

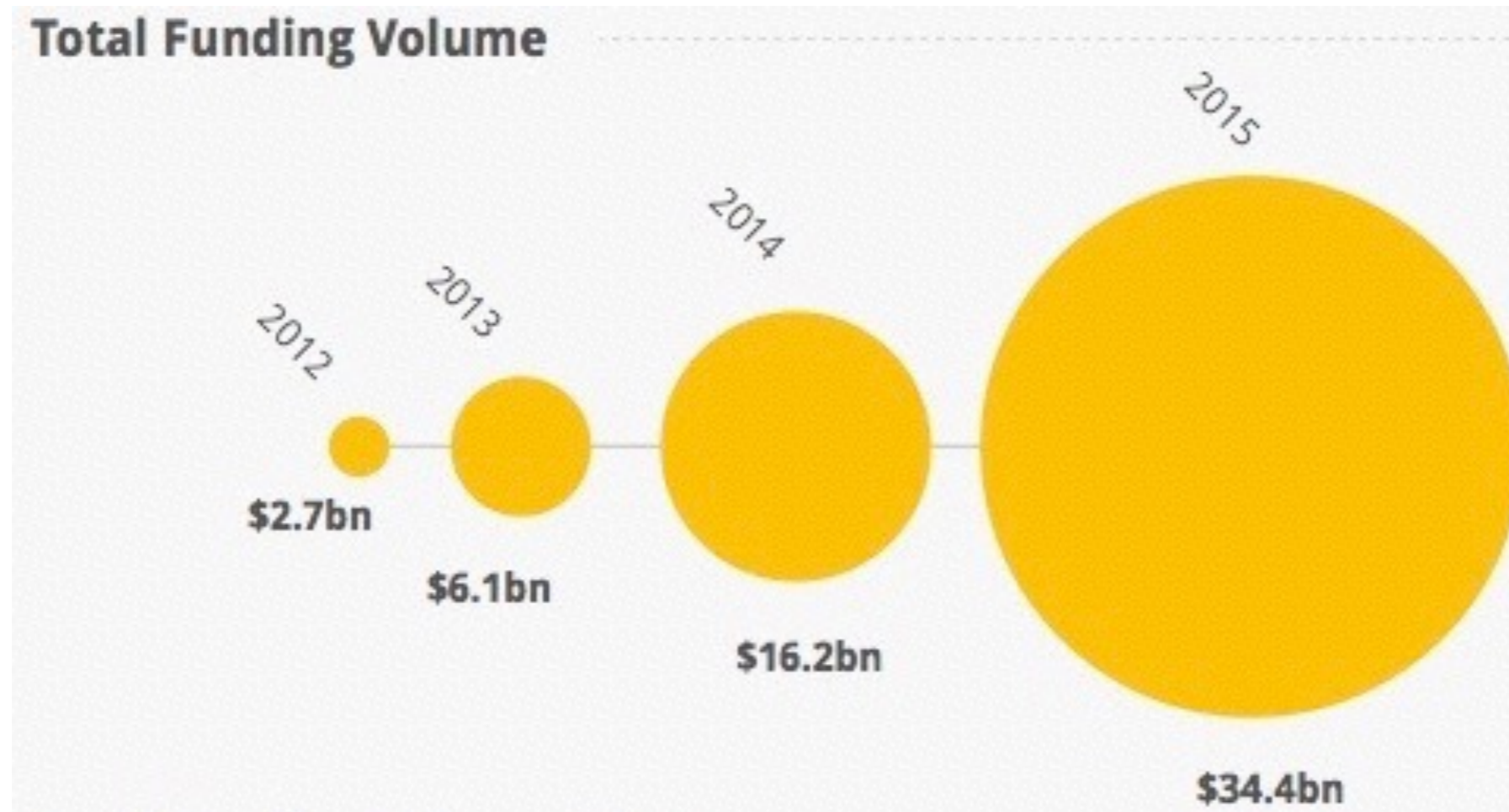
THE POWER OF MONEY

combined with

THE POWER OF MANY

**JOIN
PEPINS**

Crowdfunding



- By 2025, global crowdfund investment will be worth \$300 billion
- Success cases showing the power of crowdfunding in multiple dimensions

Why Pepins?

- Access a much bigger pool of money and a much larger group of investors
- Leverage Crowd-power and boost sales, network and viral footprint

... without the disadvantages normally associated with Crowd-funding and Exchange listings



Pepins mission

- Give brilliant ideas the best chance to become successful companies to be proud of
 - Make it possible for all investors to invest in the fastest growing and most exciting part of the economy - new companies
- ...and help society create the much needed new companies resulting in more economic growth and more jobs

Pepins overview

- **Raise funds from all investor categories;** retail, angels, family offices, VC-firms etc
- **One-click investment.** Investors can invest from a small amounts and larger into companies they believe in
- **Pepins pool investors** to ensure investors are protected and companies aren't burdened with a huge cap table
- **Leverage crowd-power.** Pepins provide a post-transaction community for companies and investors to leverage from their relationship and boost sales and value



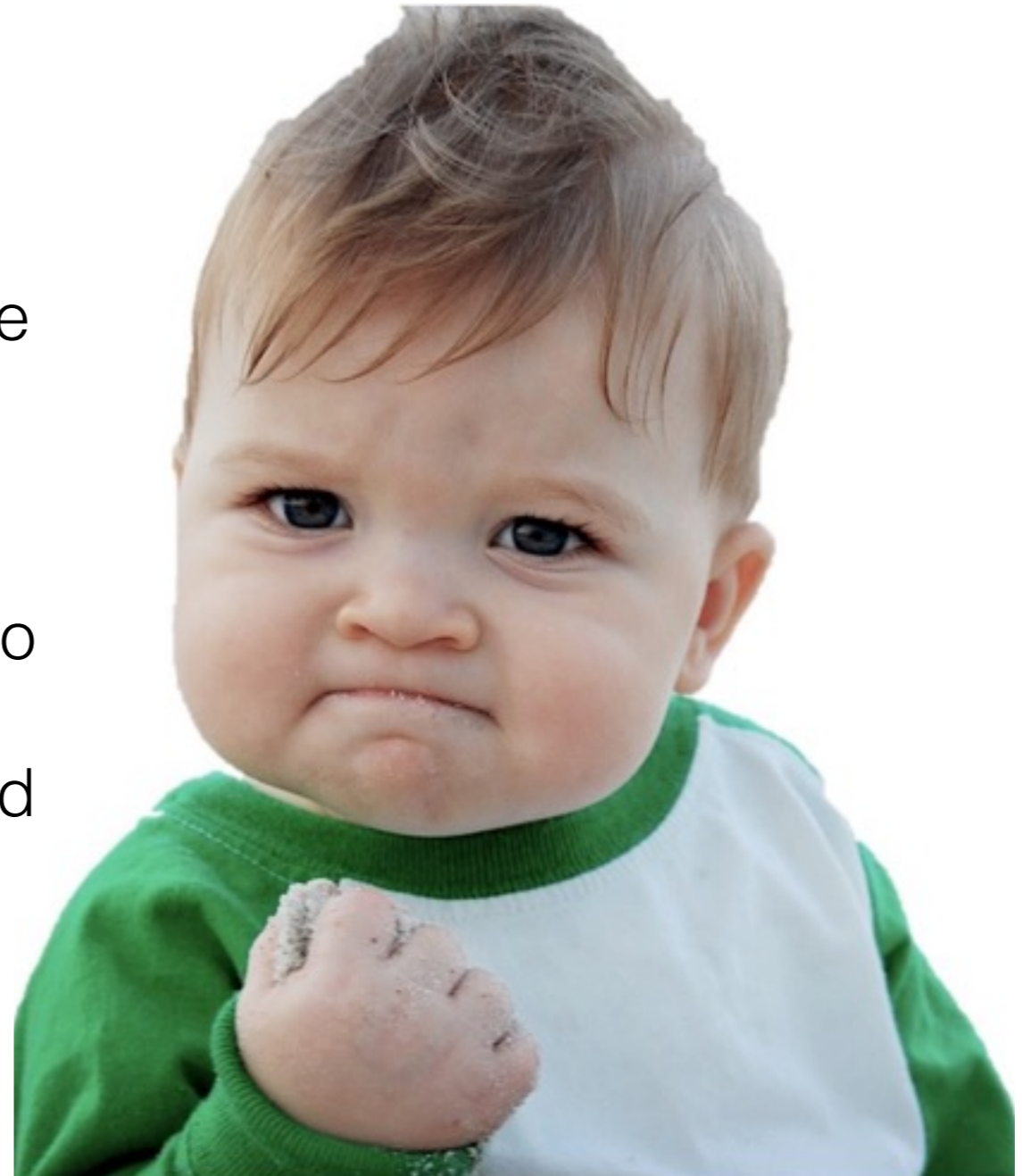
Suddenly it's possible

- To attract funding, customers and a community in one go
- For anyone to invest like a pro – but with less effort and as little as you want
- To leverage from the fact that friends and family have just extended from 5 people to literally everyone with an Internet connection

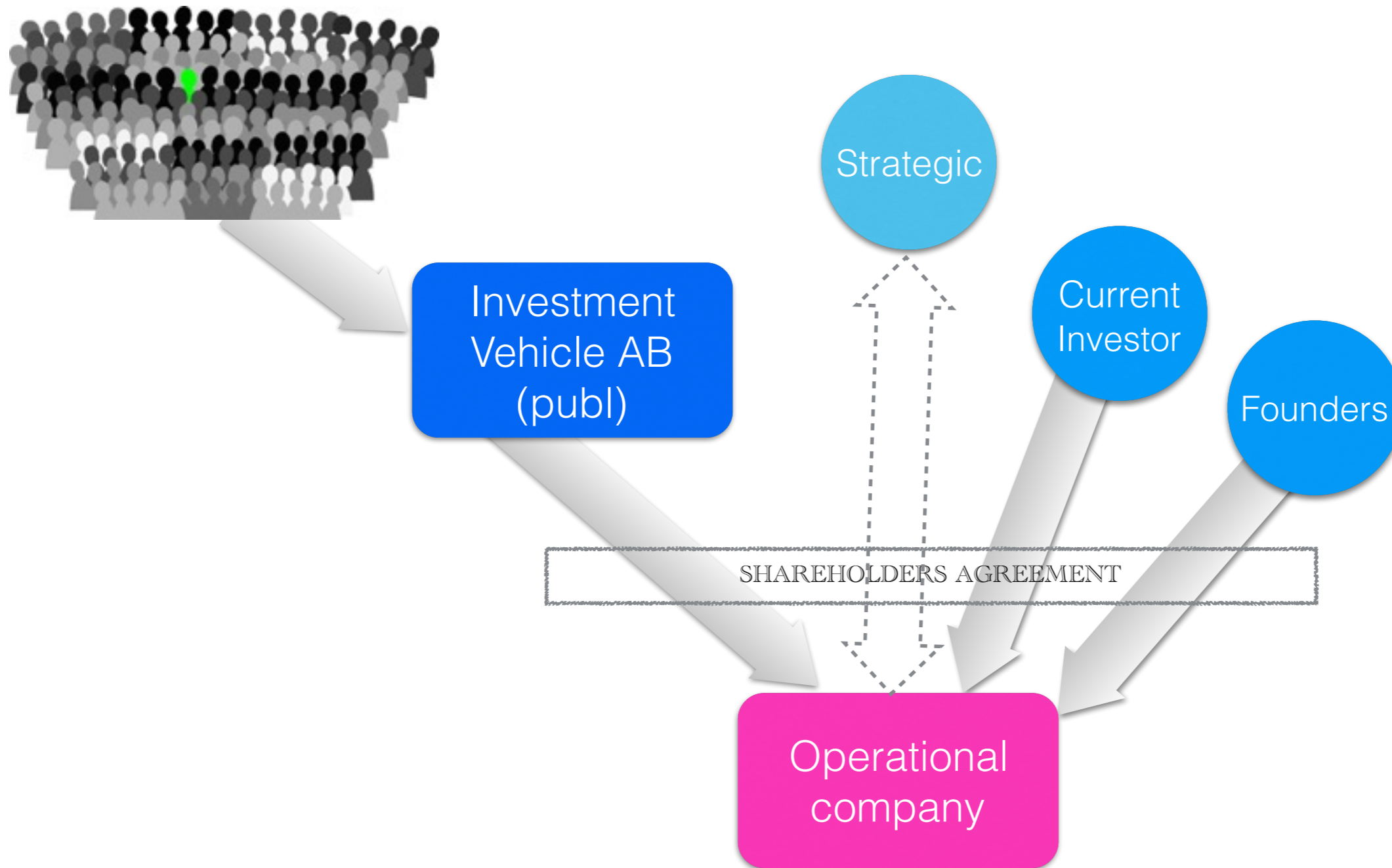


Target companies

- Funding need 5-100 msek
- From early traction to more mature companies
- Initial focus on B2C and companies that many can relate to
- Can benefit from a community and viral spread



Investment structure



Initial POC on CircleUp

- **86% growth vs 5%**
 - Average growth rate 86% annually since closing funding on CircleUp
 - Annual growth rate ~17x greater than that of their Nielsen sales data peer group, which grew with 5%.
- **81% IRR**
 - Thirty percent of companies have raised follow-on rounds with an average unrealized IRR of 81%



Example - Chapel Down

- Publicly-listed, English winemaker and craft brewer
- Launched a GBP1.6M campaign on Seedrs
- Raised GBP4M in less than three weeks

Chapel Down motives to crowd fund

- Need for investment to grow
- More efficient fundraising process. Raising investment traditionally takes time and drains resources
- Create a community and build a deeper, longer-term relationship between the business and a variety of stakeholders
- Create a vested interest in helping out, buying the products and buy your brand instead of competitors becoming brand evangelists,
- Create an on-going relationship between the business and its investors is more effectively managed through a post-investment investor relations web portal.

Angel Investing

- **UK Angel investor study 1998-2008**
 - 22% internal rate of return
 - One in ten in excess of 10x invested capital
 - Return highly skewed 80/9 (80% of cash returned come from 9% of exits)
- **ASSOB data**
 - After seven years 86% of companies crowdfunded on its platform were still operating in 2012. This contrasts with a figure of 40% of non-crowdfunded companies that fail after three years.



Sophisticated Investors

Pre-packaged “venture grade” investments

Easy access to deal flow and low cost processing

Vetting supported by standards and collective wisdom

Syndication and diversification



**Investing made viable
in outperforming
asset class**

- now crowd powered

The new ownership

Why?

- Financial return
- Sense of purpose
- Social status
- Participation
- Patronage

How?

Fair terms
and
Protection

Simplicity
and
Low \$ hurdle

What?

Investment,
participation and
contribution to help
great ideas evolve

Summary

- **Professional structure and fair terms.** Diligently packaged investments, trustworthy set-up and venture grade investor protection.
- **Straight through processing** (pitch, payments, shareholding, community etc)
- **Real investments** - bigger deals, from 5 msek and up
- **Broader and deeper available investor base,** from private individuals to institutions
- **Built-in stakeholder communities to boost crowd power output**
- The Alternativa marketplace gives companies the **option to provide early liquidity** for both investors and entrepreneurs, if and when they choose.