



## Peak's Leading Role in the Fintech Space

In late Spring 2017, **Peak Positioning Technologies (PKK.CSE)** launched a second fintech platform in China. This new development (named Cubeler) is a critical step for Peak, due to the far-reaching implications it will have for the Company's revenue model later this year and beyond.

Cubeler is a commercial lending platform that matches any business looking for credit with a variety of lenders. Cubeler periodically reads financial data coming from the registered businesses' accounting software, analyses several data points and calculates a series of financial ratios to determine how well the business is performing. Those data points and ratios are then compared to Cubeler's regis-

tered lenders' lending criteria and the resulting matches are shown to the lenders and the businesses, much like the way a dating website would show its members their compatible matches.

The Cubeler platform is expected to complement Peak's other fintech platform, Gold River, which allows for raw material purchase orders placed on the platform to be financed. Peak had originally planned to refer all financing requests on Gold River to a financial partner, but eventually decided to provide the financing services itself. To that end, Peak is in the process of establishing a financial institution subsidiary to be named Asia Synergy Financial

**“We want Cubeler to be known as ‘the’ platform where small and micro-businesses of all shapes and sizes can register to find lenders that will lend to them”**

**- Mr. Liang Qiu, CEO of ASDS**

Capital (“ASFC”). ASFC is not only expected to provide purchase order financing services on Gold River but also act as a defacto lender on Cubeler.

Lending to small businesses is an area that traditional banks have typically shied away from due to their risk intolerance. The banking industry world-wide prefer dealing with very low risk portfolios, fee-based business like bank accounts and wire transfers and lending against assets (mortgages). While banks have been slow to embrace the technology boom themselves, they are fully aware of the benefits of financial technologies based on credit analysis and are looking for ways to not only reduce credit risks but also the costs of lending. It is the alternative lending institutions, small private financial institutions and peer-to-peer lending platforms that currently dominate this space.

China lags more mature markets in the area of credit bureaus such as Equifax and Transunion. About 30% of China's citizens are covered by credit reporting systems compared to over 70% in mature markets\*. Recently, five of China's largest banks have launched initiatives to better service smaller enterprises and farmers. It is access to data and analytics that will transform SME lending in China and elsewhere for that matter.

\*Reference: Article published in China Daily by Wu Yiyao

Peak is fast becoming a leader in the area of fintech services to small and emerging companies in China. Their recently launched Cubeler commercial lending platform, held within Peak's 100%-owned subsidiary called ASDS (Asia Synergy Data Solutions), has received their Internet Content Provider (ICP) license. ASDS has already signed agreements with lenders and other partners. One such agreement is with Balang Technologies, a technology partner of the Industrial and Commercial Bank of China (“ICBC”), the largest bank in the world. Under the terms of the agreement, Balang will develop an interface between its servers and Cubeler's servers that will allow Cubeler to pull data from over 40,000 ICBC business customers, thus making them eligible to receive credit offers from Cubeler's registered lender partners. Further, the agreement provides ASDS with an option to acquire a majority stake in Balang after a certain period of cooperation between the parties. This is not only a wonderful start for Peak in China but also an indirect endorsement from the largest bank in the world.

While ASFC awaits its own lending license, ASDS has negotiated a temporary lending agreement with a government agency in China called Wuxi Jinxin Internet Small Loans Ltd. through which ASDS will facilitate loans for a small annual interest rate of 0.2% per loan. The lending opportunities available to ASDS are plentiful and attractive therefore this is an excellent bridge for Peak.



*Han Hua Zhu of Zhang Yin Law Firm and Liang “Golden” Qiu of ASDS create Gold Legal services to provide lenders with affordable recourse against loan defaulters.*

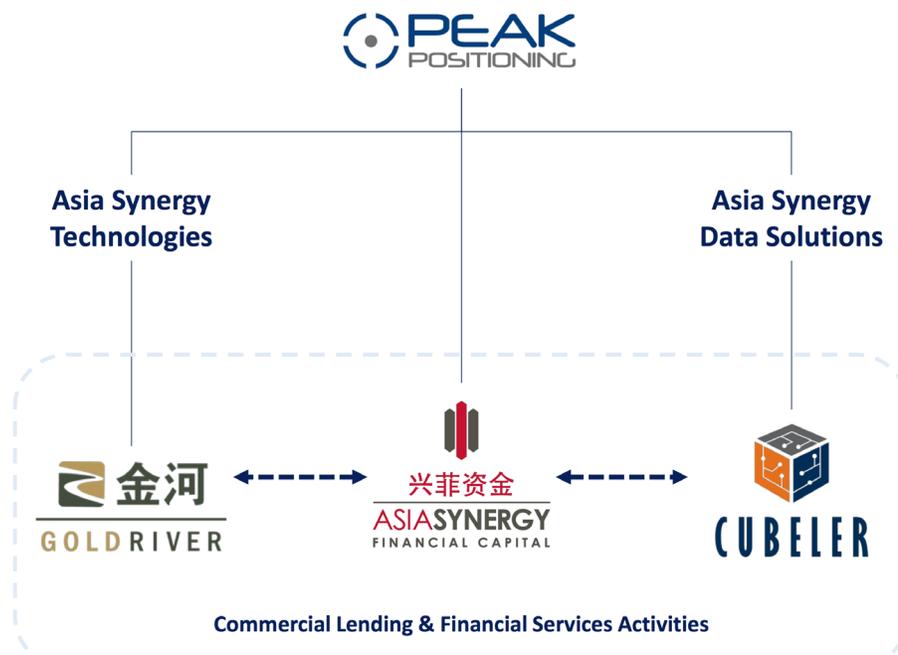
## Investment Thesis

Peak management has done a superb job in the past 12+ months implementing their business plan in China and they have done this with very little capital. While they deviated from their original growth model with the Gold River fintech platform, they did so to capitalize on an opportunity to earn significantly more profits on Gold River's transactions, and to introduce the Cubeler platform to the Chinese commercial lending industry.

While it is early days for Peak in terms of posting a profit, over the next several quarters patient shareholders will witness traction in both fintech platforms. Some of the catalysts we anticipate over the next year are:

- AST's Gold River fintech Platform will resume transactions with PO financing
- ASDS's Cubeler fintech Platform will show robust growth of registered borrowers and lenders for SME's
- ASFC (Asia Synergy Financial Capital) will be operational to finance PO on Gold River and lend to select Cubeler registered borrowers

## PKK Group Ownership Structure



## Peak Positioning - Operational Highlights & Key Milestones

- MAY 2016** Peak and ZHWY close \$4 M investment transaction
- JUNE 2016** Peak established Chinese operating subsidiary (AST)
- SEPT. 2016** AST launches Gold River platform and processes first online transactions
- MAR. 2017** Peak establishes ASDS in Shanghai
- MAR. 2017** Peak licenses Cubeler fintech platform for China
- JUNE 2017** ASDS signs first lender partnership agreement
- JULY 2017** ASDS signs agreement to add over 40,000 ICBC SMEs to Cubeler
- AUG. 2017** ASDS deploys Cubeler fintech platform in China
- AUG. 2017** Gold legal service added to Cubeler fintech platform in China

## Meet Johnson Joseph President & CEO of Peak

Mr. Joseph has been the President and CEO of Peak Positioning since 2011. During that time he helped successfully guide the Company through a number of challenging periods by being able to adapt and adjust the company's business model to changing and difficult market conditions. He led the Company's transition from being a software development company to becoming a manage-

ment company of IT assets with a focus on the Chinese technology space. His vision of giving Canadian investors a well-managed and trustworthy vehicle to participate in some of China's most promising tech sector opportunities is now the driving force behind Peak's operations. Prior to becoming Peak's CEO, Mr. Joseph spent 8 years in the financial services industry as an advisor with Investors Group, one of Canada's largest mutual fund and asset management companies. Mr. Joseph holds an MBA in Information Technology from HEC-Montreal and a Bachelor's degree in Finance from Texas Tech University.



## Meet Liang “Golden” Qiu CEO of ASDS and AST

Software engineer, entrepreneur and co-founder of Long-Key Software. Inventor of the NetCore e-commerce and Web engine as a tool to help businesses quickly build and publish dynamic B2B and B2C e-commerce Websites. Responsible for the overall execution of AST's and ASDS' strategic plans and serves as the main liaison between Peak and all of Peak's Chinese-based operations.

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