

# CapitalMatch

## PRESS RELEASE

For immediate release

### **Homegrown start-up Capital Match launches peer-to-peer platform to lend to Singapore businesses**

SINGAPORE – 14<sup>th</sup> April 2015 – We are pleased to announce the launch of Capital Match, a homegrown Singapore-based peer-to-peer (P2P) lending platform that helps Singapore SMEs obtain loans financed by individual investors.

The objectives of the company are two-fold:

- provide business borrowers with the next best interest rates after banks, and
- give investors access to an attractive yield with a low investment entry amount.

Capital Match (CM) has an in-house credit function that carefully evaluates the circumstances and purpose of each borrower to determine an appropriate loan amount, tenure and interest rate.

This in turn allows CM to provide investors with a curated selection of loans to build their investment portfolio.

### **Helping SMEs with financing**

According to figures released by Singapore SME consultancy Loyal Reliance, only about 13% of loan applications made by its SME clients in 2012 were approved.

*“The SMEs we speak to tell us it is increasingly difficult for them to get loans from banks”,* says Pawel Kuznicki, an ex-management consultant formerly from Rocket Internet, who co-founded the company with Kevin Lim, an ex-investment banker and Dr. Arnaud Bailly, a software engineer.

*“P2P lending will provide a much needed source of alternative financing for our local SMEs. We chose to start our operations in Singapore because of the robust regulatory and legal framework, but we have ambitions to grow regionally”,* states Kuznicki.

The P2P lending model is already very successful in the United Kingdom, the United States and China, but is still in its infancy in Southeast Asia. Last year alone, P2P lending platforms in the United States arranged almost US\$ 9bn of loans.

## **Working with banks to fill gap**

Local banks have also been focusing their efforts on innovative technologies to improve their offering.

*“The banks do not see P2P lending platforms as competition, but rather filling a gap in the banking ecosystem”, says Lim, “we want to help SMEs build their credit history and eventually be able to go back to their bank for a loan.”*

## **Yield and diversification for investors**

On the lending side, CM targets investors who wish to add a fixed-income return to their portfolio and diversify away from asset classes such as equities and real estate. Loans on the platform can produce monthly returns of up to 2% with a short commitment of 3 - 12 months.

Each investor has an online account in which they can view available loan listings, make investments and monitor their loan book.

*“Ease of use and security are our top priorities”, says Dr. Bailly, who is the chief architect of the online platform.*

## **Open for business**

The platform has already completed two loans totaling S\$250,000 since its first listing in February 2015.

All Singapore registered businesses, regardless of industry, can apply to be a borrower. Typical loan sizes range from S\$50,000 to S\$200,000, tenure of 3 - 12 months and interest rate of 1.5% - 2.5% per month.

The minimum investment amount for an investor is S\$1,000.

## Key officers



### ***Pawel Kuznicki, Co-founder***

Internet executive and ex-management consultant.

Previously with Rocket Internet (Zalora, Lazada) and McKinsey.

Holds a Masters in Economics from the University of St Andrews (UK). Grew up in Poland and now a Singapore PR.



### ***Kevin Lim, Co-founder***

Ex-FIG investment banker.

Previously with JP Morgan, Macquarie Capital and Standard Chartered.

Holds a Bachelor of Laws from the University of Bristol (UK) and is a CFA charterholder. Singapore citizen.



### ***Dr. Arnaud Bailly, Co-founder***

Software engineer and expert in machine learning. Haskell and functional programming enthusiast.

Previously with Murex.

Holds a PhD in Computer Science from Université de Lille (FR). French citizen.



### ***Low Yen Chew, Senior Credit Officer***

Specialised in SME credit review and audit.

Previously with Singapura Finance and KPMG.

Holds a Bachelor in Accounting and Finance from the University of Abertay Dundee (UK). Singapore Citizen.

## About Capital Match

Established in 2014, Capital Match is a VC-backed Singapore-based peer-to-peer lending platform that helps Singapore businesses obtain loans financed by individual investors. The platform screens all prospective borrowers and provides a full end-to-end service from credit assessment and legal documentation to payment processing and debt collection.

## Regulatory and legal compliance

Capital Match does not carry out any regulated activities and as such is not required to be licensed or regulated by the Monetary Authority of Singapore. As loans on the platform are only extended to corporations or limited liability partnerships, the company and investors on its platform fall under the definition of “excluded moneylender” under the Moneylenders Act and do not require a moneylending license.

**For more information on Capital Match, please visit [www.capital-match.com](http://www.capital-match.com), or contact:**

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