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Note on research as a “minor non-monetary benefit” according to the MiFID II regulation: This research meets the requirements for being classified as a “minor non-monetary benefit”. For more information, see the disclosure under “I. Research under MiFID II”  
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## **23/11/2018 – GBC Management interview with Juan Rodriguez, CEO of FinLab AG**

Company: FinLab AG<sup>\*5a,5b,6a,11</sup>

ISIN: DE0001218063

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*\*catalogue of potential conflicts of interests on page 4*

**As an investment company with a focus on fintech business models, FinLab has built up a comprehensive and at the same time promising investment portfolio in recent financial years. The company now has a significant stake in a total of eight fintech companies, including Deposit Solutions, nextmarkets, and kapilendo. After the last investment in awamo GmbH, a provider of SaaS core banking solutions, FinLab AG made a new seven-digit investment in CASHLINK Technologies GmbH. GBC analyst Cosmin Filker spoke with FinLab Management Board member Juan Rodriguez about the new investment and the firm’s corporate development:**

**GBC AG: With the new investment in CASHLINK Technologies GmbH, you particularly want to promote the digitisation of processes in the area of start-up financing. Which products are in the focus here?**

**Juan Rodriguez:** With the new platform for tradable start-up shares, stokera, CASHLINK is digitising the start-up investment process. Traditionally, startups raise capital in financing rounds, which require high transaction costs. With stokera, they now can raise capital when they need it and save resources that they can put into developing their products. The platform is also of interest for professional investors: While investments in start-ups were previously mostly illiquid and inflexible, the stokera platform enables start-up shares to be transferred simply and cost-effectively. As such, stokera achieves more flexibility for professional investors and facilitates both the investment process and the secure transferability of the shares.

**GBC AG: What is the advantage of using a blockchain in the financing process and do legal requirements need to be implemented here?**

**Juan Rodriguez:** In the financing process, blockchain offers significant advantages both in terms of the business and on a technical level. On the one hand, transferring shares via the blockchain is much cheaper, easier and faster than via traditional methods. On the other hand, blockchain technologies enable greater transparency and security than do traditional databases. Under current German regulations, startup shares are treated as securities; therefore in this case, regulation is technology neutral.

**GBC AG: Is stokera planning an ICO (Initial Coin Offering)?**

**Juan Rodriguez:** At stokera, Security Token Offerings (STOs) are made possible: STOs differ significantly from an ICO in several ways. For one thing, stokera issues a different kind of token. In the case of an ICO, so-called utility tokens are issued. This type of token

is similar to a coupon, and does not represent shares in a company. While ICOs are mainly aimed at private investors, stokera is aimed exclusively at qualified investors (e.g., business angels or VC funds). This new form of funding, Security Token Offering ("STO"), is not crowdfunding.

**GBC AG: Is there a timeline for stokera's launch and how highly do you rate stokera's potential?**

**Juan Rodriguez:** Start-ups will already be able to tokenise their shares with stokera in the coming year and thus be able to transfer them with flexibility. Many asset classes, such as start-up shares, are currently still completely undigitised. Blockchain technology offers a huge opportunity to digitise these asset classes, making them more flexible and cost-effective. With our investment in CASHLINK, we are investing in a fast-growing market. The market for the tokenisation and digitisation of assets with the help of security tokens is projected to be in the trillions of dollars.

**GBC AG: In addition to the new investments, your existing investments have also developed successfully this year. First and foremost, there is Deposit Solutions GmbH, which was valued at USD 500 million in a recent round of financing. At the time of its entry, it was valued at USD 20 million. What are the main reasons for this extraordinary development?**

**Juan Rodriguez:** Several factors come into play here. In general, when we first entered, we saw the USP in its unique "single-account model", which has a clear advantage over the competition for Deposit and strikes a chord with investors. Then there is the team, which has been skillfully built up by CEO, Dr. Tim Sievers, and consists of professionals in IT, sales and other key functions. When we joined, there were about 20 employees, now there are well over 200 top professionals.

**GBC AG: In addition, your investment nextmarkets GmbH has gained approval as a securities trading bank. What does this mean?**

**Juan Rodriguez:** Having been approved as a securities trading bank, nextmarkets started live trading with real money in the summer. What we see now is superb: a) The trading volume and number of customers are growing daily, b) benchmarked against competitors, we see significantly better KPIs on relatively small volume, and c) nextmarkets' Curated Investing Model shows that customers who are guided/coached make better investments and lose less money over time!

**GBC AG: Together with Block.one, FinLab also founded a new fund with a total capitalisation of USD 100 million. What is the current status?**

**Juan Rodriguez:** We had our first closing in August 2018 and have since made two investments. There is a lot in the pipeline and we will now gradually make new investments. After successfully closing in August, we will now receive management fees of 1.5% p.a., meaning this year we will show turnover of a few hundred thousand euros, and from 2019, turnover of approximately EUR 1 million annually.

**GBC: Mr Rodriguez, thank you for speaking with us.**

## ANNEX

### I.

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