

INVESTING IN WORKING CAPITAL FINANCE ASSETS

Accounts Receivable Finance | Supply Chain Finance | Purchase Order Finance | Flex Pay | Virtual Cards

OVERVIEW

HISTORY & VISION

Raistone was born with the vision of equalizing access to working capital and meeting the demand for structured finance on a global scale. We combine deep trade finance experience, legal/regulatory knowledge, and enterprise-grade technology to provide operational and financial administration, enabling companies of all sizes to improve their cash collection cycles and access incremental sources of non-debt working capital.

ROBUST STAKEHOLDERS

A world-leading fintech collaboratively owned by a \$30-billion-plus family office, a \$900 billion asset manager, a global broker dealer and a multinational bank, Raistone enables the financing of billions of dollars in transactions every year. We provide facilities from \$50,000 to over \$500 million.

PROVEN LEADERSHIP

The collective expertise of our accomplished leadership team, comprised of industry veterans hailing from the world's largest trade finance institutions, amounts to over \$500 billion of receivable assets purchased and 150 Supply Chain Finance programs created over the last 15 years.

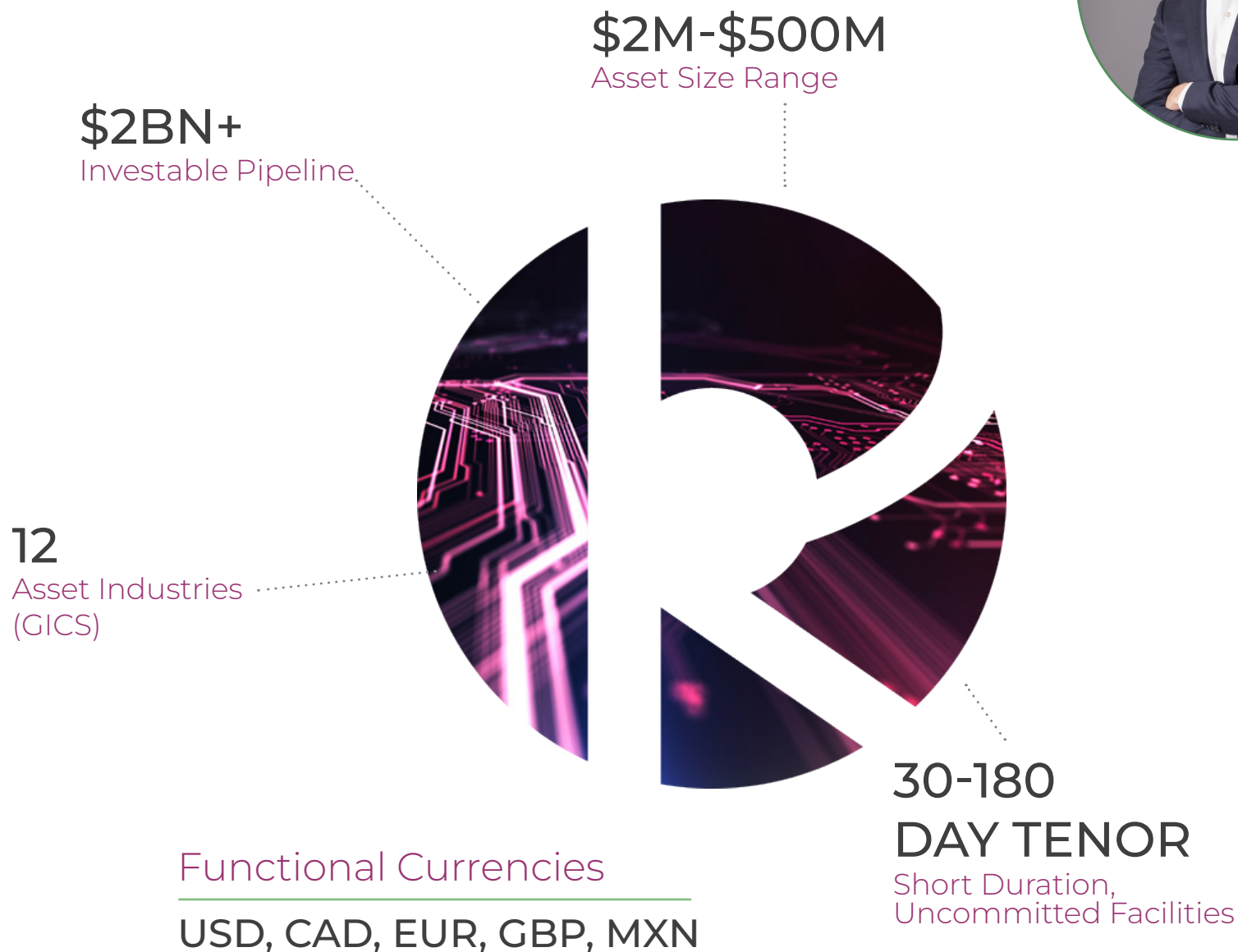
DIVERSIFIED PARTICIPANT BASE

We actively originate and administer structured trade finance transactions, onward selling the originated assets to banks and non-bank institutional investors, such as asset managers, hedge funds, family offices, and retail platforms (each a "Participant").

DIFFERENTIATED DEAL FLOW

We provide Participants access to deal flow across a range of industries and credits. We are a large player in the non-investment grade space and structure each opportunity to fit both the needs of our Clients and Participants, with tenors averaging from 2 weeks to 180 days, and advance rates up to 100% dependent on historical dilution.

BY THE NUMBERS



"At Raistone, we believe that access to capital markets should not be restricted merely to the few 'in the know' — it should be accessible for every business looking to grow and effectively manage their working capital."

David Skirzenski
CEO of Raistone

MARKETPLACE DYNAMICS

Problem: A growing supply of unfunded trade finance assets

2.5x

Longer payment terms vs '09

- Large corporates extending supplier payment terms
- Suppliers don't want to wait up to 120 days or longer
- Cash flow problem for supply chains
- Increasing demand from suppliers to finance their trade flows
- Global trade financing gap greater than \$2.5TN¹



35%+

Extreme interest rate charged

- Basel III constraining banks from providing liquidity to supply chains
- Banks are less willing to hold trade finance assets on their balance sheets
- Expensive capital has stepped in: 35% APR, i.e., OnDeck and Kabbage
- Market Place / P2P lenders offer limited facility size (~\$35,000)

GAP

IN EXPERTISE

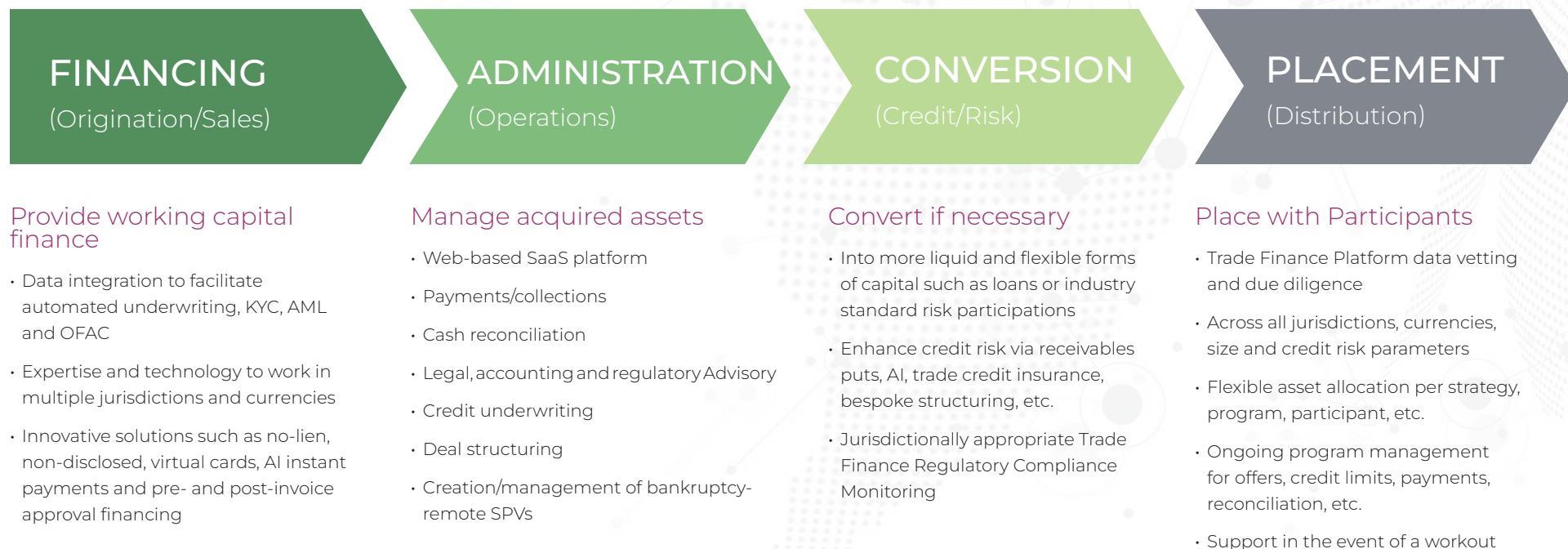
B2B Commerce Networks (ERPs, payment processors, e-Invoice networks, credit card networks) connect the global supply chains and are seeking to offer trade finance services...

BUT require firms such as Raistone to provide trade finance experience, access to sources of capital, daily operations and legal/regulatory knowledge.

[1] <https://www.adb.org/publications/2023-trade-finance-gaps-growth-jobs-survey>

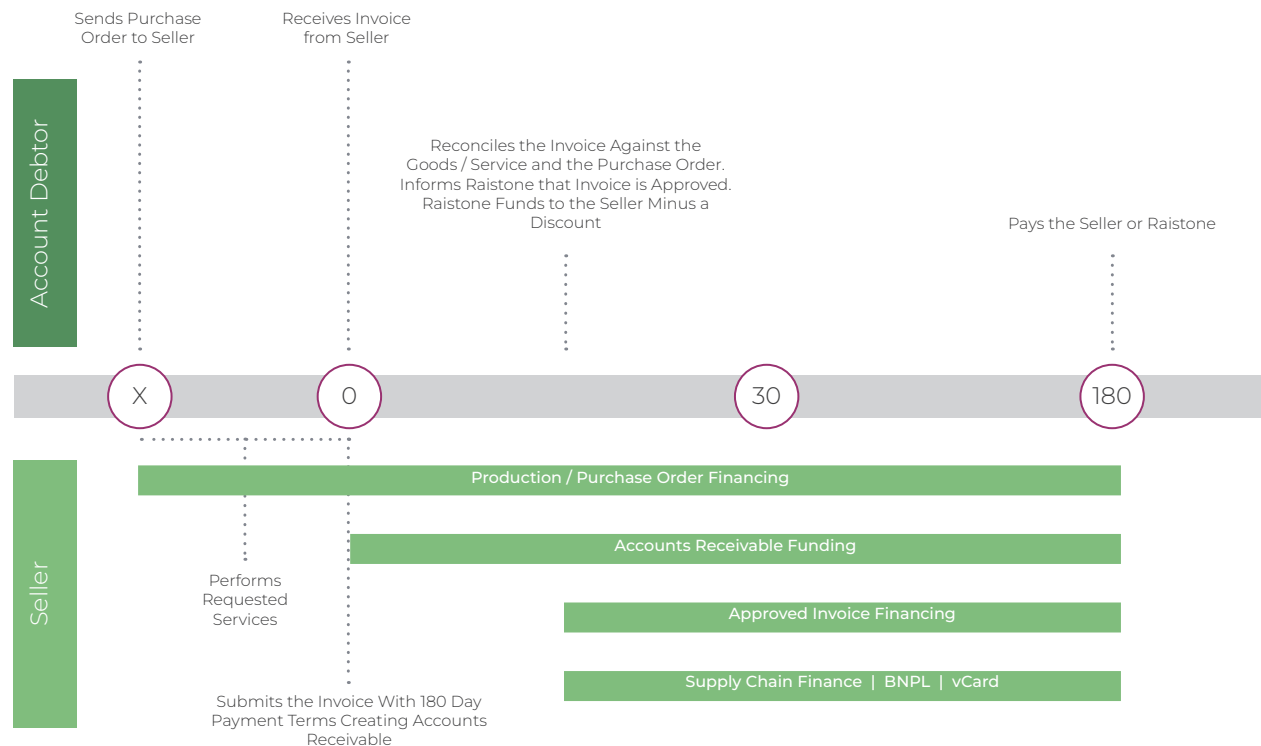
RAISTONE PRODUCTION SUITE

Our solution:
Fully integrated trade finance asset distribution



FINANCING TRADE FINANCE

Illustrative trade finance transactions supported by Raistone



Overview

Seller-Centric:

Accounts Receivable Financing

- Finance (factor) the Seller Invoice
- Risk of Account Debtor (Buyer) insolvency
- Risk of Seller performance mitigated by invoice approval information

Production / PO Financing

- Finance the production of the goods
- Risk of Account Debtor insolvency
- Risk of Seller performance to manufacture and ship goods or perform the service

Buyer-Centric:

Supply Chain Finance | Buy Now, Pay Later | Virtual Cards

- Finance the Seller Invoice / Buyer Payable
- Risk of Account Debtor (Buyer) insolvency
- No risk of Seller performance as Account Debtor has guaranteed the payment

TRADE FINANCE ASSETS OVERVIEW

Attractive asset class for institutional Participants

PORTFOLIO YIELD ENHANCING CREDIT INSTRUMENT WITH UNIQUE MONEY MARKET-LIKE LIQUIDITY PROFILE

By rolling a corporate's trade finance asset facility across successive payment cycles, a similar risk-adjusted return can be achieved in comparison to that from holding its respective corporate bond to maturity.

Even more, the uncommitted and self-liquidating nature of trade finance assets enables participants to exit deteriorating credit names over a defined roll off period (typically 30-90 days). This feature compares favorably to MTM loss exposure when trading out of corporate bonds.

TRADE ASSETS PERFORM VERY WELL

The International Chamber of Commerce's³ 2021 Trade Register Report, which contains data up until the end of 2020, states that trade finance products present low credit risk.

- Exposure-weighted default rates for SCF in 2020 were 0.18%, and in 2019 they were just 0.02%
- Defaults without warning are uncommon so default risk exposure on trade finance assets can be dialed back relatively quickly by halting new purchases and allowing receivables to roll off

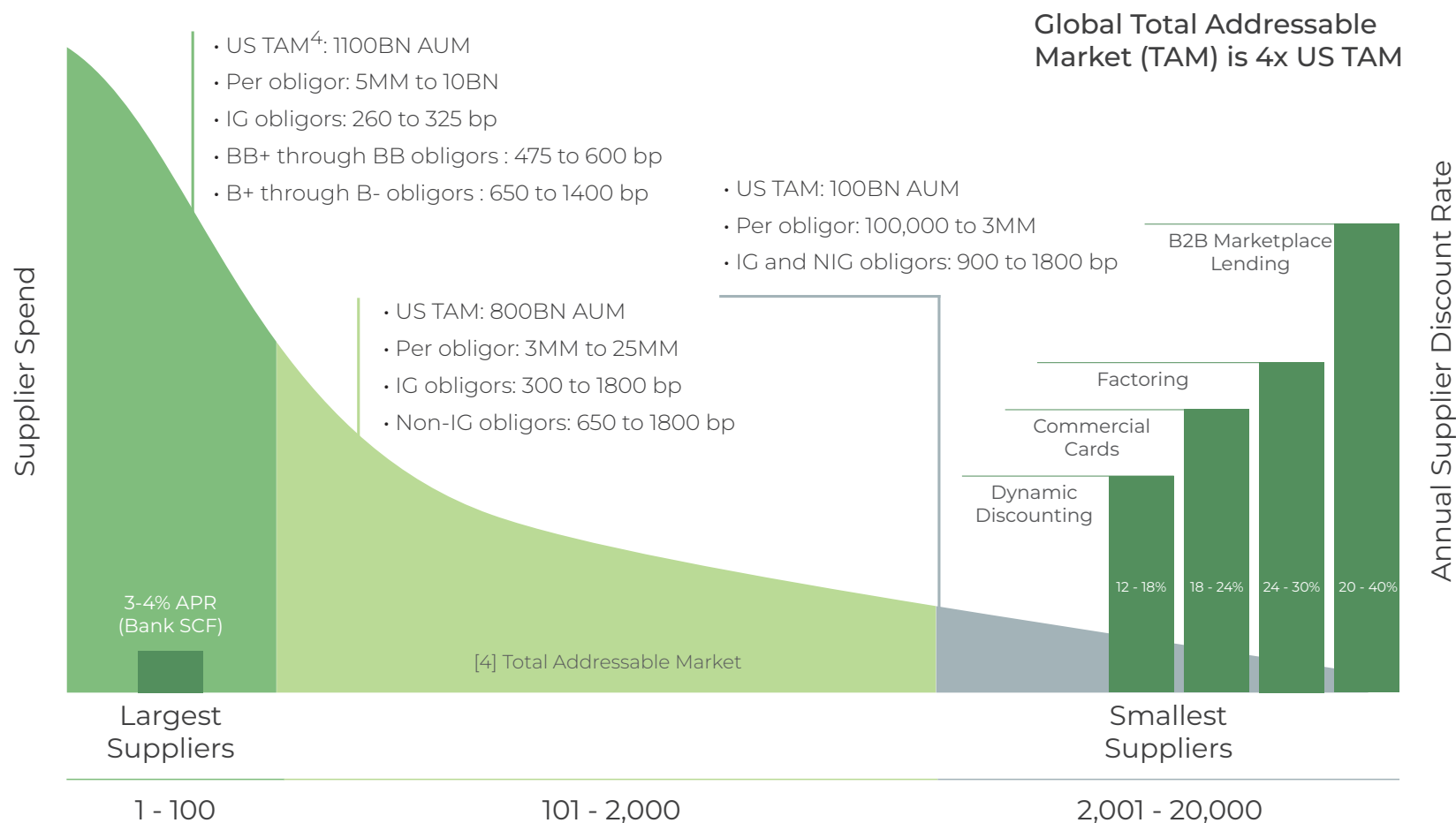
[3] <https://iccwbo.org/publication/icc-trade-register-report/>

Factors Contributing to Favorable Risk-adjusted Returns

- **UNCOMMITTED:** Participant may stop purchasing new assets at any time
- **SHORT TENOR:** Self-liquidating over defined 30–180d revolving payment cycles
- **NO MTM RISK:** No risk of capital depreciation during spread widening events
- **LOW CREDIT RISK:** Exposure limited to defined payment cycle tenor
- **UNCORRELATED:** Trade finance exhibits low or negative correlation with other asset classes such as equities or bonds
- **HIGH PRIORITY OF PAYMENTS:** While rent/loan payments can be deferred, payments to suppliers are vital for continued operations and are typically made by asset-holding OpCos
- **ACCURATE & VERIFIABLE HISTORICAL TRADE PAYMENT DATA:** Data available to evidence on-time historical payment history for each credit
- **NEGLIGIBLE INTEREST RATE RISK:** Floating rate self-liquidating investments with low duration risk

EXPLORATION OF THE INVESTMENT OPPORTUNITY SET

Typical corporate supply chain – invoice financing (all in rates)



[4] Total Addressable Market

PARTICIPANT DAILY RECONCILIATION

Includes all cash flows, assets, collections & write-offs



The image shows a laptop on a wooden desk with a small potted plant. The laptop screen displays a spreadsheet titled 'PARTICIPANT ACTIVITY STATEMENT / REQUEST'. The spreadsheet is organized into columns A through E. The data is as follows:

	A	B	C	D	E
1	PARTICIPANT ACTIVITY STATEMENT / REQUEST				
2					
3	PARTICIPANT NAME	11			
4	SELLER NAME	SGSF Master Purchasing DE LLC			
5	PARTICIPANT ACTIVITY STATEMENT #	1			
6	Issue Date	10-Feb-2020			
7	Effective Date (Funding Date / Draw Date) ***	11-Feb-2020			
8	Base Currency	USD			
9					
10					
11					
12	CASH MANAGEMENT				
13	Incoming To Participant				
14	Collections against Collateral				
15	Late Fees Received				
16	Collected Pass-throughs				
17	Unapplied Collections**				
18					
19					
20	Outgoing To Supplier				
21	New Assets Funded (Purchase Price / Requested Amount)				
22	Pass-throughs Re-collection				
23	Other / Adjustment				
24					
25	Funded Balance				
26					
27	Total to Supplier				
28	Total to Participant				
29	Net Flow				
30					
31					
32	Footnote re incoming				
33	Footnote re outgoing				
34	***Participant owns the assets purchased on this date				
35					
36					
37					
38					
39					
40					

The spreadsheet also includes a 'COLLATERAL' section with the following data:

Beginning Balance		4,624,893.21
Less: Collections		481,296.73
Plus: New Collateral (Face Value)		-
Less: Chargebacks to apply as Collections		-
Less: Write-offs		-
Plus/Minus: Other Adjustments		-
Ending Balance		3,523,596.10
Participant Capacity		10,000,000.00
Participant Utilization (%)		31%

Daily reconciliation of cash flows between the SPV and the Participant showing:

- New Collateral (receivables) purchased
- Collections against Collateral
- Written off Collateral
- Straight-through cash (e.g., remainders due Seller if less than 100% advance rate, or pass through of non financed receivables)

LEADERSHIP TEAM

Distinguished industry experts in finance, tech & risk



DAVE SKIRZENSKI

Chief Executive Officer

Former Head of Supply Chain Finance at Citibank; Greensill Capital; Morgan Stanley; Ariba; IBM



MIKE BRUYNESTEYN

Chief Financial Officer

Former Treasurer at Turner Construction; Lehman Brothers; Prudential Securities; General Motors



QING FAN

Global Head of Risk Distribution

VP of Global Trade Finance at BNP Paribas; Sumitomo Trust and Banking; Kraft Foods



AVI NAINANI

Chief Risk Officer

Former Head of Trade Finance Risk at Hitachi Capital; CIT



MIKE WALKER

Chief Technology Officer

Former Head of Technology and Global Operations for LiquidX/Receivables Exchange



MATT MCALPINE

General Counsel

Former Global Head of Trade Finance Compliance at Deutsche Bank; Global Head of Trade Finance Legal at Citibank and Banking Associate at Skadden Arps

CONTACT

Matt McGarry

Director of Asset Distribution

Raistone

646.604.0553

mmcgarry@raistone.com

Kristin Lynch

Assistant Vice President of Asset Distribution

Raistone

646.216.8370

klynch@raistone.com



raistone.com

HEADQUARTERS

360 Madison Ave 22nd Floor
New York, NY 10017

NEW ORLEANS

2831 Saint Claude Ave
New Orleans, LA 70117

SALT LAKE CITY

1633 W Innovation Way, 5th Floor
Lehi, UT 84043

DISCLAIMER

This document (the “Presentation”) is for the exclusive use of the person to whom it has been provided and is intended to assist in determining your possible interest in the opportunity (the “Opportunity”) discussed herein. The contents of this Presentation are not intended to form the basis of any investment decision or any decision to invest. This Presentation does not purport to be comprehensive or to contain all the information that you may need in order to evaluate the Opportunity.

No representation, warranty or undertaking, express or implied, is or will be given by Raistone Capital as to the accuracy, completeness or sufficiency of the information contained in this Presentation or as to the reasonableness of any assumption contained therein. Only those particular representations and warranties which may be made in a definitive written agreement, if and when one is executed, and subject to such limitations and restrictions as may be specified in such agreement, shall have any legal effect.

Raistone Capital may have investment banking or other relationships with some or all of the companies mentioned herein and may trade in any of the securities or other financial instruments mentioned herein, either for their own accounts or for the accounts of their customers.

This Presentation does not contain or constitute an offer for sale or the solicitation of an offer to purchase any securities in the United States or elsewhere.