

# Planet42

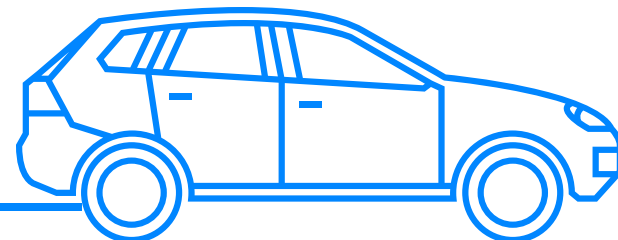
Socially inclusive car subscription in emerging markets



# Planet42 company overview

**Planet42** provides mobility to the underbanked in South Africa:

- We offer access to vehicles to clients who are otherwise unfairly ignored by the local banks
- Planet42 purchases the vehicle that an approved client has selected at a partnered dealership
- We enter into a termless contract with the client on a rent-to-buy car subscription basis (avg. contract 27 months)



- **€38m** raised in debt and equity
- Scaling via **750** car dealers in South Africa
- Full lifecycle engagement through behaviour and vehicle tracking data
- **€1.53m** in monthly cash income from rental contracts (December '21)
- HQ in Tallinn, largest team in Johannesburg, South Africa.

# Planet42 factsheet

**17%** Monthly contract issuance growth (since Jan 2021)

**7%** Portfolio default rate (2021 average)

**12%** Monthly interest income growth (since Jan 2021)

## Total vehicle portfolio

- 8,000+ vehicles delivered since 2018
- 6,500+ vehicles in P42's rental portfolio
- Currently purchasing €4m worth of cars a month

## Fleet overview

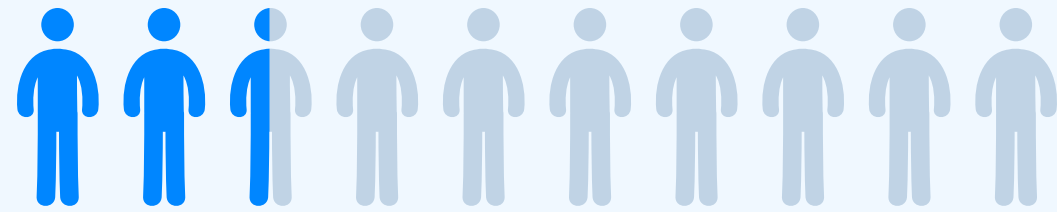
- Average purchase value in 2021 €6.7k, max value €11.5k
- Average vehicle age 12 years

## Portfolio performance

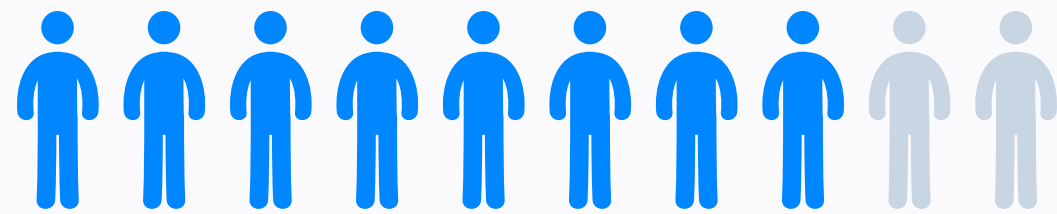
- Portfolio impairment has been declining due to the significant improvements in our credit scoring algorithm
- Average rental contract duration 27 months

# Planet42 market overview

Problem does not exist in Europe or the US



2.5/10 have a personal vehicle in 



8/10 have a personal vehicle in 

## Emerging markets have:

### Large mobility gap

- 80% don't have access to a car – that's 4bn people
- Dysfunctional or dangerous public transportation
- Long distances

### Low financial inclusion

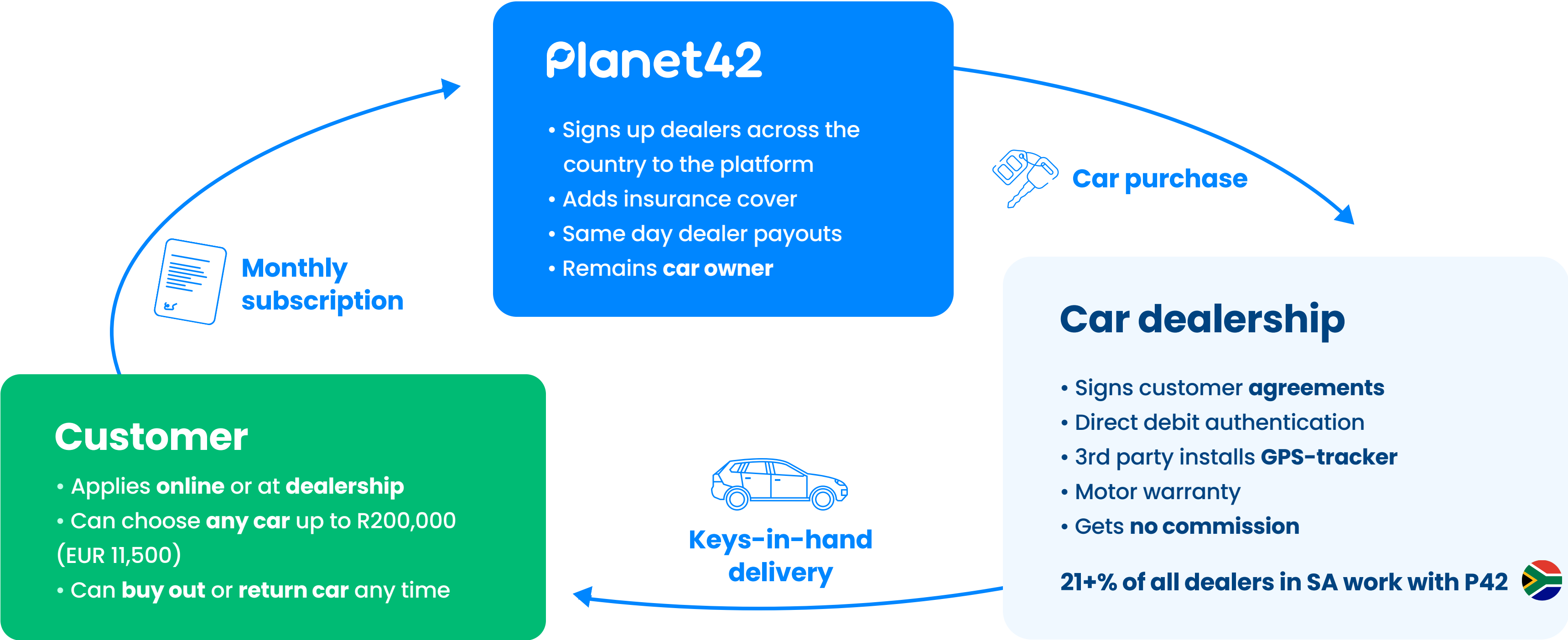
- According to our car dealers, banks reject up to 90% of car financing applications
- Banks also require spotless credit records

### High transport inequality

- No car = social exclusion and lack of personal freedom
- Worse career and educational opportunities

# Fully remote customer onboarding

Followed by continuous engagement throughout the customer journey



# Meet Isaac – a typical client

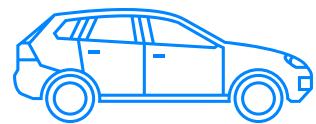
Banks unfairly ignored him



Net salary €1,100



**Bank still says no**  
because of arrears during  
Covid-19 lockdown



**Planet42**  
bought him a Hyundai i10  
with a monthly  
subscription of €290



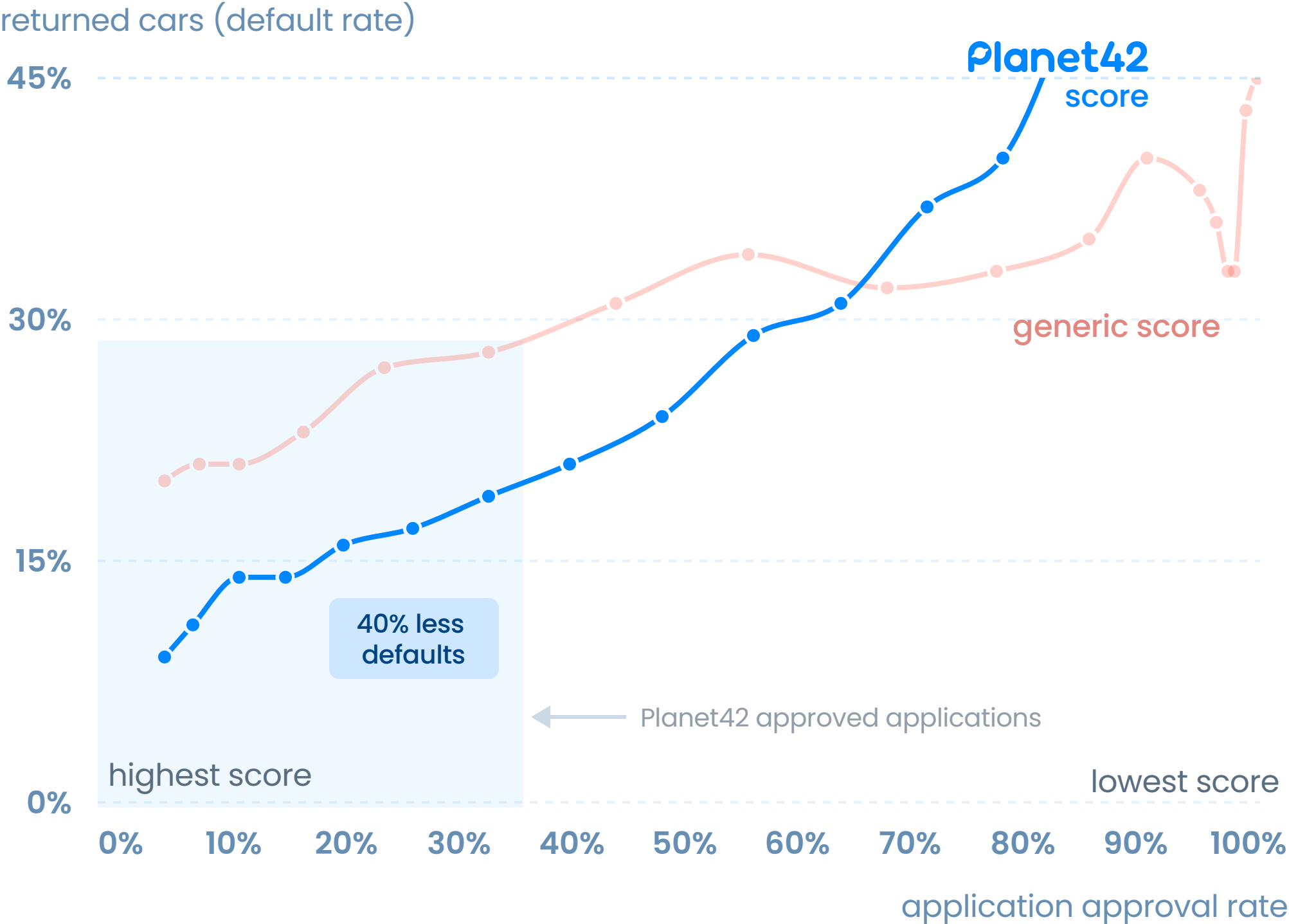
**Isaac, 30**

Garbage truck driver from Johannesburg

Real customer example

# Generic credit score sucks

40% less defaults compared to the generic credit bureau score



## Planet42's proprietary algorithm

Segments and scores risk in the underbanked population, allowing us to:

- subdivide customer groups
- offer risk-based pricing

## Competitors

The generic score available to our competition is ineffective at segmenting the underbanked.

Our competitors either:

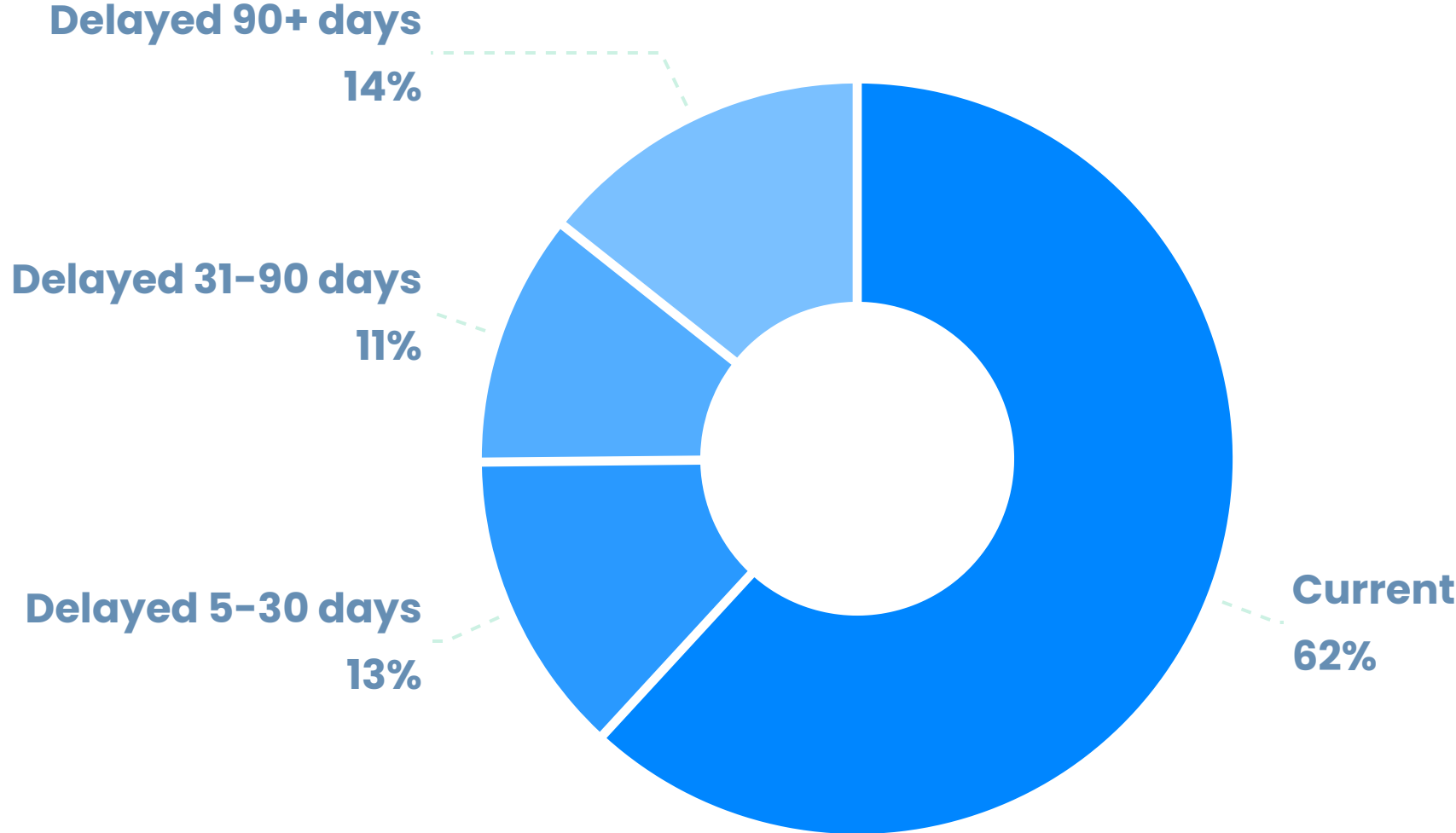
- take on too much risk, or
- offer noncompetitive terms

# Portfolio overview

Rental Portfolio quality analysis

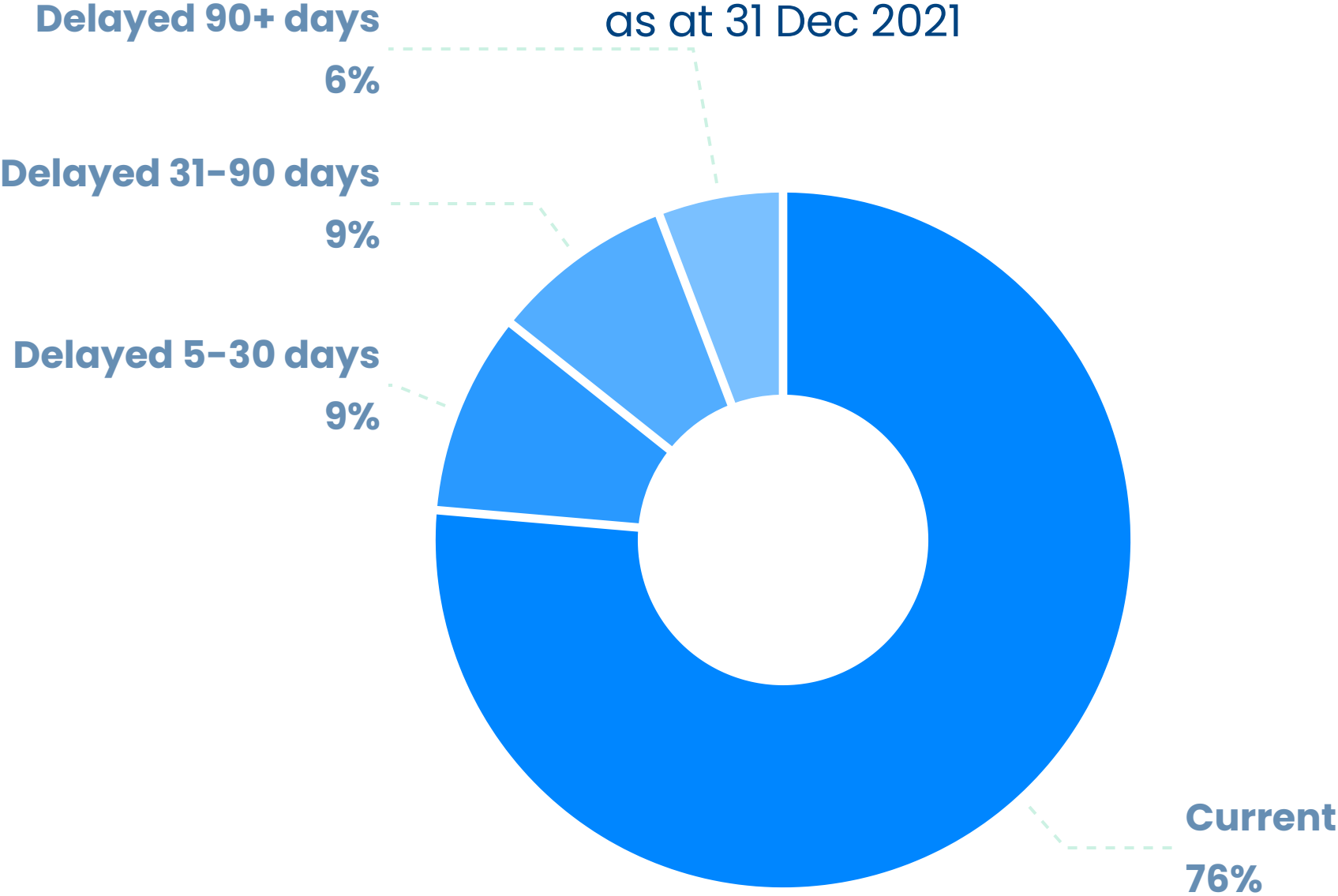
**Portfolio size €5.9m**

As at 31 Dec 2020



**Portfolio size €30.4m**

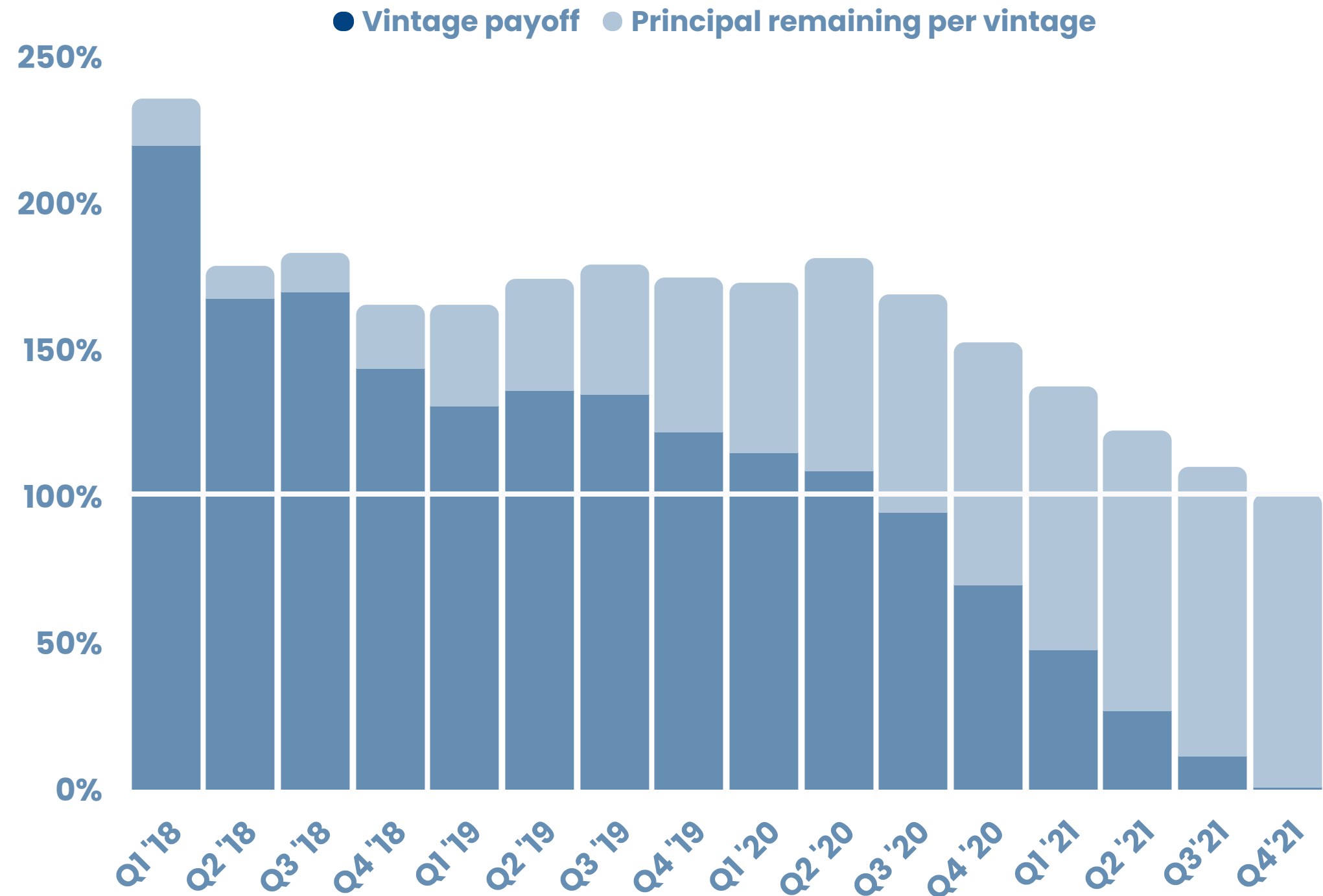
as at 31 Dec 2021





# Portfolio overview

Total Vintage Payoffs per quarters



## Total Vintage Payoffs

- Total quarterly Vintage Payoffs includes the subscription payments as well as payoff received from sale of returned/bought out vehicles.
- On the graph, the Principal Remaining for each quarterly vintage is also included to illustrate the remaining loan principal residual.

# The Team



**Eerik Oja**

CEO & Co-Founder

Alternative vehicle finance since 2014



**Marten Orgna**

CFO & Co-Founder

African investments since 2012



**Grant Wing**

COO

Systems & management experience since 2012



**Liisa Suvorova**

Head of Growth

Ex-venture capital in Europe



**Julie Kearns**

Head of People SA

HR consulting and resourcing since 2006



**Alex James**

Chief Risk Officer

Risk management in insurance and consumer lending

Built scoring systems in



**and 56 other awesome people**