

Online Small Business Lender with Strong Track Record of Growth

- “IOU Financial (“IOU” or the “Company”) is a high-growth online lender that provides daily-repayment, short-term (avg. ~12 month), working capital loans to small businesses in the United States
- Canadian public company (TSX-V:IOU) headquartered in Montreal with sales and operations in Atlanta, Georgia; Website launched in December 2009
- C\$70mm Loans Under Management; average loan size ~US\$47,000; maximum loan size US\$150,000

Investment Highlights

Proprietary, Fully Integrated Technology Platform

- Proprietary lending platform has reduced the loan process from weeks or months to one that can be completed easily online and funded within hours, making it a great alternative to banks

Massive Market for Small Business Lending

- Former U.S. Treasury Secretary Larry Summers forecasts that online lenders will capture up to a 70% market share in small business lending which has a total market size of ~US\$257 – 297bn
- Originations trending at over US\$135.6mm a year
- Loans Under Management grew at over 100% between 2013 and 2014

Loan Portfolio Well Diversified by Geography and Industry

- Loans made to hundreds of different businesses across the U.S.
- No one state represents more than 15% of the portfolio and no one industry represents more than 10%

Proprietary Credit Scoring Model & Tested Underwriting Process

- The IOU RiskLogic Score was purpose built for small businesses
- Over US\$260mm loans provided to date, yielding a rich data set to facilitate additional growth

Funding Model

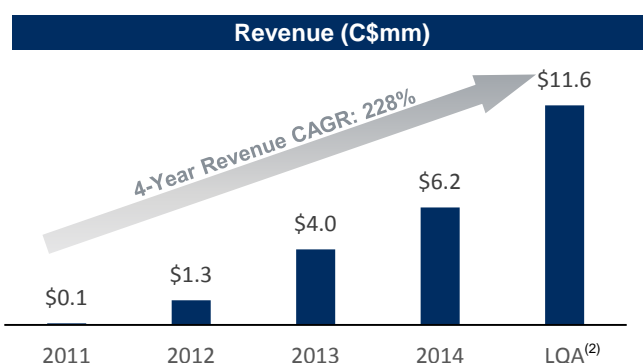
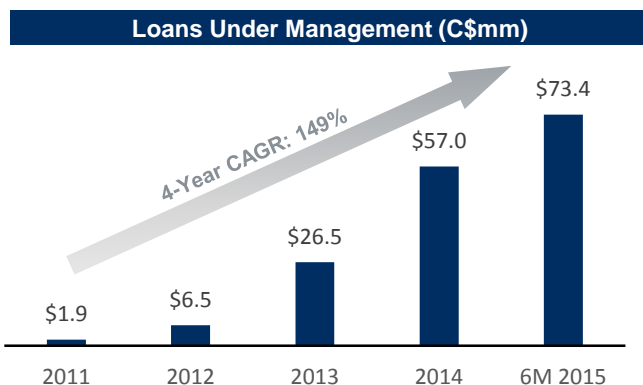
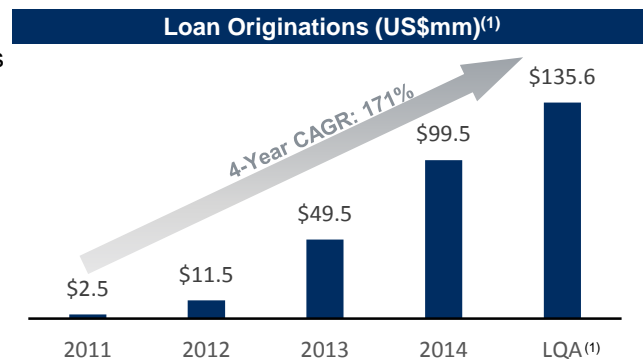
- Majority of current loans sold to hedge funds
- Servicing rights retained for assets sold to third parties generating additional revenue
- Opportunity to fund high-yielding assets on balance sheet

Multiple Distribution Channels to Drive Growth

- Loans originated through retail and wholesale sales channels
- Kevin O’Leary, a regular on ABC’s Shark Tank, has committed to the endorsement and promotion of the Company

Expert and Proven Management Team

- The team has built the business from its inception and is committed to its continued growth



In C \$ millions unless otherwise stated				
	2012	2013	2014	1H 2015
Total Revenue	\$0.9	\$4.0	\$6.2	\$5.5
Financial Expenses	\$0.4	\$2.0	\$1.1	\$1.7
Net Financial Income before Op. Expenses	\$0.5	\$2.0	\$5.1	\$3.8
Operating Expenses	\$2.3	\$3.5	\$6.4	\$4.7
Pre-tax Net Income	-\$1.8	-\$1.5	-\$1.3	-\$0.9

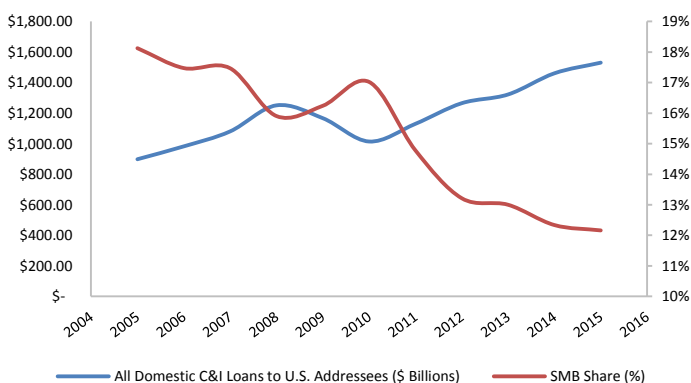
1. LQA is Q2 2015 Loans Originated (US\$33.9mm) annualized
 2. LQA is Q2 2015 Revenue (\$2.9mm) annualized

Comparative Metrics vs. Traditional Lenders	IOU Financial	Most Bank Loans	Merchant Cash Advance
Fast Funding (24 - 48 Hours)	☉	-	-
Values Cash Flow as much as Credit	☉	-	☑
Least Amount of Paperwork	☉	-	-
Fast-Track 24 Hour Refinancing Process	☉	-	-
Builds Business Credit	☉	☑	-
Better Business Bureau A+ Rating	☉	-	-
Easy-to-Budget Fixed Daily Payments	☉	-	-

Market Metrics				Key Management	
Capitalization		Valuation		Officer	Description
Share Price (01-oct-15)	(C\$/share) \$0.50	Adj. EV/TTM Revenue	(multiple) 3.0x	Philippe Marleau	• Previously portfolio manager at Palos Management and VP Equity Research at Merrill Lynch
Share Price (01-oct-15)	(US\$/share) \$0.36	Adj. EV/LQA Revenue	(multiple) 2.3x	CEO	
Basic Shares	(mm) 61.5	Trading Data		Robert Gloer	• Accomplished executive level leader with a proven track record • Prior to IOU, served as a Director of First Franklin, a Merrill Lynch FSB company. Previous experience includes Credit Depot, Equicredit Corp, and Barnett Bank
FD ITM Shares	(mm) 65.6	52-Week High	(C\$/share) \$0.60	COO	
FD ITM Market Cap	(C\$ mm) \$32.8	52-Week Low	(C\$/share) \$0.36	Paul Hamilton	• Responsible for developing the overall technology vision for the company, driving cross-company engineering initiative and collaboration • Prior to IOU experience includes Maplesoft, McAfee, Disney Interactive and GuestDriven
Cash & Equiv.	(C\$ mm) (\$5.00)	20-Day VWAP	(C\$/share) \$0.45	CTO	
Proceeds from ITM Instruments	(C\$ mm) (\$1.60)	52 Week Avg. Daily Vol	(000's) 43	Mayco Quiroz	• Has been with the company since inception and currently contributes to the company's continued growth strategy • Prior experience includes finance and accounting roles at L'Oreal, Fido Solutions and Haris Corporation
Long-Term Debt	(C\$ mm) -			CFO	
Other	(C\$ mm) -				
Adjusted Enterprise Value	(C\$ mm) \$26.2				

Small & Medium Size Business (SMB) Finance Overview

Industry Trends

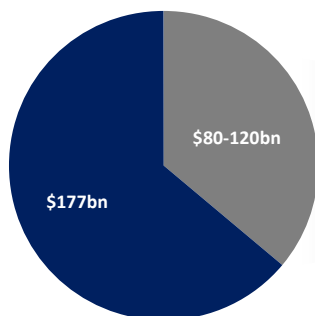


Origination by Loan Size

Outstanding C&I loans under 250K remains below 2008 levels.

Loan Size	2008 (\$B)	2009 (\$B)	2010 (\$B)	2011 (\$B)	2012 (\$B)	2013 (\$B)	2014 (\$B)	2015* (\$B)
C&I Loans < \$250K	\$199.0	\$189.6	\$172.7	\$167.0	\$167.2	\$171.9	\$180.2	\$186.1
C&I Loans \$250K-\$1MM	\$137.4	\$133.6	\$119.1	\$115.7	\$117.2	\$115.1	\$123.3	\$125.6
C&I Loans ≥ \$1MM	\$914.7	\$844.0	\$722.5	\$847.4	\$980.8	\$1,035.3	\$1,157.5	\$1,218.9
Total	\$1,251.1	\$1,167.2	\$1,014.3	\$1,130.1	\$1,265.1	\$1,322.4	\$1,461.0	\$1,530.6

Total U.S. SMB Market



Current Market Share

- Unmet Demand for SB Lines of Credit⁽¹⁾
- Commercial and Industrial Loan Balances at FDIC Insured Institutions under \$250,000⁽²⁾
- IOU Loans Outstanding as of Q1 2015 (CDN\$m)

1. Estimate from Olivier Wyman, 2013
2. Statistic from the FDIC, Q2 2015