

A LEADING ONLINE LENDER TO SMALL BUSINESSES ACROSS NORTH AMERICA

- **“IOU Financial Inc.** (“IOU” or the “Company”) **is a technology-enabled online lender** that provides fixed term loans to merchants and SMBs, predominantly in the United States.
- IOU is **publicly-listed** on the TSX Venture Exchange, headquartered in Montreal, Canada with sales and operations based near Atlanta, Georgia.
- Loans range from **US\$5,000-\$500,000**, repaid daily or weekly over a period of 6, 9, 12, 15 or 18 months.
- IOU’s average borrower has been in business for 11.6 years and borrows US\$67,817 for 11.9 months.

INVESTMENT HIGHLIGHTS

5 consecutive years on PROFIT 500 List in Canada

- IOU has consistently been ranked by PROFIT

Large, rapidly growing SMB online lending market

- Online small business lenders originated approximately US\$12 billion in 2017, representing a 55% CAGR from 2015 to 2017 (\$5 billion in 2015)

Proprietary, fully integrated technology platform

- Proprietary lending platform has reduced the loan process from weeks/months to one that can be completed easily online and funded within hours

Loan portfolio diversified by geography & industry

- 9,000+ loans made to borrowers across the US; no one state represents more than 20% of portfolio and no one industry represents more than 15%

Significant data & long underwriting track record

- Over US\$630 million of originated loans yield a rich data set to facilitate further improvements to underwriting

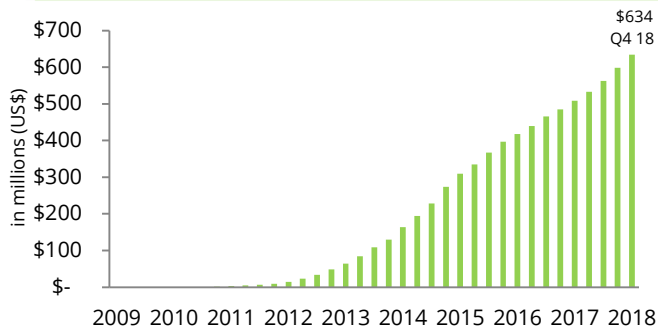
Hybrid funding model and diversified revenue mix

- IOU is not dependent on any one source of capital

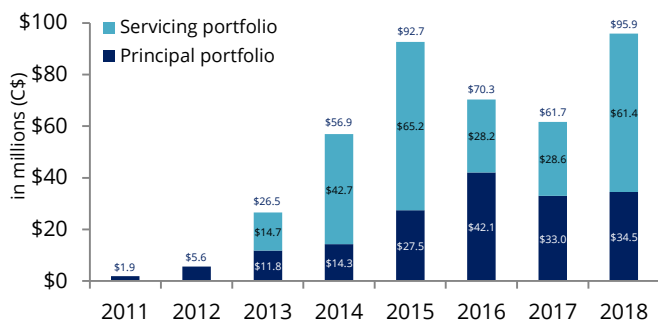
Strong wholesale and improving retail origination channels drives growth

- IOU has developed a strong network of loan brokers
- Investments in retail channel increasing

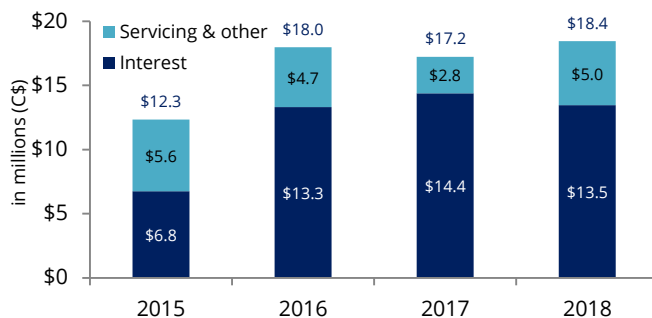
Cumulative loans originated



Loans under management



Total adjusted revenues



Note: "Servicing & other" revenues represent actual cash revenues and exclude certain non-cash items such as gains on servicing asset and amortization of servicing asset.

SMALL BUSINESS LENDING MARKET OVERVIEW

Several key factors are driving the growth in online lending to small businesses

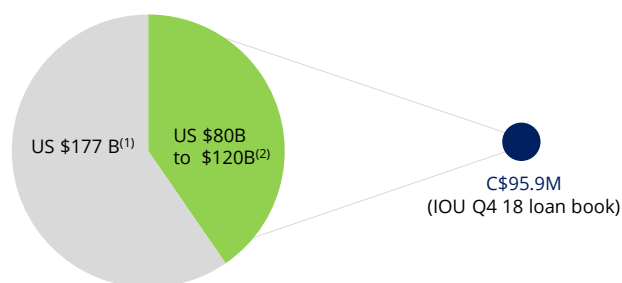
- Over the past decade, banks have largely exited the SMB loan market as they focus on larger loans
- Readily accessible institutional debt capital – attracted by strong returns available by lending in SMB market
- Tremendous innovation and use of technology to deliver superior service and speed to borrowers

SMB lending in the USA since 2000



Source: FDIC, Q3 2016 - Commercial & Industrial Loan Balances at FDIC - Insured Institutions under \$250,000.

Size of market & IOU's opportunity



(1) Commercial and Industrial Loan Balances at FDIC insured institutions under \$250,000
 (2) Unmet demand for SMB lines of credit (Oliver Wyman 2013)

COMPARATIVE METRICS VS. OTHER LENDERS & PRODUCTS

Compare:	IOU Financial	Most bank loans	Merchant cash advances or credit card receivables
Fast funding (24-48 hours)	☺	-	☑
Values cash flow as much as credit	☺	-	☑
Least amount of paperwork	☺	-	☑
Fast-track 24 hour re-financing process	☺	-	-
Builds business credit	☺	☑	-
Better Business Bureau A+ rating	☺	-	-
Easy-to-budget fixed daily payments	☺	-	-

STOCK & SELECT FINANCIAL INFORMATION

Share price	\$0.26	Revenues (IFRS)	\$19.2M
52 week high	\$0.27	Revenue per share	\$0.22
52 week low	\$0.11	Earnings per share	\$0.03
Shares outstanding	87.8M	Insider ownership	37%
Market capitalization	\$22.8M	Public ownership	63%

COMPARABLES

Online lenders	Market cap	TTM Earnings	TTM P/E ratio
On Deck Capital, Inc. NYSE:ONDK – US\$	\$399.6M	\$27.7M	14.4x
Funding Circle Holdings LSE:FCH – £	£667.4M	(£49.3)M	n/a
MOGO Finance Tech TSXV:MOGO – C\$	\$108.2M	(\$23.2)M	n/a
IOU Financial Inc. TSXV:IOU – C\$	\$22.8M	\$2.7M	8.4x

Note: Financial information for all companies reflect trailing twelve month figures as of Dec. 31, 2018. Market caps as of Apr. 26/19 closing prices.