WISH FINANCE PLATFORM OVERVIEW

Globally, the SME lending industry has the same primary pain points:

Underfinanced market
The inability of entrepreneurs and small businesses to gain the funds they need from conventional lenders (banks and funds) quickly and on fair terms.

Opaque industry
Unclear structure and shady practices of modern lending businesses, resulting in significant frauds and scandals in the US and China in 2016.

Punitive interest rates
The high risk of loans to SMEs (principally due to low payment discipline and poor financial literacy), results in interests rates of up to 60% p.a.

Small and medium banks, and lending funds are unable to serve SMEs themselves because of same reason in every country:
- Insufficient technology budgets
- Messy outdated IT infrastructure
- Heavy regulatory burdens

SME under financing is a significant problem in a vast global market. According to the World Bank, total SME credit gap is estimated at $2,1-2,6 trillion and is increasing.

WishFinance is creating a blockchain platform to address this cocktail of pain points efficiently:

- The platform works as a network and connects to businesses' point-of-sale (POS) infrastructure to use real-time transactional data for scoring, risk control, and automatic loan repayment

- Real financial transactions of the borrower downloaded in the scoring machine created to work with cash flow based businesses (merchants)

- WishFinance built a neural network (in prototype now) to analyze patterns in Big Data and make reports about the whole portfolio performance, just like Google Analytics for loan portfolio

- Borrower agrees with deduction of a small 2-5% fee from every future POS transaction until the loan is repaid - painless repayments

- The interest rate depends on risk and cost of capital and may vary between 5% and 28% p.a.

- WishFinance conducted a pilot lending project 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.

WISH FINANCE PLATFORM FORECAST

ACCESS TOKEN
WISH is an Ethereum tokens - access tokens issued by WishFinance platform and needed to build and manage a loan portfolio on the platform.

The more prominent platform will become, the more loans it will process the more WISH tokens will be in use. Lenders could use only tokens deposited on the platform. And they could be traded from a public token holders on the exchanges, just as other access and utility tokens.

One token needed to manage one active loan. It means a lender with 1000 active loans should own and deposit 1000 WISH tokens.

PRICE PREASURE
Lender may rent lacking tokens from other token holders sharing with them the income from the loan portfolio on the basis of the auction.

Non-lender token holders can deposit owned tokens and lend them to lenders earning a share of loan portfolio profits. The auction will define a size of the dividend - lowest first.

Valuation example. Lender with 1000 loans owns 200 WISH tokens and may rent 800 tokens for 5% of his loan portfolio profits. Portfolio size is $5000000 with profit rate 8% p.a., so the dividends should be

5000000 * 0,08 * 0,05 = 20000 or $25 per token (owned and rented) per annum

x25 multiplier to the WISH token ICO price - more and more lenders will buy tokens pushing price higher until it’s valuation will achieve a balance of supply and demand.

The platform makes SME lending more profitable, which attracts more lenders, which increases the number of loans on the platform, which increases the demand for tokens, which creates a positive price pressure.

TOKENS BUYBACK
WishFinance platform usage fee is 2% of the whole loan portfolio managed by the platform. In platform economy, this cost needed to maintain the platform as software and hardware and provide lenders with all services.

After the platform launch in 2019, the team will distribute minimum 25% of the annual platform profits to buy back tokens from a holder on the current exchanges price. After 2020, the team will distribute 50% of the annual platform profits with every token holder who deposited owned token for at least six months in the last year on the platform.