

**TSX: AXIS**



**Investor Overview 2023**

## OUR MISSION

**AXIS IS A TECHNOLOGY COMPANY**

SERVICING THE \$40B USED CAR FINANCE MARKET.

Transforming the way  
Canadians buy and  
finance used cars  
through AI.



# OUR TEAM

## PROVEN TRACK RECORD OF SUCCESS

READY FOR THE NEXT STAGE.



**Todd Hudson**

*Chief Executive Officer*

25 years of sales and operations management experience in Canadian alternative lending

Proven track record of excellence growing companies organically and having integrated 14 acquisitions



**Ilja Troitschanski**

*Founder and President*

A successful technology and finance entrepreneur with 20 years of business development experience

Built Axis into a dominating market leader in Canada



**Richard Lloyd**

*Chief Financial Officer*

Former Director of Operations & Finance at Travelers (acquired by Scotiabank)

20 year career in the automotive finance industry

**25%+ Management Ownership**

|

**\$10M+ invested by management**





INDIRECT

LOAN PORTFOLIO

72% CAGR

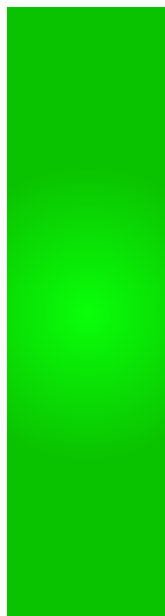
\$6 MM



2015



\$270 MM



2023

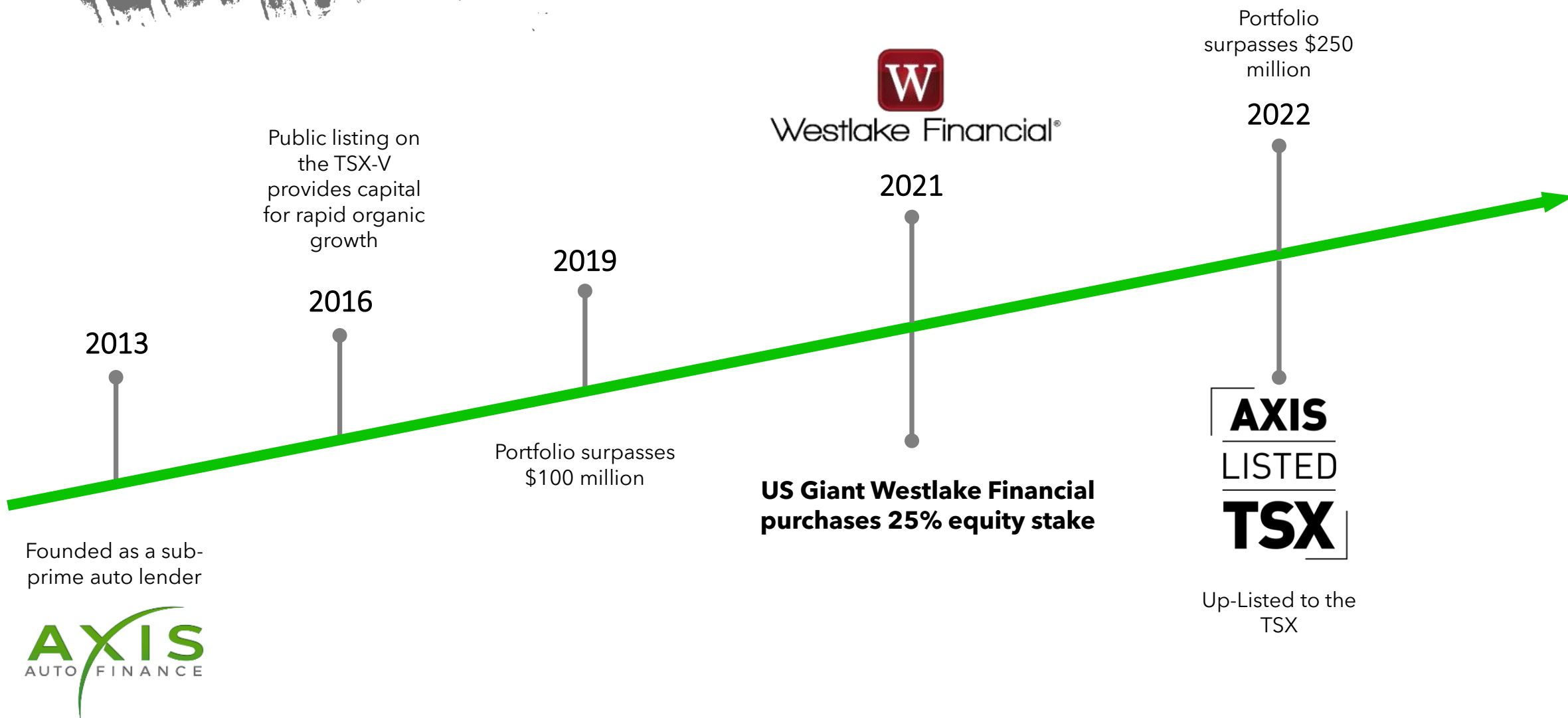
## ***THE ORIGINAL. MORE DIGITAL.***

*FINTECH DISRUPTING A TRADITIONAL SPACE.*

- ✓ Axis originates loans indirectly through a coast-to-coast network of 3,000+ dealers
- ✓ 10+ years in business, established brand recognized by dealers across Canada
- ✓ ~\$150M per annum in loans originated over the last 2 fiscal years
- ✓ \$147M on-balance sheet portfolio (June 23)
- ✓ Proprietary technology platform built for growth, efficiency and scalability

# OUR STORY

**IS THE STORY OF GROWTH...**  
WITH A LOT MORE TO COME.

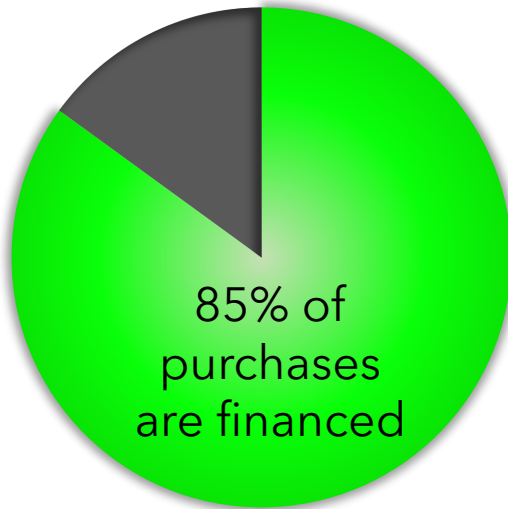


# MARKET OVERVIEW

## MASSIVE, FRAGMENTED MARKET

*RIPE FOR DISRUPTION.*

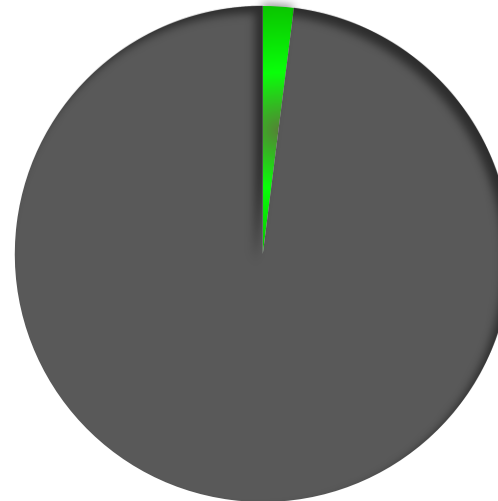
USED CARS ARE A MASSIVE MARKET



**\$40+B**

Used Auto Sales

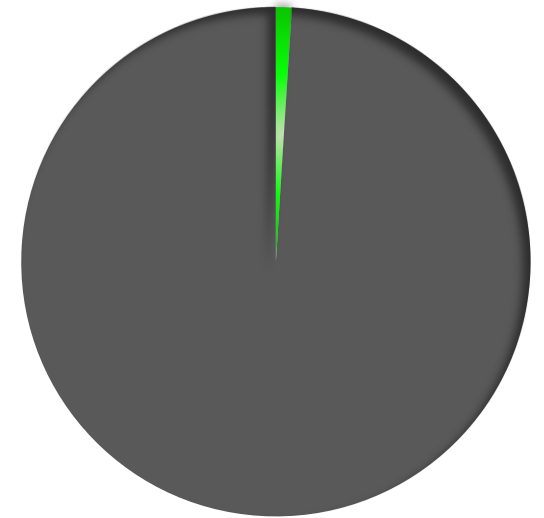
HIGHLY FRAGMENTED



**<2%**

Market Share held by  
Largest Group

RIPE FOR DISRUPTION



**1%**

Adoption of Auto  
E-Commerce

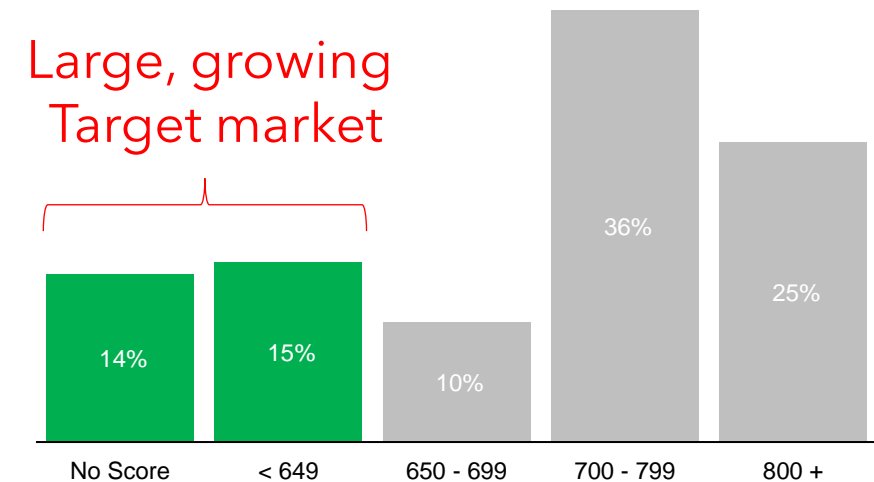
# THE MARKET

## SUBPRIME POPULATION IS GROWING

EXECRATED BY COVID AND RESULTING INFLATION.

- ✓ **30% of Canadians** do not qualify for traditional financing sources – subprime auto finance is forecasted to grow 42% faster than prime
- ✓ **Consumers, especially millennials are re-igniting their passion** for vehicle ownership as opposed to transit & ride-share services
- ✓ Inflation and rising rates put more borrowers out of the reach of the major banks
- ✓ **Financing "NEED" vehicles** results in a recession proof model

Canadian Credit Market Breakdown by Credit Score



# HELPING CANADIANS

## **TRACK RECORD AND CREDIT FOCUS** *BUILDS CUSTOMER TRUST.*

- ✓ A **vehicle** is a **must have** in Canada
- ✓ **>70% of Axis customers improve** their credit rating through an Axis loan
- ✓ Axis is an **highly effective stepping stone to credit recovery**
- ✓ **Industry leading brand** reception across numerous metrics
- ✓ **89%** of customers **read and trust online reviews**

**Google**  
**4.6/5**  
OVER 2000+  
REVIEWS

**f**  
**4.9/5**



**75,000+**  
SERVICED  
CUSTOMERS



# APPLIED AI

## ACE: AXIS CREDIT ENGINE

THE FUTURE OF AUTO FINANCE.

CUSTOMER CAR-BUYING JOURNEY STARTS

### Dealers via Portal or FinTech

AUTOCORP.AI



### Lead Generators



Borrowell

LENDINGARCH

### Market Places

CarGurus® kijiji  
AUTOS

auto  
TRADER.ca carpages.ca

Customer Data  
Credit Bureau Data  
Alternative Data

ACE is an AI driven engine that  
instantly adjudicates applications  
across the credit spectrum

Congratulations, you are pre-approved  
with an interest rate of 9.99% and a  
max payment of \$600!

Please select your payment preferences.

Preferred payment frequency?

☐ Bi-Weekly ☒ Monthly

Preferred payment amount

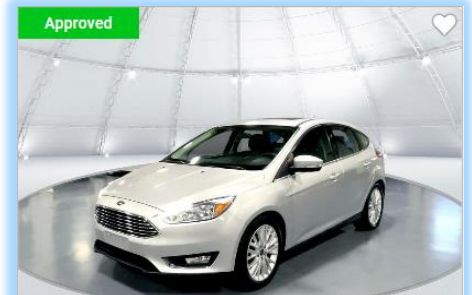
\$ 600

Cash down payment you'll make?

\$ 2000 ⓘ

CUSTOMIZED CREDIT  
DECISION OUTPUT

Approved



2018 FORD FOCUS  
TITANIUM | 115,597 km

\$19,490 | \$480 ⓘ  
Monthly

Approved at 9.99% on a 72 month term.

# LEGACY PROCESS

**NO INNOVATION IN 20 YEARS**

*COSTLY. CUMBERSOME. LOW CONVERSION.*

## Dealership Customer Acquisition:

1. Advertising inventory on Marketplaces to generate inbound traffic
2. Purchasing Leads from Lead generators

**VERY EXPENSIVE, LOW CONTACT RATE ON LEADS**

## Dealership lead verification:

1. Contact customer to validate PII.
2. Confirm intent to purchase.
3. Manually input into CRM for submission to lenders.

**MANUAL PROCESS, PRONE TO HUMAN ERROR**

## Dealership credit approval:

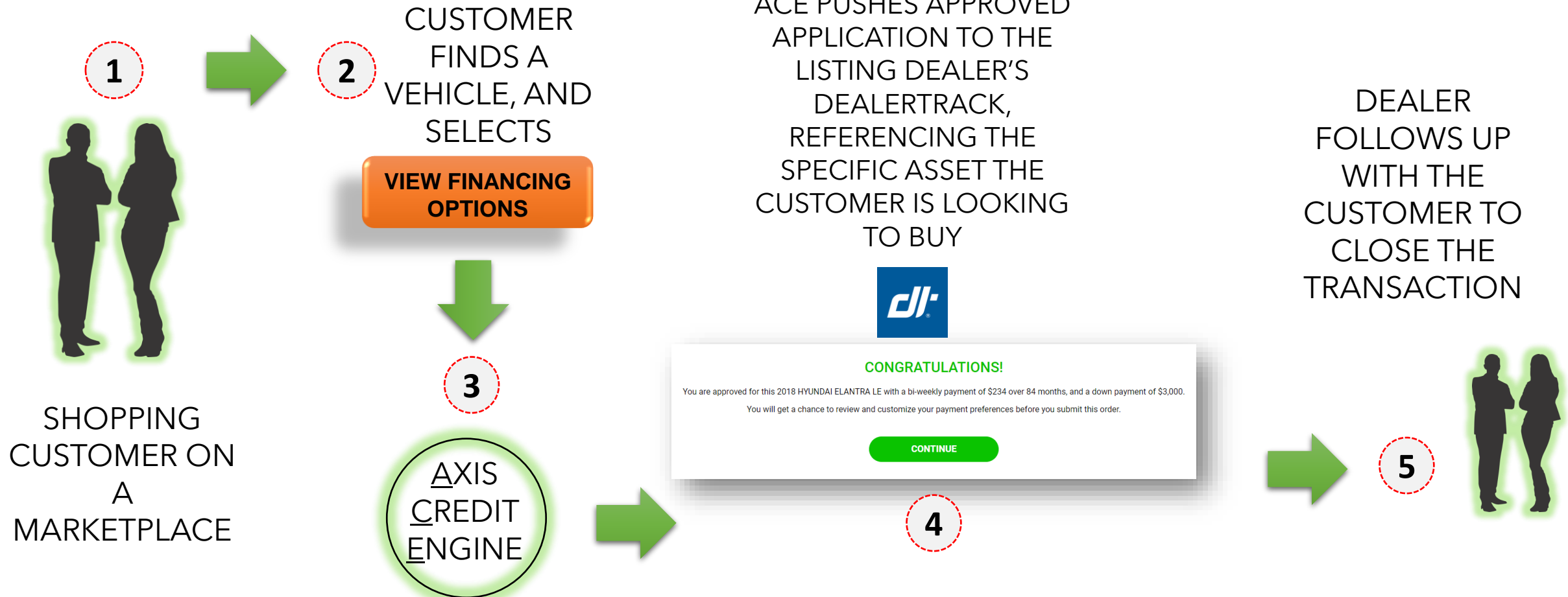
1. Dealer submits the client's credit application to lenders.
2. If approved, dealer structures a loan.

**LOW CONVESRION RATE, MISMATCHED EXPECTATIONS**

# THE AXIS EVOLUTION

**WE WILL GIVE FREE LEADS TO DEALERS**

*CREDIT APPROVED DIRECTLY TO THE F&I.*





**WIN. WIN. WIN**

## ***A FIRST IN THE CANADIAN MARKET***

LAUNCHING Q3 2023.

### CUSTOMERS

**"90% OF SUB-PRIME AND 64% OF PRIME CUSTOMERS ARE INTERESTED IN PRE-QUALIFYING FOR VEHICLE FINANCING.<sup>1</sup>"**

### DEALERS

- FREE leads
- confirmed customer intent to buy
- pre-approved customer credit
- confirmed interest and ability to finance an inventory unit
- ability to work in the established workflow

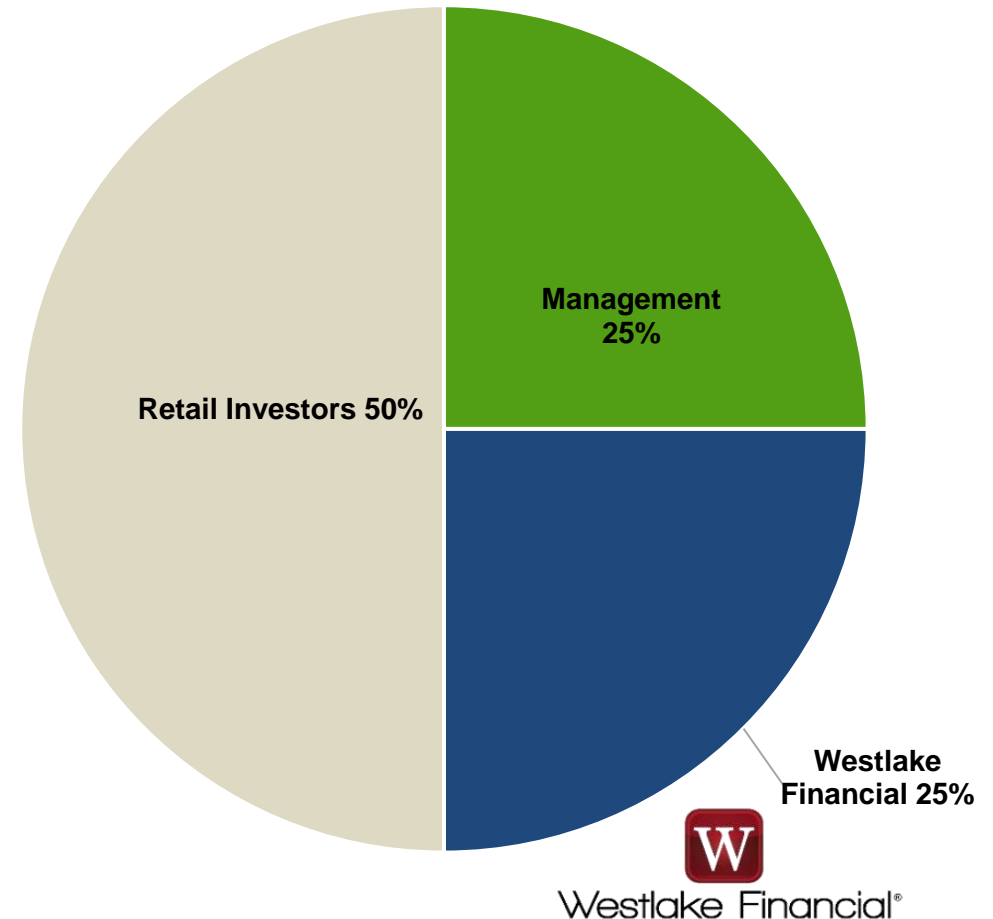
### AXIS

- higher look-to-book rates<sup>2</sup>
- no human resources/costs wasted on declines
- better unit economics
- less back and forth with dealer
- first mover advantage

# CAPITAL STRUCTURE

- ✓ Management has **invested over \$10MM** in equity, perfectly aligning interests with shareholders
- ✓ Westlake Financial **bought 25%** in November 2021 for \$15MM
- ✓ AXIS is the only publicly listed digital car retail/finance company in Canada
- ✓ Up-listed to TSX senior board in April 2022

***WE PUT OUR MONEY...***  
*AND SMART MONEY IS FOLLOWING SUIT.*





# INVESTMENT HIGHLIGHTS

***AN ALREADY PROFITABLE FINTECH***

*UNIQUELY POSITIONED FOR CONTINUOUS GROWTH.*

MASSIVE, HIGHLY FRAGMENTED MARKET

**\$40B+**

used car sales

PROVEN SALES POTENTIAL

**\$150M+/year**

SUPERIOR TECHNOLOGY PLATFORM

BEST IN CLASS IN CANADA

EXPERIENCED AND VESTED TEAM

**\$10M+**

invested

BACKED BY AN INDUSTRY GIANT

WESTLAKE FINANCIAL OWNS  
25%

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