



# Rechnung raus, Geld rein

Pitch Presentaion

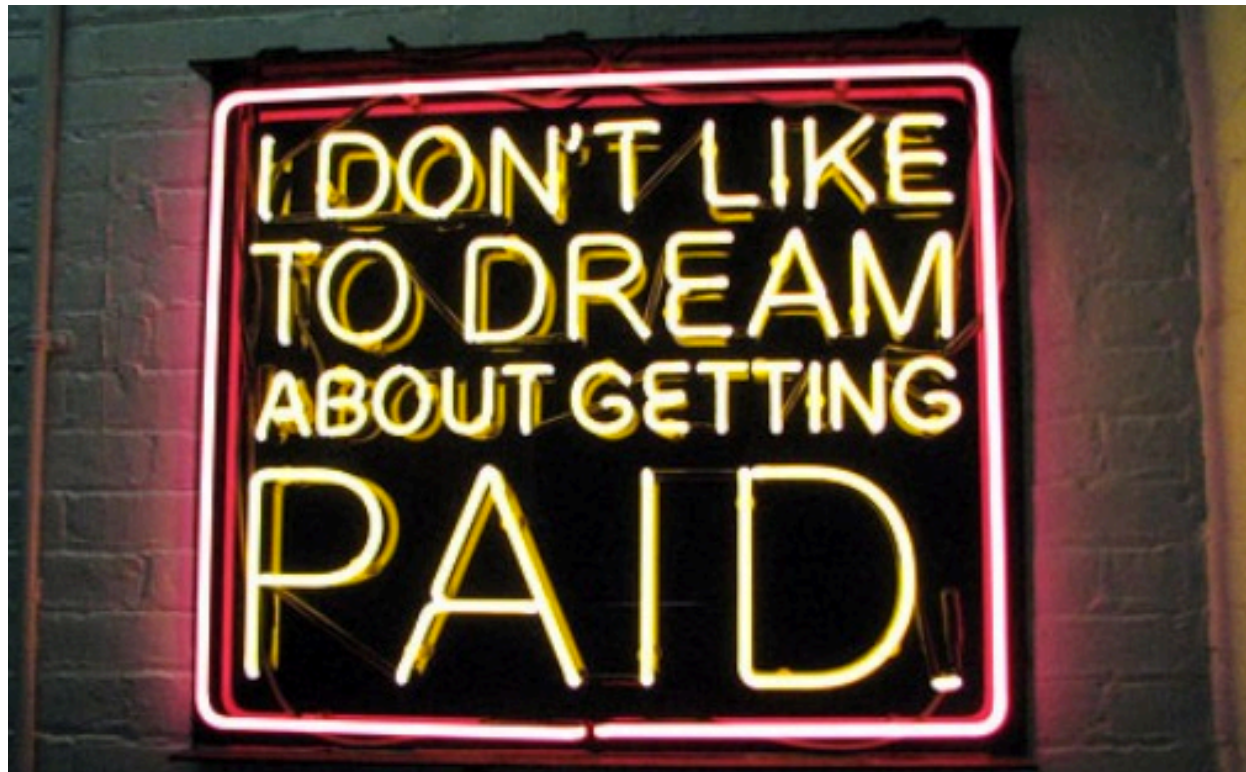
Ulrik Deichsel / Founder & CEO / [ulrik.deichsel@pagido.de](mailto:ulrik.deichsel@pagido.de)

+49 175 2905 024

CONFIDENTIAL

# The challenge

Pagido provides a software-based solution to one of the most critical challenges of small businesses: getting paid in time.



**90% of all SME bills  
are NOT paid in time.**

**"I have at least one month per  
year where I don't have enough  
money and need to adjust my  
expenses."**

**- 87% of all freelancers**

**"My bank can't help me – loans  
and bridge financing are not an  
option."**

# Pagido USPs: A digital approach to Factoring

Pagido puts a focus on digital acquisition of clients and strict digitization of all processes



**Digital Marketing and  
Acquisition on  
Digital Channels**



**Automated  
Risk Management**



**Digital processing  
and APIs**

Our factoring solution is tailored to the needs of small companies and offers a true one-stop-shop solution.



**Super easy,  
validated  
billing process**



**80% payout of  
bill amount**

**48 hours after  
bill generation**

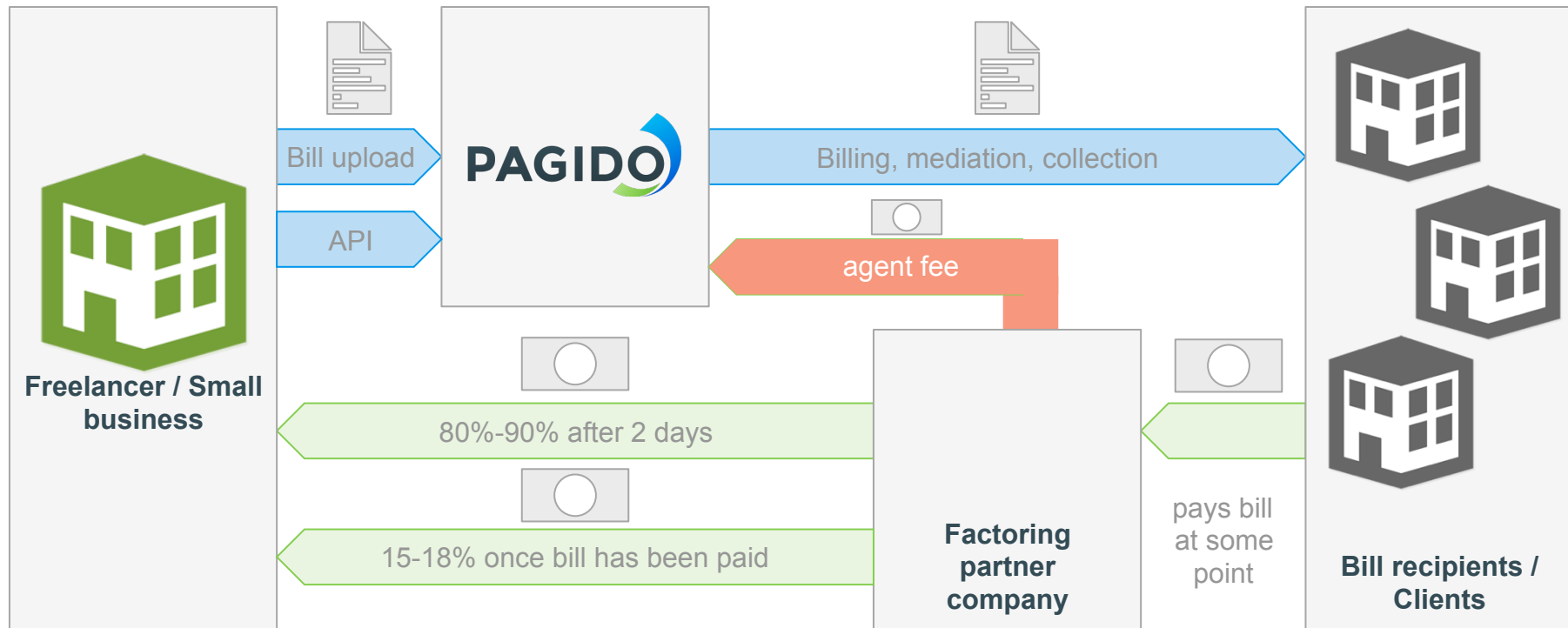


**No more trouble with  
clients**

**Mediation process,  
Collections if desired**

# How it works

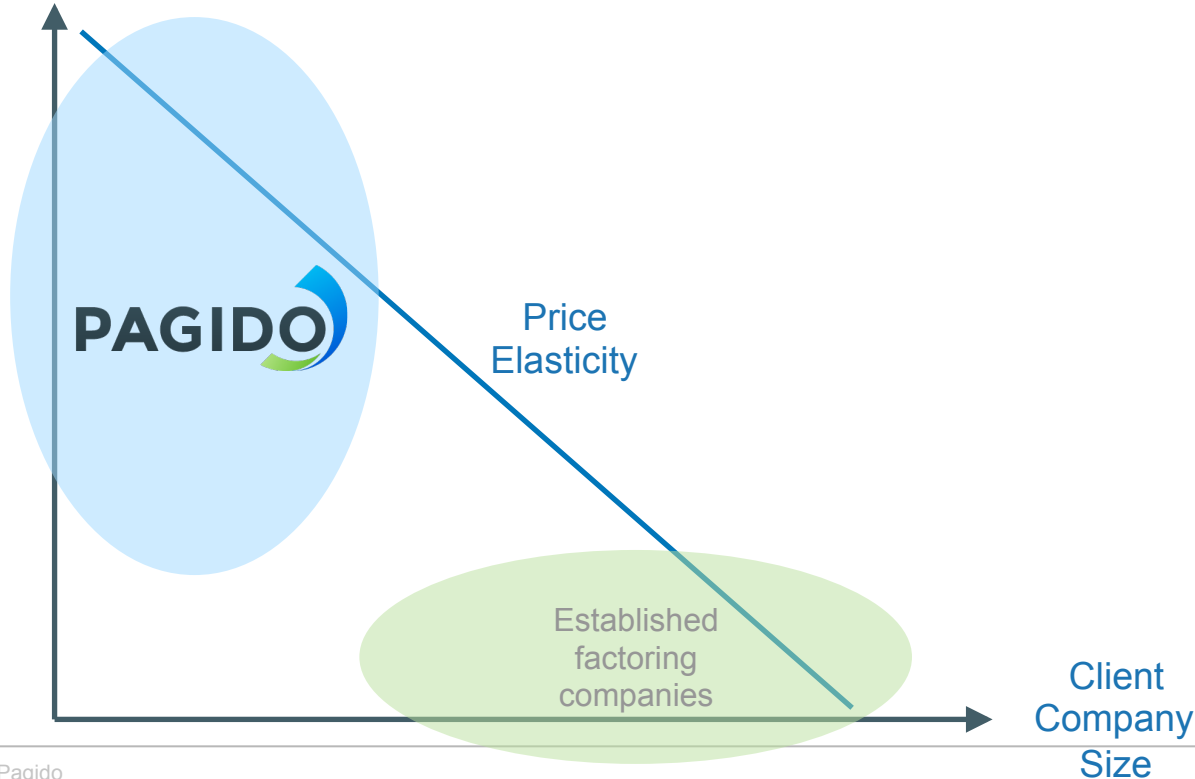
Our service is enabled by a tailored factoring solution from Grenke Factoring who acts as a financial intermediary - Pagido is formally only a "sales agent"



# Why this is great #1: It's an uncatered market

Pagido is a first mover in a huge, unaddressed segment in the world of factoring: Small businesses and freelancers

Price / Factoring fees (%/€)

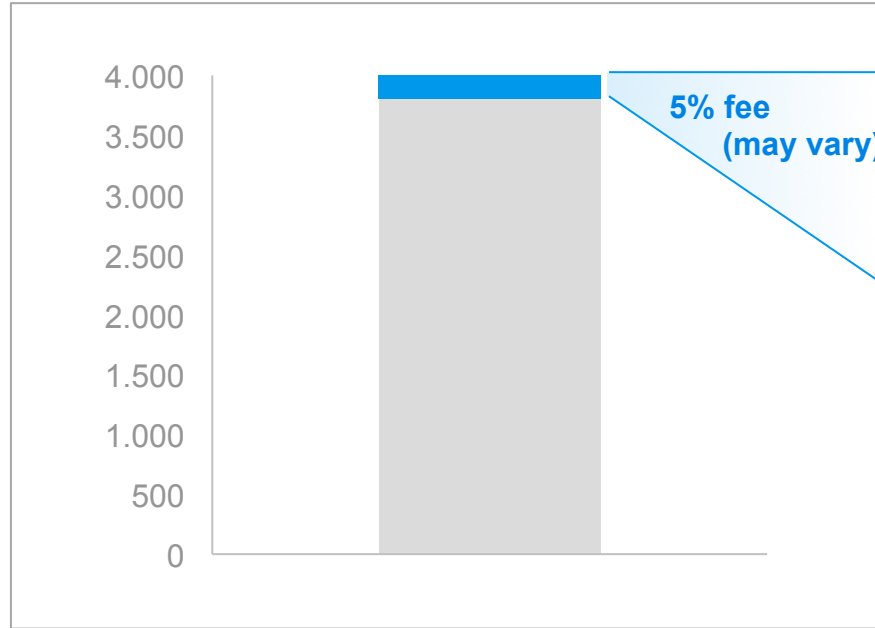


- The factoring industry has been focussing on the top end of the market: large companies with revenues > €20m
- There is a huge opportunity among small businesses and freelancers that hasn't been catered to at all
- Price elasticity is very favorable: Small companies are much likely to pay more than large companies

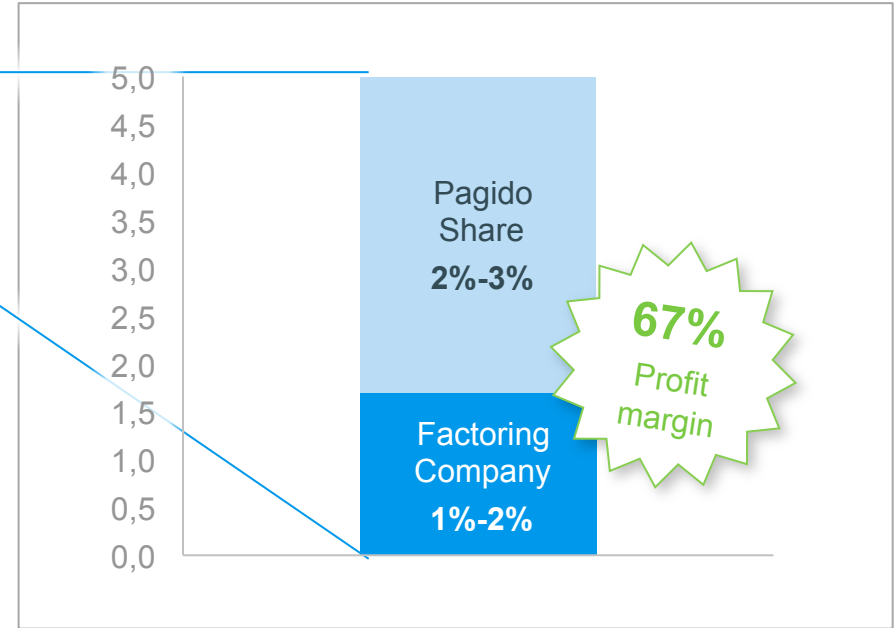
## Why this is great #2: Fee & Cost Structure Overview

While Pagido retains comparably high fees, our direct cost consists of only 1.7% that is directly retained by the factoring partner company

**Client bill volume**  
(in €)



**Pagido Fee Split**  
(in %)



# Why this is great #3: It works (almost) automatically

Almost all processes, including risk management can be fully automated and scale very well

Customer  
Acquisition



Online & digital  
marketing

Onboarding



Remote verification,  
online contracting

Risk  
Management



(Almost) algorithmic  
payout decision

Billing & Payout

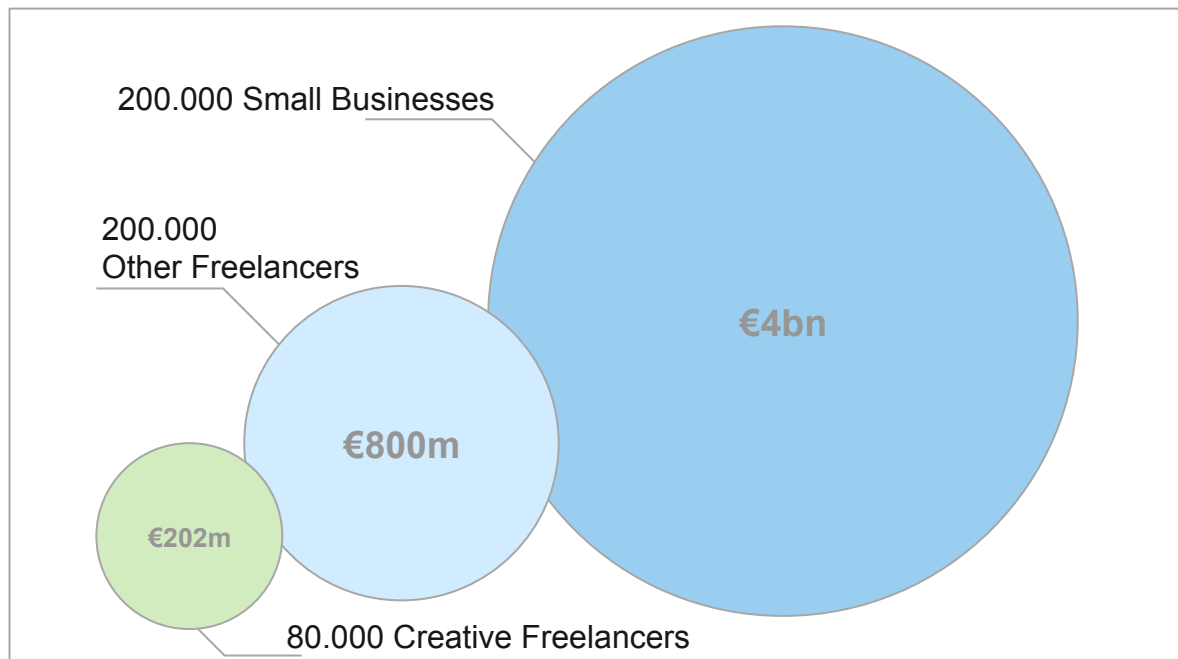


Lettershop billing,  
automated bank  
transactions

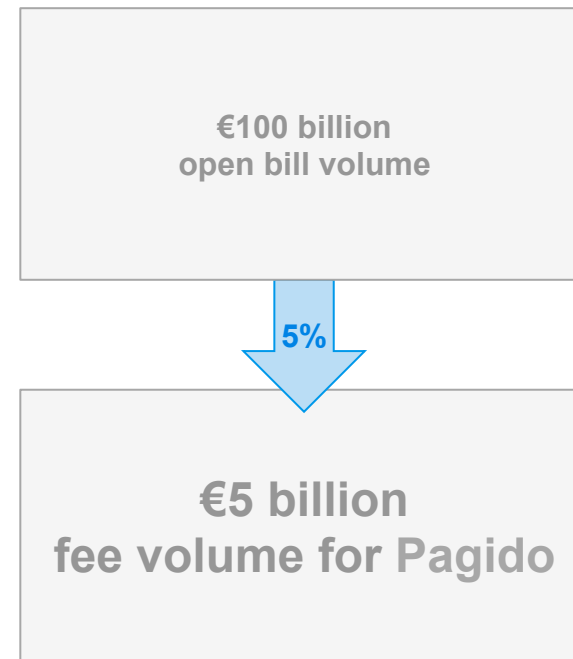


In our initial core segment, Pagido is addressing a €202m market. Addressing further segments allows for a market size in excess of €5bn.

## Addressable fee volume per year



## Annual Market Volume



Pagido has very little direct competition, but a few players are active in adjacent industries or offer a part of Pagido's services.

## Bill Generation Tools



- Online tools to generate and administer bills
- Focus on software and accounting aspects
- No pre-financing of bills

## Factoring companies



- Small and "Mittelstand"-sized companies offering factoring for very small companies and freelancers
- Pricing typically very high, > 7.5% fees
- Most of them don't offer "real" factoring but specially constructed loans

Currently there is NO player in the market who offers the entire billing process in combination with a full, but affordable factoring offer.

Pagido's business model allows for many growth opportunities in ancillary markets while maintaining strong customer lock-in.

## Rock-solid, relevant core business

- Pagido collects fees from super-relevant service, directly linked to our clients main source of income
- Repetitive character and relevance secures high lock-in

## Expansion to other verticals

- Print media freelancers are merely a launch segment for Pagido
- Expansion to other freelancer segments and small businesses is the logical next step
- Fundbox.com in the US?

repeat  
revenues

strong  
lock-in

## Upselling of ancillary services

- Easy-to-build partnerships with accounting or tax advisory services
- Integration of other billing providers
- Affiliate upselling of bank accounts and partner products such as insurances

## Expansion into other financial products

- Further development from basic factoring service to full portfolio of financial products
- Other financial products for large industry players can be brought down to small business and freelancers

Pagido's founding team consists of experienced professionals with relevant experience in all fields

## Ulrik Deichsel

CEO



- Entrepreneurial experience as cofounder of txtr (ebook hardware and shop) and Digital Leadership (consultancy)
- Business development, consulting, and finance background
- Experience from Oliver Wyman, Merrill Lynch / Bank of America, and Wellington Partners Venture Capital

## David Harnasch

VP Marketing & Sales



- Editor-in-Chief of "Liberal", the quarterly magazine of Friedrich-Naumann-Stiftung
- Freelancing journalist for Axel Springer, Hubert Burda, Tomorrow Focus, Tagesspiegel
- Former head of Cicero Online, a monthly political magazine

## Florian Beese

CPO / CTO



- 10 years experience in software development, project management, and IT operations
- Former lead developer at Mr Spex, Germany's leading online glasses and contact lenses retailer
- Previous career as IT consultant, Diplom-Informatiker