



Press Release

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LEND successfully closes CHF 3.5 million Series A financing round.

LEND, the Zürich-based fintech start-up, which is transforming the consumer loan market in Switzerland announced today that it raised CHF 3.5 Million in a strategic Series A round. Both Angel investors and Polytech Ecosystem Ventures, a Swiss-American fund, provide the funding. Existing investors provide nearly half of the funds. The capital will be used to further develop its platform and market its brands, LEND and splendit.

Florian Kübler, co-founder of LEND says: “We are grateful for the trust shown by our existing shareholders and were happy to see that many of them increased their existing commitment. We are thrilled to welcome our new shareholders who all have vast experience in the areas of banking, management and venture capital, and who will actively contribute to LEND’s future success.”

“We believe that personal loan is a particularly interesting asset class due its size, rate of return and default rate in Switzerland. Today, there are very few opportunities to be invested in this market and LEND is changing this. We have been impressed by the milestones accomplished by the team over the last year and look forward to helping the company grow further.” says Guillaume Dubray, Managing Partner at Polytech Ecosystem Ventures.

Digitisation does not stop at consumer lending markets.

Long-standing processes and established business models are currently being disrupted by digitisation. Platforms on the forefront of this transformation eliminate expensive middle men by directly intermediating between those on the supply side and those on the demand side of the equation, passing on substantial cost benefits to all their clients.

No other commodity is as standardised and tradable as money. Instead of renting out your house, private and institutional investors can “rent out” their money via peer to peer platforms such as LEND to private individuals. Thanks to the platform’s efficient processing, lenders earn higher returns, at comparable risks, than with conventional banking products. At the same time, borrowers get funding at more favourable rates than traditional banks can offer. Crowdlending is already an established business model worldwide and has been growing rapidly in Switzerland. LEND predicts a market growth rate above 200%, a figure that is tracked by the institute for financial services in Zug (IFZ) and published in May.



Exponential growth at LEND

LEND is off to an impressive start. Since its launch in January 2016, the company has attracted more than 4000 users and has funded 300 credit projects, with exponential growth since the seed round last June (CHF 1.65 million). In March of 2016, CHF 130'000 were funded through the platform, and the same month this year has a total funding volume which stands at CHF 1.8 million.

Thanks to its stringent underwriting policy (85% of requests are rejected), lenders earned an average return after fees of 6.2% in 2016, with a remarkable default rate of 0%.

Product improvements

In the past year, LEND achieved several structural milestones. A quantitative model for expected default rates was developed in exclusive partnership with Intrum Justita, allowing LEND to precisely assess and differentiate between credit risks. External asset managers have a comprehensive view of their clients' portfolio with a custom-designed dashboard that perfectly meets their needs.

High profile team members

Dr. Stefan Jaecklin, former Head Oliver Wyman Switzerland, the global financial services consulting company, and Dr. Luzius Anderegg, senior software developer at Ergon Informatik, the leading software company in Switzerland, join LEND in April.

Use of funds

The new capital will be used to further enhance automation, customer usability and increase marketing of the platforms within Switzerland and quickly achieve critical mass to disrupt the CHF 7.2 billion loan market.

About LEND

LEND is a Swiss-based crowdlending platform that empowers borrowers to obtain loans at better rates while enabling lenders to direct their own loan investment opportunities. Thanks to its high operational efficiency and low fees, lenders garner attractive returns. Lenders have access to all risk-relevant information from prospective borrowers and can allocate funding across different projects with different risk profiles and maturities. Minimum investment denominations per credit project are small, allowing diversification to be easily achieved. Most of the credit projects are protected by Helvetia insurance against unemployment, disability, and death. LEND conducts a stringent underwriting process for borrowers, handles all contractual issues and financial movement on the platform.

LEND is run by Switzerland AG and is a regulated financial intermediary by FINMA. www.lend.ch

About Polytech Ecosystem

Polytech Ecosystem, is an early-stage venture capital firm with offices at the esteemed technical university EPFL and in San Francisco, CA. Polytech Ecosystem Ventures invests in talented and European entrepreneurs with exceptional technologies, creating a bridge to Silicon Valley. Their main focuses are Fintech, e-Healthcare, Retail Tech, Mobility and Mobile technologies. To date, Polytech Ecosystem Ventures has invested in over 25 companies. Visit www.polytechecosystem.vc

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