

Assessment Period 1 (July 1st, 2019 – September 30th, 2019)**Swoop Finance Limited - £5M Grant****COMMITMENT 1**

Swoop is committed to supplementing the CIF award with an investment of £3.3m throughout the project.

Update:

Swoop has supplemented the CIF award at a ratio of £0.4 per £1 for the overall project investment for the current Assessment Period.

COMMITMENT 2

Swoop will further invest in its proprietary, cloud-based technology and API enabled platform to deliver a sophisticated all-in-one SME finance platform. This will include a fully integrated marketplace of lenders, grant agencies, equity investors and finance product providers. Where providers have APIs available, Swoop will integrate these into its platform to deliver real-time finance decisions to customers. Swoop will deliver this integrated marketplace by Q2 2020 and will continually add more finance provider APIs as they become available. This integrated marketplace will lead to increased demand and access to funding for SMEs. Swoop will onboard 540,000 SMEs (15% of the business current account market) with at least 270,000 SMEs applying for external finance generating £11.8 billion in financing secured for those SMEs by Q4 2023. Of these 270,000 SMEs:

- 40,000 will apply for grants and/or R&D Tax Credits through Swoop generating £942m in money awarded to over 6,000 SMEs.
- 200,000 will apply for debt finance through Swoop generating £9.9 billion in debt finance secured.
- 30,000 will apply for equity finance generating £1 billion in money raised for 3,000 SMEs.

Update:

Swoop's investment program in proprietary, cloud-based technology and a fully API enabled platform to deliver an all in one SME finance platform is on target. Progress to date includes a marketplace of over 225 lenders, grant agencies, equity investors and finance product providers. Swoop has completed four lender API integrations to date with three more due to complete in six weeks. These integrations enable real-time finance decisions to customers. Swoop is on track to deliver a fully integrated marketplace by Q2 2020 and will continually add more finance provider APIs as they become available.

This marketplace has led to increased demand and access to funding for SMEs. Swoop has onboarded over 8,000 SMEs in this period resulting in £19m of secured financing across loans, grants and equity finance. In addition to this, Swoop has launched a white label version of this marketplace to a major UK bank which will further increase access to finance for its SME customers. While progress has been significant, Swoop has faced a challenging environment with a marked decline in SME appetite for external finance due to political uncertainty and the increased risk of a no deal Brexit. There are also early signals of a strengthening of lending criteria across traditional and alternative providers. In addition to this, partners have had to delay launching with Swoop as they

transferred resource to Brexit contingency planning. The overall impact has meant Swoop has faced near term challenges in meeting this commitment.

COMMITMENT 3

Swoop will enhance its award-winning comparison and business intelligence tools to deliver AI based advisory features. Examples include monitoring spending habits and identifying the best providers based on usage; notifying customers when they can refinance to more favourable lending terms; automated reading of loan documentation; and real time monitoring of business performance against covenants. Expert help will be available whenever a customer needs support including virtual assistance, expert help on demand via video chat, and instant scheduling for an appointment with a specialist. Swoop will deliver these intelligent tools with the first feature release in Q2 2020.

Update:

Swoop has enhanced its bank comparison and business intelligence tools to deliver AI based advisory features. Swoop and its tech partners have built tools that categorise and monitor spending habits and notify customers of the best providers based on bank account usage. Swoop has recently launched a white label version of this tool with a UK bank as well as offering it directly to SME customers.

Swoop are also building a notification tool for customers to enable refinancing to more favourable lending terms and this is on track to be completed by the end of 2019.

Automated reading of loan documentation and real time monitoring of business performance against covenants features will be launched by Q1 2020.

Expert help is available whenever a customer needs support including virtual assistance, on demand via video chat, and instant scheduling for an appointment with a specialist. Swoop is on track to deliver all of these intelligent tools by Q2 2020.

COMMITMENT 4

Swoop will build digital features that are beautifully designed, and secure to use. SME customers will be able to move effortlessly between finance products and accounts to manage their finances on the go. Swoop understands that many SMEs wish to manage their finances through mobile applications as well as online, so to support this, it will launch its mobile applications in H1 2020.

Update:

Swoop is building a mobile application so that customers can manage their finances on the go as well as online and is on track to launch its mobile application by end of H1 2020.

COMMITMENT 5

Swoop will continue to work with all UK banks and CASS to deliver an end-to-end automated process for business current account opening to remove the hassle from BCA switching.

Update:

Swoop has engaged with UK banks and CASS to deliver an end-to-end automated process for business current account opening to remove the hassle from BCA switching. Swoop has successfully implemented a digital end to end solution with three banks and is on target to implement at least two more by end of 2019.

COMMITMENT 6

Swoop commits to helping UK SMEs save over £4bn FX charges - mainly on market spread charged by banks. Swoop will end this practice by analysing the bespoke cost to SMEs of making international payments with their banks. We will compare bank rates received with independent provider rates in real time via API integration and identify the best value option for our customers. SMEs will be able to open and manage an independent FX account within Swoop and will be able to take advantage of currency trend notifications. Swoop will assist 270,000 SMEs to move their FX to an independent provider generating £1.62 billion in savings by Q4 2023.

Update:

Swoop is currently developing its FX comparison tool which will help UK SMEs save over £4bn a year in FX charges. Swoop has completed its integrations and categorisations of banks via Open Banking and will be completing its first API integration with an independent FX provider by November 2019. The tool will continue to be developed in 2020 to enable SMEs to open and manage an independent FX account within Swoop and to take advantage of currency trend notifications. Swoop has assisted 45 SMEs in comparing and moving their FX to an independent provider during beta trials in August and September 2019.

COMMITMENT 7

Swoop commits to helping SMEs reduce overdraft, unsecured loan rates, and bank fees by enabling SMEs to see the value of their account and easily switch away when rates are uncompetitive - overcharges are estimated at £650m pa. Swoop's virtual CFO will be continuously scanning the market for better rates and service and will automate switching for individual or all financial products.

- Swoop will assist 135,000 SMEs to either switch their business current account with an overdraft to a new provider, or replace with a better value invoice finance facility, generating £158m in savings.
- Swoop will assist 162,000 SMEs to open additional accounts to perform particular functions such as fast payments and deposits generating £243m in savings.
- 216,000 SMEs will switch their utilities provider through Swoop generating £222m in savings.
- 108,000 SMEs will move their business insurance provider through Swoop generating £47m in savings for those SMEs. These savings will be achieved across all categories by Q4 2023.

Update:

Swoop commits to helping SMEs reduce overdraft, unsecured loan rates, and bank fees by enabling SMEs to see the value of their account and easily switch away when rates are uncompetitive - overcharges are estimated at £650m pa. Swoop is on track to deliver a virtual CFO solution which continuously scans the market for better rates and service and will automate switching for individual or all financial products. Swoop delayed a marketing campaign to launch this service to post October 31st, 2019. This was to ensure that communication to SMEs was not impacted by media focus on Brexit and the political climate. This has led to near term challenges in raising awareness and customer acquisition.

Swoop has completed all bank integrations and categorisations for bank account and overdraft comparison and has launched this tool direct to market as well as through a white label version for a bank partner. This tool will continue to have additional intelligent features released over 2020.

Swoop has assisted 405 SMEs in this period to achieve savings across the following categories:

- * 182 SMEs switching or opening a Business Current Account

- * 13 SMEs switching from overdraft to a better value product
- * 165 switching utilities
- * 45 switching FX providers
- * Leading to total savings of £365,000 for these SMEs.

COMMITMENT 8

Swoop commits to reducing the funding disparity between London and rest of the UK particularly for equity finance. Swoop will deliver access and SAAS workflows for customers to not only be matched to investors but to build quality investor documents.

Update:

Swoop commits to reducing the funding disparity between London and rest of the UK particularly for equity finance. Swoop is increasing UK SME awareness and education and has delivered six free funding classes and webinars both direct to SMEs and in partnership with support service providers across the UK. Swoop plans to increase this delivery program in 2020 and will launch its investor readiness workflow tool in 2020 as planned.

COMMITMENT 9

Swoop will continue expanding the breadth and depth of its market network with funding and service providers. Swoop will onboard at least 90% of UK funding providers by H2 2020. This will include investors registered with the EIS Association and the BVCA as well as the regional and sectoral funds supported by the British Business Bank. Swoop will onboard all government grant schemes as set out by gov.uk. Swoop will onboard all UK bank loan products and at least 90% of all alternative finance providers as set out by the Peer-to-Peer Finance Association.

Update:

Swoop is expanding the breadth and depth of its market network with funding and service providers. Swoop has onboarded 225 providers and is on track to have at least 90% of UK funding providers on its platform by H2 2020. Swoop has engaged with the EIS Association as well as the regional and sectoral funds supported by the British Business Bank. Swoop will onboard all government grant schemes as set out by gov.uk. Swoop will onboard all UK bank loan products and at least 90% of all alternative finance providers as set out by the Peer-to-Peer Finance Association.

COMMITMENT 10

Swoop will continue its collaborative approach to delivering innovation. It has identified seven UK SME tech partners to assist on this initiative. Swoop will engage with four of these partners in H2 2019 and three of these partners in H1 2020.

Update:

Swoop will continue its collaborative approach to delivering innovation. It has engaged seven UK SME tech partners to date to assist on this initiative.

COMMITMENT 11

Swoop commits to building on its culture of diversity and inclusion as it grows its workforce by 50 in the Midlands. We are proud that Swoop is led by a female CEO, with a 49:51 gender workforce.

Update:

Swoop is proud to continue building on its culture of diversity and inclusion and has recently appointed a senior D&I leader from the banking industry. While its workforce doubled in this Assessment period, Swoop continues to have a 50:50 gender workforce.