

Fluidly Limited - £5M Award

Key Achievements to Date

- In Q4 2022, we completed the extension of the digital application for commercial investment loans, as well as completing the secure data integration with our credit decision engine. We have also completed the development of the credit decision engine which will allow us to make decisions on loan applications faster.
- In Q3 2022, we launched the new OakNorth digital application journey for residential property loan applications under £3m. This will make the online loan application process much faster and easier, cutting down average times to complete an application and gather all the paperwork to apply for a loan from weeks to hours.
- In Q2 2022 we launched as one of the partners on Virgin Money's new SME proposition M-track and featured in their communications showcasing our product. We also received FCA approval for the OakNorth acquisition of Fluidly.
- In Q1 2022, we launched two new features to help SMEs understand their business better and make more informed decisions. These were Instant Insight, which provides an initial view of the business ahead of the full cashflow forecast, and Cash Performance, that compares actual company performance to the AI forecast. We also enhanced our training capabilities to provide information and understanding on the Fluidly products including the new OakNorth products.
- We have 44 lenders in our marketplace, many of whom are alternative finance players, and we are working with more than 40 of the Top 100 Accounting Firms in the UK to reach as many SMEs as possible at scale.
- In 2021, we launched our first fully automated funding journey enabling SME businesses to receive an instant decision about their funding options and receive approval for funds in real time. We launched our VAT insights tool to allow our SME users of both Quickbooks and Xero to benefit from this feature, including forecasting VAT payments and handling VAT deferrals. We also launched actions within our product to help SMEs manage their cashflow, including a new 'Plan' feature which supports financial decision making.
- In 2020, we launched our funding journey (financial services marketplace): this allows SMEs to instantly access pre-qualified funding offers from a range of lenders by inputting just their company name.
- Awards: In 2020, we were awarded the LUCA Award for best cashflow forecasting software and the Accounting Excellence Award for Software Innovation of the Year. We continued to strengthen our partnerships with General Ledgers (Xero and Intuit Quickbooks) and were awarded Practice App of the Year (2020) at the Xero Awards. In 2021, we were shortlisted for two Accounting Excellence awards, the Partnership Award for building relationships with accountants and Product Innovation of the Year, for our funding platform.

Assessment Period 14 (October 1st, 2022 – December 31st, 2022)

These Public Commitments are based on Fluidly's Revised Business Case which was approved in October 2022. As a result of OakNorth Bank's acquisition of Fluidly, OakNorth Bank remains committed to making a difference with co-investment and building on what has already been achieved to date by Fluidly. The former Public Commitments, including rationale for the changes can be viewed [here](#).

COMMITMENT 1 - We commit to developing and refining the new OakNorth online, digital

application journey for smaller loan applications under £3m. We plan on cutting down average times to complete the application and gather all the paperwork to apply for a loan from weeks to hours. UK SMEs will benefit from faster decisions helping to remove material uncertainty for their businesses and plan more effectively.

We are on track to meet this commitment having launched the new OakNorth Digital Application Journey in Q3 2022 for residential property loan applications under £3m. This new UX/UI will make the online loan application process much faster and easier, cutting down average times to complete an application and gather all the paperwork to apply for a loan from weeks to hours.

Fluidly continues to invest and support accountants and their connected SMEs with our forecasting technology and financial marketplace.

COMMITMENT 2 - OakNorth Bank will match the remaining BCR funding. This will deliver new functionality to support UK SMEs, enabling them to find funds faster and more efficiently reducing the uncertainty in their business.

Fluidly was on track to meet the original commitment having co-invested £4.4m up to H2 2022 and achieving many of the Public Commitments. Following the acquisition, OakNorth and Fluidly remain on track to meet this new commitment having invested matched funds this quarter in the new OakNorth digital application journey.

COMMITMENT 3. ACTIONS HUB FOR INTELLIGENT CASHFLOW MANAGEMENT

We will launch the Fluidly Actions Hub within 12 months of receiving funding. The Actions Hub will provide a single view of finances to build stronger, more resilient businesses. This includes:

- 1. Insights and benchmarking against similar SMEs (e.g. sector and growth stage) to highlight opportunities for improvement.**
- 2. Personalised recommendations to support smart decision making. Actions will range from identifying opportunities to preventing potential threats - to promote growth and survival.**

This commitment has been met.

COMMITMENT 4. INTELLIGENT FINANCIAL MARKETPLACE

By October 2020, we will launch an AI-driven financial marketplace that drives choice by matching needs to traditional and alternative finance providers. By combining historical financial data (the basis of most credit decisions) with AI-driven future insights, Fluidly helps predict and pre-empt needs. This unique AI-equipped platform will allow businesses to make timely, informed decisions about financial products.

We will work with lenders to build new predictive datasets that support risk assessment to target delivery of a lower cost of capital. We will also reduce market friction by facilitating API-driven decisioning.

67% of SMEs do not borrow. We want to help SMEs with returns on cash. Whether highlighting options to invest in growth, save money or get better interest rates on balances, we want to help SMEs identify the right products, whether from an incumbent or a challenger.

This commitment has been met.

COMMITMENT 6. UNLOCKING AI FOR EVERY BUSINESS

We commit to helping SMEs benefit from the transformational potential of AI. Fluidly's patent-pending, UK-built technology has received industry and government recognition. The challenges of implementing AI, such as cost, integration complexity and lack of internal expertise, remain barriers, even for established enterprises. Fluidly commits to making AI readily accessible for smaller businesses, while developing responsible AI systems that produce fair, unbiased results. We commit to protecting client, personal, and partners' commercially sensitive data to industry-leading data security and privacy standards, as well as meeting GDPR requirements.

This commitment has been met.

COMMITMENT 7. UNLOCKING FINANCIAL DATA TO IMPACT THE ENTIRE ECOSYSTEM

Fluidly is building proprietary datasets to assess risk, that will drive innovation in credit products particularly for underserved businesses. We commit to identifying behavioural patterns in our data to predict risk, and work with at least two lenders to co-create new products that reduce cost of capital for SMEs (58% of SMEs cannot currently get funding at APRs below 8%). We will also create access to at least 25 partners across the ecosystem, including alternative finance providers, general ledgers, accounting firms and other Fintechs. The alternative finance providers will drive competition by challenging the traditional banks' stronghold over less accessible credit. By partnering with other Fintechs, we will further commercialise their technology across the market alongside our own, creating multiplier effects in the ecosystem.

This commitment has been met.

COMMITMENT 8 - Working with OakNorth, Fluidly remains committed to creating a diverse and inclusive culture that serves a cross-section of small businesses. OakNorth Bank supports businesses in all sectors, regions and growth stages, with offices in London and Manchester, as well as regional hubs in Bristol, Birmingham, Leeds, and East Anglia. It will continue to grow its regional teams and capabilities in line with business needs and demand.

This commitment has been met.

COMMITMENT 9 - With OakNorth Bank, we will give full transparency on the allotment of funding towards our goals. We will provide BCR with quarterly updates on delivery of our commitments.

We are on track with this commitment, keeping the BCR updated on our progress.