000**

Borrowers 12 000 Portfolio \$100 000 000 aIR 22%

5 years - valuation **\$825 000 000**

Borrowers 25 000 Portfolio \$250 000 000 aIR 22%

10 years - valuation **\$8 000 000 000**

Borrowers 250 000 Portfolio \$4 000 000 000 aIR 20%