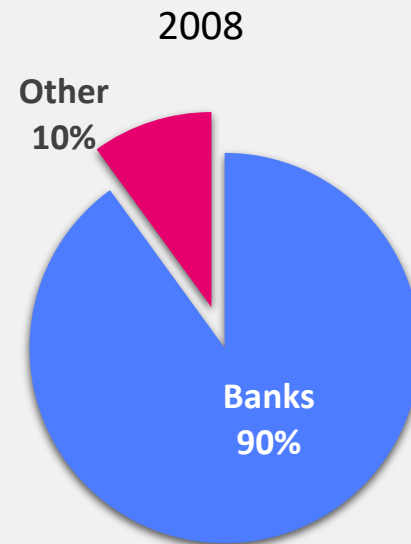


CARDO^{AI}

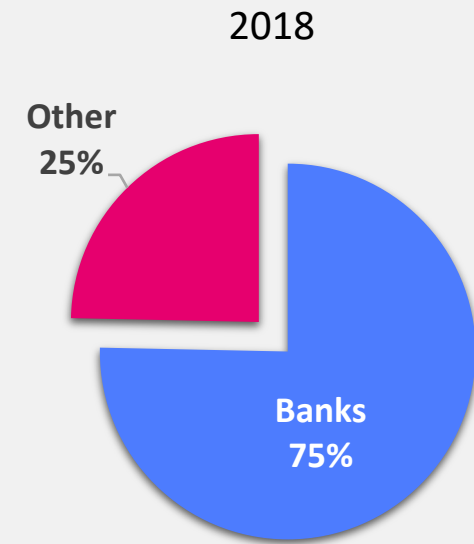
Scale Further. Move Faster. Invest Smarter.



The Lending market is radically changing



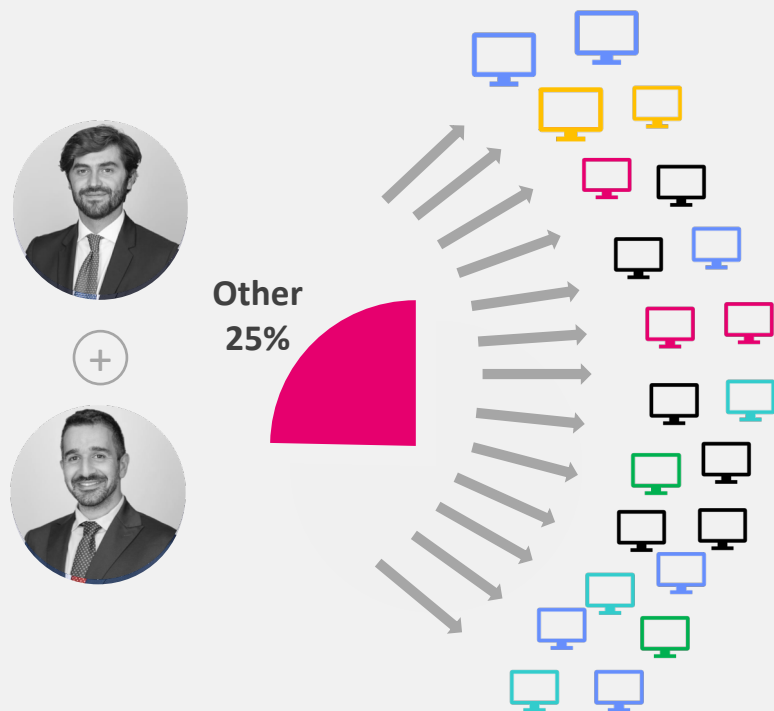
Dominated by
Banks



New investment
opportunities

New opportunity?

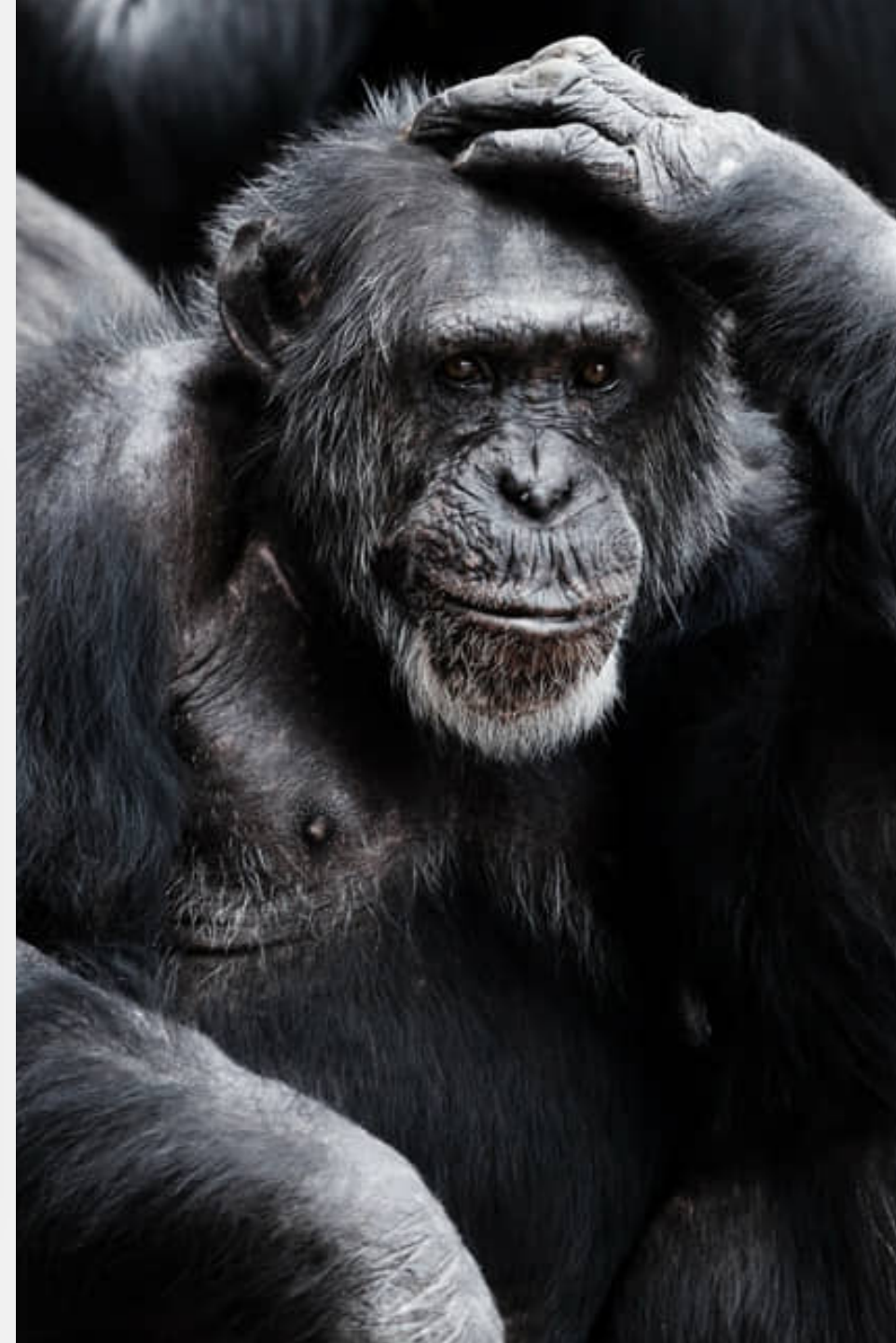
20 platforms in P2P Lending, Invoice Trading and Real Estate



- 4 Asset classes
- 8 Geographies
- 7 Loan types
- 10 Data standards
- 15+ Credit risk models
- 5 Investment protocols

=

12,5% (IRR)



Problem - Investing in Digital Lending is:

Fragmented

**350+ Originators in
EU & US**

Inefficient

**No Trading
Protocol**

Costly

**3x higher
management costs**

Solution – One single platform to invest in Digital Lending



Step 1 – Sourcing Digital Lending opportunities and augmenting available data

Digital Lending Data Marketplace + Digital Banks



Client's Data
Loan, Performance
and Risk Data



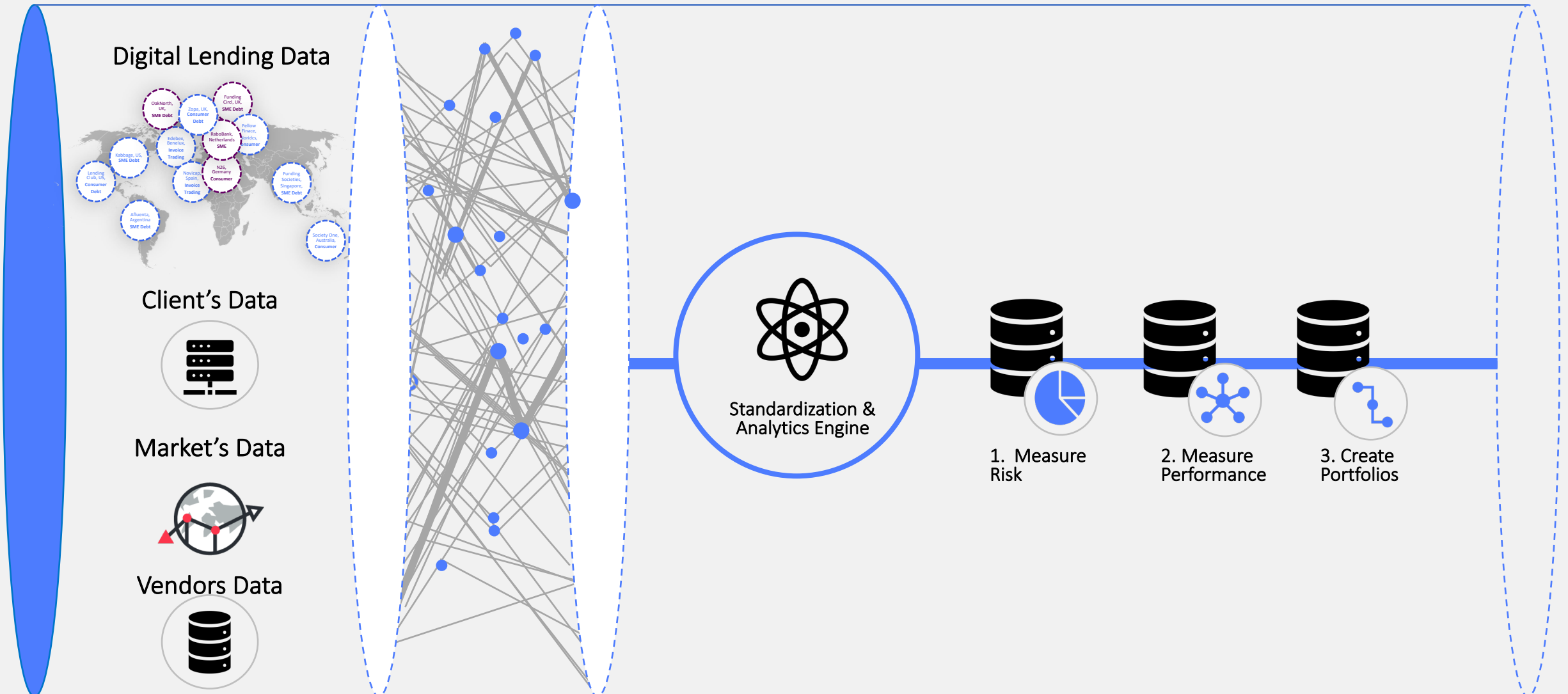
Market's Data
Macroeconomic
Indicators



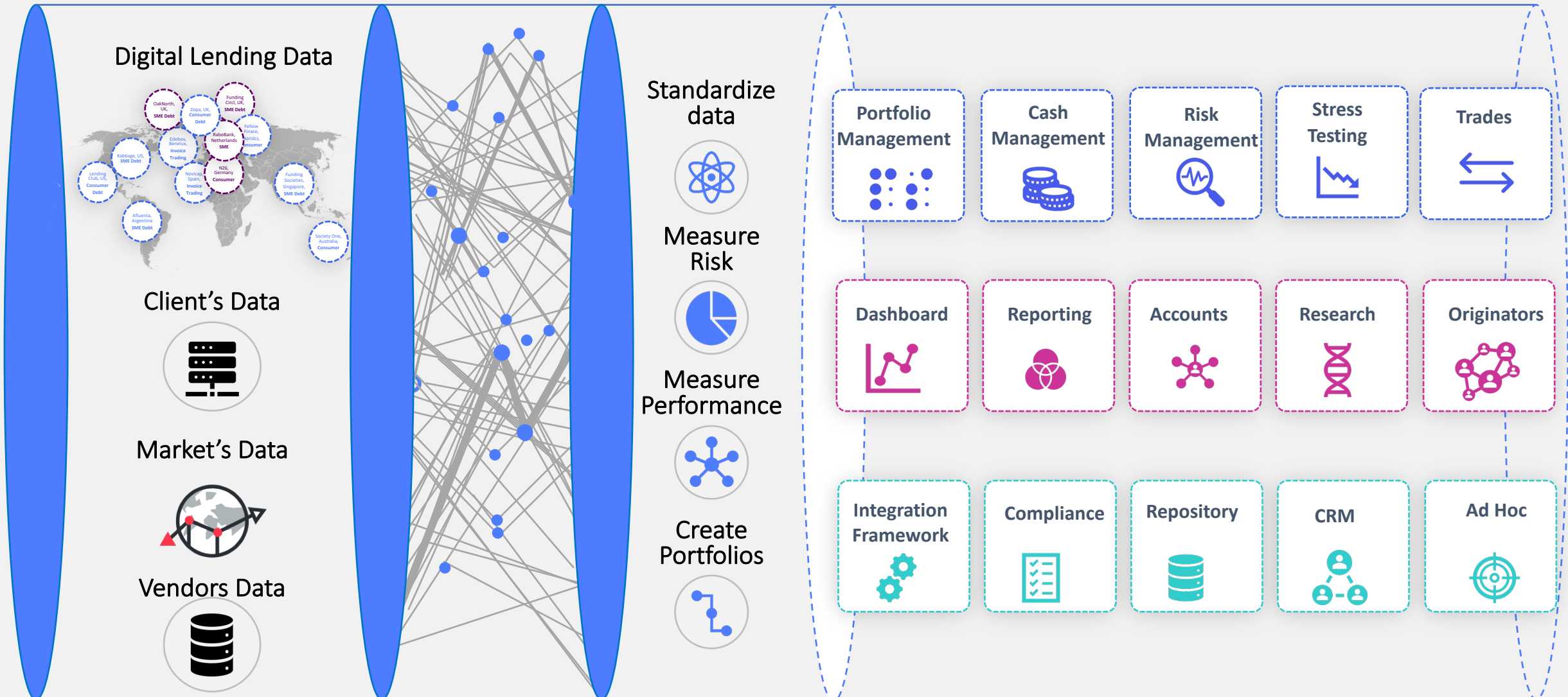
Vendors Data
Credit and Fraud
Risk



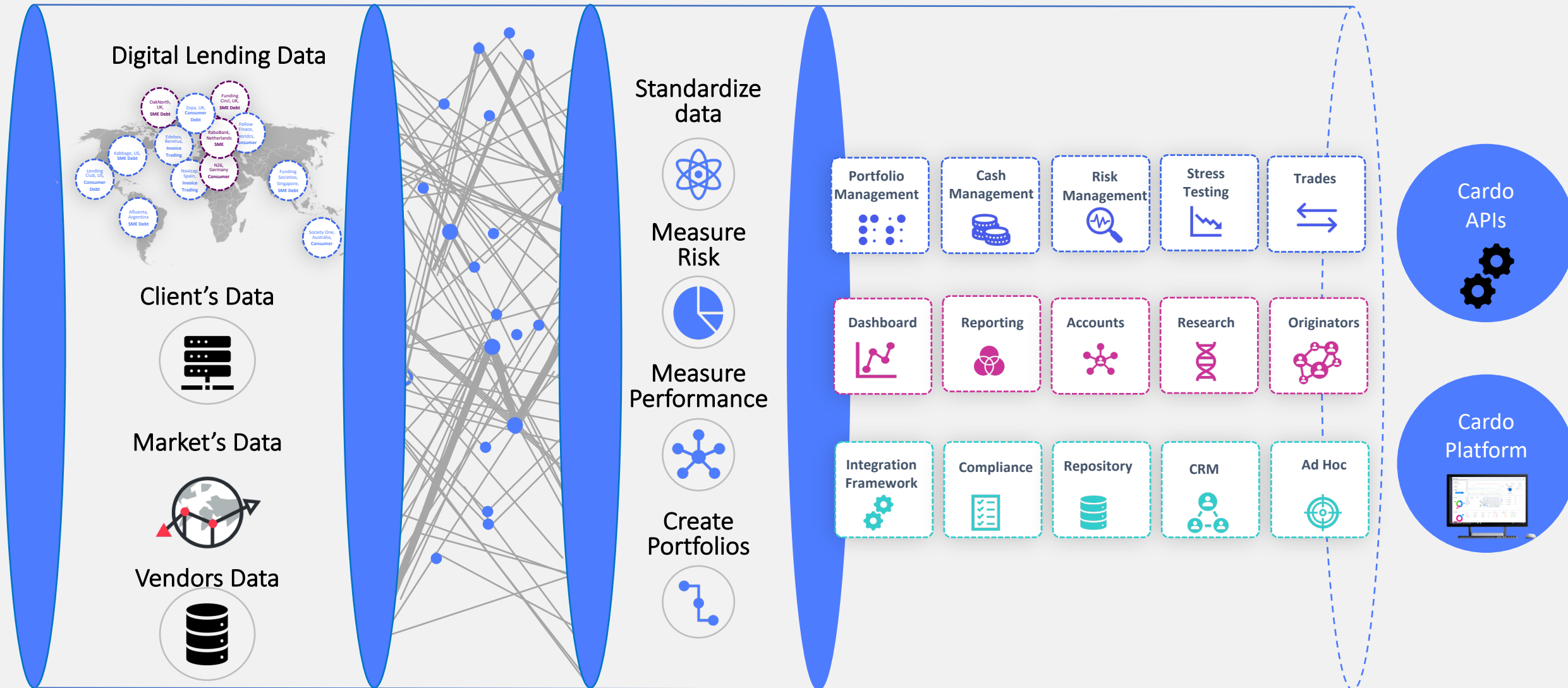
Step 2 – Treating and Standardizing data to measure risk & performance and create portfolios



Step 3 – Monitoring and Reporting to adjust and manage efficient portfolios



Step 4 – Sourcing Cardo data in own's internal systems through APIs or use our interface



How do we manage data?

We source structured, unstructured and semi-structured data to feed our AI and Machine Learning algorithms in order to **improve Credit Risk metrics and optimize Portfolios**



Credit Risk

Probability of Default

Recovery Rate

Stress Testing

Fully Funded Probability

Winning Bid Probability

Methodologies:

- Random Forest
- Gradient Boosting
- Naïve Bayes Estimator
- Neural Network

Portfolio Management (Allocation and Optimization)

New Investment Selection with multi objective perspective

Optimize current portfolio strategy given certain scenarios

Methodologies:

- Dynamic programming algorithm
- Evolutionary algorithms
- Multi-dimensional factor and Principal component analysis
- Long-short term memory (LSTM) neural networks
- Stochastic Gradient Descent
- Reinforcement Learning

Investment and technology experienced team

- ✓ 11 professionals
- ✓ 3 offices
- ✓ 70% Tech and Data Science



Achieved **proof of concept** and **beta release**

€25M

In Traded Volume
(1st Mandate)



€150M

Expected by 12 '19
(2nd Mandate)



Winner of the 1st place in
the startup competition



Top 8 Fintech
startups in EU



Top EU 15 early
stage fintechs



Winner of The Data
Driven Competition



Top 6 Fintech
Startups



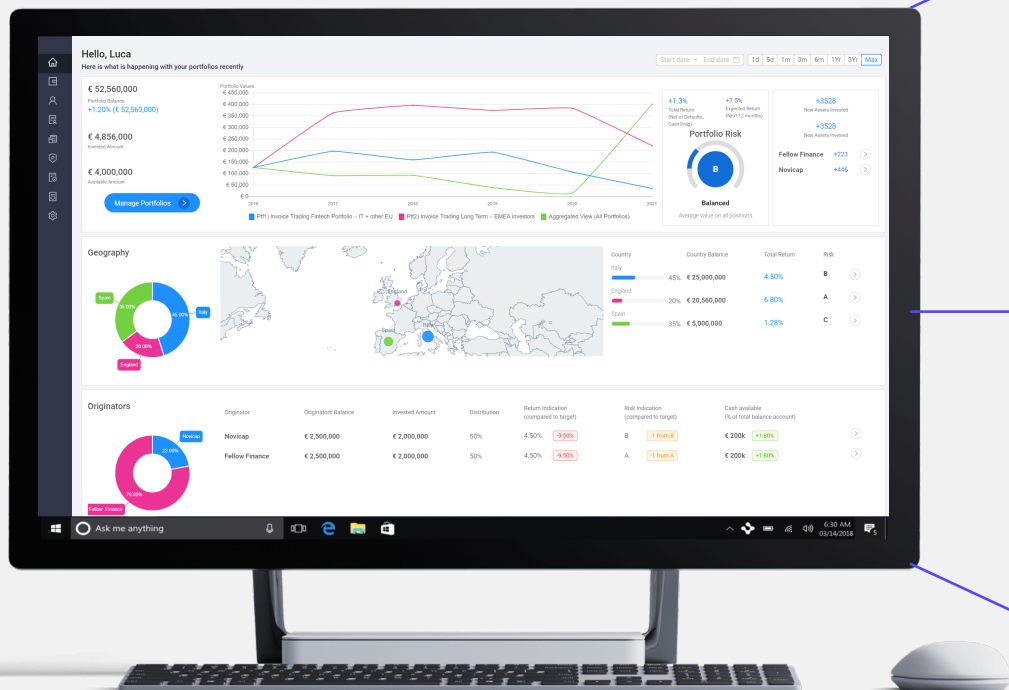
Top 10 startups
in 2018



Winner as Best
Fintech Idea

CARDO AI

Cardo AI has developed a next generation technology suite to empower digital lending market, both originators and investors



✓ Proprietary technology

- Micro-service architecture (+700k rows of proprietary code)
- Python in Django framework, and ReactJS

✓ Lean and agile software development work-force

- Tech-hub located in Tirana, improved efficiency **3X on costs**
- Objective to reach a team of **30 developers by Q1 2020**

✓ Artificial Intelligence

- 15+ years credit risk modelling and investment experience
- AI and ML algorithms to support the investment process



✓ Innovative

- Committed to constant **research and development** in order to guarantee the highest standards of innovation and product quality. We are particularly proud of our partnerships **with important academic realities** and of belonging to the major **international associations in the sector**.

✓ International

- With offices in Bari, Rome, Milan, London, Paris and Frankfurt, Auriga is developing a dynamic international activity - currently in Slovenia, Romania, Serbia, Belgium, Portugal, France and the UK - to bring excellence to the world and of **Made in Italy technology**.

✓ People

- We consider people as the **fundamental resource for business success**. A business model is based on the constant search for capable, competent and determined professionals with whom to share our business project

Italian leader in omni-channel software provider, developing integrated platforms that have helped define the standards of the new omnichannel bank models.



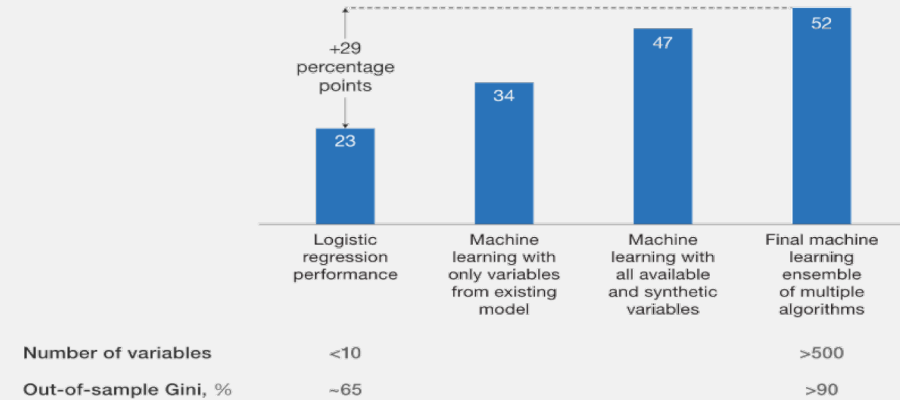
Capabilities required by our clients – banks*

Three capabilities required by clients to deploy a true omnichannel distribution:

Better customer targeting

- **Advanced analytics** and granular customer data for better targeting

% of churners in 5th percentile




Data Driven Insights

- **Marketing personalization across channels**, based on data-driven insights into customer activity and sales journeys
- Track customer clicks across web pages
- Measure time spent on particular subjects
- Connect this data to analytics engines to drive customer behaviour
- Coordinate all efforts across channels, customer relationship management teams, and external agencies.

Tools to operate in omnichannel environment

- **A motivated sales force**, equipped with the tools to operate in an omnichannel environment
- A growing regulatory focus on customer-centric sales models requires banks to support sales force in the form of tools, capability building, and performance management frameworks.
- Triggers of customer needs (from every channel) should be immediately conveyed to the relationship manager, enabling them to apply the personalized insights in the branch or on the phone (e.g., suggesting a specific sales script and value proposition for each customer).

Cross – innovation matrix between Cardo and Auriga

Products:		Future market challenges:			C A R D O ^{AI}	
		Customer targeting	Data Driven Insights	Sales Tools	Software capabilities	Data Science
	Architecture (WinWebServer)	✓	✓	✓	✓	✓
	Self Service (WWS Client)	✓	✓	✓	✓	✓
	Branch (WWS Greater, Customer	✓	✓	✓	✓	✓
	Internet Banking	✓	✓	✓	✓	✓
	Mobile Banking	✓	✓	✓	✓	✓
	Banks marketing and Digital signature	✓	✓	✓	✓	✓
	Networking monitoring and fraud management	✓	✓	✓	✓	✓
	Cash Management	✓	✓	✓	✓	✓
	Business Analytics	✓	✓	✓	✓	✓
	Digital Invoicing	✓	✓	✓	✓	✓
	Open Banking Platform	✓	✓	✓	✓	✓
	Potential Synergies: 1) Software development across most of the product lines currently offered by AURIGA 2) New data science capabilities empowering client's data 3) Creation of new products leveraging both the credit and investment experience of Cardo AI and market reach of AURIGA					

Joint Value Partnership

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C A R D O ^{AI}



Altin Kadareja - CEO
altin.kadareja@cardoai.com
www.cardoai.com

The technology infrastructure for Alternative Finance

Milan, Italy
Fintech District,
Via Sasseti 32

London, UK
57 Rathbone Pl, Fitzrovia,
London W1T 1JU.

Tirana, AL
Ring Center, 0001
Tirana, Albania