

Introduction to Platform Black
September 2013



Transaction Summary

- GLI Finance is investing £2m in Platform Black Limited (“Platform Black”), the fastest growing online platform for crowd-funding invoice finance
- Investment in the form of equity and preference shares in Platform Black
- Geoff Miller will join the Platform Black board as a Non-Executive Director

Strategically important for both parties

GLIF

- GLI Finance is investing £2m in Platform Black Limited (“Platform Black”)
- Investment in the form of equity and preference shares in Platform Black
- Geoff Miller will join the Platform Black board as Non-Executive Director

Platform Black

- Cash investment provides the working capital to support the rapid growth anticipated in the business over the next three years
- GLIF to invest by trading on the platform, as well as investing in the business itself
- Board enhanced by appointment of Geoff Miller

The market backdrop: A challenging climate for SMEs & Investors

SMEs

- SMEs are encountering growing liquidity problems.
- Business funding shortfall of £84bn to £191bn predicted by 2018 – due to changes in the global banking regulatory system the shortage of capital for businesses will become more acute as the economy grows.

Investors

- Investors with liquidity are seeking ways to make decent returns on their capital.
- Investors are seeking the security of asset-based investments in a post-crisis world.

In 2012, in the UK, the market for full sales ledger invoice finance delivered by banks and ABLs was £254bn – but the use of this product is not rising, and remains at 2%-3% of SMEs, which suggests conventional forms of invoice finance don't suit most companies.

Platform Black's solution



Platform Black provides a proprietary online trading platform which allows Investor members with liquidity to make returns of up to 15% by crowd-funding short-term asset-based debt from SME members in need of finance

Proposition for SMEs

- Access cashflow when you need it
- Pay for it only when you use it
- Set the terms on which you borrow it
- Have people compete to lend you it

Proposition for Investors

- Access short-term asset-based debt
- Rich information provided on each trade
- Very low cost of origination
- Fixed credit periods of 30/60/90 days

Benefits for all parties

- **SMEs benefit** from a process which is more flexible, cheaper, quicker and offers a broader range of funding opportunities than those provided by traditional markets.
- **Investors benefit** from a net annualised return of 12-15%, and accessible cash in a controlled risk environment.
- **Banks & ABLs benefit** from customer acquisition & retention, as their customers have access to working capital via a complementary blended service.

By connecting liquidity to debt Platform Black has created a new market that offers significant benefits to both Investors and SMEs, Banks and ABLs

The growth of invoice finance crowd-funding

The Receivables Exchange

- US based
- Traded \$2 billion+ from August 2008 to date

MarketInvoice

- UK based
- Traded c. £65m from February 2011 to date
- Traded £3.8m in its first year
- Currently trading c. £4-5m per month

Platform Black

- UK based
- Traded c. £21m from end June 2012 to date
- Currently trading c. £4-5m per month

Other countries

- Fakturaborsen - Sweden
- Debitos - Germany
- Harare Receivables Exchange - Zimbabwe

Platform Black – key statistics

Trading

- £21m traded from June 2012 to date
- Currently trading £4-5m per month
- 550 auctions run to date
- Auction size ranges from £5k to £500k, with £40k as the average size
- 100% track record of success – every SME has received all the funds they requested
- 0.18% default rate – the lowest rate of default in the Invoice Finance industry
- Cashflow positive

Members

- 450+ members
- SMEs: from all sectors (with 20.8% in manufacturing and 21% in construction), and from all regions of the UK
- Investors: HNWI, Funds, Family Offices, Cash-rich Companies, ABLs, Banks
- Introducers: Brokers, Accountants, ABLs, Banks, SMEs, Investors

Three key products

Platform Black INVOICE TRADING

Small/medium business?
Rely on customers to pay
their bills fast?
Secure your cashflow now
because bank loans and
overdrafts are drying
up.

Platform Black SUPPLY CHAIN FINANCE

Main contractor?
Rely on suppliers?
Secure your supply chain,
and incentivise your
suppliers to deliver on
budget, on time and to the
right standard.

Platform Black CHANNEL FINANCE

Manufacturer?
Rely on dealers?
Secure your network and
incentivise them to sell
more of your products
and less from your
competitors.

Systematic approach to vetting

SMEs

- Fully vetted and credit scored prior to membership
- Detailed credit screening and anti-fraud processes in place
- All auctions vetted prior to go-live

Investors

- Investor KYC and AML checks completed prior to membership
- Individuals screened to ensure only certified sophisticated and HNWI investors can access the platform

Simple process for SMEs

1

A business needs to release funds tied up in its invoices. It registers as a member of Platform Black.

2

The business sets up an auction, setting terms that work for them. Investor members start bidding down on the cost of finance.

3

The auction closes and the winning bidder(s) transfer funds to Platform Black, who passes them onto the business within 48 hours of the auction closing.

4

The business enjoys cost-competitive cashflow on demand on a pay as you go basis, re-purchasing the invoice at the end of the credit term.

Simple process for Investors

1

Investor wants to make attractive short term returns and registers as a member of Platform Black.

2

Platform Black alerts investors when auctions launch. Investors bid for the whole or part of the auction, either manually or by setting auto-bid parameters.

3

The auction closes and the winning bidder(s) transfer funds (minus the winning discount fee) to Platform Black, who passes them onto the business.

4

At the end of the credit term requested the business repays the advance, and Platform Black passes the funds back to the investor(s).

Simple attractive fee model

SMEs

- Transaction fee (paid to Platform Black)
 - 50bps of the amount advanced for 30 days (£100 minimum)
 - 75bps of the amount advanced for 60 days (£150 minimum)
 - 90bps of the amount advanced for 90 days (£180 minimum)
- Cost of finance (paid to Investors)
 - Investors compete to drive down the cost of finance
 - Fees range from 0.60% - 1.50% per 30 days
- Lifetime membership (paid to Platform Black)
 - £310

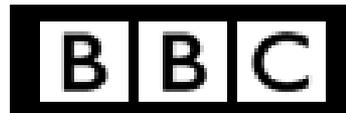
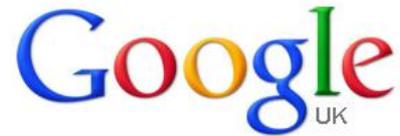
Investors

- Investors' gain fee (paid to Platform Black)
 - 10% of the Investors' gain

Introducers

- Platform Black pays annuity commission to Introducers:
 - 20% of Platform Black's transaction fee for all auctions run for all SMEs for life

Example end debtors



OGILVY & MATHER:



Example trades

TOTAL	ADV%	VALUE	DURATION	CLOSING	CREDIT TO	OPENING DISCOUNT	CLOSING DISCOUNT
55,639.61	100	55,639.61	Closed	17/06/2013	15/09/2013	100	90
58,783.21	100	58,783.21	Closed	17/06/2013	15/09/2013	100	100
81,278.35	100	81,278.35	Closed	17/06/2013	15/09/2013	100	100
322,000.00	45	144,900.00	Closed	13/06/2013	12/08/2013	200	175
103,165.56	90	92,849.00	Closed	17/06/2013	16/08/2013	160	130
419,238.00	80	335,390.41	Closed	13/06/2013	13/07/2013	175	175
78,795.60	90	70,916.04	Closed	10/06/2013	09/08/2013	180	115
34,560.00	75	25,920.00	Closed	23/05/2013	22/07/2013	170	75
33,098.40	90	29,788.56	Closed	24/05/2013	23/07/2013	180	90
18,000.00	75	13,500.00	Closed	14/05/2013	13/07/2013	170	80
10,080.00	90	9,072.00	Closed	13/05/2013	12/07/2013	165	75
141,675.44	90	127,507.89	Closed	10/05/2013	08/08/2013	150	125
12,828.06	75	9,621.04	Closed	19/04/2013	18/06/2013	165	105

Proprietary IP, scalable architecture

Three key relationships



Represents most of the invoice finance and asset based lending industry in the UK & Ireland. Platform Black is the only invoice trading member of the ABFA.



The UK's trade body for business finance brokers. Platform Black is the only invoice trading member of the NACFB.



The leading global information services provider. Platform Black is the only invoice trading platform whose investors have access to Experian's credit scores & ratings.

Key audiences

SMEs

Invoice Trading

All sectors, all regions

Introducers

Brokers, Accountants,
ABLs, Banks, SMEs,
Investors

Main Contractors

Supply Chain Finance

Construction, Retail,
Manufacturing, Wholesale,

Press & Analysts

National, Business, Trade
Analyst houses

Investors

HNWI, Funds, Family
Offices, Cash-rich
Companies, ABLs, Banks

Government & Regulators

Treasury, BIS, Number 10,
FCA, Westminster Crowd-
funding Commission

Highly integrated Sales & Marketing approach



Objectives

- Awareness and understanding
- Registration through to membership
- Active trading

Principles

- Tactics tested and refined
- Leading indicators tracked
- ROI tracked

Experienced management team

Colin Levins
CEO, co-founder

Qualified as a Chartered Accountant (ICAEW) in 1987, his roles include Partner and CFO of Knight Frank, CFO of Consensus Business Group, Chairmanship of Purely Mortgages, and CFO of London and Capital.

Louise Beaumont
CS&MO, co-founder

15 years' track record of product and service development from idea generation through to effective commercialisation. Developed and deployed successful growth strategies for businesses focused on the SME market, including Microsoft, Adobe, and Vodafone.

Steve Simpson
CTO

18 years' track record of design, implementation, administration and support of secure, high-available, enterprise/service management and web-based solutions for a variety of corporations across sectors including telecoms, financial and public services.

David Robertson
Chairman

Non-Executive Chairman at Platform Black and Non-Executive Director at Bibby Line Group, having been CEO of Bibby Financial Services for 15 years.

Conclusion

- Excellent strategic fit for both parties
- Delivers on GLIF's strategy of focusing on niche SME financial service providers:
 - Platform Black is a very early and highly significant entrant into the fast growing invoice finance crowd-funding market
 - Adds short-term asset-based debt to the portfolio
 - Trading on the platform will deliver target double digit returns
- Reinforces the geographical diversification of GLIF's business

Greenwich Loan Income Fund Ltd

Appendix



Quotes from SMEs



Platform Black has proved to be a cheap and flexible way for us to borrow short-term funds. We've come to regard its service as a vital partner, without which our business would have grown much more slowly.

Mark Moore Inteligis Group



The team at Platform Black have been fantastic - they really understand our business, and their flexible 'use the service when you need it' approach works brilliantly for us.

Gavin Tedstone Pure Business Services



We can auction the invoices we want to auction, at a cost of finance that we define, giving us quick and easy access to working capital whenever we need it.

Andy Bowyer magnaparva



I simply choose which invoices I want to auction, set all the terms of the auction (including the maximum cost of finance), and get on with growing my business.

Pietro de Luca ItalFood UK

Quotes from Investors

HNWI

High Net Worth Individual

Platform Black's understanding and attentiveness to the investor's perspective is outstanding, and will stand them in good stead as they continue to grow this very interesting marketplace.

High Net Worth Individual

Panel Financial

Providing the simple cashflow solution

My experience as an investor with Platform Black has only ever been positive, and I see this as a practical way to originate deals and make a return on my investment.

Simon Taylor Panel Financial

HNWI

High Net Worth Individual

Compared to cash in the bank, invoice trading with Platform Black is an investment no-brainer.

High Net Worth Individual

CASH-RICH COMPANY

The overall experience; from the returns, to the people and the customer service, to the business model and its' transparency has given me real confidence in Platform Black.

Cash-rich Company

Press recognition


THE SUNDAY TIMES

B B C

The Sunday Telegraph

FT FINANCIAL
TIMES

The **INDEPENDENT**

London
**Evening
Standard**

The Telegraph

MailOnline

theguardian

THE  TIMES

FT ADVISER

 **REUTERS**

C B I
THE VOICE OF BUSINESS

Director

WSJ

CFO
WORLD BUSINESS
FINANCE
LEADERSHIP

For more <http://www.platformblack.com/press/>

**Platform
Black**
INVOICE
TRADING

Powered by
 **Experian™**