



NEO
Finance

INITIAL INFORMATION ABOUT UPCOMING IPO

The information contained in this document is not an offer to buy securities. Any decision to invest should be based solely on the Information document, which will be provided during the launch of IPO.





Dear investors,

With the spirit of change and innovation we launched our business in finance world three years ago. Today we are market leaders in Peer to Peer lending market in Lithuania and we have launched innovative service in payment area - Payment initiation service.

Yet what we have done so far is only the beginning. We look forward to expand our presence in home market and expand to other markets.

This is where we kindly invite you to become part of our success and we offer you to invest in our newly issued shares.

The road we offer you to share with us is not going to be easy because we are not doing things just because they are easy and neither we are doing things because they are hard, we are doing things when it is smart and valuable to do them. The last decade has seen the technology bringing profits to those with courage and the ability never stop trying new things. The success of the irreversible worldwide Fintech disruption delivers evidence to that and we are proud of being part of it.

Evaldas Remeikis

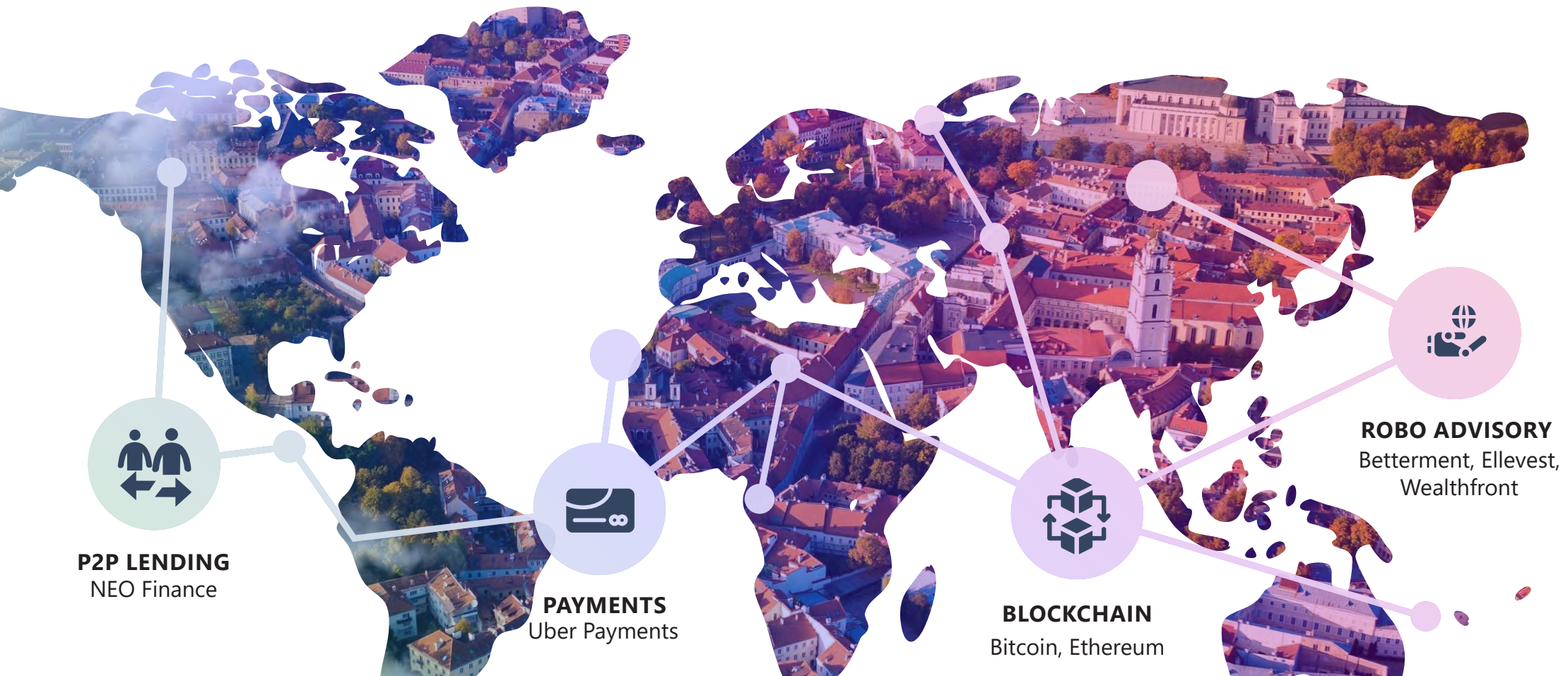
Founder and Chair of the Board
of NEO Finance



THE WORLD IS CHANGING FAST...

The classical business models are challenged throughout the world, and it comes to most of the areas, especially finance, hospitality, travel, payments and even taxi services.

Players from the Fintech space, now industry of its own right, are changing the way the financial services work and this process is coined as: World's Fintech Disruption.



MISSION: MAKE LENDING MORE HUMANE

Company's is working towards democratization of the lending/borrowing environment. For the retail borrowers NEO Finance ensures more humane, more accessible and more affordable borrowing conditions; For the retail investors NEO Finance creates an opportunity to assist other people and receive rewarding profits.

11 078

REGISTERED INVESTORS

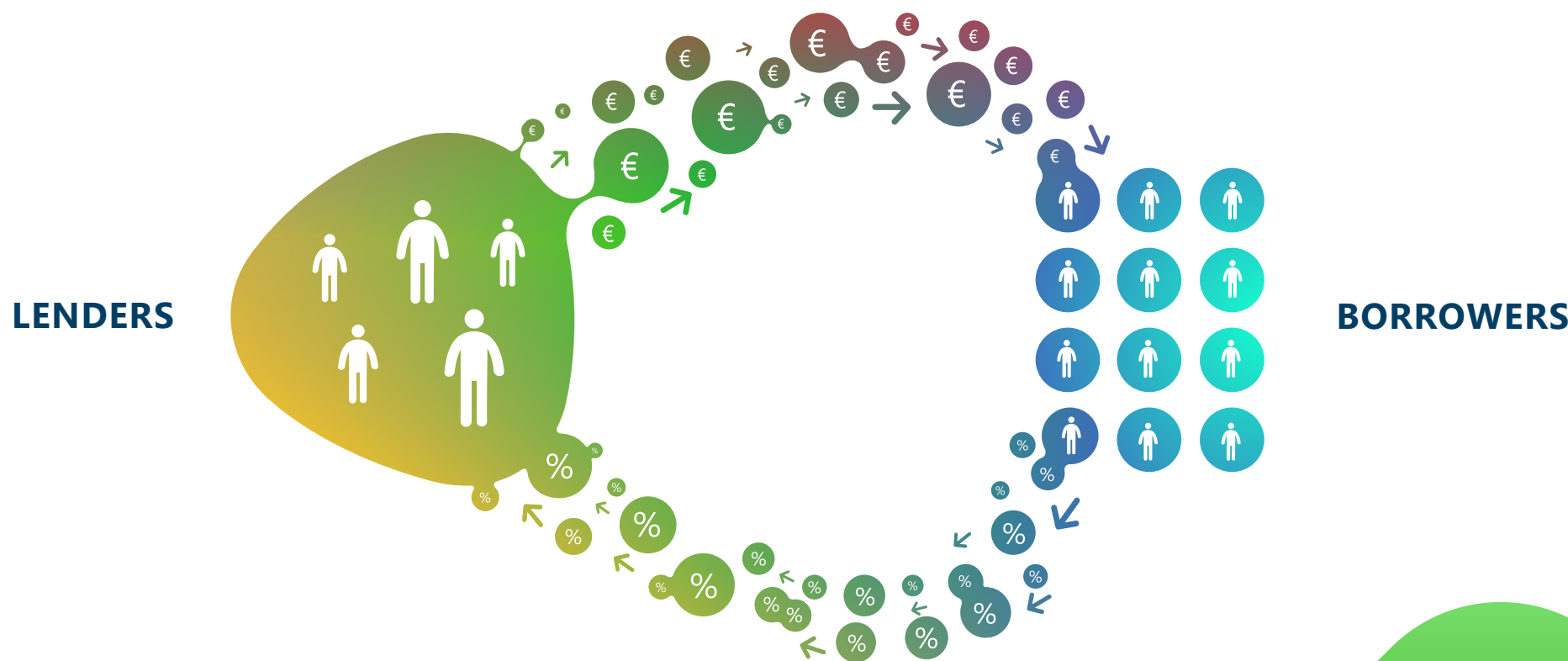
54 993

REGISTERED BORROWERS

€ 30 280 208

LOANS ISSUED

Data on 31.03.2019



KEYWORD: GROWTH!

€ 14,3 Millions

LOANS ISSUED (2018)

+60%

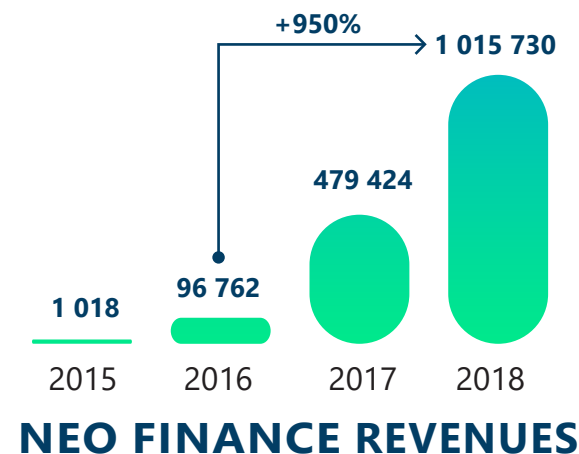
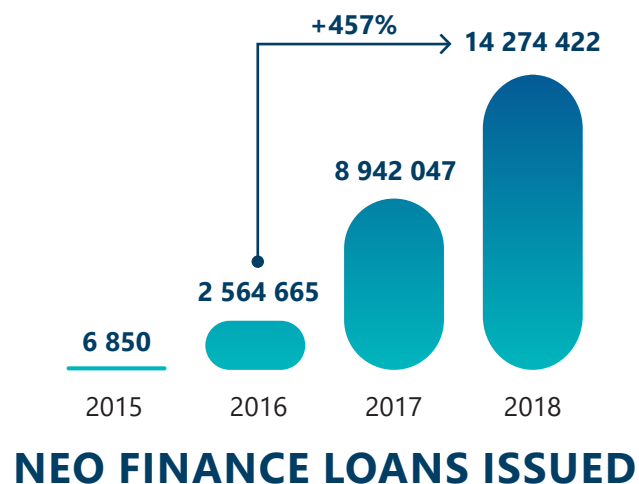
CHANGE AGAINST
PREVIOUS PERIOD

€ 20 262 230

LOANS OUTSTANDING

+90.24%

CHANGE LAST
12 MONTHS



22.90%

AVERAGE BORROWERS
EFFECTIVE INTEREST RATE
(2018, including intermediary fee)

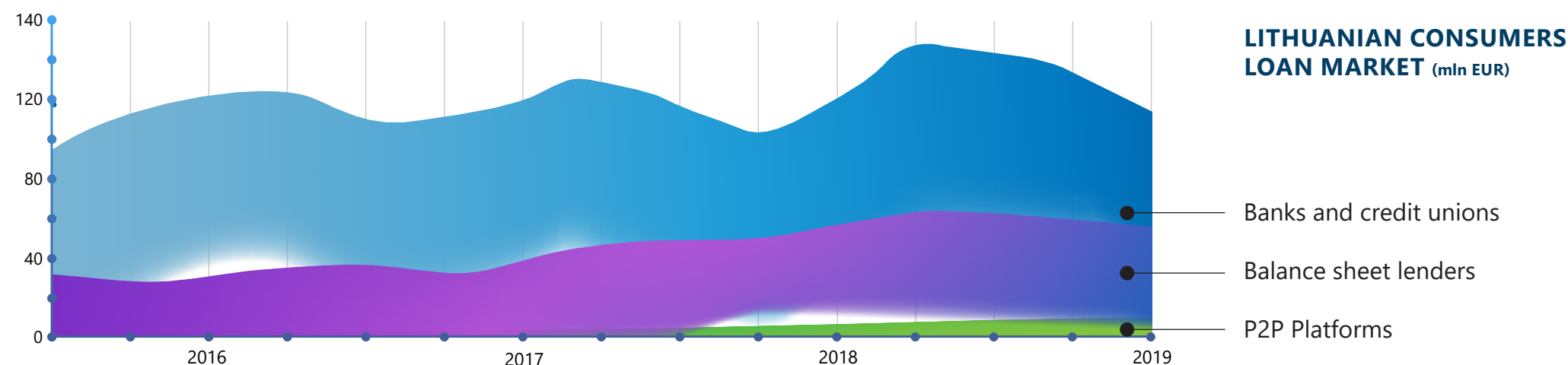
5.74%

AVERAGE NEO FINANCE
INTERMEDIARY FEE
(2018, charged on instalment)

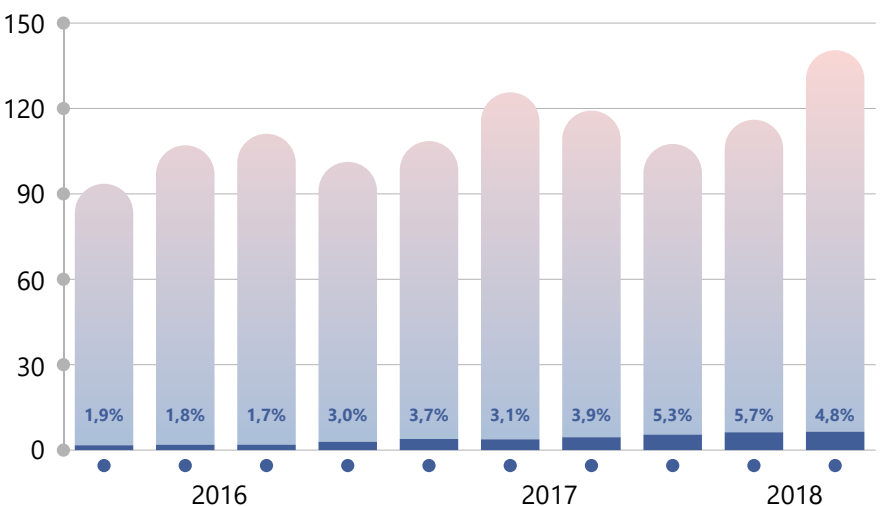
16.99% p.a.

AVERAGE INVESTORS
INTEREST RATE
(2018)

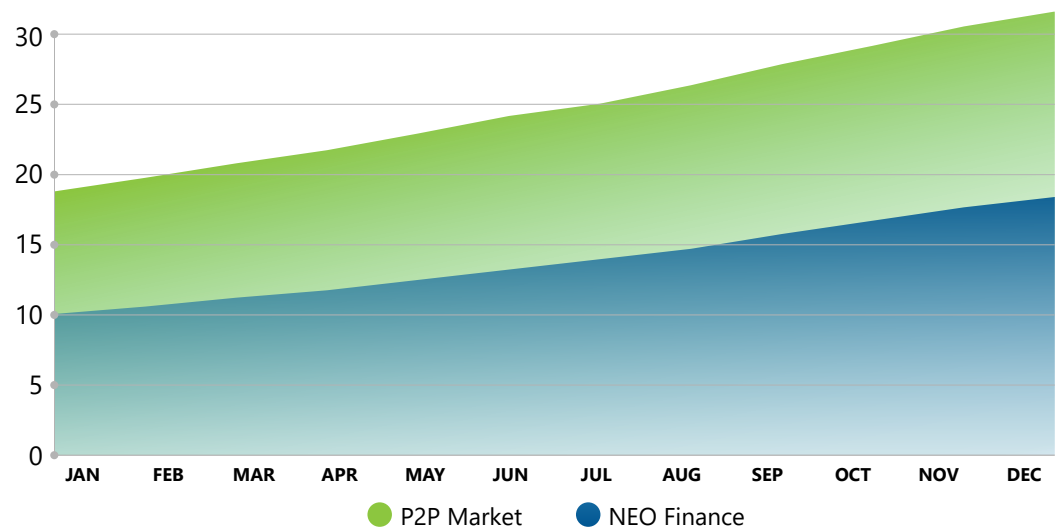
LITHUANIAN PEER TO PEER LENDING MARKET



PEER TO PEER LOANS PROPORTION IN THE CONSUMER LOANS (mln EUR)

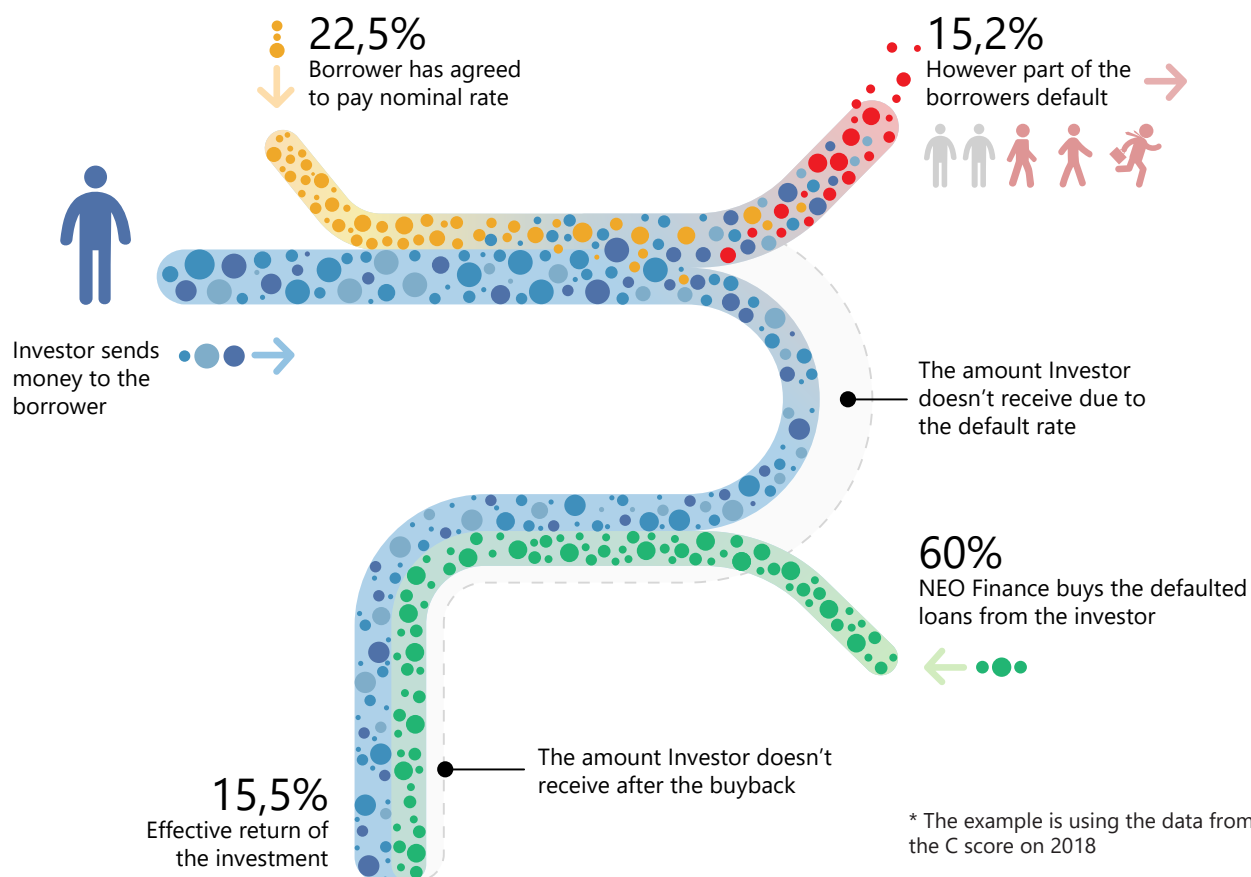


COMPETITION LANDSCAPE (mln EUR)



PROFITS

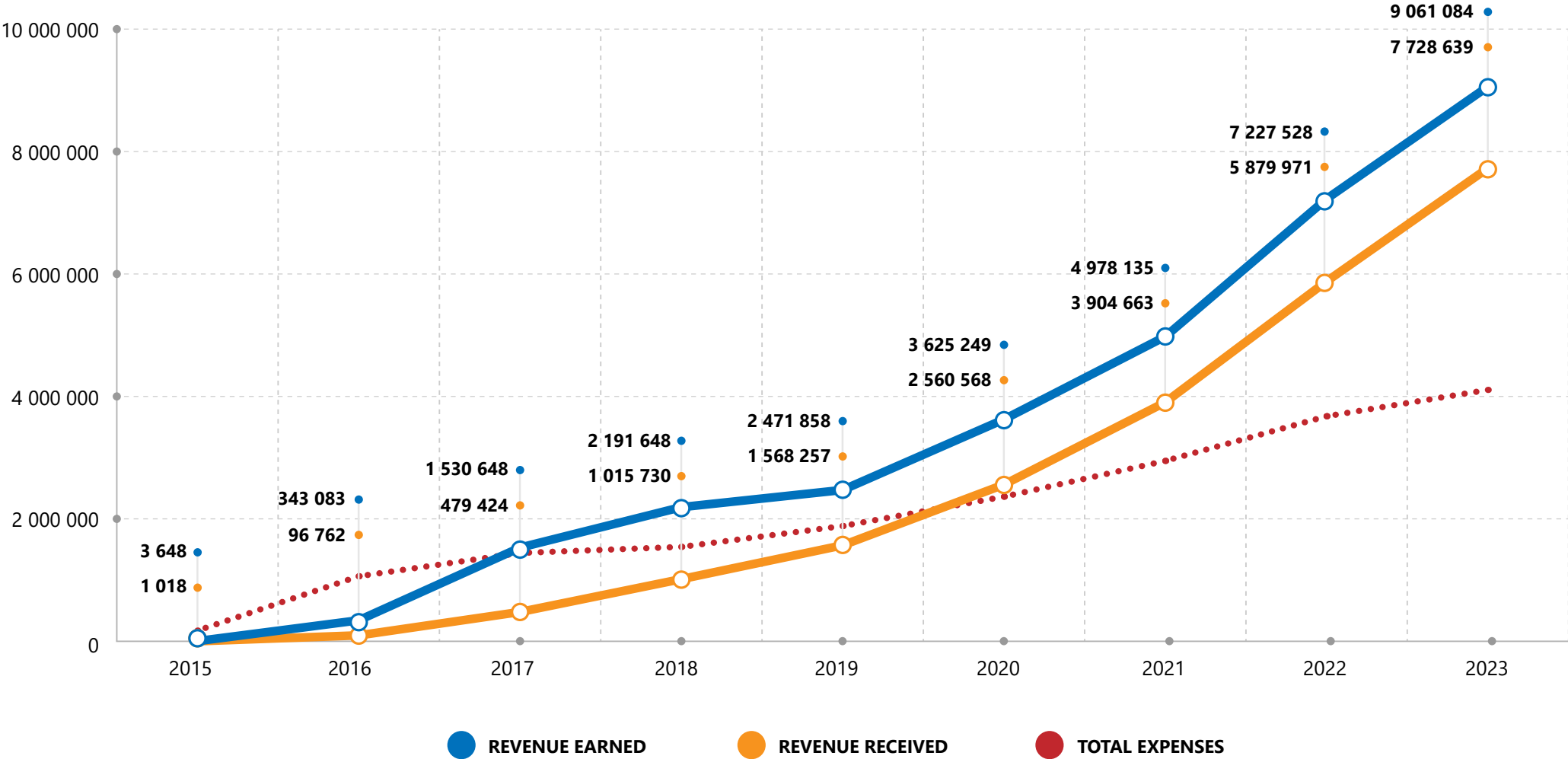
Investors make their profits through lending their funds to the borrowers. The amount of the profits an investor actually receives (Effective Rate of Investment) depends from the nominal rate, default rate and buyback rate. The rates vary from the score of the borrower with A being the least and C the most risky. The profit making process is explained in simple steps below:



RATING	NOMINAL INTEREST RATES	YEARLY DEFAULT RATE	BUYBACK RATE	EFFECTIVE RATE
A	12,5%	1,6%	80%	12,4%
B	17,1%	6,5%	70%	14,9%
C	22,5%	15,2%	60%	15,5%

HIDDEN VALUE

Due to the normative regulation, NEO Finance may receive its intermediary fee only on the repayment of the loan. Thereby NEO Finance incurs costs in current year to receive revenues over a period of 5 years (the average term of a loan). Hence, the true picture of the company may not be obtained directly from the financial statements.



* Chart is made in accordance to the audited forecast of the Company

PAYMENT INITIATION SERVICE

Payment initiation service scheme is an alternative to bank transfer and bank link methods used by e-commerce to allow customers to pay for the goods and services. The scheme offers higher degree of convenience, speed and considerably lower costs. The payment initiation service was introduced by the EU directive obliging banks to allow the payment initiation service providers to access necessary account information. NEO Finance is providing payment initiation service under a brand name NEO Pay.

1 500 000+
TOTAL TRANSACTIONS

€ 130 082 797
TRANSACTIONS TURNOVER

€ 49 464
FEES EARNED



CLASSICAL MODEL

- E-commerce must liaise with all the potential banks that customers are likely to use for purchases.
- Customer must separately log on the bank website.
- The transaction costs charged to e-commerce are substantially higher.



PAYMENT INITIATION SERVICE

- + E-commerce must liaise only with NEO Pay.
- + Customer may execute the payment on e-commerce website.
- + The transaction costs are over 10 times lower.

OFFERING TERMS

The price and number of the shares to be issued will be determined via auction process. NEO Finance will accept bids from the prospective investors on an online platform. During a pricing stage based on the bids received the board of NEO Finance will set the number of new shares to be issued and the price for the share will be the lowest price at which it is possible to sell all the shares within the selected number.



AUCTION

The purpose of the Auction is to determine a fair price prospective investors are ready to pay for NEO Finance shares.



€ 3,14
MINIMUM BIDDING PRICE

Prospective investors will be able to make their bids starting from the minimum bidding price EUR 3.14 per NEO Finance share.

€ 0,5M € 2,5M

RANGE (MILIONS EUR)

The lower limit of the Offering to be successful is 0.5 million euro, and NEO Finance will not issue shares with total value over 2.5 million euro.



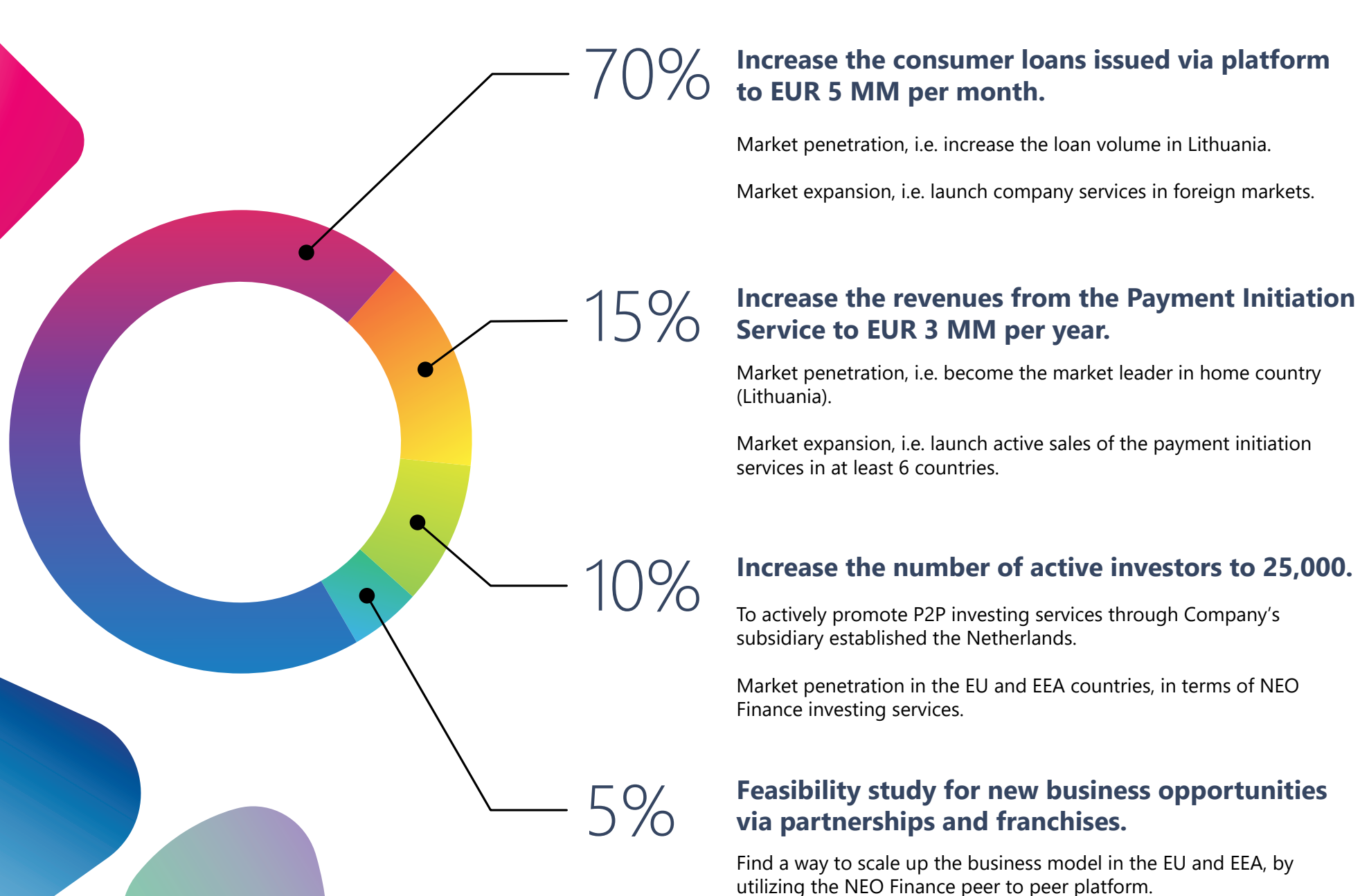
VALUATION

€ 10.8M € 25-62M

2018 2023

SEEDRS, an equity crowd-funding platform has rendered NEO Finance post money valuation at 10.8 million EUR in 2018. Based on audited forecast NEO Finance valuation target in 2023 is between 25 and 62 million EUR.

USE OF FUNDS



KEY PEOPLE



EVALDAS REMEIKIS

Chairman of the Board

Serial entrepreneur and founder of many successful companies



ANTANAS DANYS

Chairman of the Supervisory board

Previously, the Chairman of the Board of «Swedbank» bank



MARIUS NAVICKAS

Member of the Board

Previously head of risk management in one of the biggest banks in Lithuania



VYTAUTAS BUČIŪNAS

Member of the Supervisory board

Businessman, coaching professional and consultant of leadership and organisational development



DEIVIDAS TUMAS

Member of the Board

Experienced business consultant



MAURICE BECKAND VERWEE

Member of the Supervisory board

Founder and facilitator of a number of ICT (information and communications technology) companies



AIVA REMEIKIENĖ

Head of Administration,
Member of the Board

Experienced financial company manager



MARIUS LAURINAITIS

Member of the Supervisory board

Specialist in legal science and legal regulation of electronic money

CONTACTS



NEO
Finance

PHONE: +370 68 700 300

EMAIL: ir@neofinance.com

ADDRESS: Verkių g. 25C-1, LT-08223 Vilnius

WEBSITE: www.neofinance.com/ipo

