



**oplon**  
RISK PLATFORM

**a d v a n c e d a n a l y t i c s  
f o r r i s k m a n a g e m e n t**

a **modefinance** product



# Risk management common problems

- **Inefficient tools** for risk management, available at **high prices** and based on **outdated information**;
- Exhausting and **time-consuming** paper based risk procedures, where siloed team structures without a central database lead to wrong results;
- **Lack of standardized methods for** internal and external **data integration**, with a consequent loss of value;
- Different outputs based on personal analysts' results;
- Rating Agencies only cover 10% of the listed universe.

# Market trends

- Improving and automating current process, by integrating **Artificial Intelligence**: more revenue via better operations (67% of priority\*);
- Increasing data value to win and differentiate the finance business via **Advanced Analytics** (81% as TOP 3 technologies in finance\*);
- Exploiting unstructured data, coming from different sources, and transforming **BigData** into **Smart Data**: more business on digital (67% of priority\*).

\* Gartner 2017 Analysis

# How oplon solve these problems

- Reaching **thousands of listed companies and millions of privates**;
- **Nowcasting** credit analytics to the user, thanks to smart technologies, constant updating corporate news flow and smart reviewing;
- Equally and consistently assessing listed and private companies, where there isn't a real independent credit risk management **dedicated to private positions** in the market;
- A **verified** and always up-to-date **methodology** behind the evaluation process (MORE);
- **Adaptive, customizable and flexible solution**, rooted on core fundamental analysis.



MORE



BigData Analytics



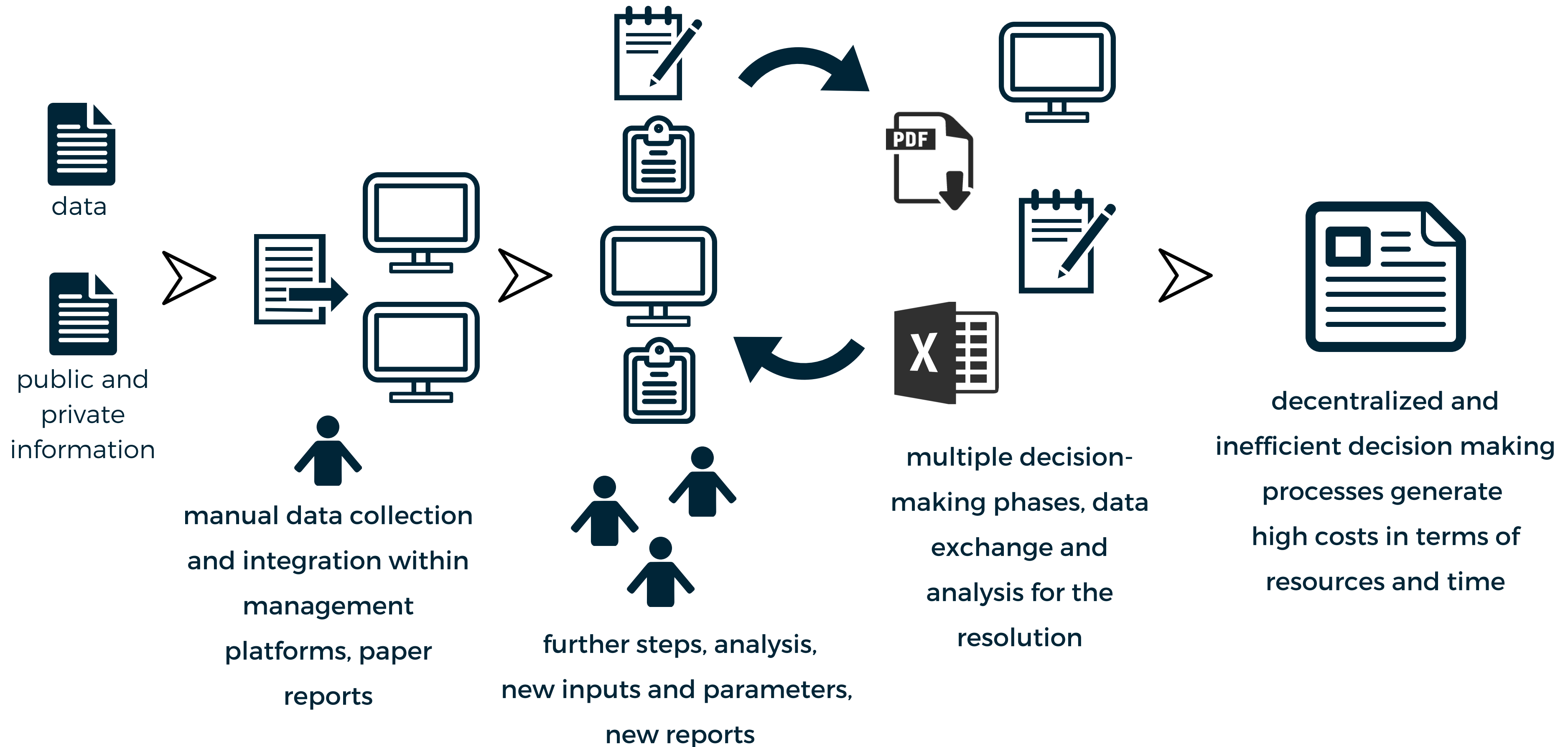
Artificial Intelligence



oplon is a powerful and reliable Artificial Intelligence risk platform, whose goal is to secure exposures from counterparty insolvency risk, automatizing the internal procedures.

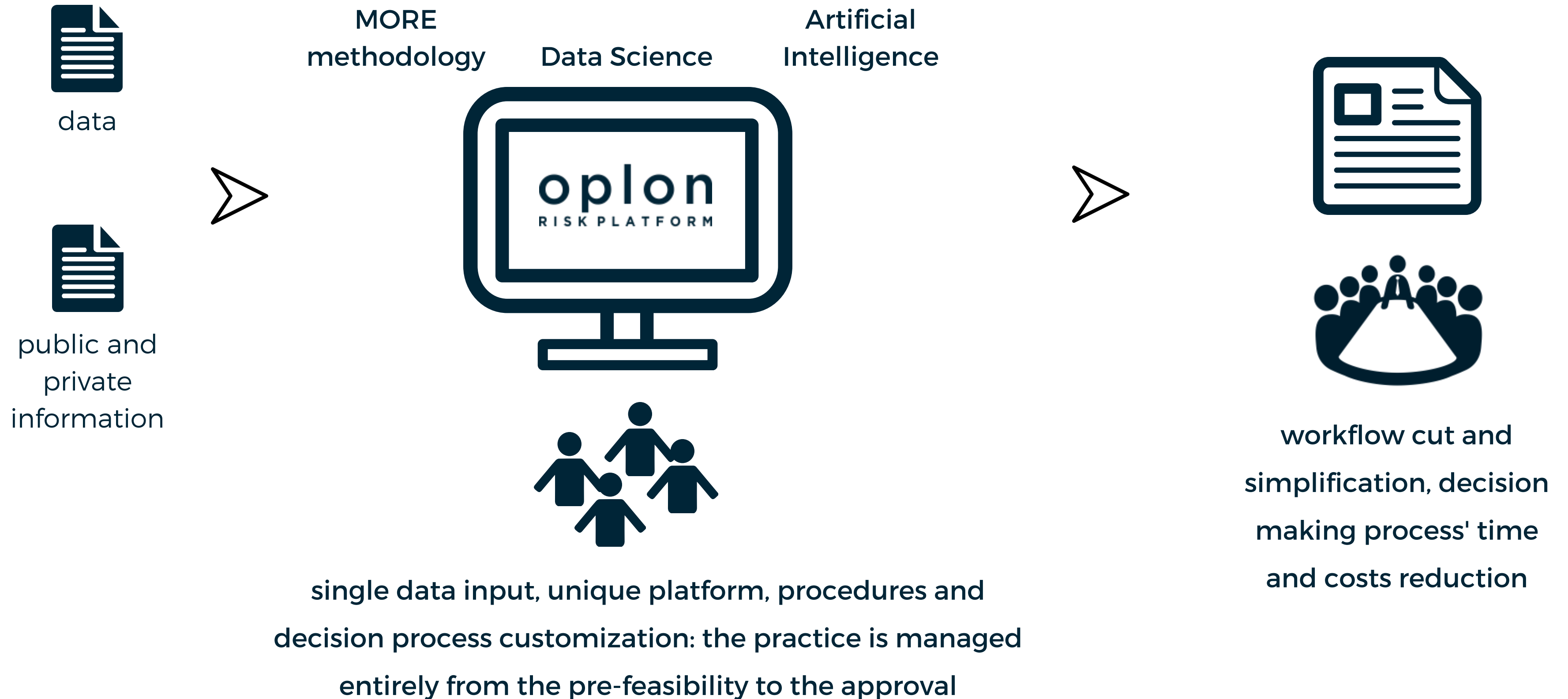
oplon's high flexibility allows to deal with different kind of exposures, addressing the needs of several kind of clients (from banks to corporates, worldwide).

# TRADITIONAL APPROACH TO RISK EVALUATION



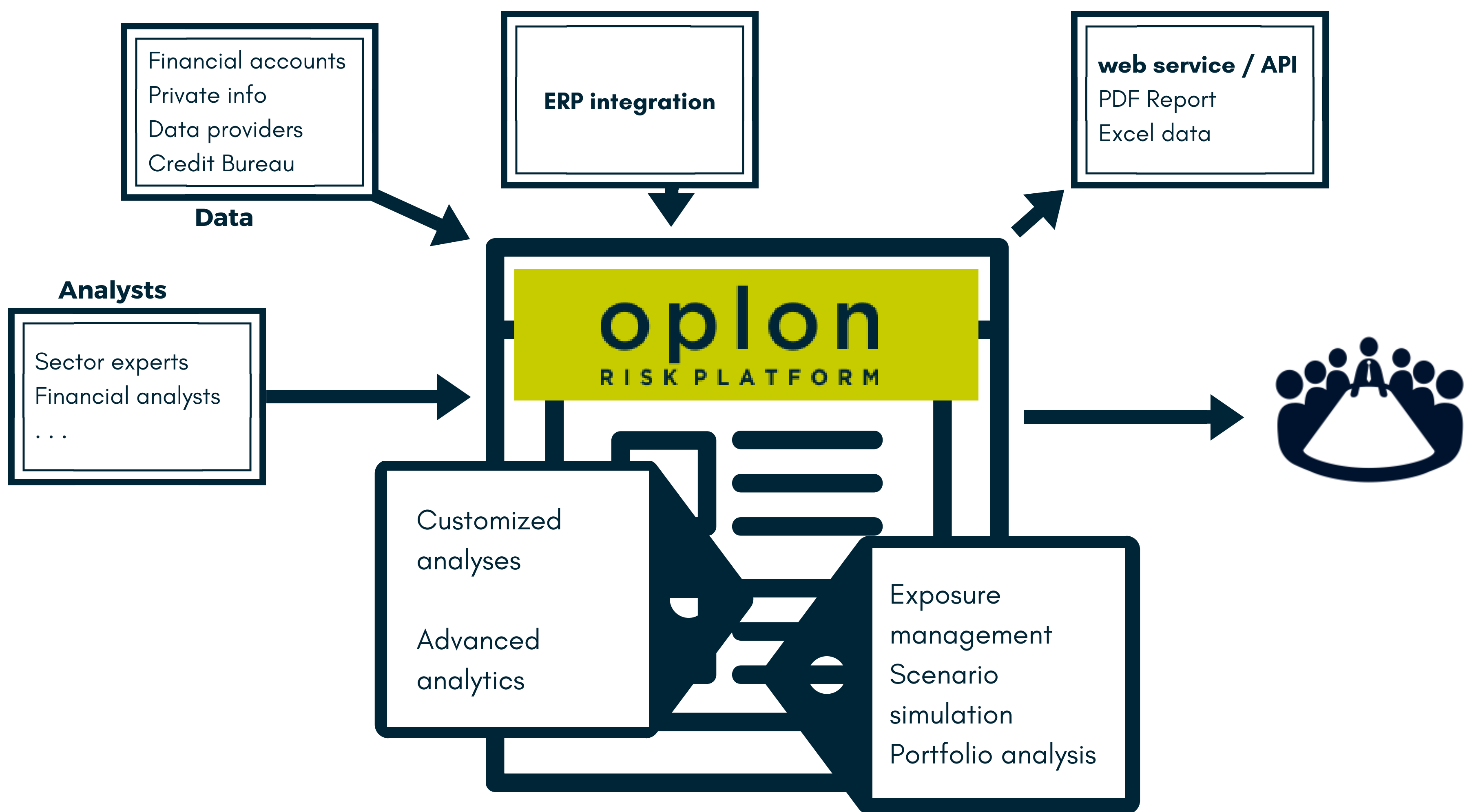


# INNOVATIVE APPROACH TO RISK EVALUATION



By 2020, organizations that integrate external and internal data within an advanced technological service will derive twice as much business value from AI and Analytics investments as those that do not.





## On a single client level

Ratings

Custom sector comparisons

Custom financial ratios

Sensitivity analysis

Portfolio Analytics

Cash flow analysis

Debt capacity

## On a portfolio level

Custom probability  
of default (PD)

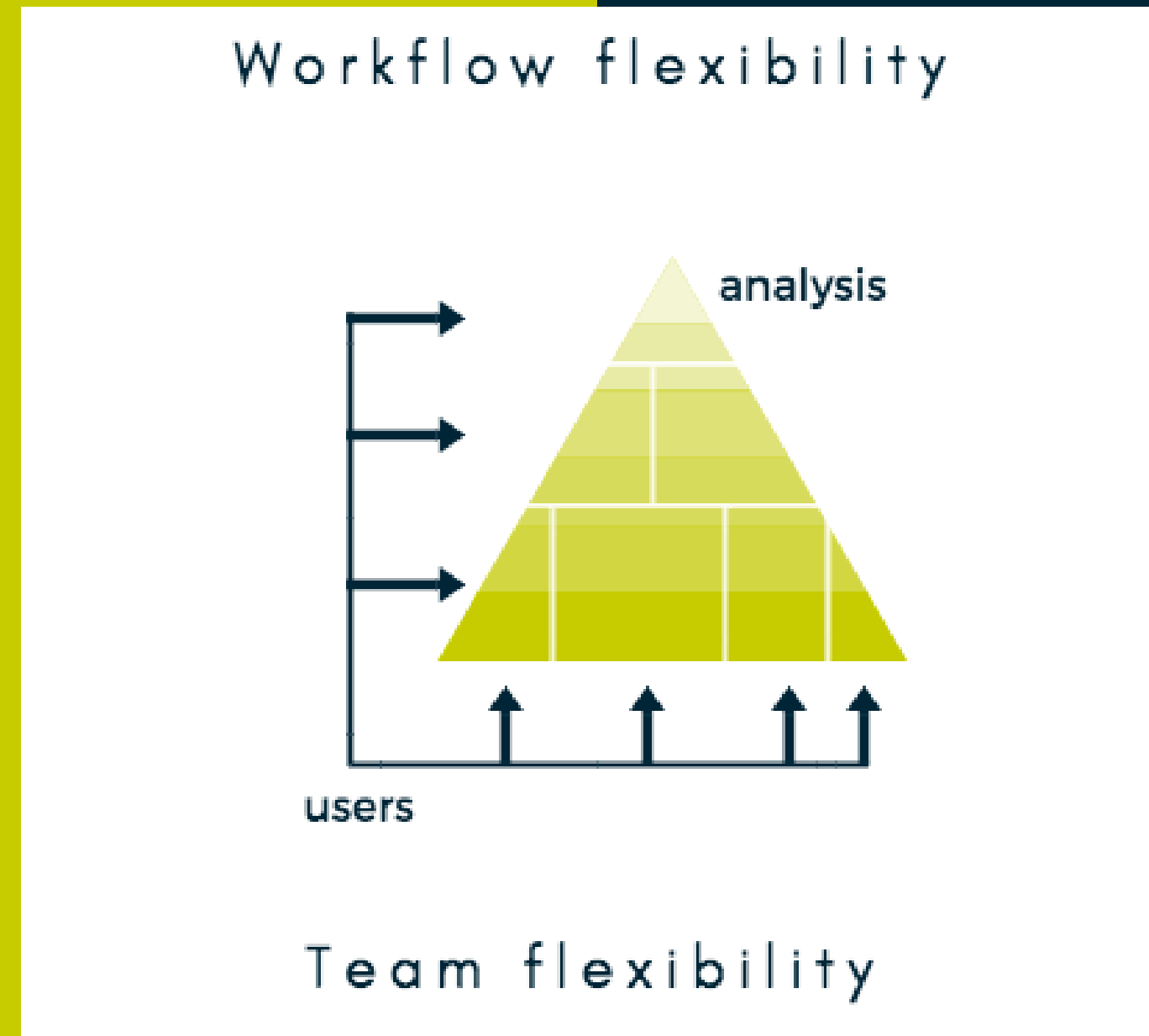
Expected loss (EL)

Loss Given Default (LGD)

Loss allowances

Capital allocation

Debt capacity





# Features

- **Global approach:** global Credit Scoring model for corporates and banks, worldwide.

- **Artificial Intelligence:** automatizing the process, with more accurate information.

## Sector analysis

NACE sector 2811, year 2016.

	Company	Healthy	Balanced	Vulnerable
<b>Solvency ratios</b>				
Leverage ratio ⓘ	0.4	0.51	1.58	3.02
Financial leverage ⓘ	0.0	0.11	0.51	1.14
Total asset/Total liabilities ⓘ	3.47	2.98	1.63	1.27
<b>Liquidity ratios</b>				
Current ratio ⓘ	1.56	2.4	1.39	1.15
Quick ratio ⓘ	1.39	1.85	1.16	0.83
Cash Cycle ratio	-26.0	-11.0	0.0	0.0
<b>Probability ratios</b>				
Return on investement ROI ⓘ	-29.94	13.88	3.68	1.23
Return on equity ROE ⓘ	-42.23	12.39	5.91	-2.35
Asset turnover ⓘ	1.26	1.01	0.95	0.81
EBITDA/Sales ⓘ	-0.21	0.14	0.09	0.03
<b>Interest Coverage ratios</b>				
EBIT interest coverage ratio ⓘ	-219.04	127.8	7.09	0.52
EBITDA interest coverage ratio ⓘ	-191.84	119.9	24.88	0.98
<b>Monetary cycle (days)</b>				
Days Sales of Inventory (DIO) ⓘ	10.0	44	46	65
Days Sales Outstanding (DSO) ⓘ	39.0	56	78	65
Days Payable Outstanding (DPO) ⓘ	6.0	36	50	57
Cash Conversion Cycle (DIO + DSO - DPO)	43.0	64	74	73
<b>Numerosity of companies analyzed</b>	-	50	99	57

### Complete analysis

MORE score

B

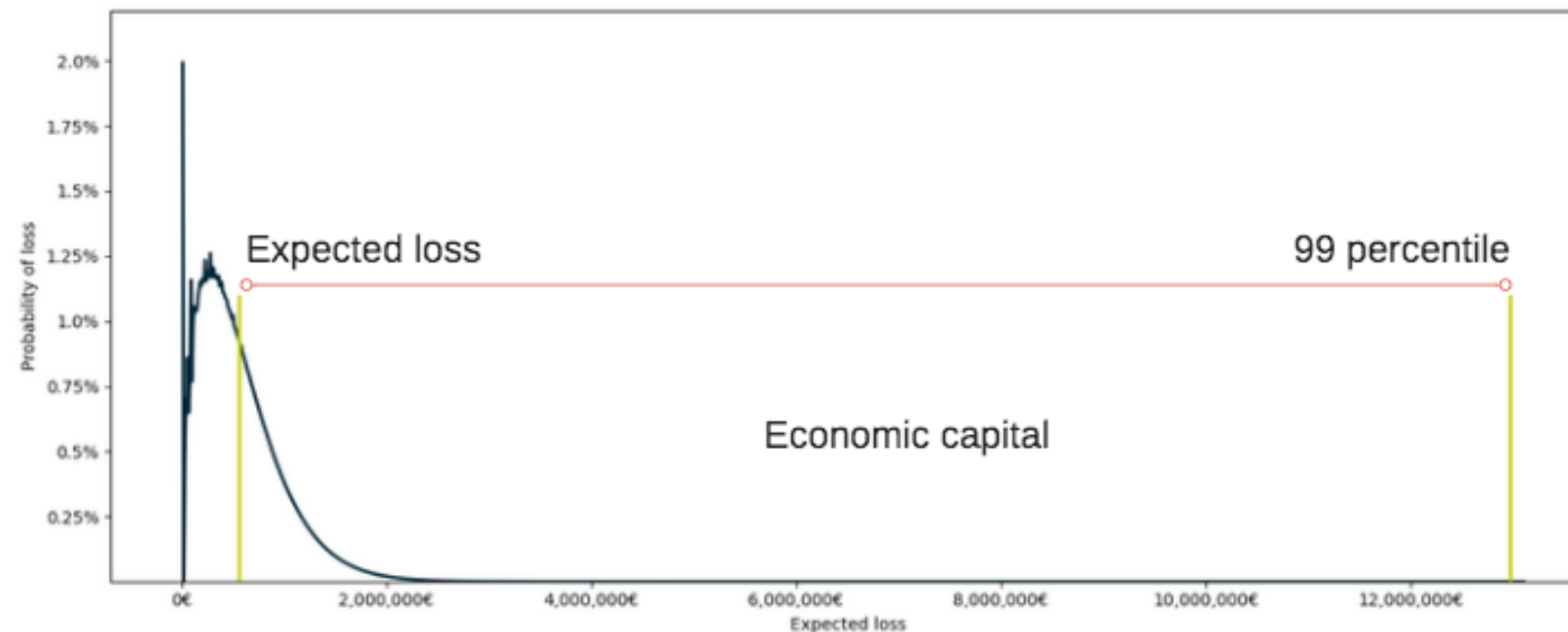
Probability of default 7.21 %

Final rating

AAA

### Analysis in progress

Quantitative Credit Scoring



# Features

- **Integration:** customized Credit Rating policy and procedures with flexible users' hierarchy management.
- **Easy connection:** cloud-based platform access and data transfer, through Machine Learning technology.



# Features

- **Monitoring:** automatic monitoring of all the portfolio positions.
- **Customization:** BigData integration of both public and private data into customized models.

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Name, fiscal code, ...

Valentino

Main menu

Your activities

Companies

Portfolio

Prospecting

Portfolio

Portafoglio standard

Portfolio

Search in Table

Analysis Type: All

Labels: All

Dossier Type: All

Final Rating: All

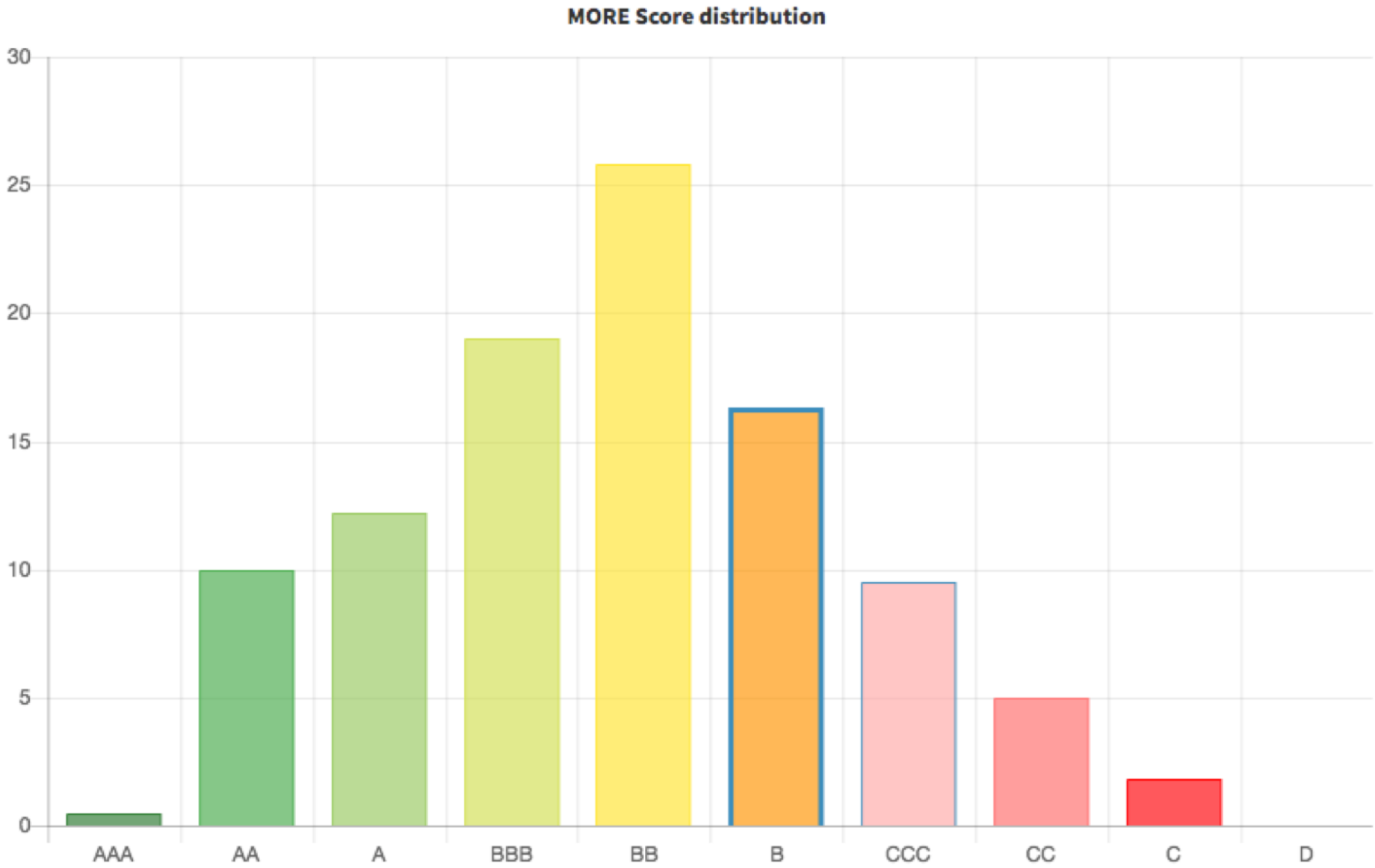
MORE score: All

Advanced Filters

Actions

Show 10 rows per page

<input type="checkbox"/>	ID	Company labels	VAT	Name	Type of dossier	Approval date	Score MORE	Final_Rating	MORE PD	
<input type="checkbox"/>	266		08385921005	A.R.P. FOOD & HOSPITALITY S.R.L.	Pratica commerciale	2018-02-21	BBB	A	0.47 %	<div><div></div><div></div></div>
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# oplon case study - investment banks



mediolanum is using oplon to assess and monitor their investments, on worldwide positions, both public and private entities, corporates and banks.

oplon added value:

Worldwide rating + quick and customized analysis

# oplon case study - banks



CheBanca! is using opion to assess and monitor the creditworthiness of the customers toward whom they have issued short and mid-long term loans or which have a bank overdraft.

opion added value:

Implementation of complex bank's policy and procedures

# oplon case study - corporates



Samsung is using opion to evaluate and monitor the creditworthiness of their wholesaler and retailers on the italian market. Within the platform they also have a customized probability of default computed on the universe of italian electronic and household appliances wholesalers and retailers, even factoring the sector trend.

opion added value:  
Internal data + information customization





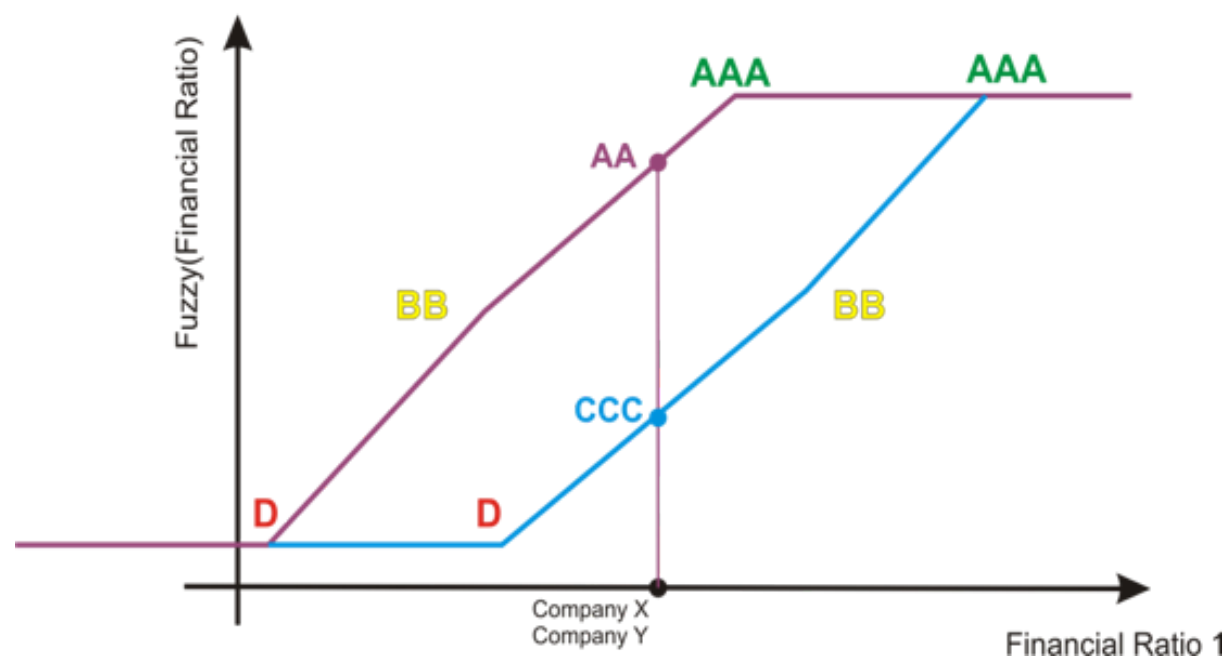
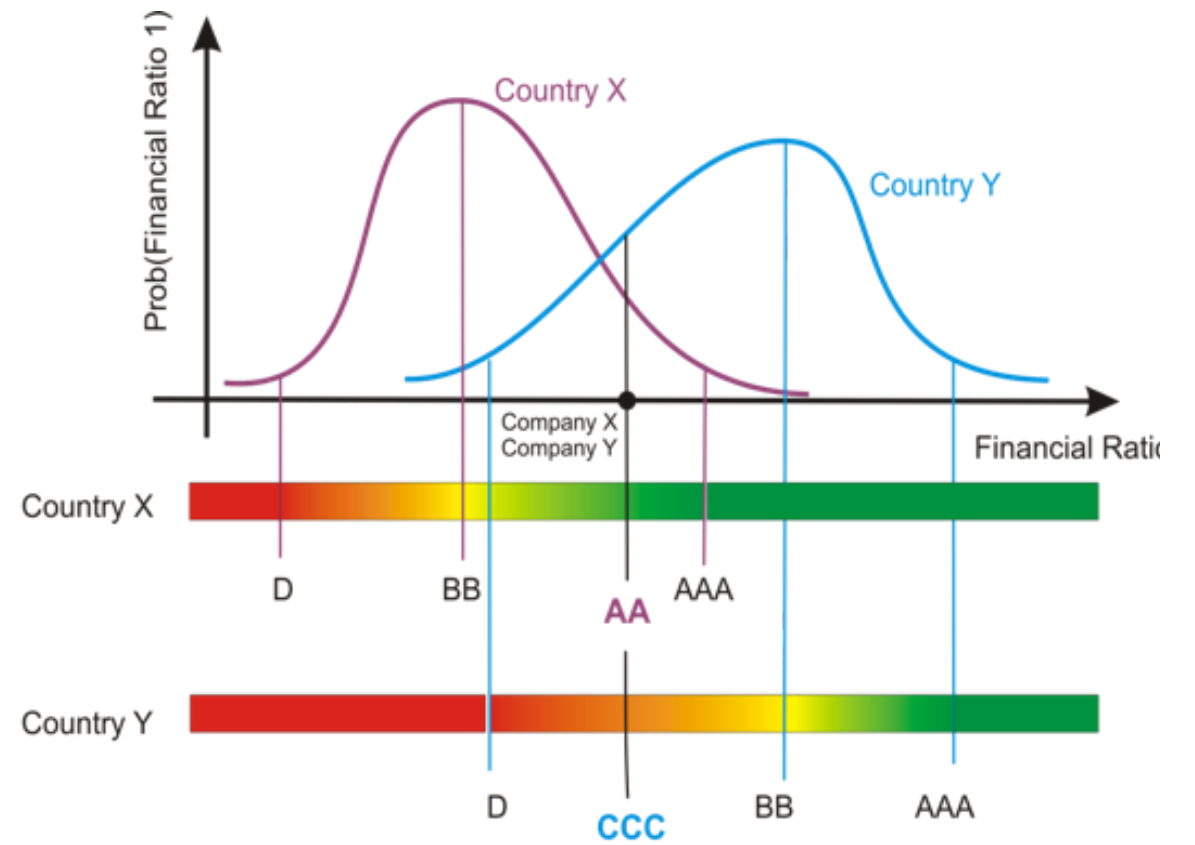
modefinance

where the most advanced BigData and Artificial Intelligence  
technologies meet finance

by the first European Fintech Rating Agency



# modelfinance core: MORE methodology



Thanks to its innovative technology, MORE allows the consistent integration of all information, both quantitative and qualitative, determining an accurate assessment of the Credit Rating.

It is based on the most innovative numerical methodologies, connecting Machine Learning, decision making processes and BigData analysis.

No size/sectors limits: more than 250million companies and more than 65'000 banks worldwide.



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Contact us to:

- get oplon live demo webinars;
- get oplon open trial version early access;
- get verticalization of oplon on internal data.



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