

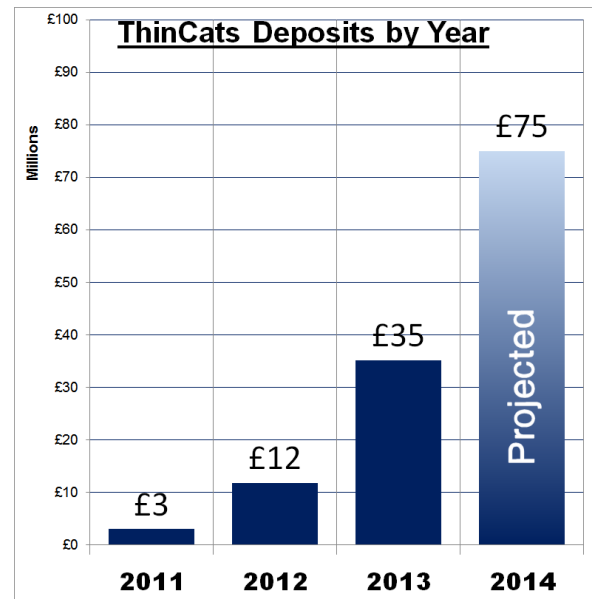


Institutional Investment Opportunities

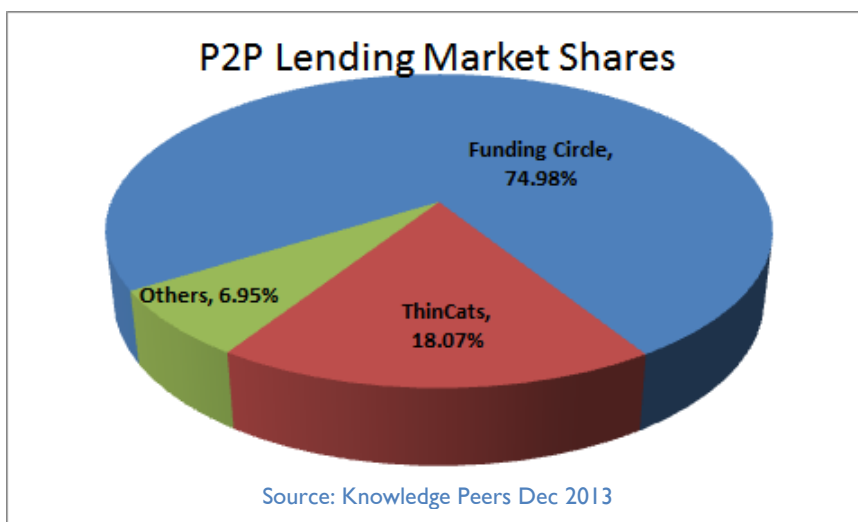
ThinCats.com is a 'peer to business' or loan-based crowdfunding platform run by *Business Loan Network Ltd*. It uses the power of the internet combined with traditional relationship banking methods to bypass banks and allow investors of all types to make secured loans directly to UK businesses.

The platform was launched on 1st January 2011 and in three years has grown exponentially to reach a total of £50m of deposits from over 1,130 active lenders including individuals, businesses, private pension funds and a public sector loan fund. They have achieved a weighted average interest rate of over 10% after losses (currently running at less than 1% pa) and all other costs except tax.

The objective of ThinCats has always been to establish a track record of low risk, non-volatile investment capable of producing attractive returns for institutional investors and building lending capacity that would make ThinCats attractive as an institutional investment. We believe that this has now been achieved.



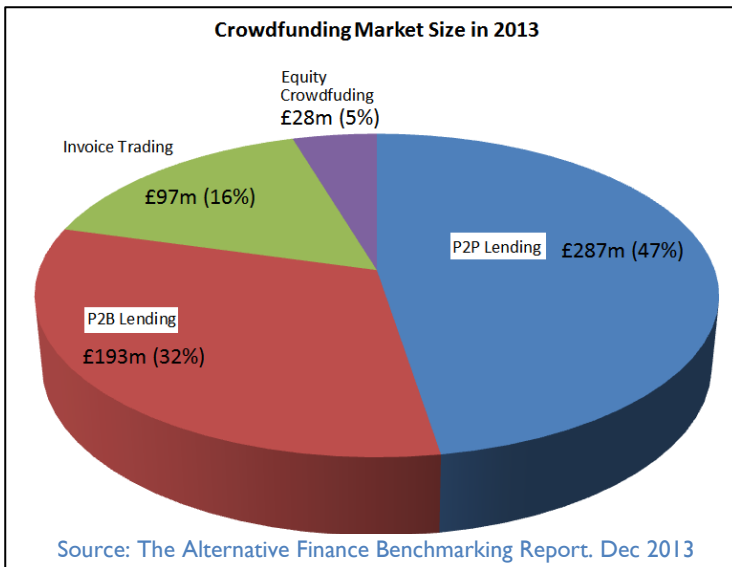
Business Loan Network Ltd is now FCA regulated and has been operating profitably for more than a year. More importantly it has also been cash positive and therefore inherently stable.



ThinCats is the now second largest (of 10) peer to business lenders in the UK with 18.07% of the market.

ThinCats is also the only major platform that has achieved its market position without venture capital funding or Government support.

Until now the 'crowdfunding' market has been dominated by platforms lending to consumers. This is partly because the consumer market started with Zopa over five years before the business market was started by Funding Circle followed 6 months later by ThinCats. However, the business lending market is now growing much faster and by the third quarter of 2013 it represented 40% of the Loan – based crowdfunding market at £193m of loans. We predict that during 2014 the business lending sector will exceed 50% for the first time and that business loans will grow faster than personal loans for some time.



There are two key reasons why the peer to business market and its leading players are growing so quickly.

1. Banks are still faced with serious problems meaning that they have reduced their involvement the small business (SME) market. Most observers believe that it will be many years before that situation will change. This leaves a serious shortfall in the supply of funds for SMEs and provides an opportunity for new market entrants.

2. Interest rates have been at a record low level for a record number of (5) years and investors are finding it very

difficult to achieve returns above inflation except by 'playing' the stock and other markets that are more volatile than ever.

The financial crisis has brought about a fundamental change in the way markets are operating and provided an opportunity for innovation facilitated by internet technology. Even if the banks were to re-enter the market at previous levels, traditional banking infrastructure and practices makes them uncompetitive.

In summary lenders are seeking low risk investments that can produce stable and attractive returns whilst businesses are seeking funds they can rely on getting to finance their growth plans. In many cases it is not the cost of funds that is important to borrowers but the availability of funds when needed.

ThinCats has adopted a different approach to other p2b platforms by establishing a national network of finance professionals that behave like traditional relationship bank managers and get to know borrowers rather than rely on credit scoring and desk-based research. This network is made up of 10 separate organisations each with between 3 and 5 people working on deals for ThinCats.

The ThinCats track record of providing consistently very good returns (~10%) combined with non-volatility and low risk creates a new asset class for institutional investors. Currently with new lending taking place at the rate of about £5m a month ThinCats may well be regarded as too small to bother with by some institutional lenders but the continuing doubling of the loan book every six months means that the operation is rapidly gaining the scale to make it worth consideration. Ideally we would like to find a partner or partners interested in starting to lend at the rate of £1-£3m a month, building to between £5 and £15m a month by the end of 2014. That capacity to lend will make it much easier for us to make loans in the range £2m - £5m and rapidly increase our capacity. We envisage our capacity to deploy loans of this type doubling every 3-6 months for at least the next three years.

Having deliberately set out to build a platform targeted at institutional funds we can be very flexible in the method of deploying capital; such as matching other investors, underwriting larger deals (for a fee) or specialising in particular industrial or geographic sectors. The opportunity can be tailored to suit the investor's objectives. We can also be flexible about how the partnership is structured.

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