

Previsé Ltd – £2.5m Award

Assessment Period 1 (September 1st, 2020 – November 30th, 2020)

COMMITMENT 1 – We will increase the availability of InstantFinance products to 50,000 SMEs who trade with large corporates by December 2022

- 1. InstantFinance products will be made available to SMEs of all sizes.**
- 2. The pricing of InstantFinance products will be equal to or better than overdraft pricing and will be significantly better than invoice finance products.**

We are on track to meet this commitment.

Since receiving the BCR funds we have started to onboard 3 corporates who are providing their data to support the availability of InstantFinance products. Collectively these corporates have over 7,500 suppliers ranging from Micro/sole traders through to organisations with a turnover of £250m. In each of these programmes the pricing of the InstantFinance products is expected to be c.25-30% lower than other overdrafts.

Bank support is gaining real momentum with a new partnership being introduced into an established program and three more conversations are progressing with global banks about partnership opportunities.

COMMITMENT 2 – We will lend £100m+ to SMEs by December 2022

- 1. By December 2022 we will have built an InstantFinance-enabled outstanding lending book to SMEs of £100m+, providing funding for over £1bn in SME orders and invoices per annum.**

We are on track to meet this commitment and remain confident in our business plan and ability to achieve the KPI targets.

Despite the prevailing market conditions and challenges related to Covid such as lockdown and CBILS we now have the building blocks in place to drive success across 2021/22.

We have a strong pipeline of buyers contracted but are taking longer than expected to onboard as they manage the impacts of Covid.

Notwithstanding the unexpected market conditions, our financing is on track to be available to 10's of thousands of SMEs and is highly competitive relative to overdraft and invoice finance pricing and availability.

In summary we feel that Previsé is ideally placed to help SME's in the short term through the recovery and also long term through accessible and affordable finance.

COMMITMENT 3 – We will invest in the scalability, accessibility and usability of data-driven financing products for UK SMEs

- 1. The most common UK bookkeeping services will be integrated to enhance data analysis by June 2021.**
- 2. We will create standardised ERP data extraction plugins for the 5 most common corporate ERP systems to minimise the cost of connecting corporate data sources, the first will be released in January 2021 with the other 4 launching every 3 months thereafter.**
- 3. Automated onboarding and improved usability for SMEs through a new portal and reconciliation tools will be available to users within 9 months from receipt of grant.**

We are on track to meet these commitments.

1. We are ahead of plan with the 3rd party services & data integration framework, evaluation & orchestration engine development.
2. We are on track to deliver on our commitment to integrate with the most common UK bookkeeping services by May 2021.
3. We will deliver our first corporate EPR plug-in, ahead of target and our intention is to deliver the remaining 4 ERP Plugins across 2021 and 2022.
4. Development work on the SME portal has commenced in line with our plans. Initial design and user testing of flexible financing options has been completed and will be developed next.

COMMITMENT 4 – We will engage and work with the FSB and other 3rd parties to empower SME to corporate trade through technology and data by December 2022

1. **We will launch a SmartData program with the FSB and their 300k active SME members by February 2021.**
2. **This program will leverage SME banking and bookkeeping data, as well as public and private data to empower SMEs to better negotiate, track, manage and optimise the financing of their trade with larger corporates. We forecast that 120k SMEs will be using this platform and data in their day to day financing operations by December 2022.**
3. **The SmartData program will also vastly increase the type and depth of data available to improve underwriting and funding of SME trade (such as the InstantFinance products), by gaining support from at least 20 FTSE 350 (or equivalent) corporates to engage with their trading data by December 2022.**

We are on track to meet this commitment.

We are on track to launch our SmartData program by Feb 2021, with a number of key partners now in place, who are now working with us on the initiative.

1. A working group has been established with the FSB, which is regularly gathering their insight and experience to help shape the approach to the market.
2. A lead agency has been appointed who are now developing branding and messaging approach as well as completing media planning and developing the campaign activity.
3. We have the complete portal journeys mapped with wireframes produced. This is now progressing through sprint cycles to develop the functionality required.
4. A number of corporates, interest groups and senior public figures have expressed interest in backing the campaign.

COMMITMENT 5 – We will collaborate across the industry, for the benefit of SMEs

We will make our AI-powered InstantFinance technology available to all parties in the UK who wish to finance trade between SMEs and large corporates, including traditional banks, specialist trade finance providers, alternative lenders and FinTech entrants, delivering a connected and collaborative ecosystem by June 2021.

- 1. All banks, non-traditional lenders and any other party who wishes to finance trade between SMEs and their large corporate customers in the UK will have access to InstantFinance services.**
- 2. We commit that the pricing of our technology to third parties will not exceed the gross margin that we earn on our own use of the technology, so that pricing never inhibit the funding of SME trade.**
- 3. We will partner with all interested parties, such as banks, FinTechs, bookkeeping providers, small business lobbying groups and Government groups to maximise awareness, engagement, understanding and adoption of InstantFinance for the benefit of SME.**

We are on track to meet these commitments.

A number of partnerships have been established which are now being piloted. These engagements will allow us to establish the most effective model moving forwards before a wider roll out:

1. We have packaged the latest version of our InstantFinance technology to ensure ease of use by FI's.
2. We have market tested our offering with two banks and are now engaged with one to release through their products, and one for their use to provide finance to their suppliers.
3. Pricing of our technology is as per our commitment, i.e. the gross margin does not exceed the gross margin that we earn going direct to the market.

COMMITMENT 6 – Co-investment

The £2.5m of BCR funds will be matched with £2.5m of Previsé funds.

We are on track to meet this commitment.

We continue to honour our commitment to matching the BCR funding with £2.5 million of Previsé funds.

COMMITMENT 7 – We will continue to be a positive impact employer, supporting the regions and embracing inclusion and diversity in all its forms

- 1. We commit to hiring 12 additional high-quality staff in the UK over the next 2 years.**
- 2. We will continue our commitment to the North, maintaining our data science and software engineering centre in Scotland.**
- 3. We will continue our over-representation of minorities in our work-force, including based on socio-economic background, education level, age, gender, ethnicity, religion, disability, sexual orientation and national origin.**
- 4. We will continue to play a leading role in the broader debate on the impact of Artificial Intelligence on society and promote AI for good.**

Previsé remains fully aligned to the stated commitments and we are on track to meet them. Some specific updates are below:

1. Since receiving the BCR award we have recruited 3 new team members as part of our overall commitment of 12 by the end of 2022.
2. We continue to invest in our team in Scotland and since September we have added 1 additional team member to our engineering team who is based in Scotland.

3. We positively promote diversity and equality of opportunity at all times and this is a key part of Previsé's core values. We celebrate multiple approaches and points of view and we believe diversity drives innovation.

Some specific targets we are striving towards are as follows:

By December 2021 at least 25% of our technology positions will be held by a female member of staff and 20% of our company board & advisors will be filled by individuals with a diverse or minority background. We are very strong advocates of the exceptional benefits and opportunities that can be derived from Artificial Intelligence and it is one of the core foundations of our business.