

Swoop Finance Limited – £2.5m Award

CIF Key Achievements to Date

- Increased the number of growth lenders Swoop will be working with throughout this project to include ArchOver, Element, SME Capital and Claret.
- Kicked off growth finance webinar with ICAEW with 135 registrations.
- Closed £3m in growth financing.
- Generated 54 growth finance leads.
- Kicked off technical investigation with partners Futrli and ForwardAI.

Assessment Period 1 (October 20th, 2021 – December 31st, 2021)

Commitment 1: Swoop will provide £200m of additional lending to UK SMEs by 2023 and will provide £1.8bn within 3 years.

We will do this while delivering an outstanding digital customer experience and transparent compliant process. Swoop will provide £1.5bn of Swoop Growth Loans with an additional £300m provided by new institutional partnerships on boarded in 2023.

The additional £1.8bn of Swoop Growth Loans will enable SMEs to leverage other sources of finance of £250m via the Swoop marketplace of grant, equity and loan providers.

We are on track to meet this commitment. Swoop has provided £3m in lending during Q4 2021, which is on target with our commitment. Overall, we are on track to meet this commitment in 2022 based on the pipeline of activity already building combined with significant early interest from other institutional funds to deploy capital via Swoop's origination platform. Swoop is engaging with the SME, advisor and broker communities to raise awareness of growth finance and Swoop Growth Loans. The extension of the RLS scheme continued to be the focus of market demand up until 31 December 2021 when the scheme rules changed. Swoop believes that non RLS growth finance will become a genuine alternative, particularly for those seeking greater than £500,000 in 2022.

Commitment 2: We will directly support more than 2,100 SMEs.

We commit to directly supporting at least 2,100 SMEs over the next three years. Swoop will offer unsecured loans of £0.5m to £5m, subject to affordability. We expect the highest demand will be for loan amounts of £0.5m to £1m.

Swoop is on track to meet this commitment. Swoop has directly supported three SMEs with a pipeline of 15 more SMEs in line with our commitment to directly supporting 2 SMEs during the first phase of this commitment.

Commitment 3: We will provide a fast decision via a digital eligibility checker by H2 2022.

SMEs do not waste time and effort. For those that are rejected we will surface alternative eligible funding solutions from the Swoop marketplace.

Swoop is on track to deliver a digital eligibility checker by H2 2022.

Commitment 4: We will provide over 10,000 SMEs with the tools to be growth finance ready with the first 5,000 provided by Q4 2023.

Swoop in partnership with Futrli will deliver the first-to-market automated financial model for lending via accounting integrations. We will deliver an auto-generated Investment Memorandum including ESG, business strength and viability assessments as well as probability of default and credit scores.

Swoop is on track to meet this commitment. Swoop and its partner Futrli are on track to deliver an automated financial model for lending. Swoop has also been gathering user requirements from several growth finance funds to ensure the Investment Memorandum, ESG and financial health and credit score are seen as industry benchmarks when launched. Swoop launched an automated Business Credit Score report showing the probability of default based on open banking data. This was delivered in partnership with fintech partner CRIFF. Through our work with CRIFF, we are enhancing the credit passport feature to allow growth finance seeking SMEs to access an in-depth credit report based on their companies house and open banking data.

Commitment 5: We will match the contribution from the CIF with our own funds.

Swoop is committed to supplementing the CIF award with an investment of £2.5m throughout the project.

Swoop has met its commitment for this period and is on track to continue to do so.

Commitment 6: We will directly create 10 new jobs by Q4 2022.

We will continue our regional team expansion and we will maintain our reputation for equality and diversity.

Swoop is on track to meet this commitment. Swoop created one job in the Northeast England in Q4 2021.

Commitment 7: We will invest in the fintech ecosystem by H2 2022.

We will invest over 50% of the CIF funds in fintech partners to deliver on this initiative enabling further growth of innovative software providers.

Swoop is on track to meet this commitment having agreed its investment with its fintech partners to deliver this project.