

Swoop Finance Limited – £2.5m Award

CIF Key Achievements to Date

- Swoop has an agreement in place to integrate with Xero to help businesses from a cashflow forecasting perspective.
- Closed £29.6m in growth financing.
- Generated 524 growth finance leads.
- Released first version of ForwardAI integration for growth finance seeking SMEs

Assessment Period 2 (January 1st, 2022 – March 31st, 2022)

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.

Swoop is on track to meet this commitment with £29.6m in lending achieved in Q1 2022. Swoop has broadened its panel of growth lender providers and has onboarded a number of venture debt funds that leverage higher lending volumes against equity stakes amongst some of the clients going for growth loans.

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 with 4,000 SMEs becoming aware of growth loans via Swoop's platform in Q1 2022. Of these, 1,950 were made aware of more than one growth financing option. Swoop also launched its education platform RISE for accountants and brokers to help educate their clients on growth lending which helped drive 108 introductions of growth loan opportunities from accountants and brokers during the last quarter.

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 release its digital eligibility checker by H2 2022 and has integrated a new technology partner to enhance the eligibility variables that can be offered to growth lending partners using the platform.

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 having made progress with its technology partners Futrli and Forward AI to deliver a first-to-market automated cashflow model for accounting integrations.

Swoop has also been working with Credit Passport on version 2 of its API to improve scoring capabilities through the platform for both SMEs and growth lenders.

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 is on track to meet this commitment having contributed £414k in Q1 2022.

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 having created 3 new jobs in Q1 2022, taking the total to 4 jobs created through the project.

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 and is already working with 4 partners on the initiative so far and has invested 53% of funds to date in fintech partners.